

March 31, 2022

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, 2022)

- a. Nakajo Open-innovation Laboratory
- b. Office for CCS Projects (JAPAN)

(2) Abolition

- a. London Office (as of March 29, 2022)
- b. Preparation Office for Innovation Center (as of March 31, 2022)

2. Background

(1) Establishment of Nakajo Open-innovation Laboratory

In April 2021, we established the Sustainable Business Unit to promote environment-friendly business as a growth business in addition to our core business of E&P business, under the policy of "Two-Pronged" approach in the midst of the global trend toward decarbonization, and have started activities to capture new business opportunities.

Against this background, we will establish the laboratory on the premises of Nakajo Field Office (Tainai City, Niigata Prefecture / General Manager, Hiroyuki Mitsuishi) aiming to conduct joint demonstrations with a wide range of business partners, quick acquisition of innovative technologies and business know-how necessary to realize "Two-Pronged" management, establish a sustainable business foundation, and contribute to making local society carbon neutral, while maximizing the potential (human resources, facilities, technical information, and trust with the local government and community) of the Nakajo Field Office.

(2) Establishment of Office for CCS Projects (JAPAN)

The Sustainable Business Development Department has been studying a project to store carbon dioxide (CO₂), which is separated and recovered at appropriate locations in Japan (domestic CCS project). We are currently working on a specific business plan for this domestic CCS project, and as the study and preparation work for commercialization will be in full swing in FY 2022, we will establish the Domestic CCS Preparation Office in the Sustainable Business Unit to address the need to expand our organization and accelerate our efforts toward realization of this project.

(*) Carbon Dioxide Capture and Storage. A technology for capturing carbon dioxide emissions and injecting it underground for long-term storage.

(3) Abolition of London office

As a result of the sale of the UK business, which was implemented as part of the portfolio strategy, the London office has been abolished.