

SPECIAL FEATURE: Outside Directors’ Conversation

# Driving Transformation Both "Offensively" and "Defensively"

Outside Directors Takuya Morikawa and Shozo Tokuda engaged in a frank discussion about the transformation ITOCHU ENEX is advancing under the ENEX2030 Medium-Term Business Plan.

### Takuya Morikawa

#### Outside Director

Apr. 1982 Joined KOKUYO Co., Ltd.  
Jun. 2005 Director, KOKUYO Co., Ltd.; Representative Director, President and CEO, KOKUYO S&T Co., Ltd.  
Apr. 2015 Director, Group Senior Executive Officer, General Manager of Overseas Business Division, KOKUYO Co., Ltd.  
Jan. 2019 Director, Vice President, in Charge of Special Missions, KOKUYO Co., Ltd.  
Jun. 2020 Outside Director, ASANUMA CORPORATION (current)  
Apr. 2021 Advisor, KOKUYO Co., Ltd.  
Apr. 2021 Representative Director, President and CEO, Wakiprintpia Co., Ltd.  
May 2021 Corporate Advisor, NETSQUARE Co., Ltd.  
Jun. 2022 Outside Director of the Company (current)  
Aug. 2023 Representative Director and Vice President, NETSQUARE Co., Ltd.  
Mar. 2024 Representative Director and President, NETSQUARE Co., Ltd.  
Nov. 2024 Director and Executive Officer, SHOWA NOTE Co., Ltd. (current)

### Shozo Tokuda

#### Outside Director

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, and 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)

### ITOCHU ENEX is Strengthening its "Hunter Approach"

**Tokuda:** I have been observing the Company ever since I was appointed as an Outside Audit & Supervisory Board Member in 2017. I feel that the core management principle of cherishing and steadily expanding the customer base we have built over many years, along with the corporate philosophy of being "The Best Partner for Life and Society," has been consistently passed down through successive generations of top management.

**Morikawa:** It is crucial to update our mission, vision, and values in response to changing times, and the Company's policies and the message it communicates also change depending on the top management. However, as you pointed out, the culture articulated in our vision and corporate philosophy remains a constant undercurrent, and I believe this is exactly how we should operate as a company that continuously supports social infrastructure, primarily in the energy sector.

**Tokuda:** On the other hand, simply maintaining our current customer base is unrealistic given the declining population, which is why successive presidents have consistently recognized and addressed the issue of creating the next pillars of growth during the period in which the current base can be maintained, and breaking away from our dependence on energy distribution businesses.

**Morikawa:** That is exactly the sentiment behind President Tabata's use of the term "hunter approach." In particular, a proactive approach to offering new products to existing customers, existing products to new customers, and new products to new customers is essential for sustainable growth. I completely agree that a positive stance towards opening up new frontiers is indispensable for achieving this.

**Tokuda:** By nature, hunter tribes live day-to-day, which makes their existence inherently precarious. President Tabata is by no means rejecting the "agrarian approach" of protecting our existing customer base. However, it is a fact that, because the revenue base of our existing businesses is so robust that profits steadily accumulate simply by maintaining it, we somewhat lack a corporate culture that encourages taking on new challenges. In fact, recognition of this issue has been passed down from one president to the next. I believe that President Tabata's use of the strong term "hunter tribe" reflects his desire to share a sense of crisis with employees, in that settling for a continuation of the status quo will result in becoming the proverbial frog in boiling water, and his conviction that strongly encouraging them to take on challenges is essential to achieving our goals for 2030.

**Morikawa:** I have extensive experience at operating companies, where I have taken on many challenges and also experienced failures in the pursuit of growth. I firmly believe that failing before others do and learning from those failures is what leads to the next success. A significant decline in performance naturally creates an atmosphere conducive to

taking on challenges, but at ENEX, which is consistently generating profits, there is a tendency to rely on precedent and be bound by preconceived notions. I believe it is highly significant that President Tabata is consciously encouraging new challenges and cultivating a corporate culture that tolerates failure.

**Tokuda:** Having been involved with ITOCHU ENEX for many years, I felt a clear shift in the mode of management with the formulation of ENEX2030 in 2023. Our core energy business is subject to factors beyond our control, such as international affairs and energy policies, so our management style has inevitably been one of steadily building up the business while adapting to changes, which is the background to the previous practice of setting medium-term management[A1.1] plans in two-year increments. However, as it became clear that maintaining this style would limit our future growth, we set a long-term goal for 2030 for the first time and outlined a direction to build a new revenue base on top of our existing businesses through ¥210 billion in strategic investments.

**Morikawa:** I agree. While a two-year planning cycle is reasonable in an industry where it is difficult to predict the future, I believe it is noteworthy that we have adopted a backcasting approach for the first time and set ambitious goals, as it demonstrates a strong commitment to management transformation. While we have indicated our intention to strengthen the mobility sector, we have not clarified specific investment areas for 2030 other than that. I understand this is because, as you mentioned, given the characteristics of our industry and business model, it would be too risky to try and predict the future with certainty and make large-scale investments. Therefore, the approach is to consider various possibilities and place multiple bets in areas of strength.

**Tokuda:** We were able to chart this long-term course thanks to the strong ability of our existing businesses to generate cash. I believe the "hunter approach" is only possible because of the foundation provided by the "agrarian approach." The key is how to strike the right balance between the two. We are moving forward toward 2030, having steadily accumulated profits in the two-year periods of the 1st Stage and 2nd Stage, while our vision for the business foundation we aim to build in growth areas is becoming clearer year by year, starting with our investment in WECARS Co., Ltd. Whether we can reach our goal in the remaining four years will depend on the challenges we take on from now.

