



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

April 22, 2026

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Securities Code: 1662 (Prime Market of the Tokyo Stock Exchange)
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Formulation of the “JAPEX Management Plan 2026-2035”

Japan Petroleum Exploration Co., Ltd. (JAPEX) announces that it has formulated the “JAPEX Management Plan 2026-2035” (the “Plan”), a medium- to long-term growth strategy for JAPEX that extends through 2035.

Based on the “JAPEX Management Plan 2022–2030” formulated in March 2022, JAPEX has been working to strengthen profitability and to build a business foundation with a view to growth 2030 and beyond. As a result, JAPEX has achieved certain results, such as increased profits from continuous investment in U.S. tight oil development and an achievement of profit targets for non-E&P ^{(*)1} field with the progress of building assets such as renewable energy and overseas LNG supply infrastructure. However, from the perspective of building business assets that contribute to sustainable growth, the goal has not been fully achieved.

Meanwhile, in the global energy landscape, while decarbonization targets remain in place, the importance of stable supply of energy is being reaffirmed, and a more realistic transition is being sought. Furthermore, capital markets are placing even stronger demands on “management that is mindful of the cost of capital.”

In light of our current situation and changes in the external environment, JAPEX has determined that a new management plan is essential to build a resilient portfolio and strengthen our execution capabilities.

The Plan is a new initiative covering ten years from FY 2026 to FY 2035. A period from FY 2026 to FY 2030 is considered as a phase for building “core assets” by focusing on overseas E&P and CCUS ^{(*)2}, and a period from FY 2031 to FY 2035 is regarded as a phase when revenue contributions from the “core assets” will begin in full-scale. JAPEX will pursue overseas E&P and CCUS as core revenue drivers and will work on these initiatives - strengthening human capital, transforming organizational culture, and digital transformation - as part of corporate transformation efforts, by which support aforesaid objects.

Please refer to the attached document for details.

(Note)

*1: Exploration and Production: Exploration, development and production of oil and natural gas.

*2: Carbon dioxide Capture, Utilization, and Storage.

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JAPEX Management Plan 2026–2035

- Building Core Assets toward 2035 -

April 22, 2026

Japan Petroleum Exploration Co., Ltd.

(Security Code: 1662)

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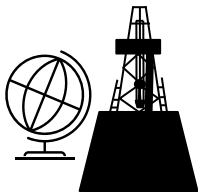
- 1. Basic Policy**
- 2. Business Strategy**
- 3. Strengthening the Management Foundation and Execution Capabilities**
- 4. Financial and Capital Strategy**
- 5. Management Plan Targets at a Glance**
- 6. Appendix**

Basic Policy

**Build *Core Assets* and strengthen execution capabilities
by focusing on overseas E&P business and CCUS projects**

Definition of Core Assets

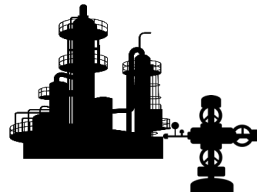
- (1) Assets that generate a profit exceeding the cost of capital
- (2) Assets that possess a business scale significantly exceeding the production decline in domestic E&P
- (3) Assets that contribute to sustainable growth
- (4) Assets that have the potential to add unique value



Drive overseas E&P as a key pillar

Generate high added-value primarily
through the operator business

Quadruple production volume by
FY2035 compared to FY2025



Monetize CCUS projects

Store a cumulative total of
at least 8 million tons of CO₂ by
FY2035



Transform the corporate structure

Develop an organization/team of
professionals that enable the build-
up of core assets

FY2026–FY2030

Phase to build core assets

FY2031–FY2035

**Core assets fully contributing to earnings
Toward further growth**

FY2026

FY2031: medium-term milestone

FY2035

Highlights

Building core assets with growth investments of 1.5 trillion yen to become a global company with a net profit of 100+ billion yen

	FY2025 (forecast)*1	FY2031	FY2035
Growth investments	514.3 bil. yen (total for FY2022–FY2025)	900 bil. yen (total for FY2026–FY2031) 1,500 bil. yen in total	600 bil. yen (total for FY2032–FY2035)
Production volume*2	45,000 boe/d	100,000 boe/d	180,000 boe/d
CO ₂ storage volume	—	Start storage of 1.5–2.0 mil. tons/year (equivalent to annual CO ₂ emissions of 600–800 thousand households)	Total of 8+ mil. tons
Profit attributable to owners of parent	45 bil. yen	75 bil. yen	100 bil. yen
ROE	6.7%	10% or more	12% or more

*1: Figures are based on our latest earnings forecasts.

*2: Consolidated subsidiaries include non-controlling interests; the production volume of equity method associates is represented in gross.

Review of the JAPEX Management Plan 2022–2030

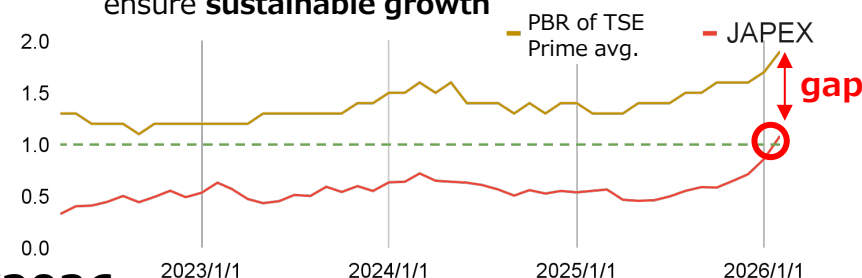
**Achieved medium-term target ahead of schedule,
but challenges remain on the sustainability of earnings**

Early achievement

- ✓ Early achievement of key targets for FY2026 (including profit levels and shareholder returns) supported by oil/gas prices and other tailwinds, in addition to the successful outcome of ongoing investments in U.S. tight oil assets
- ✓ Achievement of the profit expansion target for non-E&P fields with the progress of building non-E&P assets such as renewable energy and overseas LNG export terminals
- ✓ However, the build-up of business assets is behind schedule

