

## INPEX's Materiality

We identified our materiality by considering the financial effects the environment and society had on us, and our impacts on the environment and society.

To achieve this, we assessed sustainability-related risks and opportunities that affected anticipated financial effects in terms of the likelihood and magnitude of the financial effects. We also assessed the impacts of our business on the environment and society in terms of the likelihood and severity of the impacts.

The specific evaluation process is as follows, and we review our materiality on an annual basis.



<p><b>Understanding of the INPEX value chain and businesses</b></p>	<p>We gained deeper insight from our company's value chain and stakeholders through the following publications and internal documents.</p> <ul style="list-style-type: none"> <li>• Annual Securities Report</li> <li>• Long-term Strategy and Mid-term Business Plan (INPEX Vision @2022)</li> <li>• Basic policies</li> <li>• Results of human rights due diligence assessments</li> <li>• INPEX Vision 2035</li> <li>• Results of past materiality assessments</li> <li>• Results of stakeholder engagement</li> </ul>
<p><b>Identification of the topic list</b></p>	<p>We have extracted potential issues relevant to our company, referencing various reporting guidelines below, and have created a list of topics.</p> <ul style="list-style-type: none"> <li>• GRI (Global Reporting Initiative) Standards</li> <li>• SASB (Sustainability Accounting Standards Board) Standards: Oil &amp; Gas – Exploration &amp; Production</li> <li>• International Sustainability Standards Board (ISSB)</li> <li>• Task Force on Climate-related Financial Disclosures (TCFD)</li> <li>• Ipieca Sustainability reporting guidance for the oil and gas industry</li> <li>• European Sustainability Reporting Standards (ESRS)</li> <li>• Sustainability Standards Board of Japan (SSBJ)</li> <li>• Task Force on Nature-related Financial Disclosures (TNFD)</li> <li>• Disclosure Documents from Other Companies in the Same Industry</li> </ul>
<p><b>Definition of IRO</b></p>	<p>We compared each issue against our value chain and businesses, and defined impacts, risks, and opportunities (IRO) that could occur over the short, mid and long terms.</p>
<p><b>Setting of assessment criteria and scoring</b></p>	<p>We identified our materiality while considering the financial effects the environment and society had on us, and our impacts on the environment and society. We assessed sustainability-related risks and opportunities that affected our financial effects in terms of the likelihood and magnitude of the financial effects (monetary, reputation, etc.). We also assessed the impacts of our business on the environment and society in terms of the likelihood and severity of the impacts (scale, scope, and irremediability). We set the likelihood assessment axis with reference to country-specific and business-specific ratings, including the past numbers of incidents by ourselves and other companies in the same industry.</p>
<p><b>Engagement with stakeholders</b></p>	<p>We conducted surveys and interviews with internal and external stakeholders to confirm their expectations and concerns related to issues we should address. Stakeholders include officers, employees, investors, and other companies in the same industry. As a result, we found that our internal assessment of our sustainability issues and the viewpoint of external stakeholders are aligned.</p>
<p><b>Identification of priority issues</b></p>	<p>Based on scores calculated through "Setting Assessment Criteria and Scoring", we conducted mapping and identified our materiality as the sustainability issues we need to address as a priority. Our materiality were assessed by each department in accordance with our risk management process, and discussed by the Sustainability Working Group.</p>
<p><b>Management review</b></p>	<p>Our materiality were resolved by the Sustainability Committee and Executive Committee, as the main committees within our sustainability promotion structure, and then reported to the Board of Directors.</p>

▶ [Click here](#) to see the targets and achievements related to our sustainability material issues, including the identified materiality.

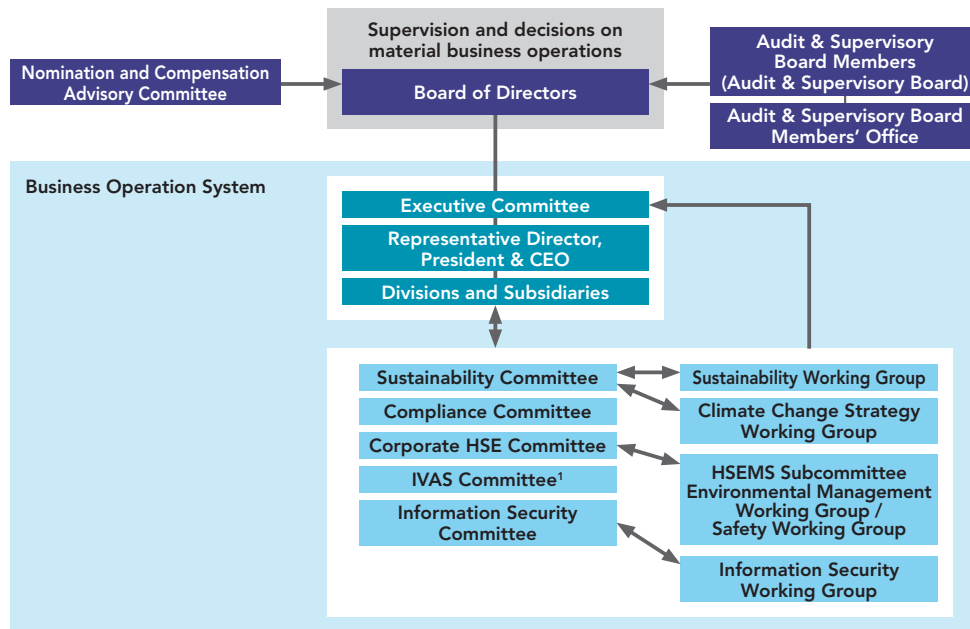
# Sustainability Management

INPEX's basic approach to sustainability management is to promote both a stable supply of energy and energy transition initiatives, while addressing climate change and other sustainability issues through its business and value chains.

Following this approach, we engage in sustainability management focusing on the sustainability-related materiality of greatest importance to us and our stakeholders. They are climate change, safety, human capital, biodiversity, and environmental pollution.

## Sustainability Structure

As of April 1, 2025



<sup>1</sup> The INPEX Value Assurance System (IVAS) Committee supports our decision-making process related to project promotion and value enhancement.

▶ [Please refer here for details on the sustainability promotion framework.](#)

The Sustainability Committee discusses the following and other matters continually and systematically to promote consistent Group-wide sustainability management.

Matters discussed by the Committee are also resolved and reported by the Executive Committee and Board of Directors. In FY2024, the Sustainability Committee met two times and sustainability was discussed at 13 of the 15 meetings of the Board of Directors.

### Matters Resolved Deliberated Reported

- Formulation of action plans for sustainability management
- Determination of our initiatives and future matters for consideration based on the Corporate Position on Climate Change
- Assessment of climate change-related risks and opportunities
- Review of our materiality
- Survey report on enhancing human rights management
- Plan of social contribution activities

## INPEX's Materiality and Action Plan

In line with INPEX Vision 2035, we have established our materiality and action plans as detailed below. We also incorporated the plans into our PDCA cycles to enable improvement. Company management, decision-making, and risk management are very material elements of governance. We also consider a strong governance structure to be a material element for supporting our materiality initiatives and realizing sustainable growth for the Company.



Materiality	Action Plans
Climate Change	<ul style="list-style-type: none"> <li>• Achievement of targets for addressing climate change</li> <li>• Expansion of natural gas and LNG business</li> <li>• Implementation of lower-carbon solutions</li> <li>• Expansion of businesses in power-related fields</li> </ul>
Safety	<ul style="list-style-type: none"> <li>• Prevention of major incidents</li> <li>• Securing of occupational health and safety</li> </ul>
Human Capital	<ul style="list-style-type: none"> <li>• Enhancement of engagement and promotion of DE&amp;I</li> </ul>
Human Rights	<ul style="list-style-type: none"> <li>• Respect for human rights</li> <li>• Coexistence with, and development of, local communities (indigenous peoples)</li> <li>• Supply chain risk management</li> </ul>
Biodiversity	<ul style="list-style-type: none"> <li>• Biodiversity conservation</li> </ul>
Environmental Conservation	<ul style="list-style-type: none"> <li>• Implementation of environmental pollution measures</li> </ul>

## Risk Management

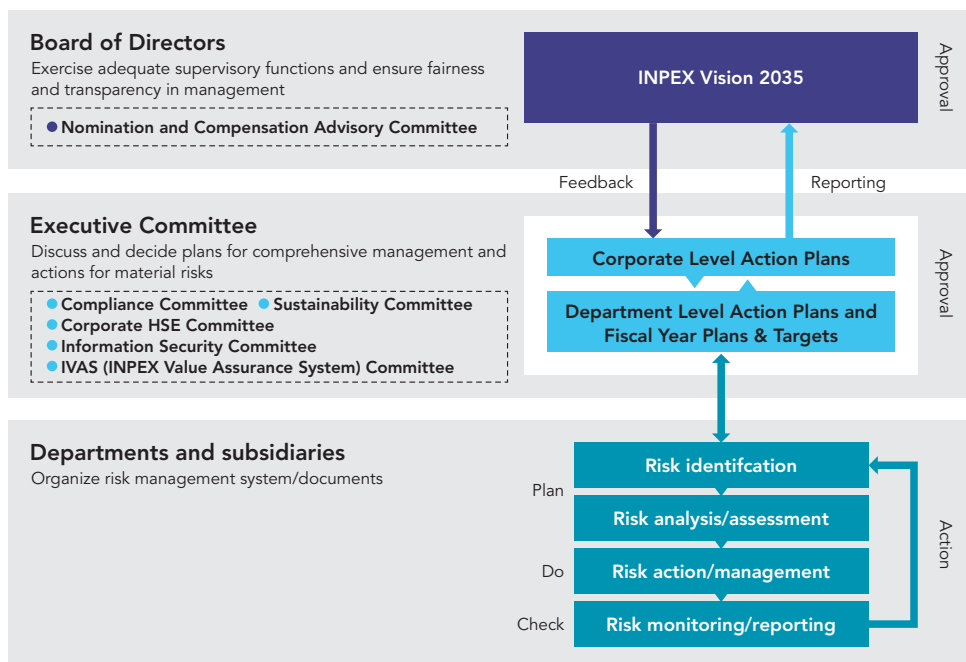
INPEX strives to continuously improve its risk management structure, which is designed to appropriately identify and manage the risks associated with its business operations, including sustainability-related risks.

We have established a structure to prevent, or otherwise mitigate, adverse impact. This helps us to maintain and reinforce the trust of our customers, business partners, investors, and other stakeholders, and maximize our corporate value.

### Risk Management Structure

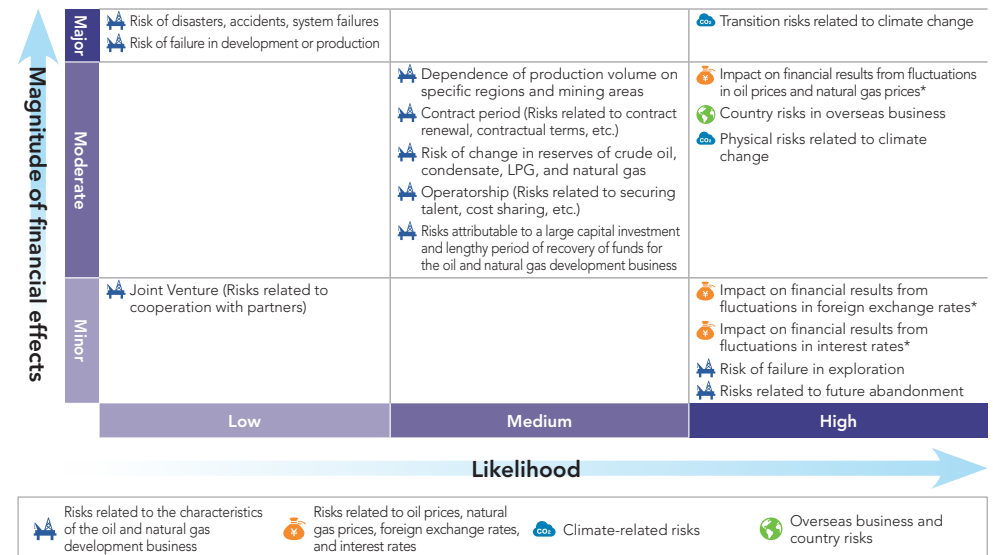
We have adopted a divisional system and assigned Directors and other officers as the Senior Vice President of each division. This system ensures responsibility and efficient management of business operations. This enables the divisions to work closely together to conduct risk identification, specification, analysis, and assessment in accordance with our internal regulations and guidelines. The Executive Committee discusses and determines comprehensive management and action plans for material operational risks associated with individual projects. The Committee also reports the above to the Board of Directors as necessary to exercise adequate supervisory functions and ensure fairness and transparency in management.

