[Translation for Reference Purposes Only]

Securities Code: 1605
March 6, 2025

To Those Shareholders with Voting Rights

Takayuki Ueda
Representative Director, President & CEO
INPEX CORPORATION
5-3-1 Akasaka, Minato-ku, Tokyo

NOTICE OF THE 19th ORDINARY GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders,

We hereby announce that the 19th Ordinary General Meeting of Shareholders of INPEX CORPORATION (hereinafter the "Company") will be held as described below.

When convening this general meeting of shareholders, the Company takes measures for providing information that constitutes the content of reference documents for the ordinary general meeting of shareholders, etc. (items for which measures for providing information in electronic format are to be taken) in electronic format, and posts this information as "Information Materials for the 19th Ordinary General Meeting of Shareholders" on the Company's website. Please access the Company's website using the Internet address shown below to review the information.

The Company's website: https://www.inpex.com/english/ir/shareholder/meeting.html

In addition to posting items for which measures for providing information in electronic format are to be taken on the website listed above, the Company also posts this information on the website where information materials for the general meeting of shareholders are posted. To access this information, access the website by using the Internet address given below.

Website where information materials for the general meeting of shareholders are posted:

https://d.sokai.jp/1605/teiji/ (in Japanese only)

If you do not attend the meeting in person, you may exercise your voting rights via the Internet, etc. or in writing. Please review the attached Reference Documents for the Ordinary General Meeting of Shareholders before exercising your voting rights by 5:25 p.m. on March 27, 2025 (Thursday).

When exercising your voting rights, please refer to "Procedures to Exercise Voting Rights" below.

[Translation for Reference Purposes Only]

1. **Date and Time:** Friday, March 28, 2025 at 10:00 a.m. (Japan Time)
2. **Place:** Heian Room, 1st floor, The Okura Prestige Tower, The Okura Tokyo
   2-10-4 Toranomon, Minato-ku, Tokyo
3. **Agenda of the Meeting:**

   Matters to be reported:
   1. Business Report, Consolidated Financial Statements for the 19th fiscal year (from January 1, 2024 to December 31, 2024) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
   2. Non-Consolidated Financial Statements for the 19th fiscal year (from January 1, 2024 to December 31, 2024)

   Proposals to be resolved:

   Proposal No. 1: Appropriation of Surplus

   Proposal No. 2: Election of Ten (10) Directors

   Proposal No. 3: Revision of Compensation for Directors

   Proposal No. 4: Revision to Stock-Based Compensation System for Directors and Executive Officers
4. **Matters to be decided upon convocation**

   (1) Among items for which measures for providing information in electronic format are to be taken, the following items are not provided in the documents delivered to shareholders who have requested the delivery of paper-based documents as provided for by the provisions of laws and regulations, and the Articles of Incorporation of the Company. The Audit & Supervisory Board Members and the Accounting Auditor have audited the documents subject to audit, including the following items.

   (i) "Items Related to Accounting Auditor," "Systems for Ensuring Proper Operations of the Company and Status of Operations of such Systems" and "Basic Policy Regarding Control of the Company" in the Business Report

   (ii) "Consolidated Statement of Changes in Equity" and "Notes to Consolidated Financial Statements" in the Consolidated Financial Statements

   (iii) "Non-Consolidated Statement of Changes in Net Assets" and "Notes to Non-Consolidated Financial Statements" in the Non-Consolidated Financial Statements

   (2) When you exercise your voting rights both via the Internet, etc. and by the Voting Rights Exercise Form, the voting right exercised via the Internet, etc. shall be deemed and treated as your valid vote. When you exercise your voting rights twice or more via the Internet, etc., the last shall be deemed and treated as your valid vote.

   (3) If you return the Voting Rights Exercise Form without an indication of your vote for or against a proposal, it will be treated as a vote "for" the proposal.

- Those attending the Ordinary General Meeting of Shareholders on the day are requested to submit the Voting Rights Exercise Form sent out with this notice at the reception desk.
- Subtitles will be displayed on the screen in front of the venue for the General Meeting of Shareholders and during the live streaming. Please note that due to the real-time nature of the subtitles, there may be a delay in their display compared to the actual audio, and we cannot guarantee the accuracy or completeness of the expressions.

  * For information on how to watch the live stream via the internet, please refer to "Flow of General Meeting of Shareholders" on the next page.
- If significant changes occur to operation of the General Meeting of Shareholders due to future circumstances, or if revisions to the items for which measures for providing information in electronic format are to be taken, a notice of the revisions and the details of the items before and after the revisions will be posted on the website of the Company, and website where information materials for the general meeting of shareholders are posted.

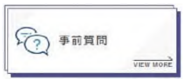
[Translation for Reference Purposes Only]

Flow of General Meeting of Shareholders

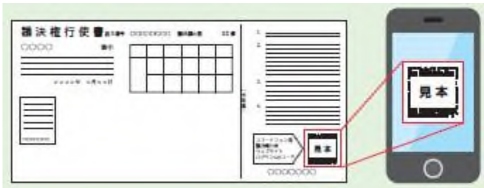
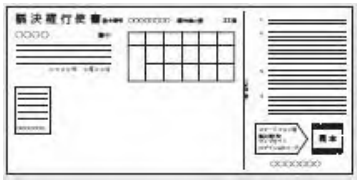
<table>
<tr>
<td rowspan="3">From the arrival of this Notice until Thursday, March 27, 2025

Prior to the holding of the General Meeting of Shareholders</td>
<td colspan="2">The following content will be posted on the Company’s website. Please use it as reference for the meeting.


Viewing of disclosure documents
Various disclosure documents can be viewed from the “IR” (Investor Relations) and “Sustainability” sections of the Company’s website.
The Company’s website
https://www.inpex.com/english/ir/


Asking a question beforehand
The Company will receive questions relevant to the agenda of the meeting. The Company plans to cover matters of great interest to shareholders at the General Meeting of Shareholders.
Shareholder portal site
https://links-v.pdcp.jp/1605/2025/inpex/ (in Japanese only)
Access the shareholder portal site, enter your ID (nine-digit shareholder number) and the common password “inpex25” (half-width alphanumeric characters), and then click “Advance questions.”


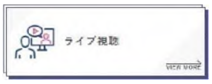
Advance question reception period:
From Thursday, March 6, 2025 at 9:00 a.m. to Monday, March 17, 2025 at 5:00 p.m. (Japan Time)</td>
</tr>
<tr>
<td>If Viewing Meeting by Live Stream</td>
<td>If Attending Meeting in Person</td>
</tr>
<tr>
<td>Exercise your voting rights beforehand.

Deadline:
Thursday, March 27, 2025 at 5:25 p.m. (Japan Time)

Voting Rights Exercise Form | Smartphone
For the details, please refer to the “Procedures to Exercise Voting Rights.”</td>
<td>Prepare the Voting Rights Exercise Form and this Notice at hand.

We ask that you bring the reference materials making up this Notice for the purpose of conserving resources.</td>
</tr>
</table>

<table>
<tr><th></th><th>If Viewing Meeting by Live Stream</th><th>If Attending Meeting in Person</th></tr>
<tr><td>Friday, March 28, 2025

On the day of the General Meeting of Shareholders</td>
<td>We will provide a live stream via the Internet to enable the viewing of the proceedings of the General Meeting of Shareholders from outside the venue.

Date and time of streaming:
Friday, March 28, 2025 at 10:00 a.m. (Japan Time)
(Access allowed 30 minutes in advance.)

Guide to Watching the Live Stream
1. Access URL of Live Stream
https://links-v.pdcp.jp/1605/2025/inpex/ (in Japanese only)
2. Login by entering your ID and common password
ID (shareholder number): Nine-digit number listed on the enclosed Voting Rights Exercise Form
Common password: inpex25 (half-width alphanumeric characters)
3. Click “Live viewing”

Inquiries
PRONEXUS Live Broadcast Call Center
This is the contact information for the live stream (and instructions on how to use it) on the day of the General Meeting of Shareholders.
TEL (available only in Japan): 0120-970-835
(From Friday, March 28, 2025 at 9:00 a.m. on the day of the General Meeting of Shareholders to the end of the meeting)</td>
<td>Guide to the Venue for the General Meeting of Shareholders
Place:
Heian Room, 1st floor, The Okura Prestige Tower, The Okura Tokyo
2-10-4 Toranomon, Minato-ku, Tokyo
TEL: +81-3-3582-0111

Transportation:
Toranomon Hills Station (Tokyo Metro Hibiya Line) Exit A2a, 5-minute walk
Toranomon Station (Tokyo Metro Ginza Line) Exit 3, 10-minute walk
Tameike-sanno Station (Tokyo Metro Ginza Line or Namboku Line) Exit 14, 10-minute walk</td></tr>
<tr><td>After the conclusion of the General Meeting of Shareholders</td>
<td colspan="2">The following content will be sequentially posted on the Company’s website.
https://www.inpex.com/english/ir/

Video of Chairperson’s Report

Notice of Results of Exercise of Voting Rights

Response to Questions on the day of the General Meeting of Shareholders</td></tr>
</table>

[Translation for Reference Purposes Only]

Procedures to Exercise Voting Rights

Voting rights at the Ordinary General Meeting of Shareholders are important rights of the shareholders in relation to decision-making by all the shareholders. Please refer to the Reference Documents for the Ordinary General Meeting of Shareholders and exercise your voting rights. You may exercise your voting rights by any of the following three methods.

Exercise of Voting Rights by Electromagnetic Means (via the Internet, etc.)
Please see the "Procedures to Exercise Voting Rights via the Internet, etc." on the next page and exercise your voting rights. If you have any questions, please contact the Stock Transfer Agency Department of Mizuho Trust & Banking Co., Ltd. stated on the next page.
Deadline: Thursday, March 27, 2025 at 5:25 p.m. (Japan Time)

Exercise of Voting Rights in Writing (on the Voting Rights Exercise Form)
Please indicate your votes for or against each of the proposals on the enclosed Voting Rights Exercise Form, and send the form by mail.
Deadline: Arrival by Thursday, March 27, 2025 at 5:25 p.m. (Japan Time)

Exercise of Voting Rights by Attending the Ordinary General Meeting of Shareholders
Those attending the Ordinary General Meeting of Shareholders on the day are requested to bring this Notice and to submit the enclosed Voting Rights Exercise Form at the reception desk.
Date and time: Friday, March 28, 2025 at 10:00 a.m. (Japan Time)

- Should you choose to exercise your voting rights via a proxy, you may designate a shareholder other than yourself, who holds voting rights with respect to the Company, as your proxy. It should be noted, however, that it will be necessary to submit a document certifying said individual's proxy.
- In the event of a diverse exercise of voting rights, it is requested that you notify the Company to that effect, together with the reasons, by no later than three days before the General Meeting of Shareholders.
- In the case you choose to exercise your voting rights in writing, if where there is no indication of your vote for or against a proposal on the Voting Rights Exercise Form, it will be treated as a vote "for" the proposal.
- When you exercise your voting rights both by the Voting Rights Exercise Form and via the Internet, etc., the voting right exercised via the Internet, etc. shall be deemed and treated as your valid vote. When you exercise your voting rights twice or more via the Internet, etc., the voting right exercised last shall be deemed and treated as your valid vote.

[Translation for Reference Purposes Only]

Procedures to Exercise Voting Rights via the Internet, etc.

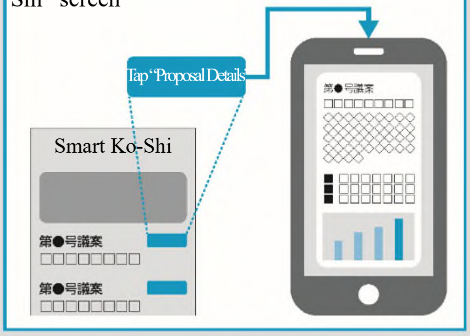
Deadline: Thursday, March 27, 2025 at 5:25 p.m. (Japan Time)

By scanning the login QR Code "Smart Ko-Shi®"

Please scan the QR code on the bottom right corner of the Voting Rights Exercise Form.

You can simply log in to the Voting Rights Exercise Website without entering your Code for the Exercise of Voting Rights and Password.

Details of General Meeting of Shareholders Proposals can be viewed on the "Smart Ko-Shi" screen



You can only exercise your voting rights via "Smart Ko-Shi" once.

If you need to change your votes after exercising your voting rights, please access the Voting Rights Exercise Website and exercise your voting rights again by following the steps described below.

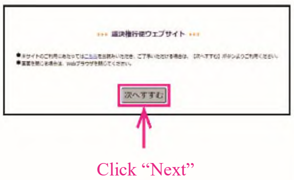
* If you rescan the login QR code, you can access the voting website for PC.

* The "QR code" is a registered trademark of DENSO WAVE INCORPORATED.

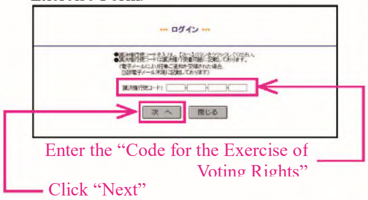
By entering your ID and Password

Voting Rights Exercise Website: https://soukai.mizuho-tb.co.jp/

1 Please access the Voting Rights Exercise Website.



2 Enter your "Code for the Exercise of Voting Rights" printed on the Voting Rights Exercise Form.



3 Enter your "Password" printed on the Voting Rights Exercise Form.

4 Indicate your approval or disapproval by following the instructions on the screen.

In case you need instructions for how to operate your personal computer, smartphone or mobile phone in order to exercise your voting rights via the Internet, please contact:	**Internet Help Dial, Stock Transfer Agency Department of Mizuho Trust & Banking Co., Ltd.** Telephone (available only in Japan): **0120-768-524** Operating Hours: 09:00 a.m. to 09:00 p.m. (excluding the New Year holidays)

For Institutional Investors: Institutional investors may exercise their voting rights using the electronic voting platform for institutional investors operated by ICJ, Inc. if they apply for the usage beforehand.

[Translation for Reference Purposes Only]

(Reference) Summary of the Financial Results

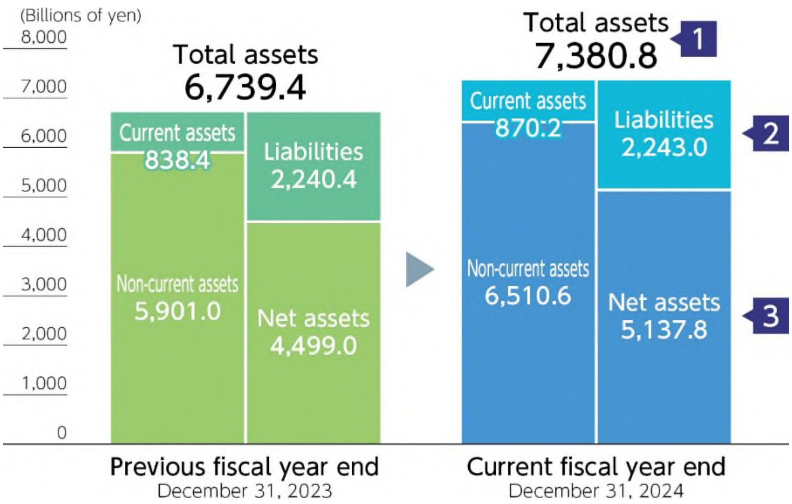
Financial Highlights

Revenue		**Operating profit**	
¥2,265.8 billion	Up 4.7% year on year	¥1,271.7 billion	Up 14.1% year on year

Profit before tax		**Profit attributable to owners of parent**	
¥1,298.8 billion	Up 3.6% year on year	¥427.3 billion	Up 32.8% year on year

Basic earnings per share	
¥345.31	Up 38.9% year on year

Summary of Consolidated Statement of Financial Position



POINT

1. Total assets increased by ¥641.3 billion to ¥7,380.8 billion from ¥6,739.4 billion as of December 31, 2023.

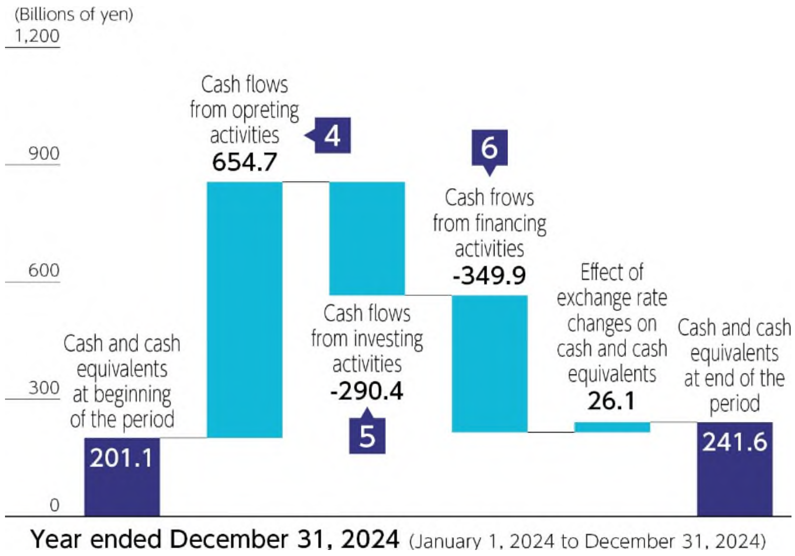
2. Liabilities increased by ¥2.5 billion to ¥2,243.0 billion from ¥2,240.4 billion as of December 31, 2023.

3. Total equity increased by ¥638.8 billion to ¥5,137.8 billion from ¥4,499.0 billion as of December 31, 2023.

[Translation for Reference Purposes Only]

(Reference) Summary of the Financial Results

Summary of Consolidated Statement of Cash Flows



POINT

4. Net cash provided by operating activities decreased year on year by ¥133.3 billion to ¥654.7 billion due mainly to an increase in income taxes paid, an increase in trade receivables and other receivables, despite a decrease in financial income, which is a non-cash item.

5. Net cash used in investing activities decreased year on year by ¥29.7 billion to ¥290.4 billion due mainly to a decrease in payments for purchases of investments and a decrease in payments for purchases of investments accounted for using the equity method, despite an increase in long-term loans made.

6. Net cash used in financing activities decreased year on year by ¥137.3 billion to ¥349.9 billion due mainly to a decrease in repayments of long-term borrowings and a net increase of commercial papers.

Forecasted Consolidated Operating Results for the Year Ending December 31, 2025

For the year ending December 31, 2025	Average oil price for the period (Brent) (US$/ barrel)	75.0
	Average exchange rate for the period (JPY/ US$)	153.0
	Revenue	¥2,119.0 billion
	Operating profit	¥1,106.0 billion
	Profit before tax	¥1,157.0 billion
	Profit attributable to owners of parent	¥330.0 billion

[Reference]

Overview of Medium-term Business Plan 2022-2024

- In addition to maintaining stable production in each project, and with tailwinds such as high oil prices and a weak yen, management indicators including profit achieved the targets of the Medium-term Business Plan.
- We achieved the reduction target for net carbon intensity per unit through measures such as flare reduction and the introduction of clean power to production facilities, and continued to have zero major accidents, but fell short of the targets for net production and production cost per BOE.
- Based on the favorable business environment, we implemented active shareholder returns exceeding the target, while considering the balance between growth investment and financial soundness.

		For the year ended 2024/12 (Results)	For the year ended 2024/12 (Medium-term Plan targets)	
Assumption	Brent crude oil price (US$/barrel)	79.86	US$60/barrel	US$70/barrel
	Exchange rate (JPY/US$)	151.69	¥110/US$	¥110/US$
Management indicators	Equity attributable to owners of parent	¥427.3 bn	¥170.0 bn	¥240.0 bn
	Operating cash flow before exploration *1	¥899.9 bn	¥600.0 bn	¥700.0 bn
	ROE	9.5%	Around 6.0%	Around 8.0%
	Net D/E ratio *1	0.33	0.5 or less	0.5 or less
Business indicators	Net production (BOED)	631K BOED	Level exceeding 700 thousand BOED	
	Production cost per BOE (excluding royalties)	US$5.2/BOE	Reduction towards US$5 per barrel or below	
	Net carbon intensity	28kg/boe	Reduction of 10% (4.1 kg/boe) or more over a 3-year period towards 2030 target *2	
	Safety	Zero major accidents	Zero major accidents *3	
Shareholder returns	Annual dividend per share	¥86	• Aim for total return ratio of 40% or higher • Implement share buybacks giving thought to the Company's business environment, financial base and management conditions, etc. • Even in cases of short-term deterioration of the business environment, a minimum annual dividend per share of 30 yen will be paid.	
	Total payout ratio	55.0%		

*1 Includes Ichthys downstream Incorporated Joint Venture and differs from financial accounting basis

*2 Reduction of 2019 net carbon intensity (41.1 kg/boe) by over 30%

*3 Major accidents: Accidents including fatality, serious leak and serious injury at operator business.

[Translation for Reference Purposes Only]

[Reference]

INPEX Vision 2035

■ What INPEX Aims to Realize Towards 2035

- **Further strengthening of existing projects**

We will prioritize safe and stable operations, ensuring a reliable energy supply while securing resources for shareholder returns and growth investments.

- **Expanding the earnings base and moving forward toward net zero by 2050**

With a focus on strengthening the supply capacity of natural gas as a pragmatic transition fuel, we will enhance new initiatives in low-carbon sectors and power-related businesses that offer synergies and complementary benefits. This will expand our revenue base while advancing toward net zero by 2050. We will expand our business foundation, particularly in core areas, and increase shareholder returns in line with business growth.

Growth axis 1 **Expand natural gas and LNG business**	In the Ichthys LNG Project, we aim to expand liquefaction capacity while ensuring continued safe and stable operations In the Abadi LNG Project, we aim to achieve FID[1] during the Medium-term Business Plan period with the goal of starting production in the early 2030s. We will enhance our LNG trading capabilities to enable a more flexible LNG supply. We will continue exploration in promising regions where early monetization is possible.
Growth axis 2 **Provide lower-carbon solutions focused on CCS/hydrogen**	We will utilize the organizational capabilities and existing technologies we have accumulated up until now to promote low-carbon energy. In addition to GHG emission reductions through a combination of natural gas and LNG projects in which we participate and CCS, we will promote GHG reduction solutions for third parties and the supply of clean hydrogen.
Growth axis 3 **Taking on new challenges in the energy and resources field that leverage the unique strengths of INPEX**	We will also contribute to the electric power-related field as an integrated energy development company. We will contribute to the development of a clean and high-value-added power supply system by integrating renewable energy with storage batteries and clean gas-fired power generation[2]. We will take on the challenge recovering underground resources other than oil and natural gas, which are essential for supporting power supply systems.

1. Final investment decision
2. Aims to reduce GHG emissions by combining CCS or co-firing/exclusive firing with clean hydrogen

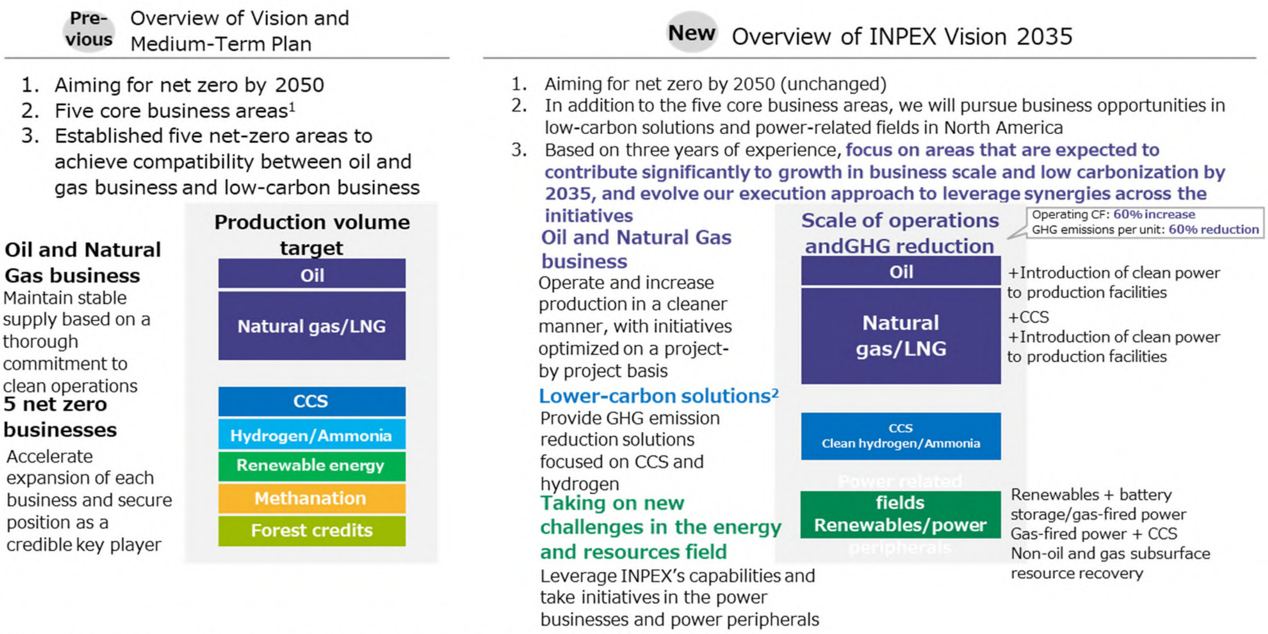
[Translation for Reference Purposes Only]

[Reference]

INPEX Vision 2035

■ **Evolution from the Previous Vision and Medium-term Business Plan**

1. We will continue to aim for net zero by 2050.
2. In addition to the five core business areas, we will pursue business opportunities in low-carbon solutions and power-related fields in North America.
3. Based on the results of the previous Vision/Medium-term Business Plan period, we will focus on fields that are expected to have an impact on growth in business scale and decarbonization by 2035, and evolve our implementation methods with an awareness of synergies between fields.



1. Core business regions are Australia, Abu Dhabi, Southeast Asia, Japan and Europe
2. Including initiatives in methanation

[Translation for Reference Purposes Only]

[Reference]

INPEX Vision 2035

■ **Our Vision for 2035: Striving for 60-60**

- **60% expansion of business scale**

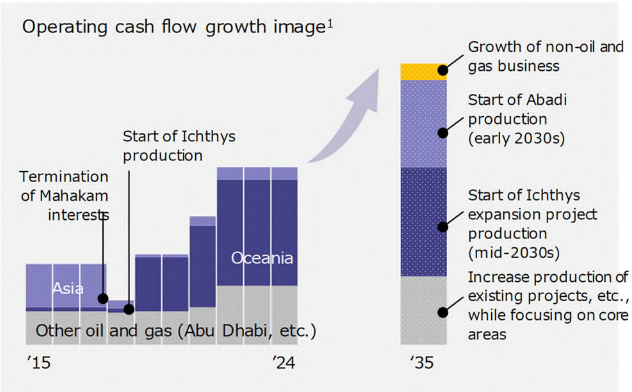
We have achieved significant growth over the past 10 years through the start of production at Ichthys and business expansion in Abu Dhabi. By advancing ongoing projects such as Abadi and the Ichthys expansion, we will continue to grow over the next decade.

- **60% reduction in net carbon intensity**

We have steadily reduced net carbon intensity by accumulating efforts such as reviewing production processes. Over the next decade, we will achieve impactful reductions through CCS while contributing to the decarbonization of society as a whole.

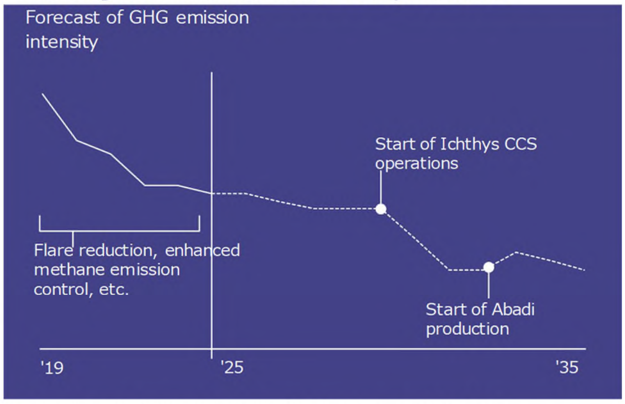
60% expansion of business scale

INPEX has achieved significant growth over the past decade through the start of production at Ichthys and business expansion in Abu Dhabi. **Over the next ten years, we will continue to grow by realizing projects that are currently underway, such as the Abadi and Ichthys expansion project, while ensuring profitability.**



60% reduction in greenhouse gas emissions per unit[2]

INPEX has steadily reduced our GHG emission intensity through continuous improvements in production processes. **Over the next decade, we will achieve impactful reductions through CCS while contributing to the decarbonization of society as a whole.[3]**



1. Estimates assuming a constant external business environment in both the past and future (considering 2.3%/year inflation in both costs and sales after 2025)
2. Reduction target compared to 2019 (Scope 1 and 2, reflecting the current economic environment and reasonable forecasts, and assumes a business environment of technological progress, economic rationality, and the achievement of measures in each country and region)
3. The aim is to reduce emissions on an absolute basis for projects that were in operation as of 2019. In addition, we will work with stakeholders in the supply chain to reduce Scope 3 at the same time. Moreover, through CCS, hydrogen, and renewable energy businesses, we aim to contribute to a reduction of approximately 8.2 million tons per year in society (amount of GHG emission reduction contributed to society through our products and services)

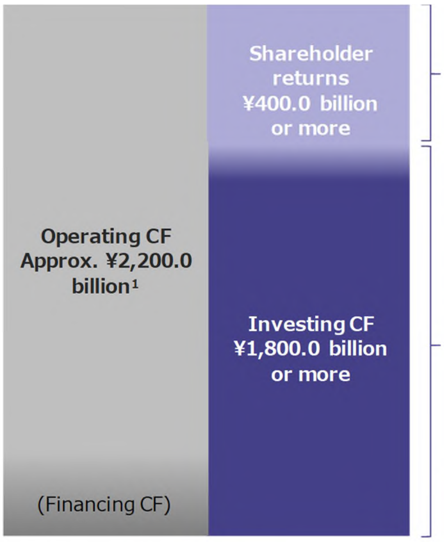
[Translation for Reference Purposes Only]

[Reference]

INPEX Vision 2035

■ Capital Allocation for 2025-2027

- As interest-bearing liabilities have been reduced over the past three years, we will further strengthen growth investment and shareholder returns in the three years from 2025 to 2027.
- For growth investments, we will focus our investments on projects that contribute to enhancing shareholder value.



We will strengthen our shareholder returns in line with business growth.

- Maintain stable shareholder returns through dividends while executing flexible share buybacks in response to prevailing conditions

Make proactive growth investments while adhering to investment discipline

- Pursue impactful growth, focusing on natural gas and LNG
- Around 20% investment cash flow is expected to be allocated to lower-carbon solutions and power-related fields, with profitability thoroughly evaluated at the stage of transitioning to investment
- In addition, we will pursue growth opportunities such as asset acquisitions and M&A to accelerate growth. Such investment will be made after carefully evaluating potential synergies, including those with our existing facilities and capabilities.

Current investment pipelines

- ✓ Maintaining and expanding existing projects : Approx. 1,100 billion JPY
- ✓ Natural gas and LNG project expansion in a cleaner manner[2] : Approx. 500 billion JPY
- ✓ CCS/hydrogen and power-related fields: Approx. 200 billion JPY

(In addition, there are other potential investments: pipelines of 1,000+ billion JPY)

1. Assumption of $70/bbl., 1USD = 135JPY
2. Including investments for CCS integrated into LNG projects

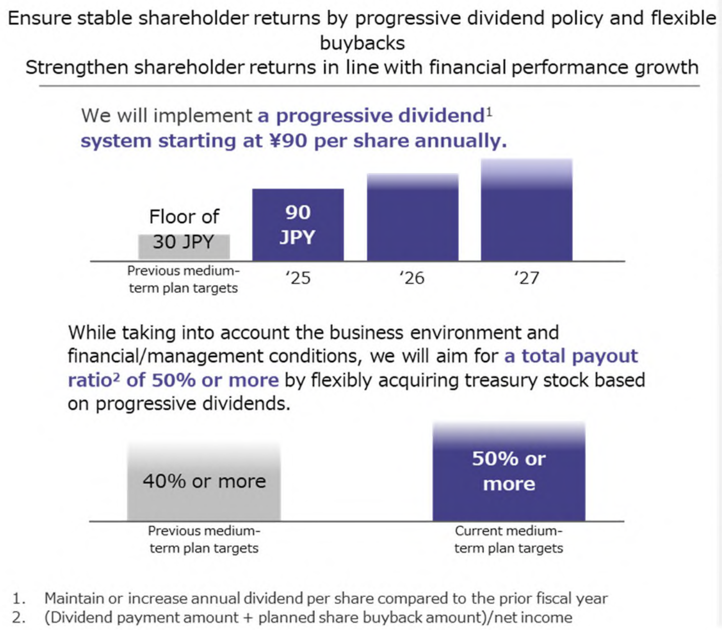
[Translation for Reference Purposes Only]

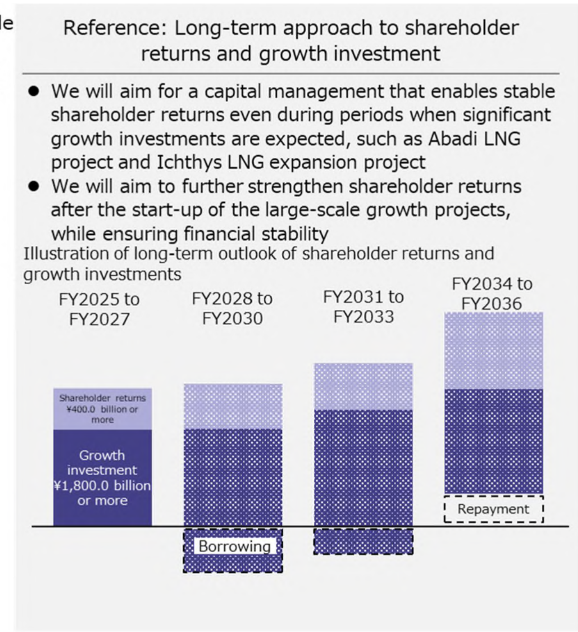
[Reference]

INPEX Vision 2035

■ **Shareholder Return Policy for 2025-2027**

- We will implement a progressive dividend system starting at ¥90 per share annually.
- While taking into account the business environment and financial/management conditions, we will aim for a total payout ratio of 50% or more by flexibly acquiring treasury stock based on progressive dividends.





[Translation for Reference Purposes Only]

[Reference]

INPEX Vision 2035

■ **Key Management Targets for 2025-2027**

- INPEX will continue to ensure safe and reliable operation of its projects and maintain a solid profit base.
- We will strive to take FID on projects during the Medium-term Business Plan period including Abadi LNG, to establish a foundation for significant growth in the 2030s.
- We will aim to enhance shareholder returns sustainably and will disclose the progress of our businesses in a timely and proactive manner.

Indicators	Targets during the medium-term plan.
Major accidents[1]	**Zero**
Shareholder returns	**A progressive annual dividend payout starting with 90 JPY during the Medium-term Business Plan period (2025-2027)** **Aim for a total return ratio[2] of 50% or higher**
Three years cumulative operating cash flow	**¥2,200.0 billion or more** Assumptions: Oil price of $70/bbl. and an exchange rate of 135JPY/USD
GHG emissions per unit[3]	**35% reduction versus 2019 levels by 2027**
ROE	**Aiming for an ROE greater than the cost of equity**
ROIC	**Aiming for an ROIC greater than the WACC**

1. Fatalities, serious injuries and major leaks (PSE Tier-1) occurring in operator projects
2. (Dividend payment amount + planned share buyback amount)/net income
3. Scope 1 and 2

[Translation for Reference Purposes Only]

[Reference]

INPEX Vision 2035

■ Corporate Position on Climate Change

• We support the Paris Agreement goals[1] and set the following targets to contribute to the realization of a low-carbon society.