Valuation by the stock market

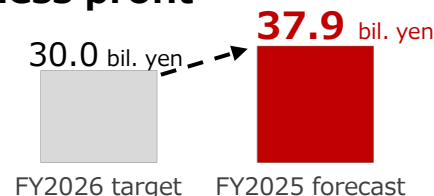
- ✓ PBR trending above 1x, but the gap remains against the TSE Prime average
→ Recognizing the cause as **skepticism towards** our ability to ensure **sustainable growth**



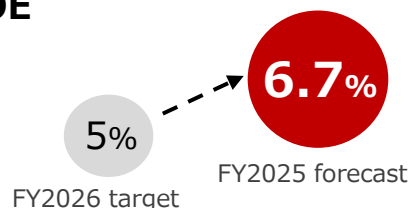
Progress on key management targets for FY2026

(Medium- to long-term assumptions: JCC oil price of USD50.00/bbl and an exchange rate of JPY110.00/USD. FY2025 forecast: JCC oil price of USD71.36/bbl and an exchange rate of JPY148.25/USD)

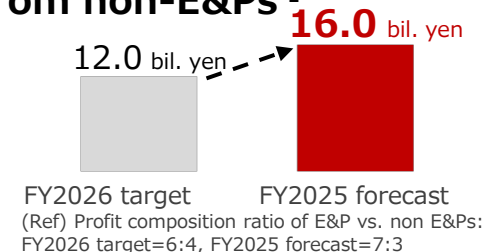
Business profit*1



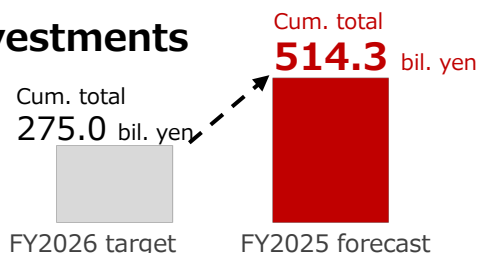
ROE



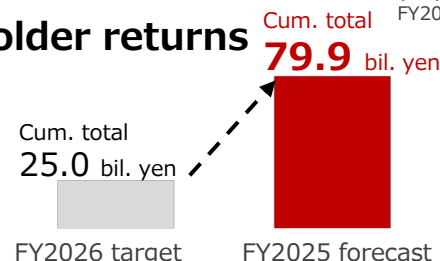
Profit from non-E&Ps*2



Growth investments



Shareholder returns



*1: Operating profit + equity in earnings of affiliates and other (including profits to be distributed under limited partnership and silent partnership agreements). *2: Breakdown does not include corporate expenses.

Our View on the External Environment

The need for a realistic transition path toward a carbon-neutral society while ensuring a stable energy supply

- ✓ Renewed awareness of the importance of energy security and oil/natural gas, due to rising geopolitical risks
- ✓ The goal of net-zero emissions maintained but being fine-tuned to a more pragmatic approach for the transition timing and process
- ✓ Upward trend in oil/natural gas demand backed by economic growth in emerging/developing countries, as well as the expected increase in electricity demand with the spread of AI
- ✓ CCUS adoption anticipated to grow to a certain extent as a key enabling technology for decarbonization

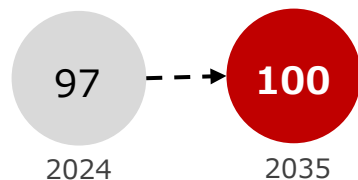
Rising interest rates and cost of capital

- ✓ Recognizing that the cost of capital is rising due to higher interest rates
- ✓ Considering to evaluate the cost of capital based on the stock price (Price Earnings Ratio) in addition to the conventional method based on CAPM

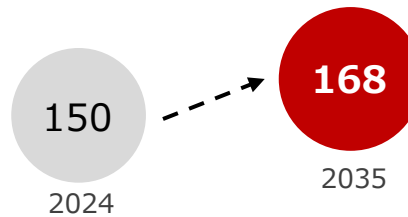
Ref ▶ Target for the Cost of Capital and Profitability P.12

Demand outlook for oil, natural gas and CCUS*

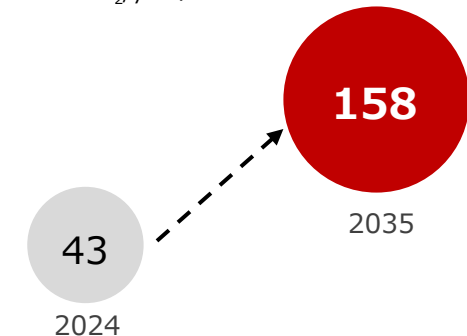
Oil (million bbl/d)



Natural gas (trillion cf/year)



CO₂ to be captured through CCUS, etc. (million tons of CO₂/year)



*: Internally compiled data based on the IEA's "World Energy Outlook 2025 Stated Policies Scenario (STEPS)"

JAPEX's Strengths

Comprehensive technical capabilities in E&P



Our strength

- Technical prowess that we have accumulated in geologically-challenging domestic E&P operations

Achievements

- A 70-year history of integrated operations spanning exploration, development, production and transportation, since our foundation

Pioneer in domestic CCUS projects



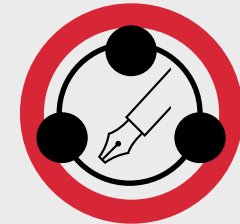
Our strength

- Leading track record and expertise in domestic CCUS projects and relationships of trust with stakeholders

Achievements

- Successful injection of 300,000 tons of CO₂ to date in the pilot test as a lead participant of Japan CCS Co., Ltd.
- Leading the efforts to commercialize Japan's first CCS project, including exploratory drilling and other work