### Issues in Breaking Down Organizational Silos and Strengthening Customer Focus

**Morikawa:** I understand that the investment budget is not a quota that must be filled, but I consider it an issue that we have fallen behind in the plan, and to be honest, I feel we have not yet fully broken free from a defensive posture. This is also an important responsibility for us outside directors, and I intend to support the Company's efforts. The decline in the

sales volume of existing energy products is an unavoidable threat. While expansion into renewable energy is certainly necessary, our strength lies in our existing customer touchpoints. What matters is not their "quantity," but the "quality" of how we leverage them. We must determine, from the customer's perspective, how to transform our approximately one million customer touchpoints into business opportunities. For example, the mobility business offers broad scope for solving customer issues by leveraging our customer touchpoints. This includes not only providing means of transportation, but also supplying energy for mobility and supporting vehicle use and upkeep through maintenance and insurance services. Strengthening collaboration among with different business entities and actively considering a shift from a flow-based to a stock-based revenue model will also lead to new investment opportunities. I am sure the executive team is already considering this, but I would also like us to engage in deeper discussions on this topic.

**Tokuda:** While the idea of unifying our customer base and leveraging touchpoints has long been discussed, it has remained a persistent challenge due to historically strong siloing of departments. However, I believe we have taken a step forward with the recent replacement of our ERP system. I believe that sharing data will facilitate the exploration of new business opportunities and stimulate personnel transfers across business divisions.

**Morikawa:** From a human resources development perspective, developing talent vertically, that is, cultivating deep expertise in a specific business area, is a rational approach to strengthening our businesses. However, since

the characteristics and culture of each business division are entirely different, I believe we will need to proceed cautiously, one step at a time. However, in the current market, where needs are already being largely met, I believe it is extremely important to explore latent needs from the customer's perspective in order to create new businesses. Since a company's organizational structure is irrelevant to customers, I want to strongly encourage the transfer of personnel across businesses to enable the Company to view the market from multiple angles and from the demand side. The required talent profile, training methods, and optimal personnel allocation are important themes that we must consider simultaneously if we are to strengthen our "hunter approach."

Deepening Discussions on Strategy

**Tokuda:** In my assessment, the Board of Directors is steadily improving through the PDCA cycle of effectiveness evaluations. The need to further invigorate discussions was previously raised as an issue, but we now engage in active discussions that include the outside directors, and we have advanced to the stage of further deepening the substance of these discussions.

**Morikawa:** I agree. As diversity among the Directors and Audit & Supervisory Board Members has increased, opinions are now being expressed from a variety of perspectives. At the same time, I believe that we outside directors must become more deeply involved in strategic discussions in order for the Board of Directors to fulfill its decision-making role regarding portfolio strategy and resource allocation, as required by the revised Corporate Governance Code, rather than acting

Steadily transform growth investments into corporate value by not fearing risk but controlling it at an appropriate level



merely as an approval body.

**Tokuda:** While investments exceeding a certain scale are naturally placed on the agenda at Board of Directors meetings, it is true that, until now, outside directors have not been able to sufficiently participate in discussions regarding the overall investment policy within the medium-term management plans. However, this was identified as an issue in the latest effectiveness evaluation, and we are moving toward further deepening our discussions. To this end, we outside directors must deepen our understanding of the businesses more than ever before. Although we are provided with opportunities such as the advance briefings provided to outside officers, explanations provided by department heads, and visits to various business sites, I hope to see these initiatives further enhanced. Naturally, we should also proactively seek out information ourselves.

**Morikawa:** When I was on the executive side at my previous company, we often held off-site meetings with outside directors, but it was difficult to engage in productive discussions due to information asymmetry. However, I believe it is necessary to clearly establish major discussion points that serve as the starting point for our thought process, such as what kind of future we want to realize, what kind of business entity we aspire to be, and what scenarios we should pursue to get there.

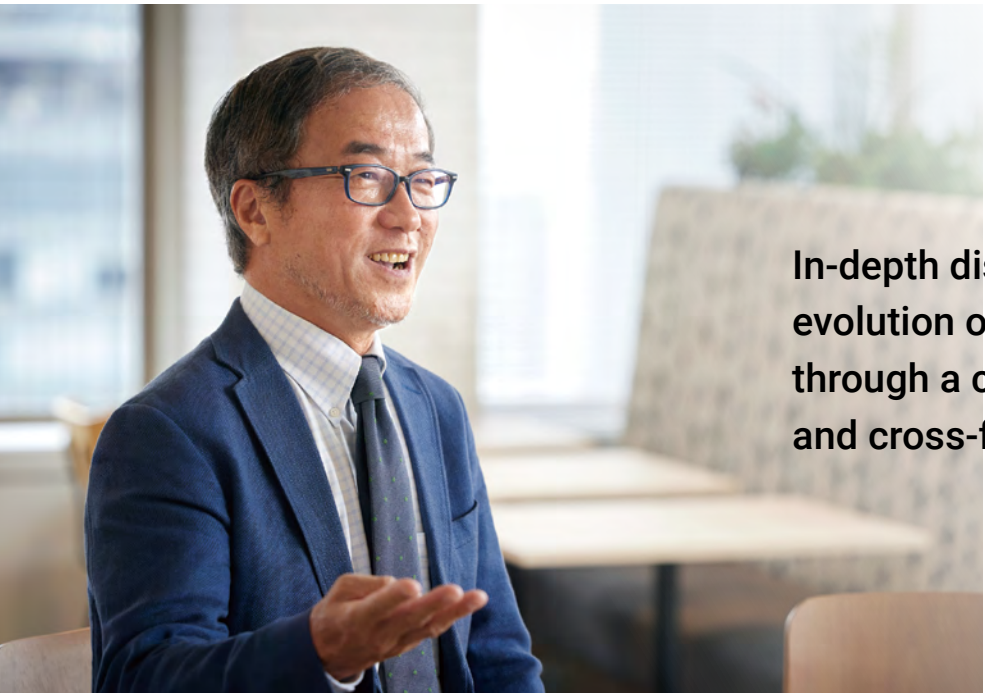
**Tokuda:** As an outside director, it is also an important responsibility to closely monitor the relationship with the parent company. Historically, we have had limited transactions with our parent company, so conflicts of interest have rarely occurred. However, as we are currently pursuing joint ventures in the mobility sector, primarily through WECARS Co., Ltd., I intend to monitor this closely. Provided there are no conflicts of interest, I want us to leverage our parent company as a strength and actively utilize it.

