

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

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Idemitsu Kosan Co.,Ltd.
Hokkaido Electric Power Co., Inc.
Japan Petroleum Exploration Co., Ltd.

**Idemitsu, HEPCO, and JAPEX Start a Joint Study
for CCUS Implementation in the Tomakomai Area of Hokkaido**

Idemitsu Kosan Co.,Ltd. (Idemitsu), Hokkaido Electric Power Co., Inc. (HEPCO), and Japan Petroleum Exploration Co., Ltd. (JAPEX), start a joint study for implementing CCUS (Carbon dioxide Capture, Utilization, and Storage) in the Tomakomai area of Hokkaido, leveraging each company's business sites and capabilities.

Following the Japanese government's declaration of "a Carbon-Neutrality in 2050" in October 2020, the movement toward a decarbonized society is gaining momentum. Hokkaido prefecture also stated "ZERO Carbon Hokkaido" in March 2020 toward net zero emissions of Green House Gas (GHG) and is actively making efforts for the accomplishment. They require energies without or with less GHG emission, and they also expects for the early realization of CCUS to utilize and store CO₂ underground, as a technology for contributing to CO₂ net-zero emissions. In addition, the issues such as the need for domestic laws for CCUS implementation are under discussion in the public and private sectors, including the "Study Meeting of CCS Long-Term Roadmap" led by the Ministry of Economy, Trade and Industry (METI).

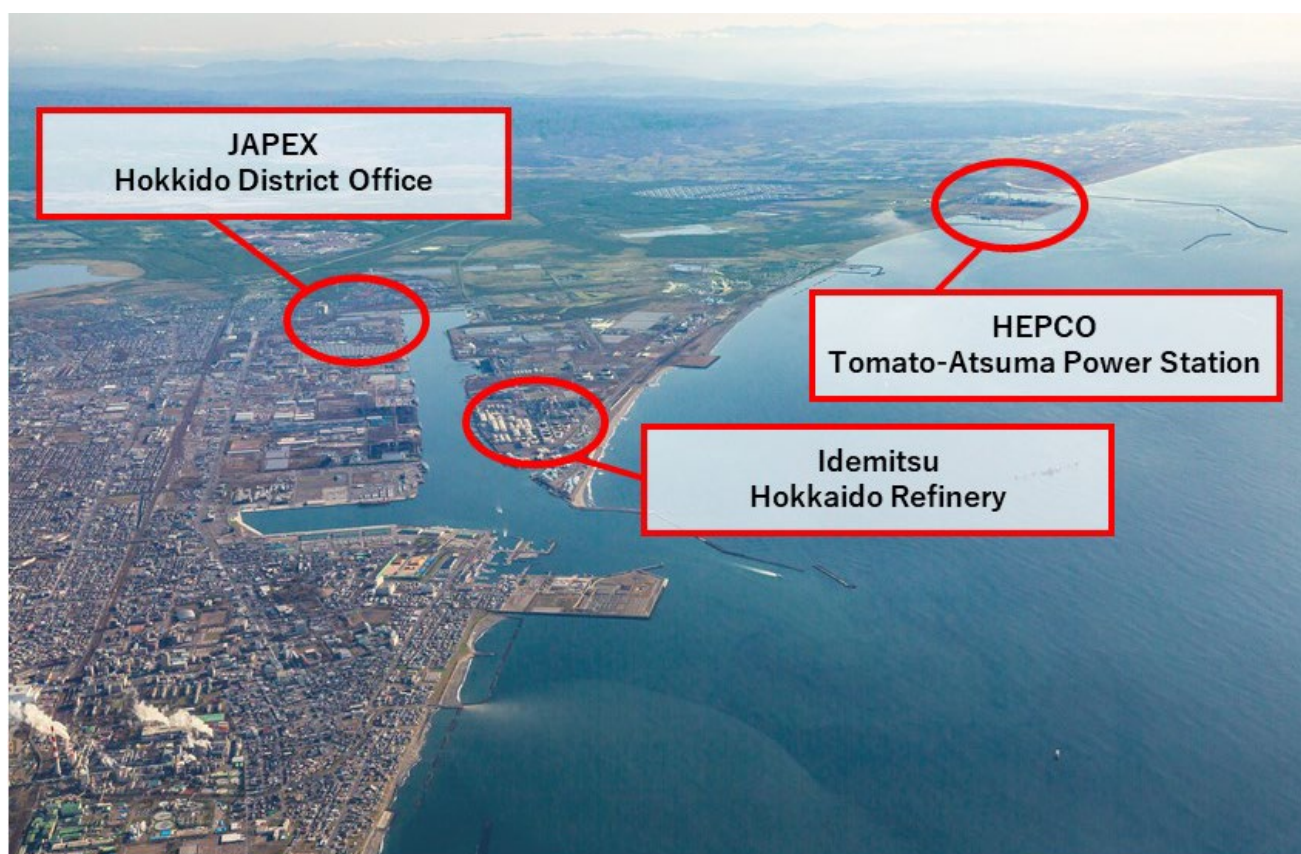
The Tomakomai area has a concentration of various industries around the port, including the three companies' business sites and is a leading region to make efforts for a carbon-neutrality, such as a national demonstration project of CCS implementation by Japan CCS Co., Ltd., which participates in the private companies including the three companies.

With the view of the implementation of a CCUS project by hub & cluster model connecting several sites in the Tomakomai area by fiscal 2030, and the three companies will proceed specific investigations and examinations, mainly such as technical verifications of CO₂ emitting sites/capture facilities/transportation pipelines and site survey for CO₂ storage, with the understanding and cooperation of local governments and the community. Besides, we will consider CO₂ utilization align with the joint study.

The three companies will contribute to creating businesses and developing industries and economies in the Tomakomai area and will aim to realize "a Carbon-Neutrality in 2050" and "ZERO-Carbon Hokkaido."

Note) * Hub & cluster model CCUS project: not only to capture and storage CO₂ from a single emitting site as CCS, covers multiple emitting sites in the area and utilizes their emitting CO₂ as CCUS to reduce more CO₂ emission.

<Reference> Business Sites of the Three Companies in the Tomakomai Area



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