Portfolio management



Our strength

- Rigorous management of portfolio
- Decisive action on portfolio replacement

Achievements

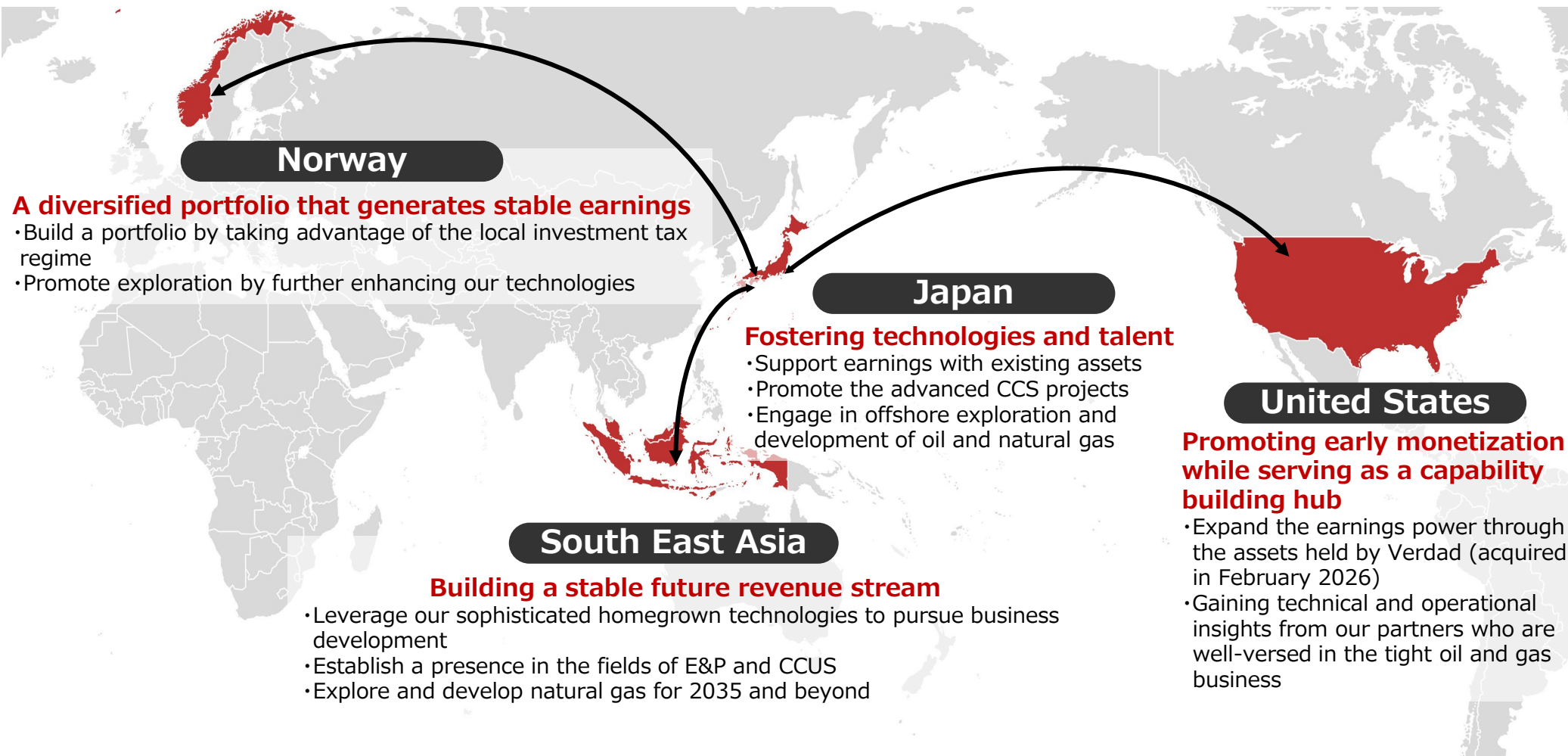
- Divestment of businesses including the E&P subsidiary in the U.K.
- Transfer/acquisition of E&P assets in Indonesia
- Swap of E&P assets in Norway
- Transfer of gas business in Hokkaido

Expand the overseas business by leveraging our expertise and experience accumulated in domestic E&P operations and CCUS projects

Overview of Our Business Strategy

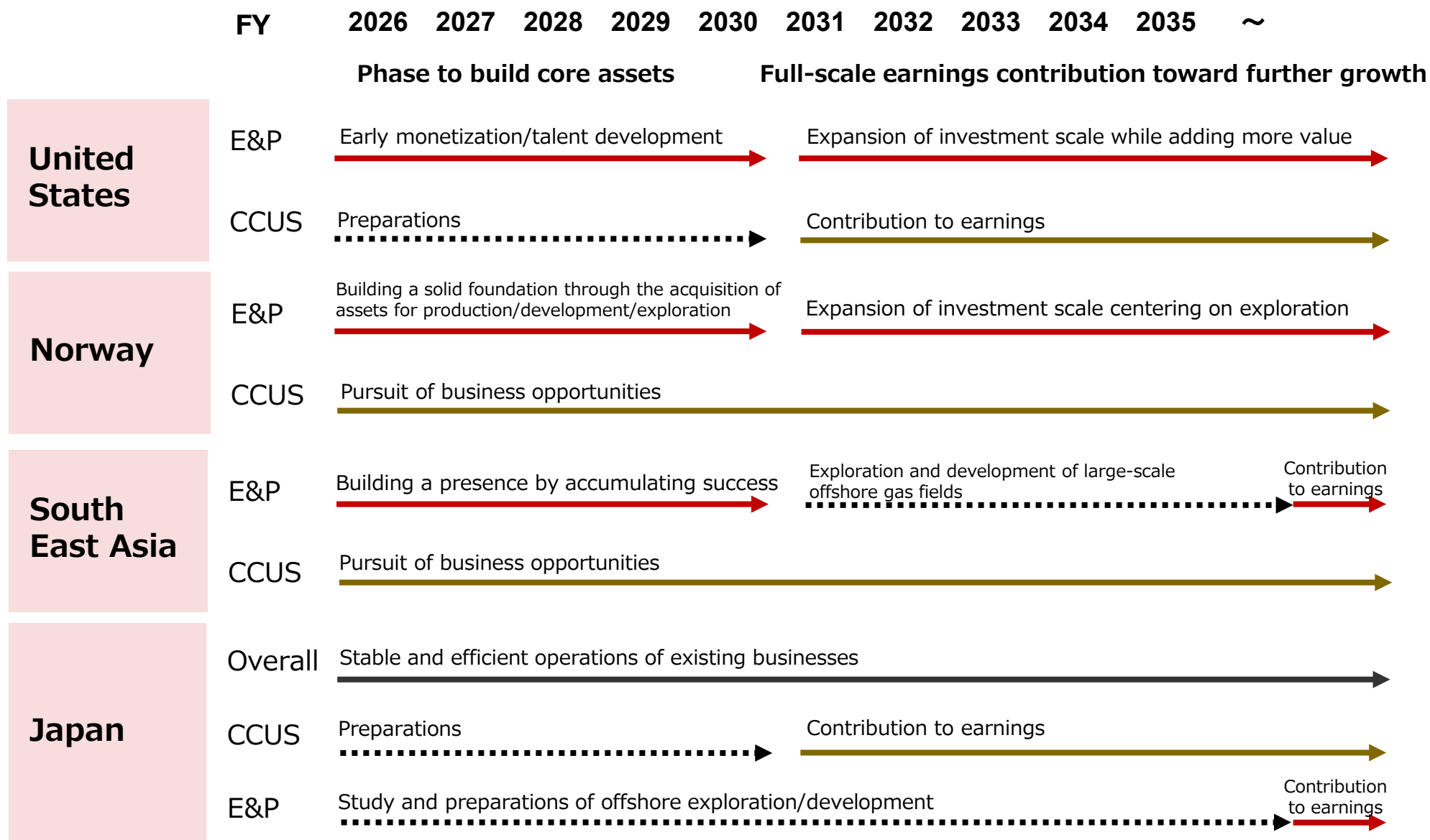
Detailed Strategy by Area ▶ Appendix P.18-21