Decarbonization of INPEX business		Contribution to lower-carbon society	
2050 Net zero in absolute emissions (Scope1+2)[2]	2035 60% reduction[3] of net carbon intensity (Scope1+2)[2]	Scope 3 reduction: Work together with all relevant stakeholders to address challenges across the value chain	Aim to contribute to the reduction of 8.2 million tons of CO2-emissions by 2035

Initiatives to Achieve Goals

- Promote the provision of CCS and other lower-carbon solutions
- Contribute to the development of a high-value-added and clean power supply through initiatives in power-related fields
- Maintain current low methane intensity of approximately 0.1%[4]
  (calculated by methane emissions / natural gas production)
- Aim to eliminate routine flaring by 2030[4]

1. Target level to hold the increase in the global average temperature to well below 2°C
2. On INPEX equity share basis
3. 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.
4. In INPEX-operated projects

[Reference]

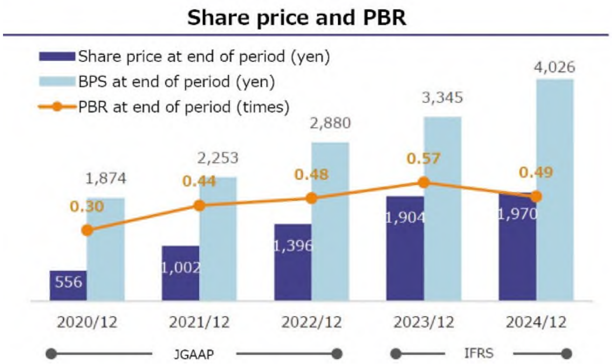
Towards Sustainable Enhancement of the Corporate Value
In August 2023, we announced "Towards sustainable enhancement of the corporate value" and have been implementing various initiatives. We plan to disclose the progress status at the end of each fiscal year going forward.

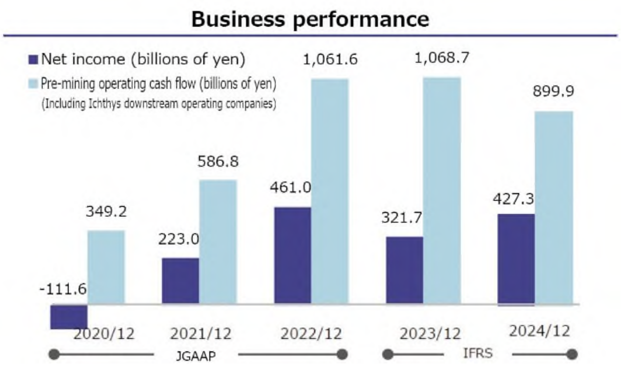
Discount factors (our analysis)

- Potential for improving profitability
- Risk of stranded assets
- Uncertainty regarding shareholder returns

Initiatives

- Improvement of capital efficiency
- Gaining confidence in future business growth
- Strengthening shareholder returns and investor engagement





For details, please refer to the financial results briefing materials, etc., announced on February 13, 2025.
https://www.inpex.com/english/ir/library/result.html

[Translation for Reference Purposes Only]

[Reference]

INPEX Corporate Governance Framework

Our mission 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. Based on this mission, in order 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.

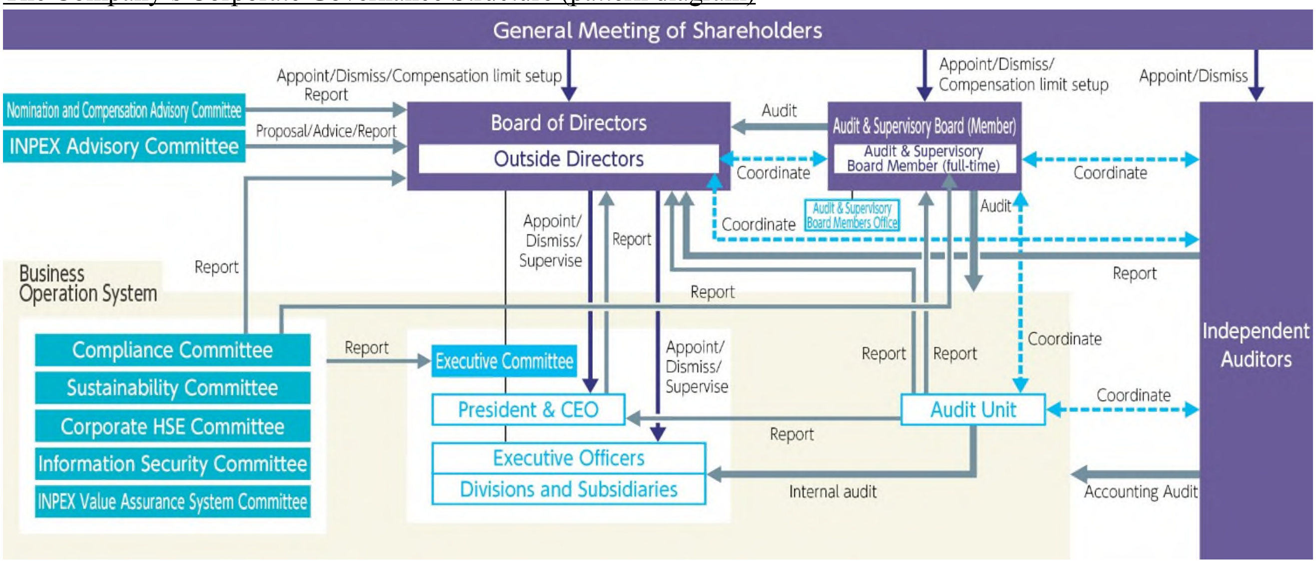
The Company has established its "Corporate Governance Guidelines" for the purpose of ensuring transparency and fairness in its decision-making of the Company and realize effective corporate governance through the proactive provision of information.

Outline of corporate governance system (as of December 31, 2024)

Form of organization	Company with Audit & Supervisory Board Members	
Directors	Number of Directors under the Articles of Incorporation	16 or less
	Number of Directors (including Outside Directors)	10 (5)
	Term of office............................	1 year
Audit & Supervisory Board Members	Number of Audit & Supervisory Board Members under the Articles of Incorporation..........................	5 or less
	Number of Audit & Supervisory Board Members (including Outside Audit & Supervisory Board Members)	5 (4)
	Term of office............................	4 years
Number of Independent Officers	9 (5 Outside Directors and 4 Outside Audit & Supervisory Board Members)	
Other	Issuance of Class A Share to the Minister of Economy, Trade and Industry	

For the details of our "Corporate Governance Guidelines," please refer to the Company's website:
https://www.inpex.com/assets/documents/english/company/corporate_governance/e-guidelines.pdf

The Company's Corporate Governance Structure (pattern diagram)



[Translation for Reference Purposes Only]

Reference Documents for the Ordinary General Meeting of Shareholders

Proposals and references
Proposal No. 1: Appropriation of Surplus

Matters Concerning Year-End Dividend

Based on the shareholder return policy outlined in "Long-term Strategy and Medium-term Business Plan (INPEX Vision @2022)," which was formulated in February 2022, the Company will, in principle, maintain stable dividend payouts during the period covered by the medium-term business plan from fiscal year 2022 to fiscal year 2024 with a total payout ratio of 40 % or higher, and a minimum annual dividend per share of 30 yen. During this period, the Company will also strive to strengthen shareholder returns through means including share buybacks based on the Company's business environment, financial base and management conditions, etc., in accordance with the growth of the Company's financial results.

Based on this policy, in view of the full-year consolidated results, etc., it is proposed that the year-end dividend for the year ended December 31, 2024, be as follows.

1) Type of dividend
   Cash
2) Matters concerning allotment of dividend property and total amount
   Amount per common share 43 yen
   Amount per Class A share 17,200 yen
   Total amount of dividend 51,532,407,354 yen
3) Effective date of distribution of surplus
   March 31, 2025

Note: Although the Company conducted a share split at a ratio of 1:400 of its common share on October 1, 2013, a share split was not implemented for the Class A share of the Company. Accordingly, the amount of the dividend of the Class A share was determined by multiplying the dividend of the common shares of the Company by 400, resulting in an amount equivalent to the dividend of the common shares prior to the share split, as specified in the Company's Articles of Incorporation.

Including the already-paid interim dividend, which amounted to 53,690,594,812 yen (43 yen per common share and 17,200 yen per Class A share), the annual dividend is 105,223,002,166 yen in total (86 yen per common share and 34,400 yen per Class A share).

*1 No payout ratio is shown for the year ended 2020/12, as a net loss was recorded.
*2 The total payout ratio for the year ended December 31, 2022 uses retrospectively applied figures because a retrospective restatement has been made to reflect the changes in accounting policies.

Based on the shareholder return policy shown in the 2025-2027 Medium-term Business Plan announced on February 13, 2025, during the Medium-term Business Plan period from fiscal 2025 to fiscal 2027, in addition to stable returns through progressive dividends starting at ¥90 per share annually, we will also implement flexible treasury stock acquisition while taking into account the business environment and financial/management conditions, aiming for a total payout ratio of 50% or more, and strengthening shareholder returns in line with business growth.

[Translation for Reference Purposes Only]

Proposal No. 2: Election of Ten (10) Directors

As the terms of office of all ten (10) Directors will expire at the close of this Ordinary General Meeting of Shareholders, the election of ten (10) Directors is proposed.

The candidates for Directors are listed below. This proposal was determined at a Board of Directors meeting, after being deliberated by the Nomination and Compensation Advisory Committee, whose chairman and a majority of its members are Independent Outside Directors.

There is no special interest between any of the candidates and the Company.

Candidate number		Name		Current position & responsibility	Nomination and Compensation Advisory Committee (Note 2)	Attendance at Board of Directors meetings
1	For reappointment (Note 1)	Takayuki Ueda	Male	Representative Director, President & CEO	○	(15/15)
2	New candidate (Note 1)	Hiroshi Fujii	Male	Senior Executive Vice President Senior Vice President, Abu Dhabi Projects		– (Note 3)
3	For reappointment	Hitoshi Okawa	Male	Director, Senior Executive Vice President Senior Vice President, General Administration and Senior Vice President, Oceania Projects		(11/12) (Note 4)
4	For reappointment	Daisuke Yamada	Male	Director, Senior Managing Executive Officer Senior Vice President, Finance & Accounting		(15/15)
5	For reappointment	Toshiaki Takimoto	Male	Director, Senior Managing Executive Officer Senior Vice President, Corporate Strategy & Planning Legal Affairs Head of Net Zero Business		(15/15)
6	For reappointment Outside Director Independent Director	Jun Yanai	Male	Director	○ (Chair)	(15/15)
7	For reappointment Outside Director Independent Director	Norinao Iio	Male	Director	○	(15/15)
8	For reappointment Outside Director Independent Director	Atsuko Nishimura	Female	Director	○	(15/15)

9	For reappointment Outside Director Independent Director	Hideka Morimoto	Male	Director	(15/15)
10	New candidate Outside Director Independent Director	Bruce Miller	Male	–	– (Note 3)

Note 1: If this proposal is approved, this candidate will be selected as Representative Director at the Board of Directors meeting to be held after the close of this Ordinary General Meeting of Shareholders.
Note 2: The information is as of the date of preparation of this Notice.
Note 3: The attendance in this fiscal year is not applicable because this is a new candidate for Director.
Note 4: Appointed as a Director on March 26, 2024.

[Translation for Reference Purposes Only]

No. 1	Takayuki Ueda (Date of birth: August 30, 1956) Reappointment 

Number of common shares of the Company held by the candidate: 33,490 shares Term of office as Director: 6 years and 9 months (at the conclusion of this meeting) Attendance at Board of Directors meetings 15 out of 15 (100%)	Career summary and position

Career summary and position

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, Ministry of Economy, Trade and Industry
September 2012	Director-General, Trade Policy Bureau, Ministry of Economy, Trade and Industry
June 2013	Commissioner, Agency for Natural Resources and Energy
July 2015	Vice-Minister for International Affairs, Ministry of Economy, Trade and Industry
April 2017	Councilor (part-time) of the Company
August 2017	Senior Executive Vice President
June 2018	Representative Director, President & CEO (present position)

Reason for nominating as candidate for Director

Mr. Takayuki Ueda has superior insights and actual achievement in the fields of government policy, resources and energy, etc. built through his career at the Ministry of Economy, Trade and Industry. He assumed the post of Senior Executive Vice President of the Company in 2017, and has been Representative Director, President & CEO since 2018. Thus, he has abundant operational experience in the Company and he also has insights regarding management of energy development companies and global business management as well as administrative/operational affairs. For these reasons, we have nominated him again for reappointment as Director.

[Translation for Reference Purposes Only]

No. 2	Hiroshi Fujii (Date of birth: January 18, 1958) New candidate	

Number of common shares of the Company held by the candidate: 43,567 shares

Term of office as Director: –

Attendance at Board of Directors meetings –

Career summary and position

April 1980	Joined Japan Oil Development Co., Ltd.
November 2006	General Manger, Abu Dhabi Branch, Japan Oil Development Co., Ltd.
October 2008	Commercial Coordination Unit, Abu Dhabi Projects Division of the Company General Manger, Abu Dhabi Branch, Japan Oil Development Co., Ltd.
August 2009	Vice President, Abu Dhabi Projects of the Company Director, General Manger, 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. (present position)
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 (present position)

Reason for nominating as candidate for Director

Mr. Hiroshi Fujii has been engaged mainly in project operations in Abu Dhabi, United Arab Emirates since he joined the Company. After serving as General Manager of the Abu Dhabi Branch of Japan Oil Development Co., Ltd., he currently holds the positions of Senior Vice President of the Abu Dhabi Projects of the Company and Representative Director and President of Japan Oil Development Co., Ltd. He has extensive experience in the Middle East and expertise in business management, administration, and operations of energy development companies. For these reasons, we have nominated him as a new candidate for Director.

[Translation for Reference Purposes Only]

No. 3

Hitoshi Okawa

(Date of birth: December 13, 1960)
Reappointment

Number of common shares of the Company held by the candidate:
17,234 shares

Term of office as Director:
1 year
(at the conclusion of this meeting)

Attendance at Board of Directors meetings
11 out of 12 (91%)

Career summary and position

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 of the Company
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 and Senior Vice President, Oceania Projects
March 2024	Director, Senior Managing Executive Officer, Senior Vice President, General Administration and Senior Vice President, Oceania Projects
January 2025	Director, Senior Executive Vice President, Executive Officer, Senior Vice President, General Administration and Senior Vice President, Oceania Projects (present position)

Reason for nominating as candidate for Director

Mr. Hitoshi Okawa joined the Company after a career in the overseas oil development business, and he was mainly engaged in the matters of finance/accounting/affairs of corporate strategy & planning departments. After serving as Deputy General Manager, Perth Office, Oceania Projects, and then as General Manager, Perth Office, he currently serves as Senior Vice President, General Administration, and Senior Vice President, Oceania Projects. Thus, he 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. For these reasons, we have nominated him again for reappointment as Director.

<table>
<tr><td>No. 4</td><td>Daisuke Yamada
(Date of birth: October 10, 1960)
Reappointment
</td></tr>
<tr><td rowspan="4">Number of common shares of the Company held by the candidate:
28,904 shares

Term of office as Director:
5 years
(at the conclusion of this meeting)

Attendance at Board of Directors meetings
15 out of 15 (100%)</td><td>Career summary and position</td></tr>
<tr><td>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 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.
May 2019 Councilor of the Company
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
January 2024 Director, Senior Managing Executive Officer, Senior Vice President, Finance & Accounting (present position)</td></tr>
<tr><td>Reason for nominating as candidate for Director</td></tr>
<tr><td>Mr. Daisuke Yamada has excellent insight and experience as well as actual performance results in the field of finance built through his career at financial institutions. Since joining the Company in 2019, he has been engaged in the matters of finance/accounting departments, and currently assumes the post of Senior Vice President, Finance & Accounting, having served as General Manager, Finance Unit, Finance & Accounting Division. He has abundant business experience in the Company as well as knowledge and experience concerning administrative/operational matters of energy development companies. For these reasons, we have nominated him again for reappointment as Director.</td></tr>
</table>

No. 5	Toshiaki Takimoto (Date of birth: October 20, 1961) Reappointment	

Number of common shares of the Company held by the candidate: 32,106 shares Term of office as Director: 2 years (at the conclusion of this meeting) Attendance at Board of Directors meetings 15 out of 15 (100%)	**Career summary and position** April 1987 — Joined Teikoku Oil Co., Ltd. January 2004 — General Manager, Caracas Office, Teikoku Oil Co., Ltd. October 2008 — Senior Coordinator, South America Unit, America & Africa Project Division of the Company June 2013 — General Manager, London Office, Eurasia & Middle East Project Division 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 (present position) **Reason for nominating as candidate for Director** Mr. Toshiaki Takimoto has been engaged mainly in the oil development technical departments and overseas project division operations, served as Senior Vice President of Americas & Africa, Senior Vice President of New Ventures & Global Exploration and Senior Vice President of Hydrogen & CCUS Development since he joined the Company, and presently he assumes the post of Senior Vice President of Corporate Strategy & Planning responsible for sustainability, in charge of Legal Affairs, and Head of Net Zero Business. Thus, he 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. For these reasons, we have nominated him again for reappointment as Director.

[Translation for Reference Purposes Only]

No. 6	Jun Yanai (Date of birth: July 5, 1950) Reappointment	Candidate for: Outside Director Independent Director	

Number of common shares of the Company held by the candidate: – Term of office as Director: 8 years and 9 months (at the conclusion of this meeting) Attendance at Board of Directors meetings 15 out of 15 (100%)	**Career summary and position**

April 1973	Joined Mitsubishi Corporation
April 2004	Senior Vice President, Senior Assistant to Group CEO, Energy Business Group, Mitsubishi Corporation
April 2005	Senior Vice President, Division COO, Petroleum Business Div., Mitsubishi Corporation
April 2008	Executive Vice President, Group COO, Energy Business Group, Mitsubishi Corporation
April 2011	Executive Vice President, Group CEO, Energy Business Group, Mitsubishi Corporation
April 2013	Senior Executive Vice President, Group CEO, Energy Business Group, Mitsubishi Corporation
June 2013	Member of the Board, Senior Executive Vice President, Group CEO, Energy Business Group, Mitsubishi Corporation
April 2014	Member of the Board, Senior Executive Vice President, Group CEO and CCO, Energy Business Group, Mitsubishi Corporation
June 2016	Corporate Advisor, Mitsubishi Corporation (resigned in June 2024)
June 2016	Outside Director of the Company (present position)

Reason for nominating as candidate for Outside Director, etc.

Mr. Jun Yanai is nominated as a candidate for Outside Director of the Company and his reelection is requested, as it has been determined that he is able to appropriately execute his duties as Outside Director due to being expected to provide supervision of the execution of business from an international perspective and the necessary comments and suggestions, etc. in the meetings of the Board of Directors, etc. primarily by utilizing his experience as a corporate executive and abundant experience and insight in the resource and energy industry.

No. 7	Norinao Iio (Date of birth: March 2, 1951) Reappointment	Candidate for: Outside Director Independent Director

Number of common shares of the Company held by the candidate: – Term of office as Director: 7 years and 9 months (at the conclusion of this meeting) Attendance at Board of Directors meetings 15 out of 15 (100%)	**Career summary and position**	
	June 1973	Joined Mitsui & Co., Ltd.
	April 2005	Managing Officer, Chief Operating Officer, Energy Business Unit, Mitsui & Co., Ltd.
	April 2008	Executive Managing Officer, Chief Operating Officer, Europe Middle East and Africa Unit, Mitsui & Co., Ltd.
	October 2008	Senior Executive Managing Officer, Chief Operating Officer, Europe Middle East and Africa Unit, Mitsui & Co., Ltd.
	June 2009	Representative Director, Senior Executive Managing Officer, Mitsui & Co., Ltd.
	August 2009	Representative Director, Senior Executive Managing Officer, Chief Compliance Officer, Mitsui & Co., Ltd.
	April 2010	Representative Director, Senior Executive Managing Officer, Mitsui & Co., Ltd.
	April 2011	Director, Mitsui & Co., Ltd.
	June 2011	Counselor, Mitsui & Co., Ltd. (resigned in June 2013)
	June 2017	Outside Director of the Company (present position)
	Reason for nominating as candidate for Outside Director, etc.	
	Mr. Norinao Iio is nominated as a candidate for Outside Director of the Company and his reelection is requested, as it has been determined that he is able to appropriately execute his duties as Outside Director due to being expected to provide supervision of the execution of business from an international perspective and the necessary comments and suggestions, etc. in the meetings of the Board of Directors, etc. primarily by utilizing his experience as a corporate executive and abundant experience and insight in the resource and energy industry.	

No. 8	Atsuko Nishimura (Date of birth: May 5, 1953) Reappointment	Candidate for: Outside Director Independent Director	

Number of common shares of the Company held by the candidate:
–

Term of office as Director:
7 years and 9 months
(at the conclusion of this meeting)

Attendance at Board of Directors meetings
15 out of 15 (100%)

Career summary and position

April 1979	Joined Ministry of Foreign Affairs
June 1997	Director, First Africa Division, Middle Eastern and African Affairs Bureau, Ministry of Foreign Affairs
August 1999	Counselor/Minister, Permanent Mission of Japan to the United Nations
June 2001	Minister, Embassy of Japan in Belgium
September 2004	Professor, School of Law, Tohoku University (resigned in March 2008)
June 2008	Administrative Vice President, Japan Foundation (resigned in March 2012)
April 2012	Senior Councilor, Japan Oil, Gas and Metals National Corporation (currently Japan Organization for Metals and Energy Security) (resigned in March 2014)
April 2014	Ambassador Extraordinary and Plenipotentiary to the Grand Duchy of Luxembourg
July 2016	Ambassador Extraordinary and Plenipotentiary in charge of Women, Human Rights and Humanitarian Affairs (resigned in March 2017)
June 2017	Outside Director of the Company (present position)

Significant concurrently held positions

Outside Director, TAISEI CORPORATION

Reason for nominating as candidate for Outside Director, etc.

Ms. Atsuko Nishimura is nominated as a candidate for Outside Director of the Company and her reelection is requested, as it has been determined that she is able to appropriately execute her duties as Outside Director due to being expected to provide supervision of the execution of business from a diverse and global perspective and the necessary comments and suggestions, etc. in the meetings of the Board of Directors, etc. by utilizing her abundant experience as a diplomat and extensive insight on international conditions, in addition to expert knowledge as a university professor.

<table>
<tr><td>No. 9</td><td>Hideka Morimoto
(Date of birth: January 4, 1957)
Reappointment</td><td>Candidate for:
Outside Director
Independent Director
</td></tr>
</table>

Number of common shares of the Company held by the candidate: –	Career summary and position	
Term of office as Director: 3 years (at the conclusion of this meeting)	April 1981	Joined Environment Agency (currently Ministry of the Environment)
Attendance at Board of Directors meetings 15 out of 15 (100%)	September 1997	Private Secretary, Director General of Environment Agency
	February 2002	Private Secretary, Minister of the Environment
	July 2008	Director, General Affairs Division, Ministry's Secretariat
	July 2009	Director, Personnel Division, Ministry's Secretariat
	August 2011	Councilor, Cabinet Secretariat and Director, Cabinet Secretariat Nuclear Safety Regulation Organizational Reform Office
	September 2012	Deputy Director General, Nuclear Regulation Agency
	July 2014	Ministry's Secretariat, Ministry of the Environment
	July 2017	Administrative Vice-Minister, Ministry of the Environment (resigned in July 2019)
	April 2020	Professor, Faculty of Law, Waseda University (present position)
	June 2020	Chief Director, Institute for Promoting Sustainable Societies (present position)
	March 2022	Outside Director of the Company (present position)
	Significant concurrently held positions	
	Outside Director, Takasago Thermal Engineering Co., Ltd.	
	Reason for nominating as candidate for Outside Director, etc.	
	Mr. Hideka Morimoto is nominated as a candidate for Outside Director of the Company and his reelection is requested, as it has been determined that he is able to appropriately execute his duties as Outside Director due to being expected to provide supervision of the execution of business from a sustainability perspective and the necessary comments and suggestions, etc. in the meetings of the Board of Directors, etc. by utilizing his abundant experience and insight on the environment and energy policy developed through his career in the Ministry of the Environment, in addition to expert knowledge as a university professor.	

[Translation for Reference Purposes Only]

<table>
<tr><td>No. 10</td><td>Bruce Miller
(Date of birth: March 6, 1961)
New candidate</td><td>Candidate for:
Outside
Independent Director
</td></tr>
<tr><td rowspan="6">Number of common shares of the Company held by the candidate:
–

Term of office as Director:
–

Attendance at Board of Directors meetings
–</td><td colspan="2">Career summary and position</td></tr>
<tr><td colspan="2">February 1986 Joined the Australian Government Department of Foreign Affairs and Trade (DFAT)
January 2001 Assistant Secretary, Strategic Policy Branch, DFAT
April 2003 Assistant Secretary, North East Asia Branch, DFAT
August 2004 Minister-Counsellor (Political), Australian Embassy Tokyo
May 2009 Deputy Director-General, Australian Government Office of National Assessments
August 2011 Australian Ambassador to Japan
January 2017 Director-General, Australian Government Office of National Assessments
August 2020 Chair, Australia-Japan Foundation (resigned in July 2024)
April 2022 Chair, the Foreign Investment Review Board, Australia (present position)</td></tr>
<tr><td colspan="2">Significant concurrently held positions</td></tr>
<tr><td colspan="2">Outside Director, Dai-ichi Life Holdings, Inc.</td></tr>
<tr><td colspan="2">Reason for nominating as candidate for Outside Director, etc.</td></tr>
<tr><td colspan="2">Mr. Bruce Miller is nominated as a candidate for Outside Director of the Company and his election is requested, as it has been determined that he is able to appropriately execute his duties as Outside Director due to being expected to provide supervision of the execution of business from diverse and global perspectives and the necessary comments and suggestions, etc. in the meetings of the Board of Directors, etc. by utilizing his global insight developed through his extensive experience in the Australian Government Department of Foreign Affairs and Trade, including serving as the Australian Ambassador to Japan, in addition to specialized knowledge of politics, economy, and diplomacy in Australia, which is the core business region of the Company.</td></tr>
</table>

Special remarks concerning all ten (10) candidates for Director

1. Summary of the content of the indemnity agreements
   The Company will conclude indemnity agreements with each of the Directors in accordance with the provisions of Article 430-2, Paragraph 1, of the Companies Act, indemnifying them for expenses and losses under Items 1 and 2 of the same Paragraph, respectively, within the limits prescribed by laws and regulations.
   Under this agreement, the Company shall require the return by a Director of any indemnification for expenses, etc. received, if it is ascertained that the Director executed his/her duties with the aim of unfairly benefiting him/herself or a third party, or of damaging the Company's interests.
   If the election of eight (8) candidates for reelection is approved as proposed, the Company intends to continue this contract with them. In addition, if the election of two (2) new candidates is approved as proposed, the Company intends to conclude this contract with them.

2. Outline of the content of the liability insurance contracts for officers, etc.
   The Company has entered into a liability insurance contracts for officers, etc. as provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The scope of the insured parties is the Directors and Audit & Supervisory Board Members of the Company and its subsidiaries as well as Executive Officers of the Company. The insurance contract provides compensation for damage arising as a result of the responsibilities assumed by insured officers in their execution of duties, or any claims made against them with regard to these responsibilities. The contract contains exemptions, including the case that compensation will not be made for damage arising as a result of intention or gross negligence.
   The full amount of the insurance premiums is borne by the Company.
   In addition, the Company intends to renew said insurance contracts with the same details during the term of office.

Notes:
1. In addition to common shares, the Company has issued one Class A share, which is held by the Minister of Economy, Trade and Industry.
2. Regarding the resolution on "Proposal No. 2: Election of Ten (10) Directors," pursuant to Article 15, Paragraph 1 of the Articles of Incorporation of the Company, in the event at least 20% of the total voting rights of shareholders relating to common shares of the Company are held by a Single Shareholder of common shares of the Company other than a public entity, or by such Single Shareholder and its Co-holder, at the time of the adoption of a resolution by this Ordinary General Meeting of Shareholders, the resolution of a general meeting of Class A stock shareholders will be required in addition to the resolution of this Ordinary General Meeting of Shareholders. Although the Company determined that a general meeting of Class A stock shareholders should not be required as of the date this notice was posted, a resolution by a general meeting of Class A stock shareholders may be required depending on such factors as subsequent findings. Further, pursuant to Article 32, Paragraph 4 of the Articles of Incorporation of the Company, a Class A stock shareholder may file an objection within two weeks from the date of the adoption of the resolution by this Ordinary General Meeting of Shareholders, stating that a general meeting of Class A stock shareholders should be held.
3. Mr. Jun Yanai, Mr. Norinao Iio, Ms. Atsuko Nishimura, Mr. Hideka Morimoto, and Mr. Bruce Miller are candidates for Outside Director as stipulated in Article 2, Paragraph 3, Item 7 of the Regulations for Enforcement of the Companies Act. The Company reported Mr. Jun Yanai, Mr. Norinao Iio, Ms. Atsuko Nishimura, and Mr. Hideka Morimoto as Independent Directors as stipulated by Tokyo Stock Exchange, Inc. If their election is approved as proposed, they are scheduled to continue to be Independent Directors. The Company also intends to report Mr. Bruce Miller as an Independent Director as stipulated by the said stock exchange. For the independence standards for Outside Directors of the Company, please refer to "(Reference) Independence Standards for Outside Directors and Outside Audit & Supervisory Board Members" included in this document.
4. Outline of the liability limitation agreement: Based on the provisions of Article 427, Paragraph 1 of the Companies Act and the Company's Articles of Incorporation, the Company has entered into agreements with Mr. Jun Yanai, Mr. Norinao Iio, Ms. Atsuko Nishimura, and Mr. Hideka Morimoto to limit their liability for damages to the Company stipulated in Article 423, Paragraph 1 of the Companies Act. If their election is approved as proposed, the Company intends to continue these agreements. Furthermore, if Mr. Bruce Miller's election is approved as proposed, the Company intends to enter into a similar agreement with him. The liability for damages under the agreement is limited to the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act.
5. The Company considers it important for all of its Directors including Outside Directors to engage in corporate management with a high consciousness to adequately perform the duties as Directors of the Company in coping with the duty not to compete and to avoid conflict-of-interest transactions as well

as not to disclose confidential information as provided for in the Companies Act. For these reasons the Company has obtained from all the candidates for Directors including candidates for Outside Directors a letter of commitment to confirm these points.

6. Number of common shares held by each candidate for Director includes numbers of shares entitled to be provided at each retirement under the Board Incentive Plan Trust.
7. Ms. Atsuko Nishimura, a candidate for Director, has been an Outside Director of TAISEI CORPORATION since her appointment in June 2017. During her tenure, on March 16, 2023, the said company announced that in the ongoing "(Tentative Name) Sapporo Kita 1 Nishi 5 Project" undertaken by its Sapporo branch, there was a failure to satisfy steel erection accuracy requirements among others. She has been drawing attention to the said company from an early stage from the viewpoint of compliance and corporate governance. After the incident was discovered, she appropriately fulfilled her responsibilities as an Outside Director by making recommendations for the prevention of recurrence and expressing her opinions on the need to strengthen internal controls.

[Translation for Reference Purposes Only]

[Reference] Director and Audit & Supervisory Board Member Skill Matrix

The Company recommends candidates for Director who have diverse and abundant experience and insight for executing its “INPEX Vision 2035: Realizing a Responsible Energy Transition.”

Title		Name	Field								
			Corporate management / Business administration	Global	Finance / Accounting	Legal / Risk management	Sustainability	Technology / DX	Energy	Sales / Marketing	HR development / Diversity
Director	Inside	Takayuki Ueda	●	●			●	●	●		
		Hiroshi Fujii	●	●					●	●	
		Hitoshi Okawa		●	●	●			●		●
		Daisuke Yamada	●		●			●			
		Toshiaki Takimoto		●		●	●	●	●		
	Outside	Jun Yanai	●	●		●			●	●	
		Norinao Iio	●	●					●	●	
		Atsuko Nishimura		●		●	●				●
		Hideka Morimoto				●	●		●		●
		Bruce Miller		●		●	●				●
Audit & Supervisory Board Member	Inside	Akio Kawamura		●	●				●		
	Outside	Toshiya Tone		●	●	●					
		Kenichi Aso		●	●						●
		Mitsuru Akiyoshi	●	●	●	●	●				
		Hiroko Kiba					●		●		●

● indicates fields in which the Company has particular expectations of the candidate. The table does not represent the complete knowledge and experience of the Board of Directors.

[Translation for Reference Purposes Only]

[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 management philosophy, 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 medium-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.

[Translation for Reference Purposes Only]

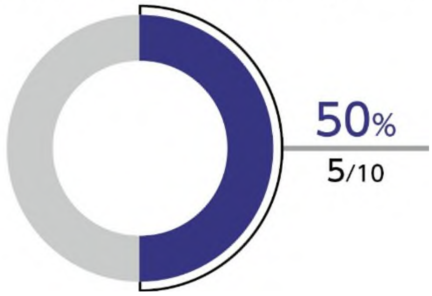
[Reference] Composition of Board of Directors

If Proposal No. 2 is approved as proposed, the composition of Board of Directors will be as follows.

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

The Company maintains an appropriate governance structure enabling highly effective supervision of management ensuring the independence of the Board of Directors.

Ratio of Independent Outside Directors Among All Directors



[Translation for Reference Purposes Only]

[Reference] Director Candidate Selection Policy and Procedures

- We select candidates for directors from within the Company who possess knowledge and skills related to our business, as well as international experience and a deep understanding of our operations. In addition, we also select external candidates with extensive experience and broad perspectives as experienced business managers, academics, or other experts in the resources and energy industry, finance, legal affairs, and other fields.
- The candidates for directors are decided by the Board of Directors upon receiving recommendations from the Nomination and Compensation Advisory Committee, and the reasons for their selection are disclosed.

[Reference] Independence Standards for Outside Directors and Outside Audit & Supervisory Board Members

The Company shall, based on the independence criteria set forth by the Tokyo Stock Exchange, determine that an Outside Director or an Outside Audit & Supervisory Board Member is independent from the Company if he or she falls under none of the following items.

1. A major shareholder of the Company (who directly or indirectly holds 10% or more of the Company's voting rights) or an executive thereof
2. A person whose major business partner is the Company (*1) or an executive thereof
3. A major business partner of the Company (*2) or an executive thereof
4. A legal professional, accountant, or consultant who receives money or other properties of more than ¥10 million per year on average over the past three (3) years from the Company or its subsidiary, excluding compensation for Directors or Audit & Supervisory Board Members (if the person receiving such properties is an organization such as a legal entity or a partnership, a person who belongs to such organization)
5. An accounting auditor of the Company or its subsidiary (if such accounting auditor is an accounting firm, a person who belongs to such accounting firm)
6. A person who receives donations or subsidies of more than ¥10 million per year on average over the past three (3) years from the Company or its subsidiary (however, if the person receiving the donation or subsidies is an organization such as a legal entity or a partnership, a director or other officer managing the business of the organization to which the amount of such donations or subsidies exceeds the greater of ¥10 million per year or 30% of the total expenses per year of such organization, on average over the past three (3) years)
7. A person who fell under any of items 1 through 6 above in the past three (3) years
8. A relative within the second degree of kinship of a person who falls under any of (a) through (d) below (excluding persons who are not material (*3))
   (a) A person who falls under any of items 1 through 7 above
   (b) An executive of a subsidiary of the Company
   (c) A non-executive Director or an accounting advisor of a subsidiary of the Company (limited to cases where said Outside Audit & Supervisory Board Member is to be designated as an Independent Audit & Supervisory Board Member)
   (d) A person who fell under item (b) or (c) above or an executive of the Company in the most recent three (3) years (including a non-executive Director, if said Outside Audit & Supervisory Board Member is to be designated as an Independent Audit & Supervisory Board Member)
9. Other than each of the preceding items, a person who is substantially judged by the Company to possibly cause a conflict of interest with ordinary shareholders of the Company

*1 "A person whose major business partner is the Company" refers to a business partner whose business relationship with the Company may have an influence on decision-making of business, etc. of said business partner to the same extent as said business partner's parent company, subsidiary or affiliate. Specifically, this could be a so-called subcontractor whose consolidated net sales, etc. from transactions with the Company account for a considerable part of the said subcontractor's consolidated net sales, etc. in the most recent fiscal year.