As of April 1, 2025



### Main Business Risks

The main risks in our business operations are outlined below, and basic measures for dealing with each are defined. Furthermore, we utilize risk maps to analyze specific and current risks affecting our financial effects in terms of magnitude of financial effects and likelihood. These risks include those that have already manifested themselves in our business strategy. We define our response policies based on the urgency and impact of these risks, and promptly implement countermeasures.



\* Depending on market conditions, there may also be a positive effect on the Company's financial results

#### Key control measures for managing various risks

**Climate change-related transition risks control measures**

- Introduction of clean energy and implementation of CO<sub>2</sub> emission reduction measures

**Market risks control measures**

- Management of financial risk

**Country risk control measures**

- Setting a maximum target of accumulated investments in high-risk countries

**Project risks control measures**

- Implementation of cross-organizational technical evaluation (IVAS Committee)
- Implementation of periodical economic evaluation and risk management

**Operational risks control measures**

- Formulation of emergency and crisis response plan, implementation of drills
- Formulation of Business Continuity Plan (BCP)
- Establishment of the Information Security Committee, implementation of education and training

## Climate Change

We published our Corporate Position on Climate Change in December 2015. Subsequently, to support the respect countries' efforts toward achieving the goals of the Paris Agreement, we established a target in January 2021 to achieve net zero emissions by 2050 (Scopes 1 and 2). With changes in the external environment as well as the updating of our Long-term Strategy and Mid-term Business Plan, we then reviewed our policies and targets for achieving net zero emissions by 2050. In February 2025, together with the announcement of INPEX Vision 2035, we revised our Corporate Position on Climate Change.

We will continue our efforts to reform our energy structure toward achieving net zero by 2050, while still meeting the energy demands of Japan and the world.

### Goals for Addressing Climate Change

We have set its own ambitions to contribute to realizing a low carbon society as outlined in the Paris Agreement.<sup>1</sup>

Decarbonization of INPEX Business		Contribution to lower-carbon society	
2050	2035	Scope 3 reduction	2035
Net zero in absolute emissions (Scope 1 and Scope 2) <sup>2</sup>	60% reduction <sup>3</sup> of net carbon intensity (Scope 1 and Scope 2) <sup>2</sup>	Work together with all relevant stakeholders to address challenges across the value chain	8.2 Mt avoided emissions generated

#### To achieve these ambitions INPEX will

- Promote CCS and other lower-carbon solutions
- Contribute to the development of a high-value-added and clean power supply
- Maintain current low methane intensity of approximately 0.1%<sup>4</sup> (calculated by methane emissions / natural gas production)
- Aim to eliminate routine flaring by 2030<sup>4</sup>

<sup>1</sup> The Paris Agreement's overarching goal is to hold "the increase in the global average temperature to well below 2°C above pre-industrial levels

<sup>2</sup> On INPEX equity share basis

<sup>3</sup> In comparison with 2019. Note that the reduction ambition and targets reflect the current economic environment and reasonable expectations. These are premised on a business environment of consistent progress in decarbonization technology, economic rationality, and realization of policies in each country and region.

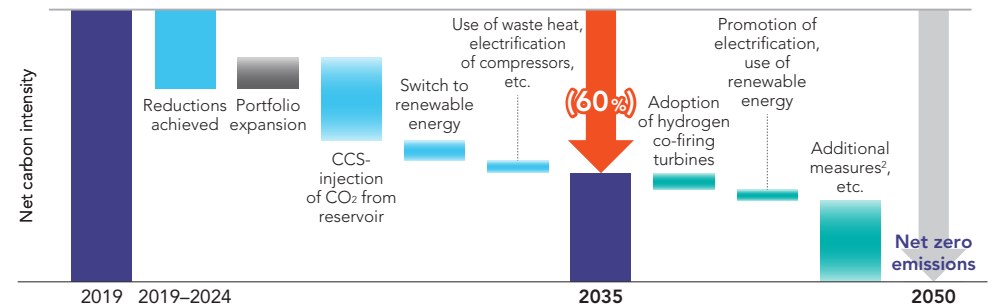
<sup>4</sup> In INPEX-operated projects.

### Roadmap to Achieve Decarbonization of INPEX Business

We have developed the roadmap, as detailed below, to achieve our targets for the decarbonization of our business. As the roadmap and achievement of targets are affected by the external environment, including technological progress and the feasibility of measures in each country and region, we identify such risks through scenario analysis and other means, and at the same time, use the marginal abatement cost (MAC) curve<sup>1</sup> for analyzing the cost-effectiveness of reduction measures and regularly revise our strategy.

- ▶ For more details on our climate change initiatives, including ongoing initiatives to address the TCFD recommendations, efforts to reduce fugitive methane emissions, and efforts to reduce flaring, [please refer here](#).

### Roadmap to Achieve Decarbonization



<sup>1</sup> It represents individual abatement measures by illustrating the reduction potential (the expected reduction amount from implementing the measure) and the abatement cost (the cost required to reduce one ton of CO<sub>2</sub>). The measures are arranged in order of increasing abatement cost, showing the reduction potential of each measure.

<sup>2</sup> We will further adopt optimal reduction measures according to technological progress.

### INPEX's GHG Emissions Performance

	FY2022, Jan-Dec	FY2023, Jan-Dec	FY2024, Jan-Dec	Target
<b>Direct GHG Emissions (Scope 1)<sup>1</sup></b> (thousand tons CO <sub>2</sub> e)	6,839	6,864	6,833	<b>2050</b> NET ZERO* <sup>1</sup> in absolute emissions (Scope 1+2) *1 On INPEX equity share basis
<b>Indirect GHG Emissions (Scope 2)<sup>1</sup></b> (thousand tons CO <sub>2</sub> e)	69	55	45	
<b>Scope3 Category 11<sup>1</sup></b> (thousand tons CO <sub>2</sub> e)	84,310	86,199	86,238	Scope 3 Reduction work together with all relevant stakeholders to address challenges across the value chain.
<b>Net carbon intensity<sup>2</sup></b> (kg CO <sub>2</sub> e/boe)	28	28	28	<b>2035</b> 60% Reduction of net carbon intensity (Scope 1 and 2)* <sup>1,*2</sup> *1 On INPEX equity share basis *2 In comparison with 2019
<b>Methane emissions intensity<sup>3</sup></b> (%)	0.05	0.05	0.05	Maintain methane emissions intensity (methane emissions/natural gas production) at its current low level (approx. 0.1%)* <sup>3</sup> *In INPEX-operated projects.

<sup>1</sup> INPEX's equity share emissions

<sup>2</sup> Net carbon intensity including offsets

<sup>3</sup> Methane emissions intensity on operational control basis: Calculated as methane emissions / gas production (%), the formula used by the Oil and Gas Climate Initiative

## Human Rights

We support international norms such as the International Bill of Human Rights, the International Labour Standards of the International Labour Organization, the United Nations Guiding Principles on Business and Human Rights, and the human rights principles of the United Nations Global Compact.

Our Sustainability Principles, Business Principles, Code of Conduct, INPEX Group Human Rights Policy, and other policies require all our officers and employees not only to comply with laws and regulations but also to respect social norms and act with high moral values.

▶ [Click here](#) for details on our Sustainability Principles, Business Principles, Code of Conduct.

▶ [Click here](#) for details on INPEX Group Human Rights Policy.

### United Kingdom Modern Slavery Act Statement

The INPEX Group implements measures to address the human rights of all stakeholders in each country and region where it operates, including stakeholders in its supply chains. As part of these efforts, we issue a Modern Slavery Act Statement based on the United Kingdom Modern Slavery Act 2015, which was enacted in October 2015. As an energy development company with sites around the world, including the United Kingdom, this statement indicates our policies, structures, and specific initiatives related to the prevention of slavery and human trafficking in the management of the Group's supply chain.

In addition, since FY2020, INPEX Operations Australia Pty Ltd has annually prepared and issued the [INPEX Australia Modern Slavery Statement](#) pursuant to the Australian Modern Slavery Act 2018. Furthermore, to comply with the Norwegian Transparency Act, INPEX Idemitsu Norge AS performs due diligence regarding human rights and working conditions and has disclosed the [Transparency Act Due Diligence Report](#), which states its due diligence activities, since FY2022.

We will continue to strive to enhance our human rights management. Through this, we will steadily live up to our social responsibilities to the local communities in which we operate, and we will contribute to the creation of a sustainable society.

▶ [FY2024 Statement Pursuant to the United Kingdom Modern Slavery Act 2015](#)

### Human Rights Due Diligence

Since FY2016, INPEX has been conducting human rights due diligence with the assistance of outside human rights experts at its sites in Japan and overseas to enhance its human rights management. Conducted in line with the INPEX Group Human Rights Policy, as of the end of FY2024, we have applied this due diligence to eight of our operational sites in three countries, non-operator projects, and suppliers with significant monetary impacts.

In FY2024, we expanded the scope of reassessment to include not only our oil and gas business but also our renewable energy business. With the cooperation of external experts, we conducted a reassessment of human rights risks through our value chain.

We undertake the following initiatives in view of the above human rights risk assessment results.

- Discuss future actions, such as widely disseminating the INPEX Group Human Rights Policy and providing human rights education, after confirming the management structure for human rights issues and the likelihood and severity of each issue and providing feedback on the assessment results to each site
- Regularly review human rights risks to properly respond to them and their countermeasures
- Conduct human rights risk assessments through surveys every three years

### Establishment of Various Inquiry and Grievance Mechanisms

INPEX operates various inquiry and grievance mechanisms to be accessible to all stakeholders. We consider protecting the privacy of whistle-blowers and those who consult us, and we also accept feedback anonymously.

Contact Points	Scope
Internal whistleblowing contact points	Officers and employees
Whistleblowing contact points for external stakeholders	Shareholders, investors, business partners (including suppliers, contractors, and security guards), NGOs, and local residents
Labor-management council	Employees

# Safety

First issued in November 2003, our Health, Safety and Environmental Policy is reviewed and updated every few years. We reissued it as "HSE Policy" in January 2025, and it sets out our policy and safety and environment-related initiatives. The executive officer in charge of HSE is responsible for these initiatives.

\* HSE: Health, Safety, Environment

## HSE Management System

To ensure implementation of the HSE Policy in our business activities, we adopted an HSE Management System (HSEMS) based on the International Association of Oil & Gas Producers (IOGP) OMS510\* report, referencing the international standards ISO 9001, ISO 14001, and ISO 45001. Founded on the principles of leadership, risk management and continuous improvement, OMS510 is the foundation for improving the performance and effectiveness of our HSEMS.

Based on these principles, the HSEMS Standard sets forth essential structural requirements for implementing the HSEMS, including the preparation and revision of key HSE documents (rules, standards, guidelines, etc), the development of HSE organizations, as well as HSE-related technical support for each division, education and training, communication activities, and periodic audits and reviews.

The Nagaoka Field Office, our largest field office in Japan, obtained environmental certification ISO 14001 in FY2003 and has since maintained it in conjunction with our HSEMS.



\* IOGP Report No. 510 "System Framework for controlling risk and delivering high performance in the oil and gas industry"

## HSE Objectives and Programs

We set corporate-level HSE objectives annually to ensure the continuous improvement of our HSEMS and achieve Group-wide HSE management. We also develop and execute an annual HSE program that summarizes activities to achieve the key HSE objectives at each site as well as at the corporate level, and we manage progress toward achieving the objectives.

Our ultimate goal is to ensure all employees at worksites can return home each day free from injury. The safety of the employees and contractors involved in our projects is our top priority, so we manage safety risks through our HSEMS.

The main outcome from our corporate HSE activities in FY2024 was the improved communication between senior management and site personnel which was achieved through site visits and our Safety Month campaign. We also developed the foundation for improved safety metrics by promoting labor safety measures and process safety awareness-raising activities focused on the causes of incidents. [Please click here](#) for the status of our HSE objective achievement in FY2024.

HSE objectives incorporating key safety measures for FY2025 are detailed below.