Focusing management resources on the four areas where we can leverage our strengths
Building core assets in the four areas to grow earnings while diversifying development timelines and risks



Timeline by Area

Detailed Strategy by Area ▶ Appendix P.18-21



Strengthen Execution Capabilities to Support Transformation

Identified HR, DX, and organizational structure as priority areas for transforming ourselves to achieve the strategy

Human capital

Ref ▶ Appendix P.27



Secure key personnel



Transform
organizational culture

DX

Ref ▶ Appendix P.28



Optimize the executions of
operator business

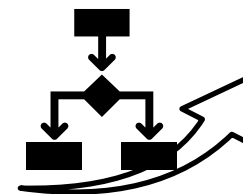


Accelerate decision-
making for investment and
withdrawal by integrating
data more effectively



Free up human resources
through BPR*

Organization



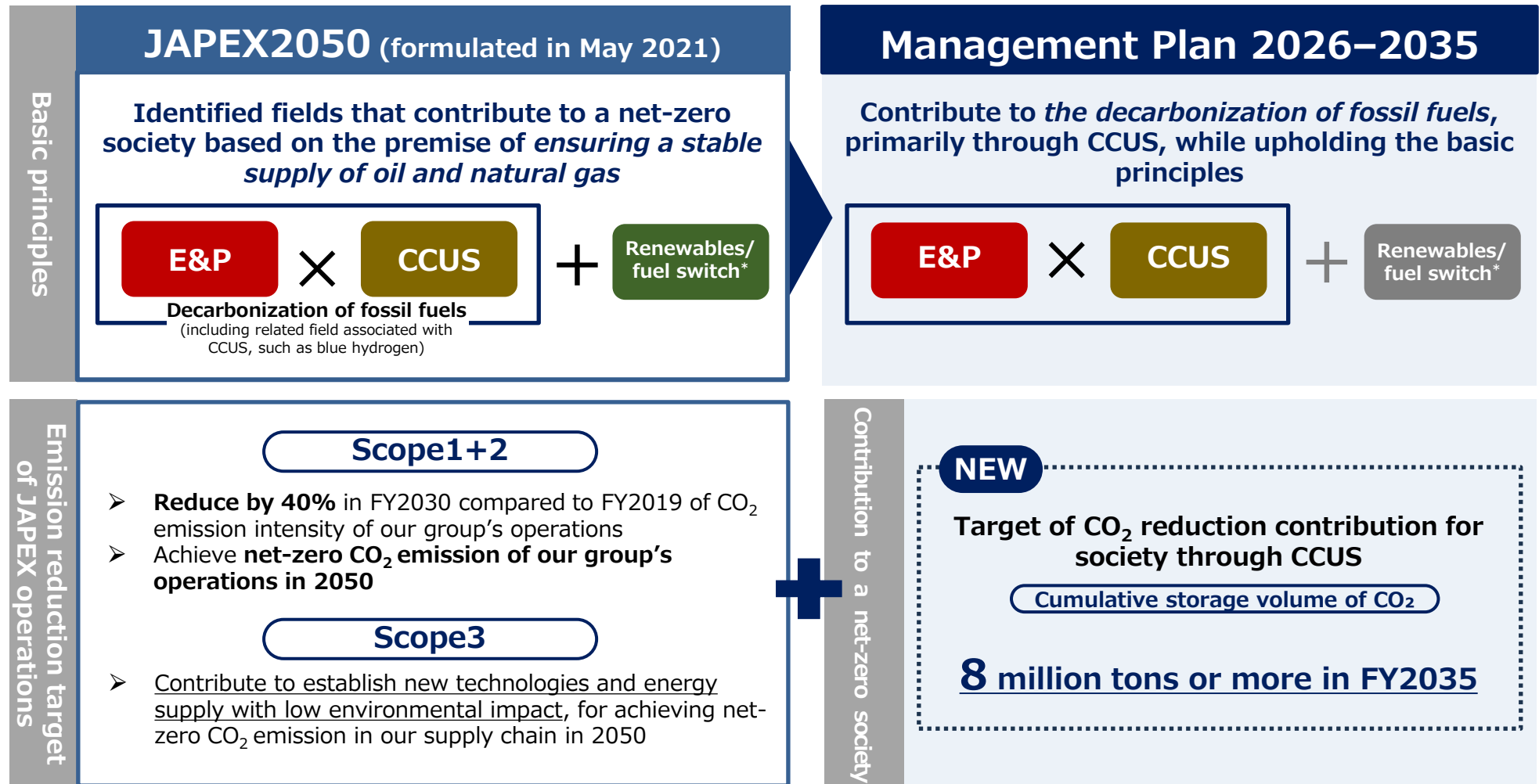
Expedite decision-making
through delegation of
authority

* BPR stands for Business Process Re-engineering. It refers to business reform that involves reviewing existing organizational structures, business processes, and systems in order to deliver specific outcome, such as cost reductions, shorter lead times, and improved quality.