*2 "A major business partner of the Company" refers to a business partner whose business relationship with the Company may have an influence on decision-making of business, etc. of the Company to the same extent as the Company's parent company, subsidiary or affiliate. Specifically, this could be the counterparty in transactions with the Company whose consolidated revenue from the transactions accounts for a considerable part of the Company's consolidated revenue in the most recent fiscal year, or a supplier who provides merchandise and services which are essential to the business activities of the Company.

*3 Specifically, a "material" person is assumed to be an officer, general manager or equivalent of each company/business partner in case of the persons referred to in items 1 through 3, and a certified public accountant who belongs to each accounting firm or a lawyer who belongs to each law firm (including so-called associates) in case of the persons who belong to organizations referred to in items 4 and 5.

[Translation for Reference Purposes Only]

Proposal No. 3: Revision of Compensation for Directors

The basic compensation for Directors was approved at the 16th Ordinary General Meeting of Shareholders held on March 25, 2022, as up to ¥900 million per year (of which up to ¥100 million is for Outside Directors), including bonuses, and has remained so to this day.

Due to the increasing responsibilities and roles expected of Outside Directors for the further enhancement of corporate governance, we would like to revise the basic compensation amount for Outside Directors to within ¥200 million per year, and the total compensation amount for Directors, including Outside Directors, to within ¥1 billion per year, including bonuses, in order to make the compensation level of our Directors competitive and contribute to securing and retaining excellent management personnel. Regarding the revision of the compensation amount, in order to ensure transparency and objectivity in the compensation determination process, it has been deliberated by the Nomination and Compensation Advisory Committee, whose chairman and a majority of its members are Independent Outside Directors. In addition, as in the past, the amount of compensation, etc. for Directors does not include the salary for employees for Directors who also serve as employees.

Subject to the approval of this proposal, the Company has resolved at the Board of Directors Meeting held on February 17, 2025, to revise the policy for determining the details of individual compensation, etc. for Directors based on the content of the Company’s compensation policy. We believe that the content of this proposal is appropriate since it is in line with the said policy.

In addition, the current number of Directors is ten (10) (including five (5) Outside Directors), and if Proposal No. 2 is approved and adopted as proposed, the number of Directors will continue to be ten (10) (including five (5) Outside Directors).

[Translation for Reference Purposes Only]

Proposal No. 4: Revision to Stock-Based Compensation System for Directors and Executive Officers

1. Reason for the proposal and reasons why the compensation, etc. concerned is appropriate

The Company introduced a stock-based compensation system (hereinafter the "System") that grants Company stock to Directors (excluding Outside Directors and non-residents of Japan; the same shall apply hereinafter in this proposal) and Executive Officers (excluding non-residents of Japan) of the Company (hereinafter "Directors, etc.") according to their respective positions, etc., after obtaining approval from shareholders at the 12th Ordinary General Meeting of Shareholders held on June 26, 2018. At the 16th Ordinary General Meeting of Shareholders held on March 25, 2022, we obtained approval to increase the percentage of stock compensation based on the System as a medium- to long-term incentive for Directors, etc., and to partially revise the System to include performance-linked content and continue it, and this has continued to this day.

Against the backdrop of increasing geopolitical risk in recent years, the business environment surrounding the Company, including the energy landscape, has become more uncertain. To prioritize the stable and safe operation of its projects, ensure continued stable energy supply, and steadily advance toward achieving net zero by 2050, the Company announced "INPEX Vision 2035: Realizing a Responsible Energy Transition" in February 2025. This vision outlines the Company's long-term strategy towards 2035 and also consists of a medium-term business plan that presents specific goals and a clear roadmap for the three-year period between 2025 and 2027.

In order to achieve these targets, to make the compensation of Directors, etc. competitive in the market, and to align the financial targets set forth in the medium-term business plan with the performance indicators of the System, we would like to partially revise the contents of the System, and we submit this proposal to this shareholders' meeting for your consideration.

The Company believes that this proposal is appropriate because the purpose of maintaining and partially revising the System is to clarify the linkage between the Company's medium- to long-term management strategies and the compensation system for Directors, etc., to further enhance the awareness of Directors, etc. to contribute to increasing corporate value and their motivation to contribute to maximizing shareholder value, as well as to promote initiatives to realize a sustainable society.

In addition, subject to the approval of this proposal, the Company has resolved at the Board of Directors Meeting held on February 17, 2025, to revise the policy for determining the details of individual compensation, etc. for Directors, etc. based on the content of the Company's compensation policy. We believe that the content of this proposal is appropriate because it is in accordance with the content of the said policy. The revision of the System has been deliberated by the Nomination and Compensation Advisory Committee, whose chairman and a majority of its members are Independent Outside Directors, in order to ensure transparency and objectivity in the compensation determination process.

This proposal is to provide stock-based compensation to Directors, etc., separately from the maximum amount of compensation for which approval is requested in Proposal No. 3 "Revision of Compensation for Directors."

The number of Directors subject to the System will be five (5) if Proposal No. 2 "Election of Ten (10) Directors" is approved and adopted as proposed. In addition, as stated above, the System also covers Executive Officers (the number of Executive Officers who do not concurrently serve as Directors subject to the System at the conclusion of this General Meeting of Shareholders is expected to be 21), and the compensation under the System includes compensation to Executive Officers. In light of the possibility that these Executive Officers may assume office as Directors during the applicable period, the Company proposes the amount and details of the entire compensation under the System as compensation, etc. to Directors, etc.

2. Amount and details of compensation, etc. under the System after revision

   (1) Overview of the System

   The System is a stock-based compensation system for Directors, etc., in which the Company's shares are acquired through a trust funded by the amount of compensation for Directors, etc., contributed by the Company, and the Company's shares and cash equivalent to the value of the Company's shares (hereinafter "the Company's shares, etc.") are delivered or granted (hereinafter "delivery, etc.") as compensation to Directors, etc., through the trust, in accordance with their positions and the degree of target achievement, etc. (for details of the revised System, please refer to (2) below).

1. Persons to whom the delivery, etc. of the Company's shares, etc. subject to this Proposal is to be made	• Directors (excluding Outside Directors and non-residents in Japan) of the Company • Executive Officers (excluding non-residents in Japan) of the Company

2. Effect to total number of shares issued by the Company due to the implementation of the Proposal	
Maximum amount of money to be contributed by the Company (as described in (2) below)	• ¥460 million multiplied by the number of years of the applicable period • In addition, for the initial coverage period after the revision, the amount to be contributed under the System, together with the amount of remaining shares, etc. before the revision (defined in (2) below), will be ¥1.38 billion for the three (3) fiscal years.
The maximum number of the Company's shares to be acquired by the Directors, etc. (including the number of shares to be disposed of in exchange) and the method of acquisition of the Company's shares (as described in (2) and (3) below)	• The number of shares equivalent to the number of points obtained by multiplying the number of 466,000 points (equivalent to 466,000 shares) by the number of years of the applicable period • For the initial coverage period after the revision, a total of 1,398,000 points (equivalent to 1,398,000 shares) will be awarded for three (3) fiscal years • The ratio of the number of shares equivalent to the above number of points per fiscal year (466,000 shares) to the total number of shares issued by the Company (as of December 31, 2024, after deduction of treasury stock) is approximately 0.04%. • As the Company's shares will be acquired from the stock market, the System will not cause share dilution

3. Conditions for achievement of business results (as described in (3) below)	• Varies depending on the degree of achievement of the targets of the indicators in the medium-term business plan during the subject period. • For the initial coverage period after the revision, the amount of compensation will be determined within the range of 0 to 200%, depending on the degree of achievement of targets for financial indicators (profit, cash flows from operating activities before exploration, ROE, ROIC, total payout ratio) and a non-financial indicator (net carbon intensity) for each fiscal year.

4. Time of delivery, etc. of the Company's shares, etc. to Directors, etc. (as described in (4) below)	• In principle, after retirement

[Translation for Reference Purposes Only]

(2) Maximum contributed amount by the Company

The revised System will cover fiscal years corresponding to a medium-term business plan the Company presents (hereinafter "Target Period"). The initial Target Period after the revision to the System will be the three (3) fiscal years from the fiscal year ending on December 31, 2025 until the fiscal year ending on December 31, 2027 (hereinafter the "initial Target Period after the revision").

In accordance with the revision to the System, the Company will change the maximum amount of trust funds contributed as compensation for Directors, etc. for each Target Period to the amount calculated by multiplying ¥460 million by the number of years of the said Target Period (¥1.38 billion for the three (3) fiscal years: the initial Target Period after the revision). Then, it will contribute the trust funds as compensation for Directors, etc. and extend the period of the trust (hereinafter the "Trust") that makes Directors, etc. who meet the beneficiary requirements beneficiaries, and make additional trust contributions to continue the System. The Company stock (excluding those for which delivery, etc. has not been completed, which corresponds to the points granted to Directors, etc. as points up to the business year ended at the end of December 2024) and cash (hereinafter collectively "remaining shares, etc. before the revision") remaining in the trust at the end of the trust period before the extension shall be used for the initial target period after the revision, and the total amount of the trust money contributed by the above additional trust contributions and the remaining shares, etc. before the revision shall be within the range of ¥1.38 billion. By following directions from the trust administrator, using money contributed to the trust as funds, the Trust will acquire the Company's shares from the stock market.

When the trust period of the Trust expires, the Trust may be continued through amending the trust agreement and making additional contributions to the Trust in place of the establishment of a new Trust. In such case, years corresponding to a medium-term business plan the Company will present at that point in time shall be set as a new Target Period and the trust period of the Trust shall be extended for the same period as the said new Target Period. The Company will make additional contributions, not exceeding the total maximum amount of trust funds contributed for the Trust as approved by the General Meeting of Shareholders, and continue to grant Directors, etc. points during the extended trust period. However, in the abovementioned case of additional contributions, if the Company's shares (excluding the Company's shares to be assigned as a corresponding number of points to Directors, etc. where delivery, etc. has not been made) and cash (hereinafter collectively "remaining shares, etc.") remain in the trust on the final day of the trust period before the extension, the sum of the remaining shares, etc. and the amount of additional contributions to the Trust shall not exceed the total maximum amount of trust funds contributed for the Trust during the said new Target Period as approved by the General Meeting of Shareholders.

Such extension of the trust period shall not be limited to one extension, and the trust period may be extended thereafter in the same manner.

(3) Calculation method and upper limit, etc. of the number of the Company's shares, etc. to be delivered, etc. to Directors, etc.

On the premise of the delivery, etc. of the Company's shares, etc., Directors, etc. shall be provided with performance-based points that aim to raise the willingness of Directors, etc. towards increasing the Company's medium- to long-term performance and corporate value as well as fixed points that aim to enhance the sharing of interests with shareholders through share ownership, for a certain timing each year during the trust period.

Standard point by position (fractions are rounded off)

= Stock-based compensation standard amount based on position / average closing price (fractions are rounded off) of the Company's shares on the Tokyo Stock Exchange in April 2025 (if the Trust is extended, the month before the month when the fiscal year that the extension date falls under begins)

1. Performance-based points

   Calculated through multiplying a pre-determined standard point for each position by a performance-based coefficient based on a target achievement level for each fiscal year during the Target Period.

   A performance-based coefficient shall be evaluated using indicators, etc. cited in the Company's medium-term business plan. For the initial Target Period after the revision, it shall be determined to range from 0 to 200% in line with a target achievement level of financial indicators (profit, cash flows from operating activities before exploration, ROE, ROIC, total payout ratio) as well as a non-financial indicator (net carbon intensity) for each fiscal year. For a Target Period that will begin after the fiscal year ending on December 31, 2028, it will be separately determined by the Board of Directors based on a medium-term business plan at that point in time.

2. Fixed points

Calculated through based on a pre-determined standard point by a position.

One (1) point shall be equal to one (1) share of the Company, and the delivery, etc. of Company's shares, etc. corresponding to the accumulated value of performance-based points and fixed points (hereinafter "accumulated points") shall be conducted to each Director, etc. at the time of their retirement from office (in the case where the said Director, etc. passes away, when they pass away). Regarding the Company's shares, if a share split, share consolidation and such occurs during the trust period, depending on the ratio of the share split or consolidation, the number of the Company's shares corresponding to one (1) point shall be adjusted.

The maximum number of points to be assigned to Directors, etc. during the trust period of the Trust shall be 466,000 points multiplied by the number of years of the Target Period. The maximum number of the Company's shares that the Trust acquires to conduct the delivery, etc. thereof to Directors, etc. during the trust period shall be the number of shares corresponding to the said maximum number of points (hereinafter the "maximum number of shares to be assigned"). Therefore, the maximum number of shares to be assigned corresponding to the initial Target Period after the revision covering three (3) fiscal years shall be 1,398,000 shares (806,000 shares in each fiscal year under the current system). The upper limit of points and the maximum number of shares to be assigned are set based on the abovementioned maximum amount of money the Company contributes and by considering the current market price of shares.

If the Trust is continued, the maximum number of points to be assigned to Directors, etc. during the extended trust period shall be 466,000 points multiplied by the number of years of a new Target Period. The maximum number of the Company's shares that the Trust will acquire to conduct the delivery, etc. thereof to Directors, etc. during the trust period shall be the number of shares corresponding to the said maximum number of points.

(4) Method and timing of delivery, etc. of the Company's shares, etc. to Directors, etc.

After retiring from office, Directors, etc. who fulfill the beneficiary requirements will be provided with the Company's shares etc. corresponding to the accumulated points calculated based on (3) above. The said Directors, etc. will receive the Company's shares (rounded off to the nearest share unit) corresponding to 70% of the accumulated points, and receive the cash converted from the Company's shares in the Trust in an amount corresponding to the remaining accumulated points.

If a Director, etc. who fulfills the beneficiary requirements passes away during the trust period, the Company's shares corresponding to the accumulated points calculated at that point in time will be converted to cash in the Trust, and the corresponding converted cash amount will be paid to the heir of the said Director, etc. If a Director, etc. who fulfills the beneficiary requirements is posted overseas during the trust period, the Company's shares corresponding to the accumulated points calculated at that point in time will be converted to cash in the Trust, and the corresponding converted cash amount will be paid to the said Director, etc.

(5) Clawback system, etc.

Under the System, in the event that a Director, etc. commits a significant improper or illegal act, the Company may cancel or forfeit their right to receive the Company's shares under the System (malus) and demand the return of cash corresponding to the Company's shares already delivered to them (clawback).

(6) Voting rights related to the Company's shares in the Trust

With regard to the Company's shares in the Trust (the Company's shares before the delivery, etc. to Directors, etc.), voting rights shall not be exercised during the trust period in order to ensure the neutrality to the management.

(7) Treatment of dividends of the Company's shares in the Trust

Dividends related to Company's shares within the Trust will be received by the Trust and used for trust fees and trust expenses. In the event that there is a residual amount of dividends at the stage when the Trust is finally terminated after being used for trust fees and trust expenses, it will be attributed to the Company within the scope of the trust expense reserve after deducting the funds for stock acquisition from the trust funds, and the portion in excess of the trust expense reserve will be donated to organizations that have no interest in the Company or its Directors, etc.

(8) Other terms of the System

Other terms related to the System will be determined by the Board of Directors in each of the following occasions: establishment of a Trust, amendments of the trust agreement, and additional contributions to the Trust.

(Reference)

For details of the System, please refer to the timely disclosure “INPEX Announces Retention and Partial Revision of Stock-Based Remuneration System for Directors and Executive Officers” dated February 17, 2025.

[Translation for Reference Purposes Only]

[Reference] Overview of Our Compensation System for Directors (Compensation Policy)

The outline (compensation policy) of the Company's new compensation system for Directors when Proposal No. 3 and Proposal No. 4 are approved and passed as originally proposed is as follows.

■ Basic policy

The Company's basic policy on compensation for Directors is as follows.

1. Attractive to recruit and retain qualified management personnel to realize the Company's management philosophy
2. Raise awareness of the need to contribute to the sustainable growth and medium- to long-term enhancement of corporate value of the Company
3. The compensation system shall be highly transparent and objective to ensure accountability to shareholders and other stakeholders.

■ Compensation levels

The level of compensation for Directors of the Company shall be set by a resolution of the Board of Directors after the Nomination and Compensation Advisory Committee verifies the appropriateness of the level after conducting an analysis of the level of compensation for each position in a peer group of companies of the same size and similar industries, utilizing data from external research organizations. The compensation shall be reviewed as necessary to meet changes in the external environment, etc.

■ Compensation composition

The compensation composition of the Company's Directors (excluding Outside Directors) consists of basic compensation in accordance with the duties of each position, bonuses as short-term incentive compensation, and stock-based compensation as medium- to long-term incentive. Compensation for Outside Directors consists only of basic compensation from the perspective of the independence of their duties.

1. Basic Compensation
    - Cash compensation to be paid as a fixed monthly compensation based on the duties of each Director by position
    - In addition to the above, cash compensation to be paid as an allowance to Outside Directors who also serve as committee members, and other Outside Directors who are required to be paid expenses, etc., for the execution of their duties
2. Bonuses
    - Performance-based cash compensation to be paid in June each year, taking into account the Company's performance for a single fiscal year and the performance of the division in charge
    - In addition to profit attributable to owners of parent (hereinafter "profit") and cash flows from operating activities before exploration, which are the Company's main financial indicators, safety indicators (zero major accidents), which are indispensable to fulfill the Company's mission of stable energy supply, are adopted as non-financial indicators. 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%.

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

    - The degree of achievement of the targets of the divisions under each Director's jurisdiction, excluding the President, etc., shall be annually evaluated, and the results of the evaluation of each division shall be reflected in the bonus amount of each Director calculated based on the degree of achievement of corporate performance indicators.
3. Stock-based Compensation
    - Stock-based compensation to be paid to Directors after their retirement that combines performance-based elements aimed at raising Directors' awareness of their contribution to the Company's medium- to long-

term business performance and enhancement of corporate value, and fixed elements aimed at strengthening Directors' awareness of sharing interests with shareholders through ownership of the Company's shares

- The standard amount of stock-based compensation is set for each position, and a portion of the standard amount is linked to performance share, while the remainder is comprised of non-performance share stock-based compensation.
- The Company's performance indicators for the performance share portion will be based on the key financial indicators in the medium-term business plan, such as profit, cash flows from operating activities before exploration, ROE, ROIC and total payout ratio, as well as on key non-financial indicators for net carbon intensity. Depending on the degree of achievement of these goals, the amount of compensation will be calculated based on the evaluation weights in the table below, and the final amount of compensation will vary within the range of 0 to 200%.
- The non-performance share portion will be paid as stock-based compensation with a fixed number of shares to be delivered, from the perspective of strengthening the sense of shared interests with shareholders.
- Stock-based compensation is provided through a system using the Board Incentive Plan Trust. Under this system, points are granted annually to those eligible for the system based on their position, performance, etc., and in principle, the Company's shares equivalent to the accumulated number of points are delivered from the trust after the retirement of those eligible for the system.
- For stock-based compensation, in the event that a Director, etc. commits a significant improper or illegal act, the Company may cancel or forfeit their right to receive the Company's shares under the system (malus) and demand the return of cash corresponding to the Company's shares already delivered to them (clawback).

Stock-based compensation KPI		Evaluation weight
Financial indicators	Profit	30%
	Cash flows from operating activities before exploration	30%
	ROE	10%
	ROIC	10%
	Total payout ratio	10%
Non-financial indicators	Net Carbon Intensity	10%

- The ratio of the President's basic compensation, bonuses, and stock-based compensation when the target achievement level for each index is 100% is set generally at 50%:30%:20%, respectively.

■ Compensation decision process

- In order to strengthen the independence, objectivity and accountability of the Board of Directors' functions in determining Directors' compensation, the Company has established the Nomination and Compensation Advisory Committee, whose chairman and a majority of its members are Independent Outside Directors, as an advisory body to the Board of Directors. Based on the report of the Committee, the Board of Directors establishes a policy for determining the amount of compensation for Directors and the method of calculating such amount. The compensation for the Audit & Supervisory Board Members is determined through consultation among the Audit & Supervisory Board Members within the limits approved at the General Meeting of Shareholders.
- The Nomination and Compensation Advisory Committee shall, in principle, meet at least four (4) times a year to deliberate major matters concerning the policy for determining the amount and calculation method of compensation, etc. for Directors and the details of compensation, etc. for each individual, and to provide advice and proposals to the Board of Directors, and the Board of Directors makes decisions with the utmost respect for the content of such advice and proposals. The amount of compensation to be paid to each Director (including the final amount of bonuses based on the evaluation of the performance of the division in charge) shall be decided by the Representative Director, President & CEO, who is most familiar with the Company's management situation, based on the content of the advice and proposals of the Committee.
- Considering the external environment and social and economic trends, etc. surrounding the Company, the Nomination and Compensation Advisory Committee shall carefully deliberate on the appropriateness of the target value and calculation method for performance-based compensation, and may make adjustments to the calculation of the amount of compensation for each Director by resolution of the Board of Directors.

[Translation for Reference Purposes Only]

[Reference] **Evaluation of effectiveness of Board of Directors**

Evaluation method	The status of efforts to address issues last year and the method of conducting the FY2024 effectiveness assessment were discussed at a meeting of Outside Directors and Audit & Supervisory Board Members. Adopted the self-evaluation method by the Board of Directors itself, which was confirmed to be appropriate by the third-party evaluation organization in the previous evaluation (anonymous questionnaire survey type).	
Survey items	• Self-evaluation	• Roles and Responsibilities of the Board of Directors
	• Composition of the Board of Directors	• Relations with Investors and Shareholders
	• Operation of the Board of Directors	• The Nomination and Compensation Advisory Committee
	• Support System for the Board of Directors	• Actions on the Previously Prepared Action Plan

Summary of FY2024 Evaluation Results

1. 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.
2. 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.
3. 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.
4. 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.
5. 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	• Strengthen function of the Nomination and Compensation Advisory Committee
	• Stimulate discussion at Board of Directors meetings	• Deeper 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.

https://www.inpex.com/english/sustainability/2025/20250227.html

[Translation for Reference Purposes Only]

Business Report

(January 1, 2024 to December 31, 2024)

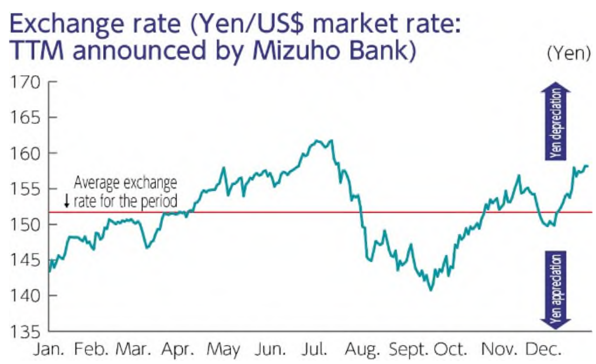
1. Present State of the Corporate Group

1) Progress and Results of Operations

During the year ended December 31, 2024, the Japanese economy held to a trajectory of moderate recovery, driven mainly by improvements in the employment and income environments upon having emerged from the impact of the COVID-19 pandemic. On the other hand, Japan's economy has been subject to downward pressure amid factors that include effects associated with high interest rates in Europe and the U.S. as well as economic slowdown in China. In addition, there are continuing concerns about the impacts of rising prices, governmental policy trends of the U.S., the situation in the Middle East, and fluctuations in financial and capital markets.

Of the international crude oil price indices, which significantly influence the financial performance of the Group, Brent crude (on a near-term closing price basis), considered a benchmark index for crude oil, started the current fiscal year at US$75.89 per barrel. Although there were periods of temporary volatility due to the effects of OPEC+ production cut easing and the backdrop of the Israel-Palestine conflict, prices subsequently trended downwards, reaching US$74.64 per barrel at the end of the fiscal year.

The foreign exchange market, another important factor that affects the business of the Group, began to trade at around ¥143 against the U.S. dollar, and Japanese yen climbed to ¥161 at the end of June. The yen appreciated to the 140 yen range around mid-September, but subsequently depreciated again, resulting in the telegraphic transfer middle (TTM) rate closing at ¥158.17 (a depreciation of ¥16.35 compared to the end of the previous fiscal year).



Regarding the Company's consolidated financial results for the year ended December 31, 2024, revenue increased to ¥2,265.8 billion (4.7% increase from the previous fiscal year) due to the depreciation in the average exchange rate of the Japanese yen against the U.S. dollar during the period. Revenue from crude oil was ¥1,712.0 billion (6.5% increase), and revenue from natural gas (excluding LPG) was ¥525.1 billion (0.5% decrease). Operating profit was ¥1,271.7 billion (14.1% increase), profit before tax was ¥1,298.8 billion (3.6% increase), and profit attributable to owners of parent was ¥427.3 billion (32.8% increase). Net cash provided by operating activities was ¥654.7 billion, and ROE was 9.5%.

From this fiscal year, our Group has adopted International Financial Reporting Standards (IFRS) in place of the existing accounting principles generally accepted in Japan, and the figures for the previous fiscal year have been restated to IFRS for comparative analysis.

Oil & Gas Japan

Revenue	Profit attributable to owners of parent
¥216.9 billion	¥13.6 billion

On October 1, 2024, we transferred our domestic crude oil and natural gas business, etc., to a newly established subsidiary, INPEX JAPAN, LTD. (hereinafter "INPEX JAPAN"), through a company split (simplified absorption-type company split). INPEX JAPAN, as the supervising company of our core domestic business areas, will promote a stable supply of energy and business growth through prompt decision-making and agile and efficient implementation of business, etc.
In the domestic natural gas business, we supply product gas to consumers along the pipeline network by combining natural gas from the Minami-Nagaoka Gas Field with Ichthys LNG, received at the Naoetsu LNG Terminal. The importance of natural gas is increasing in the transition to a decarbonized society, and we are strengthening our system and working on evaluation in order to pursue exploration work around the existing business area in Niigata Prefecture. We will also continue to work on the sale of clean fuels such as carbon offset gas and renewable diesel in order to meet the growing environmental awareness of consumers. In addition, in Chiba Prefecture, iodine, which is produced as a byproduct of water-soluble gas, has recently attracted attention for its use in the development of perovskite solar cells, and we are focusing on its stable supply.

Naoetsu LNG Terminal

Koshijihara Plant, Nagaoka Field

Oil & Gas Overseas
Ichthys Project

Revenue	Profit attributable to owners of parent
¥373.2 billion	¥248.2 billion

In Australia, we have been working for the development and production in the Ichthys Gas-Condensate Field, located offshore Western Australia, and the Darwin onshore LNG facility in the Northern Territory (the Ichthys LNG Project). This project is the first large-scale LNG project handled by a Japanese company as the operator (operating entity). After gas production started at the end of July 2018, shipments of LNG, LPG and condensate subsequently started in October of the same year, and in March 2023, a total of 500 LNG cargoes were shipped, and in December, a total of 1,000 cargoes of all products were shipped. In 2024, equipment trouble occurred at the onshore facility in the second half of the year, resulting in a temporary suspension of LNG production for inspection and repair. However, production has continued mostly smoothly since the resumption of operation in mid-November. Going forward, we will carry out safe and stable production operations and product supply throughout the year, maintaining capacity to ship around 11 tankers of LNG cargo per month.
In addition, in order to reduce greenhouse gas emissions, we promoted studies on the capture and storage of CO_2 (CCS) emitted from the facility, and in August 2022, we acquired the G-7-AP mining area off the coast of Darwin, which is a greenhouse gas assessment mining area. In 2024, two appraisal wells were drilled in this

block, and it was confirmed that the storage layer has favorable properties for underground storage of CO_2. We will continue evaluation work toward the realization of CCS in the same block.
In addition, we have continued geological and geophysical evaluation of the potential in discovered and untested structures, and in December 2023, to ensure the stable supply and resiliency of the Ichthys LNG Project, we acquired an interest in the Australia AC/RL7 block located off the northern coast of Western Australia, where gas and condensate has already been discovered. We will continue to explore the possibility of future development and expansion centered on the Ichthys LNG Project.

Floating Production Storage and Offloading (FPSO)

Darwin LNG Plant and LNG vessels

Oil & Gas Overseas

Other Projects

Revenue	Profit attributable to owners of parent
¥1,657.9 billion	¥165.7 billion

Abu Dhabi (UAE), where we have been operating for more than 50 years, is a region where we are focusing our human resources and technology, including the Lower Zakum Oil Field where we serve as the asset leader, and we are continuing to strengthen production capacity for stable operation and increased production in the region. In addition, when carrying out business in the country, we are striving to maintain and develop good relations between the UAE and Japan, such as by clarifying future strategies and strengthening social contribution activities in the "UAE Commitment Statement" announced in January 2023.

In Indonesia, regarding the Abadi LNG Project, which will be a pillar of future growth, we are working closely with our partners PT Pertamina (Persero) and Petroliam Nasional Berhad (PETRONAS), conducting surveys of onshore and offshore ground conditions, applying for environmental and other permits, and have initiated the bidding process for the commencement of front-end engineering design (FEED) work. We will continue to proceed with preparations for the commencement of FEED. Regarding the Tangguh LNG Project, we have made the final investment decision for additional development including CCUS business in natural gas fields, and we are further working to reduce CO_2 in future LNG production. Meanwhile, in Vietnam, we are continuing production and development of the Con Son Project, and in Malaysia, we have acquired new blocks in addition to existing ones and are conducting exploration work in each block.

Lower Zakum Oil Field

Abadi LNG Project

[Translation for Reference Purposes Only]

In Norway, which is making advanced efforts for low-carbonization and decarbonization, we will secure earnings through stable operation of production assets such as the Snorre Oil Field, promote the development of existing undeveloped oil and gas fields, and pursue exploration opportunities in the surrounding areas. In 2024, we acquired exploration licenses in multiple blocks in the North Sea and the Norwegian Sea, and are promoting exploration to contribute to further expansion of our portfolio. Also, in Norway, we are promoting initiatives such as the use of power generated from offshore wind and onshore hydroelectric power stations for operations, and we will promote replacement with assets with low greenhouse gas emissions and the low-carbonization of existing businesses.
In addition, we are also working to achieve stable production at the Kashagan Oil Field in Kazakhstan and the Azeri-Chirag-Gunashli (ACG) Oil Fields in Azerbaijan, which are among the largest oil fields in the world. In addition, we are making preparations for commercial development in Iraq's exploration block where potential large-scale oil production is anticipated.

Snorre Project


Kashagan Oil Field

Other 5 Net Zero Businesses, etc.

Hydrogen and ammonia

Japan	In the integrated demonstration testing of blue hydrogen and ammonia production and utilization (Kashiwazaki City, Niigata Prefecture), construction work started in July 2023, and construction work was promoted with the aim of starting operation in 2025. Preparations have begun for the transition to FEED for a commercial-scale blue hydrogen manufacturing project in Niigata Prefecture.
The United States of America	In the large-scale low-carbon ammonia project at the Port of Houston, Texas, we are jointly discussing with other companies toward the transition to FEED. In the green hydrogen project in southern Texas, we have concluded a joint study contract with local companies and completed the feasibility study.

CCS/CCUS

Japan	In August 2024, as part of the fiscal year 2024 Design Work Related to the Implementation of Advanced CCS Projects commissioned by the Japan Organization for Metals and Energy Security, the Tokyo Metropolitan Area CCS Project and Tohoku Region West Coast CCS Initiative in which we participate, were adopted, and various studies were carried out.
Australia	In the Bonaparte GHG assessment block, which we jointly acquired with TotalEnergies CCS Australia and Woodside Energy in 2022, with the first goal of reducing CO_2 emissions from the Ichthys LNG project, in May 2024, we started joint studies with JERA Co., Inc., and in October, with Chubu Electric Power Co., Inc., toward the construction of a value chain for separating and recovering CO_2 emitted in Japan, transporting it to Australia, and storing it.
Indonesia	In the Tangguh LNG project, the final investment decision was made in November 2024 for additional development including a CCUS project.
Norway	In December 2024, we agreed to acquire 30% of the 40% stake in Trudvang CCS Project held by Sval Energi AS, and concluded a sales and purchase agreement.

Renewable energy

Geothermal power generation	Japan: Construction work is in progress in the Oyasu region of Akita Prefecture toward the start of operation. In June and July 2024, work began toward drilling geothermal resource exploration wells in the areas around Mt. Senpo in Shibetsu Town, Shibetsu County, Hokkaido and the Okuhida Onsengo area in Takayama City, Gifu Prefecture. In Okuhida, drilling began in December 2024. Indonesia: In December 2024, we signed a memorandum of understanding (MOU) with PT PLN Indonesia Power regarding a new geothermal study. In addition, preparatory work for expansion development was carried out at the Muara Laboh Power Station. The final investment decision was made in January 2025.
Wind power generation	Europe: A total of three power plants are in operation in the United Kingdom and the Netherlands. Japan: Construction work for a floating offshore wind power facility off the coast of Goto City, Nagasaki Prefecture is in progress.
Solar power generation	Australia: Through Potentia Energy Pty. Ltd, an Australian renewable energy company jointly invested with Enel S.p.A., a major Italian power and energy company, the final investment decision was made for the Quorn Park solar and battery storage project in New South Wales in June 2024, and construction work is in progress.

Carbon recycling & new business

Next-generation fuel	Research and development was carried out on efficient maritime CO_2 transport

development	technology, innovative DAC (direct air capture) technology, hydrogen transport technology capable of distributed supply, high-yield SAF (synthetic aviation fuel) synthesis technology, mineral resource recovery technology from brine, etc. In July 2024, we invested in EneCoat Technologies Co., Ltd., which develops perovskite solar cells and their materials.

Forest conservation

Forest conservation business	While promoting activities toward the acquisition and creation of new forest credits, such as the creation of forest-derived J-Credits utilizing the municipal forest in Numata City, Gunma Prefecture, we also sold carbon offset products (gas, jet fuel, etc.).

The following information concerns production and sales by the Group's main business divisions for the year ended December 31, 2024.

(1) Production

The following table shows actual production of crude oil, natural gas, etc. by the Group for the year ended December 31, 2024.

Category	For the year ended December 31, 2024	Changes from the previous fiscal year
Crude oil	140.5 MMbbls (383.9 Mbbls per day)	0.6%
Natural gas	475.5 Bcf (1,299.1 MMcf per day)	(0.1)%
Subtotal	**230.9 MMboe (630.8 Mboe per day)**	**0.4%**
Iodine	558.4 t	3.1%
Sulfur	159.7 Mtons	4.3%
Electric power generation	2,272.0 million kWh	31.6%

Notes:
1. The volume of LPG produced overseas is included in "Crude oil."
2. A portion of crude oil and natural gas production volume is consumed as fuel to generate electricity.
3. The production by the Company's affiliates, etc. is included in the figures above.
4. The production volume of crude oil and natural gas under the production sharing contracts entered into by the Group corresponds to the net economic take of the Group. Figures calculated by multiplying the gross production volume by the Company's interest share are 147.1 MMbbls (403.1 Mbbls per day) of crude oil, 486.0 Bcf (1,331.4 MMcf per day) of natural gas, and in total 239.5 MMboe (656.0 Mboe per day) for the year ended December 31, 2023, and 147.9 MMbbls (404.2 Mbbls per day) of crude oil, 477.9 Bcf (1,305.8 MMcf per day) of natural gas, and in total 239.8 MMboe (655.2 Mboe per day) for the year ended December 31, 2024.
5. "Boe" means barrels of oil equivalent.
6. "Iodine" is refined by other company on consignment.
7. Figures are rounded to the first decimal place.

