

Date and time: March 26, 2024 (Tue); 10:00 AM
Place: The Okura Tokyo
Attendees: 288 shareholders
Summary of key Q&A:

Q1: Specific measures to improve PBR

A1: Our current stock price is on an upward trend, but we believe it is still undervalued, and our PBR remains below 1. To improve corporate value, we are promoting initiatives based on the following three pillars.

1. Introduction of ROIC as an indicator for more efficient management
2. Promotion of specific initiatives such as renewable energy and hydrogen in addition to the decarbonization of our upstream business to gain market confidence in our long-term future growth
3. Strengthening shareholder returns and dialogue with investors

Q2: Ensuring gender diversity on the Board of Directors

A2: The 10 candidates for Director to be elected at this time have been determined by the Board of Directors based on the recommendations of the Nomination and Compensation Advisory Committee, and one female candidate has been selected. In addition, one female member of the Audit & Supervisory Board has been elected, and two female officers are scheduled to be elected as members of the Board of Directors, including Audit & Supervisory Board Members. We recognize the need to further ensure gender diversity on the Board of Directors and will continue to hold discussions with the Nomination and Compensation Advisory Committee and the Board of Directors.

Q3: Initiatives for the Advancement of Women

A3: We recognize that companies in which women are not able to flourish will be marginalized, and have therefore formed an in-house task force to accelerate the consideration of various measures to create workplaces where women can work safely.

Q4: Continuation of dividend level

A4: Due to the profit contribution of the Ichthys LNG Project through stable production and output, we are gradually strengthening our shareholder returns. In fiscal 2023, the total return ratio was 52.5%, which meets the “40% or more” target level set forth in INPEX Vision @2022. We will continue to strengthen shareholder returns including dividends.

Q5: Impact of the U.S. Presidential Election Results on our company's Financial Results

A5: The election results and their impact on energy policies are expected to have a direct impact on

U.S. LNG projects and climate change response issues as well as an indirect impact, such as oil price fluctuations due to significant shifts in international politics and global affairs. We will continue to closely monitor the outcome and impact of the election.

Q6: Human Resources Development Initiatives

A6: Recognizing that human resources are our company's most important asset, we formulated the Basic Policy of Human Resources Strategy last year and newly defined “an organizational culture that encourages free and vigorous exchange of opinions and innovation, the development of leaders at a global level, and people who can create value autonomously in business fields.” We also promote endowed chairs and joint research with universities. To nurture our human resources, we will reform our human resources development system and implement various supportive programs.

Q7: Regarding our Hydrogen, Ammonia and CCUS projects and their impact on Japanese society as of 2030

A7: Our targets for around 2030 are to supply 100,000 tons of hydrogen per year and to inject 2.5 million tons of CO₂ per year underground. We seek to pursue various options and promote decarbonization while looking beyond 2050. We believe there are two aspects to the global energy dialogue. One is that LNG will continue to play an important role in the energy transition phase, and the other is that efforts in net-zero fields such as hydrogen and ammonia are entering the implementation phase, including projects INPEX is involved in. Our company's strategy is to realize hydrogen, ammonia, and CCUS and keep up with the global industry while pursuing LNG as our core business, including realizing Abadi, in response to the expected increase in LNG and gas demand among Asian countries.

Q8: Japan's oil reserves

A8: Given the fragmentation of the global oil market due to the situation in Russia and Ukraine, a certain level of reserves is necessary to ensure energy security. Although the management of crude oil reserves falls under national jurisdiction, our company has a role to play in contributing to the stable supply of crude oil, and we would like to fulfill this responsibility by, for example, transporting equity-entitled oil from Abu Dhabi to Japan.

Q9: Expanding our corporate scale, including through mergers and acquisitions, and pursuing economies of scale

A9: Among the major independent oil companies, our company ranks between 10th and 11th in the world in terms of reserves and production. We take pride in this scale of production and the fact that we contribute about 10% of Japan's energy needs. For our next medium-term management plan, we will consider expanding the size of our company through M&A activity and other means.