- **Initiatives for Group-wide incident reduction to achieve zero major incidents**
  - Ensure compliance with Life-saving Rules and implement safety measures at every site
  - Analyze incident trends and enhance measures for specific risks
  - Manage health, including mental health, at each location and maintain healthy and safe workplace environments
- **Enhancement of Group-wide process safety management**
  - Build mechanisms for improving process safety management competency and prepare for Group-wide implementation
  - Enhance process safety management by reviewing process safety management requirements and adopt them into the net zero businesses, etc.
- **Establishment and implementation of HSE management in all business areas**
  - Develop a roadmap for reorganizing HSEMS documents in response to business diversification, plan assurance activities and confirm the effectiveness of the HSEMS
- **Enhancement of HSE communication by senior management**
  - Facilitate regular HSE communication by senior management and leaders at our worksites

## Biodiversity Conservation and Environmental Pollution Measures

In December 2022, we established and published [our policies and commitments](#) on biodiversity conservation, water management and waste management—which are material global environmental issues—through a resolution of the Board of Directors.

In 2024, to further promote our commitments, we also formulated measurable quantitative targets across the INPEX Group.

### Biodiversity Conservation

▶ [Please click here](#) for our Policies and commitments.

#### Quantitative targets

- Achieve net-zero deforestation in operational organizations starting in 2025 or later
- Implement 100% of planned biodiversity conservation activities



### Water Management

▶ [Please click here](#) for our Policies and commitments.

#### Quantitative targets

- Maintain zero freshwater intake in high water stress<sup>1</sup> areas

### Waste Management

▶ [Please click here](#) for our Policies and commitments.

#### Quantitative targets

- Maintain a final landfill rate of 1% or less for drilling cuttings<sup>2</sup>
- Maintain recovery rate<sup>3</sup> of 70% or more of waste generated by regular operations

1 A state of limited availability of freshwater as defined by the World Resources Institute

2 Except in cases when the energy consumption and such required for recycling are significantly higher compare to landfill disposal

3 The percentage of INPEX's total generated waste that falls under the category of "Waste diverted from disposal" (Preparation for reuse; Recycling; Other recovery operations) in GRI 306.

### Promotion of Biodiversity Conservation Activities

The type and degree of impact that our business activities have on biodiversity differ depending on the scale, activities, and location of each project. Accordingly, the biodiversity conservation efforts required for each project also differ. Therefore, we assess the materiality of biodiversity in the areas in which we operate, and the risks and impacts on biodiversity that each project brings. For environmentally sensitive areas that are particularly important (protected areas, critical habitats of threatened species, forests, mangroves, coral reefs, wetlands, and tidal flats, etc.), we plan and implement biodiversity conservation actions to avoid, mitigate, and compensate for the risks and impacts of the project, based on the mitigation hierarchy.

For many years, we have been conducting activities that contribute to biodiversity conservation at our sites in Japan and overseas. We will continue to enhance our biodiversity conservation activities across the INPEX Group based on our Policy and Commitments on Biodiversity Conservation established and published in December 2022.

In FY2024, to further observe and promote our commitments, we established "Achieve net-zero deforestation in operational organizations starting in 2025 or later" and "Implement 100% of planned biodiversity conservation activities" as Group-wide measurable quantitative targets. In FY2024, we implemented 90% of our planned biodiversity conservation activities.

▶ [Please click here](#) for other initiatives related to each targets.

### Water Risk Assessment and Identification of High-water Stress Areas

INPEX annually checks the water risk in the areas where its operator projects are located using Aqueduct, a water risk mapping tool developed by the World Resources Institute (WRI). As of the end of 2024, we are operating five oil and gas projects in production and one project under development as the operator. Among these, the Abadi Project, currently under development, is located in areas of high water stress. For this project, we are planning to install a seawater desalination plant. Therefore, no freshwater will be taken from the project area. Additionally, the exploration project at Onshore Block 4 in Abu Dhabi is also located in areas of high water stress. However, we procure water from a supplier that uses seawater desalination, no freshwater is being obtained from groundwater and such. In FY2024, we achieved our target of zero freshwater withdrawal in high water stress areas.

Since local water risks are influenced by various factors and change over time, we will continue to regularly identify water risks. If we find water risk to be high, we will plan and implement additional measures according to a mitigation hierarchy.

We have participated in the TNFD Forum since FY2022, and have started gathering information related to the TNFD framework\* and conducting internal assessment on a trial basis.

With the final recommendations of the TNFD published in September 2023, there is increasing global interest in the organization's nature-related measures and disclosure requirements. The TNFD disclosure recommendations include required assessment and actions factoring in nature-related materiality, regional characteristics of businesses, and value chains. While considering the best way to meet these disclosure requirements, we will undertake ongoing assessment, improvement, and disclosures. This includes identifying the required data and developing assessment processes. [Please click here](#) for more detail about TNFD related initiatives.

\* TNFD framework is established by the Taskforce on Nature-related Financial Disclosures (TNFD) to assess nature-related risks and opportunities, and to disclose that information.

## Human Capital

Embodying the Mission of the INPEX Group, it is essential for INPEX to build an organizational structure and cultivate a workforce capable of amplifying its strengths in fieldwork, technology, and internationalism, and responding flexibly even in a rapidly changing business environment. INPEX is aiming to be the “Employer of Choice,” the most rewarding company to work for, at a global level. Based on our Basic Policy on INPEX Human Resources Strategy, we promote various initiatives with the goal of strengthening employee engagement and promoting DE&I, while driving forward INPEX HR Vision and practicing INPEX Values.

Our goal

**Organizational culture**

Organizational culture where people freely exchange ideas without being bound by conventional thinking, continually take on new challenges, and drive innovation

**Desired human resources**

Individuals who create business value based on embracing diversity, a commitment to personal growth, and demonstrating autonomous behavior

**Our Human Resources Strategy**

### Basic Policy of Our Human Resources Strategy

To become the “Employer of Choice,” the most rewarding company to work for, by creating an organization, workplace and culture that encourages employees to take on challenges and act autonomously

- Foster a corporate culture that encourages **innovation** by endorsing ideas and changes that are not bound by precedent
- Build a culture that encourages individual performance and collaboration to achieve goals with a “Safety Number One” mindset

To assign the right people to the right positions and conduct appropriate evaluations and compensation in order to enable diverse human resources to play an active role

- **Develop and deploy leaders** at a **global level** to adapt to business speed and create value by integrating human resources with diverse backgrounds
- Enhance motivation through highly transparent evaluations and competitive compensation based on such evaluations

To secure and develop human resources capable of continuously creating value in a changing business environment and improve their engagement

- Establish recruitment branding to build understanding and empathy for the Company’s businesses
- Provide **practical growth opportunities** to increase on-site and technological capabilities

**Metrics-Targets**

#### Enhancement of Employee Engagement<sup>3</sup>

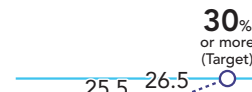
■ Rate of employees with high levels of engagement<sup>1</sup> (%)



■ Psychological safety (deviation)<sup>1</sup>



■ Percentage of women among new hires<sup>2</sup> (%)

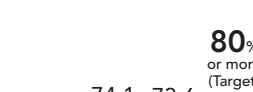


■ Percentage of women in management positions<sup>2</sup> (%)

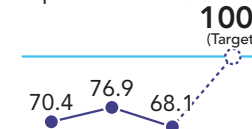


#### Promotion of Diversity

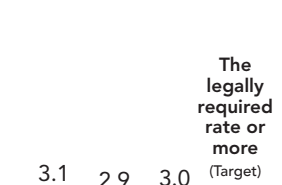
■ Gender pay gap<sup>2</sup> (%)



■ Percentage of male employees taking parental leave<sup>1</sup> (%)



■ Percentage of employees with disabilities<sup>1</sup> (%)



2022/12 2023/12 2024/12 2030/12

2022/12 2023/12 2024/12 2030/12

n/c  
2022/12 2023/12 2024/12 2030/12

2022/12 2023/12 2024/12 2030/12

n/c  
2022/12 2023/12 2024/12 2030/12

2022/4-2023/3 2023/4-2024/3 2024/4-2025/3 2030/4-2031/3

2022/12 2023/12 2024/12 2030/12

<sup>1</sup> Boundary: Non-consolidated (The figures are based on enrolled employees with employment contracts including those seconded from INPEX to other companies)

<sup>2</sup> Boundary: Consolidated

<sup>3</sup> The figure for enhancement of employee engagement was calculated using a service provider scale covering eight items that correlate highly with the Utrecht Work Engagement Scale to measure the average deviation score among all employees.

The percentage of employees with high levels of engagement is defined as the proportion of employees whose work engagement deviation score is 62.0 or above.

<sup>4</sup> Items for which data are not collected are marked with n/c (not collected).

## Human Capital

### HR Vision

Our Human Resources Unit developed the INPEX HR Vision. With four core pillars, we are working to create an internationally competitive organization by applying a global perspective as we implement HR initiatives to improve the capabilities of our employees and team performance.



### INPEX Value

At the Group, we recognize it is important to embody the shared INPEX Values for both Group officers and employees formulated in 2014. We conduct activities to entrench this shared value, such as having a Group-wide Value Awards and holding conferences with past award recipients.

In addition, we host regular psychological safety seminars, Open Offices (Dialogue with President & CEO, Senior Executive Vice Presidents, Senior Vice Presidents) and town hall meetings. We also foster communication through activities like team building exercises. Our aim is to create an organizational culture where people feel empowered to be themselves and contribute to innovation, ultimately we are striving to become the "employer of choice" at a global level.

### Collaboration

We rely on unity and team spirit to build strong professional working relationships within INPEX as well as within the communities in which we operate.

### Ingenuity

We embrace initiative and innovative problem-solving at every level of INPEX and celebrate our successes at every opportunity.

### Safety

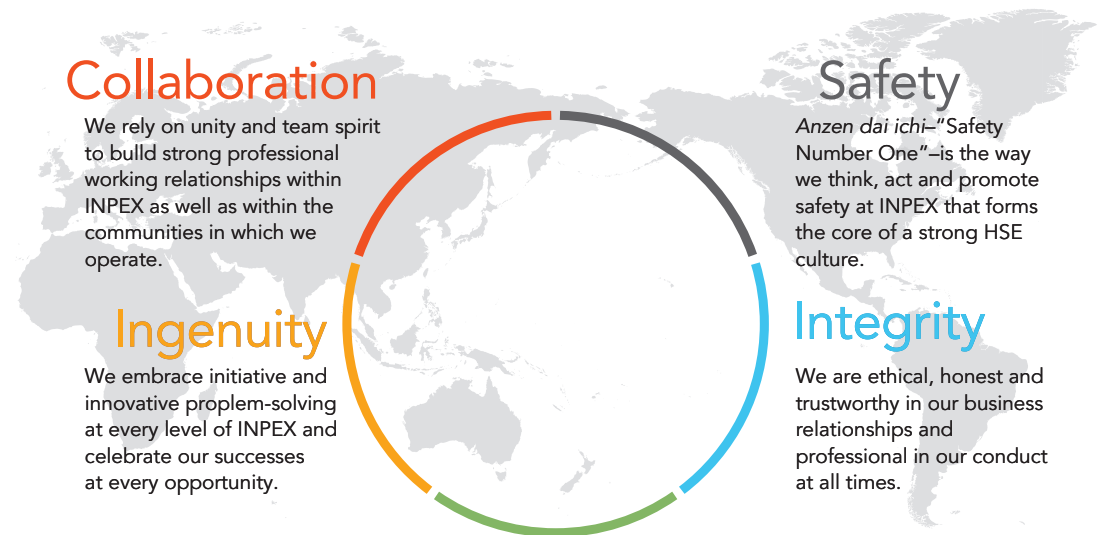
Anzen dai ichi—"Safety Number One"—is the way we think, act and promote safety at INPEX that forms the core of a strong HSE culture.

### Integrity

We are ethical, honest and trustworthy in our business relationships and professional in our conduct at all times.

### Diversity

We proactively embrace our individual differences which is central to who we are at INPEX and what makes a unique and welcoming workplace environment.