[Translation for Reference Purposes Only]

(2) Sales

The following table shows sales for the year ended December 31, 2024.

Reportable segment, etc.		Category	For the year ended December 31, 2024 (January 1, 2024 to December 31, 2024)		Changes from the previous fiscal year	
			Sales volume	Revenue (Billions of yen)	Sales volume	Revenue
Oil & Gas Japan		Crude oil	317 Mbbls	3.7	(23.1%)	(17.9%)
		Natural gas (excluding LPG)	91,961 MMcf	192.7	0.1%	(13.3%)
		Iodine, etc.	20.4		2.0%	
		Subtotal	216.9		(12.1%)	
Oil & Gas Overseas	Ichthys Project	Crude oil	12,343 Mbbls	150.7	(1.5%)	4.1%
		Natural gas (excluding LPG)	309,674 MMcf	222.5	(5.5%)	(2.5%)
		Subtotal	373.2		0.0%	
	Other Projects	Crude oil	126,319 Mbbls	1,544.9	1.0%	6.7%
		Natural gas (excluding LPG)	72,032 MMcf	109.5	19.6%	42.3%
		Other	3.3		5.4%	
		Subtotal	1,657.9		8.5%	
Other[2]		Crude oil	–	12.6	–	19.9%
		Natural gas (excluding LPG)	–	0.2	–	56.4%
		Other[3]	4.7		(11.9%)	
		Subtotal	17.6		9.7%	
Total		Crude oil	**138,978 Mbbls**	**1,712.0**	**0.7%**	**6.5%**
		Natural gas (excluding LPG)	**473,667 MMcf**	**525.1**	**(1.3%)**	**(0.5%)**
		Other	**28.5**		**(0.2%)**	
		Total	**2,265.8**		**4.7%**	

Notes:
1. Due to an organizational restructuring as of October 1, 2024, some businesses previously included in the “Other” category have been included in the “Oil & Gas Japan” from the year ended December 31, 2024. The changes from the previous fiscal year have also been rearranged and displayed to reflect this change.
2. 5 net zero businesses, sales agency and brokerage business, civil engineering business, etc.
3. LPG sales from sales agency and brokerage business, 5 net zero business, etc.

2. Investments

The Group's investments during the year ended December 31, 2024 totaled ¥319.5 billion. These investments include ¥62.7 billion in exploration expenditures, ¥248.4 billion in development investments for oil and natural gas production facilities and natural gas supply infrastructure, and ¥8.3 billion in other investments (including the five net-zero businesses).

The above investment amount is mainly the total of expenditures incurred during the fiscal year related to the acquisition of exploration and evaluation assets and development and production assets among oil and gas assets, and expenditures for acquiring shares associated with participation in and additional investment in projects such as oil, natural gas, and renewable energy. This amount includes the amount equivalent to our Group's share of investment in Ichthys LNG Pty Ltd, a joint venture.

3. Funding

During the year ended December 31, 2024, the Group strived for appropriate leverage control in line with our Medium-term Business Plan. In addition, the Group received financing from Japan Organization for Metals and Energy Security for exploration expenditures, development expenditures, etc.

4. Status of Business Transfers, Absorption-type Company Split, or Incorporation-type Company Split

The Company's domestic oil and natural gas business, etc. was succeeded by INPEX JAPAN LTD. through a company split (simplified absorption-type company split) effective October 1, 2024.

5. Assets and Profit/Loss

Category	16th fiscal year As of December 31, 2021	17th fiscal year As of December 31, 2022	18th fiscal year As of December 31, 2023		19th fiscal year (This fiscal year) As of December 31, 2024
	Japanese GAAP	Japanese GAAP	Japanese GAAP	IFRS	IFRS
Net sales or revenue (Billions of yen)	1,244.3	2,324.6	2,165.7	2,164.5	2,265.8
Operating profit (Billions of yen)	590.6	1,246.4	1,121.8	1,114.1	1,271.7
Ordinary income (Billions of yen)	657.6	1,441.9	1,350.4	–	–
Net income attributable to owners of parent or profit attributable to owners of parent (Billions of yen)	223.0	461.0	371.5	321.7	427.3
Net income per share or basic earnings per share (Yen)	153.87	337.37	287.05	248.55	345.31
Net assets or total equity (Billions of yen)	3,346.4	4,022.3	4,419.1	4,499.0	5,137.8
Total assets (Billions of yen)	5,158.1	6,259.8	6,523.1	6,739.4	7,380.8

Notes: 1. We have prepared consolidated financial statements by applying International Financial Reporting Standards (IFRS) since the 19th fiscal year. In addition, figures conforming to IFRS are also included for the 18th fiscal year.

2. Amounts under ¥0.1 billion are rounded down. However, net income per share and basic earnings per share are rounded off to two decimal places.

6) Management Initiatives

Business Environment

Since 2022, the importance of stable energy supply has been re-recognized due to Russia's invasion of Ukraine and the destabilization of the Middle East situation. In addition to the significant depreciation of the yen and the trend of price inflation, it is necessary to consider future changes in international trade rules and risks such as natural disasters and conflicts.

From the perspective of climate change countermeasures, we recognize that the world is shifting to a realistic path that balances economic rationality and stable energy supply, taking into account the unique circumstances of each country and the degree of technological progress, while maintaining ambitious goals for achieving net zero by 2050. Looking at the perspective of medium- to long-term energy demand, we assume that the basic trend of sustained increase in energy demand due to the expansion of the world's population and economic growth, mainly in emerging countries, will not change. Regarding natural gas demand, especially among oil and natural gas, steady demand is expected in the medium to long term, mainly in Asia.

In Japan, the Seventh Strategic Energy Plan (draft) was presented in December 2024, and it was reconfirmed that the major premise of energy policy is S+3E (Safety, Energy Security, Economic Efficiency, and Environment), and that pursuing the optimal balance of these is the basic perspective of energy policy. In the plan (draft), the target for the self-development ratio of oil and natural gas is maintained at the target level of the Sixth Strategic Energy Plan (50% or more in 2030, 60% or more in 2040), and further promotion of self-development is still necessary.

Under these circumstances, we believe that it is necessary to incorporate the following three points into our management approach when considering the business environment.

The importance of natural gas/LNG is increasing: In the process of transitioning to net zero, natural gas/LNG is considered to be increasingly important as a pragmatic transition fuel because its GHG emission intensity is relatively smaller than other fossil fuels.

It is necessary to promote various low-carbon measures in parallel: For the transition to net zero, it is important to select appropriate means according to the circumstances of each region and the stage of transition. We believe that in addition to promoting the introduction of renewable energy, introducing CCS to existing oil and natural gas production facilities and utilizing hydrogen/ammonia, etc., will be a pathway for a realistic energy transition.

It is necessary to strengthen and upgrade the energy supply system with a view to net zero: In addition to the increase in power demand in developing countries, a resurgence in power consumption is predicted in developed countries due to semiconductor manufacturing and AI demand. In addition, the power supply system needs to be upgraded due to the challenges of supply and demand adjustment accompanying the expansion of renewable energy introduction, and the importance of minerals and rare resources required for this is also increasing.

Management Policies

In February 2025, the Company announced its “INPEX Vision 2035: Realizing a Responsible Energy Transition” (hereinafter “INPEX Vision 2035”). INPEX Vision 2035 indicates the Company’s long-term strategy for 2035 while taking into account the above-mentioned business environment recognition, and also establishes a three-year Medium-term Business Plan from 2025 to 2027, indicating specific initiatives and targets for the immediate future.

We see the various domestic and international moves to find realistic solutions to achieve a net-zero society by 2050 as an opportunity for us to make further progress. Going forward, based on this INPEX Vision 2035, we will work to meet the energy demands of Japan and the world.

The overview of “INPEX Vision 2035” is described on pages 10 to 16 of this material.

7. Important Subsidiaries, etc.

(1) Important Subsidiaries, etc.

As of December 31, 2024, the Company had 73 subsidiaries (as defined under Article 2, Item 3, of the Companies Act). Compared with the end of the previous fiscal year, three (3) subsidiaries were established, one (1) subsidiary was absorbed in a merger, and two (2) subsidiaries were eliminated due to the completion of liquidation. The operations of the Company's subsidiaries are generally administered by the Company through concurrent posts and the secondment of directors and employees. Details of important subsidiaries are shown in the table below.

Company name (Area/Project name)	Issued capital (Millions of yen, unless otherwise stated)	Ownership (%)	Main business
INPEX JAPAN, LTD. (Japan/Minami-Nagaoka Gas Field, etc.)	100	100	Exploration, development, production, and sale of oil and natural gas
INPEX Browse, Ltd. (Australia/Ichthys LNG)	3,350	100	Financing, etc. for the exploration and development of oil and natural gas and development work at the Ichthys LNG Project, etc.
INPEX Holdings Australia Pty Ltd (Australia/Ichthys LNG)	US$10,031,953 thousand	100	Financing, etc. for the exploration, development, production, and sale of oil and natural gas, and construction and operation, etc. of LNG plants
INPEX Ichthys Pty Ltd (Australia/Ichthys LNG)	US$804,456 thousand	100	Exploration, development, production, and sale of oil and natural gas
Japan Oil Development Co., Ltd. (Abu Dhabi/Abu Dhabi Offshore Oil Fields)	5,532	100	Exploration, development, production, and sale of oil
JODCO Lower Zakum Limited (Abu Dhabi/Abu Dhabi Offshore Oil Fields)	US$600,000 thousand	100	Exploration, development, production, and sale of oil
JODCO Onshore Limited (Abu Dhabi/Abu Dhabi Onshore Oil Fields)	US$111 thousand	65.76	Exploration, development, production, and sale of oil
INPEX Masela, Ltd. (Indonesia/Abadi LNG)	71,255	54.94	Exploration and development of oil and natural gas
INPEX Idemitsu Norge AS (Norway/Snorre Oil Field)	NOK727.9 million	50.51	Exploration, development, production, and sale of oil and natural gas
INPEX North Caspian Sea, Ltd. (Kazakhstan/Kashagan Oil Field and others)	120,897	51	Exploration, development, production, and sale of oil
INPEX Southwest Caspian Sea, Ltd. (Azerbaijan/ACG Oil Fields)	53,594	51	Exploration, development, production, and sale of oil
INPEX Europe Limited (The United Kingdom/Moray East Offshore Wind Farm and others)	GBP591 million	100	Wind power generation business
INPEX GEOTHERMAL, LTD. (Indonesia/Muara Laboh Geothermal Power and others)	5,522	100	Geothermal power generation business

Company name (Area/Project name)	Issued capital (Millions of yen, unless otherwise stated)	Ownership (%)	Main business
INPEX FINANCIAL SERVICES SINGAPORE PTE. LTD. (Singapore)	US$2,216,000 thousand	100	The Group's intercompany finance operations and support for financial administration of projects
INPEX ENERGY TRADING SINGAPORE PTE. LTD. (Singapore)	US$101,000 thousand S$1,050 thousand	100	Sale and purchase of oil and natural gas, etc.

58 other companies

(2) Items Related to a Specified Wholly-Owned Subsidiary

Company name	Address	Total book value (Millions of yen)	INPEX's total assets (Millions of yen)
INPEX Browse, Ltd.	5-3-1 Akasaka, Minato-ku, Tokyo	948,175	2,743,233

8. Primary Business

- Surveys, exploration, development and production of oil, natural gas, and other mineral resources
- Surveys, development and production of geothermal, wind, solar and other energy resources
- Refinery, processing, storage, trading, consignment sale and transportation of resources defined above as well as their by-products
- Supply of electricity, heat, etc.

9. Major Business Locations

Name	Location
Head Office	5-3-1 Akasaka, Minato-ku, Tokyo
Technical Research Center	Setagaya-ku, Tokyo
Naoetsu LNG Terminal	Joetsu City, Niigata Prefecture
East Japan Regional Office	Niigata City, Niigata Prefecture
East Japan Regional Office, Akita Field Office	Akita City, Akita Prefecture
East Japan Regional Office, Chiba Field Office	Sammu City, Chiba Prefecture
East Japan Regional Office, Minamiaga Field Office	Agano City, Niigata Prefecture
East Japan Regional Office, Nagaoka Field Office	Nagaoka City, Niigata Prefecture
Overseas bases	**Location**
Perth	Commonwealth of Australia
Darwin	Commonwealth of Australia
Abu Dhabi	United Arab Emirates
Jakarta	The Republic of Indonesia
Singapore	The Republic of Singapore
Kuala Lumpur	Malaysia
London	The United Kingdom
Oslo	The Kingdom Norway
Astana	The Republic of Kazakhstan
Houston	The United States of America

Note: The above includes operational bases of the Company's subsidiaries.

10. Employees

<table>
<tr><th colspan="2">Reportable segment, etc.</th><th>Number of employees</th><th>Year-on-year change</th></tr>
<tr><td colspan="2">Oil & Gas Japan</td><td rowspan="4">3,369[534]</td><td rowspan="4">+168</td></tr>
<tr><td rowspan="2">Oil & Gas Overseas</td><td>Ichthys Project</td></tr>
<tr><td>Other Projects</td></tr>
<tr><td colspan="2">Other</td></tr>
<tr><td colspan="2">Corporate (Common)</td><td>310[15]</td><td>+20</td></tr>
<tr><td colspan="2">Total</td><td>3,679[549]</td><td>+148</td></tr>
</table>

Notes:
1. The number of employees shown above excludes the Group (the Company and its subsidiaries) employees seconded to other companies outside the Group, but includes employees seconded from other companies to the Group.
2. The figure in square brackets is the average number of temporary employees during the year ended December 31, 2024 and is indicated separately. It includes local contract employees working under contracts on overseas development projects and domestic contract employees, non-regular contract staff and temporary staff, etc. who are employed in operations relating to oil and natural gas in Japan.
3. In the Group, the same employees engage in multiple businesses in many departments.
4. “Corporate (Common)” includes employees of the administration departments such as the general administration department and the accounting department of the Company.

11. Primary Lenders

Lender	Outstanding borrowings (Billions of yen)
Japan Bank for International Cooperation	241.9
Mizuho Bank, Ltd.	227.8
Development Bank of Japan Inc.	157.0
Sumitomo Mitsui Banking Corporation	130.1
MUFG Bank, Ltd.	86.5

II. Items Related to Shares

1. Total Number of Shares Authorized to Be Issued

(Common Share) 3,600,000,000
(Class A Share) 1

2. Type and Total Number of Issued Shares

(Common Share) 1,259,136,067
(Including 60,708,389 Treasury Shares)
(Class A Share) 1

3. Number of Shareholders

(Common Share) 428,795
(Class A Share) 1

4. Major Shareholders

Name	Number of Shares			Shareholding Ratio (%)
	Common Share	Class A Share	Total Share	
Minister of Economy, Trade and Industry	276,922,800	1	276,922,801	23.11
The Master Trust Bank of Japan, Ltd. (Trust Account)	147,812,360	–	147,812,360	12.33
Custody Bank of Japan, Ltd. (Trust Account)	73,751,220	–	73,751,220	6.15
Japan Petroleum Exploration Co., Ltd.	26,723,300	–	26,723,300	2.23
SMBC Nikko Securities Inc.	26,217,159	–	26,217,159	2.19
JAPAN SECURITIES FINANCE CO., LTD.	22,447,600	–	22,447,600	1.87
STATE STREET BANK WEST CLIENT - TREATY 505234	19,618,943	–	19,618,943	1.64
The Nomura Trust and Banking Co., Ltd. (Trust Account)	17,963,800	–	17,963,800	1.50
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	15,977,993	–	15,977,993	1.33
STATE STREET BANK AND TRUST COMPANY - 505001	14,946,100	–	14,946,100	1.25

Notes: 1. The shareholding ratio is calculated after subtracting treasury shares (60,708,389 shares).
2. The shareholding ratio is rounded off to two decimal places.

5. Status of shares granted to the Company's officers as consideration for their performance of duties during the year ended December 31, 2024 (common shares)

Category	Number of Shares	Number of Grantees
Directors (including those who have already retired)	38,396	3

Note: Outside Directors and Audit & Supervisory Board Members are not eligible for the stock-based compensation system.

6. Other significant matters regarding shares

At meetings of the Board of Directors held on May 14, 2024 and August 8, 2024, the Company resolved to acquire treasury stock to improve capital efficiency and enhance shareholder return, and acquired 60,708,200 shares of common stock for a total acquisition price of ¥129,999,822,400.

[Translation for Reference Purposes Only]

III. Items Related to Officers and Audit & Supervisory Board Members

1. Members of the Board and Audit & Supervisory Board Members (As of December 31, 2024)

Name	Company Position	Responsibility & Significant Concurrently Held Positions
Takayuki Ueda	Representative Director, President & CEO	–
Kenji Kawano	Representative Director, Senior Executive Vice President	Senior Vice President, Renewable Energy Strategic Projects Office Compliance Head of Overseas Projects
Hitoshi Okawa	Director, Senior Managing Executive Officer	Senior Vice President, General Administration and Senior Vice President, Oceania Projects
Daisuke Yamada	Director, Senior Managing Executive Officer	Senior Vice President, Finance & Accounting
Toshiaki Takimoto	Director, Senior Managing Executive Officer	Senior Vice President, Corporate Strategy & Planning Legal Affairs Head of Net Zero Business
Jun Yanai	Director (Outside)	–
Norinao Iio	Director (Outside)	–
Atsuko Nishimura	Director (Outside)	Outside Director, TAISEI CORPORATION
Tomoo Nishikawa	Director (Outside)	–
Hideka Morimoto	Director (Outside)	Outside Director, Takasago Thermal Engineering Co., Ltd.
Akio Kawamura	Full-time Audit & Supervisory Board Member:	–
Toshiya Tone	Full-time Audit & Supervisory Board Member (Outside)	–
Kenichi Aso	Full-time Audit & Supervisory Board Member (Outside)	–
Mitsuru Akiyoshi	Audit & Supervisory Board Member (Outside)	Outside Director, Concordia Financial Group, Ltd.
Hiroko Kiba	Audit & Supervisory Board Member (Outside)	Outside Director, Central Japan Railway Company

Notes: 1. The following changes occurred in Directors' positions and responsible areas of duties during the year ended December 31, 2024. Inside the parentheses are their positions and areas of responsibility before the change.

Name	Date	Company Position & Responsibility
Daisuke Yamada	January 1, 2024	Director, Senior Managing Executive Officer, Senior Vice President, Finance & Accounting (Director, Managing Executive Officer, Senior Vice President, Finance & Accounting)
Toshiaki Takimoto	January 1, 2024	Director, Senior Managing Executive Officer, Senior Vice President, Corporate Strategy & Planning Legal Affairs Head of Net Zero Business (Director, Managing Executive Officer, Senior Vice President, Hydrogen & CCUS Development)

Kenji Kawano	March 26, 2024	Representative Director, Senior Executive Vice President Senior Vice President, Renewable Energy Strategic Projects Office Compliance Head of Overseas Projects (Director, Senior Executive Vice President Senior Vice President, Renewable Energy Strategic Projects Office Compliance Head of Overseas Projects)

2. The Company reported all the Outside Directors and Outside Audit & Supervisory Board Members as Independent Officers as stipulated by Tokyo Stock Exchange, Inc.
3. There are no special relationships between the Company and TAISEI CORPORATION, Takasago Thermal Engineering Co., Ltd., Concordia Financial Group, Ltd., or Central Japan Railway Company. Since the Outside Directors and Outside Audit & Supervisory Board Members do not execute business operations at the companies they are concurrently serving, their independence is not affected.
4. Audit & Supervisory Board Member Akio Kawamura has abundant experience in finance and accounting departments and possesses extensive knowledge of finance and accounting.
5. Audit & Supervisory Board Member Toshiya Tone has abundant experience in the areas of finance and taxation, and possesses extensive knowledge of finance and taxation and their related matters.
6. Audit & Supervisory Board Member Kenichi Aso has abundant experience in the areas of international financing and finance, and possesses extensive knowledge of international financing and finance and their related matters.
7. Audit & Supervisory Board Member Mitsuru Akiyoshi has abundant experience in finance departments and possesses extensive knowledge of finance and related matters.
8. Ms. Hiroko Kiba's name on the family register is Hiroko Yoda.
9. Director Hitoshi Okawa was elected and assumed his position at the 18th Ordinary General Meeting of Shareholders held on March 26, 2024.
10. On March 26, 2024, Representative Director Toshiaki Kitamura, Director Kimihisa Kittaka, and Director Nobuharu Sase retired due to the expiration of their terms of office.

[Translation for Reference Purposes Only]

2. **Executive Officers** (As of January 1, 2025)

Name	Company Position & Responsibility
President & CEO	
*Takayuki Ueda	—
Senior Executive Vice President	
*Kenji Kawano	Senior Vice President, Renewable Energy Strategic Projects Office Compliance Head of Overseas Projects
*Hitoshi Okawa	Senior Vice President, General Administration and Senior Vice President, Oceania Projects
Hiroshi Fujii	Senior Vice President, Abu Dhabi Projects
Senior Managing Executive Officer	
*Daisuke Yamada	Senior Vice President, Finance & Accounting
*Toshiaki Takimoto	Senior Vice President, Corporate Strategy & Planning Legal Affairs Head of Net Zero Business
Managing Executive Officer	
Yuzo Sengoku	Senior Vice President, New Ventures & Global Exploration
Yosuke Happo	Senior Vice President, Logistics & IMT
Hideki Kurimura	Senior Vice President, Technical Headquarters and Senior Vice President, Innovation HSE
Hiromi Sugiyama	Senior Vice President, Domestic Projects (Exploration & Production) Representative Director, President & CEO, INPEX JAPAN, LTD.
Hiroshi Kato	Senior Vice President, Global Energy Marketing
Akihiro Watanabe	Senior Vice President, Asia Projects General Manager, Technical Unit, Asia Projects Division
Masaru Miyanaga	Senior Vice President, Domestic Projects (Strategy Planning & Marketing) Representative Director, President & CEO, INPEX JAPAN, LTD.
Shoichi Kaganoi	Senior Vice President, Hydrogen & CCUS Development
Executive Officer	
Munehiro Hosono	Senior Vice President, Europe & Middle East Projects
Yukiyo Ikeda	Vice President, Europe & Middle East Projects
Shinichi Takada	Vice President, Technical Headquarters
Tetsuhiro Murayama	Vice President, Oceania Projects Managing Director, Country Chair Australia Director, INPEX Holdings Australia Pty Ltd (Perth)
Wataru Nojiri	Vice President, Domestic Projects
Kei Fukui	Vice President, General Administration General Manager, General Administration Unit, General Administration Division
Koichi Okamoto	Vice President, Global Energy Marketing
Isao Takahashi	Vice President, Innovation General Manager, I-RHEX Unit, Innovation Division
Kenji Hasegawa	Vice President, Asia Projects President Director Indonesia Director, INPEX Masela, Ltd. (Jakarta)
Koji Ochiai	Vice President, Europe & Middle East Projects Managing Director, INPEX Idemitsu Norge AS (Oslo)
Yoshiro Konda	Vice President, Renewable Energy Managing Director, INPEX Europe Ltd. (London)

Name	Company Position & Responsibility
Shinichi Ogawa	Vice President, General Administration General Manager, Human Resources Unit, General Administration Division
Shigeru Tode	Vice President, Innovation General Manager, New Venture Unit, Innovation Division
Shinya Tauchi	Vice President, Europe & Middle East Projects Director, INPEX South Iraq, Ltd. (Dubai)
Hirohide Yabuki	Vice President, Abu Dhabi Projects General Manager, Commercial Coordination Unit, Abu Dhabi Projects Division
Naoki Takaishi	Vice President, General Administration General Manager, Secretarial Unit, General Administration Division
Junko Kamitsuma	Vice President, Finance & Accounting

Notes: The above Executive Officers marked * concurrently serve as Directors.

3. Outline of Liability Limitation Agreement

Based on the provisions of Article 427, Paragraph 1 of the Companies Act and the Company's Articles of Incorporation, the Company has entered into agreements with each Outside Director and each Audit & Supervisory Board Member to limit their liability for damages to the Company stipulated in Article 423, Paragraph 1 of the Companies Act. The liability for damages under the agreement is limited to the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act.

4. Outline of the Content of the Indemnity Agreements

The Company has entered into indemnity agreements with Mr. Takayuki Ueda, Mr. Kenji Kawano, Mr. Hitoshi Okawa, Mr. Daisuke Yamada, Mr. Toshiaki Takimoto, Mr. Jun Yanai, Mr. Norinao Iio, Ms. Atsuko Nishimura, Mr. Tomoo Nishikawa and Mr. Hideka Morimoto as Directors and Mr. Akio Kawamura, Mr. Toshiya Tone, Mr. Kenichi Aso, Mr. Mitsuru Akiyoshi and Ms. Hiroko Kiba as Audit & Supervisory Board Members in accordance with the provisions of Article 430-2, Paragraph 1, of the Companies Act, indemnifying them for expenses and losses under Items 1 and 2 of the same Paragraph, respectively, within the limits prescribed by laws and regulations. Under this agreement, the Company shall require the return by a Director or an Audit & Supervisory Board Member of any indemnification for expenses, etc. received, if it is ascertained that the Director or Audit & Supervisory Board Member executed his/her duties with the aim of unfairly benefiting him/herself or a third party, or of damaging the Company's interests.

5. Outline of the Content of the Liability Insurance Contracts for Officers, Etc.

The Company has concluded liability insurance contracts for officers, etc., with Directors and Audit & Supervisory Board Members of the Company and its subsidiaries as well as Executive Officers of the Company as the insured parties, providing compensation for damage arising as a result of the responsibilities assumed by insured officers in their execution of duties, or any claims made against them with regard to these responsibilities. The contract contains exemptions, including the case that compensation will not be made for liability arising as a result of intentional acts or gross negligence. In addition, the full amount of the insurance premiums is borne by the Company.

6. Compensation for Directors and Audit & Supervisory Board Members During the Year Ended December 31, 2024

(1) Policy on Determining Compensation Amounts for Directors and Audit & Supervisory Board Members and Calculation Methods and Determination Methods

(Basic policy of compensation for Directors, etc.)

The Company's basic policy on compensation for Directors is as follows.

1. Attractive to recruit and retain qualified management personnel to realize the Company's management philosophy

2. Raise awareness of the need to contribute to the sustainable growth and medium- to long-term enhancement of corporate value of the Company
3. The compensation system shall be highly transparent and objective to ensure accountability to shareholders and other stakeholders.

Based on the basic policy, the Company has passed a resolution at a Board of Directors' meeting as below, on the policy for determining the content of compensation, etc. for individual Directors. In determining the content of compensation, etc. for each individual Director, as an advisory body to the Board of Directors, the Nomination and Compensation Advisory Committee, the majority of whose members are Outside Directors, conducts a multifaceted review including consistency between the draft and the decision policy, and the Board of Directors also respects the report of the Committee and judges that it is in line with the decision policy.

(Compensation levels)

The level of compensation for Directors of the Company shall be set by a resolution of the Board of Directors after the Nomination and Compensation Advisory Committee verifies the appropriateness of the level after conducting an analysis of the level of compensation for each position in a peer group of companies of the same size and similar industries, utilizing data from external research organizations. The compensation shall be reviewed as necessary to meet changes in the external environment, etc.

(Compensation composition)

The compensation composition of the Company's Directors (excluding Outside Directors) consists of basic compensation in accordance with the duties of each position, bonuses as short-term incentive compensation, and stock-based compensation as medium- to long-term incentive. Compensation for Outside Directors and Audit & Supervisory Board Members consists only of basic compensation from the perspective of the independence of their duties.

1. Basic compensation
   - Cash compensation to be paid as a fixed monthly compensation based on the duties of each Director by position
   - In addition to the above, cash compensation to be paid in addition to the monthly fixed compensation to Outside Directors who also serve as committee members
2. Bonuses
   - Performance-based cash compensation to be paid in June each year, taking into account the Company's performance for a single fiscal year and the performance of the division in charge
   - In addition to profit attributable to owners of parent (hereinafter "profit") and cash flows from operating activities before exploration, which are the Company's main financial indicators, safety indicators (zero major accidents), which are indispensable to fulfill the Company's mission of stable energy supply, are adopted as non-financial indicators. 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%.
   - The degree of achievement of the targets of the divisions under each Director's jurisdiction, excluding the President, Chairman, etc., shall be annually evaluated, and the results of the evaluation of each division shall be reflected in the bonus amount of each Director calculated based on the degree of achievement of corporate performance indicators.

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

3. Stock-based compensation
   - Stock-based compensation to be paid to Directors after their retirement that combines performance-based elements aimed at raising Directors' awareness of their contribution to the Company's medium- to long-

term business performance and enhancement of corporate value, and fixed elements aimed at strengthening Directors' awareness of sharing interests with shareholders through ownership of the Company's shares

- The standard amount of stock-based compensation is set for each position, and a portion of the standard amount is linked to performance share, while the remainder is comprised of non-performance share stock-based compensation.
- The Company's performance indicators for the performance share portion will be based on the key management indicators in the medium-term business plan, such as profit, cash flows from operating activities before exploration, ROE and total payout ratio, as well as on the performance indicators for production cost per BOE and net carbon intensity, with the goal of thoroughly strengthening the oil and natural gas business and promoting each business in the 5 net zero fields. Depending on the degree of achievement of these goals, the amount of compensation will be calculated based on the evaluation weights in the table below, and the final amount of compensation will vary within the range of 0 to 200%.
- The non-performance share portion will be paid as stock-based compensation with a fixed number of shares to be delivered, from the perspective of strengthening the sense of shared interests with shareholders.
- Stock-based compensation is provided through a system using the Board Incentive Plan Trust. Under this system, points are granted annually to those eligible for the system based on their position, performance, etc., and in principle, the Company's shares equivalent to the accumulated number of points are delivered from the trust after the retirement of those eligible for the system.
- For stock-based compensation, in the event that a Director, etc. commits a significant improper or illegal act, the Company may cancel or forfeit their right to receive the Company's shares under the system (malus) and demand the return of cash corresponding to the Company's shares already delivered to them (clawback).

Stock-based compensation KPI		Evaluation weight
Financial indicators	Profit	30%
	Cash flows from operating activities before exploration	30%
	ROE	10%
	Total payout ratio	10%
Non-financial indicators	Production cost per BOE	10%
	Net Carbon Intensity	10%

- The ratio of the President's basic compensation, bonuses, and stock-based compensation when the target achievement level for each index is 100% is set generally at 50%:30%:20%, respectively.

The year-end performance of KPIs for stock-based compensation and bonuses for the year ended December 31, 2024 are listed in "[Reference] Overview of Medium-term Business Plan 2022-2024." Stock-based compensation and bonuses for the year ended December 31, 2024 are determined at a Board of Directors meeting, after passing through a multifaceted review and deliberations by the Nomination and Compensation Advisory Committee, and with reference to the year-end performance.

(Compensation decision process)

- In order to strengthen the independence, objectivity and accountability of the Board of Directors' functions in determining Directors' compensation, the Company has established the Nomination and Compensation Advisory Committee, the majority of whose members are Independent Outside Directors, as an advisory body to the Board of Directors. Based on the report of the Committee, the Board of Directors establishes a policy for determining the amount of compensation for Directors and the method of calculating such amount. The compensation for the Audit & Supervisory Board Members is determined through consultation among the Audit & Supervisory Board Members within the limits approved at the General Meeting of Shareholders.
- The Nomination and Compensation Advisory Committee shall, in principle, meet at least four (4) times a year to deliberate major matters concerning the policy for determining the amount and calculation method of compensation, etc. for Directors and the details of compensation, etc. for each individual, and to provide advice and proposals to the Board of Directors, and the Board of Directors makes decisions with the utmost respect for the content of such advice and proposals. The amount of compensation to be paid to each

Director (including the final amount of bonuses based on the evaluation of the performance of the division in charge) shall be decided by the Representative Director, President & CEO Takayuki Ueda, who is most familiar with the Company's management situation, based on the content of the advice and proposals of the Committee.

- Considering the external environment and social and economic trends, etc. surrounding the Company, the Nomination and Compensation Advisory Committee shall carefully deliberate on the appropriateness of the target value and calculation method for performance-based compensation, and may make adjustments to the calculation of the amount of compensation for each Director by resolution of the Board of Directors.

(2) Compensation for Directors and Audit & Supervisory Board Members During the Year Ended December 31, 2024

Category	Total Compensation (Millions of yen)	Total Compensation by Type (Millions of yen)			No. of Eligible Officers
		Basic Compensation	Performance-based Compensation, etc.		
			Bonuses	Stock-based Compensation	
Directors	510	352	110	47	13
Inside	434	276	110	47	8
Outside	75	75	–	–	5
Audit & Supervisory Board Members	126	126	–	–	5
Inside	34	34	–	–	1
Outside	91	91	–	–	4

Notes:
1. The above table includes three (3) Directors who retired at the conclusion of the 18th Ordinary General Meeting of Shareholders held on March 26, 2024.
2. Salaries for Directors who are also employees do not include the portion of salary for an employee in the above compensation amount.
3. The basic compensation for Directors was set to be an annual amount within ¥900 million including bonuses (including within ¥100 million for Outside Directors) at the 16th Ordinary General Meeting of Shareholders held on March 25, 2022, and the number of Directors as of the date of such resolution was twelve (12) (including five (5) Outside Directors).
4. The basic compensation for Audit & Supervisory Board Members was resolved at the 16th Ordinary General Meeting of Shareholders held on March 25, 2022 to be an annual amount within ¥140 million, and the number of Audit & Supervisory Board Members as of the date of such resolution was five (5).
5. Bonuses for Directors are stated as the planned payment amounts of bonuses to officers for the year ended December 31, 2024. The calculation of the amounts undergoes a multifaceted review and deliberations by the Nomination and Compensation Advisory Committee.
6. Stock-based compensation is included in non-monetary compensation.
7. The Company resolved to introduce stock-based compensation system for Directors and Executive Officers (the Board Incentive Plan Trust) at the 12th Ordinary General Meeting of Shareholders held on June 26, 2018. The stock-based compensation figures in the table above represent the fees incurred with regard to the stock-based points assigned to Directors in the year ended December 31, 2024 concerning the Board Incentive Plan Trust. At the 16th Ordinary General Meeting of Shareholders held on March 25, 2022, the maximum amount of money to be contributed by the Company in one (1) fiscal year was revised to ¥434 million and the maximum amount of points granted in one (1) fiscal year to those eligible for the system was revised to 806,000 points (equivalent to 806,000 shares of the Company), and the number of Directors (excluding Outside Directors and non-residents in Japan) as of the date of such resolution was seven (7).

