



CSR Action Plan Targets and Achievements (Fiscal 2022 - 2023)

The JAPEX Group Five Core CSR Themes "SHINE"	S Stable and sustainable energy supply
	H HSE as our culture
	I Integrity and governance
	N Being a good Neighbor
	E The Employer of choice

Materiality	Stable energy supply
	Establishment of CN business
	Promotion of HR development and diversity
	Digital transformation (DX)



JAPEX Core CSR themes	Challenges	Fiscal 2022 Action Plans and Targets	Fiscal 2022 Achievements	Fiscal 2023 Action Plans and Targets	Materiality
<p>S</p> <p>Stable and sustainable energy supply</p>	Stable energy supply	Promote E&P business for stable supply of oil and natural gas	<ul style="list-style-type: none"> May 2022: Acquired the well interest in southern Texas (Eagle Ford Shale) and southern Oklahoma (Woodford Shale), USA. Continued measures toward achieving 230,000 barrels per day at Garraf Oil Field in Iraq. Progress in crude oil and natural gas development project in Seagull Block in the British North Sea. Addressed energy demand in Eastern Java, Indonesia. Implemented additional development project in Japan (Katakai Gas Field, etc.). 	<ul style="list-style-type: none"> Promote E&P business for stable supply of oil and natural gas 	Stable energy supply
		Promote I/U business for stable supply of natural gas and electricity	<ul style="list-style-type: none"> Electric power sold: 3.0 billion kWh Occurrence of an incident affecting gas transportation quality. Considered recurrence prevention measures and ensured its thorough implementation. 	<ul style="list-style-type: none"> Promote I/U business for stable supply of natural gas and electricity 	
		Promote DX based on business challenges	<ul style="list-style-type: none"> Analyzed current status to identify major business issues across the company, including operations. Implemented the following measures: <ul style="list-style-type: none"> Implementation of a system necessary for operation and energy intensity management. Introduction of predictive maintenance using AI in production facilities. Implementation of 3D visualization tools at plants. 	<ul style="list-style-type: none"> Promote DX based on business challenges 	DX
	Development of new technologies	Promote technology development for early commercializing of Carbon dioxide Capture and Storage (CCS)/Carbon dioxide Capture, Utilization, and Storage (CCUS)	<ul style="list-style-type: none"> Evaluated underground storage of CO2, including existing oil and gas fields, and studied suitable sites, well specifications, monitoring methods, and storage costs. Received the "Best Presentation Award" from the Japanese Formation Evaluation Society for its integrated mineral quantification technique for volcanic reservoirs that contributes to identification of the properties of volcanic reservoir formations. A significant contribution not only in the field of oil and natural gas development, but also in other fields including CCS business. 	<ul style="list-style-type: none"> Promote technology development for early commercializing of CCS/CCUS 	Establishment of CN business
		Continue to develop technology for Onnagawa Formation in Ayukawa Oil Field through joint research with Japan Oil, Gas and Metals National Corporation (JOGMEC). Expand into Akita tight oil and other tight reservoir development in Japan.	<ul style="list-style-type: none"> Applied and adopted as a business operator of the "Joint Study for Acid Stimulation in Onnagawa Tight Oil Formation" (Subject: Acid stimulation demonstration test at the Onnagawa tight oil formation to increase oil production and to recover more reserves), one of the publicly solicited projects in FY2022 led by JOGMEC. 	<ul style="list-style-type: none"> Continue to develop technology for Onnagawa Formation in Ayukawa Oil Field through joint research with JOGMEC. Expand into Akita tight oil and other tight reservoir development in Japan 	
		Continue efforts toward commercialization of methane hydrate	<ul style="list-style-type: none"> Executed according to the plan, a marine survey allocated for FY2022 aiming for the next offshore production test, through Japan Methane Hydrate Operating Co., Ltd. 	<ul style="list-style-type: none"> Continue efforts toward commercialization of methane hydrate 	
		Continue efforts to develop deep sea mineral resources through J-MARES	<ul style="list-style-type: none"> Conducted demonstration tests for the practical application of deep-sea survey technology, production systems and environmental survey technology, through J-MARES. 	<ul style="list-style-type: none"> Continue efforts to develop deep sea mineral resources through new Horizon Ocean Research & Technology Co.,Ltd. * J-MARES was dissolved at the end of March 2023. 2023 and beyond, continue efforts to develop deep sea mineral resources through new Horizon Ocean Research & Technology Co., Ltd. 	