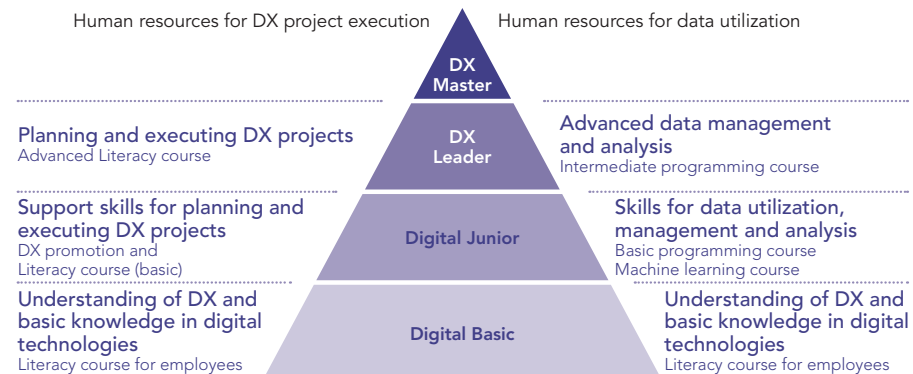
## Human Capital

### Striving to Become an “Employer of Choice”

#### Human Resource Development

In line with its Basic Policy on human resources (HR), INPEX implements initiatives aimed at developing employees who embody the Company’s desired qualities, support positive organizational culture, and contribute to the medium- to long-term growth of its workforce. In addition to providing training in the knowledge and skills required for each job grade and managerial position, we also offer business training for personnel to acquire specialized knowledge and business skills for the energy industry. Specific leadership training has been developed to strengthen management skills of global-level leaders. This includes programs focused on cultivating internationalism, strengthening leadership and management capabilities, as well as diversity, equity, and inclusion (DE&I) training to enable participants to work and produce results with a diverse workforce. We also conduct age-specific career workshops and implement a fast-track selective program for chosen employees, to support early career development. Through these training programs, we provide employees with the necessary business knowledge and skills and cultivate an awareness of their own growth. In this way, we aim to support the performance and growth of participants and contribute to long-term success and development of the organization as a whole.

#### Reskilling in Digital Technologies



We aim to strengthen corporate competitiveness by increasing the number of personnel with data science and programming skills. We established the Digital Academy mainly to develop human resources for planning and execution of digital transformation (DX) projects, as well as advanced data utilization, management, and analysis. The academy provides a range of digital technology-related education.

#### Human Resource Development for Younger Employees

We actively assign our young employees to offices and operational sites in Japan and overseas to provide practical training. Our focus includes achieving further growth and networking through contact with different operations and environments, and developing human resources capable of playing active roles across global operations.

In FY2024, approximately 80 young employees deepened their expertise through work experience at Niigata and other operational sites in Japan as well as in offices and sites in Australia, Norway, and Abu Dhabi.

In addition to the above, we provide medium- to long-term development opportunities to foster skilled and autonomous engineers capable of working collaboratively with engineers from other fields. By implementing development pathways starting from their third year, our objective is for them to develop their own areas of specialization by their sixth year.



HSE Primary Training in Malaysia for technical employees

#### HR Evaluation and Allocation

At the core of our approach to HR management is a commitment to fairness in its personnel system. This approach is based on three concepts: a fair job-based grading system, a pay-for-job/performance compensation system, and a transparent evaluation system.

We conduct HR evaluations annually along two axes: work target evaluations (target management) and work behavior evaluations (competencies). Accordingly, we disclose the evaluation process and criteria to those being evaluated to ensure transparency and fairness, and connect achievement of performance targets for the organization with the growth of individuals. We do this by (1) setting targets linked to high-level targets and work responsibilities, (2) providing real-time feedback and progress confirmation, and (3) ensuring well-balanced evaluations and treatment.

To support the continued development of our personnel, we are working to prevent rigidity in personnel assignment, the dependency on individuals by introducing a term limit system for line management positions, and reduction in opportunity for promotion. We regularly review the positions, succession plans, and talent of executives in each division. Employees are encouraged to declare their job and division preferences, to help management better understand their career outlook. Conducted annually in the past, we changed the system to allow employees to declare their preferences at any time. We also provide regular one-on-one meetings between employees and their supervisors to encourage dialogue that leads to mid-to long-term career development. In addition, we provide opportunities for employees to pursue their own career paths through an internal job posting system. This leads to more appropriate personnel allocation and assignment while motivating employees. Concurrently, we run a job return system to welcome back motivated employees who had resigned from the Company due to unavoidable personal reasons.

## Human Capital

### DE&I Policy

The Group views the promotion of Diversity, Equity, and Inclusion (DE&I) as crucial to becoming an employer of choice. By fostering a diverse workforce and implementing DE&I initiatives, we aim to sustainably grow our business in a rapidly changing environment. Our goal is to gain societal recognition for our contributions to creating a more prosperous society through energy development. We pledge to:

- Respect international norms on human rights and not discriminate based on race, skin color, gender, sexual orientation, gender identity, age, creed, religion, birth, nationality, disability or educational background.
- Mutually respect and honor the individuality and diversity of every employee and strive to ensure employees have fair and equitable opportunities for self-fulfillment and career development.
- Not tolerate harassment or behavior that could be misconstrued as harassment.
- Provide opportunities for diverse human resources to make the most of their abilities, including the promotion of women's empowerment, thereby promoting vitality and innovation.
- Build a workforce that generates business value based on the acceptance of diversity, willingness to grow and autonomous action.
- Create a work environment in which employees can work with peace of mind by widely disseminating the above initiatives.

### Promotion of Women's Empowerment

#### Awareness of issues

In line with our policy on DE&I, we are intent on creating an environment that enables women to showcase their full potential. However, we recognize there is uneven representation of females across job categories and their underrepresentation in managerial roles.

#### Solving issues

In 2024, we established a task force for women's advancement composed of female employee volunteers to promote various initiatives to address issues brought forth. In April 2025, we established a new DE&I Unit to accelerate various initiatives aimed at the following:

- Lift barriers and resolve issues to promote women's empowerment
- Secure diverse human resources and create an environment where employees feel they have the opportunity to grow
- Create an organization where all employees feel rewarded and are willing to continue working for longer

#### Main initiatives

- Create a culture that encourages women's empowerment through training, etc.
- Promote work environments and health support measures that support female employees in working in a healthy and appropriate manner
- Create a system and culture in which employees can freely take temporary leave due to life events such as childbirth, childcare, and nursing care
- Support the medium- to long-term, independent and autonomous growth of all employees through training programs aimed at career development and personal growth

▶ Please [click here](#) for more details on other initiatives.



**General Manager, DE&I Unit Mayu Otake**

INPEX has been working to promote the continued employment and independent growth of female employees by revising its evaluation system, eliminating general clerical positions, and introducing various childcare support measures. The proportion of female employees and the rate of male employees taking paternity leave have improved, and an employee-friendly working environment, which is the first stage of promoting diversity has been established. We now aim to advance to the next stage of consciousness/productivity reform and ultimately pursue corporate growth and value creation. We recognize that many employees are not only balancing childcare and elderly care but also facing daily challenges such as disabilities and health issues while working. Our vision is for each individual to find fulfillment in their work at INPEX while navigating their life stages, thereby enriching their lives. We aim to create a virtuous cycle where diverse talents with a wide range of experiences thrive, driving innovation and productivity in our business. This year, the DE&I Unit will work on fostering organizational culture, promoting behavioral changes, developing systems, and improving business processes.

# Corporate Governance

## History of Efforts to Strengthen Corporate Governance

October 2008	<p>Business integration</p> <ul style="list-style-type: none"> <li>Introduces Audit &amp; Supervisory Board Member organizational structure and Executive Officer System</li> <li>Appoints 4 outside directors</li> </ul>	June 2018	<p>Introduces a stock-based remuneration system for directors and executive officers (excluding outside directors and non-residents in Japan)</p> <p>Changes the composition of the Nomination and Compensation Advisory Committee so that a majority of its members are outside officers</p>
June 2012	<p>Strengthens governance concerning directors and executive officers</p> <ul style="list-style-type: none"> <li>Reduces the term of office for directors and executive officers from 2 years to 1</li> <li>Appoints an additional independent outside director (from 4 to 5 in total)</li> <li>Establishes the INPEX Advisory Committee (to obtain multifaceted and objective recommendations from domestic and international experts)</li> <li>Establishes a guideline for the purchase of INPEX shares by directors and executive officers</li> <li>Begins early mailing of notices of general meetings of shareholders (3 weeks ahead of the meeting date)</li> </ul>	June 2019	<p>Newly appoints a female Audit &amp; Supervisory Board member</p> <p>Establishes a Corporate Governance Strategy group</p>
June 2015	Starts to apply the Tokyo Stock Exchange's Corporate Governance Code (CG Code)	November–December 2020	Evaluates the effectiveness of the Board of Directors (by hiring a third-party evaluation organization for the first time, and doing so at intervals of about 3 years thereafter)
November 2015	Formulates the Corporate Governance Guidelines	November 2021	<p>Establishes the Sustainability Principles</p> <p>Formulates and publishes a skill matrix</p>
March–April 2016	Evaluates the effectiveness of the Board of Directors (for fiscal 2015) Note: Evaluation conducted every year thereafter	March 2022	<p>Newly appoints an independent outside director who has knowledge in the sustainability field</p> <p>Revises the officer compensation system</p> <ul style="list-style-type: none"> <li>Compensation for directors and executive officers consists of basic compensation, bonuses (short-term incentive) and stock-based remuneration (medium- to long-term incentive)</li> <li>Compensation for outside directors and Audit &amp; Supervisory Board member consists only of basic compensation</li> </ul>
May 2016	Establishes the Audit & Supervisory Board Members' Office	March 2024	<p>Appoints an independent outside director to chair the Nomination and Compensation Advisory Committee</p> <p>Discloses reasons for the selection of each skill matrix item</p>
January 2017	Establishes the Nomination and Compensation Advisory Committee	March 2025	Newly appoints a foreign outside director
June 2017	<p>Increases the number of independent outside directors (from 5 to 6)</p> <p>Newly appoints a female director</p>		

**Corporate Governance**

**Overview of the Corporate Governance Structure**

INPEX has adopted an Audit & Supervisory Board Member organizational structure, under which Audit & Supervisory Board members audit the execution of operations, which are in turn carried out by directors well versed in their field. In addition, the Company has introduced an Executive Officer System to pursue management with agility and efficiency. INPEX frequently engages in negotiations with the governments of oil-producing countries and overseas oil companies. This necessarily requires internal directors and executive officers who have knowledge, expertise and international experience relating to the Company's business and both a sound knowledge of the Company and their particular field of expertise.

Internal directors, in principle, hold the concurrent position of executive officers. By adopting this concurrent organizational structure, the Company's Board of Directors is better placed to execute operations in an efficient manner. At the same time, this structure helps to ensure effective operating oversight. In addition to enhancing the transparency of management and bolstering the ability of the Board of Directors to carry out its supervisory function, INPEX has appointed five of its 10-member Board of Directors from outside the Company. Through this initiative, steps have been taken to ensure that management issues are considered and deliberated with a greater degree of objectivity from an independent standpoint.

Moreover, four of the Company's five Audit & Supervisory Board members are also appointed from external sources. In addition to putting in place an Audit & Supervisory Board, INPEX has set up the Audit & Supervisory Board Members' Office and deployed dedicated staff and is reinforcing collaboration between Audit & Supervisory Board members and the Audit Unit, as well as independent auditors.

