



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

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[Press Release]

Japan Petroleum Exploration Co., Ltd.

Tel: +81-3-6268-7110 (Media Relations)

<https://www.japex.co.jp/en/contact/>

Policy to Reinforce Business Execution Structure for Domestic Oil and Gas E&P Business, and Natural Gas and LNG Supply Business

Japan Petroleum Exploration Co., Ltd. (JAPEX) announces its policy to reinforce the business execution structure for its domestic oil and gas E&P (exploration, development and production) business and natural gas and LNG supply business. This policy is aimed at further enhancing the profitability of these business.

1. Policy outline

- Domestic E&P Project Division and the functions related to gas supply from Gas Supply & Facility Engineering Division, which promote the domestic oil and gas E&P business (hereinafter “Domestic E&P Business”) and natural gas and LNG supply business (hereinafter “Gas Supply Business”), will be integrated into a new organization, and will be based in Nagaoka City, Niigata Prefecture. Part of business functions will be transferred to Soma District Office, and Soma District Office will be reorganized as “Soma LNG Terminal” under the new organization.
- Functions and employees (excluding operation sites workers) related to administration of the domestic oil and gas E&P and natural gas and LNG supply at Hokkaido District Office and Akita District Office will be integrated and transferred to the new organization.

2. Purpose and details

(1) Strengthening the domestic natural gas supply system

We deliver natural gas produced domestically and LNG imported from overseas using a combination of multiple transportation methods. We aim to unify administrative systems for domestic gas production operations and gas supply operations to create a more flexible domestic gas supply system.

(2) Improving productivity by promoting DX (Digital Transformation)

We plan to integrate operations related to the planning and administration of Domestic E&P Business and Gas Supply Business, and promote DX to improve operational efficiency, sophistication, and productivity.

(3) Generating human resources and promotion of upskilling and reskilling

We will promote the upskilling and reskilling of employees, particularly those generated by promotion of DX, and encourage job rotation into new growing business fields such as carbon neutral and renewable energy.

3. Schedule

(1) July 1, 2025

- ① Integration of “Domestic E&P Project Division” and “Gas Supply & Facility Engineering Division” and establishment of the new organization integrating them.
- ② Reorganization of “Soma District Office” into “Soma LNG Terminal”.

(2) Within FY2025

- ① Transfer of functions and employees related to administration of domestic oil and gas E&P and natural gas and LNG supply from Hokkaido District Office and Akita District Office to the new organization.

4. Other

Details about the name of the new organization, officers who will execute operations of the new organization, departments that will comprise the new organization, and the specific schedule for integrating and transferring Hokkaido District Office and Akita District Office, which are scheduled to be completed within fiscal 2025, will be announced later as soon as they are determined.

<Reference>

- Organization

<https://www.japex.co.jp/en/company/organization/organization/>

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