Addressing Climate Change

JAPEX2050 ▶ For details, [click here \(jump to our website\)](#)

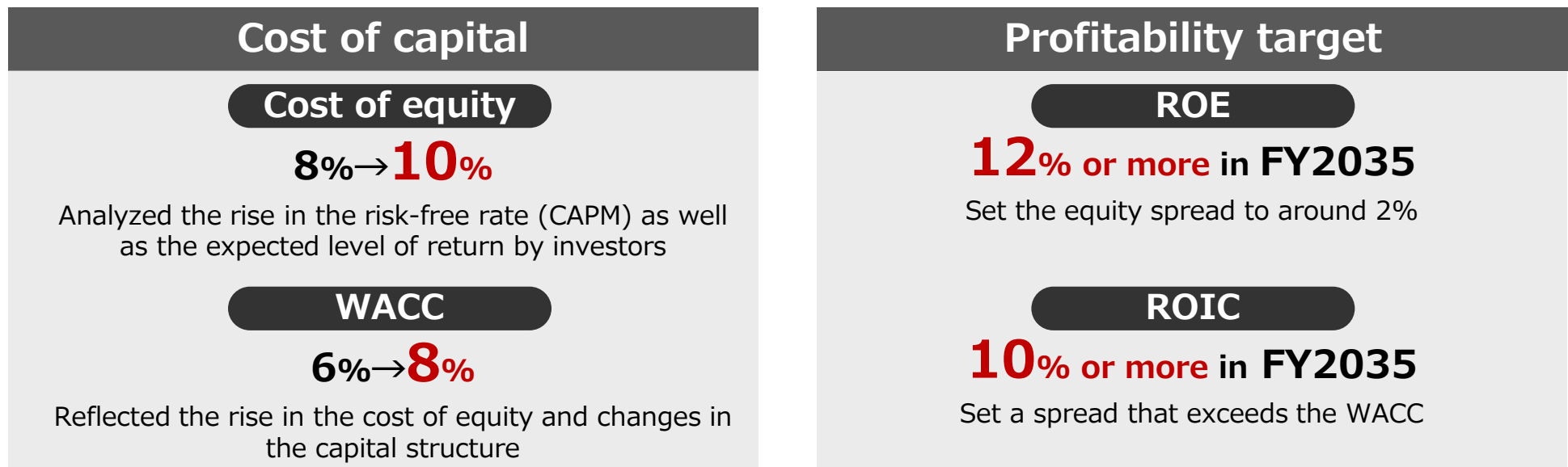
Setting a new target of *CO₂ reduction contribution for society through CCUS*, while upholding the basic principles of JAPEX2050



* Transition from petroleum fuels, which have a high environmental impact, to natural gas

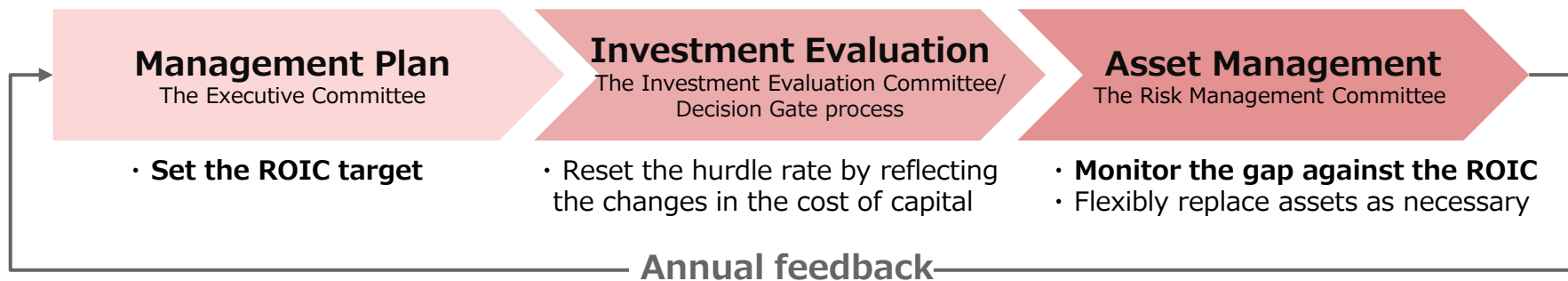
Target for the Cost of Capital and Profitability

Setting a new ROE target of 12% following a review of the current cost of capital