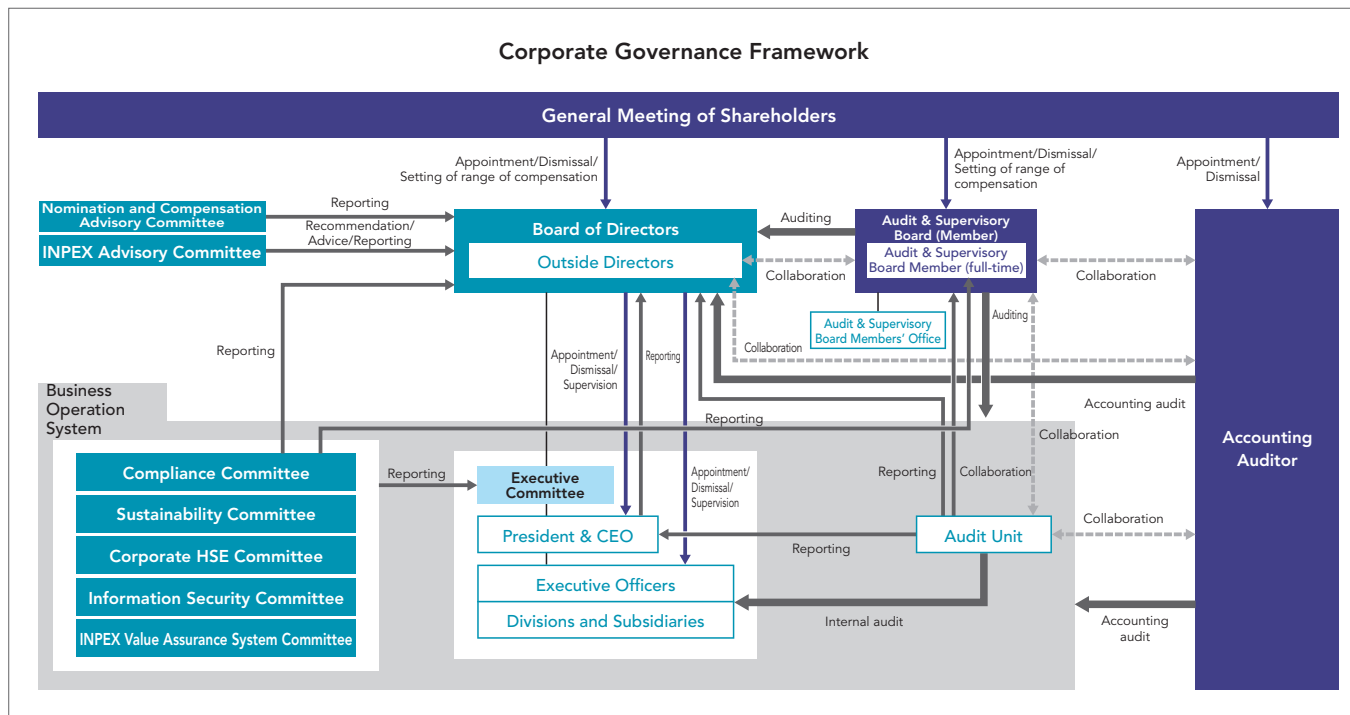
**Overview of the Corporate Governance Structure**

Organizational structure	Company with Audit & Supervisory Board Members
Directors	Number of directors as stipulated by the Articles of Incorporation..... up to 16 Number of directors (number of outside directors)..... 10 (5) Term of office ..... 1 year
Audit & Supervisory Board members	Number of Audit & Supervisory Board members as stipulated by the Articles of Incorporation ..... up to 5 Number of Audit & Supervisory Board members (number of outside Audit & Supervisory Board members) ..... 5 (4) Term of office ..... 4 years
Number of independent directors and auditors	9 (5 outside directors, 4 outside Audit & Supervisory Board members)
Other	Issuance of a Class A Stock to the Minister of Economy, Trade and Industry

**Corporate Governance Guidelines**

The Mission of the Company is to contribute to the creation of a brighter future for society through our efforts to develop, produce and deliver energy in a sustainable way. Through our business, we aim to become an integrated energy company that contributes to the community and makes it more agreeable and prosperous. Based on this Mission, to achieve sustainable growth and increase corporate value over the medium to long term, the Company fulfills its social responsibilities in cooperation with its shareholders and other stakeholders, and works to enhance its corporate governance for the purpose of conducting transparent, fair, timely and decisive decision making. The INPEX Group made clear its basic views and policies on corporate governance and, with the aim of ensuring transparency and fairness in the Company's decision making, as well as realizing effective corporate governance by carrying out the proactive dissemination of information, formulated its Corporate Governance Guidelines. Please refer to our Web site for details.

As of December 31, 2024



## Corporate Governance

### Overview of Each Committee

#### Directors and the Board of Directors

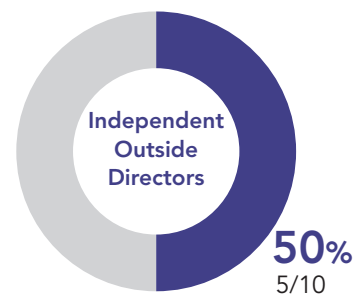
The responsibilities of the Board of Directors shall be to fully exercise its supervisory function, secure fairness and transparency in management, and ensure sustainable growth and increase corporate value over the medium to long term through implementation of effective corporate governance, with recognition of its fiduciary responsibility to shareholders. The Company's Board of Directors comprises 10 members, five of whom are outside directors. The Representative Director, President & CEO, who is the most well versed in our operations, serves as the Chair of the Board to ensure efficient discussions.

In addition to a monthly meeting, the Board of Directors meets as necessary to discuss and determine matters concerning management strategy and important business execution, and to supervise the execution of duties by directors. The term of office for directors is set at one year. In addition to enhancing the ability of directors to respond to changes in the Company's global operating environment in a timely manner, this initiative helps to further clarify management responsibilities.

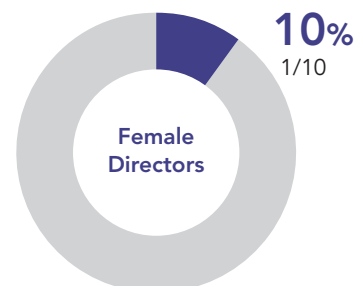
#### Composition of Board of Directors

Skill item	Number	Outside		Percentage of Independent Directors
		(Female)	Independent Directors	
Board of Directors	10	5 (1)	5	50%
Audit & Supervisory Board Members	5	4 (1)	4	80%
Total	15	9 (2)	9	60%

#### Ratio of Independent Outside Directors Among All Directors



#### Ratio of Female Directors Among All Directors

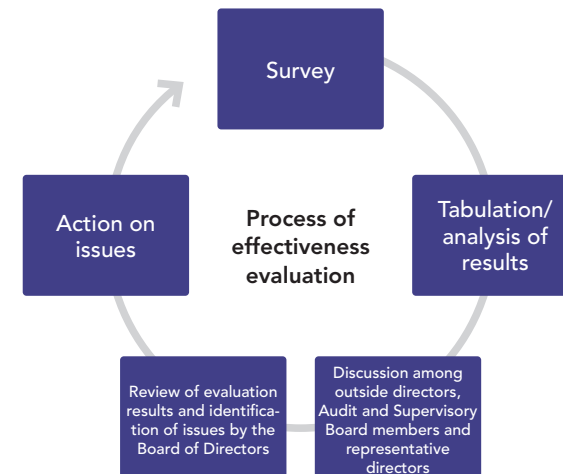


The details of specific discussions and number of deliberations at the Board of Directors meetings in fiscal year 2024 are as follows.

Details of specific discussions	Number of deliberations
Individual projects (oil and gas business)	32
Individual projects (5 net zero businesses)	10
Corporate Governance	30
Management Strategy, Business Strategy, and Dialogue with the Market	20
Finance & Accounting	13
HSE	12
Compliance	3
Sustainability	3
Total	123

### Evaluation of the Effectiveness of the Board of Directors

With the aims of regularly verifying that the Board of Directors is functioning appropriately and identifying issues to be resolved for continuous improvement, the Company undertakes an evaluation of the effectiveness of the Board of Directors each year, and discloses a summary of the evaluation results. Based on this policy, the tenth evaluation was conducted in fiscal 2024. The evaluation method and summary of the results are as follows. Based on these evaluation results, the Company will continue to strive to improve the effectiveness of the Board of Directors.



#### Evaluation of the Effectiveness of the Board of Directors

##### Evaluation method

- Updates on issues from last year and the effectiveness evaluation method for fiscal 2024 were discussed at a meeting with outside directors and Audit & Supervisory Board members. The method of self-evaluation by the Board of Directors (an anonymous questionnaire survey) was adopted.

##### Survey items

- Self-evaluation
- Composition of the Board of Directors
- Operation of the Board of Directors
- Support system for the Board of Directors
- Roles and responsibilities of the Board of Directors
- Relations with Investors and Shareholders
- Nomination and Compensation Advisory Committee
- Actions on the previously prepared action plan
- Comments

## Corporate Governance

### 2024 Activities

#### 1. Enhance discussions regarding strategies

- Conducted a comprehensive analysis and review of INPEX Vision@2022 in advance.
- Secured sufficient discussion opportunities at the beginning of the year for the formulation of the next Mid-term Business Plan and Vision, ensuring broad discussions on positioning, target indicators, and the planning process.

#### 2. Further stimulate discussion at Board of Directors meetings

- Continued to include key discussion points from Executive Committee meetings in Board of Directors meeting materials.
- Strengthened collaboration among Board members through social gatherings and ensured opportunities for engagement and exchange of opinions with executive officers.
- Pursued more efficient Board operations by continuing pre-meeting briefings and focused agenda items while adjusting the frequency and method of reporting on regular matters.
- Held a lecture and discussions session by AI experts on the theme of AI and the energy industry to enhance the knowledge of Board members.

#### 3. Enhance of the function of the Nomination and Compensation Advisory Committee

- Strengthened the objectivity and independence of the Nomination and Compensation Advisory Committee by appointing an independent Outside Director as chairperson and ensuring that three of the four committee members were independent Outside Directors.
- The chairperson provided feedback to the Board of Directors on the annual deliberations of the Nomination and Compensation Advisory Committee, including the succession plan for the Representative Director, President & CEO.

#### 4. Deepen discussions regarding the desired state of the Board of Directors

- Discussed Director candidates for the March 2025 General Meeting of Shareholders in the Nomination and Compensation Advisory Committee from the perspective of further enhancing Board diversity. The Board selected appropriate candidates based on these discussions.

### Summary of fiscal 2024 evaluation results

- Regarding the composition of the Board of Directors, the knowledge and experience of its members are sufficiently diverse. Although the size of the Board of Directors and the ratio of Outside Directors are generally appropriate under the current circumstances, going forward, diversity should be further enhanced by increasing the number of female directors and appointing directors of foreign nationality.
- Initiatives to stimulate discussion at Board of Directors meetings, such as holding pre-meeting briefings, sharing discussions at Executive Committee meetings, etc., and explaining and annotating technical terms, are all effective and should be continued.
- By holding lectures by outside experts, tours of operation sites in Japan and overseas, and free discussions inside and outside the Board of Directors, non-Executive Officers should be provided with opportunities to improve their knowledge, and collaboration among board members and with Executive Officers should be further strengthened.
- Regarding relations with investors and shareholders, recognizing the importance of dialogue with the market, we are striving for proactive communication and relationship building, and should continue to enhance our efforts.
- The Nomination and Compensation Advisory Committee's independence and objectivity have been ensured and it has played a necessary role in deliberations in the fields of both nomination and compensation, etc. Going forward, efforts to strengthen cooperation with the Board of Directors should be further promoted.

As a result of the summary of the individual evaluation results including the above, the Board of Directors as a whole was evaluated as being sufficiently effective overall as in the previous year.

#### Initiatives for further ensuring effectiveness

The following action plans have been established to further ensure the effectiveness of the Board of Directors going forward.

#### Action plans

- Enhance discussions regarding strategies
- Stimulate discussion at Board of Directors meetings
- Strengthen function of the Nomination and Compensation Advisory Committee
- Deepen discussions regarding the desired state of the Board of Directors based on INPEX Vision 2035

Based on these evaluation results, the Company will continue striving to improve the effectiveness of the Board of Directors.

- ▶ For details of the summary of evaluation results of effectiveness of the entire Board of Directors, please see the [Company's website](#).

## Corporate Governance

### 1 Nomination and Compensation Advisory Committee

Number of meetings held in FY2024: 6 Members' attendance: 100%

The Nomination and Compensation Advisory Committee was established in January 2017 as an advisory body to the Board of Directors with the aim of strengthening the functional independence and objectivity as well as accountability of the Board of Directors in connection with the nomination and compensation of directors. It deliberates on the nomination and compensation of directors, etc. and submits reports to the Board of Directors.

One inside director and three independent outside directors (including one to serve as the chair of the committee) were appointed during the extraordinary meeting of the Board of Directors held on March 28, 2025, and they assumed their positions on the same day.

- Chair: Jun Yanai (Independent Outside Director)
- Member: Atsuko Nishimura (Independent Outside Director)
- Member: Norinao Iio (Independent Outside Director)
- Member: Takayuki Ueda (Representative Director, President & CEO)

- Issues discussed**
- (Nomination)
    - Progress of the INPEX Vision 2035 and Mid-term business plan
    - New executive officers for FY2025
    - New executive officers in the new organization from April 2025
    - Requirements for in-house and Outside Directors (redefinition)
    - Succession plan
    - Candidates for Directors and Representative Directors
    - Skills matrix for Directors and Audit & Supervisory Board Members
  - (Compensation)
    - Review of appropriateness of compensation levels (comparison with peer group)
    - Revision of compensation for Directors
    - Revision of Stock-Based Compensation System for Directors and Executive Officers
    - Revision of the policy for determining the details of individual compensation, etc. for Directors
    - Financial results of the Company, performance of management indicators, and results of each division for FY2024
    - Results of performance-linked compensation (bonuses and stock-based compensation) KPIs
    - Proposed payment of bonuses and stock-based compensation for Directors for FY2024
  - (Nomination and compensation)
    - Annual consultation schedule

### 2 INPEX Advisory Committee

Number of meetings held in FY2024: 1 Members' attendance: 100%

The INPEX Advisory Committee was established in October 2012 with the aim of enhancing corporate value and the corporate governance function. Its external experts provide the Board of Directors with multifaceted and objective advice and recommendations across a wide range of areas, including international political and economic conditions, outlook on energy conditions, management strategy suitable for a global company and ways to bolster corporate governance. The committee comprises external experts from Japan and abroad, such as a university professor, with extensive knowledge in these areas. The Company's executives, including representative directors and the head of the Corporate Strategy & Planning Division, also attend the meetings.