Fully Supporting the Challenge "To Create Driving Force of Life"

**Morikawa:** In ENEX2030, we are pursuing a broader societal mission to contribute to the sustainable development of people, communities, and industries through energy, while delivering both social and economic value, under the theme of "To Create Driving Force of Life." While building on our foundation as an energy trading company, I expect us to establish a position as an enterprise that solves customers' issues and supports better lives for people in 2030 and beyond, and to evolve our business model. Through my past experience, it has become ingrained in me that the essence of competition lies not merely in beating competitors, but in continuously providing high added value to customers, which cannot be achieved without a customer-centric perspective. I believe my role is to support ITOCHU ENEX in its approach to identifying business opportunities from such a market-based perspective.

**Tokuda:** Through the process of auditing numerous listed companies since starting my career at an audit firm, I have learned various patterns regarding when and how setbacks and miscalculations occur. We must avoid major missteps as we advance growth investments under ENEX2030, and I believe it is my crucial responsibility to leverage my experience to proactively detect risks and exercise effective "defensive" governance. However, this does not mean my role is to apply the brakes. Rather, it is "defense" in the sense of promoting risk-taking by leveraging the ¥210 billion for investments, and controlling risks at an appropriate level to steadily translate this into corporate value. I intend to continue supporting ITOCHU ENEX as it takes on the challenge of transformation under the philosophy "To Create Driving Force of Life," and to fulfill my responsibilities as an outside director.

In-depth discussions to support the evolution of our business models through a customer-centric approach and cross-functional collaboration



Corporate Governance

— Transparent, Effective, and Fair Decision-Making —

As a company with a Board of Directors and an Audit & Supervisory Board, the Company ensures the fulfillment of the auditing function and transparency in decision-making through fully functioning management oversight by the Audit & Supervisory Board Members. In accordance with the Corporate Philosophy, the Employee Code of Conduct, and the Declaration of the Group Code of Conduct, the Company is continuously strengthening corporate governance based upon persistently pursuing compliance, focusing on Shareholders returns, and ensuring managerial transparency and speed.

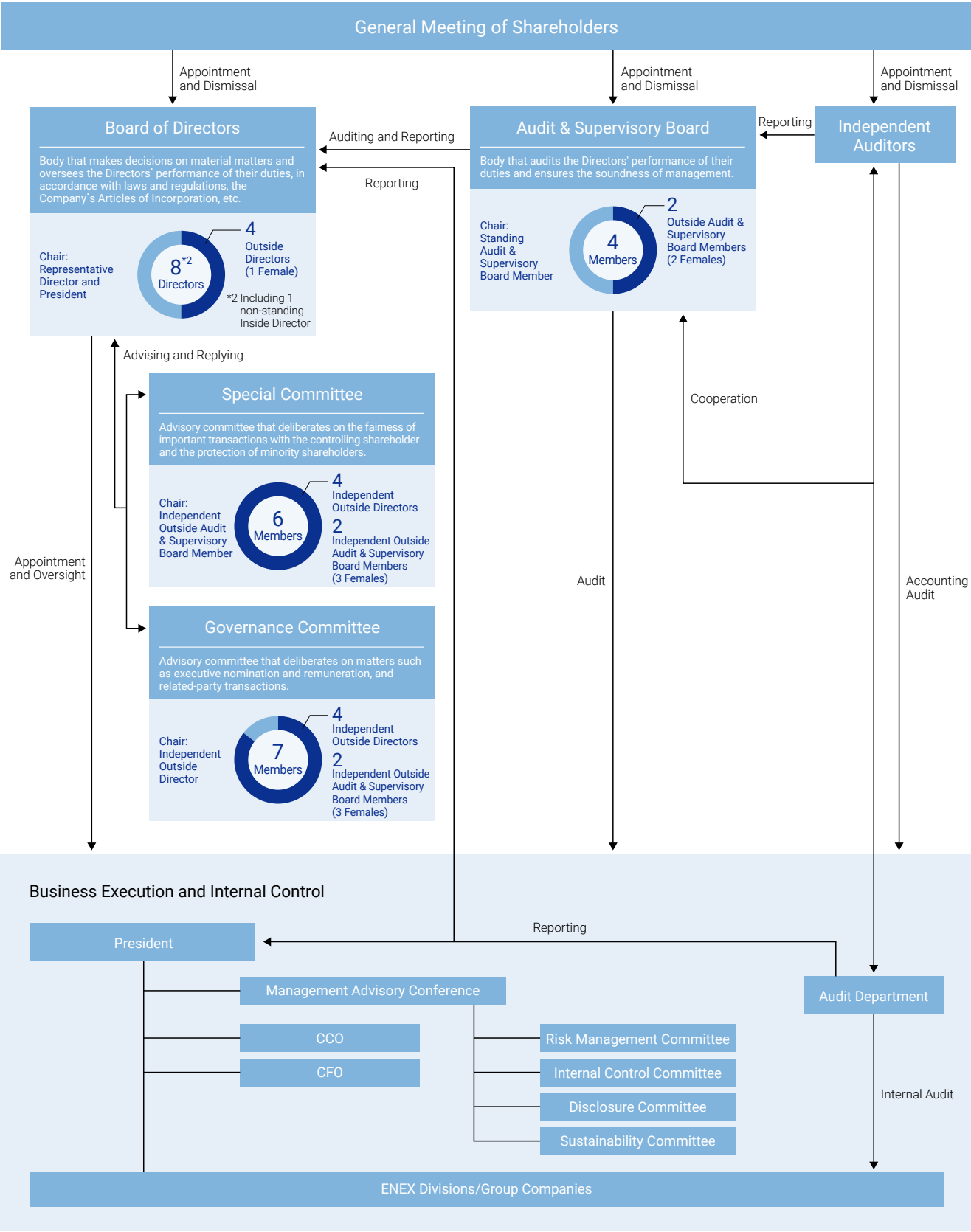
In accordance with laws and regulations, the Company’s Articles of Incorporation, and internal rules, the Board of Directors is responsible for making decisions on material matters and overseeing the Directors’ performance of their duties, and the Directors perform their duties in accordance with their assigned roles. Also, 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, in which executive officers perform their assigned duties based on delegation from the Board of Directors and the Representative Director. Furthermore, the Company is proceeding with the development