Achieve the ROE target by managing the ROIC

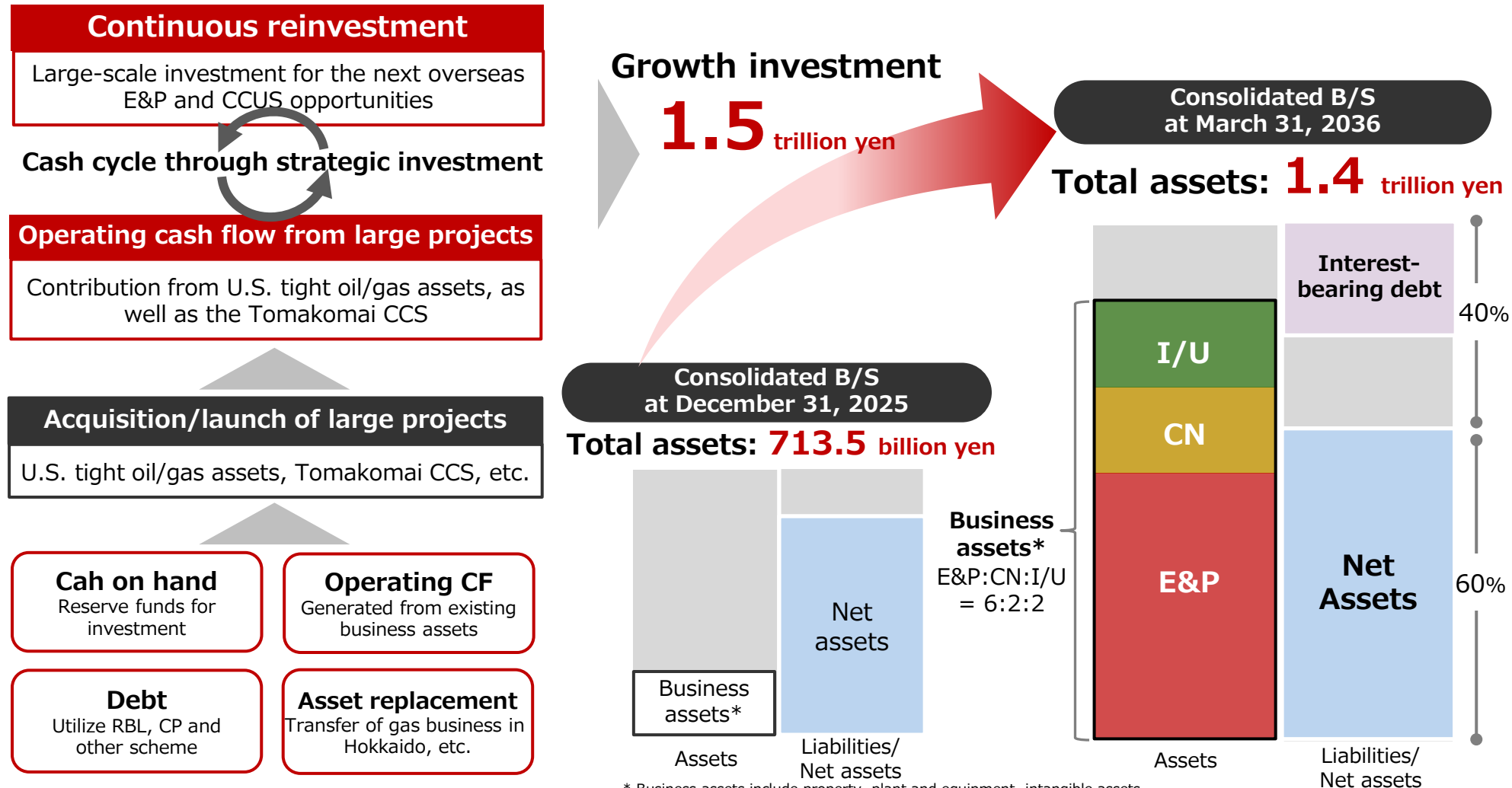
* **Bold letters** represent the elements newly included in this Plan



Balance Sheet Growth through a 1.5 Trillion Yen Investment

Supplementary note for financial plan ▶ Appendix P.29,30

Building up core assets through investments totaling 1.5 trillion yen



* Business assets include property, plant and equipment, intangible assets, investments in entities accounted for using equity method, among others.

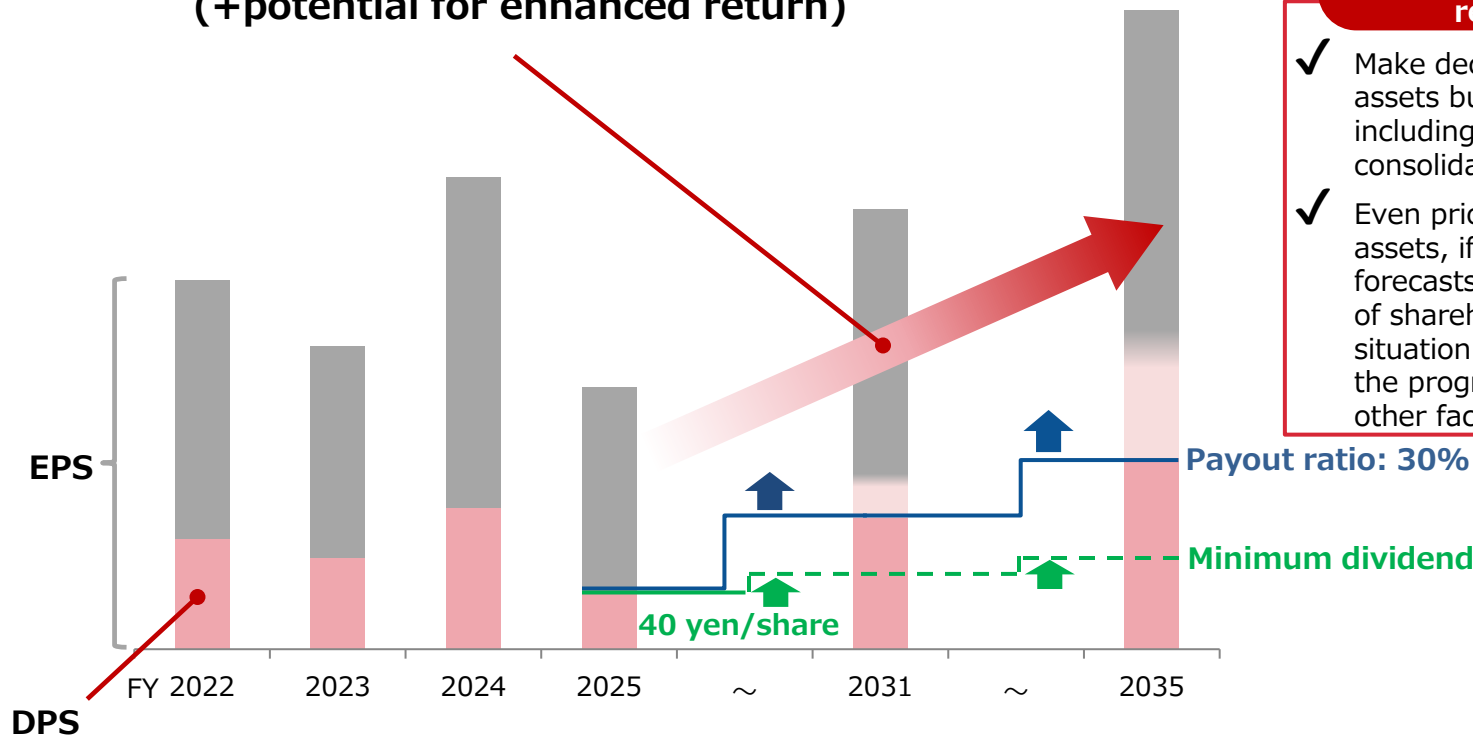
Shareholder Return Policy

Steadily increase the dividend payouts through profit growth

Will consider ways to further enhance shareholder returns by reviewing the payout ratio and minimum dividend etc., as we expand the sustainable earnings base

Growth of EPS and DPS (projected)

Increasing payout with steady EPS growth
(+potential for enhanced return)



Expected timing for shareholder return enhancement

- ✓ Make decisions upon completion of core assets build-up (at around FY2030), including the possibility of raising the consolidated payout ratio.
- ✓ Even prior to the establishment of core assets, if profits significantly exceed forecasts, we will consider enhancement of shareholder return policy at each situation holistically, taking into account the progress of growth investments and other factors.

