



October 22, 2024

Cosmo Energy Holdings Co., Ltd.

Cosmo Oil Marketing Co., Ltd.

Cosmo Begins Validation of “Cosmo Zero Carbon Credit,”  
a Carbon Credit Trading Service Utilizing the J-Credit Scheme  
*Toward Realizing a Circular Carbon-Free Society*

Cosmo Energy Group company, Cosmo Oil Marketing Co., Ltd. (hereafter, “the Company”), announced today that it has begun proof-of-concept testing of its carbon credit trading service, “Cosmo Zero Carbon Credit.” In this validation project, the Company offset CO<sub>2</sub> emissions from the barge, “Tsubame Maru No. 66,” owned by Kitanihon-oil, Ltd.

As a member of the Cosmo Energy Group, the Company seeks to achieve its 2050 Net Zero Carbon Declaration by promoting the use of electric vehicles (EVs) through its car leasing business, selling Cosmo Denki (Electricity) Green, an electricity plan that provides renewable energy-derived electricity endorsed by a non-fossil certificate with tracking information linked to wind power generated by Cosmo Energy Group company, Cosmo Eco Power Co., Ltd., and proposing Cosmo Zero Carbon Solution, etc.

The momentum for carbon neutrality is expected to continue to grow, as it is indispensable for sustainable development of the planet and society. In anticipation of local governments and corporations stepping up their efforts to decarbonize, the Company began proof-of-concept testing of its carbon credit trading service, Cosmo Zero Carbon Credit, to contribute to these endeavors. Going forward, the Company plans to release the Cosmo Zero Carbon Credit service to general consumers from 2025 or thereafter following the success of this validation project. Furthermore, by utilizing Cosmo’s nationwide network, the Company aims to become a credit provider.

■Product overview upon completion of proof-of-concept testing

- Product name:  
Cosmo Zero Carbon Credit
- Product description:  
Supports customers’ decarbonization efforts and enhances enterprise value by

utilizing the J-Credit Scheme to offset CO<sub>2</sub> emissions from consumption of fuel oil sold by the Company.

- Advantages for customers:

No advance preparations are required, such as registering as a participant on the JPX Carbon Credit Market or setting up a J-Credit account, before beginning J-Credit trading. Customers can entrust J-Credit procurement to the Company.

- Available for purchase from 2025 or thereafter

#### ■ Proof-of-concept testing flow chart

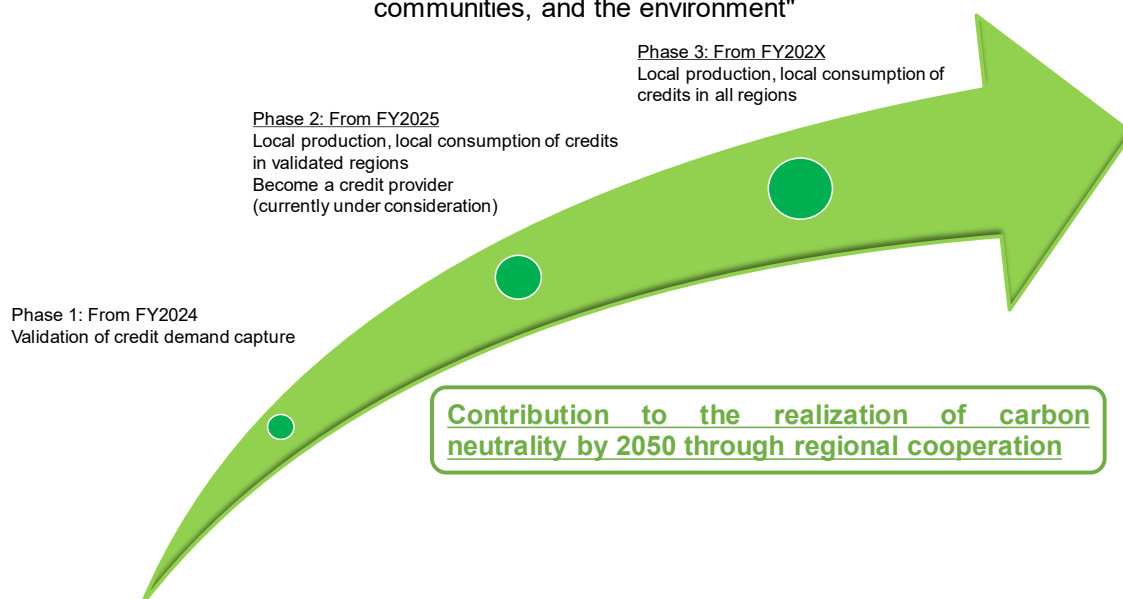
In the first round of proof-of-concept testing, the Company offset CO<sub>2</sub> emissions from the Tsubame Maru No. 66, owned by Kitanihon-oil, Ltd., by utilizing the J-Credit Scheme and trading on the Carbon Credit Market. Based on this validation project, the Company expects to reduce CO<sub>2</sub> emissions from the offshore marine division at Kitanihon-oil, Ltd. by approximately 7%.



■ Efforts to become a credit provider

In the future, the Company aims to realize a recycling-oriented society, with the goal of promoting regional resource recycling and local production for local consumption, by generating carbon credits in each region leveraging Cosmo's nationwide network.

Promotion of regional resource recycling with Cosmo Zero Carbon Credit, aiming to create a "society where Cosmo's network coexists in harmony with society, local communities, and the environment"



※About Kitanihon-oil, Ltd.

Kitanihon-oil, Ltd., a large service station operator for Cosmo Oil Marketing Co., Ltd., has expanded its business operations as an integrated energy company over the last 60 years. In addition to managing service stations, the company boasts the largest market share for industrial and shipping petroleum product sales in northern Japan. Kitanihon-oil, Ltd. is actively introducing renewable energy through solar power generation, aiming for a sustainable future. The company aims to achieve an environmentally friendly society by contributing to reducing energy costs and curtailing greenhouse gas emissions.

(End)

(The official language for Cosmo Energy Group's filings with the Tokyo Stock Exchange and Japanese authorities, and for communications with our shareholders, is Japanese. We have posted English versions of some of this information on this website. While these English versions have been prepared in good faith, Cosmo Energy Group does not accept responsibility for the accuracy of the translations, and reference should be made to the original Japanese language materials.)