- Issues discussed**
- Latest domestic and international energy situations and Japan's energy strategy

### Executive Committee

To expedite decision making related to the execution of business, we have established an Executive Committee, which flexibly decides on matters outside the scope of issues to be resolved by the Board of Directors and holds deliberations to contribute to decision making by the Board of Directors. The Executive Committee meets weekly and as necessary.

INPEX's Executive Committee consists of full-time directors, executive officers who are senior vice presidents and executive officers deemed necessary by the chair and appointed through the committee's resolution. There are 15 members. For efficient proceedings of meetings, the Executive Committee is chaired by the Representative Director, President & CEO, who is most conversant in INPEX's business.

### Executive Officer System

We have introduced an Executive Officer System to respond accurately and quickly to a rapidly changing management environment and to the expansion of our business activities. By delegating authority to executive officers, we are clarifying our structure for business execution and making our management system more agile and efficient. The term of office for executive officers is set to one year to clarify operational accountability for each business year.

## Corporate Governance

### Various committees related to business execution

In order to respond to operations involving multiple organizations, various committees related to business execution have been established. Established committees are Compliance Committee, Sustainability Committee, Corporate HSE Committee, Information Security Committee, and INPEX Value Assurance System (IVAS) Committee.

#### 1 Compliance Committee

Number of meetings held in FY2024: 3

- Issues discussed
- The Group's basic policies and important matters related to compliance
  - Management of the compliance implementation status

#### 2 Sustainability Committee

Number of meetings held in FY2024: 2

- Issues discussed
- Basic policies on sustainability matters
  - Important matters related to the implementation of the basic policies

#### 3 Corporate HSE Committee

Number of meetings held in FY2024: 4

- Issues discussed
- Policies and important matters related to HSE

#### 4 Information Security Committee

Number of meetings held in FY2024: 2

- Issues discussed
- Basic policies and important matters related to information security
  - Responses to information security incidents and management of preventive measures, etc.

#### 5 INPEX Value Assurance System Committee

Number of meetings held in FY2024: 20

- Issues discussed
- Cross-organizational technical evaluations and other activities in different phases of projects, such as acquisition/participation, exploration, evaluation, and development

### Audit & Supervisory Board Members and the Audit & Supervisory Board

The Audit & Supervisory Board is composed of five Audit & Supervisory Board members, four of which come from outside. In addition to attending meetings of the Board of Directors and the Executive Committee, the Audit & Supervisory Board members review the execution of business duties by directors and executive officers through reports from and interviews with related departments. Furthermore, the Audit & Supervisory Board members meet on a regular and as needed basis with the Independent Auditors to receive reports on audits from them and exchange views on key audit issues.

The Audit & Supervisory Board members also exchange views with the internal audit department (Audit Unit) as it develops annual audit plans and receive quarterly reports on internal audits conducted by the Audit Unit. In addition, the full-time Audit & Supervisory Board members are informed by the Audit Unit about internal audits and the evaluation of internal controls, as necessary. To strengthen the auditing function and ensure effective corporate governance, the Audit & Supervisory Board Members' Office has been set up with full-time staff assigned to it. In this manner, efforts are being made to promote collaboration between the Audit & Supervisory Board members, the Audit Unit and the Independent Auditors.

Moreover, we have constructed a system to strengthen the monitoring function through periodic meetings with representative directors and directors.

### Major resolutions and deliberation items at the Audit & Supervisory Board

Number of meetings held in FY2024: 15

#### Resolutions and Deliberation Items

- Policy for deciding dismissal or non-reappointment of accounting auditor, preparation of audit report, reappointment of accounting auditor, Audit & Supervisory Board members' audit plan for the current fiscal year, consent to accounting auditor remuneration, discussion with accounting auditor regarding key audit matters (KAM), comprehensive understanding of accounting auditor's non-assurance service, etc.

#### Reporting Items

- Internal audit plans and reports by the internal audit department, reports on results of quarterly review/interim financial statement reviews by accounting auditors and results of accounting audits, reports on fieldwork and business trip by Audit & Supervisory Board Members, internal control audit report related to financial reporting, etc.






### Situation of Internal Audit

The Audit Unit was established under the direct supervision of the President & CEO as an internal audit department independent of the divisions involved in the execution of the Company's business. In developing annual audit plans, the Audit Unit discusses and exchanges opinions with the Audit & Supervisory Board Members, and after obtaining the President & CEO's approval, makes reports to the Board of Directors. Additionally, the results of the internal audits are reported at meetings of the Board of Directors / Audit & Supervisory Board and to the President & CEO, full-time Audit & Supervisory Board Members, and are shared with accounting auditors. We endeavor to ensure the expertise of those involved in internal audits. Furthermore, to continuously improve the quality of internal audits, it is stipulated that an external quality assessment by an independent assessor is to be conducted at least once every five years.

## Corporate Governance

### Management






#### Directors (As of April 1, 2025)

	Name	Title and Position	Term of office	Number of shares held	Career summary and concurrently held positions	Attendance at Board of Directors meetings	Attendance at Nomination and Compensation Advisory Committee	Reason for appointment	Skill matrix							
									Corporate management/Business administration	Global	Finance/Accounting	Legal/Risk management	Sustainability	Technology/DX	Energy	Sales/Marketing
	<b>Takayuki Ueda</b> Inside Director Member of the Nomination and Compensation Advisory Committee	Representative Director, President & CEO	6 years and 9 months	33,834	April 1980 Joined Ministry of International Trade and Industry (currently Ministry of Economy, Trade and Industry) July 2010 Director-General, Minister's Secretariat August 2011 Director-General, Manufacturing Industries Bureau, METI September 2012 Director-General, Trade Policy Bureau, METI June 2013 Commissioner, Agency for Natural Resources and Energy July 2015 Vice-Minister for International Affairs, METI April 2017 Councillor (part-time), INPEX Corporation August 2017 Senior Executive Vice President June 2018 Representative Director, President & CEO (incumbent)	100% (15/15)	100% (6/6)	Has abundant operational experience in the Company and also has insights regarding management of energy development companies and global business management as well as administrative/operational affairs.	●	●		●	●	●		
	<b>Hiroshi Fujii</b> Inside Director	Representative Director, Senior Executive Vice President, Europe & Middle East Projects	—	45,268	April 1980 Joined Japan Oil Development Co., Ltd. November 2006 General Manager, Abu Dhabi Branch, Japan Oil Development Co., Ltd. October 2008 Commercial Coordination Unit, Abu Dhabi Projects Division of the Company General Manager, Abu Dhabi Branch, Japan Oil Development Co., Ltd. August 2009 Vice President, Abu Dhabi Projects of the Company, Director, General Manager, Abu Dhabi Branch, Japan Oil Development Co., Ltd. April 2013 Vice President, Abu Dhabi Projects, General Manager, Commercial Coordination Unit, Abu Dhabi Projects Division of the Company June 2013 Managing Executive Officer, Vice President, Eurasia & Middle East Projects June 2015 Representative Director and President, Japan Oil Development Co., Ltd. (incumbent) June 2018 Managing Executive Officer, Senior Vice President, Abu Dhabi Projects of the Company January 2022 Senior Managing Executive Officer, Senior Vice President, Abu Dhabi Projects January 2024 Senior Executive Vice President, Senior Vice President, Abu Dhabi Projects March 2025 Representative Director, Senior Executive Vice President, Europe & Middle East Projects (incumbent)	—	—	Has abundant business experience in the Company as well as knowledge and experience about the business management and administrative/operational matters of energy development companies.	●	●				●	●	
	<b>Hitoshi Okawa</b> Inside Director	Director, Senior Executive Vice President, General Administration and Oceania Projects Head of Overseas Projects	1 year	19,231	April 1984 Joined Japan China Oil Development Co., Ltd. May 1994 Joined Indonesia Petroleum, Ltd. (INPEX Corporation) October 2008 Deputy General Manager, Perth Office of Operation Unit, Ichthys Project and Planning & Coordination Unit, Asia & Australasia June 2018 Executive Officer, Vice President, Ichthys Project, Deputy General Manager, Perth Office February 2019 Executive Officer, Vice President, Ichthys Project, General Manager, Perth Office June 2019 Managing Executive Officer, Vice President, Oceania Projects, General Manager, Perth Office January 2022 Managing Executive Officer, Senior Vice President, Oceania Projects, General Manager, Perth Office January 2023 Senior Managing Executive Officer, Senior Vice President, Oceania Projects, General Manager, Perth Office January 2024 Senior Managing Executive Officer, Senior Vice President, General Administration, Senior Vice President, Oceania Projects March 2024 Director, Senior Managing Executive Officer, Senior Vice President, Oceania Projects, General Manager, Perth Office January 2025 Director, Senior Executive Vice President, Senior Vice President, General Administration, Senior Vice President, Oceania Projects March 2025 Director, Senior Executive Vice President, General Administration and Oceania Projects Head of Overseas Projects (incumbent)	91% (11/12)	—	Has abundant business experience in the Company as well as knowledge and experience about global business management and administrative/operational matters of energy development companies.		●	●	●		●		●
	<b>Daisuke Yamada</b> Inside Director	Director, Executive Vice President, Finance & Accounting	5 years	30,901	April 1984 Joined The Industrial Bank of Japan, Ltd. (currently Mizuho Bank, Ltd.) April 2011 Executive Officer, General Manager of Industry Research Division, Mizuho Corporate Bank, Ltd. April 2013 Managing Executive Officer, Deputy in charge of Branch Banking Group, Mizuho Bank, Ltd., Managing Executive Officer in charge of Corporate Banking, Mizuho Corporate Bank, Ltd. July 2013 Managing Executive Officer in charge of Branch Banking Group, Mizuho Bank, Ltd. April 2014 Managing Executive Officer, Head of Corporate Banking Unit (Large Corporations), Mizuho Financial Group, Inc. April 2018 Senior Managing Executive Officer in charge of Digital Innovation, Mizuho Financial Group, Inc. (resigned in March 2019) May 2019 Councillor, INPEX Corporation June 2019 Managing Executive Officer, Vice President, Finance & Accounting, General Manager, Finance Unit, Finance & Accounting Division March 2020 Director, Managing Executive Officer, Senior Vice President, Finance & Accounting (incumbent) January 2024 Director, Senior Managing Executive Officer, Senior Vice President, Finance & Accounting (incumbent)	100% (15/15)	—	Has abundant business experience in the Company as well as knowledge and experience concerning administrative/operational matters of energy development companies.	●		●		●			
	<b>Toshiaki Takimoto</b> Inside Director	Director, Executive Vice President, Corporate Strategy & Planning Legal Affairs, Compliance, Head of Low Carbon Solutions	2 years	34,123	April 1987 Joined Teikoku Oil Co., Ltd. January 2004 General Manager, Caracas Office October 2008 Senior Coordinator, South America Unit, America & Africa Project Division June 2013 General Manager, London Office June 2016 General Manager, Global Exploration Unit, New Ventures Division June 2018 Executive Officer, Vice President, The Americas & Africa June 2019 Managing Executive Officer, Senior Vice President, New Ventures & Global Exploration January 2023 Managing Executive Officer, Senior Vice President, Hydrogen & CCUS Development March 2023 Director, Managing Executive Officer, Senior Vice President, Hydrogen & CCUS Development January 2024 Director, Senior Managing Executive Officer, Senior Vice President, Corporate Strategy & Planning, Legal Affairs, Head of Net Zero Business March 2025 Director, Executive Vice President, Corporate Strategy & Planning, Legal Affairs, Compliance, Head of Low Carbon Solutions (incumbent)	100% (15/15)	—	Has abundant business experience in the Company as well as knowledge and experience about the business management and administrative/operational matters of oil & natural gas development and development of various clean energy such as hydrogen and CCUS.		●	●	●	●	●		