of an effective governance system, taking into account the Corporate Governance Code and feedback from the market. In addition, the Board of Directors consists of at least half Outside Directors, and female Directors are also appointed from the perspective of diversity, with the objective of further improving the effectiveness of management supervision and transparency of decision-making by the Board of Directors. Also, in order to ensure fairness in important transactions with its controlling shareholder, the Company has 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 Directors, thereby enhancing the deliberation and approval process at the Board of Directors meetings. Through this corporate governance system based on a Board of Directors in which half of the members are Outside Directors, as well as various highly independent committees and an Audit & Supervisory Board, the Company has established a mechanism that appropriately separates and mutually complements oversight and business execution functions, and we believe this system aligns with our fundamental approach to Corporate Governance.

Strengthening the Governance System

|             | 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)                                                                                                                                                                                                                                                                                                    | <div><div></div></div> 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)                                                                                                                                                                                                                                                                                                                                                                            | <div><div></div></div> 25.0% |
| FY2019-2020 | • First female Outside Director appointed<br>• Ratio of Outside Directors on the Board of Directors increased to at least 1/3<br>• Publication of skills matrix of outside officers (Integrated Report)                                                                                                                                                                                                                                                                                                                                                   | <div><div></div></div> 37.5% |
| FY2021-2022 | • First female Outside Audit & Supervisory Board Member<br>• Established a Special Committee (a voluntary advisory body to deliberate and examine transactions involving a conflict of interest between the controlling shareholder and minority shareholders)                                                                                                                                                                                                                                                                                            | <div><div></div></div> 37.5% |
| FY2023-2024 | • Some items in the skills matrix amended to enable monitoring of the progress of the Medium-Term Business Plan<br>• Clarified the requirements for fulfilment of skills                                                                                                                                                                                                                                                                                                                                                                                  | <div><div></div></div> 42.9% |
| FY2025-2026 | • Ratio of Outside Directors on the Board of Directors increased to at least one half (4 Inside Directors and 4 Outside Directors)<br>• 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)<br>• 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 | <div><div></div></div> 50.0% |

Corporate Governance System\*1 (As of June 17, 2026) \*1 Business execution, internal control, managerial monitoring, and risk management system, etc.



Corporate Governance

Management Team

Directors

Representative Director and President

Nobuyuki Tabata

Reappointed



Nobuyuki Tabata has worked at ITOCHU Corporation primarily in the chemicals field for many years, and has cultivated extensive management skills and broad insights into global business management through his experience, including as President of ITOCHU Corporation's subsidiary company in the U.S., followed by roles as Chief Operating Officer of the Chemicals Division, Executive Officer, and Senior Executive Director of ITOCHU Corporation. Mr. Tabata has been leading the Company's management as Representative Director and President since June 2025, and since assuming office, he has been working to address the severe changes in the business environment surrounding the Company.

- Shares of the Company owned : 81,855
- Significant concurrent positions outside the Company : None

Director and Managing Officer

Kunio Nishimura

Reappointed



Kunio Nishimura has worked mainly in petroleum-related businesses since joining the Company, and 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. Mr. Nishimura 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 : 14,991
- Significant concurrent positions outside the Company : Director, Nissan Osaka Sales Co., Ltd.

Director and Executive Officer

Satoshi Watanabe

Reappointed



Having worked for ITOCHU Corporation for many years, mainly in finance and management strategy, Satoshi Watanabe currently serves as Chief Operating Officer of the Corporate Administration Division in the Company, possessing a wealth of business experience and broad expertise in management.

- Shares of the Company owned : 12,766
- Significant concurrent positions outside the Company : None

Director

Tetsuya Yamada

Reappointed



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 & Power Solutions Division of ITOCHU Corporation. Mr. Yamada 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 : Senior Operating Officer, Chief Operating Officer of the Energy & Power Solutions Division, ITOCHU Corporation Director, Sakhalin Oil and Gas Development Co., Ltd.

Director

Takuya Morikawa

Reappointed

Outside

Independent



Takuya Morikawa has long been 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, and has gained business experience and a wealth of knowledge on business management through these activities. Mr. Morikawa 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 : 3,129
- 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 as a management strategy consultant at a major consulting firm. Ms. Sato provides advice regarding the Company's management and performs appropriate oversight of business execution.

- Shares of the Company owned : 1,252
- 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

Shozo Tokuda

Reappointed

Outside

Independent



In addition to expertise as a certified public accountant and his 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 a partner of a major audit firm. Mr. Tokuda provides advice regarding the Company's management and appropriate oversight of business execution from an objective and expert perspective.

- Shares of the Company owned : —
- Significant concurrent positions outside the Company : None

Director

Taketoshi Hosoya

New appointment

Outside

Independent



Taketoshi Hosoya has long engaged in a wide range of business activities in the retail and distribution industries, including planning and promotion of business strategy, business investment, and M&A. Having gained business experience and a wealth of knowledge on business management through these activities, Mr. Hosoya was appointed as a Director of the Company in June 2026.