EPS: Earnings per share
DPS: Dividend per share

Management Plan Targets at a Glance

(billion yen, unless otherwise noted)

	FY2031	FY2035
Assumption	Crude oil price: USD70.00/bbl* Exchange rate: JPY140.00/USD	
ROE	10% or more	12% or more
ROIC	8% or more	10% or more
Profit attributable to owners of parent	75.0	100.0
Business profit after tax	80.0	120.0
Business profit by business field (after tax)	Domestic E&P: 10.0 Overseas E&P: 40.0 CN: 20.0 I/U: 20.0 Others: (10.0)	Domestic E&P: 5.0 Overseas E&P: 75.0 CN: 25.0 I/U: 25.0 Others: (10.0)
Growth investments (total from FY2026)	900.0	1,500.0
Debt-to-EBITDA ratio	Below 3x even under the conditions of crude oil price=USD50.00/bbl and exchange rate=JPY110.00/USD	

* Internal assumption based on the IEA's forecast (USD75-80/bbl) from the "World Energy Outlook 2025 Stated Policies Scenario (STEPS)"

Sensitivity	Assumption	Change	Profit as of FY2031	Profit as of FY2035
Crude oil price	USD70.00/bbl	USD1/bbl increase	2.0	3.0
Exchange rate	JPY140.00/USD	JPY1/USD depreciation	0.5	1.0

Appendix

Comparison with the JAPEX Management Plan 2022–2030

(billion yen, unless otherwise noted)

		JAPEX2022–2030		JAPEX2026–2035	
		FY2026	FY2030	FY2031	FY2035
Assumptions (oil price and exchange rate)		USD50.00/bbl; JPY110.00/USD		USD70.00/bbl; JPY140.00/USD	
ROE		5%	8%	10% or more	12% or more
Business Profit (JAPEX2026–2035, after tax)		30.0	50.0	80.0	120.0
	E&P	23.0	27.0	50.0	80.0
	CN	1.0	2.0	20.0	25.0
	I/U	12.0	27.0	20.0	25.0
Others		(6.0)	(6.0)	(10.0)	(10.0)
Profit composition ratio (E&P:non-E&Ps)		6:4	5:5	5:5	6:4
Growth investments (cum.)		275.0	450.0	900.0	1,500.0
	E&P	145.0	230.0	590.0	1,160.0
	CN	20.0	50.0	270.0	300.0
	I/U	110.0	170.0	40.0	40.0
Shareholder returns (cum.)		25.0	50.0	100.0 or more	190.0 or more

Business Strategy by Area (1)

United States: Promoting early monetization while serving as a capability building hub

Expanding our earnings power by capitalizing on our operator assets in Colorado

Input

JAPEX's expertise accumulated in domestic E&P/CCUS

Apply geomechanics, CCUS and other technologies

10 years' experience of engagement in the U.S. business

Acquired the first U.S. operator assets*¹ in Colorado in February 2026

Collaborative partnership

Established Peoria Resources, LLC in 2025 to acquire/manage operator assets with partners*² who are well versed in the tight oil and gas business

Establish an organizational capacity as an operator

Develop operator capabilities for the tight oil/gas business by learning from our partners

Value creation

Unit cost reduction

Pursue economies of scale by acquiring interests in adjacent blocks; actively embrace cutting-edge technologies

Capital recycling

Divest and replace assets at the right time by taking advantage of the highly-liquid M&A market

Final investment decision on Dry Piney project*³

Draw on JAPEX's expertise on E&P and CCUS

Output

Early and substantial contribution to earnings

Stabilize cash flow early by capitalizing on the shorter investment/monetization cycle and pool more funds for investment

ROIC comparable to local peers

Merge our expertise with the insights obtained from our partners to proactively generate returns exceeding the cost of capital

Human capital

Develop global talent
Gain knowledge on technologies and operations related to tight oil and gas