## Corporate Governance

### Audit & Supervisory Board Members (As of April 1, 2025)

	Name	Position	Term of office	Number of shares held	Career summary and concurrently held positions	Attendance at Board of Directors meetings	Attendance at Audit & Supervisory Board meetings	Reason for appointment	Skill matrix								
									Corporate management/ Business administration	Global	Finance/ Accounting	Legal/Risk management	Sustainability	Technology/ DX	Energy	Sales/ Marketing	HR development/ Diversity
	<b>Akio Kawamura</b> Inside	Audit & Supervisory Board Member (full-time)	2 years	10,359	<p>April 1987 June 2010 June 2018 March 2020 April 2021 March 2023</p> <p>Joined Indonesia Petroleum, Ltd. (INPEX Corporation) General Manager, Secretarial Unit, General Administration Division General Manager, Accounting Unit 1, Finance &amp; Accounting Division Executive Officer, Vice President, Finance &amp; Accounting General Manager, Accounting Unit 1, Finance &amp; Accounting Division Executive Officer, Vice President, Finance &amp; Accounting Audit &amp; Supervisory Board Member (incumbent)</p>	100% (15/15)	100% (15/15)	Has abundant business experience in the Company as well as knowledge and experience about administration, finance and accounting for oil & natural gas development companies.		●	●					●	
	<b>Toshiya Tone</b> Outside Independent	Audit & Supervisory Board Member (full-time)	2 years	0	<p>April 1984 July 2012 June 2013 July 2014 July 2017 July 2018 July 2019 November 2020 March 2023</p> <p>Joined Ministry of Finance Deputy Commissioner (Planning, Information System Management, Liquor Tax and Industry), National Tax Agency Regional Commissioner, Sendai Regional Taxation Bureau Deputy Director General, Office for the Promotion of Regulatory Reform, Cabinet Office Regional Commissioner, Kantoshetsu Regional Taxation Bureau Deputy Director-General for Cybersecurity and Information Technology Management, Ministry of Finance Director-General for Policy Planning, Ministry of Land, Infrastructure, Transport and Tourism (resigned in July 2020) Executive Advisor, NEC Corporation (resigned in March 2023) Audit &amp; Supervisory Board Member (outside) (incumbent)</p>	100% (15/15)	100% (15/15)	Has abundant experience and extensive knowledge in the areas of finance and taxation, etc.		●	●	●					
	<b>Kenichi Aso</b> Outside Independent	Audit & Supervisory Board Member (full-time)	2 years	0	<p>March 1997 October 2014 June 2016 June 2017 June 2018 June 2021 January 2022 March 2023</p> <p>Joined The Export-Import Bank of Japan (currently Japan Bank for International Cooperation) Chief Representative of Representative Office in Beijing Director General, Credit Department, Credit Assessment and Systems Group Director General, Oil and Natural Gas Department, Energy and Natural Resources Group Resident Executive Officer, Regional Head for the Asia-Pacific Managing Executive Officer, Global Head of Industry Finance Group, Director General of Marine and Aviation Finance Department Managing Executive Officer, Global Head of Industry Finance Group (resigned in March 2023) Audit &amp; Supervisory Board Member (outside) (incumbent)</p>	100% (15/15)	100% (15/15)	Has abundant experience and extensive knowledge in the areas of international financing and finance, etc.		●	●						●
	<b>Mitsuru Akiyoshi</b> Outside Independent	Audit & Supervisory Board Member	5 years and 9 months	0	<p>April 1978 April 2007 April 2009 June 2010 April 2012 April 2014 April 2018 June 2018 April 2019 June 2019 April 2022</p> <p>Joined Marubeni Corporation Executive Officer, General Manager of Finance Department, Marubeni Corporation Managing Executive Officer Representative Director, Managing Executive Officer Representative Director, Senior Managing Executive Officer Representative Director, Senior Executive Vice President Director, Senior Consultant Senior Consultant (resigned in March 2019) Representative Director and President, MG Leasing Corporation (currently Mizuho Marubeni Leasing Corporation) Audit &amp; Supervisory Board Member, INPEX Corporation (incumbent) Senior Adviser, Mizuho Marubeni Leasing Corporation (resigned in March 2024) (Concurrently held positions) Outside Director, Concordia Financial Group, Ltd.</p>	100% (15/15)	100% (15/15)	Has abundant experience and extensive knowledge in the areas of finance and management, etc.	●	●	●	●	●				
	<b>Hiroko Kiba</b> Outside Independent	Audit & Supervisory Board Member	5 years and 9 months	0	<p>April 1987 April 2001 January 2007 July 2007 February 2008 March 2009 April 2013 January 2016 November 2017 February 2019 June 2019 March 2025</p> <p>Joined Tokyo Broadcasting System, Inc. (currently Tokyo Broadcasting System Television, Inc.) Part-time Lecturer, Faculty of Education, Chiba University Member of the Council for Regulatory Reform (PMO) (resigned in March 2010) Member of the Ministry of Economy, Trade and Industry's Advisory Committee for Natural Resources and Energy (resigned in June 2024) Member of the Education Rebuilding Council (PMO) (resigned in November 2009) Member of the Ministry of Land, Infrastructure, Transport and Tourism's Council for Transport Policy (resigned in March 2021) Visiting Professor, Chiba University (incumbent) Policy advisor for the Japan Coast Guard (incumbent) Member of the Ministry of Health, Labour and Welfare's Medical Ethics Council (incumbent) Member of the Ministry of Education, Culture, Sports, Science and Technology's Central Council of Education (resigned in February 2021) Audit &amp; Supervisory Board Member, INPEX Corporation (incumbent) Member of Panel on Infrastructure Development, Ministry of Land, Infrastructure, Transport and Tourism (incumbent) (Concurrently held position) Outside Director, Central Japan Railway Company</p>	100% (15/15)	100% (15/15)	Has a wide and diverse range of knowledge gained as a member of the Advisory Committee for Natural Resources and Energy and the Council for Transport Policy, as well as abundant experience and knowledge as a freelance newscaster and university instructor.					●		●		●

## Corporate Governance

### Reason for the selection of each skill matrix item

Skill item	Reason for selection
Corporate management / Business administration	Under the complex management environment surrounding energy businesses, broad knowledge and experience in general management and organizational operation are required in order to formulate and implement medium- to long-term management strategies and management plans based on the Company's Mission, and supervise effectiveness thereof.
Global	Knowledge and experience in geopolitics, policies, etc. are required in order to adequately carry out global businesses developed by the Company, and exercise appropriate supervision thereof.
Finance / Accounting	Knowledge and experience in finance, accounting and tax affairs are required in order to plan and implement strategies for the achievement of targets, such as financial indicators and effectiveness indicators, called for in the Company's Mid-term business plan, and exercise appropriate supervision thereof.
Legal / Risk management	Knowledge and experience in legal affairs, compliance, corporate government, etc. are required in order to implement appropriate risk management including observance of domestic and overseas laws and regulations, etc. related to the Company's management and businesses, and exercise supervision thereof.
Sustainability	Knowledge and experience in health, safety and environment (HSE) and sustainability management are required in the promotion of actions on various issues through the Company's businesses and value chain as well as the supervision of progress of these actions in accordance with the Sustainability Principles and HSE Policy.
Technology / DX	Technical insight on the overall E&P businesses, and broad knowledge and experience in development and innovation of diverse energies and low carbonization solutions utilizing digital and expertise are required in order to plan and implement strategies for technologies and DX, and exercise appropriate supervision thereof, contributing to the realization of a stable energy supply and low carbonization of business.
Energy	Broad knowledge and experience in not only the Company's core businesses but also commercialization, development, production and operation of renewable energy, CCS, and diverse energies including hydrogen and ammonia are required in order to plan and implement energy business strategies aimed at the realization of a responsible energy transition, and exercise appropriate supervision thereof.
Sales / Marketing	Knowledge and experience in marketing and sales of diverse energies are required in order to provide optimal products/services and added value to all customers in Japan and overseas, plan and implement marketing strategies targeting new customers aimed at expanding customers, and exercise appropriate supervision thereof.
HR development / Diversity	Based on the belief that diversification of human resources and cultivation of human resources with whom values can be shared are important to sustainably promote responsible management as a global company, diverse knowledge and experience in the fields of human resources, education, promotion of empowerment of women, etc. are required in order to plan and implement strategies related to human resources development and diversity, and exercise appropriate supervision thereof.

### Executive Officers (As of April 1, 2025)

Name	Position	Title
Takayuki Ueda*	President & CEO	
Hiroshi Fujii*	Senior Executive Vice President	Senior Executive Vice President, Europe & Middle East Projects
Hitoshi Okawa*	Senior Executive Vice President	Senior Executive Vice President, General Administration and Oceania Projects Head of Overseas Projects
Kenji Kawano	Senior Executive Vice President	Senior Executive Vice President, Renewables, Power & Energy Solutions
Daisuke Yamada*	Senior Managing Executive Officer	Executive Vice President, Finance & Accounting
Toshiaki Takimoto*	Senior Managing Executive Officer	Executive Vice President, Corporate Strategy & Planning, Legal Affairs, Compliance, Head of Low Carbon Solutions
Hideki Kurimura	Managing Executive Officer	Senior Vice President, Technical Headquarters, HSE
Yuzo Sengoku	Managing Executive Officer	Senior Vice President, Technical Headquarters
Yosuke Happo	Managing Executive Officer	Senior Vice President, Supply Chain
Hiroshi Sugiyama	Managing Executive Officer	Senior Vice President, Domestic Projects (Exploration & Production) Representative Director, President & CEO, INPEX JAPAN, LTD.
Hiroshi Kato	Managing Executive Officer	Senior Vice President, Global Marketing
Akihiro Watanabe	Managing Executive Officer	Senior Vice President, Asia Projects
Masaru Miyanaga	Managing Executive Officer	Senior Vice President, Domestic Projects (Strategy Planning & Marketing) Representative Director, President & CEO, INPEX JAPAN, LTD.
Shoichi Kaganoi	Managing Executive Officer	Senior Vice President, Low Carbon Solutions
Munehiro Hosono	Executive Officer	Senior Vice President, Europe & Middle East Projects
Yukiyo Ikeda	Executive Officer	Vice President, Europe & Middle East Projects
Shinichi Takada	Executive Officer	Vice President, Technical Headquarters General Manager, Facility, Operations & Maintenance Unit, Technical Headquarters
Tetsuhiro Murayama	Executive Officer	Vice President, Oceania Projects Managing Director, Country Chair Australia Director, INPEX Holdings Australia Pty Ltd (Perth)
Wataru Nojiri	Executive Officer	Sakhalin Oil and Gas Development Co., Ltd.
Kei Fukui	Executive Officer	Vice President, Domestic Projects INPEX JAPAN, LTD. (General Manager, East Japan Regional Office and General Manager, Planning & Administration Unit, Operation Division)
Koichi Okamoto	Executive Officer	Vice President, Global Marketing
Isao Takahashi	Executive Officer	Senior Vice President, Innovation
Kenji Hasegawa	Executive Officer	Vice President, Asia Projects President Director Indonesia Director, INPEX Masela, Ltd. (Jakarta)
Koji Ochiai	Executive Officer	Vice President, Europe & Middle East Projects Managing Director, INPEX Idemitsu Norge AS (Oslo)
Yoshiro Konda	Executive Officer	Vice President, Renewables, Power & Energy Solutions Managing Director, INPEX Europe Ltd. (London)
Shinichi Ogawa	Executive Officer	Vice President, General Administration General Manager, Human Resources Unit, General Administration Division
Shigeru Tode	Executive Officer	Vice President, Innovation General Manager, New Venture Unit, Innovation Division
Shinya Tauchi	Executive Officer	Vice President, Europe & Middle East Projects Director, INPEX South Iraq, Ltd. (Dubai)
Hirohide Yabuki	Executive Officer	Vice President, Europe & Middle East Projects General Manager, Abu Dhabi Projects Unit Europe & Middle East Projects Division
Naoki Takaishi	Executive Officer	Vice President, General Administration General Manager, Secretarial Unit, General Administration Division
Junko Kamitsuma	Executive Officer	Vice President, Finance & Accounting

\* Executive officers served as directors

## Corporate Governance

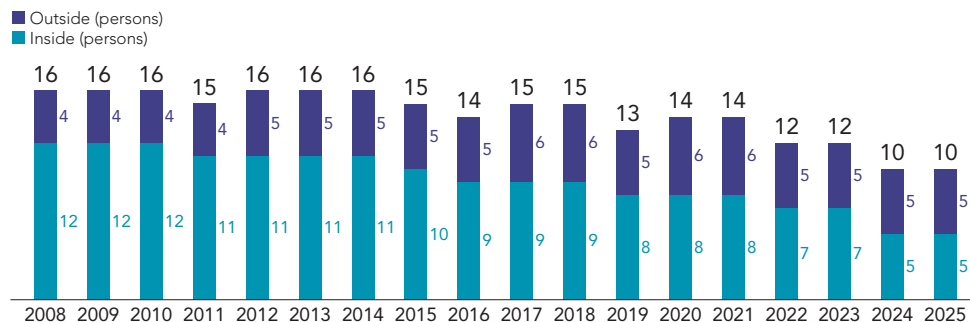
### Monitoring of Management by Outside Directors and Audit & Supervisory Board Members

#### Outside Directors

Regarding the appointment of outside directors, we believe that it is important to comprehensively consider a variety of factors. These factors include the validity of business decisions and consideration of their effectiveness, expertise and objectiveness in the oversight function in addition to the perspective of independence. As corporate managers, academics or other specialists, the Company's five outside directors possess broad knowledge and many years of experience in such fields as resource/energy industry, finance and legal matters.