- Shares of the Company owned : —
- Significant concurrent positions outside the Company : Outside Director, Watt Mann Co., Ltd.

(Notes) 1. Shares of the Company's common stock owned as of May 15, 2026  
2. Independent indicates an officer registered with the Tokyo Stock Exchange as an independent officer  
3. Titles used during the person's tenure are shown

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. Mr. Suda has global business experience and extensive knowledge related to business management that he has cultivated through his various roles. He 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 : 2,386
- Significant concurrent positions outside the Company : None

Standing Audit & Supervisory Board Member

Yasuhiro Imazawa



Yasuhiro Imazawa has worked for ITOCHU Corporation for many years, mainly in finance, accounting, risk management, and audit areas, and 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, Mr. Imazawa was appointed as an Audit & Supervisory Board Member 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 : 25,167
- Significant concurrent positions outside the Company : None

Audit & Supervisory Board Members

Masako Iwamoto

Outside

Independent



Masako Iwamoto has specialized knowledge and extensive experience in corporate legal affairs as an attorney, and has also acquired deep insight during her tenure as an outside officer at other companies. Appointed as an Audit & Supervisory Board Member of the Company in June 2021, Ms. Iwamoto provides advice for the management of the Company as well as proper auditing 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 Audit & Supervisory Board Member,HOKUTO, Inc.

Audit & Supervisory Board Members

Sonoko Kajiyama

Outside

Independent



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 audit firms and the internal audit departments of global companies. Appointed as an Audit & Supervisory Board Member of the Company in June 2024, Ms. Kajiyama provides advice regarding the Company's management and appropriate auditing 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 Members

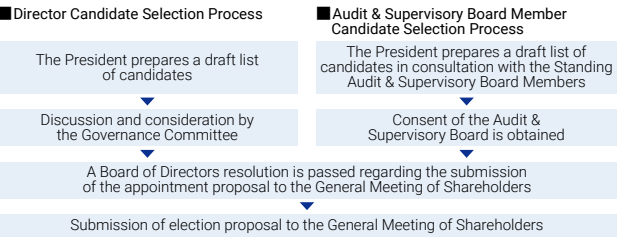
|                                                            |                                                              | Directors                                                |                                                  |                                                    |                            | Outside Directors           |                       |                          |                              | Audit & Supervisory Board Members                        |                                                               | Outside Audit & Supervisory Board Members           |                                                      |
|------------------------------------------------------------|--------------------------------------------------------------|----------------------------------------------------------|--------------------------------------------------|----------------------------------------------------|----------------------------|-----------------------------|-----------------------|--------------------------|------------------------------|----------------------------------------------------------|---------------------------------------------------------------|-----------------------------------------------------|------------------------------------------------------|
|                                                            |                                                              | Representative Director and President<br>Nobuyuki Tabata | Director and Managing Officer<br>Kunio Nishimura | Director and Executive Officer<br>Satoshi Watanabe | Director<br>Tetsuya Yamada | Director<br>Takuya Morikawa | Director<br>Chie Sato | Director<br>Shozo Tokuda | Director<br>Taketoshi Hosoya | Standing Audit & Supervisory Board Member<br>Ryohei Suda | Standing Audit & Supervisory Board Member<br>Yasuhiro Imazawa | Audit & Supervisory Board Members<br>Masako Iwamoto | Audit & Supervisory Board Members<br>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

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

1. Policies and Procedures in the Nomination of Director Candidates

To allow its Board of Directors to perform appropriate oversight of management and make decisions on important business execution, the Company, in principle, designates candidates for (Executive) Directors from among those who serve as President, CFO, CCO, and heads of each business division. 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 affairs, 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. Based on the above policy, 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.

Message from New Outside Director

Supporting the Enhancement of Corporate Value through External Insight into "Structure, Operation, and Implementation"



Director  
**Taketoshi Hosoya**  
New appointment   Outside   Independent

Career Biography

- Apr. 1988

Joined ITOCHU Corporation
- Mar. 1997

Resigned from ITOCHU Corporation
- Apr. 2009

Representative Director, Vice President and COO, Kakuyasu Co., Ltd. (currently, HitoMile Co., Ltd.)
- Jun. 2016

Representative Director and President, Sky Group Holdings Co.,Ltd.
- Jun. 2021

Representative Director, President and CEO, JOYFUL HONDA CO., LTD.
- Jun. 2026

Outside Director of the Company (current)
- Jun. 2026

Outside Director, Watt Mann Co., Ltd. (current)

One month after I was nominated as a candidate for Outside Director of the Company, a military conflict broke out between the United States and Iran. 2026 has become a year deeply etched in our memories, as the vast majority of the public has renewed their awareness of the urgency and importance of energy procurement and security.

I have worked in management positions for nearly 20 years, primarily at various operating companies in the distribution and retail sectors. Looking back, some of those companies "brought a breath of fresh air to an industry full of history and tradition." However, whether such efforts have ultimately led to structural changes in the individual industries must be left to the judgment of future generations. The truth I have learned from my hands-on management experience is that organizations that fail to continuously take on challenges will inevitably become obsolete and decline. This practical philosophy has become the backbone and very essence of who I am.

Having assumed the position of Outside Director, I will work toward the enhancement of corporate value based on three management decision-making principles. First, I will gain a thorough understanding of the business structure. I will once again delve into the fundamental assumptions upon which the Company's businesses are structured. Next, I will closely examine the unique operating mechanisms of individual companies and each ITOCHU ENEX Group company. I will monitor, from an independent external perspective, how the processes from frontline operations to management decision-making are designed and operated. Finally, I will support the establishment of implementation principles. While confirming and verifying whether the designed platform functions effectively and is soundly established, I will renew my commitment to fulfilling my responsibility of overseeing and advising management, and supporting them so that these efforts lead to concrete results.