7. Items Related to Outside Directors and Audit & Supervisory Board Members

Major activities of Outside Directors and Audit & Supervisory Board Members

1) Outside Directors

Name	Main activities, etc.	Attendance at Board of Directors meetings
Jun Yanai	He is expected to play a role in supervising and advising on the execution of business operations from the international, legal, and risk management perspectives by leveraging his experience as a corporate manager and his extensive experience and insight in the resources and energy industries. He has made necessary statements and proposals at meetings of the Board of Directors and meetings for exchanging opinions with the Representative Director. In addition, as chairman of the Nomination and Compensation Advisory Committee, he participates in the deliberations of the committee and contributes to strengthening the transparency and objectivity of the nomination and compensation of Directors.	15 out of 15 (100%)
Norinao Iio	He is expected to play a role in supervising and advising on the execution of business operations from an international perspective by leveraging his experience as a corporate manager and his extensive experience and insight in the resources and energy industries. He has made necessary statements and proposals at meetings of the Board of Directors and meetings for exchanging opinions with the Representative Director. In addition, as a member of the Nomination and Compensation Advisory Committee, he participates in the deliberations of the committee and contributes to strengthening the transparency and objectivity of the nomination and compensation of Directors.	15 out of 15 (100%)
Atsuko Nishimura	She is expected to play a role in supervising and advising on the execution of business operations from a diverse and global perspective by leveraging her extensive experience as a diplomat and broad insight into international affairs as well as her expertise as an Ambassador Extraordinary and Plenipotentiary (in charge of Women, Human Rights and Humanitarian Affairs) and a university professor. She has made necessary statements and proposals at meetings of the Board of Directors and meetings for exchanging opinions with the Representative Director. In addition, as a member of the Nomination and Compensation Advisory Committee, she participates in the deliberations of the committee and contributes to strengthening the transparency and objectivity of the nomination and compensation of Directors.	15 out of 15 (100%)
Tomoo Nishikawa	He is expected to play a role in supervising and advising on the execution of business operations from a diverse and global perspective by leveraging his extensive experience and insight as an international lawyer and representative attorney at law, as well as his knowledge in a variety of fields such as expert knowledge as a certified tax accountant and university professor. He has made necessary statements and proposals, etc. at meetings of the Board of Directors and meetings for exchanging opinions with the Representative Director.	15 out of 15 (100%)

Name	Main activities, etc.	Attendance at Board of Directors meetings
Hideka Morimoto	He is expected to play a role in supervising and advising on the execution of business operations from the perspective of sustainability by leveraging his extensive experience and insight on environmental and energy policies as Administrative Vice-Minister, Ministry of the Environment as well as his knowledge in a variety of fields such as expert knowledge as a university professor. He has made necessary statements and proposals, etc. at meetings of the Board of Directors and meetings for exchanging opinions with the Representative Director.	15 out of 15 (100%)

2) Outside Audit & Supervisory Board Members

Name	Comments made, etc. in Board of Directors meetings and Audit & Supervisory Board meetings	Attendance at Board of Directors meetings	Attendance at Audit & Supervisory Board meetings
Toshiya Tone	He appropriately made necessary comments during deliberations of proposals, etc. based on his extensive experience and broad range of insights in the field of finance and taxation.	15 out of 15 (100%)	15 out of 15 (100%)
Kenichi Aso	He appropriately made necessary comments during deliberations of proposals, etc. based on his extensive experience and broad range of insights in the field of international financing and finance.	15 out of 15 (100%)	15 out of 15 (100%)
Mitsuru Akiyoshi	He appropriately made necessary comments during deliberations of proposals, etc. based on his extensive experience and broad range of insights in the field of finance and management.	15 out of 15 (100%)	15 out of 15 (100%)
Hiroko Kiba	She appropriately made necessary comments during deliberations of proposals, etc. based on her wide and diverse range of knowledge created through her abundant experience as a freelance newscaster, a university instructor, and a member of the Advisory Committee for Natural Resources and Energy and Council for Transport Policy.	15 out of 15 (100%)	15 out of 15 (100%)

Note: Fractions less than the indicated units are truncated for amounts shown in the business report except for amounts with other notes.

Consolidated Statement of Financial Position

Unit: millions of yen (Amounts truncated to millions of yen)

Accounts	As of December 31, 2023 (Reference)	As of December 31, 2024	Accounts	As of December 31, 2023 (Reference)	As of December 31, 2024
Assets			**Liabilities**		
Current assets	**838,417**	**870,206**	**Current liabilities**	**572,212**	**533,663**
Cash and cash equivalents	201,149	241,675	Trade and other payables	207,913	192,576
Trade and other receivables	232,017	267,476	Bonds and borrowings	161,059	193,847
Inventories	69,856	67,241	Other financial liabilities	40,808	54,951
Income taxes receivable	10,640	6,982	Income taxes payable	131,721	63,960
Loans receivable	42,350	45,659	Asset retirement obligations	19,018	15,277
Other financial assets	227,068	166,400	Other current liabilities	11,690	13,050
Other current assets	37,992	57,430			
Assets held for sale	17,341	17,341	**Non-current liabilities**	**1,668,230**	**1,709,366**
			Bonds and borrowings	895,923	870,064
Non-current assets	**5,901,058**	**6,510,656**	Other financial liabilities	66,025	62,950
Oil and gas assets	3,601,558	3,855,226	Liability for retirement benefits	803	1,321
Other property, plant and equipment	25,481	28,864	Asset retirement obligations	369,483	381,660
			Deferred tax liabilities	332,940	388,217
Goodwill	20,471	20,515	Other non-current liabilities	3,054	5,151
Intangible assets	9,033	17,015			
Investments accounted for using equity method	751,903	948,075	**Total liabilities**	**2,240,442**	**2,243,029**
			Equity		
Loans receivable	1,306,529	1,433,298	**Equity attributable to owners of parent**	**4,209,101**	**4,821,805**
Other financial assets	95,890	123,557			
Asset for retirement benefits	896	904	Common stock	290,809	290,809
Deferred tax assets	72,977	64,555	Capital surplus	679,131	458,254
Other non-current assets	16,316	18,644	Retained earnings	2,746,530	3,073,530
			Treasury stock	(221,330)	(131,235)
			Other components of equity	713,959	1,130,446
			Non-controlling interests	**289,932**	**316,027**
			Total equity	**4,499,033**	**5,137,833**
Total assets	**6,739,476**	**7,380,863**	**Total liabilities and equity**	**6,739,476**	**7,380,863**

Note: The figures in “As of December 31, 2023 (Reference)” are outside the scope of audits.

Consolidated Statement of Profit or Loss

Unit: millions of yen (Amounts truncated to millions of yen)

Accounts	For the year ended December 31, 2023 (Reference) (January 1, 2023 to December 31, 2023)	For the year ended December 31, 2024 (January 1, 2024 to December 31, 2024)
Revenue	2,164,516	2,265,837
Cost of sales	(848,080)	(915,310)
Gross profit	**1,316,435**	**1,350,527**
Exploration expenses	(25,901)	(53,350)
Selling, general and administrative expenses	(95,747)	(134,512)
Other operating income	25,094	35,832
Other operating expenses	(124,081)	(31,537)
Share of profit (loss) of investments accounted for using equity method	18,389	104,831
Operating profit	**1,114,189**	**1,271,789**
Finance income	217,310	149,491
Finance costs	(78,116)	(122,469)
Profit before tax	**1,253,384**	**1,298,811**
Income tax expense	(920,807)	(864,573)
Profit	**332,576**	**434,238**
Profit attributable to		
Owners of parent	321,708	427,344
Non-controlling interests	10,867	6,894
Profit	**332,576**	**434,238**

Note: The figures in “For the year ended December 31, 2023 (Reference)” are outside the scope of audits.

[Translation for Reference Purposes Only]

Non-Consolidated Balance Sheet

Unit: millions of yen (Amounts truncated to millions of yen)

Accounts	As of December 31, 2023 (Reference)	As of December 31, 2024
(Assets)		
Current assets	**415,106**	**369,604**
Cash and deposits	336	468
Accounts receivable-trade	22,291	7,166
Finished goods	3,174	—
Work in process and partly-finished construction	2	130
Raw materials and supplies	18,638	51
Advance payments-trade	1,868	4,532
Prepaid expenses	3,487	2,660
Short-term loans receivable from subsidiaries and affiliates	67,924	64,819
Deposit paid in subsidiaries and affiliates	324,694	321,381
Other	34,279	32,663
Allowance for doubtful accounts	(61,591)	(64,269)
Fixed assets	**2,242,397**	**2,373,628**
Tangible fixed assets	**218,603**	**8,860**
Buildings	14,810	3,875
Structures	129,422	183
Wells	4,601	—
Machinery and equipment	42,249	252
Vehicles	17	2
Tools, furniture and fixtures	991	688
Land	15,791	3,560
Leased assets	509	43
Construction in progress	10,211	255
Intangible assets	**21,725**	**2,658**
Goodwill	15,644	—
Mining right	6	7
Software	1,676	1,563
Other	4,397	1,088
Investments and other assets	**2,002,068**	**2,362,109**
Investment securities	24,878	26,545
Investments in stock of subsidiaries and affiliates	1,975,167	2,360,770
Long-term loans receivable from subsidiaries and affiliates	52,985	4,692
Long-term prepaid expenses	463	561
Prepaid pension costs	5,638	8,515
Deferred tax assets	18,944	34,584
Other	12,019	13,069
Allowance for doubtful accounts	(743)	(756)
Allowance for investments in exploration	(87,286)	(85,874)
Total assets	**2,657,503**	**2,743,233**

Accounts	As of December 31, 2023 (Reference)	As of December 31, 2024
(Liabilities)		
Current liabilities	**76,368**	**146,164**
Accounts payable-trade	580	6,364
Short-term loans	21,273	–
Commercial papers	–	79,980
Current portion of long-term debt	16,618	43,661
Lease obligations	60	15
Accounts payable-other	20,894	5,819
Accrued expenses	8,273	7,736
Income taxes payable	1,796	414
Advances received	3	–
Deposits payable	508	643
Provision for bonuses	1,710	1,105
Provision for bonuses to officers	120	110
Provision for loss on business	3,080	162
Asset retirement obligations	858	–
Other	590	151
Long-term liabilities	**662,964**	**646,226**
Bonds payable	30,000	30,000
Long-term debt	527,111	519,083
Lease obligations	402	32
Provision for stocks payment	422	528
Provision for loss on business of subsidiaries and affiliates	28,091	28,569
Provision for loss on guarantees of subsidiaries and affiliates	55,852	57,328
Asset retirement obligations	20,814	454
Other	268	10,231
Total liabilities	**739,332**	**792,391**
(Net assets)		
Shareholders' equity	**1,937,592**	**1,969,402**
Common stock	**290,809**	**290,809**
Capital surplus	**1,023,802**	**803,802**
Legal capital surplus	72,802	72,802
Other capital surplus	951,000	731,000
Retained earnings	**844,309**	**1,006,025**
Other retained earnings	844,309	1,006,025
Mine prospecting reserve	3,023	–
Retained earnings brought forward	841,285	1,006,025
Treasury stock	**(221,330)**	**(131,235)**
Valuation, translation adjustments and others	**(19,421)**	**(18,560)**
Unrealized holding gain (loss) on securities	**4,999**	**5,671**
Deferred gain (loss) on hedges	**(24,420)**	**(24,232)**
Total net assets	**1,918,170**	**1,950,841**
Total liabilities and net assets	**2,657,503**	**2,743,233**

Note: The figures in "As of December 31, 2023 (Reference)" are outside the scope of audits.

[Translation for Reference Purposes Only]

Non-Consolidated Statement of Income

Unit: millions of yen (Amounts truncated to millions of yen)

Accounts	For the year ended December 31, 2023 (Reference) (January 1, 2023 to December 31, 2023)		For the year ended December 31, 2024 (January 1, 2024 to December 31, 2024)	
Operating revenue				
Net sales	265,246		220,337	
Dividends from subsidiaries and associates	–		75,980	
Outsourcing service income	–	265,246	3,433	299,751
Cost of sales		195,259		181,927
Gross profit		**69,987**		**117,824**
Exploration expenses		6,283		1,473
Selling, general and administrative expenses		42,441		60,333
Operating profit		**21,262**		**56,017**
Other income				
Interest income	28,711		22,726	
Dividend income	41,355		109,662	
Gain on sales of investment securities	3,781		234	
Gain on sales of stocks of subsidiaries and affiliates	–		61,767	
Foreign exchange gain	967		1,866	
Other	15,283	90,098	7,818	204,076
Other expenses				
Interest expenses	30,281		28,235	
Loss on valuation of shares of subsidiaries and affiliates	8,369		61	
Provision of allowance for doubtful accounts	7,761		2,691	
Provision for loss on business of subsidiaries and affiliates	8,226		1,590	
Provision for loss on guarantees of subsidiaries and affiliates	10,714		3,586	
Loss on valuation of derivatives	–		9,395	
Other	6,490	71,843	3,600	49,161
Ordinary income		**39,517**		**210,933**
Extraordinary income				
Gain on extinguishment of tie-in shares	–		28,549	
Income before income taxes		**39,517**		**239,482**
Income taxes-current	(278)		(5,695)	
Income taxes-deferred	17,039	16,760	(16,816)	(22,511)
Net income		**22,757**		**261,994**

Note: The figures in “For the year ended December 31, 2023 (Reference)” are outside the scope of audits.

[Translation for Reference Purposes Only]

<Copy of the Report of the Accounting Auditors on the Consolidated Financial Statements>

Independent Auditor's Report

February 14, 2025

The Board of Directors
INPEX CORPORATION

Ernst & Young ShinNihon LLC
Tokyo Office

Kazuhiko Yamazaki
Certified Public Accountant
Designated and Engagement Partner

Satoshi Takahashi
Certified Public Accountant
Designated and Engagement Partner

Mikio Shimizu
Certified Public Accountant
Designated and Engagement Partner

Kentaro Moronuki
Certified Public Accountant
Designated and Engagement Partner

Opinion

Pursuant to Article 444, Paragraph 4 of the Companies Act, we have audited the accompanying consolidated financial statements, which comprise the consolidated statement of financial position, the consolidated statement of profit or loss, the consolidated statement of changes in equity, and the notes to the consolidated financial statements of INPEX CORPORATION (the "Company") for the fiscal year from January 1, 2024 through December 31, 2024.
In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the Group, which consists of the Company and its consolidated subsidiaries, for the period covered by the consolidated financial statements in conformity with the designated international accounting standards with certain omissions of disclosure items pursuant to the second sentence of Article 120, Paragraph 1 of the Company Accounting Regulations.

Basis for the Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under the auditing standards are stated in "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements." We are independent of the Company and its consolidated subsidiaries in accordance with the provisions related to professional ethics in Japan, and are fulfilling other ethical responsibilities as an auditor. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Other Contents

Other contents are the business reports and annexed specifications. Management is responsible for the preparation and disclosure of the other contents. Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for monitoring the execution of Directors' duties related to designing and operating the other contents reporting process.
The subject of our opinion on the consolidated financial statements does not include the other contents, and we do not express an opinion on the other contents.
Our responsibility in the audit of the consolidated financial statements is to read through the other contents, and in

the process of reading through, to examine if there are any major discrepancies between the other contents and the consolidated financial statements, and with the findings obtained in our audit process. It is also our responsibility to pay attention to whether there are any indications of serious errors in the other contents, other than such major discrepancies.
Based on the work we perform, if it is determined that there are serious errors in the other contents, we are requested to report on the facts of those errors.
There are no matters for us to report in relation to the other contents.

Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the designated international accounting standards with certain omissions of disclosure items pursuant to the second sentence of Article 120, Paragraph 1 of the Company Accounting Regulations, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements in accordance with the premise of a going concern, and for disclosing matters relating to going concern when it is required to do so in accordance with the designated international accounting standards with certain omissions of disclosure items pursuant to the second sentence of Article 120, Paragraph 1 of the Company Accounting Regulations.
Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for monitoring the execution of Directors' duties related to designing and operating the financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our responsibilities are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to express an opinion on the consolidated financial statements from an independent standpoint in an audit report, based on our audit. Misstatements can occur as a result of fraud or error, and are deemed material if they can be reasonably expected to, either individually or collectively, influence the decisions of users taken on the basis of the consolidated financial statements.
We make professional judgment in the audit process in accordance with auditing standards generally accepted in Japan, and perform the following while maintaining professional skepticism.

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.
- In making those risk assessments, the auditor considers internal control relevant to the entity's audit in order to design audit procedures that are appropriate in the circumstances, although the purpose of the audit of the consolidated financial statements is not to express an opinion on the effectiveness of the entity's internal control.
- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes.
- Determine whether it is appropriate for management to prepare the consolidated financial statements on the premise of a going concern and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, the auditor is required to call attention to the notes to the consolidated financial statements in the audit report, or if the notes to the consolidated financial statements pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the consolidated financial statements. While the conclusions of the auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.

- Besides assessing whether the presentation of and notes to the consolidated financial statements are in accordance with the designated international accounting standards with certain omissions of disclosure items pursuant to the second sentence of Article 120, Paragraph 1 of the Company Accounting Regulations, assess the presentation, structure, and content of the consolidated financial statements including related notes, and whether the consolidated financial statements fairly present the transactions and accounting events on which they are based.
- Plan and perform the audit of the consolidated financial statements for the purpose of obtaining sufficient and appropriate audit evidence concerning the financial information of the Company and its consolidated subsidiaries, which forms the basis for expressing an opinion on the consolidated financial statements. The auditor is responsible for the direction, supervision, and review of the audit of the consolidated financial statements, and is solely responsible for the audit opinion.

The auditor reports to Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the scope and timing of implementation of the planned audit, material audit findings including material weaknesses in internal control identified in the course of the audit, and other matters required under the auditing standards.

The auditor reports to Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the observance of provisions related to professional ethics in Japan as well as matters that are reasonably considered to have an impact on the auditor's independence, and details of whether measures are taken to eliminate obstacles or whether safeguards are applied in order to reduce obstacles to an acceptable level.

Interest

Our firm and engagement partners have no interests in the Company or its consolidated subsidiaries requiring disclosure under the provisions of the Certified Public Accountants Act of Japan.

[Translation for Reference Purposes Only]

<Copy of the Report of the Accounting Auditors on the Non-Consolidated Financial Statements>

Independent Auditor's Report

February 14, 2025

The Board of Directors
INPEX CORPORATION

Ernst & Young ShinNihon LLC
Tokyo Office

Kazuhiko Yamazaki
Certified Public Accountant
Designated and Engagement Partner

Satoshi Takahashi
Certified Public Accountant
Designated and Engagement Partner

Mikio Shimizu
Certified Public Accountant
Designated and Engagement Partner

Kentaro Moronuki
Certified Public Accountant
Designated and Engagement Partner

Opinion

Pursuant to Article 436, Paragraph 2, Item 1 of the Companies Act, we have audited the accompanying financial statements, which comprise the balance sheet, the statement of income, the statement of changes in net assets, the notes to the financial statements and the accompanying supplementary schedules of INPEX CORPORATION (the "Company") for the 19th fiscal year from January 1, 2024 through December 31, 2024.
In our opinion, the financial statements and the accompanying supplementary schedules referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2024, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in Japan.

Basis for the Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under the auditing standards are stated in "Auditor's Responsibilities for the Audit of the Financial Statements and the Accompanying Supplementary Schedules." We are independent of the Company in accordance with the provisions related to professional ethics in Japan, and are fulfilling other ethical responsibilities as an auditor. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Other Contents

Other contents are the business reports and annexed specifications. Management is responsible for the preparation and disclosure of the other contents. Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for monitoring the execution of Directors' duties related to designing and operating the other contents reporting process.
The subject of our opinion on the financial statements and the accompanying supplementary schedules does not include the other contents, and we do not express an opinion on the other contents.
Our responsibility in the audit of the financial statements and the accompanying supplementary schedules is to read through the other contents, and in the process of reading through, to examine if there are any major discrepancies between the other contents and the financial statements and the accompanying supplementary schedules, and with

the findings obtained in our audit process. It is also our responsibility to pay attention to whether there are any indications of serious errors in the other contents, other than such major discrepancies.

Based on the work we perform, if it is determined that there are serious errors in the other contents, we are requested to report on the facts of those errors.

There are no matters for us to report in relation to the other contents.

Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Financial Statements and the Accompanying Supplementary Schedules

Management is responsible for the preparation and fair presentation of the financial statements and the accompanying supplementary schedules in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the financial statements and the accompanying supplementary schedules that are free from material misstatement, whether due to fraud or error.
In preparing the financial statements and the accompanying supplementary schedules, management is responsible for assessing whether it is appropriate to prepare the financial statements and the accompanying supplementary schedules in accordance with the premise of a going concern, and for disclosing matters relating to going concern when it is required to do so in accordance with accounting principles generally accepted in Japan.
Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for monitoring the execution of Directors' duties related to designing and operating the financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements and the Accompanying Supplementary Schedules

Our responsibilities are to obtain reasonable assurance about whether the financial statements and the accompanying supplementary schedules as a whole are free from material misstatement, whether due to fraud or error, and to express an opinion on the financial statements and the accompanying supplementary schedules from an independent standpoint in an audit report, based on our audit. Misstatements can occur as a result of fraud or error, and are deemed material if they can be reasonably expected to, either individually or collectively, influence the decisions of users taken on the basis of the financial statements and the accompanying supplementary schedules.
We make professional judgment in the audit process in accordance with auditing standards generally accepted in Japan, and perform the following while maintaining professional skepticism.

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.
- In making those risk assessments, the auditor considers internal control relevant to the entity's audit in order to design audit procedures that are appropriate in the circumstances, although the purpose of the audit of the financial statements and the accompanying supplementary schedules is not to express an opinion on the effectiveness of the entity's internal control.
- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes.
- Determine whether it is appropriate for management to prepare the financial statements and the accompanying supplementary schedules on the premise of a going concern and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, the auditor is required to call attention to the notes to the financial statements and the accompanying supplementary schedules in the audit report, or if the notes to the financial statements and the accompanying supplementary schedules pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the financial statements and the accompanying supplementary schedules. While the conclusions of the auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.

- Besides assessing whether the presentation of and notes to the financial statements and the accompanying supplementary schedules are in accordance with accounting principles generally accepted in Japan, assess the presentation, structure, and content of the financial statements and the accompanying supplementary schedules including related notes, and whether the financial statements and the accompanying supplementary schedules fairly present the transactions and accounting events on which they are based.

The auditor reports to Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the scope and timing of implementation of the planned audit, material audit findings including material weaknesses in internal control identified in the course of the audit, and other matters required under the auditing standards.

The auditor reports to Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the observance of provisions related to professional ethics in Japan as well as matters that are reasonably considered to have an impact on the auditor's independence, and details of whether measures are taken to eliminate obstacles or whether safeguards are applied in order to reduce obstacles to an acceptable level.

Interest

Our firm and engagement partners have no interests in the Company requiring disclosure under the provisions of the Certified Public Accountants Act of Japan.

[Translation for Reference Purposes Only]

<Certified Copy of the Audit Report of the Audit & Supervisory Board>

Audit Report

With respect to the Directors' performance of their duties during the 19th business year (from January 1, 2024 to December 31, 2024), the Audit & Supervisory Board of the Company deliberated based on the audit report made by each Audit & Supervisory Board Member and has prepared this audit report, and hereby report as follows:

1. Method and Contents of Audit by Audit & Supervisory Board Members and the Audit & Supervisory Board

The Audit & Supervisory Board has established the audit plan including the audit policies, audit method, assignment of duties, etc., and received a report from each Audit & Supervisory Board Member regarding the status of implementation of their audits and results thereof. In addition, the Audit & Supervisory Board has received reports from the Directors, etc., and the accounting auditor regarding the status of performance of their duties, and requested explanations as necessary.

In conformity with the Audit & Supervisory Board Member auditing standards established by the Audit & Supervisory Board, and in accordance with the audit plan, each Audit & Supervisory Board Member endeavored to facilitate a mutual understanding with the Directors, the internal audit division and other employees, etc.; endeavored to collect information and maintain and improve the audit environment; attended the meetings of the Board of Directors and other important meetings; received reports on the status of performance of duties from the Directors and other employees, etc., and requested explanations as necessary; examined important approval/decision documents; and inspected the status of the corporate affairs and assets at the Head Office and major business sites. Also, each Audit & Supervisory Board Member received reports from Directors and employees, etc. on the status of developments and operations concerning the contents of the Board of Directors' resolutions regarding the development and maintenance of the system to ensure that the Directors' performance of their duties as stated in the business reports complied with all laws, regulations and the Articles of Incorporation of the company and other systems that are set forth in Article 100, paragraphs 1 and 3 of the Ordinance for Enforcement of the Companies Act of Japan as being necessary for ensuring the appropriateness of the corporate affairs of a stock company and of a group of companies consisting of the company and its subsidiaries and/or affiliates, and the systems (internal control systems) based on such resolutions; and, requested explanations as necessary and expressed its opinion. Furthermore, each Audit & Supervisory Board Member received periodic reports from the Directors, etc. and Ernst & Young ShinNihon LLC concerning the evaluation and audit of the internal controls relating to financial reporting, and requested explanations as necessary. The contents of the basic policies set forth in Article 118, item 3, sub-item (a) of the Ordinance for Enforcement of the Companies Act of Japan and undertakings set forth in the same item 3, sub-item (b) of said article, as described in the business report, were also considered in light of the circumstances, etc. of deliberations by the Board of Directors and other bodies. With respect to the subsidiaries, each Audit & Supervisory Board Member endeavored to facilitate a mutual understanding and exchanged information with the Directors and Audit & Supervisory Board Members, etc. of each subsidiary and received from subsidiaries reports on their respective business as necessary. Based on the above-described methods, each Audit & Supervisory Board Member examined the business report and annexed specifications for the business year under consideration.

In addition, each Audit & Supervisory Board Member monitored and verified whether the accounting auditor maintained its independence and properly conducted its audit, received a report from the accounting auditor on the status of its performance of duties, and requested explanations as necessary. Each Audit & Supervisory Board Member was notified by the accounting auditor that it had established a "system to ensure that the performance of the duties of the accounting auditor was properly conducted" (the matters listed in the items of Article 131 of the Company Accounting Regulations) in accordance with the "Quality Control Standards for Audits" (Business Accounting Council on November 16, 2021), and requested explanations as necessary. Based on the above-described methods, each Audit & Supervisory Board Member examined the non-consolidated financial statements (balance sheet, profit and loss statement, shareholders' equity variation statement, and schedule of individual notes) and the annexed specifications thereto, as well as the consolidated financial statements (consolidated statement of financial position, consolidated profit and loss statement, consolidated statement of changes in equity, and schedule of consolidated notes), for the business year under consideration.

2. Results of Audit

(1) Results of Audit of Business Report, etc.

(i) We acknowledge that the business report and the annexed specifications thereto fairly present the status of the Company in conformity with the applicable laws and regulations and the Articles of Incorporation of the Company.

(ii) We acknowledge that no misconduct or material fact constituting a violation of any law or regulation or the Articles of Incorporation of the Company was found with respect to the Directors' performance of their duties.

(iii) We acknowledge that the Board of Directors' resolutions with respect to the internal control systems are appropriate. We did not find any matter to be mentioned with respect to the contents of the statement in the business reports and the Directors' performance of their duties concerning the internal control systems. In addition, with respect to internal controls over financial reporting, at the time of preparation of this audit report, we received a report from both the Directors, etc., and Ernst & Young ShinNihon LLC that states that the said controls were effective.

(iv) We did not find any matter to be mentioned with respect to the basic policies, described in the business report, concerning control of the corporation. Undertakings, described in the business report, set forth in Article 118, item 3, sub-item (b) of the Ordinance for Enforcement of the Companies Act of Japan are in line with the basic policies, do not impair the common interests of the Company's shareholders, and are not directed to the purpose of maintaining the status of the Company's officers.

(2) Results of Audit of Non-consolidated Financial Statements and their Annexed Specifications

We acknowledge that the methods and results of audit performed by the accounting auditor, Ernst & Young ShinNihon LLC, are appropriate.

(3) Results of Audit of Consolidated Financial Statements

We acknowledge that the methods and results of audit performed by the accounting auditor, Ernst & Young ShinNihon LLC, are appropriate.

February 14, 2025

The Audit & Supervisory Board, INPEX CORPORATION

Full-time Audit & Supervisory Board Member:	Akio Kawamura (Seal)
Full-time Audit & Supervisory Board Member (Outside):	Toshiya Tone (Seal)
Full-time Audit & Supervisory Board Member (Outside):	Kenichi Aso (Seal)
Outside Audit & Supervisory Board Member:	Mitsuru Akiyoshi (Seal)
Outside Audit & Supervisory Board Member:	Hiroko Kiba (Seal)

[Translation for Reference Purposes Only]

[Reference]

Sustainability Highlights

Sustainability at INPEX

Our fundamental approach to sustainability management is to drive both stable energy supply and energy transition while addressing sustainability challenges, including climate change, through our business operations and value chain. Under this approach, we implement sustainability management with a focus on key material issues.

Efforts Toward Achieving Climate Change Goals

In line with our Corporate Position on Climate Change, we are committed to achieving a low-carbon society. In the fiscal year ended December 31, 2024, through energy-saving initiatives in our operator projects, the reduction of intermittent flaring during normal operations, and efforts to minimize methane emissions, we are on track to achieve all targets set in our previous Medium-term Business Plan.

Decarbonization of our business	
Previous Medium-term Plan targets (2022-2024)	Results for the current fiscal year (all expected to be achieved)
• Reduce net carbon intensity by 10% (4.1 kg-CO_2/boe) or more over three years • Methane emission intensity maintained at 0.1%	• Reduced net carbon intensity by 28 kg-CO_2/boe (tentative) • Methane emission intensity of 0.1% or less

Partnership Agreement for the Creation of J-Credits from Numata Forests

Community Engagement Initiatives

As part of our efforts to build strong relationships with local communities where we operate, we implement social contribution programs. In the fiscal year ended December 31, 2023, we invested approximately ¥4.4 billion in social contribution initiatives.

Additionally, we contribute to local communities not only through donations but also by supporting local events and encouraging employee volunteer activities.


Clean-up of Kotagahama Beach in Niigata Prefecture

Commitment to Human Rights

We established the INPEX Group Human Rights Policy in 2017. We have also ensured compliance with the UK Modern Slavery Act, the Australian Modern Slavery Act, and Norway's Transparency Act. In 2024, to further strengthen our efforts, we conducted human rights due diligence to identify human rights risks across our business operations.

[Translation for Reference Purposes Only]

[Reference] Human Capital Management Highlights

(1) Basic Policy of Our Human Resources Strategy

In order to realize the Group's management philosophy, we believe that we need an organization and human resources that can further hone our strengths in on-site capabilities, technological capabilities and internationality, and that can respond flexibly even in a rapidly changing business environment.

Organizational culture we strive for/ Human resources we seek	● An organizational culture that is not bound by preconceived notions, that encourages free and vigorous exchange of opinions, that continually takes on new challenges, and that encourages innovation. ● Human resources who can create value in business fields based on an acceptance of diversity, willingness to grow and capability to act autonomously.

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

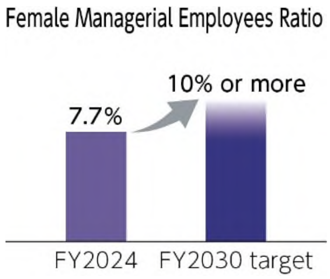
Providing training opportunities in Japan for local employees of overseas offices

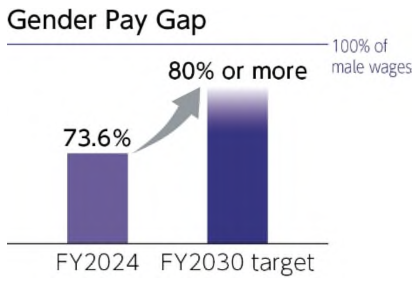
INPEX Value Persons (Employee awards)

[Translation for Reference Purposes Only]

(2) Targets in Human Capital Management

Targets for women's roles for achieving greater diversity





* Ratio of women's wages to men's wages

[Reference] Major External ESG Evaluations

The Company has been selected for various domestic and international ESG indices, including those adopted by the Government Pension Investment Fund (GPIF).

MSCI Nihonkabu ESG Select Leaders Index MSCI 2024 Score: AA **2024** CONSTITUENT MSCI日本株 ESGセレクト・リーダーズ指数 THE INCLUSION OF INPEX CORPORATION (INPEX) IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF INPEX BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.	FTSE Blossom Japan Index FTSE Blossom Japan Sector Relative Index FTSE 2024 Score: 4.0 FTSE Blossom Japan FTSE Blossom Japan Sector Relative Index
S&P/JPX Carbon Efficient Index S&P/JPX カーボン エフィシェント 指数	**Morningstar Japan ex-REIT Gender Diversity Tilt Index**
Dow Jones Best-in-Class World Index Dow Jones Best-in-Class Asia Pacific Index	FTSE4Good Developed Index FTSE4Good Index FTSE4Good
MSCI Japan ESG Select Leaders **2024** CONSTITUENT MSCIジャパン ESGセレクト・リーダーズ指数 THE INCLUSION OF INPEX CORPORATION (INPEX) IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF INPEX BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.	

For more details on our sustainability initiatives, please refer to the Company's website
https://sustainability-report.inpex.co.jp/2023/en/

This document has been translated from Japanese original for reference purposes only. In the event of any discrepancy between these translated documents and the Japanese originals, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

To Those Shareholders with Voting Rights:

Disclosure on the Internet in conformity with Laws and Regulations and the Articles of Incorporations

19th Fiscal Year (January 1, 2024 to December 31, 2024)

INPEX CORPORATION

Pursuant to laws, regulations, and Article 27 of the Articles of Incorporation of the Company, the Company omits the description in the hard copy document (document stating the matters to be provided in electronic format) to be delivered to shareholders who have requested delivery of the document.

- **Business Report**

Items Related to Accounting Auditor

1 Name of Accounting Auditor

Ernst & Young ShinNihon LLC

2 Amount of Remuneration for Accounting Auditor

	Amount paid
Amount of remuneration, etc., for Accounting Auditor of the Company	¥ 374 million
Total amount of money and other financial benefits paid by the Company and its subsidiaries	¥ 478 million

Notes: 1 Under the audit agreement between the Company and the Accounting Auditor, remuneration for audits based on the Companies Act and remuneration for audits based on the Financial Instruments and Exchange Act are not distinguished, and such amounts are effectively indistinguishable. Therefore, the amounts noted above include the total amount of remuneration.

2 The Audit & Supervisory Board has given its consent by judging it as appropriate in view of ensuring the audit quality with respect to Article 399, Paragraph 1 of the Companies Act of Japan for the remuneration paid to the Accounting Auditor, following the confirmation and examination of the status of the Accounting Auditor’s performance of duties, the details of audit plan, basis of calculation for the estimated amount of remuneration and others, in light of the “Practical Guidelines for Coordination with Accounting Auditors” published by the Japan Audit & Supervisory Board Members Association.

3 Of the Company’s significant subsidiaries, overseas subsidiaries are audited by accounting auditing firms other than the Company’s accounting auditor.

3 Contents of Non-Audit Operations

None

4 Policy for Determination of Dismissal or Non-Reappointment of Accounting Auditor

The Audit & Supervisory Board of the Company shall determine the dismissal of the Accounting Auditor according to Article 340 of the Companies Act. In addition, in the event it is determined necessary, including any situation in which the Accounting Auditor is unable to perform their duties appropriately, the Audit & Supervisory Board shall determine the content of the proposal for the dismissal or non-reappointment of the Accounting Auditor and the Board of Directors of the Company shall submit the proposal to the General Meeting of Shareholders.

Systems for Ensuring Proper Operations of the Company and Status of Operations of such Systems

Overview of Systems to Ensure that the Execution of the Duties by Directors of the Company Complies with Laws and Regulations and the Articles of Incorporation of the Company, and Other Systems for Ensuring the Proper Operations of the Company and the Group, and Development and Status of Operations of such Systems

[Resolutions of the Company regarding the Development of the Systems for Ensuring Proper Operations (Internal Control Systems)]

The following is a summary of the resolutions of the Company, regarding the "Development of the Systems for Ensuring the Proper Operations as a Stock Company (Internal Control Systems)." This summary reflects a partial revision made by a resolution of the Board of Directors meeting held on December 25, 2023.