Q10: Return of profits to employees

A10: We believe that it is essential to establish a solid personnel support system and create a workplace where employees can be fairly evaluated and work with confidence. In addition to adopting a wage system that considers business conditions and rising costs, our company provides benefits to employees as an overall package that includes benefits such as housing assistance and allowances. In addition, we believe it is important to provide employees with placements they find truly rewarding and to guarantee compensation based on their work.

Q11: Uneven distribution/extension of domestic pipeline network

A11: Our natural gas trunk pipeline network was originally constructed and laid for gas field development and marketing in Niigata Prefecture. The current network was established following the extension of the pipeline after the construction of the Naoetsu LNG Terminal. Although our pipeline network on the Pacific Ocean side is not extensive, we operate a gas field in Chiba Prefecture, and are laying a pipeline in the same area for gas marketing purposes.

Q12: Development of resources including methane hydrate in Japan's EEZ and development off the San-in Coast.

A12: Methane hydrate studies are being carried out according to the Ministry of Economy, Trade and Industry's Ocean Energy and Mineral Resources Development Plan. Through investment in JMH (Japan Methane Hydrate Operating Co., Ltd.), a member of the consortium, INPEX participates in various studies, offshore production tests and information gathering. Our exploration work offshore the San-in Coast did not result in development opportunities. From the viewpoint of energy security, we believe that our domestic business remains important, and we would like to promote various activities, including oil and gas drilling, pipeline construction according to demand, and blue hydrogen plant construction.

Q13: Human Resources Development

A13: As for legal affairs, we have already established an internal framework that includes legal professionals familiar with non-Japanese law. In addition, we are enhancing and strengthening training in Japan and overseas to develop our human resources with a sense of purpose and enhance our project development capabilities.

Q14: Disaster Countermeasures for Business Operations

A14: Although it is challenging to be completely accident-free, we are implementing various measures to achieve 0 incidents every day. No major or fatal accidents have occurred in recent years. The company attaches great importance to health, safety, and environment (HSE). Under the slogan, "Going home with a smile again today," we are implementing initiatives to ensure stable production and operations while creating a safe and secure working environment for employees. As a response to natural disasters, we implement risk assessments and various simulations. In the wake of the recent Noto Peninsula earthquake, we quickly established a

crisis task force, and although there were no significant injuries or instances of physical damage, the disaster served as a reminder of the importance of risk management.

Q15: Priority for repayment of interest-bearing debt considering future interest rate increases

A15: Our company's main businesses are located overseas, so our interest-bearing debt is also denominated in U.S. dollars. The impact of the increase in interest expense on the yen due to the lifting of negative interest rates in Japan on business performance is minimal, but in general terms, a rise in interest rates will increase the appreciation of the yen, and the appreciation of the yen will have a negative impact on our company's earnings. We will continue to monitor foreign exchange fluctuations and promote sound financial management.

Q16: Compliance Initiatives

A16: Our company has established a Compliance Committee. In addition to in-house counsel, the company also provides outside counsel as a contact point for internal reporting. In addition, each of our overseas offices has its own compliance organization. We also have a "global hotline" that can be used throughout the company, including local employees. We place importance on efforts to prevent the occurrence of fraud and corruption, and conduct training for executives every year to ensure a transparent corporate culture.

Q17: Difference between the stock price of Japan Petroleum Exploration Co., Ltd. (JAPEX)

A17: Although INPEX and JAPEX are both involved in the development and production of petroleum and natural gas resources as their core business, INPEX's business is mainly conducted overseas, and the scale of business differs between the two companies. Therefore, we believe that stock price movements may also differ. We do not believe that our current stock price level reflects our strength, and we will continue to strive to strengthen shareholder returns, including dividends.

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- *Price volatility and change in demand in crude oil and natural gas*
- *Foreign exchange rate volatility*
- *Change in costs and other expenses pertaining to exploration, development and production*

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