

February 26, 2021

## **Announcement of Organizational Change**

JX Nippon Oil & Gas Exploration Corporation (President and CEO, Hiroshi Hosoi) is pleased to announce the following organizational change.

### **1. Details of Organizational Change**

#### (1) Establishment (as of April 1, 2021)

- a. Establishment of Sustainable Business Unit
- b. Establishment of CCS/CCUS Technology Group under Technical Strategy Department

#### (2) Abolition (as of March 31, 2021)

Internal Control Department

### **2. Background**

#### (1) Establishment of Sustainable Business Unit

In order to drive forward sustainable business which is positioned as growth business in ENEOS group's Second Medium-Term Management Plan, we have established "Sustainable Business Initiative (Preparatory) Office" in this January and have been collecting and evaluating information and knowledge relating sustainable business.

In addition to the above, we have decided to apply a "two-pronged" business approach starting this year. It consists of our conventional E&P business which we view as a full-scale foundational business and sustainable business which we position as a growth business.

To proceed this sustainable business more intensively, we will establish "Sustainable Business Unit" which possesses higher specialties and authority.

Sustainable Business Unit becomes the driving body promoting the sustainable business that we will pursue from now on.

(2) Establishment of CCS/CCUS Technology Group in Technical Strategy Department

We have successfully established proven track records in several CCS/CCUS projects, notably in U.S.A. CCS/CCUS Technology Group will be established as an organization which has overall function relating to the CCS/CCUS Technology information for the purpose of centralization and adequate utilization.

In corporate with Sustainable Business Unit, we will strengthen our CCS/CCUS related technology for further utilization and expansion.

(3) Abolition of Internal Control Department

We have established “Internal Control Department” in April 2018 and have been working for implementing and adopting the Internal control system. As we have achieved steady results, we positively abolish Internal Control Department so that we will be able to move toward the efficient Internal Control governance.

Within the duties of Internal Control Department, company-wide risk management of Internal Control Activities will be transferred to Corporate Planning Department and overall planning and coordination of internal control system, support, evaluation and supervision of development and operation of internal control system will be transferred to General Administration Department in order to proceed Internal Control system properly and to establish more efficient organization structure.

Attachment: Organization Chart as of April 1, 2021

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