

January 4, 2023

JX Nippon Oil & Gas Exploration Corporation

2023 New Year's Message by President Nakahara

Happy New Year to everyone.

Please be informed of New Year's Message from our president Mr. Nakahara to employees, which was addressed on January 4, 2023, by online streaming as follows;

1. The environment surrounding us

Last year, we were reminded once again of the importance of geopolitical risks and energy security when Russia invaded Ukraine in February. The price of oil, which significantly affects our business, fluctuated dramatically in the wake of the situation in Ukraine. Meanwhile, the yen depreciated rapidly in the foreign exchange market due to the widening interest rate differential between Japan and the U.S.

We have yet to break free from the effects of COVID-19, we anticipate that our business environment will continue to be characterized by VUCA (Volatility, Uncertainty, Complexity, Ambiguity).

As I have been saying that we must shift from “predict the future” to “engaging in business management and operations based on the premise of inability to predict the future.” I will endeavor to align the vectors (direction, speed, and importance) of the entire company through our dialogue with you even in such uncertain business environment.

2. Challenge towards achieving carbon neutrality

We saw rapid acceleration in domestic CCS (Carbon dioxide Capture and Storage) -related movements toward carbon neutrality last year. In April, we established the Office for CCS Projects (JAPAN), which was upgraded to the CCS Project (JAPAN) Department in July. We also took important steps toward the commercialization of domestic CCS by 2030 in collaboration with ENEOS and J-POWER.

In October, we reached an agreement to study joint business development in the U.S. Gulf Coast with 8 Rivers. We will continue to challenge towards achieving carbon neutrality.

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3. Finally

I wish to state my belief that the most important—yet one of the scarcest—management resource for corporate activities is human assets; in other words, ‘people’. And these human assets are worthless without your physical and mental health and safety.

I close my New Year’s greeting here by offering my best wishes for health and success to all of you—employees in Japan and abroad and employees of our partners—and your loved ones.



Video message by President Nakahara