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Press Release

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**Announcement on the Company's action taken against the Inspection Results relating to
Inappropriate Activity regarding Product Testing at Our Subsidiaries**

We at Idemitsu Kosan Co., Ltd. ("Idemitsu") would like to offer again our deepest apologies to our customers and other stakeholders for undermining trust in our operations through the inappropriate activity regarding product testing at Keihin Refinery (3-1 Mizuecho, Kawasaki-ku, Kawasaki-shi) of our subsidiary Toa Oil Co., Ltd. ("Toa Oil") and at Showa Yokkaichi Sekiyu Co., Ltd. ("Showa Yokkaichi Sekiyu") announced in May 2022.

Toa Oil and Showa Yokkaichi Sekiyu both established a Special Investigation Committee composed by external experts and independent external directors to investigate this incident. In response to the inspection reports from both companies, Idemitsu hereby announces detailed actions as below.

1. Announcement of the Inspection Reports

The inspection reports are publicized on the corporate websites of Toa Oil and Showa Yokkaichi Sekiyu, with some portions undisclosed in the interest of protecting personal and confidential information (in Japanese only).

2. Idemitsu Actions in Response to Inspection Results

In light of issues discovered by the Special Investigation Committee, we will discuss and execute the following initiatives.

(1) Measures to strengthen quality control at Idemitsu group refineries

1) Test analysis and enhancing quality control capabilities

A. We will conduct trainings to enhance personnel's skills and knowledge regarding testing

operations.

B. We will improve the quality control management function by re-educating the quality control supervisor and the quality control section chief on the desired attitude towards quality assurance.

2) Supporting operational workload reduction

A. We will support improvements in testing-related workload

B. We will support investments in testing equipment and in automatic transmission of testing results.

3) Improving Quality Audits

We will confirm through audits including quality records of actual products and on-site inspections that demands set forth in the Quality Assurance Act, JIS, and ISO are being adhered to.

(2) Actions towards involved parties

We will investigate the contents of the inspection reports and impose rigid penalties on involved parties pursuant to company rules.

3. Impact on Idemitsu's Consolidated Performance

The impact of this incident on our consolidated performance is negligible.

Any material impact on future performance will be disclosed as soon as it becomes apparent.

We deeply regret the occurrence of inappropriate activity at Toa Oil and Showa Yokkaichi Sekiyu and will exert our utmost efforts to prevent recurrence of inappropriate activity and to strengthen the quality control framework of the overall Idemitsu group so that we may recover your trust in our operations going forward.