I sincerely hope that the Company's stakeholders will look forward to the challenges we take on and the achievements we realize as all executives and employees of ITOCHU ENEX pool their strengths and advance toward a new future.

Evaluation of the Performance and Effectiveness of the Board of Directors

Status of Efforts by the Board of Directors

The Company's Board of Directors is composed of eight Directors, half of whom are Inside Directors and half are Independent Outside Directors, which ensures diverse expertise and objective perspectives, enabling the Board of Directors to make decisions on important matters and supervise business execution. In FY2025, the Board of Directors held a total of 13 meetings to discuss the progress of the Medium-Term Business Plan, important investment projects, internal control and corporate governance, sustainability measures, and other matters from both quantitative and qualitative perspectives.

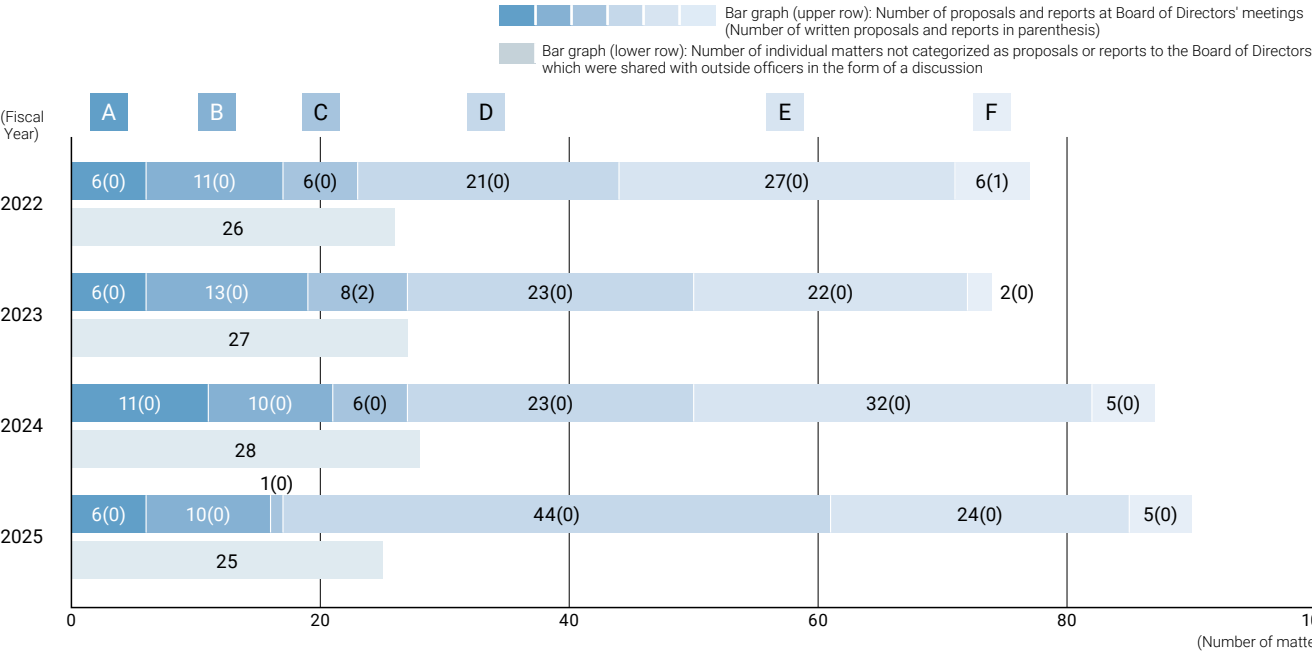
Also, the Board of Directors aimed to improve the

transparency and objectivity of the decision-making process by taking into account the results of deliberations by the Governance Committee and Special Committee, which are voluntary advisory committees to the Board of Directors. In addition, the Board of Directors continuously monitors important management issues through collaboration with the Management Advisory Conference and committees such as the Risk Management Committee, Internal Control Committee, Disclosure Committee, and Sustainability Committee, and strives to deepen discussions aimed at enhancing corporate value over the medium to long term.

Main Proposals and Agenda Items

|   | A Management strategy and management policy                                                                                                                                                                                                                            | B Accounts and finance | C Progress reports and initiatives policy on new and ongoing investment projects | D Governance, risk management, and compliance                                                                                                                                                                                                                                                                                               | E Executive personnel and remuneration                                                                                                     | F Other individual matters |
|---|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|
| A | <ul style="list-style-type: none"><li>Management policy and the Medium-Term Business Plan</li><li>Organizational structure</li><li>Cross shareholdings policy</li><li>Revision of personnel system</li><li>Sustainability initiatives reporting and policies</li></ul> |                        |                                                                                  | <ul style="list-style-type: none"><li>Corporate governance report</li><li>Internal control</li><li>Internal audit report and plan</li><li>Corporate auditors' audit report and plan</li><li>Evaluation of the effectiveness of the Board of Directors</li><li>Risk Management Committee activity report</li><li>Compliance report</li></ul> |                                                                                                                                            |                            |
| B | <ul style="list-style-type: none"><li>Approval of financial statements and business plans</li><li>Shareholder returns</li><li>Funds management and borrowing plans</li><li>Annual Securities Report and financial statements</li></ul>                                 |                        |                                                                                  |                                                                                                                                                                                                                                                                                                                                             | <ul style="list-style-type: none"><li>Executive personnel</li><li>Executive remuneration</li><li>Appointment of committee chairs</li></ul> |                            |
| C | <ul style="list-style-type: none"><li>New investment projects</li><li>Progress reports and initiatives policy on investment projects</li></ul>                                                                                                                         |                        |                                                                                  |                                                                                                                                                                                                                                                                                                                                             | <ul style="list-style-type: none"><li>Important changes in management rules</li><li>General meeting of shareholders</li></ul>              |                            |