	Climate change response	Promote CCS/CCUS commercialization studies in Japan and overseas	<ul style="list-style-type: none"> Overseas <ul style="list-style-type: none"> Continued implementation of feasibility studies for realization of CCS/CCUS projects in emerging countries. Domestic <ul style="list-style-type: none"> May 2022: Conducted a feasibility study for a hub and cluster type CCUS project at the Niigata East Port area. December 2022: Invested in a specialized fund, the "ANRI-GREEN No.1," for the issues of climate change and environment. January 2023: Idemitsu Kosan, Hokkaido Electric Power, and JAPEX initiated a joint study for implementation of CCUS in the Tomakomai Area of Hokkaido. Established CN Business Promotion Committee. The committee was held 12 times. 	<ul style="list-style-type: none"> Promote CCS/CCUS commercialization studies in Japan and overseas 	Establishment of CN
		Achieve our GHG emission reduction targets	<ul style="list-style-type: none"> GHG emission intensity: 3.56 t-CO2/TJ (11% reduction) GHG emissions at the sites in scope of the Japan Petroleum Development Association target increased by 30,000 t-CO2 (about 20%) from the previous fiscal year due to emissions resulting from malfunctioning production facilities. On the other hand, for the Japan Petroleum Development Association's target "reducing emission by 40% in FY2030 from the base year (FY2013)," it was reduced by 18,000 t-CO2 (about 9%) from the base year. 	<ul style="list-style-type: none"> Achieve our GHG emission reduction targets Achieve our GHG emission intensity targets (Scope1+2) based on the JAPEX2050 <ul style="list-style-type: none"> FY2019 result: 3.97 t-CO2/TJ FY2022 target: 3.58 t-CO2/TJ (10% reduction) FY2030 target: 2.38 t-CO2/TJ (40% reduction) Reduce emissions to achieve the 2030 GHG emission reduction target set by the Japan Petroleum Development Association based on the Nippon Keidanren Carbon Neutrality Action Plan 	
		Promote efforts to commercialize renewable energy power generation businesses (biomass, offshore wind power, etc.)	<ul style="list-style-type: none"> October 2022: Abashiri Biomass 2nd Power Plant started commercial operation. March 2023: Abashiri Biomass 3rd Power Plant started commercial operation. March 2023: Established "Commitment Regarding Handling of Forest Certified Products in Supply of the Biomass Fuel," and obtained the CoC certification under FSC and PEFC, the international forest certification systems. 	<ul style="list-style-type: none"> Scale up the renewable energy business 	
		Contribute to a low-carbon society by promoting the use of natural gas	<ul style="list-style-type: none"> Expanded use of natural gas through solution sales for fuel conversion (from other fuels to natural gas) and introduction of cogeneration systems, etc. 	<ul style="list-style-type: none"> Contribute to a low-carbon society by promoting the use of natural gas 	

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 H HSE as our culture	Occupational health and safety	Promote efforts based on the Medium-term HSE Plan and reduce the domestic and occupational accident rate (Average rate -10% over the last three years) - Lost Time Injury Frequency (LTIF): 0.09 - Total Recordable Injury Rate (TRIR): 0.88	<ul style="list-style-type: none"> LTIF: 0.84 TRIR: 1.39 	<ul style="list-style-type: none"> Promote efforts based on the Medium-term HSE Plan and reduce the domestic and occupational accident rate - LTIF: 0.00 - TRIR: 0.86 (10% lower than the average for the last three years) 	
	Pollution prevention and resource recycling	Continue efforts to maintain a 45% reduction in Volatile Organic Compounds (VOC) emissions compared to the base year (FY2000)	<ul style="list-style-type: none"> VOC emissions decreased by about 1% compared to the previous fiscal year and decreased by about 37% compared to the base year due to control of atmospheric emissions at production mines. 	<ul style="list-style-type: none"> Continue efforts to maintain a 45% reduction in VOC emissions compared to the base year (FY2000) 	
		Continue water stress assessments in our operating areas	<ul style="list-style-type: none"> Conducted water risk assessment for areas where development and production sites operating as operators are located. Confirmed that there are no operational sites in areas of high water stress. 	<ul style="list-style-type: none"> Promote efforts to reduce water consumption 	
		Promote efforts to reduce water consumption	<ul style="list-style-type: none"> Collected and monitored data on water consumption and conducted study to reduce water consumption. * Water consumptions are disclosed in ESG Performance Data. 		
