

Disclosures

The California Voluntary Carbon Market Disclosures Act (“AB 1305”)

The Voluntary Carbon Market Disclosures Act, Assembly Bill No. 1305 (“AB 1305”), was signed into law in California on October 7, 2023. AB 1305 requires covered business entities to disclose specified information regarding the sale and use of certain voluntary carbon offsets and claims of net zero, carbon neutrality and significant greenhouse gas (“GHG”) emissions reductions.

Idemitsu Kosan Co. Ltd., on behalf of itself and its subsidiaries (collectively “Idemitsu”), has established a goal of accelerating its efforts to become carbon neutral by 2050. Idemitsu’s strategy for meeting its goal, available [here](#), generally follows the recommendations of the Task Force on Climate-Related Financial Disclosures and includes methodologies for achieving its direct and indirect GHG emissions reduction targets and accelerating its carbon intensity reduction metrics. The GHG emissions reduction claims of Idemitsu are based on GHG data obtained and calculated in reference to standards following the Japan Ministry of the Environment’s “Law Concerning the Promotion of the Measures to Cope with Global Warming,” the International Petroleum Industry Environmental Conservation Association’s “Petroleum Industry Guidelines for Reporting Greenhouse Gas Emissions” and the Japan Ministry of the Environment and Ministry of Economy, Trading and Industry’s “Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain.” The “Idemitsu Kosan Green/Transition Bond Framework,” which outlines portions of Idemitsu’s transition strategy for achieving carbon neutrality, was independently evaluated by DNV Business Assurance Japan K.K. and is available [here](#). Idemitsu’s most recent 2023 GHG emissions inventory and carbon intensity reduction rates were independently verified by SOCOTEC Certification Japan, available [here](#).

This disclosure is provided for entities subject to AB 1305’s requirements. Idemitsu undertakes no obligation to update this information other than as required by law. As used in this section, “Idemitsu” and such terms as the “company,” the “corporation” or the “group” may refer to one or more of Idemitsu’s consolidated subsidiaries or affiliates or all of them taken as whole. All these terms are used for convenience only and are not intended to precisely describe separate entities, each of which manages its own affairs.