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



Corporate Governance

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 FY2025, 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 the end of March 2026                                                                                                                                                                                              |
| Outline of Implementation | Questions and free-form comments in a questionnaire format (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 administered. |
| Evaluation Results        | Each item suggests a generally high standard, meaning that the operations of the Board of Directors of the Company as a whole are judged to be appropriate with its effectiveness ensured                                                                                                    |
| Issues                    | Approach to deliberations that contribute to the enhancement of medium- to long-term corporate value, etc.                                                                                                                                                                                   |

With the aim of further improving the effectiveness of the Board of Directors, the Company has been continuously working to enhance the sophistication of the Board of Directors’ operations and discussions, based on the issues identified in an evaluation conducted by a third-party body in FY2024. In particular, in FY2025, the Company worked to foster an environment that elicits diverse opinions by reviewing the running of meetings by the Chairperson and the functions of the secretariat, and enhanced strategic discussions through the formulation of the Medium-Term Business Plan and deliberations on investment and business restructuring projects. Furthermore, the Company regularly

reviews compliance and internal controls, and is working to strengthen the oversight function across the entire Group. As a result of these initiatives, the FY2025 effectiveness evaluation confirmed steady progress in the functions of the Board of Directors, including more active discussions and enhanced psychological safety. Going forward, the Company will continue to strengthen its effective governance system by further deepening discussions and enhancing the oversight function from the perspective of enhancing corporate value over the medium to long term, encompassing management strategy, human capital, and sustainability.

|                                                              | Issues in FY2024                                                                                                                    | Implemented initiatives                                                                                                                                                         | FY2025 third-party evaluation                                                                                                                           | Ongoing issues for FY2026                                                                                                                                |
|--------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|
| Board of Directors operations and stimulation of discussions | Further enhancement of the free and open exchange of opinions and the expansion of speaking opportunities were recognized as issues | The Company reviewed the running of meeting by the Chairperson and the secretariat’s operations, and progressed the development of an environment that elicits diverse opinions | More active discussions and enhanced psychological safety were confirmed, indicating a steady improvement in the discussion environment                 | Further enhancement of the quality and strategic depth of discussions will be sought by refining the setting of discussion points, etc.                  |
| Management strategy and business portfolio                   | Further enhancement of discussions regarding strategy, capital efficiency, and the business portfolio was required                  | Expansion of the opportunities for discussion was sought through the formulation of the Medium-Term Business Plan and deliberations on investment and restructuring projects    | While opportunities for discussion expanded and strategic reviews progressed, it was recognized that there was room to further deepen these discussions | Deepen integrated discussions on strategy, investment, and human capital from the perspective of corporate value creation                                |
| Internal control and risk management                         | Strengthening the oversight function regarding the operational status of Group internal control and risk management was required    | Strengthened monitoring through continuous reporting on compliance and internal control reviews                                                                                 | The oversight system has progressed through expanded opportunities for discussion, and has entered a stage of further enhancing its effectiveness       | Promote the advancement of the oversight function to verify effectiveness and enhance capabilities to respond to material risks                          |
| Human capital and diversity                                  | A need was recognized to further enhance discussions on policies for ensuring diversity and human resource development              | Secured opportunities for discussion on human capital through the selection of management personnel and deliberation on personnel proposals                                     | While progress was made in discussions on human resources, it was recognized that there was room to strengthen alignment with strategy                  | Discuss human capital strategies in a manner that is integrated with medium- to long-term management, linking them to the enhancement of corporate value |

Activities of the Audit & Supervisory Board

Role of the Audit & Supervisory Board

As a company with an Audit & Supervisory Board, the Company has adopted a system in which the Board of Directors is responsible for making decisions on basic management policies and important matters, as well as supervising business execution, while the Audit & Supervisory Board and its members audit the business execution by Directors from an independent standpoint.

In addition to ensuring the soundness and transparency of management, the Audit & Supervisory Board strives to enhance the effectiveness of Group governance by confirming the status of initiatives to strengthen such governance and expressing opinions as necessary.

Audit System and On-Site Audits

Audit & Supervisory Board Members conduct their auditing by attending meetings of the Board of Directors, the Management

Advisory Conference, various committees, and project deliberation councils as members or observers, conducting interviews with Directors, Executive Officers, and business divisions, and reviewing approval documents, in accordance with the auditing standards, auditing policies, and division of duties established by the Audit & Supervisory Board.

The Standing Audit & Supervisory Board Members actively conduct on-site audits of major business locations and Group companies, striving to grasp the actual conditions using a risk-based approach.

Outside Audit & Supervisory Board Members conduct audits from an objective standpoint, based on their extensive experience and high level of expertise.

Furthermore, they work closely with the independent auditors, the Audit Department, and Legal & Compliance Department, and utilize the support of staff assisting the Audit & Supervisory Board Members to enhance the effectiveness of audits.

FY2025 Activities

FY2025 Priority Audit Items

- Appropriateness of the Board of Directors’ decision-making process and rationality of the decisions made, etc.
- Status of business execution by the Directors, etc.
- Operation and utilization status after the introduction of the next-generation core system
- Status of initiatives to strengthen Group consolidated management

Main subjects of the auditing

The Company and Group Companies



Supporting the Balance Between Offense and Defense

Outside Audit & Supervisory Board Member  
Masako Iwamoto

The Company has positioned FY2025-2026 as the 2nd Stage of the ENEX2030 Medium-Term Business Plan, and is working to promote DX utilization and investment execution strategies. The Audit & Supervisory Board has been closely monitoring the utilization of the new ERP system, which was launched as the foundation for DX, through ongoing discussions with the IT Planning Department (currently, the Digital Strategy Department). It is essential for each department to proactively drive its utilization on the front lines in order to leverage this system and enhance earning power, and we will continue to verify its adoption and outcomes. As a lawyer, I tend

to focus on risks when it comes to executing investments, but I feel it is important to keep in mind that an excessive emphasis on risk could hinder forward-looking investment decisions.