(1) Systems to Ensure that Directors and Employees of the Company Execute their Duties in Compliance with Laws and Regulations and the Articles of Incorporation

To ensure that Directors and employees of the Company execute their duties in compliance with applicable laws and regulations and the Articles of Incorporation, the Company shall develop Sustainability Principles and Business Principles and establish a system to ensure complete compliance.

The Company shall establish a Compliance Committee consisting of the Director in charge of compliance, the Senior Vice Presidents of the standing organizational units, etc., to deliberate basic policies or other important matters related to compliance. By monitoring the implementation of such policies and ensuring thorough dissemination through in-house training, etc., the Company ensures that its Directors and employees comply with laws and regulations and the Articles of Incorporation in the execution of their duties. Furthermore, the Company shall establish an internal whistle-blowing system with a department in charge and external experts (lawyers), etc. as providers of consultation services.

In order to ensure effective compliance systems and relevant internal rules, the Company shall also verify and evaluate such systems and make the necessary improvements through audits, etc., carried out by the internal audit division, which reports directly to the President & CEO and other related in-house departments or external experts. Based on the internal audit regulations, the internal audit division, which reports directly to the President & CEO, shall prepare an internal audit plan for each fiscal year, and regularly report this plan and the results of internal audits to the Board of Directors, full-time Audit & Supervisory Board Members and the Audit & Supervisory Board.

Furthermore, the Company shall develop a system to ensure the accuracy and reliability of financial reporting, and employ such system properly while evaluating its effectiveness.

(2) Systems for the Storage and Management of Information Related to the Execution of Duties by Directors of the Company

In accordance with applicable laws and regulations, the Articles of Incorporation and internal rules, among others, the Directors shall develop a system for information security administration, and appropriately store and manage documents and other information related to the execution of their duties.

(3) Rules and Other Systems for Risk Management of the Company

To manage diverse risks related to the Group's business activities, Directors shall cooperate closely with the related departments to identify, analyze and evaluate such risks, and manage them in accordance with internal rules and guidelines, etc.

Furthermore, the functioning and other aspects of the risk management related to daily operations shall be verified and evaluated through audits, etc., carried out by the internal audit division, under the direct control of the President & CEO of the Company and other related in-house departments or an external expert, and continually reviewed in response to changes in the business environment.

(4) Systems to Ensure the Efficient Execution of Duties by Directors of the Company

In order to ensure that the systems to execute Directors' duties efficiently are in place, the Directors shall manage business operations with particular attention to the following:

1) With regard to certain major corporate decisions, an Executive Committee meeting attended by full-time Directors, Managing Executive Officers, etc. shall be held weekly and as necessary to ensure that the duties are executed promptly and properly.
2) With regard to the execution of daily duties, the authority of the Directors shall be delegated in accordance with the Board of Directors' Regulations and other internal regulations, and the persons in charge at each level shall execute their duties promptly.

Furthermore, the Board of Directors shall formulate long-term management strategies and medium-term management plans, and receive progress reports on the plans and targets.

The Company has adopted a division system and assigns Directors as a head of each division in order to achieve efficient management of business operations and establish a responsibility structure. Each division shall implement initiatives, which are important milestones of the business environment, while taking into account important risks and their countermeasures, so as to realize goals in the management plan and other targets. The Executive Committee shall receive progress reports on the plans and targets.

(5) Systems to Ensure the Proper Operations of the Group

1) Systems for Reporting the Company Matters Related to the Execution of Duties by Directors or Other Equivalent Managerial Staff (hereinafter "Directors, etc.,") of the Company's Subsidiaries

   In accordance with the internal rules on group management, the Company shall enter into agreements regarding group management with its subsidiaries, under which the Company requires that important matters of each subsidiary shall be reported to and approved by the Company.

2) Rules and Other Systems for Risk Management of the Company's Subsidiaries

   For risk management of the subsidiaries of the Company, in accordance with the internal rules on group management, the Company shall conduct group-wide risk management via mutual cooperation with each subsidiary.

   Furthermore, the Company shall require its subsidiaries to cooperate in audits, etc., carried out by the internal audit division, under the direct control of the President & CEO of the Company and other related in-house departments or an external expert to verify and evaluate the management of risks related to the daily operations of the subsidiaries. Based on the results of such verification and evaluation, the Company shall have its subsidiaries conduct continuous review of their risk management in response to changes in the business environment.

3) Systems to Ensure the Efficient Execution of Duties by Directors, etc., of the Company's Subsidiaries

   To ensure the efficient execution of duties by Directors, etc., of the Company's subsidiaries, long-term management strategies and medium-term management plans shall be shared among all the Group companies. Under the vision, the Company shall have its subsidiaries manage human resources and monetary resources efficiently and manage business operations in accordance with the Company's internal rules, etc., with particular attention to the following:

   i) Important matters of a subsidiary of the Company shall be determined by resolution of the Board of Directors meetings of the subsidiary or by consultation among the Directors of the subsidiary.

   ii) Authority for the execution of daily duties by the Company's subsidiaries shall be delegated based on regulations stipulating the administrative authority of subsidiaries, and the persons in charge at each level shall execute their duties promptly.

4) Systems to Ensure that Directors, etc., and Employees of the Company's Subsidiaries Execute their Duties in Compliance with Laws and Regulations and the Articles of Incorporation

   The Company shall establish a compliance system (including an internal whistle-blowing system) that is applied to the entire Group, and this system shall be widely deployed and disseminated to all directors, auditors and other equivalent managerial staff, as well as to employees of the Company's subsidiaries.

In cooperation with its subsidiaries, the Company shall conduct audits, etc., of the subsidiaries, carried out by the internal audit division, under the direct control of the President & CEO of the Company and by other related in-house departments or an external expert.

The Company shall strive to establish a system to ensure that Directors, etc., and employees of the subsidiaries execute their duties in compliance with laws and regulations and the Articles of Incorporation, and enter into agreements regarding group management with its subsidiaries in accordance with the internal rules on group management.

(6) Matters Regarding Employees Who Assist the Audit & Supervisory Board Members of the Company with Auditing Duties in Cases Where the Audit & Supervisory Board Member of the Company Requests the Assignment of Such Employees, Matters Regarding the Independence of Such Employees from Directors of the Company and Matters Related to Ensure the Effectiveness of Instructions Given to Such Employees

The Company has set up the Audit & Supervisory Board Members' Office as an independent organization from the business execution departments and shall deploy dedicated employees to assist the Audit & Supervisory Board Members with auditing duties in order to enhance the effectiveness of audits by Audit & Supervisory Board Members.

The employees who assist the Audit & Supervisory Board Members' duties shall follow instructions from the Audit & Supervisory Board Members. Performance appraisals, personnel changes and disciplinary action against such employees assisting the Audit & Supervisory Board Members shall require approval of the full-time Audit & Supervisory Board Members beforehand.

(7) Systems for Reporting to the Audit & Supervisory Board Members of the Company

The Directors and employees of the Company, directors, auditors or other equivalent managerial staff, as well as employees of the Company's subsidiaries, or persons who receive a report from them, shall report and provide information to the Audit & Supervisory Board Members of the Company as to the matters provided by laws and regulations, matters that might have a significant impact on the Company and its Group companies, and other matters that an Audit & Supervisory Board Member of the Company has determined to be reported to execute his/her duties.

Also, the Audit & Supervisory Board Members of the Company shall always be able to obtain business information whenever needed by attending the Board of Directors' meetings and other important meetings, or by receiving internal approval documents, etc.

Regarding the internal whistle-blowing system of the Group, the Director in charge of compliance shall report to the Company's full-time Audit & Supervisory Board Members swiftly as to the content internally reported by Group company directors, auditors, other equivalent managerial staff, employees, and former employees within one year of leaving employment.

(8) Systems to Ensure that Reporters in the Preceding Section Will Not Receive Detrimental Treatment on the Grounds of the Whistle-Blowing

The Company shall prohibit detrimental treatment against directors, auditors, or other equivalent managerial staff, and employees of the Group companies who reported to the Company's Audit & Supervisory Board Members. And this position shall be disseminated throughout the Group.

Regarding the internal whistle-blowing system of the Group, in case detrimental treatment against a whistle-blower is recognized, a disciplinary action will be taken against the person who treated the reporter in such a way and the head of the department to which the person belongs, pursuant to Rules of Employment, etc.

(9) Matters Related to Policies Concerning the Treatment of Expenses or Liabilities Incurred by the Execution of Duties by the Company's Audit & Supervisory Board Members such as Procedures for Prepayments or the Redemption of Such Expenses

In case the Company's Audit & Supervisory Board Members request prepayment or redemption of expenses for their execution of duties, etc., based on Article 388 of the Companies Act, the Company shall swiftly process such expenses or liabilities except in the case such expenses or liabilities are proven to be unnecessary for the execution of duties by such Auditors.

(10) Other Systems to Ensure Effective Audits by the Audit & Supervisory Board Members of the Company

The Representative Directors of the Company shall meet regularly with the Audit & Supervisory Board Members of the Company, provide information as necessary and strive to communicate with them. At the same time, the Company shall secure opportunities for Audit & Supervisory Board Members and Outside Directors to meet regularly, and strive to enhance their mutual cooperation and information sharing.

The Company shall also improve the effectiveness of audits by establishing a system, etc., whereby the Audit & Supervisory Board Members can cooperate with the internal audit division and receive reports regularly.

Furthermore, to conduct audits by the Audit & Supervisory Board Members, the Company shall ensure close cooperation between the Audit & Supervisory Board Members and external experts such as lawyers, certified public accountants and certified tax accountants, among others.

[Outline of the Status of Operations of the Systems for Ensuring the Proper Operations of the Company (Internal Control System)]

While the Company is operating its internal control system appropriately based on the contents decided on the "Development of the Systems for Ensuring the Proper Operations as a Stock Company (Internal Control Systems)," the following are the outline of its major operations of such systems during this fiscal year:

<Compliance system>

The Company has established the Code of Conduct with which all officers and employees shall comply. This obliges them to respect social norms and act with high ethical standards, not to mention comply with laws and regulations. Also, the Company has held its Compliance Committee meetings periodically and when necessary to confirm the status of implementation of the compliance and hence report to the Board of Directors.

Internal compliance activities

In line with the action plan resolved by the Compliance Committee, and in addition to the dissemination of compliance-related information using various internal tools and the holding of regular internal compliance training, as a priority activity for this fiscal year, continuing from fiscal year 2023, the Company conducted a survey on harassment and communication in order to monitor the workplace environment and compliance training for officers by outside lawyers, as well as training on harassment and fraud prevention for executives and training by outside lawyers for employees engaged in whistleblowing. In addition, the Company has worked on enhancing and strengthening compliance activities among all personnel including holding meetings semi-annually of compliance managers in place in each Unit and managers of departments supervising compliance.

In order to further enhance the compliance system of the Group as it develops its business globally, the Company has implemented a global multilingual whistle-blowing system that enables its employees in Japan and overseas to report bribery and corruption, competition law violations, and improper accounting practices, three areas which pose particularly high management risks. We have also announced the "INPEX Group Global Anti-Bribery and Anti-Corruption (ABC) Policy" which comprehensively specifies the Group's stance with regard to the prevention of bribery and corruption.

Other compliance activities

To specify its stance towards the issue of respecting human rights, the Group formulated and announced the "Human Rights Policy." Furthermore, the Group publishes a statement regarding its initiatives to prevent slavery and human trafficking within the Group and throughout the supply chain based on the UK Modern Slavery Act 2015, and also publishes statements and other information regarding its initiatives and other measures for preventing human rights violations based on related laws and regulations of Australia and Norway in which the Group operates.

Further, we established the Supplier Code of Conduct to reinforce ESG initiatives including compliance matters such as human rights, fair business activities, and confidentiality, throughout the supply chain, and require contracting suppliers to observe this code by including it in the Company's standard contract. We have also issued the Supplier Code of Conduct Guidelines as a measure to promote understanding of this Code of Conduct.

As the Group develops its business globally, the Company formulated and announced its "Policy on Tax Affairs," which specifies the Group's basic policy on taxation compliance, and is engaged in strengthening its tax governance system to appropriately handle taxation concerning cross-border transactions.

The Company has established its whistle-blowing system, and an internal department in charge of compliance, outside experts (lawyers), etc. were designated as contact points. There were however no whistle-blowing cases related to material breach of laws and regulations, etc. during this fiscal year.

<Risk management system>

To respond to various risks related to business projects, first, the New Ventures & Global Exploration Division carries out a centralized analysis/examination on whether to adopt or reject new projects associated with oil and natural gas upstream business. In addition to operating the "INPEX Value Assurance System (IVAS) Committee" as a structure for conducting cross-sectional technical evaluation, etc. at each phase of exploration, evaluation and development, the Company regularly reviews the risks of each project and their countermeasures, and reports are made to the Board of Directors regarding major projects.

In addition, the Renewable Energy Division, Innovation Division and the Hydrogen & CCUS Development Division are responsible for the overall management of the renewable energy, new business, and hydrogen and

CCUS businesses, respectively. The IVAS Committee and external experts conduct verifications, and important projects are reported to the Board of Directors.

The Company has set guidelines for country risk management in countries and territories where projects are planned, which include the establishment of a maximum target amount for accumulated investment balance in high-risk countries.

Furthermore, the Company has been conducting financial risk control by identifying risks of fluctuation of currency exchange rates, interest rates, crude oil/natural gas prices and securities prices, and establishing corresponding managing/hedging methods.

With regard to health, safety, and environment (HSE) risks, in order to promote the Company's continuous improvement activities for health and safety, process safety and environmental safeguarding based on the HSE Risk Management Procedures established under the HSE Management System, each business location identifies, analyzes and evaluates HSE risks, as well as establishes and implements risk countermeasures. In addition, the status of risk management is to be reported to the head office for supervising HSE risks, and the head office confirms the report. With regard to security risks, the Company is promoting company-wide management based on relevant procedures and guidelines. In addition, for HSE management of non-operator projects, the Company promotes HSE involvement in accordance with the risks of each project.

Furthermore, the Company has formulated and is maintaining an emergency/crisis response plan in order to enhance capabilities to cope with emergencies such as major accidents and disasters, etc. and is positively promoting risk management which includes conducting emergency response training regularly even in times of safety. The Company has drawn up a business continuity plan (BCP) to keep critical operations from being suspended.

Furthermore, in order to establish a structure that can provide appropriate legal advice regarding important contracts, lawsuits, etc. to business divisions and management team, and further enhance the legal support function for domestic and overseas business, the Company has made the legal unit into an independent organization, and legal risk management has been strengthened.

Also, the Company convenes an information security committee regularly and as necessary in order to implement organizational and systematical information security measures in addition to the education and training regarding information leakage prevention.

<Systems to ensure the efficient performance of duties>

The Board of Directors formulates and announces a Vision and a Medium-term Management Plan as management strategies and plans in order to indicate a strategic direction for the Company. The INPEX Vision 2035, Realizing a Responsible Energy Transition ("INPEX Vision 2035"), was formulated and announced in February 2025. The INPEX Vision 2035 presents our long-term strategy for 2035, taking into account recent changes in the business environment and social conditions, as well as new specific targets and pathways for the immediate future as a Medium-term Business Plan for the three years from 2025 to 2027.

In addition, based on the company-wide policy of initiatives, which is the business execution departments' business operation policy for realizing goals in the above long-term strategy and medium-term business plan, company-wide plans and targets for the fiscal year were formulated, the status of progress was reflected upon at the interim and the end of the fiscal year, and the corresponding evaluation results were reported to the Board of Directors.

<Systems for corporate management of the Group companies>

Based on the Group's corporate management rule and the Group's agreements with regard to corporate management, the Company urges reporting among Group companies or approval by the Company about important matters. Also, the Audit Unit, the Company's internal audit division, conducts audits of subsidiaries based on the annual auditing plan, and reports the results of the audits to the Company's Board of Directors, full-time Audit & Supervisory Board Members and the Audit & Supervisory Board.

With regard to the operation of the Group companies, we are utilizing a concurrent management system with subsidiaries involved in overseas projects. At the same time, for financing, we are conducting efficient business operations such as by enhancing financial efficiency through a unified management system of the Group's assets by means of the Cash Management System, and by centralized management of the INPEX Group's intercompany finance operations through the Company's financial subsidiary established in the Republic of Singapore.

The Company's whistle-blowing system is designed to be applied to all Group companies. The Company provides thorough instructions, through the Company's and each subsidiary's trainings and communication activities, to prohibit unfavorable treatment of whistle-blowers.

<Auditing system for ensuring effectiveness of auditing by Audit & Supervisory Board Members>

Audit & Supervisory Board Members collect required information and exchange opinions, for the purpose of improving effectiveness of their auditing, through their attendance at important meetings such as Board of Directors meetings and other management meetings, conducting hearings from each division, and through meetings with Directors including Representative Directors. Also, Audit & Supervisory Board Members participate in the exchange of opinions during the formulation of the annual auditing plan by the Audit Unit, which works as the Company's internal audit division, receive individual reports on the results of audits whenever they are made, and receive necessary reports including interim reviews of accounting audits and semi-annual consolidated financial statements from the Accounting Auditor, thus keeping close contact with the internal auditing division and the Accounting Auditor.

Furthermore, reports from the Director in charge of compliance about the contents and handling of whistle-blowing are swiftly accepted by full-time Audit & Supervisory Board Members.

The Company established "Audit & Supervisory Board Members' Office" as an organization having an employee, independent of the Company's executive team, dedicated to assisting operations by Audit & Supervisory Board Members.

Basic Policy Regarding Control of the Company

(1) Basic Policy Regarding Management

The INPEX Group will be committed to achieving a responsible energy transition in pursuit of net zero by 2050, while responding to the energy demands of Japan and the world and fulfilling its responsibility for the stable supply of energy over the long term. As a specific measure, we will supply natural gas as a pragmatic transition fuel in a cleaner manner. In addition, while providing CCS, blue hydrogen, ammonia and other low-carbon solutions to third parties, we will strengthen new initiatives in power-related fields.

(2) Efforts for Effective Utilization of Resources and for Preventing Inappropriate Control

While acknowledging the importance of capital efficiency and sound finances, and aiming to expand its operating base in order to secure a stable and efficient supply of oil and natural gas resources by utilizing its solid and stable financial base, the INPEX Group will invest in growth across oil and natural gas development, low-carbon solutions, and power-related businesses. The Group will aim to continuously increase its corporate value by generating new cash and increasing shareholder value by allocating the cash generated by projects in a well-balanced manner toward both growth investments and shareholder returns.

Based on the policy under (1) above, the Company has issued a Class A stock to the Minister of Economy, Trade and Industry to eliminate the possibility of speculative takeovers or management control by foreign capital, resulting in inappropriate management inconsistent with the Company's role to provide a stable supply of energy to Japan in an efficient manner as a core company, or causing any other adverse effects.

To make decisions on i) the appointment or removal of Directors; ii) the disposition of all or a portion of material assets; iii) amendments to the Articles of Incorporation relating to the Company's business objectives and granting voting rights to any shares other than the common stock of the Company (excluding voting rights in the meetings of the holder of the Class A stock, which are already granted to the Class A stock); iv) business integration; v) capital reduction and vi) company dissolution, a resolution of a meeting of the holder of the Class A stock (hereinafter "a general meeting of Class A stock shareholders") is required in addition to resolutions of the shareholders' meeting or the Board of Directors of the Company. However, concerning i) the appointment or removal of Directors and iv) business integration, resolution of a general meeting of Class A stock shareholders is required only when certain conditions under the Articles of Incorporation are met. Concerning the exercise of voting rights at a general meeting of Class A stock shareholders, the Class A stock shareholder can exercise his/her voting rights in accordance with the guidelines set forth in a Ministry of Economy, Trade and Industry Notice (No. 54, 2022).

According to the guidelines, a resolution regarding the aforementioned items i) and iv) shall be vetoed only "when it is judged there is a high probability that the Company will be managed inconsistent with its role to provide a stable supply of energy to Japan in an efficient manner as a core company," and a resolution to change the Articles of Incorporation related to granting voting rights to any shares other than the common stock of the Company (excluding voting rights in the meetings of the holder of the Class A stock which is already granted to the Class A stock) in the aforementioned item iii) shall be vetoed only "when there is a possibility that it may have an effect on the exercise of the voting rights of the Class A stock" and the aforementioned item ii) and amendment to the Articles of Incorporation related to the Company's business objectives in the aforementioned item iii), and resolutions related to items v) and vi) shall be vetoed only "when it is judged there is a high probability that it may adversely affect its role to provide a stable supply of energy to Japan in an efficient manner as a core company."

In addition, the Articles of Incorporation of the Company's subsidiaries stipulate that, upon disposing material assets, a resolution of a general meeting of shareholders of the subsidiary is required when it constitutes a "disposition of all or a portion of material assets" in the aforementioned item ii). In this case, a resolution of the meeting of the holders of the Class A stock is required in addition to a resolution of the Board of Directors of the Company. The Company's Board of Directors does not have any power over the exercise of the veto right through the exercise of the voting rights of Class A stock by Class A stock shareholders. Therefore, Class A stock does not have the purpose of maintaining the position of the executive officers of the Company.

(3) Decisions of Board of Directors for the Efforts in the Above-Mentioned (2)

The efforts set forth in the above-mentioned (2), which aim to provide a stable supply of energy to Japan in an efficient manner and to improve the Company's corporate value continuously, are in line with the policy set forth in the above-mentioned (1).

Given the limited scope of the veto right of the Class A stock in the above-mentioned (2), and because the voting rights shall be exercised in accordance with the guidelines for the exercise of voting rights by the Minister of Economy, Trade and Industry, which are set forth in a Ministry of Economy, Trade and Industry Notice (No. 54, 2022), this measure is designed to be highly transparent to avoid unreasonably impeding the efficiency and flexibility of the Company's management to minimize the impact thereof. For these reasons, the Company believes that this measure is in line with the policy set forth in the above-mentioned (1) and does not impair the common interests of the Company's shareholders.

- **Consolidated Financial Statements**

Consolidated Statement of Changes in Equity

(For the year ended December 31, 2024)

Unit: millions of yen (Amounts truncated to millions of yen)

	Equity attributable to owners of parent					
					Other components of equity	
	Common stock	Capital surplus	Retained earnings	Treasury stock	Exchange differences on translation of foreign operation	Cash flow hedges
As of January 1, 2024	290,809	679,131	2,746,530	(221,330)	694,996	30,224
Profit	–	–	427,344	–	–	–
Other comprehensive income	–	–	–	–	431,352	(13,162)
Total comprehensive income	–	–	427,344	–	431,352	(13,162)
Purchase of treasury stock	–	–	–	(130,000)	–	–
Disposal of treasury stock	–	(95)	–	95	–	–
Cancellation of treasury stock	–	(219,999)	–	219,999	–	–
Dividends	–	–	(100,278)	–	–	–
Changes in ownership interest in subsidiaries	–	(983)	–	–	855	–
Disposal of subsidiaries	–	–	–	–	–	–
Share-based payment transactions	–	200	–	–	–	–
Transfer from other components of equity to retained earnings	–	–	(64)	–	–	–
Total transactions with owners	–	(220,877)	(100,343)	90,094	855	–
As of December 31, 2024	290,809	458,254	3,073,530	(131,235)	1,127,203	17,062

	Equity attributable to owners of parent				Non-controlling interests	Total
	Other components of equity					
	Financial assets measured at fair value through other comprehensive income	Remeasure-ment gains (losses) on defined benefit plans	Total	Total		
As of January 1, 2024	(11,261)	–	713,959	4,209,101	289,932	4,499,033
Profit	–	–	–	427,344	6,894	434,238
Other comprehensive income	(2,440)	(183)	415,566	415,566	28,290	443,857
Total comprehensive income	(2,440)	(183)	415,566	842,911	35,184	878,096
Purchase of treasury stock	–	–	–	(130,000)	–	(130,000)
Disposal of treasury stock	–	–	–	–	–	–
Cancellation of treasury stock	–	–	–	–	–	–
Dividends	–	–	–	(100,278)	(16,087)	(116,365)
Changes in ownership interest in subsidiaries	–	–	855	(128)	7,266	7,138
Disposal of subsidiaries	–	–	–	–	(268)	(268)
Share-based payment transactions	–	–	–	200	–	200
Transfer from other components of equity to retained earnings	(118)	183	64	–	–	–
Total transactions with owners	(118)	183	919	(230,206)	(9,089)	(239,295)
As of December 31, 2024	(13,820)	–	1,130,446	4,821,805	316,027	5,137,833

Notes to Consolidated Financial Statements

[Basis of Presenting Consolidated Financial Statements]

1. Standards of presenting consolidated financial statements

   The consolidated financial statements of the Company and its subsidiaries (hereinafter the "Group") are prepared in accordance with IFRS pursuant to the provisions of Article 120, Paragraph 1 of the Company Accounting Regulations. Note that certain disclosure requirements under IFRS have been omitted from the consolidated financial statements in accordance with the latter provisions of the same paragraph.

2. Scope of consolidation

   (1) Number of subsidiaries and names of major consolidated subsidiaries

   Number of subsidiaries: 73

   Names of major subsidiaries:

   INPEX JAPAN, LTD., Japan Oil Development Co., Ltd., INPEX Alpha, Ltd., INPEX Sahul, Ltd., INPEX Southwest Caspian Sea, Ltd., JODCO Onshore Limited, JODCO Lower Zakum Limited, INPEX North Caspian Sea, Ltd., INPEX Browse, Ltd., INPEX Holdings Australia Pty Ltd, INPEX Ichthys Pty Ltd, INPEX Oil & Gas Australia Pty Ltd, INPEX Masela, Ltd., INPEX FINANCIAL SERVICES SINGAPORE PTE. LTD., INPEX Norway Co., Ltd., and INPEX Idemitsu Norge AS

   (2) Name of an entity that is not accounted for as our subsidiary even though the Company owns the majority vote

   Ichthys LNG Pty Ltd

   Reason for not accounted for as our subsidiary

   The Company owns the majority vote of Ichthys LNG Pty Ltd through INPEX Holdings Australia Pty Ltd. However, since both parties' affirmative votes are required for important resolutions based on the shareholders agreement between INPEX Holdings Australia Pty Ltd and TOTAL E&P Holding Ichthys, Ichthys LNG Pty Ltd is considered to be a joint venture accounted for by equity method.

3. Application of equity method

   (1) Number of affiliates, etc. to which equity method is applied (including joint ventures; the same applies hereinafter), and the names of major companies.

   Number of affiliates, etc. accounted for by equity method: 29

   Names of major companies:

   MI Berau B.V., Ichthys LNG Pty Ltd

4. Fiscal year-ends of subsidiaries

   The fiscal year end of subsidiaries aligns with the consolidated fiscal year end.

5. Accounting policies

   The material accounting policies adopted in the presentation of the consolidated financial statements are as follows.

   (1) Basis of consolidation

   [1] Subsidiaries

   Subsidiaries are all entities that are controlled by the Company. The Company controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

   The financial statements of a subsidiary are adjusted as necessary when the accounting policies of the subsidiary differ from those adopted by the Group.

Comprehensive income of subsidiaries is attributed to the owners of the parent company and the non-controlling interest, even if the non-controlling interest results in a negative balance.

Transactions involving changes in the parent company's interest in a subsidiary that do not involve a loss of control are accounted for as equity transactions. The difference between adjustments for non-controlling interests and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the parent company.

When the Company loses control over a subsidiary, the gain or loss on disposal is calculated as the difference between the sum of the fair value of the consideration received and the fair value of the residual interest and the carrying amount of the assets (including goodwill), liabilities, and non-controlling interests of the subsidiary at the time control is lost, and it is recognized in profit or loss.

[2] Affiliates

Affiliates are entities over which the Group has significant influence, but not control or joint control, over their financial and operating policies.

Investments in interests in affiliates are accounted for using equity method and initially are recognized at acquisition cost at the time of acquisition. Thereafter, the Group's interest in the profit or loss and other comprehensive income of the affiliates is recognized and the investment amount is adjusted.

The financial statements of an affiliate are adjusted as necessary when the accounting policies of the affiliate differ from those adopted by the Group.

[3] Joint arrangements

Joint arrangements are arrangements that require the unanimous consent of the parties sharing control over decisions regarding relevant activities. Joint arrangements are classified as either joint ventures or joint operations based on the rights and obligations of parties having joint control.

Joint ventures are joint arrangements where the parties with joint control of the arrangement have the rights to the net assets of the arrangement. Joint ventures are accounted for using equity method. The accounting policies of joint ventures are adjusted as necessary to be consistent with those adopted by the Group.

Joint operations are joint arrangements whereby the parties who have joint control of the arrangement have rights to the assets and obligations to the liabilities relating to the contractual arrangement. For investments in joint operations, only the Group's share of the assets, liabilities, revenue, and expenses of such joint operations is recognized. Significant intercompany transactions and receivables and payables are eliminated in proportion to the Group's ownership percentage.

[4] Business combinations and goodwill

Business combinations are accounted for using the acquisition method.

If the initial accounting is not completed by the end of the period in which the business combination occurred, the business combination is accounted for using provisional amounts, and the provisional amounts are adjusted in the measurement period within one year of the acquisition date.

Acquisition cost is measured as the sum of the consideration transferred and measured at fair value at the acquisition date, and the amount of any non-controlling interest in the acquiree.

The non-controlling interest in the acquiree is measured for each business combination at either fair value or an amount equal to the non-controlling interest's share of the fair value of the acquiree's identifiable net assets.

When the Group acquires a business, it classifies and designates the assets acquired and liabilities assumed based on terms of the contract, economic conditions, and related terms and conditions at the acquisition date. In addition, acquired identifiable assets and assumed liabilities are, in principle, measured at fair value at the acquisition date.

Goodwill is measured as the excess of the aggregate of the consideration transferred and the amount recognized as non-controlling interest over the net amount of identifiable assets acquired and liabilities assumed.

For the purpose of impairment testing, goodwill is allocated to each of the cash-generating units, or group of cash-generating units expected to benefit from synergies of the business combination.

After initial recognition, goodwill acquired in a business combination is not amortized but is carried at acquisition cost less accumulated impairment losses. Impairment testing is performed at the end of the fiscal year and whenever there is an indication of impairment.

Goodwill relating to affiliates and joint ventures included in the carrying amount of the investments accounted for using equity method is tested for impairment as a single asset without separating the goodwill from those investments. The Group assesses whether there is any objective evidence that an investment in an affiliate or joint venture is impaired. If any objective evidence of impairment exists, the Company performs an impairment test by comparing the recoverable amount (the higher of value in use and the fair value less costs of disposal, or FVLCD) of the investment to its carrying amount. Any impairment losses recognized in prior periods are reversed to the extent that the recoverable amount of the investment subsequently increases only when there has been a change in the estimates used for determining the recoverable amount of the investment, since the last impairment losses were recorded.

(2) Foreign currency translation

[1] Translation of foreign currency transactions

Transactions in currencies other than the functional currency (foreign currencies) are converted into the functional currency at the exchange rate on the transaction date.

Monetary items denominated in foreign currencies are retranslated into the functional currency at the exchange rate at the end of the fiscal year. Non-monetary items denominated in foreign currencies are translated into the functional currency using the exchange rate at the transaction date for those measured at acquisition cost, and using the exchange rate at the date of calculation of the relevant fair value for those measured at fair value.
Exchange differences arising from translation or settlement are recognized in profit or loss. However, exchange differences arising from financial assets measured through other comprehensive income and cash flow hedges are recognized in other comprehensive income.

[2] Translation of foreign operations

Assets and liabilities of foreign operations are translated into Japanese yen at the exchange rate at the end of the fiscal year. Revenue and expenses are translated into Japanese yen using the average exchange rate for the reporting period, unless the exchange rate has fluctuated significantly during the reporting period. Translation differences arising from the translation of financial statements of foreign operations are recognized in other comprehensive income. As stated in “(18) Income taxes,” income tax expenses related to items recognized in other comprehensive income are also recognized in other comprehensive income. Accordingly, income tax expenses related to translation differences arising from the translation of financial statements of foreign operations are recognized in other comprehensive income.

These amounts recognized in other comprehensive income are recognized in profit or loss when all or part of a foreign operation is disposed of. However, for the portion of income tax expenses recognized in other comprehensive income that relates to exchange differences on translation of foreign operations that were deemed to be zero on the transition date to IFRS, these amounts remain in other comprehensive income and are directly transferred to retained earnings upon the disposal of all or part of the foreign operation.

For transactions involving changes in ownership interest in a subsidiary that do not result in a loss of control, the exchange differences of the subsidiary are reallocated through equity between the equity attributable to owners of parent and the non-controlling interest in the subsidiary.

(3) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with a maturity of three months or less from the acquisition date that are readily convertible to cash and subject to an insignificant risk of changes in value.

(4) Financial instruments

[1] Financial assets (excluding derivatives)

(i) Initial recognition and measurement

The Group recognizes financial assets on the contract date when it has become a party to the contractual provisions of the financial instruments.

At the time of initial recognition, all financial assets are measured at fair value, or if not classified as financial assets measured at fair value through profit or loss, at such fair value plus transaction costs directly attributable to the acquisition of the financial asset. Transaction costs directly attributable to the acquisition of financial assets measured at fair value through profit or loss are recognized in profit or loss.

(ii) Classification

(a) Debt financial assets

Financial assets measured at amortized cost

Financial assets are classified as financial assets measured at amortized cost when both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold the asset in order to collect the contractual cash flows.
- The contractual terms of the financial asset give rise on given dates to cash flows that are solely payments of principal and interest on principal amounts outstanding.

Financial assets measured at FVOCI

Financial assets are classified as financial assets measured at fair value through other comprehensive income (FVOCI) when both of the following conditions are met:

- The financial asset is held within a business model whose objective is achieved by both collecting and selling the contractual cash flows.
- The contractual terms of the financial asset give rise on given dates to cash flows that are solely payments of principal and interest on principal amounts outstanding.

Financial assets measured at fair value through profit or loss (FVPL)

Financial assets that are not classified as any of the above are classified as financial assets measured at fair value through profit or loss (FVPL).

(b) Equity financial assets

Financial assets measured at FVOCI

Financial assets designated at initial recognition as those for which changes in fair value are recognized through other comprehensive income are classified as financial assets measured at FVOCI.

Financial assets measured at FVPL

Financial assets other than financial assets measured at FVOCI are classified as financial assets measured at FVPL.

(iii) Subsequent measurement

(a) Financial assets measured at amortized cost

Financial assets measured at amortized cost are measured at amortized cost using the effective interest method.

(b) Financial assets measured at FVOCI

Debt financial assets measured at FVOCI

Changes in the fair value of debt financial assets measured at FVOCI are recognized in other comprehensive income until the financial assets are derecognized, except for reversals of impairment losses or impairment losses and foreign exchange gains and losses. When the financial assets are derecognized, previously recognized other comprehensive income is reclassified to profit or loss.

Equity financial assets measured at FVOCI

Changes in fair value of equity financial instruments measured at FVOCI are recognized in other comprehensive income. When the financial assets are derecognized, previously recognized other comprehensive income is reclassified directly to retained earnings. Dividends from the financial assets are recognized as profit or loss unless they are clearly a partial recovery of investment cost.

(c) Financial assets measured at FVPL

Financial assets measured at FVPL are measured at fair value after initial recognition, and changes in fair value are recognized in profit or loss.

(iv) Impairment of financial assets

The Group recognizes allowance for doubtful accounts for expected credit losses on debt financial assets measured at FVOCI and financial assets measured at amortized cost.

