
■ ENEOS Holdings (5020) FY2023 ESG Briefing Session Q&A

1. Date/time: March 11, 2024 10 : 30 - 11 : 40
 2. Number of attendees: 82 (16 in person, 66 online)
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- This document contains forward-looking statements. Please refer to the cautionary statement at the end. -

Q. It seems there is lack of speed in decision-making. How will the reform of the Group management structure enhance shareholder value? What kinds of changes can we expect?

A. Under the new structure, constant communication between the CEO and the CxOs will accelerate decision-making. In addition, portfolio management by ENEOS Holdings will enable a deeper understanding of each company and clarify the responsibilities of each company, thus facilitating communication. This will increase the efficiency of management decision-making and speed up decision-making throughout the Group.

(Outside Director) I think the company has demonstrated agility in its responses, such as when refinery troubles have occurred. Some decisions, such as the IPO of JX Metals, have been particularly speedy, and the company takes full responsibility while making management decisions in a rapid and agile manner. After the change in Group management structure, I think we can expect the same speediness in management at each operating company as we have seen at JX Metals.

Q. As for employee engagement, what measures have been taken, what were management's opinions, are there any gaps between the attitudes of management and employees, and if so, what can be done to close the gaps?

A. The results of interviews of officers and employees by an outside organization and questionnaires to all employees at the end of last month are now being analyzed. While the responses vary among departments, improvement measures will be developed through dialogue by organizing and disclosing the results to employees and obtaining employee feedback. We are working to develop the improvement measures by the end of March and roll them out in April.

(Outside Director) I held an engagement meeting with employees to discuss how they work. It seemed to me that in general, employees felt a sense of responsibility for both a stable energy supply and the energy transition in Japan, however, their supervisors and management seemed to be unaware of this. But at the same time, this sense of responsibility is manifested in employees' positive attitude toward change, so I think they are quite capable of determining the direction of and implementing the company's initiatives.

Q. How was Mr. Miyata selected as CEO, and what did outside directors focus on in the selection process?

A. (Outside Director) There were three key points, as follows, in selecting the "Ideal CEO," all of which were confirmed by all Directors.

1. Ability to take the lead in constructing a business model, regarding energy transition as a business chance
2. Ability to rapidly and appropriately deal with our base businesses, especially refinery troubles
3. High ethical standards and the ability to restore the trust of our stakeholders, including shareholders, business partners, customers and employees

Based on the key points above, each of the 6 Inside Directors on the Board recommended multiple candidates to the Nomination Advisory Committee, and then human resources due diligence and interviews for candidates were conducted to assess risks, along with personality tests to assess behavioral characteristics and potential risks. As a result, Mr. Miyata was selected as CEO, as he has not only high ethical standards but also strategic and efficient judgment skills, the ability to think and take action, and a willingness to lead transformation and take on challenges. He has also been highly evaluated for the fact that since the misconduct incident disclosed on December 19, 2023, he has acted appropriately as acting

President and rapidly provided information both inside and outside the company, thereby minimizing upheaval in the Group. For these reasons, with the agreement of all of the Outside Directors, the Nomination Advisory Committee nominated Mr. Miyata to the Board of Directors as the new CEO, and the Board of Directors approved the nomination.

End

This notice contains certain forward-looking statements, however, actual results may differ materially from those reflected in any forward-looking statement, due to various factors, including but not limited to, the following:

- (1) macroeconomic conditions and changes in the competitive environment in the energy, resources and materials industries;
- (2) the impact of COVID-19 on economic activity;
- (3) changes in laws and regulations; and
- (4) risks related to litigation and other legal proceedings.