On the other hand, legal compliance is a fundamental prerequisite for management. Taking seriously the fact that, since the previous fiscal year, a subsidiary has been investigated by the Japan Fair Trade Commission and indicted by the Public Prosecutors Office, the Audit & Supervisory Board Members must exercise their monitoring functions with a stronger sense of crisis than ever before to ensure thorough compliance and strengthen internal controls across the entire Group.

As an Outside Audit & Supervisory Board Member, I intend to firmly maintain my independence and objectivity and contribute to the sustainable growth and sound enhancement of the Company’s corporate value, never hesitating to make recommendations that may sometimes be difficult for management to hear.

Internal Control

The Company has constructed, operates, and continuously improves its 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.

 Please see the Company’s website for the Basic Policy on Internal Control System.

<https://www.itcenex.com/en/corporate/governance/control/index.html>



Directors' Remuneration

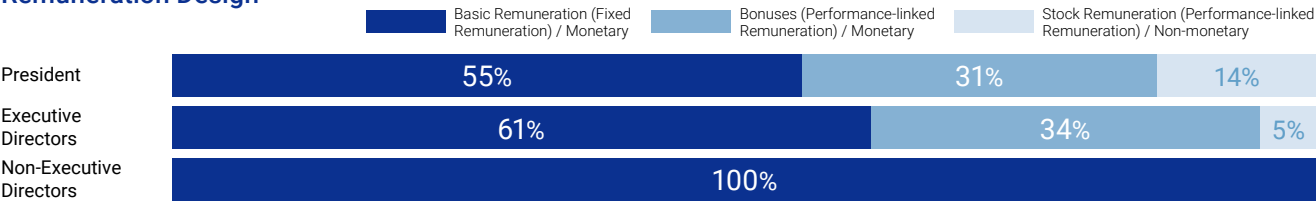
Basic Policy

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 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) given their roles and independence.

Remuneration Design



Composition of Director Remuneration (for Executive Directors)

| Types of Remuneration | Details of Remuneration                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|-----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Base Remuneration     | The Company determines the 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"><li>The Company pays performance-linked bonuses to Executive Directors at certain times of each year based on performance indicators (quantitative) and the level of goal achievement (qualitative) in the year and medium- to long-term.</li><li>The performance indicator that is the basis for bonuses is the level of achievement of the target for net profit attributable to ITOCHU ENEX's shareholders (consolidated), and the quantitative evaluation is determined by multiplying the base compensation by a certain coefficient linked to the achievement status of company-wide performance, departmental performance, divisional performance, and the Medium-Term Business Plan, depending on the officer's role.</li></ul> <p><small>*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.). Qualitative evaluation is not applied to the Representative Director.</small></p> |
| Stock Remuneration    | <ul style="list-style-type: none"><li>As medium- to long-term performance-linked remuneration, Executive Directors are provided with points according to net profit attributable to ITOCHU ENEX's shareholders (consolidated) 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 are granted a number of the Company's common shares commensurate with the total number of points granted.</li><li>The number of shares to be granted is the product of multiplying the number of points granted by 1.0.</li><li>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.</li></ul>                                                                                                                                                                                                                                                                                                                                                                                               |

(Note) Of the above remuneration, for the bonuses and stock remuneration, which are linked to the Company's business performance, net profit attributable to ITOCHU ENEX's shareholders (consolidated) 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 attributable to ITOCHU ENEX's shareholders (consolidated) in FY2025 was 16,058 million yen.

Total Amount of Director and Audit & Supervisory Board Member Remuneration, etc., Amount by Type of Remuneration, and Number of Eligible Officers

| Officer Category                                                              | Total Amount of Remuneration, etc. (million yen) | Total Amount by Type of Remuneration (million yen) |           |                    | Number of Eligible Officers (persons) |
|-------------------------------------------------------------------------------|--------------------------------------------------|----------------------------------------------------|-----------|--------------------|---------------------------------------|
|                                                                               |                                                  | Base Remuneration                                  | Bonuses   | Stock Remuneration |                                       |
| Directors (Outside Directors)                                                 | 290<br>(45)                                      | 189<br>(45)                                        | 75<br>(—) | 26<br>(—)          | 12<br>(4)                             |
| Audit & Supervisory Board Members (Outside Audit & Supervisory Board Members) | 77<br>(27)                                       | 77<br>(27)                                         | —<br>(—)  | —<br>(—)           | 5<br>(3)                              |
| Total (Outside Directors and Outside Audit & Supervisory Board Member)        | 367<br>(72)                                      | 266<br>(72)                                        | 75<br>(—) | 26<br>(—)          | 17<br>(7)                             |

(Notes) 1. At the 57th General Meeting of Shareholders held on June 21, 2017, the Company resolved to introduce a performance-linked stock remuneration plan for Directors (hereinafter referred to as the "Plan"). The total amount of stock remuneration in the table represents the amount of expenses recorded for stock grant points granted during FY2025 in relation to the Plan.  
2. The remuneration of Audit & Supervisory Board Members is determined through consultation among the Audit & Supervisory Board Members. Only basic remuneration is paid; bonuses and stock remuneration are not provided.

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 to the 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 meeting held on May 15, 2026, a detailed examination was conducted for each of the cross shareholdings held by the Company (six stocks in total) 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 while some of the cross shareholdings currently held by the Company are appropriate, there are also stocks for which the company will consider reducing its holdings after assessing the rationale for future ownership. (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 decisions for or against each proposal after examining them individually, rather than solely relying on uniform standards such as short-term operating results and stock prices. This is done from the perspective of whether the proposal will contribute to the medium- to long-term enhancement of the corporate value of the Company and its investee companies, taking into account non-financial information such as the management policies and strategies of the investee companies.

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 55.71% of our voting rights (as of March 31, 2026), making us a consolidated subsidiary. The 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, the Company promotes 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 17, 2026), 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.