The Group assesses at the end of each fiscal year whether the credit risk of the financial assets has significantly increased since initial recognition. If it is determined that the credit risk of the financial instruments has not significantly increased since initial recognition, the allowance for doubtful accounts for financial instruments is measured at an amount equal to the expected credit loss for 12 months. If it is determined that the credit risk of the financial instruments has significantly increased since initial recognition, the allowance for doubtful accounts for financial instruments is measured at an amount equal to the expected credit loss of the entire period.

However, for trade receivables, the allowance for doubtful accounts is always measured at an amount equal to the expected credit loss for the entire period, notwithstanding the above. Furthermore, when there is an evidence of credit impairment of financial assets, such as a significant deterioration in the financial condition of the debtor or a breach of contract, including payment default or delinquency by the debtor, the effective interest method is applied to the amortized cost less the allowance for doubtful accounts calculated.

Expected credit losses are estimated using the method that reflects the following:

- An unbiased, probability-weighted amount calculated by evaluating a range of possible outcomes
- Time value of money
- Reasonable and supportable information about past events, current conditions, and projected future economic conditions that is available without undue expense or effort at the reporting date

The provision of allowance for doubtful accounts for financial assets or reversal of allowance for doubtful accounts when reducing allowance for doubtful accounts is included in “Finance costs” or “Finance income” in the consolidated statement of profit or loss and recognized in profit or loss.

(v) Derecognition

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or when the Group transfers the financial asset and transfers almost all the risks and economic value of ownership of the financial asset.

[2] Financial liabilities (excluding derivatives)

(i) Initial recognition and measurement

The Group recognizes financial liabilities on the contract date when it has become a party to the contractual provisions of the financial instruments.

All financial liabilities are measured at fair value at initial recognition, except for financial liabilities measured at amortized cost, which are measured at fair value less directly attributable transaction costs.

(ii) Classification

Financial liabilities measured at amortized cost

Financial liabilities other than financial liabilities measured at FVPL are classified as financial liabilities measured at amortized cost.

(iii) Subsequent measurement

Financial liabilities measured at amortized cost are measured using the effective interest method.

Financial liabilities measured at FVPL are measured at fair value, and changes in fair value are recognized in profit or loss.

(iv) Derecognition

Financial liabilities are derecognized when contractual obligations are discharged, cancelled or expired.

[3] Derivatives and hedge accounting

The Group uses foreign exchange forward contracts, interest rate and currency swaps, commodity swaps, and commodity options to hedge foreign currency risk, interest rate risk, and commodity price fluctuation risk. As stated in "(15) Provisions" and "[Notes to Financial Instruments], 1. Status of financial instruments," the Group engages in derivative transactions, such as interest rate swaps, to mitigate the impact of changes in asset retirement obligations on the consolidated statement of profit or loss.

These derivatives are initially recognized at fair value on the date the derivative contract is entered into, and related transaction costs are recognized as expenses incurred. Remeasurements after initial recognition are also made at fair value, with changes in fair value recognized in profit or loss, except when designated as hedging instruments for cash flow hedges (hedges against exposure to changes in cash flows attributable to specific risks associated with recognized assets or liabilities or highly probable forecast transactions and that could affect profit or loss).

Transactions that meet the criteria for hedge accounting are classified and accounted for as follows:

(i) Fair value hedges

Changes in the fair value of derivatives that are hedging instruments are recognized in profit or loss. Changes in the fair value of the hedged item attributable to the hedged risk are adjusted to the carrying amount of the hedged item and recognized as profit or loss.

(ii) Cash flow hedges

The effective portion of gain or loss on the hedging instrument is recognized in other comprehensive income, and the ineffective portion is recognized immediately in profit or loss. Amounts related to hedging instruments recorded in other comprehensive income are reclassified to profit or loss when the hedged transaction affects profit or loss. When the hedged item results in the recognition of a non-financial asset or non-financial liability, the amounts recognized in other comprehensive income are treated as an adjustment to the original carrying amount of the non-financial asset or non-financial liability.

The Group discontinues the application of hedge accounting prospectively when the hedging instrument no longer meets the criteria for hedge accounting, is expired, sold, terminated or exercised, or when the hedge designation is no longer appropriate.

[4] Fair value of financial instruments

Financial instruments measured at fair value are calculated using various valuation techniques and inputs. The calculated fair value is classified into the following three levels according to the observability of the inputs to the valuation techniques used to measure fair value.

Level 1: Market value of identical assets or liabilities in active markets

Level 2: Fair value measured using directly or indirectly observable inputs other than Level 1

Level 3: Fair value measured using valuation techniques that include unobservable inputs

[5] Finance income and finance costs

Finance income consists of interest income, dividend income, gains on derivatives (excluding gains on hedging instruments recognized in other comprehensive income), etc. Interest income is recognized as incurred using the effective interest method.

Finance costs consist of interest expenses, losses on derivatives (excluding losses on hedging instruments recognized in other comprehensive income), etc.

(5) Inventories

Inventories are stated at the lower of acquisition cost and net realizable value. Acquisition cost is primarily calculated based on the weighted average cost method and includes purchase cost, fabrication costs, and all costs incurred to bring the property to its current location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(6) Oil and gas assets

[1] Exploration, evaluation and development costs

The Group accounts for oil and natural gas exploration and evaluation payments using the successful efforts method. All expenditures directly related to concession acquisition costs, exploration wells, and appraisal wells are recognized as oil and gas assets (exploration and evaluation assets) and charged to exploration expenses if subsequently determined to be dry holes and to impairment losses if the prospect of commercial profitability is impaired. In addition, other exploration project costs incurred during the exploration stage, such as geological and geophysical costs and those other than the exploration and evaluation wells, are charged to exploration expenses as incurred.

When the technical feasibility and viability of oil and natural gas extraction can be demonstrated, impairment tests are performed, and assets are transferred from oil and gas assets (exploration and evaluation assets) to oil and gas assets (development and production assets). The technical feasibility and viability of extraction is established when the final investment decision is made or when the development plan is approved by the government of the oil-producing country, whichever is later.

Development wells and related production equipment are recognized as oil and gas assets (development and production assets). These capitalized costs are depreciated using the unit-of-production method based on the total quantity of proved and probable reserves, from the inception of production. Reserves used in the unit-of-production method are calculated based on the Petroleum Resource Management System (PRMS), and the acquisition cost of qualifying oil and gas assets when calculating the depreciation rate using the unit-of-production method includes the capital expenditures planned to access proved undeveloped reserves or probable reserves. The future oil price forecasts used in calculating the reserves are based on the average price of oil and gas at the beginning of the month during the period, similar to the average price in the U.S. Securities and Exchange Commission's Regulation S-X, Rule 4-10(a).

The acquisition cost of property, plant and equipment comprises costs directly attributable to the acquisition of an item, costs of dismantling and removing the item and restoring the site on which it is located, and capitalized borrowing costs for long-term projects if capitalization criteria are met.

Expenditures relating to major maintenance and repair include the cost of replacing an asset or part of an asset, inspection costs and overhaul (detailed inspection) costs. Among the major inspection costs, the expenditures that qualify for recognition as property, plant and equipment are capitalized and depreciated over the period until the next inspection.

[2] Sales and distribution related assets

Oil and gas assets (sales and distribution related assets) recognized are primarily domestic pipelines used to deliver natural gas to customers, which are depreciated on a straight-line basis over their estimated useful lives.

The useful lives of major assets depreciated on a straight-line basis are as follows:

- Natural gas pipeline: 30 years

The depreciation method, estimated useful lives and residual values of oil and gas assets (sales and distribution related assets) are reviewed at the end of each fiscal year.

(7) Other property, plant and equipment

For property, plant and equipment, the cost model is applied for measurement after initial recognition, and property, plant and equipment are presented at cost less any accumulated depreciation and accumulated impairment losses.

Subsequent expenditures incurred after acquisition are accounted for either by including them in the asset's carrying amount or by recognizing them as a separate asset, as appropriate, only when it is probable that future economic benefits will flow to the Group and the amount can be measured reliably. Subsequent expenditures not included in cost are recognized in profit or loss as incurred.

Depreciation of property, plant and equipment other than land is calculated based on the depreciable amount, which is the cost of each part of an item of property, plant and equipment, less its residual value, over the estimated useful life of each item, mainly using the straight-line method.

The estimated useful lives of property, plant and equipment are summarized below:

- Buildings and structures: 2-60 years
- Machinery, equipment and vehicles: 2-22 years

The depreciation method, estimated useful lives and residual values of property, plant and equipment are reviewed at the end of each fiscal year.

(8) Goodwill and intangible assets

[1] Goodwill

The measurement of goodwill at initial recognition is described in "(1) Basis of consolidation, [4] Business combinations and goodwill." Goodwill is carried at cost less accumulated impairment losses.

[2] Intangible assets

For intangible assets, the cost model is applied for measurement, and the amount is carried at cost less any accumulated amortization and accumulated impairment losses.

Intangible assets with finite useful lives are primarily amortized using the straight-line method over their respective estimated useful lives.

The estimated useful lives of major intangible assets are summarized below:

- Software: 5 years

Estimated useful lives and amortization methods are reviewed at the end of each fiscal year.

(9) Leases

The Group leases mainly drilling rigs for the development, production, and sale of oil and gas, fixed-term land leases for field and business offices, land leases for domestic trunk pipelines, fixed-term charter vessels for transportation of raw materials and products, and offices.

Lease liabilities under lease transactions are measured as the discounted present value of total lease payments outstanding as of the commencement date of the lease. Variable lease payment amounts except for the amounts that are determined in accordance with an index or rate do not constitute lease payments included in the measurement of the lease liability, but variable lease payments that are determined to be substantially fixed are included in the measurement of the lease liability.

Right-of-use assets are initially measured in the amount calculated by adjusting the initially measured amount of lease liabilities with initial direct costs, advance lease payments, etc. and adding any costs incurred to fulfill restoration obligations arising from the lease contract. Right-of-use assets are depreciated by the straight-line method over the lease term. The lease term is determined as the non-cancelable term of the lease plus the period during which it is reasonably certain that the option to extend the lease will be exercised or the option to terminate the lease will not be exercised.

Lease payments are allocated to finance costs and the repayment portion of the outstanding lease liabilities in a way that the constant rate of interest is applied to the outstanding lease liability. Finance costs are presented separately from depreciation associated with the right-of-use assets in the consolidated statement of profit or loss.

The determination of whether a contract is a lease or contains a lease, even if it does not legally take the form of a lease, is based on the judgement as to whether the substance of the contract at the date of commencement of the lease, i.e., performance of the contract is dependent on the use of a specific asset or group of assets and whether the contract transfers the right to use such assets.

The Group recognizes 100% of the right-of-use assets and lease liabilities if the Group is the operator and is deemed to have the sole right to direct the manner and purpose of use of the underlying asset. The Group recognizes right-of-use assets and lease liabilities in proportion to its share of equity interest if the Group is the operator and the joint operation (including all parties to the joint operation agreement) is deemed to have the right to control the use of specific assets and all parties to the agreement have a legal obligation to make payments to third-party suppliers. If the Group is not the operator, the right-of-use assets and lease liabilities are recognized based on the specific relationship to the liability as primary obligor in each joint operation agreement and in accordance with the situation.

Lease payments related to leases with a lease term of 12 months or less are recognized as expenses on a straight-line basis over the lease term or another regular basis. Regarding the components of the contract, for certain leases the Group applies the practical expedient of accounting for each lease component and related non-lease components as a single lease component, without distinguishing the non-lease component from the lease component. Applicable leases are those where the underlying assets are other than buildings, vessels (for transportation purposes), facilities (FPSO*1, FSO*2), and drilling rigs.

*1 Floating production storage and offloading (FPSO) facility. A ship-type facility that produces crude oil and natural gas offshore, stores the produced crude oil in tanks in the FPSO, and directly offloads the crude oil to crude oil tankers.

*2 Floating storage and offloading (FSO) facility. A facility that only stores and offloads oil and natural gas offshore without having production facilities.

(10) Impairment of non-financial assets

For the Group's non-financial assets excluding inventories and deferred tax assets, the Group determines at the end of each fiscal year whether there is any indication that an asset or cash-generating unit (or group of units) to which the asset belongs may be impaired. If any such indication of impairment exists, an impairment test is performed. Goodwill impairment testing is performed at the end of the fiscal year and whenever there is an indication of impairment.

The recoverable amount is the higher of the value in use or the fair value less costs of disposal. In calculating value in use, estimated future cash flows are discounted to present value using a pre-tax discount rate that reflects the time value of money and the inherent risks of the asset. If it is not possible to estimate the recoverable amount of an individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The cash-generating unit for assets other than goodwill is the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or groups of assets. The cash-generating unit or group of cash-generating units for goodwill is determined based on the unit by which the goodwill is managed for internal reporting purposes.

If the carrying amount of an asset or a cash-generating unit exceeds the recoverable amount, an impairment loss is recognized in profit or loss.

For previously recognized impairment losses on assets other than goodwill, the Group determines at the end of each fiscal year whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there is an indication of impairment reversal, there has been a change in the estimates used to determine the recoverable amount, and the recoverable amount exceeds the carrying amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. Impairment losses related to goodwill are not reversible.

(11) Determination of estimate of oil and natural gas reserves

Oil and natural gas reserves, used for depreciation and the consideration of impairment as well as the estimation of the timing of payment period for restoration costs and purification costs to be incurred on the cessation of operations, are estimated based on information obtained from qualified professionals. Details of such estimation are described in "[Notes to Accounting Estimates]: (Reserves)."

(12) Non-current assets or disposal groups held for sale and discontinued operations

A non-current asset or disposal group is classified as held for sale when: its carrying amount is expected to be recovered principally through a sale transaction rather than through continuing use; management of the Group is committed to sell the asset; the sale is highly probable, will occur within one year; and the asset is available for immediate sale.

A non-current asset or disposal group held for sale is measured at the lower of the carrying amount and FVLCD and is not depreciated or amortized.

Non-current assets and disposal groups that have already been disposed of or that are classified as held for sale are recognized as discontinued operations when they meet any of the following: separate major line of business or geographical area of operations; part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; and subsidiary acquired exclusively with a view to resale.

(13) Employee benefits

[1] Post-employment benefits

(i) Defined benefit plans

Defined benefit plans are post-employment benefit plans other than defined contribution plans. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their services in the current and prior periods and by discounting that amount to present value. The fair value of any plan assets is then deducted from that amount.

Net interest expense on the net defined benefit liability (asset) is calculated by multiplying the net defined benefit liability (asset) by the discount rate and recorded as employee benefit expenses. The discount rate is the market yield at the end of the fiscal year for high quality corporate bonds with maturity dates approximating the terms of the Group's obligations.

When a plan is changed or curtailed, the change in the present value of the defined benefit obligation due to a change in benefit that relates to past service of employees is recognized immediately in profit or loss.

The Group immediately recognizes all adjustments by remeasurements arising from defined benefit plans in other comprehensive income and immediately transfers them to retained earnings.

(ii) Defined contribution plans

Defined contribution plans are post-employment benefit plans in which the employer contributes a certain amount of contributions to an independent entity and the Group has no legal or constructive obligation to pay further contributions. Contributions to defined contribution plans are recognized in profit or loss in the period in which the employee renders service.

[2] Short-term employee benefits

Short-term employee benefits are not discounted, but are recognized in profit or loss when the related services are rendered.

Bonuses and paid leave costs are recognized as liabilities in the amount estimated to be paid under those plans when the Group has a legal or constructive obligation to pay such amounts and a reliable estimate can be made.

(14) Stock-based compensation

The Company has adopted a Board Incentive Plan (BIP) Trust for equity-settled executive compensation as a stock-based remuneration system for its Directors and Executive Officers (excluding Outside Directors and non-residents of Japan; hereinafter referred to as "Directors, etc."). The compensation for received services is measured at the fair value of the Company shares as of the grant date, and is considered as expenses during the right vesting period. The same amount thereof is considered as an increase in equity.

(15) Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and reliable estimates can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligations using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligations. The increase in the provision due to the passage of time is recognized as interest expense.

If the carrying amount of the corresponding asset retirement costs is zero in the increase (decrease) in asset retirement obligations that occurs at the end of the fiscal year due to a change in the discount rate, etc., the increase or decrease is recognized immediately in profit or loss and presented as the cost of sales in the consolidated statement of profit or loss. As stated in "(4) Financial instruments, [3] Derivatives and hedge accounting" and "[Notes to Financial Instruments], 1. Status of financial instruments," the Group engages in derivative transactions, such as interest rate swaps, to mitigate the impact of changes in asset retirement obligations on the consolidated statement of profit or loss.

In addition, when the Group can expect to be reimbursed for part or all of the expenditure required to settle the provision, such compensation is recognized as a separate asset only if it is virtually certain that the compensation will be received.

When a provision and a reimbursement from an external party are recognized in the same reporting period, they are presented net in the consolidated statement of profit or loss.

Asset retirement obligations related to domestic oil and natural gas production facilities, etc. are recognized when the Company is obligated to prevent mining pollution of well sites after the end of mining as stipulated by the Mine Safety Act and when costs to be borne at the end of operations can be reasonably estimated. Asset retirement obligations related to overseas oil and natural gas production facilities, etc. are recognized when the Company is obligated to abandon the production facilities, etc. such as removal of such production facilities, etc. in accordance with oil contracts with the governments of oil-producing countries, local laws and regulations, etc., and when costs to be borne at the end of operations can be reasonably estimated.

Obligations that are probable at the end of the fiscal year, but cannot be confirmed whether or not they are obligations as of the end of the fiscal year or do not meet the recognition criteria of provisions are disclosed as contingent liabilities in "[Notes to Consolidated Statement of Financial Position], 3. Contingent liabilities."

(16) Equity

The issue price of common stock issued by the Company is recorded in common stock capital and capital surplus, and costs directly attributable to the issuance (net of tax) are deducted from capital surplus.

When treasury stock is reacquired, the consideration paid including any direct transaction costs, net of tax, is recognized as a deduction from equity. When treasury stock is sold, the difference between the carrying amount and the consideration received is recognized as capital surplus.

(17) Revenue recognition

The Group recognizes revenue based on the following five steps related to contracts with customers, excluding interest and dividend income, etc. recognized in accordance with IFRS 9 "Financial Instruments."

Step 1: Identify the contracts with a customer

Step 2: Identify the performance obligations in the contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation

The Group conducts exploration, development, production and marketing of crude oil and natural gas (including LPG; the same applies hereinafter).

For sales of these products, it is concluded that the legal ownership rights and physical rights of possession, as well as material risks and economic value associated with ownership of the products, are transferred to the customer, and the Company obtains the right to receive a consideration for the products from the customer, primarily at the time when control of the products is transferred to the customer, namely in the case of crude oil and natural gas the time of delivery of the products to the customer or the time when control is transferred to the customer based on trade terms prescribed in Incoterms or other materials. Revenue is recognized at this time. Revenue is recognized based on the transaction price stipulated in the contract with the customer. Because the transaction price is received within one year following delivery of the products, there are no significant financing components.

In revenue from the production of crude oil and natural gas, for which the Group shares a participating interest with other companies, there are cases when the quantity actually delivered does not match the quantity which corresponds to the participating interest held by the Group due to circumstances of vessel assignments or other matters. In such cases, the Group recognizes revenue based on the quantity actually delivered, and any significant difference between the quantity actually delivered and the quantity corresponding to the participating interest held by the Group is adjusted with the other company that shares participating interest by means of the actual crude oil and natural gas that is delivered in or after the following fiscal year. In the event that the Group has received a delivery that exceeds the participating interest held by the Group, the cost of sales for the quantity that is above the quantity equivalent to the participating interest is also included in the fiscal year when the related revenue is recognized, and at the same time a liability to the other company which shares a participating interest is recorded. In the event that the Group has received a delivery that is less than the participating interest held by the Group, the cost of sales for the quantity that is below the quantity equivalent to the participating interest is recorded in the fiscal year when delivery and the related revenue is recognized, and at the same time an asset due from the other company which shares a participating interest is recorded.

(18) Income taxes

The Group’s income tax expense includes, in addition to income taxes, taxes levied on current year profits calculated according to the rules established by the taxation authorities, such as petroleum resources taxes. Royalty payments based on production volume are not included in income tax expense.

Income tax expense consists of current income tax expense and deferred income tax expense. These are recognized in profit or loss, except for the taxes which arise from business combinations or recognized in either other comprehensive income or directly in equity.

Current income tax expense is calculated at the amount paid to or refunded from tax authorities using the tax rates enacted or substantively enacted as of the end of the fiscal year.

Deferred income tax expense is calculated based on temporary differences arising from the difference between the carrying amount of assets and liabilities for accounting purposes and the related tax basis amounts at the end of the fiscal year.

Deferred tax assets are recognized for deductible temporary differences, net operating loss carryforwards, and tax credit carryforwards, to the extent that it is probable that taxable income will be available against which they can be recovered.

Deferred tax assets are recognized for deductible temporary differences on investments in subsidiaries, affiliates, and joint ventures only if it is probable that sufficient taxable income will be available against which the benefits of the temporary differences can be utilized and it is probable that the temporary differences will reverse in the foreseeable future.

Deferred tax assets are reviewed each reporting period and reduced to the extent that it is no longer probable that the tax benefits will be realized.

Deferred tax liabilities are recognized for all taxable temporary differences with the following exceptions:

- Taxable temporary differences arising from initial recognition of goodwill
- Temporary differences arising from initial recognition of an asset or liability in a transaction that is not a business combination and neither affects accounting profit nor taxable income for tax purposes, and that do not give rise at the time of transaction to taxable and deductible temporary differences in equal amounts
- Taxable temporary differences related to investments in subsidiaries, affiliates, and joint ventures where the timing of reversal is controllable and it is more likely than not that the temporary differences will not reverse within a foreseeable period of time

Deferred tax assets and liabilities are measured at the tax rates expected to be applied in the period in which the asset is realized or the liability is settled based on the tax rates enacted or substantively enacted at the end of the fiscal year.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and current tax liabilities and when they are levied by the same tax authority on the same taxable entity, or when intending to settle the net amount of current tax liabilities and current tax assets of separate taxable entities or simultaneously realize assets and settle liabilities. In addition, for particular transactions recognizing the same amount of assets and liabilities from a single transaction, the Company recognizes deferred tax liabilities and deferred tax assets for the taxable temporary differences pertaining to recognized assets and the deductible temporary differences pertaining to recognized liabilities, respectively.

The Company and some subsidiaries apply the Japanese Group Relief System.

(19) Borrowing cost

Borrowing costs directly attributable to the acquisition, construction, or production of qualifying assets, that is, assets requiring a substantial period of time to get ready for their intended use or sale, are added to the acquisition cost of those assets until such time as the assets are substantively ready for their intended use or sale.

All borrowing costs other than the above are recognized in profit or loss in the period in which they are incurred.

(20) Earnings per share

Basic earnings per share is calculated by dividing profit (loss) attributable to common shareholders of the parent company by the weighted-average number of shares of common stock outstanding adjusted for treasury stock during the period. Diluted earnings per share is calculated by adjusting for the effect of dilutive potential shares.

[Notes to Accounting Estimates]

The preparation of the consolidated financial statements in accordance with IFRS requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the amounts of assets, liabilities, revenues, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. The effect of a revision of an accounting estimate is recognized in the accounting period in which the estimate is revised and in future periods thereafter. Estimates and underlying assumptions that involve significant risks that could lead to material adjustments to the carrying amounts of assets and liabilities in the next fiscal year are as follows:

(Impacts of climate change)

The Group takes into account the impact of climate change and the transition to net zero when preparing consolidated financial statements. The Group has set a goal to achieve net-zero emissions by 2050 in line with the Paris Agreement objectives, contributing to the realization of a low-carbon society. On the other hand, oil and natural gas continue to be indispensable energy sources for economic and social activities, and its mission is to ensure their stable supply. The Group recognizes that natural gas, which is expected to continue to have strong demand, especially in Asia, will continue to be a source of revenue, and the Group is promoting the oil and natural gas business, lower-carbon solutions, and power-related business fields as core business areas.

The impact of climate change and the transition to net zero is significant across all of the Group's key business areas—oil and natural gas operations, lower-carbon solutions, and power-related business fields. To assess these impacts, the Group is analyzing the business environment of long-term future energy demand and customer trends, etc., by referring to multiple scenarios such as the Stated Policies Scenario (IEA-STEPS) of the International Energy Agency's (IEA) World Energy Outlook (WEO), and the Group uses this information to formulate management strategies and decisions.

The purposes of scenario analysis are to quickly identify future policy trends and the possibility of changes in the business environment based on the assumption that these scenarios will be realized, and to reflect these in management strategies and plans. It differs from judgments and assumptions based on the latest available reliable information reflected in accounting estimates. Therefore, even if scenario analysis shows indications of impairment or increased provisions for assets of each project of the Group, the Group does not believe these indications should be immediately reflected in the consolidated financial statements. In addition to the scenario analysis results, accounting estimates are reasonably estimated based on comprehensive consideration of the Group's strategy, the policies of each country, the analysis results of external organizations, and the unique circumstances of each project, etc. However, changes to the Group's strategy for future climate change risks and changes in the global decarbonization trend may have a significant impact on these.

(Future oil price forecasts and internal carbon pricing)

Future crude oil and natural gas prices are mainly determined by international market conditions and are subject to significant fluctuations due to the influence of various factors such as international and regional supply and demand and the global economy. Oil prices used in accounting estimates are determined by management's best estimates and judgments based on reports issued by several external organizations. In very long-term forecasts for oil prices, the Group considers scenarios issued by the IEA, etc., while in the medium- to long-term, the Group takes into account upside factors such as price hikes due to the Russia-Ukraine situations, etc. and current strong energy demand, etc. The outlook for medium- to long-term oil prices as of December 31, 2024 is estimated to be U.S.$70 per barrel (Brent crude oil price, excluding the impact of inflation) for fiscal year 2028 and beyond. Since the sales price of natural gas handled by the Group is also largely linked to crude oil prices, emphasis is placed on this oil price outlook in the determination of indications of impairment and impairment testing of the Group's non-financial assets. In addition, estimated future cash flows used to calculate value in use of non-financial assets for each project incorporate internal carbon pricing (hereinafter "ICP"), and in Australian projects where a carbon pricing system exists, the Group refers to price forecasts of several outside experts, etc. and use AU$81/t$CO_2$e for 2030, AU$93/tCO_2e for 2040, and AU$116/t$CO_2$e for 2050 (excluding the impact of inflation). In other countries and regions, where a carbon pricing system exists, the Group refers to its estimated price based on price forecasts of several outside experts, etc., and in areas where a carbon pricing system does not exist, the Group refers to the variable price linked to the South Korea price of IEA-STEPS. In the previous fiscal year, in the absence of a carbon pricing system, the Group referred to the variable price linked to the EU price under IEA-STEPS. However, considering that the currently discussed GX-ETS framework in Japan is conceptually closer to the existing South Korean ETS system, the Group has changed its reference to the variable price linked to the South Korea price of IEA-STEPS. With the transition to net zero, the increased preference for low-carbon energy will necessitate a review of key assumptions, such as a decline in crude oil and natural gas prices, or an increase in ICP, and impairment losses may be recorded for oil and gas assets, goodwill, and investments accounted for using equity method.

(Reserves)

The Group’s oil and gas assets (development and production assets) are depreciated using the unit-of-production method based on the total quantity of proved and probable reserves, and the reserves used in the unit-of-production method are calculated based on the Petroleum Resource Management System (PRMS). The future oil price forecasts used in calculating the reserves are based on the average price of oil and gas at the beginning of the month during the period, similar to the average price in the U.S. Securities and Exchange Commission’s Regulation S-X, Rule 4-10(a). Estimates of the reserves depend on the available geological and engineering data from oil and gas reservoirs, the maturity of development plans and a considerable number of assumptions, factors and variables including economic conditions as of the date such estimates are made. These estimates may be revised in the future on the basis of geological and engineering data as well as development plans and information relating to changes in economic and other conditions made newly available through progress in production and operations. As a result, there is a possibility that reserves will be restated upwards or downwards. As to the reserves under a production sharing contract, not only production, but also oil and gas prices, invested capital, recovery of invested capital due to contractual conditions and remuneration fees may affect the economic entitlement. This may cause reserves to increase or decrease. The presuppositions related to these assumptions, factors and variables are determined based on management’s best estimates and judgments.

Estimates of these reserves also impact impairment testing for oil and gas assets (development and production assets) totaling ¥3,494,902 million recognized as of December 31, 2024 and impairment testing in (1) “Impairment of non-financial assets.” Assumptions used in the estimates of reserves are impacted by economic conditions such as the transition to net zero, and if risks materialize that could lead to a downward revision of reserves, such as a decline in oil prices or a rise in ICP, depreciation may accelerate or impairment losses may occur.

The estimates made by management based on the above analysis that have significant impact on the amounts reported in the consolidated financial statements are as follows:

(1) Impairment of non-financial assets

The Group uses future crude oil prices, reserves, operating expenses, development expenses, ICP and discount rates as major assumptions for the determination of indications of impairment of non-financial assets and impairment testing.

Primarily due to a decline in the short-term outlook for crude oil prices and production volume, the Prelude FLNG project recorded an impairment loss of ¥14,713 million for the year ended December 31, 2024. In addition, significant non-financial assets recorded in the consolidated statement of financial position include those related to the Ichthys LNG Project, with oil and gas assets (development and production assets) amounting to ¥1,846,315 million, and investments accounted for using equity method amounting to ¥708,238 million as of December 31, 2024. Investments accounted for using equity method represent the balance of investment in Ichthys LNG Pty Ltd, in which the Group holds a 67.82% interest. The major assets held by Ichthys LNG Pty Ltd. are oil and gas assets related to the downstream business of the Ichthys LNG Project, and the balance of oil and gas assets for Ichthys LNG Pty Ltd as of December 31, 2024 (amount obtained by multiplying by the Group’s share) is ¥3,160,960 million.

A determination of indications of impairment was performed in the year ended December 31, 2024, taking into account key assumptions and project operating conditions, etc., and although indications of impairment were recognized for non-financial assets related to the Ichthys LNG Project due to cost increases associated with inflation, etc., no impairment losses were recognized because the value in use exceeded the carrying amount.

This item is related to “Notes to Consolidated Statement of Profit or Loss, 3. Impairment loss.”

(2) Asset retirement obligations

Asset retirement obligations for future removal and abandonment of domestic and overseas oil and natural gas production facilities, etc. are recorded in the amount of ¥396,937 million as of December 31, 2024, based on reasonable estimates of the number of productive years or the number of years until completion of the contract period and the cost of removal and abandonment at the end of operations. As of December 31, 2024, the Group does not recognize a reduction in the number of productive years due to stricter regulations in various countries concerning climate change, etc. However, depending on future policies and laws and regulations of various governments concerning climate change, the Group’s asset retirement obligations may increase in the future due to early production shutdowns of its oil and gas assets, increase in assets to be removed, changes in abandonment methods, and revision of the discount rate, etc. Asset retirement obligations have not been recognized for the natural gas pipeline, which serves as a domestic gas sales and distribution related facility, because reliable estimates could not be made as of December 31, 2024. However, asset retirement obligations may be recorded if changes in the business environment, etc. are identified that would make it possible to determine a business termination date.

[Notes to Consolidated Statement of Financial Position]

1. Pledged assets

The Group pledges assets as collateral under the loan agreements in relation to the project finance agreement in which Ichthys LNG Pty Ltd, which is a joint venture, is the borrower. The assets of the Group pledged as collateral are as follows:

(Pledged assets)	Millions of yen
Cash and cash equivalents	32,902
Trade and other receivables	28,955
Inventories	17,598
Other current assets	10,836
Oil and gas assets	1,843,915
Intangible assets	10,692
Investments accounted for using equity method	708,238
Loans receivable (non-current)	1,300,103
Other non-current assets	2,698
Total	3,955,941

Assets pledged by the Group as collateral for loan agreements, in which the joint venture is the borrower, other than the project finance agreement, are as follows:

(Pledged assets)	Millions of yen
Cash and cash equivalents	2,745
Other financial assets (current)	160
Investments accounted for using equity method	35,573
Loans receivable (non-current)	5,267
Other non-current assets	1,123
Total	44,870

2. Accumulated depreciation and impairment losses

(Accumulated depreciation and accumulated impairment losses)	Millions of yen
Oil and gas assets	2,945,302
Other property, plant and equipment	33,668
Total	2,978,970

3. Contingent liabilities

The Company provides guarantees for loans that joint ventures received from financial institutions. The amount guaranteed for the Company's share as of December 31, 2024 was ¥145,123 million. The above amount includes guaranteed balances to Ichthys Pty Ltd, which is a joint venture.

In December 2022, the ecology department of the Atyrau region, Republic of Kazakhstan issued notification regarding violation of administrative directive for breach of environmental laws and regulations to North Caspian Operating Company N.V. (hereinafter the "Operator"), which serves as the operator of the Republic of Kazakhstan Offshore North Caspian Sea Contract Area project, for which the Group's subsidiary, INPEX North Caspian Sea, Ltd. (Company ownership stake: 51%), holds 7.56% participating interest.

The Operator contested the aforementioned notification regarding violation of administrative directive and accordingly filed a lawsuit with the administrative court in the city of Astana, Republic of Kazakhstan. The court acknowledged the Operator's assertions in June 2023 and accordingly dismissed the claims brought by the authorities in the court's first-instance judgment. On February 27, 2024, however, the court overturned the first-instance judgment and issued a second-instance judgment recognizing the authorities' claims. The Operator appealed the case to the supreme court. The case is pending in the supreme court as of the approval date of the consolidated financial statements.

Furthermore, INPEX North Caspian Sea, Ltd. has carried out a process of arbitration together with other project partners relating to cost recovery, etc. in the production sharing contract entered into with the Republic of Kazakhstan. In regard to this arbitration process, INPEX North Caspian Sea, Ltd. received a Statement of Claim (petition for arbitration) from the Republic of Kazakhstan in early April 2024, and as of the approval date of the consolidated financial statements, the arbitration process is still ongoing.

Whereas the Group could potentially become subject to financial burden associated with developments arising with respect to the aforementioned litigation and arbitration, it is difficult to estimate the quantitative impact thereof.

4. Allowance for doubtful accounts directly deducted from assets

(Allowance for doubtful accounts)	Millions of yen
Trade and other receivables	15,519
Other non-current assets	701
Total	16,220

[Notes to Consolidated Statement of Profit or Loss]

1. Other operating income and other operating expenses

The breakdown of other operating income is as follows:

(Other operating income)	Millions of yen
Foreign exchange gain	7,434
Other	28,397
Total	35,832

The breakdown of other operating expenses is as follows:

(Other operating expenses)	Millions of yen
Impairment loss	21,704
Other	9,833
Total	31,537

2. Finance income and finance costs

The breakdown of finance income is as follows:

(Finance income)	Millions of yen
Interest income	
Financial assets measured at amortized cost	120,022
Debt financial assets measured at FVOCI	4,615
Dividend income	
Equity financial assets measured at FVOCI	5,720
Gain on subsequent measurement of financial assets*	14,813
Other	4,319
Total	149,491

Note: In the “Oil & Gas Overseas - Ichthys Project” segment, the gain arising from revisions to the estimated future cash flows of financial assets measured at amortized cost without derecognition is recorded as “Gain on subsequent measurement of financial assets” in accordance with IFRS 9 “Financial Instruments.”

The breakdown of finance costs is as follows:

(Finance costs)	Millions of yen
Interest expense	
Financial liabilities measured at amortized cost	77,631
Asset retirement obligations	14,881
Loss on valuation of derivatives*	21,849
Other	8,106
Total	122,469

Note: As stated in “[Notes to Financial Instruments], 1. Status of financial instruments,” the Group enters into derivative transactions such as interest rate swaps to reduce the impact on the consolidated statement of income resulting from changes in asset retirement obligations, and includes valuation losses on such derivative instruments.