		Promote efforts to reduce waste	<ul style="list-style-type: none"> Conducted an assessment of the current status of waste volume in terms of recycling rates by vendor and volume by location and by type. * Waste volume is disclosed in ESG Performance Data. 	<ul style="list-style-type: none"> Promote efforts to reduce waste 	
	Preserving biodiversity and ecosystems	Continue to earn the Blue ranking in the Performance Level Evaluation Program (PROPER) of the Indonesian Ministry of Environment by KEI	<ul style="list-style-type: none"> Maintained earning the Blue ranking by continuing environmental activities. 	<ul style="list-style-type: none"> Continue efforts for KEI to earn the Blue ranking in PROPER 	
		Continue efforts to create a positive impact in protected areas	<ul style="list-style-type: none"> Continued monitoring of mangrove forests planted in 2019 for environmental protection around Pagerungan Island, Indonesia. 	<ul style="list-style-type: none"> Continue efforts to create a positive impact in protected areas 	
Continue efforts to reduce negative impact at operating sites and surrounding areas		<ul style="list-style-type: none"> In anticipation of the final disclosure of the TNFD framework in 2023, implemented external trend assessment in order to start risk analysis related to biodiversity and ecosystem conservation. 	<ul style="list-style-type: none"> Continue efforts to reduce negative impact at operating sites and surrounding areas 		
 I Integrity and governance	Governance	Strengthen our corporate governance system	<ul style="list-style-type: none"> Conducted evaluation of the effectiveness of the Board of Directors. Linked part of officer compensation to company-wide climate change response objectives. Promoted diversity in the Board of Directors: Increased the number of Outside Directors (4→5); increased the number of female Directors (1→2). 	<ul style="list-style-type: none"> Strengthen our corporate governance system 	
		Promote company-wide risk management	<ul style="list-style-type: none"> Held Risk Management Committee in each quarter. In this committee, the management monitored the implementation status of the projects across the board and quantitatively assessed and evaluated individual risks. Conducted reviews to utilize knowledge and lessons learned in future investment decisions. 	<ul style="list-style-type: none"> Promote company-wide risk management 	
		Strengthen information security and promote personal information protection	<ul style="list-style-type: none"> Serious information security incident: 0 Conducted awareness-raising activities for employees regarding personal information protection. 	<ul style="list-style-type: none"> Strengthen information security and promote personal information protection 	
	Crisis management	Continue to strengthen the Business Continuity Plan (BCP)	<ul style="list-style-type: none"> Awareness-raising and educational activities on disaster prevention: Company-wide lectures by external authorities on disaster prevention, disaster prevention education for general employees, and dissemination of disaster prevention information using the JAPEX's IT platform. Emergency drills: Continued conducting drills in cooperation between Head Office and district sites and between district sites and subsidiaries and associates. and at each district site. 	<ul style="list-style-type: none"> Continue to strengthen the Business Continuity Plan (BCP) - Maintain and enhance disaster prevention capabilities (Improvement and enhancement of emergency response capabilities) 	
		Implement measures against COVID-19	<ul style="list-style-type: none"> Established the Emergency Response Headquarters as a countermeasure against infectious diseases. Implemented measures such as taking body temperature every morning, washing hands on a daily basis, disinfecting, and calling to avoid the three Cs. Upon confirmation of a person with positive reaction, implemented measures to prevent the spread of infection, such as identifying and contacting those subject to travel restrictions and period thereof. 		
		Strengthen cyber security response	<ul style="list-style-type: none"> Cyber security education for control systems: 100 % participation rate. 	<ul style="list-style-type: none"> Strengthen cyber security 	
		Continue overseas security response	<ul style="list-style-type: none"> Formulated JAPEX's guidelines for facility security as part of physical security. Inadequate response to overseas security incidents: 0 	<ul style="list-style-type: none"> Continue overseas security response 	
	Compliance	Ensure compliance	<ul style="list-style-type: none"> With in-house training and other efforts, the number of cases of both insider trading and bribery: 0 	<ul style="list-style-type: none"> Ensure compliance 	
		Promote efforts to respect human rights	<ul style="list-style-type: none"> Disclosed the UK Modern Slavery Act Statement. Established human rights policy. Conducted human rights due diligence. Conducted questionnaires on harassment (twice a year). The percentage of those who feel they have been harassed decreased compared to the previous year. 	<ul style="list-style-type: none"> Promote efforts to respect human rights 	

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<p style="text-align: center;">N</p> <p style="text-align: center;">Being a good Neighbor</p>	<p style="text-align: center;">Growing together with stakeholders</p>	<p>Make contributions to local communities and engage in social activities in our domestic and overseas operating areas</p>	<ul style="list-style-type: none"> Overseas project Garraf (Iraq) <ul style="list-style-type: none"> Construction and repair of facilities at schools and educational facilities. Education campaign in elementary schools. Distribution of food items for local events. Donation of facilities and equipment to medical institutions. Kangean (Indonesia) <ul style="list-style-type: none"> Implemented the following as planned: measures related to COVID-19, donations of scholarship to high schools, support for fisheries, agriculture and small and medium enterprises, and infrastructure improvements such as mosque renovations. Domestic operating area <ul style="list-style-type: none"> Clean-up of roads around sites, participation in volunteer clean-up activities, support for advertisements, donations, site tours for local entities concerned, participation in local events, ensuring the safety of schoolchildren, and continuation of volunteer stand guard, etc. 	<ul style="list-style-type: none"> Make contributions to local communities and engage in social activities in our domestic and overseas operating areas 	