INPEX considers it important for all its directors to carry out their management duties while maintaining a high level of awareness at all times on matters including the obligation to prohibit competition under the Companies Act, the appropriate handling of transactions with conflicts of interest and the prevention of information leakage. The Company has therefore obtained pledges confirming these points from all directors including the outside director referred to above.

#### Composition of Directors



#### Outside Audit & Supervisory Board Members

When appointing outside Audit & Supervisory Board members, we believe that it is important to comprehensively consider factors such as independence, efficacy in the oversight function and professionalism. Four of the Company's five Audit & Supervisory Board members are appointed from external sources. Audit & Supervisory Board members possess a rich knowledge and experience in the Company's business as well as in such fields as finance, legal affairs and management, which they use when performing auditing activities for the Company.

#### Independence of Outside Directors and Outside Audit & Supervisory Board Members

The Company has reported all outside directors and outside Audit & Supervisory Board members as independent directors as defined by Tokyo Stock Exchange, Inc. As a part of efforts to comply with the Corporate Governance Code, INPEX has formulated independence standards for outside directors and outside Audit & Supervisory Board members taking into consideration the independence standards and qualifications for independent directors issued by the Tokyo Stock Exchange. The Company determines the independence of outside directors, including major shareholders and business partners that do not fall within the scope of these standards.

#### Independence Standards for Outside Directors and Outside Audit & Supervisory Board Members

- ▶ For the independence standards for outside directors and outside Audit & Supervisory Board members, please refer to the [Corporate Governance Guidelines](#).

#### Support System for Outside Directors and Outside Audit & Supervisory Board Members

To support outside directors in their exercise of supervision over management, the Company ensures that they receive materials to be used at Board of Directors meetings at least three days in advance as a rule, and that they are briefed on important matters on the agenda before meetings.

The Company has also assigned four dedicated audit assistants to the Audit & Supervisory Board Members' Office, an organization that supports Audit & Supervisory Board members, including outside members. These assistants perform their duties as instructed by Audit & Supervisory Board members.

Moreover, the Company regularly organizes meetings of outside directors, Audit & Supervisory Board members and representative directors several times a year as opportunities for them to broadly exchange opinions on important management topics.

## Corporate Governance

### Director Compensation (As of April 1, 2025)

Compensation for directors (excluding outside directors) consists of basic compensation, which is paid according to the duties of each director; bonuses, which serve as a short-term incentive; and stock-based remuneration, which gives a medium- to long-term incentive. Compensation for outside directors is limited to basic compensation only from the perspective of independence of their duties.

Bonuses as a short-term incentive is linked to the Company's profit attributable to owners of parent (hereinafter "net income") and cash flows from operating activities before exploration, which are our major financial indices, as well as a safety index (zero major accidents) that serves as a non-financial index. The amount of compensation is calculated based on the evaluation weights in the table below according to the degree of achievement of these targets, and the final amount of compensation fluctuates within the range of 0% to 200%.

#### KPIs used to calculate bonuses for directors (excluding outside directors)

Bonus KPI		Evaluation weight
Financial indices	Net income	45%
	Cash flows from operating activities before exploration	45%
Non-financial index	Safety index (zero major accidents)	10%

Stock-based remuneration as a medium- to long-term incentive is paid to directors (excluding outside directors and non-residents of Japan) and executive officers (excluding non-residents of Japan) (hereinafter collectively the "eligible directors and officers"). This remuneration system is called the Board Incentive Plan Trust, and it combines performance-based elements aimed at raising the awareness among the eligible directors and officers of their contribution to the Company's medium- to long-term business performance and enhancement of corporate value, and fixed elements aimed at strengthening the awareness among the eligible directors and officers of sharing interests with shareholders through the ownership of the Company's shares. The performance-based portion of the stock-based remuneration is linked to the Company's key financial indices set forth in the Mid-term Business Plan, namely, net income, cash flows from operating activities before exploration, ROE, ROIC, and total payout ratio, as well as to the net carbon intensity, which are our major non-financial indices. The amount of compensation is calculated based on the evaluation weights in the table below according to the degree of achievement of these targets, and the final amount of compensation fluctuates within the range of 0% to 200%. In the event that any of the eligible directors and officers commit a significantly improper or violating act, the Company may cancel or forfeit their right to receive the Company's shares or other forms of compensation under the system (malus) and

demand the return of cash corresponding to the Company's shares or other forms of compensation already delivered to them (clawback).

#### KPIs used to calculate performance-linked stock-based remuneration for directors (excluding outside directors) and executive officers

Stock-based remuneration KPI		Evaluation weight
Financial indices	Net income	30%
	Cash flows from operating activities before exploration	30%
	ROE	10%
	ROIC	10%
	Total payout ratio	10%
Non-financial indices	Net carbon intensity	10%

Regarding the compensation for directors, the Nomination and Compensation Advisory Committee deliberates on major matters in accordance with the policy for determining the amount and calculation method of compensation, etc. for directors and the details of compensation, etc. for individual directors, and submits a report to the Board of Directors. Based on the report from the Committee, the Board of Directors decides on the compensation for directors within the limits and terms approved at the general meeting of shareholders. The amount of compensation to be paid to each director by type is decided by the Representative Director, President & CEO, who shall be entrusted to do so by a resolution of the Board of Directors, in accordance with the deliberation by the Nomination and Compensation Advisory Committee, a majority of whose members are outside officers, including independent outside directors.

Considering the external environment, social and economic trends, and other factors surrounding the Company, the Nomination and Compensation Advisory Committee will carefully deliberate on the appropriateness of the target values and calculation method for compensation and issue a report, based on which necessary adjustments may be made to the amount of compensation for each director by a resolution of the Board of Directors.

The adequacy of compensation for directors is verified by the Nomination and Compensation Advisory Committee after an external compensation research organization examines and analyzes the level of compensation for each position in a peer group of companies of the same size and similar industries.

The ratios of the basic compensation, bonuses and stock-based remuneration for inside directors are generally balanced to follow the principle that the higher the position held by a director is, the higher the weight of his or her performance-based compensation (bonuses and stock-based remuneration) is.

## Corporate Governance

### Compensation for Directors and Audit & Supervisory Board Members in FY2024

Classification	Total amount of compensation paid (millions of yen)	Total compensation by type (millions of yen)			Number of eligible directors and Audit & Supervisory Board members (persons)
		Basic compensation	Bonus	Stock-based remuneration	
Directors (excluding outside directors)	433	276	108	48	8
Audit & Supervisory Board members (excluding outside Audit & Supervisory Board members)	34	34	–	–	1
Outside directors and outside Audit & Supervisory Board members	167	167	–	–	9

#### Notes:

- The above table includes one Director and three Audit & Supervisory Board Members (including two Outside Audit & Supervisory Board Members) who retired at the conclusion of the 17th Ordinary General Meeting of Shareholders held on March 26, 2024.
- The basic compensation for directors was resolved to be an annual amount, including bonuses, of not more than 900 million yen (including an amount not more than 100 million yen for outside directors) at the 16th Ordinary General Meeting of Shareholders held on March 25, 2022. The number of directors as of the date of this resolution was 12 (including five outside directors). The basic compensation for directors was revised to be an annual amount, including bonuses, of not more than 1,000 million yen (including an amount not more than 200 million yen for outside directors) at the 19th Ordinary General Meeting of Shareholders held on March 28, 2025. The number of directors as of the date of this resolution was 10 (including five outside directors).
- The basic compensation for Audit & Supervisory Board members was resolved to be an annual amount of not more than 140 million yen at the 16th Ordinary General Meeting of Shareholders held on March 25, 2022. The number of Audit & Supervisory Board members as of the date of this resolution was five.
- Bonuses and stock-based remuneration are regarded as performance-based compensation. Stock-based remuneration is also regarded as non-monetary compensation.
- At the 12th Ordinary General Meeting of Shareholders held on June 26, 2018, it was resolved that a stock-based remuneration system be introduced for directors and executive officers (the BIP Trust). The amount of the stock-based remuneration presented in the table represents the fees incurred regarding the stock-based points granted during the business year under review concerning the BIP Trust for directors. At the 19th Ordinary General Meeting of Shareholders held on March 28, 2025, the maximum amount of money to be contributed per business year by the Company was revised to 460 million yen, and the maximum points granted per business year to those eligible for the system was revised to 466,000 points (equivalent to 466,000 shares of the Company). The number of directors (excluding outside directors and nonresidents of Japan) as of the date of this resolution was five.

### Policy Concerning Cross-shareholdings

For the purpose of achieving sustainable growth and increasing corporate value over the medium to long term, when it is deemed necessary to hold shares in corporations in order to maintain good relationships, and to promote business smoothly and generate business opportunities, the Company will hold shares in such corporations to the extent necessary.

Each year, the Company will, at the Board of Directors meeting, assess whether or not to hold each individual cross-shareholding, specifically examining whether the purpose is

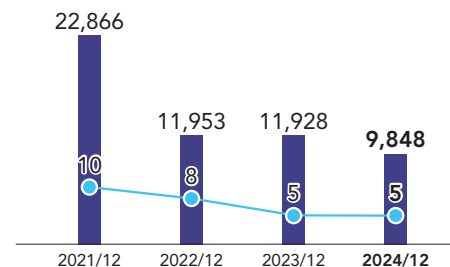
appropriate and whether the benefits and risks from each holding accord with the Company's cost of capital. As a result of the assessment, if it is determined that the necessity of any cross-shareholdings has decreased, such cross-shareholdings will be reduced.

With respect to the voting rights as to the cross-shareholdings, the Company will determine the matters to be confirmed for each proposal to shareholders, such as appropriation of surplus, election and compensation of officers and company reorganization. Decisions whether or not to approve proposals will be made after full consideration of the appropriateness of the proposals and whether they will contribute to the purpose of the cross-shareholdings and the sustainable growth and increased corporate value over the medium to long term of the companies invested in.

### Cross-shareholdings (excluding deemed holdings of equity securities)

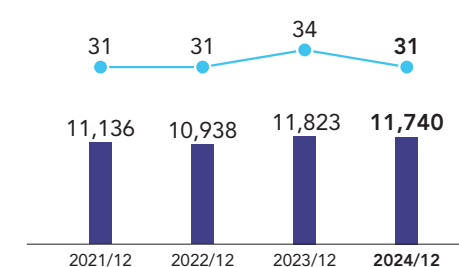
#### Shares other than unlisted shares

■ Total carrying amount on balance sheet (million JPY)  
● Number of issues



#### Unlisted shares

■ Total carrying amount on balance sheet (million JPY)  
● Number of issues



### Class A Stock

According to the stipulations of the Articles of Incorporation, INPEX issues a Class A Stock to the Minister of Economy, Trade and Industry. Unless otherwise provided by laws or ordinances, the Class A Stock does not possess voting rights at shareholders' meetings. However, it is possible for the holder of the Class A Stock to exercise veto rights for certain major corporate decisions. We believe the holding of Class A Stock by the Minister of Economy, Trade and Industry will help prevent any incidence of unusual management, allow INPEX to stably supply energy as a core company for Japan's oil & gas E&P and ensure that the Company does not incur any negative impact from a speculative acquisition or an attempt at management control through foreign capital. On this basis, INPEX's role is assured. Furthermore, we expect positive results in terms of external negotiation and credits as a national flagship company efficiently contributing to the stable supply of energy in Japan.