



Note: The following is an English translation of the Japanese-language original

September 30, 2021

Japan Petroleum Exploration Co., Ltd.

Establishment of New Organization **to Strengthen the Carbon-Neutral Measures in Oil and Gas Fields in Japan**

Japan Petroleum Exploration Co., Ltd. (JAPEX) will establish a new organization, “Carbon Reduction Project Office,” in the Domestic E&P Project Division on October 1, 2021. The new organization is responsible for promoting comprehensive examinations of carbon-neutral measures in our oil and gas fields in Japan, such as reduction of Greenhouse Gas (GHG) emission from development and production operations and storage of carbon dioxide (CO₂) in the ground with the expectation for reducing actual CO₂ emission.

JAPEX formulated “JAPEX2050: Toward a Carbon-Neutral Society” in May 2021, which is a fresh outline of the responsibilities and challenges that JAPEX must take on in order to achieve the goal of net-zero CO₂ emissions by 2050 worldwide, and presents a clearer direction for JAPEX's future actions and business development.

“JAPEX2050” has a goal to achieve the “Net-Zero in 2050” in our operations (Scope1+Scope2) with a first step to reduce 40% CO₂ emission per unit of our operations until 2030 compared to fiscal 2019. In addition, it sets our initiatives to promote CCS (Carbon dioxide Capture and Storage)/CCUS (Carbon dioxide Capture, Utilization, and Storage) and others for early realization and commercialization, aiming to realize a carbon-neutral society.

The new organization will be established in the Domestic E&P Project Division to strengthen its carbon-neutral measures in our oil and gas fields in Japan based on “JAPEX2050.” The new organization will start with the examination and execution of specific actions to reduce CO₂ emission in our operation with the Technology Division and others appropriately.

The new organization will also support improving the evaluation accuracy of the potential amount of CO₂ storage in the ground and promote comprehensive examinations of issues in the phase of the CO₂ storage operation in collaboration with related divisions and departments, taking into account the ongoing studies' status of the CO₂-EOR/EGR (Enhanced Oil/Gas Recovery) demonstration test in our domestic oil and gas fields proceeded by the carbon-neutral businesses planning departments.

By steadily progressing “JAPEX2050” through the company-wide measures for pursuing new possibilities of stable energy supply in a carbon-neutral society, JAPEX will continue to aim for further growth as a comprehensive energy company.

###