3. Impairment loss

The breakdown of impairment loss by segment is as follows:

(Millions of yen)

	Oil and gas assets	
	Exploration and evaluation assets	Development and production assets
Oil & Gas Japan	–	–
Oil & Gas Overseas - Ichthys Project	1,954	–
Oil & Gas Overseas - Other Projects	3,752	15,996
Other	–	–
Total	5,707	15,996

In the consolidated statement of profit or loss, impairment losses of oil and gas assets are recorded in “Other operating expenses.”

Regarding the Prelude FLNG project under the “Oil & Gas Overseas - Other Projects” segment, an impairment test was conducted due to confirmed indications of impairment as a result of the decline in the short-term outlook for crude oil prices and production volume. As a result, the carrying amount of oil and gas assets related to the project was reduced to its recoverable amount, and an impairment loss of ¥14,713 million was recorded. The recoverable amount of ¥181,375 million is measured by value in use, which is calculated by discounting future cash flows to present value using a pre-tax discount rate of 11.6%.

[Notes to Consolidated Statement of Changes in Equity]

1. Type and number of shares issued and treasury stock

(Shares)

	Balance as of January 1, 2024	Increase	Decrease	Balance as of December 31, 2024
Number of shares				
Common stock	1,386,667,167	–	127,531,100	1,259,136,067
Class A stock	1	–	–	1
Total	1,386,667,168	–	127,531,100	1,259,136,068
Treasury stock				
Common stock	128,422,706	60,708,343	127,594,810	61,536,239
Total	128,422,706	60,708,343	127,594,810	61,536,239

Notes: 1. The decrease of 127,531,100 shares in issued shares of common stock was due to cancellation of the Company’s treasury stock by a Board of Directors’ resolution.
2. The increase in the Company’s treasury stock of 60,708,343 shares of common stock was due to the increase of 60,708,200 shares in acquisition of Company’s treasury stock by a Board of Directors’ resolution and the increase of 143 shares resulting from the acquisition of fractional unit shares.
3. The decrease in the Company’s treasury stock of 127,594,810 shares of common stock was due to the cancellation of 127,531,100 shares of the Company’s treasury stock by a Board of Directors’ resolution and the delivery of 63,710 shares by the Board Incentive Plan Trust.
4. The number of treasury stock of common stock includes the Company’s shares held by the Board Incentive Plan Trust (as of January 1, 2024: 891,560 shares and as of December 31, 2024: 827,850 shares).

2. Dividends

(1) Cash dividends paid

Resolution	Type of share	Cash dividends paid (Millions of yen)	Cash dividends per share (Yen)	Record date	Effective date
Ordinary General Meeting of Shareholders March 26, 2024	Common stock	46,588	37	December 31, 2023	March 27, 2024
	Class A stock	0	14,800	December 31, 2023	March 27, 2024
Board of Directors’ meeting August 8, 2024	Common stock	53,690	43	June 30, 2024	September 2, 2024
	Class A stock	0	17,200	June 30, 2024	September 2, 2024

Notes: 1. The total amount of dividends resolved at the Ordinary General Meeting of Shareholders on March 26, 2024 includes dividends of ¥32 million for shares held by the Board Incentive Plan Trust.
2. The total amount of dividends resolved at the Board of Directors’ meeting on August 8, 2024 includes dividends of ¥35 million for shares held by the Board Incentive Plan Trust.

(2) Dividends, whose record date was in the year ended December 31, 2024, and whose effective date will be in the year ending December 31, 2025

Resolution	Type of share	Source of dividends	Cash dividends paid (Millions of yen)	Dividends per share (Yen)	Record date	Effective date
Ordinary General Meeting of Shareholders March 28, 2025	Common stock	Retained earnings	51,532	43	December 31, 2024	March 31, 2025
	Class A stock	Retained earnings	0	17,200	December 31, 2024	March 31, 2025

Note: The total amount of dividends resolved at the Ordinary General Meeting of Shareholders on March 28, 2025 includes dividends of ¥35 million for shares held by the Board Incentive Plan Trust.

[Notes to Financial Instruments]

1. Status of financial instruments

The Group raises funds for the acquisition and development of oil, natural gas, renewable energy and other projects, and the construction of natural gas infrastructure primarily from cash flow on hand, bank loans and issuance of bonds. The development financing of oil and natural gas projects is primarily funded from long-term loans that the Group has secured from Japan Bank for International Cooperation, Japanese commercial banks and others. Japan Organization for Metals and Energy Security has provided guarantees for the principal on certain outstanding amounts of the Group's long-term loans. Development Bank of Japan Inc., Japanese commercial banks and others have provided long-term loans for the construction of domestic gas infrastructure. Funding for the acquisition and development of renewable energy projects, etc. is also procured through project financing and green financing. Although the Group generally borrows bank loans with variable interest rates and issues bonds with fixed interest rates, the Group also opts to borrow some loans with a fixed interest rate depending on the nature of each project and prevailing market trends.

Regarding the financing policy, the Group manages funds in consideration of being low-risk and high-liquidity. The Group uses derivative transactions only to hedge and manage risks of forecasted transactions and portfolio assets, and does not engage in speculative derivative transactions. As stated in "[Basis of Presenting Consolidated Financial Statements], 5. Accounting policies, (4) Financial instruments, [3] Derivatives and hedge accounting," "(15) Provisions," and "[Notes to Consolidated Statement of Profit or Loss], 2. Finance income and finance costs," the Group engages in derivative transactions, such as interest rate swaps, to mitigate the impact of changes in asset retirement obligations on the consolidated statement of profit or loss. Changes in asset retirement obligations that occur at the end of the fiscal year due to a change in the discount rate, etc. are immediately recognized in profit or loss if the carrying amount of the corresponding asset retirement costs is zero, and are presented as the cost of sales in the consolidated statement of profit or loss. In addition, even if the change is recorded as an adjustment to the asset retirement costs that has a carrying value, if it is determined that the related deferred tax asset is not recoverable, an income tax expense related to the future additional temporary difference is recognized immediately in relation to the increase or decrease. Gains and losses on these derivatives are recorded under other finance income and other finance costs, thereby reducing fluctuations in profit attributable to owners of parent.

2. Fair value of financial instruments

Fair value measurements for financial instruments measured at fair value are categorized from Level 1 to Level 3 according to the observability and materiality of inputs used in the measurement.

Level 1: Market value of identical assets or liabilities in active markets
Level 2: Fair value calculated using directly or indirectly observable values other than Level 1
Level 3: Fair value calculated using valuation techniques that include unobservable inputs

[1] Fair value calculation method

The method of calculating the fair value of financial instruments is as follows:

(Cash and cash equivalents, trade and other receivables, and trade and other payables)

Since these items are settled in a short period of time and their fair value is almost the same as the carrying value, the relevant carrying value is used.

(Loans receivable)

For short-term loans receivable, the relevant carrying value is used since the item is settled in a short period of time and its fair value is almost the same as the carrying value.

The fair value of long-term loans receivable is calculated using the discounted present value method based on the interest rate that would be applicable to a new similar loan for the total amount of principal and interest. This valuation technique uses the discount rate as a significant unobservable input and the fair value of long-term loans is categorized as Level 3.

(Other financial assets and other financial liabilities)

The fair values of listed stocks, national government bonds and listed investment trusts are determined based on quoted market prices at the end of the fiscal year and are categorized as Level 1.

Bonds payable are categorized as Level 2 because their fair value is calculated based on prices quoted by financial institutions, etc., which are not considered quoted prices in active markets.

The fair value of unlisted stocks is calculated using the comparable multiple valuation method. This valuation technique uses illiquidity discounts as significant unobservable inputs and the fair value of unlisted stocks is categorized as Level 3.

Among derivatives, the fair values of currency-related transactions and interest rate-related transactions are determined based on prices quoted by counterparty financial institutions, and the fair values of commodity-related transactions are determined based on futures market prices. Since neither of these are considered quoted prices in active markets, they are categorized as Level 2.

(Bonds and borrowings)

For short-term borrowings, the relevant carrying value is used since the item is settled in a short period of time and its fair value is almost the same as the carrying value.

The fair value of bonds payable is calculated based on Reference Statistical Prices (Yields) for OTC Bond Transactions issued by Japan Securities Dealers Association. The fair value of long-term borrowings is calculated using the discounted present value method based on the interest rate that would be applicable to a new similar loan for the total amount of principal and interest. Both are categorized as Level 2 because the fair values are calculated using observable market data.

The Group recognizes transfers between levels of these assets and liabilities at the end of each quarter.

[2] Financial instruments measured at amortized cost

The carrying amounts and fair values of financial instruments measured at amortized cost are as follows. Items whose carrying amount and fair value approximate or are equal to each other due to short term to maturity or settlement are not included.

(Millions of yen)

	Carrying amount	Fair value
Financial assets measured at amortized cost		
Loans receivable*		
Long-term loans receivable	1,432,799	1,432,799
Total	1,432,799	1,432,799
Financial liabilities measured at amortized cost		
Bonds and long-term borrowings		
Bonds payable	30,000	28,837
Long-term borrowings	947,700	931,745
Total	977,700	960,582

Note: Loans receivable include loans receivable to Ichthys LNG Pty Ltd, which is a joint venture, and the carrying amount as of December 31, 2024 was ¥1,467,403 million. Of this, the carrying amount of long-term loans receivable was ¥1,422,845 million as of December 31, 2024.

[3] Financial instruments measured at fair value

The fair value hierarchy of financial instruments measured at fair value are as follows:

(Millions of yen)

	Level 1	Level 2	Level 3	Total
Financial assets measured at FVPL				
Other financial assets				
Derivative assets	–	6,988	–	6,988
Financial assets measured at FVOCI				
Other financial assets				
Stocks	14,804	–	20,673	35,478
Bonds	135,104	34,813	–	169,918
Other	10,164	–	–	10,164
Total	160,074	41,802	20,673	222,550
Financial liabilities measured at FVPL				
Other financial liabilities				
Derivative liabilities	–	30,270	–	30,270
Total	–	30,270	–	30,270

For the year ended December 31, 2024, there were no significant transfers in fair value between Levels 1 and 2.

[4] Valuation process

For financial instruments categorized as Level 3, an outside expert or appropriate person in charge of valuation conducts a valuation and analysis of the valuation results in accordance with the valuation policy and procedures approved by the head of Business Administration. The valuation results are reviewed and approved by the head of Business Administration.

[5] Quantitative information about financial instruments categorized as Level 3

Quantitative information about financial instruments categorized as Level 3 (equity financial assets measured at FVOCI) is as follows:

Category	Valuation technique	Unobservable inputs	Range
Financial assets measured at FVOCI	Comparable company analysis method	Illiquidity discount	30%

Fair value increases (decreases) due to a decrease (increase) in the illiquidity discount. The expected increase or decrease in fair value if unobservable inputs were changed to reasonably possible alternative assumptions is not material.

[6] Change in financial instruments categorized as Level 3

Changes in financial instruments categorized as Level 3 (equity financial assets measured at FVOCI) from the beginning of the year to the end of the year are as follows:

(Millions of yen)

At beginning of the year	21,220
Gains or losses recognized in other comprehensive income	(287)
Purchases	500
Sales	(499)
Other	(259)
At end of the year	20,673

[Notes to Revenue Recognition]

1. Disaggregation of revenue

The main products and their relationship to revenue for each reportable segment are as follows:

(Millions of yen)

	Reportable segments			Other	Total
	Oil & Gas Japan	Oil & Gas Overseas			
		Ichthys Project	Other Projects		
Crude oil	3,725	150,739	1,544,937	12,059	1,711,461
Natural gas	193,154	222,523	109,591	283	525,553
LPG	–	–	3,199	4,253	7,452
Other	20,447	–	193	237	20,877
Revenue from contracts with customers	217,327	373,263	1,657,921	16,833	2,265,345
Other revenue*	(373)	–	–	865	492
Revenue from external customers	216,953	373,263	1,657,921	17,699	2,265,837

Note: Other revenue mainly includes grants, rental income in accordance with IFRS 16 “Leases,” and gains or losses arising from derivative transactions in accordance with IFRS 9 “Financial Instruments.” These derivative transactions are conducted to mitigate price fluctuation risks associated with certain crude oil sales transactions. Since the gains or losses from these transactions are settled on a net basis, the net amount of derivative gains or losses is included in revenue.

2. Contract balance

(Millions of yen)

	At beginning of the year	At end of the year
Receivables from contracts with customers Notes and accounts receivable-trade	195,577	244,755
Contract liabilities	5,337	6,002

Contract liabilities are mainly advances received in advance of performance under a contract and utilized upon recognition of revenue. The amount of revenue recognized that was included in the contract liability balance at the beginning of the year was ¥288 million. The amount of revenue (e.g., change in transaction price) recognized in the year ended December 31, 2024 from performance obligations satisfied in prior periods is not material.

In the consolidated statement of financial position, notes and accounts receivable-trade are included in “Trade and other receivables,” and contract liabilities are included in “Other current liabilities.”

3. Transaction price allocated to remaining performance obligations

The Group applies the practical expedient in IFRS 15 “Revenue from Contracts with Customers,” paragraph 121 in respect of the transaction price allocated to remaining performance obligations, and does not disclose information regarding remaining performance obligations with an original expected duration of one year or less.

The total transaction price allocated to remaining performance obligations and the periods over which revenue is expected to be recognized are as follows, and these performance obligations are primarily related to long-term supply contracts for natural gas.

(Millions of yen)

	For the year ended December 31, 2024
1 year or less	87,977
More than 1 year and up to 5 years	168,350
More than 5 years	130,480
Total	386,809

[Notes to Per Share Information]

1. Equity attributable to owners of parent per share	¥4,026.22
2. Basic earnings per share	¥345.31
Diluted earnings per share	¥345.07

[Other Notes]

Stock-based remuneration system

In 2018, the Company introduced a stock-based remuneration system for Directors, etc. with the aim of increasing the incentive for Directors, etc. to contribute to the medium- to long-term improvement of the corporate value of the Company by making clear the link between the remuneration of Directors, etc. and the Company's stock price. In the introduction of the System, a structure called "the Board Incentive Plan Trust" shall be adopted.

[1] Overview of the transaction

"The Board Incentive Plan Trust" is a system in which shares of the Company acquired by the trust and an amount of money equivalent to the proceeds from the disposal of shares of the Company are delivered and provided to the Directors, etc. in general at the time of their retirement, according to their positions and other factors. This system is accounted for as equity-settled share-based compensation.

[2] Shares of the Company that remain in the trust

Shares of the Company that remain in the trust are recorded as treasury stock in the consolidated statement of financial position with the carrying value of the trust. The carrying amount and number of treasury stock as of December 31, 2024 are ¥1,235 million and 827,850 shares, respectively.

Non-Consolidated Financial Statements

Non-Consolidated Statement of Changes in Net Assets

(For the year ended December 31, 2024)

Unit: millions of yen (Amounts truncated to millions of yen)

	Shareholders' equity						
	Common stock	Capital surplus			Retained earnings		
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings		Total retained earnings
					Mine prospecting reserve	Retained earnings brought forward	
Balance at the beginning of the period	290,809	72,802	951,000	1,023,802	3,023	841,285	844,309
Changes during the period							
Reversal of mine prospecting reserve					(3,023)	3,023	–
Cash dividends paid						(100,278)	(100,278)
Net income						261,994	261,994
Purchase of treasury stock							
Disposal of treasury stock							
Cancellation of treasury stock			(219,999)	(219,999)			
Net changes in items other than those in shareholders' equity							
Total changes during the period	–	–	(219,999)	(219,999)	(3,023)	164,739	161,715
Balance at the end of the period	290,809	72,802	731,000	803,802	–	1,006,025	1,006,025

Unit: millions of yen (Amounts truncated to millions of yen)

	Shareholders' equity		Valuation, translation adjustments and others			Total net assets
	Treasury stock	Total shareholders' equity	Unrealized holding gain (loss) on securities	Deferred gain (loss) on hedges	Total valuation, translation adjustments and others	
Balance at the beginning of the period	(221,330)	1,937,592	4,999	(24,420)	(19,421)	1,918,170
Changes during the period						
Reversal of mine prospecting reserve		–				–
Cash dividends paid		(100,278)				(100,278)
Net income		261,994				261,994
Purchase of treasury stock	(130,000)	(130,000)				(130,000)
Disposal of treasury stock	95	95				95
Cancellation of treasury stock	219,999	–				–
Net changes in items other than those in shareholders' equity			672	187	860	860
Total changes during the period	90,094	31,810	672	187	860	32,670
Balance at the end of the period	(131,235)	1,969,402	5,671	(24,232)	(18,560)	1,950,841

Notes to Non-Consolidated Financial Statements

[Significant Accounting Policies]

1. Valuation method for assets

(1) Valuation method for securities	
Shares of subsidiaries and affiliates	Stated at cost determined by the moving-average method
Other securities	
Securities other than shares, etc. without a market price	Stated at fair value with any changes in unrealized holding gain or loss, net of the applicable income taxes, included directly in net assets. Cost of securities sold is determined by the moving-average method.
Shares, etc. without a market price	Stated at cost determined by the moving-average method
(2) Valuation method for inventories	Carried at cost (balance sheet value is carried at the lower of cost or market)
Raw materials and supplies	Determined by the moving-average method
Work in process and partly-finished construction	Stated at identified cost method

2. Depreciation method of fixed assets

Tangible fixed assets (except leased assets)	Straight-line method of depreciation is applied. Useful lives of significant fixed assets are as follows: Buildings and structures 8-50 years Machinery and equipment 4-17 years
Intangible assets (except leased assets)	Straight-line method of amortization is applied. Software for internal use is amortized over 5 years.
Leased assets	Depreciation of leased assets for financing lease transactions whose ownership are not to be transferred is calculated based on the straight-line method over the lease period assuming no residual value.

3. Basis for allowances

Allowance for doubtful accounts	Allowance for doubtful accounts is provided at an amount determined based on the historical experience of bad debt with respect to ordinary receivables, plus an estimate of uncollectible amounts determined by reference to specific doubtful receivables from customers which are experiencing financial difficulties.
Allowance for investments in exploration	Allowance for investments in exploration is provided for future potential losses on investments in exploration companies at an estimated amount based on the net assets of the investees.
Provision for loss on business	Provision for loss on business is provided for future potential losses on natural gas sales business individually estimated for each project.
Provision for loss on business of subsidiaries and affiliates	Provision for loss on business of subsidiaries and affiliates is provided for future potential losses on business operations of

	subsidiaries and affiliates at an estimated amount based on the financial positions of these companies.
Provision for loss on guarantees of subsidiaries and affiliates	Provision for loss on guarantees of subsidiaries and affiliates is provided for future potential losses regarding guarantees of subsidiaries and affiliates at an estimated amount based on the financial positions of these companies.
Provision for bonuses	Provision for bonuses to employees are provided based on expected payment amounts.
Provision for bonuses to officers	Provision for bonuses to officers are provided based on expected payment amounts.
Accrued retirement benefits to employees	Accrued retirement benefits to employees are provided at the amount calculated based on the expected retirement benefit obligation and the estimated value of pension plan assets. Actuarial gains and losses are charged or credited to income as incurred. If pension plan assets exceed retirement benefit obligations, the surplus amount is recorded as prepaid pension costs under investments and other assets.
Provision for share-based payments	Provision for share-based payments is provided to prepare for the issuance of the Company's shares to Directors, etc. based on the share issuance regulations, at the estimated amount of share-based payment obligations.

4. Basis for recognizing significant revenues and expenses

The Company's revenue primarily consists of income from the sale of crude oil and natural gas (including LPG; the same applies hereinafter), dividend income received from subsidiaries and affiliates, and outsourcing service income. The details of principal performance obligations regarding revenue from contracts with customers and the normal timing when those obligations are satisfied (normal timing when revenue is recognized) are as follows: Furthermore, as the consideration for transactions is received within one year after fulfilling the performance obligations, there are no significant financing components.

[1] Income from the sale of crude oil and natural gas

For sales of crude oil and natural gas, it is concluded that the legal ownership rights and physical rights of possession, as well as material risks and economic value associated with ownership of the products, are transferred to the customer, and the Company obtains the right to receive a consideration for the products from the customer, primarily at the time when control of the products is transferred to the customer, namely the time of delivery of the products to the customer or the time when control is transferred to the customer based on trade terms prescribed in Incoterms or other materials. Revenue is recognized at this time.

[2] Outsourcing service income from subsidiaries and affiliates

The Company provides services to subsidiaries, etc. within the Group, identifying the provision of these services as a performance obligation. Since these performance obligations are fulfilled as services are rendered, revenue is recognized at the time such services are rendered.

[3] Dividend income from subsidiaries and affiliates

Dividend income from subsidiaries and affiliates are recognized as revenue on the effective date of the dividend, in accordance with the "Accounting Standard for Financial Instruments" (Accounting Standards Board of Japan ("ASBJ") Statement No.10, July 4, 2019).

5. Accounting for hedge transactions

Hedge accounting	Deferred hedge accounting method is applied.
Hedging instruments and hedged items	(Currency related) Hedging instruments: Foreign exchange forwards Hedged items: Investments in share of subsidiaries and affiliates (Commodity related) Hedging instruments: Commodity swap transactions Hedged items: Cost of commodities purchased
Hedging policy	The nominal amount of the derivative transaction is limited to within the scope of actual demand, and the Company does not engage in speculative derivative transactions.
Hedge effectiveness assessment method	Hedge effectiveness is assessed by comparison based on market fluctuations and cash flow fluctuations for hedging items and hedging instruments.

6. Other basis of presenting non-consolidated financial statements	The Company applies the group tax sharing system.

[Additional Information]

Effective October 1, 2024, the Company transferred its domestic crude oil and natural gas business, etc. to its subsidiary, INPEX JAPAN, LTD. through a company split. As a result of this company split, the Company's revenue structure has shifted from domestic crude oil and natural gas business income to income from the sale of natural gas, and dividend income and outsourcing service income from subsidiaries and affiliates. Accordingly, while previously, outsourcing service income from subsidiaries and affiliates was presented as a deduction from selling, general and administrative expenses, and dividend income from subsidiaries and affiliates was presented as other income in the non-consolidated statement of income, starting from October 1, 2024, they are presented as operating revenues.

[Notes to Accounting Estimates]

1. Valuation on shares of subsidiaries and affiliates

(1) Amounts recorded in the non-consolidated financial statements for this fiscal year

Shares of subsidiaries and affiliates	¥2,360,770 million

(2) Information on the content of significant accounting estimates for identified items

The shares of subsidiaries and affiliates held by the Company are recorded at acquisition cost in accordance with accounting standards. However, if the fair value significantly declines and is not expected to recover to the acquisition cost, an impairment loss will be recognized.

Because the Company's subsidiaries and affiliates are unlisted, management evaluates impairment losses based on judgments about striking declines in the fair value of those subsidiaries and affiliates and estimates of recoverability. These evaluations are influenced by fluctuations in uncertain factors such as crude oil and natural gas prices, and if it is necessary to review, such factors may have a significant impact on the non-consolidated financial statements.

[Additional Information]

Stock-based remuneration system for directors

As the same information has been stated in [Other Notes] of “Notes to Consolidated Financial Statements” under “Consolidated Financial Statements,” it is omitted here.

[Notes to Non-Consolidated Balance Sheet]

1. Assets provided as collateral are as follows:

Investments in share of subsidiaries and affiliates ¥4,880 million
The above is pledged as collateral for liabilities of affiliates.

2. Accumulated depreciation of tangible fixed assets ¥7,648 million

3. Contingent liabilities

The Company is contingently liable as guarantors of indebtedness of the following companies:

	Millions of yen
INPEX FINANCIAL SERVICES SINGAPORE PTE. LTD.	168,451
Ichthys LNG Pty Ltd	125,689
Japan Oil Development Co., Ltd.	69,594
INPEX North Caspian Sea, Ltd.	35,904
Tangguh Trustee*	30,505
INPEX Energy Trading Singapore Pte. Ltd.	24,393
INPEX Sahul, Ltd.	24,310
INPEX CON SON, LTD.	13,760
INPEX Geothermal Sarulla, Ltd.	13,694
INPEX JAPAN, LTD.	7,032
Oceanic Breeze LNG Transport S.A.	1,634
PT Supreme Energy Sumatera	1,525
Clusius C.V.	1,337
Other	3,451
Total	521,285

* Debt for investment funds of Tangguh LNG Project for which the Company participates through MI Berau B.V. and MI Berau Japan Ltd. (The aforementioned debt is the amount for the construction of Train-3, based on the Company's participating interest as the guarantor of indebtedness.)

4. Monetary assets and liabilities from/to subsidiaries and affiliates (excluding items presented separately)

	Millions of yen
Short-term monetary assets from subsidiaries and affiliates	13,410
Long-term monetary assets from subsidiaries and affiliates	54
Short-term monetary liabilities to subsidiaries and affiliates	10,358
Long-term monetary liabilities to subsidiaries and affiliates	1,911

[Notes to Non-Consolidated Statement of Income]

Transactions with subsidiaries and affiliates

	Millions of yen
Operating transactions	
Net sales	31,963
Purchases	131,293
Other operating transactions	117,787
Transactions other than operating transactions	364,084

[Notes to Non-Consolidated Statement of Changes in Net Assets]

Type and number of treasury stocks at end of this period

	Shares
Common stock	61,536,239

Note: The number of treasury stocks as of the end of this fiscal year includes 827,850 of the Company's shares held by the Board Incentive Plan Trust.

[Notes to Tax Effect Accounting]

1. Significant components of deferred tax assets and liabilities

	Millions of yen
Deferred tax assets	
Allowance for investments in exploration	26,298
Loss on valuation of shares of subsidiaries and affiliates	85,827
Loss on valuation of investment securities	1,224
Accrued retirement benefits to employees	125
Provision for loss on business	49
Provision for loss on business of subsidiaries and affiliates	8,749
Asset retirement obligations	139
Accrued bonuses	338
Allowance for doubtful accounts	19,914
Provision for loss on guarantees of subsidiaries and affiliates	17,556
Impairment loss	4,167
Net operating loss carry-forwards	6,395
Other	2,953
Subtotal of deferred tax assets	173,739
Valuation allowance	(134,013)
Total deferred tax assets	39,725
Deferred tax liabilities	
Unrealized holding gain on securities	2,488
Translation differences due to an application of purchase accounting method	2,495
Other	157
Total deferred tax liabilities	5,141
Net deferred tax assets (liabilities)	34,584

2. Corporation tax and local tax accounting treatment, and tax effect accounting treatment related to these taxes

The Company applies the group tax sharing system. The accounting treatment of corporate tax and local tax, and the accounting treatment and disclosure of tax effect accounting in relation to these taxes, are based on the "Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System" (Accounting Standards Board of Japan ("ASBJ") Practical Issues Task Force No.42, August 12, 2021).

[Notes to Revenue Recognition]

Information that forms the basis for understanding revenue from contracts with customers is omitted from the notes because the same information is listed in [Significant Accounting Policies].

[Notes to Transactions with Related Parties]

Type	Name of related party	Voting interest (Owned)	Description of the business relationship	Transaction detail	Amounts (Millions of yen)	Accounts	Balance (Millions of yen)
Subsidiary	INPEX North Caspian Sea, Ltd.	Directly 51.00% (Owned) –%	Interlocking officers, capital subscription	Collection of loans receivable (Note 1)	59,590	–	–
				Interest income (Note 1)	2,046	–	–
				Debt guarantee (Note 2)	35,904	–	–
				Guarantee commission received (Note 2)	382	Current assets and Other (Accrued income)	71
	INPEX FINANCIAL SERVICES SINGAPORE PTE. LTD.	Directly 100.00% (Owned) –%	Interlocking officers, capital subscription	Subscription of shares (Note 3)	61,784 (in millions of US$) 400	–	–
				Paid-in capital decrease (Note 3)	138,861 (in millions of US$) 900	–	–
				Cash management (Note 4)	–	Deposits received from subsidiaries and affiliates	321,381
				Interest income (Note 1)	20,012	Current assets and Other (Accrued interest)	953
				Debt guarantee (Note 2)	168,451	–	–
				Guarantee commission received (Note 2)	149	Current assets and Other (Accrued income)	37
	INPEX Gas British Columbia Ltd.	Directly 45.09% (Owned) –%	Capital subscription	Loans of funds (Note 5)	1,261	Short-term loans receivable from subsidiaries and affiliates	64,269
	Japan Oil Development Co., Ltd.	Directly 100.00% (Owned) –%	Interlocking officers, capital subscription	Debt guarantee (Note 2)	69,594	–	–
				Guarantee commission received (Note 2)	72	Current assets and Other (Accrued income)	18

Type	Name of related party	Voting interest (Owned)	Description of the business relationship	Transaction detail	Amounts (Millions of yen)	Accounts	Balance (Millions of yen)
Subsidiary	INPEX ENERGY TRADING SINGAPORE PTE. LTD.	Directly 100.00% (Owned) –%	Capital subscription, purchase and sale of finished goods and raw materials	Sale of finished goods and raw materials (Note 6)	30,883	–	–
	INPEX Browse, Ltd.	Directly 100.00% (Owned) –%	Interlocking officers, capital subscription	Subscription of shares (Note 7)	90,800	–	–
	INPEX Australia Mirai Energies Pty Ltd	Directly 100.00% (Owned) –%	Capital subscription	Subscription of shares (Note 8)	244,774 (in millions of US$) 1,600	–	–
				Transfer of subsidiary shares (Note 9)	229,072	–	–
	INPEX Oil & Gas Australia Pty Ltd	Indirectly 100.00% (Owned) –%	Purchase of finished goods and raw materials	Purchase of finished goods and raw materials (Note 6)	52,997	Accounts payable-trade	6,364
	INPEX JAPAN, LTD.	Directly 100.00% (Owned) –%	Capital subscription	Company split Split assets Split liabilities (Note 10)	 297,687 30,461	–	–
Affiliate	Ichthys LNG Pty Ltd	Indirectly 67.82% (Owned) –%	Purchase of finished goods and raw materials	Debt guarantee (Note 2)	125,689	–	–
				Purchase of finished goods and raw materials (Note 6)	56,749	–	–

Notes:
1. The Company determines the interest rate based on its market interest rates upon loans of funds in a reasonable and appropriate manner. The Company did not accept any collateral.
2. This refers to the guarantee that was set against the loans from financial institutions as a fund for business development, etc., and the Company receives guarantee commission calculated based on the guarantee amount. The amount of transactions of debt guarantee represents the balance of guarantees at the end of this period.
3. In line with the management of exchange rate risk, the main operations of INPEX FINANCIAL SERVICES SINGAPORE PTE. LTD., the Company undertook a subscription of shares at US$1 per share, and a paid-in capital decrease at US$1 per share.
4. The Group adopts a cash management system (hereinafter “CMS”) for the purpose of efficient fund management within the Group. The amount of funds transactions through the CMS are not stated above because it is difficult to identify the amounts by transaction details. The Company determines the interest rate based on its market interest rate.
5. The Company determines the interest rate based on its market interest rates upon loans of funds in a reasonable and appropriate manner. The Company did not accept any collateral. For the said loan, ¥64,269 million was recorded as allowance for doubtful accounts.
6. All transactions were conducted under general transactional conditions, which are the same as those used in transactions with independent third parties.
7. The Company received the capital increase conducted through shareholder allocation by INPEX Browse, Ltd. at the price of ¥50,000 per share.

8. The Company received the capital increase conducted through shareholder allocation by INPEX Australia Mirai Energies Pty Ltd at the price of 1 USD per share.
9. The Company transferred all shares of its subsidiary, INPEX Oil & Gas Australia Pty Ltd., to INPEX Australia Mirai Energies Pty Ltd.
10. The Company's domestic crude oil and natural gas business, etc. was transferred to its subsidiary INPEX JAPAN Corporation through an absorption-type company split.

[Notes to Per Share Information]

1. Net assets per share: ¥1,628.96
2. Net income per share: ¥211.70

[Business Combinations and Related Matters]

(Merger with INPEX Trading Ltd.)

Effective April 1, 2024, the Company has implemented an absorption-type merger with its subsidiary, INPEX Trading Ltd.

(1) Overview of the transaction

[1] Description of the business involved

Sale of crude oil (including condensate) and LPG, as well as brokerage and mediation of sales for Group companies.

[2] Main reason for the business combination

The Company had marketed crude oil developed and produced outside of Japan through INPEX Trading Ltd., and its wholly owned subsidiary, INPEX Energy Trading Singapore Pte. Ltd. (hereinafter "IETS"). To expand marketing channels in the Asian region, where further growth in energy demand is expected, and to respond to diversified customer demands regarding pricing and delivery terms and conditions, the Company decided to further strengthen the role of IETS by transferring the functions of INPEX Trading Ltd. to IETS in stages and consolidating marketing functions at IETS. For this reason, the Company decided to implement an absorption-type merger with INPEX Trading Ltd.

[3] Effective date of the business combination

April 1, 2024

[4] Legal form and other matters related to the transaction overview

The merger was an absorption-type merger with the Company as the surviving entity and INPEX Trading Ltd. as the absorbed entity. Since this was a merger with a wholly-owned subsidiary, no shares were allocated or other consideration provided.

[5] Company name after the business combination

INPEX CORPORATION

(2) Summary of accounting

The transaction was accounted for as a transaction under common control, in accordance with the "Accounting Standard for Business Combinations" (ASBJ Statement No.21, January 16, 2019) and the "Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No.10, January 16, 2019). As a result of the merger, ¥28,549 million was recorded as "gain on extinguishment of tie-in shares."

(Business separation to INPEX JAPAN, LTD.)

Effective October 1, 2024, the Company transferred its domestic crude oil and natural gas business, etc. to its subsidiary, INPEX JAPAN, LTD. through a company split.

(1) Overview of the transaction

[1] Name of the successor entity and description of the separated business

Successor entity name: INPEX JAPAN, LTD.

Separated business: Domestic crude oil and natural gas business, etc.

[2] Primary reasons for the company split

In its “Long-term Strategy and Medium-term Business Plan (INPEX Vision @2022)” announced in February 2022, the Company reaffirmed its position of crude oil and natural gas as core businesses, with three basic strategies: selection of, and concentration to, core business areas, a shift to natural gas, and making the business more resilient and cleaner. The Company aims to ensure a stable supply of clean energy by advancing these strategies in an integrated manner.

The Company believes it is important to adapt to changes in the environment surrounding its core business areas in Japan while addressing concerns about growing geopolitical risks. The Company seeks to advance a growth strategy leveraging domestic gas assets and supply networks, which are increasing in importance, and create value-added businesses that support the energy transition. To achieve these objectives, the Company needs to streamline the Group management structure, accelerate decision-making, and ensure the agile and efficient promotion of this business. As part of this effort, the business was transferred to INPEX JAPAN, LTD. through an absorption-type company split, positioning INPEX JAPAN, LTD. as a company controlling and overseeing operations of INPEX’s domestic businesses in Japan.

[3] Effective date of the company split

October 1, 2024

[4] Legal form and other matters related to the transaction overview

An absorption-type split with the Company as the splitting entity and INPEX JAPAN, LTD. as the successor entity.

[5] Company name after the business combination

INPEX JAPAN, LTD.

(2) Summary of accounting

[1] Amount of gain (loss) on transfer

No gain or loss on transfer has been recognized.

[2] Fair book value of assets and liabilities related to the transferred business

Assets	¥297,687 million
Liabilities	¥30,461 million

[3] Accounting

The transaction was accounted for as a transaction under common control, in accordance with the “Accounting Standard for Business Combinations” (ASBJ Statement No.21, January 16, 2019) and the “Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures” (ASBJ Guidance No.10, January 16, 2019).