		<p>Promote supply chain management</p>	<ul style="list-style-type: none"> Established the CSR procurement policy and CSR procurement guidelines. Disseminated them to existing suppliers. Conducted a CSR procurement survey to suppliers. Ensured and created a fair trading and competitive environment. 	<ul style="list-style-type: none"> Promote supply chain management 	
		<p>Promote constructive dialogue with stakeholders</p>	<ul style="list-style-type: none"> Provided information to the Tokyo Stock Exchange and the press in timely and appropriate manner. Produced and distributed publications. Maintained and created opportunities for dialogue, including IR site tours for securities analysts and institutional investors and IR briefings for individual investors. Selected as a "Company of Remarkable Improvement in Disclosure" of the "Selection for Excellence in Corporate Disclosure." 	<ul style="list-style-type: none"> Promote constructive dialogue with stakeholders 	
<p style="text-align: center;">E</p> <p style="text-align: center;">The Employer of choice</p>	<p style="text-align: center;">Promotion of HR development and diversity</p>	<p>Promote Diversity, Equity & Inclusion (DE&I) Achieve targets based on the DE&I Policy</p> <ul style="list-style-type: none"> Rate of female new graduates: 30% or more Rate of mid-career hires to total hires: 50% or more Number of female managers: 25 persons or more (Target year: end of FY2025) Rate of mid-career hires in management positions: Maintain at least 20% (Target year: end of FY2025) Rate of male employees obtaining childcare leave: 80% or more (Target year: end of FY2025) 	<ul style="list-style-type: none"> Rate of female new graduates: 33.3% Rate of mid-career hires to total hires: 52.1% Number of female managers: 18 Rate of mid-career hires in management positions: 25.9% Rate of male employees obtaining childcare leave: 58.9% 	<ul style="list-style-type: none"> Promote DE&I Achieve targets based on the DE&I policy Rate of female new graduates: 30% or more Rate of mid-career hires to total hires: 50% or more Number of female managers: 25 persons or more (Target year: end of FY2025) Rate of mid-career hires in management positions: Maintain at least 20% (Target year: end of FY2025) Rate of male employees obtaining childcare leave: 80% or more (Target year: end of FY2025) 	<p style="text-align: center;">Promotion of HR development and diversity</p>
		<p>Strengthen human capital management</p>	<ul style="list-style-type: none"> Started reskilling and skilling programs. <ul style="list-style-type: none"> Started DX literacy education. Established a learning platform as JAPEX UNIVERSITY. Started M&A and other specialized skilling education. * Reskilling Program: An initiative to have people study for the purpose of acquiring skills and knowledge that will be useful in new tasks that will arise in the future due to changes in the work styles. Intention of introducing this program is to develop and deploy autonomous human resources who can respond to various business fields. 	<ul style="list-style-type: none"> Strengthen human capital management Promote reskilling and skilling programs (Promote DX education, make use of the learning platform as JAPEX UNIVERSITY, etc.) 	<p style="text-align: center;">Promotion of HR development and diversity</p>
		<p>Implement human resource development training programs</p>	<ul style="list-style-type: none"> Implemented measures to support career development. <ul style="list-style-type: none"> Established a career consultation desk. Implemented a talent management system. Expanded number of departments applicable to internal personnel recruitment. Conducted personnel trainings including career stage training and unconscious bias training. Conducted professional education for technical employees (40 times a year). In FY2022, conducted a training for developing commercial human resource as a practical training on economic modeling and legal affairs for English contracts, planned and prepared in FY2021. 		
	<p style="text-align: center;">Creating a fair and good working environment</p>	<p>Promote an employee-friendly workplace</p>	<ul style="list-style-type: none"> Actual usage rate of paid leaves: 83.2% (up 1.7% year-on-year). Started personnel system reform and measures for employee engagement. 	<ul style="list-style-type: none"> Promote an employee-friendly workplace 	<p style="text-align: center;">Promotion of HR development and diversity; DX</p>
	<p>Promote health management</p>	<ul style="list-style-type: none"> Continued to have 100% employees receiving regular medical checkups. The number of people with BMI within the standard value range decreased by 1.1% compared to the previous year. Conducted a survey on women's health, and held seminars on women's specific cancers, which was selected as important item, and enabled receiving cancer screenings during working hours. Certified as one of the Health & Productivity Management Outstanding Organizations in 2023. Certified as one of the Sports Yell Company 2023. 	<ul style="list-style-type: none"> Promote health management 		
<p style="text-align: center;">(Empty)</p>	<p style="text-align: center;">(Empty)</p>	<ul style="list-style-type: none"> Make consideration on side jobs/second jobs Improve office environment 	<p style="text-align: center;">DX</p>		