*1: Ref ▶ Appendix P.23 and 24

*2: Ref ▶ Appendix P.22

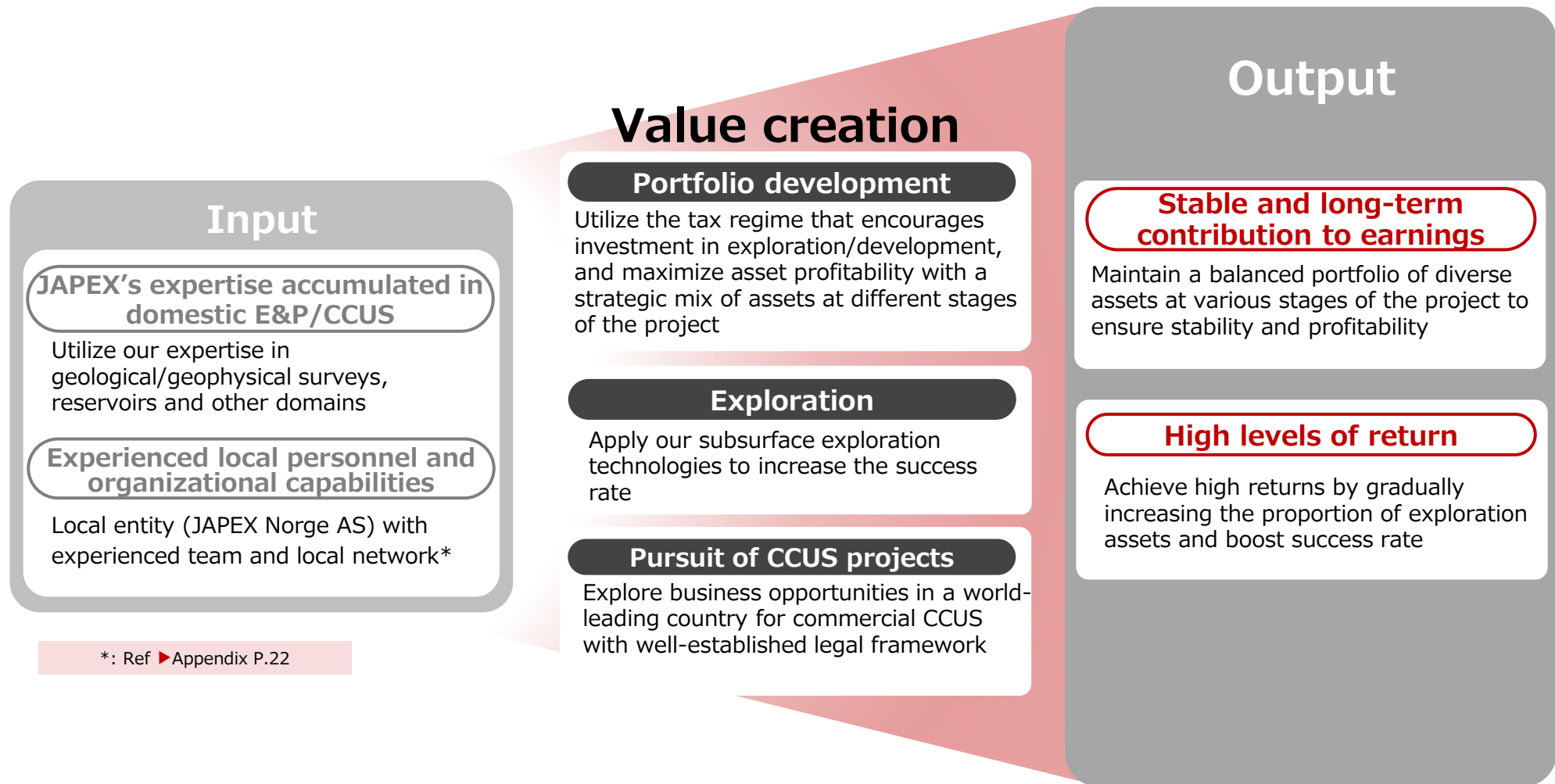
*3: Ref ▶ Appendix P.26

Business Strategy by Area (2)

Norway: Portfolio mix

Building a portfolio for stable earnings through a mix of production, development and exploration

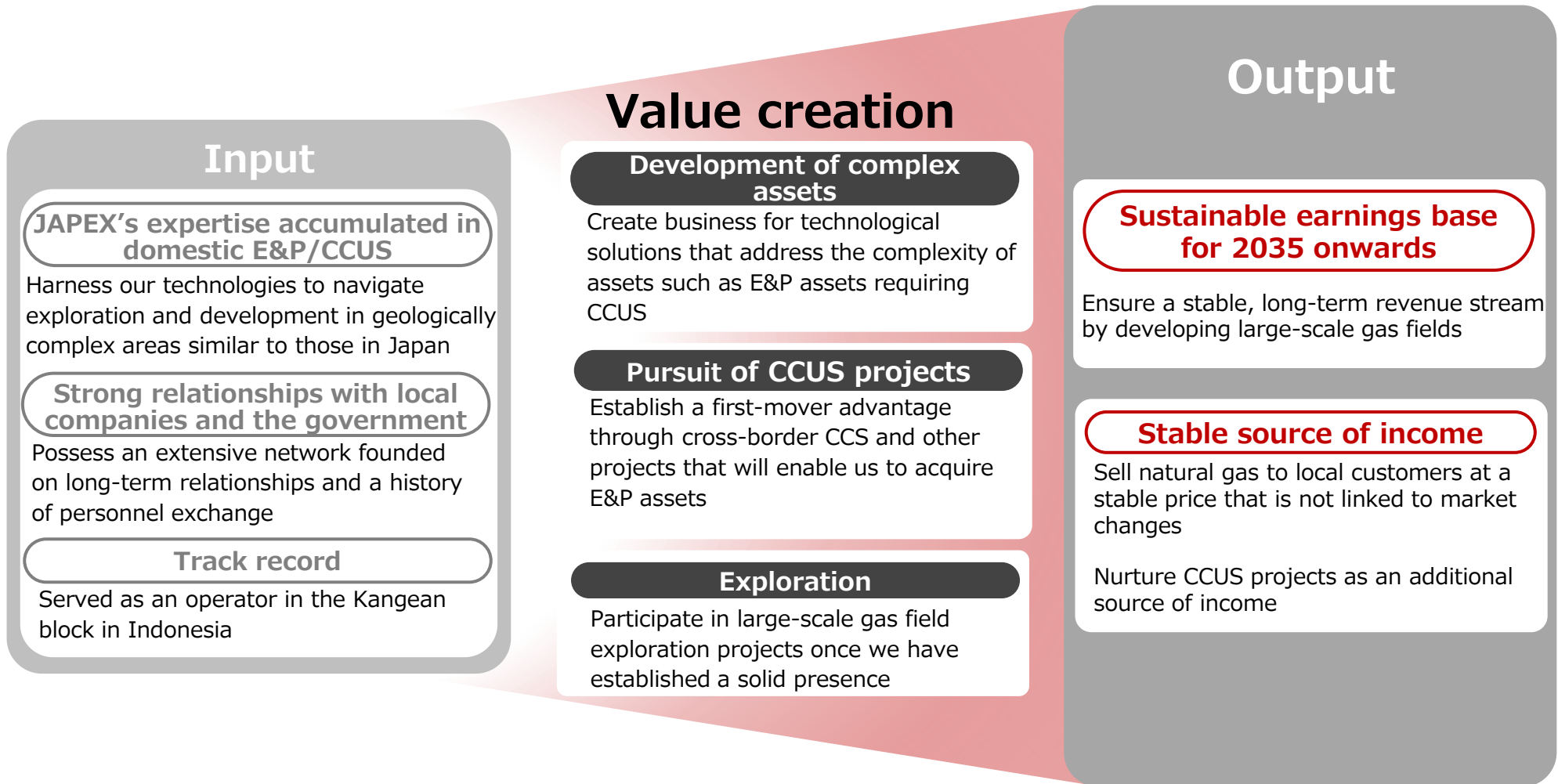
Embarking on exploration where we can leverage our technologies while controlling exposure



Business Strategy by Area (3)

South East Asia: Integrated development of E&P and CCUS

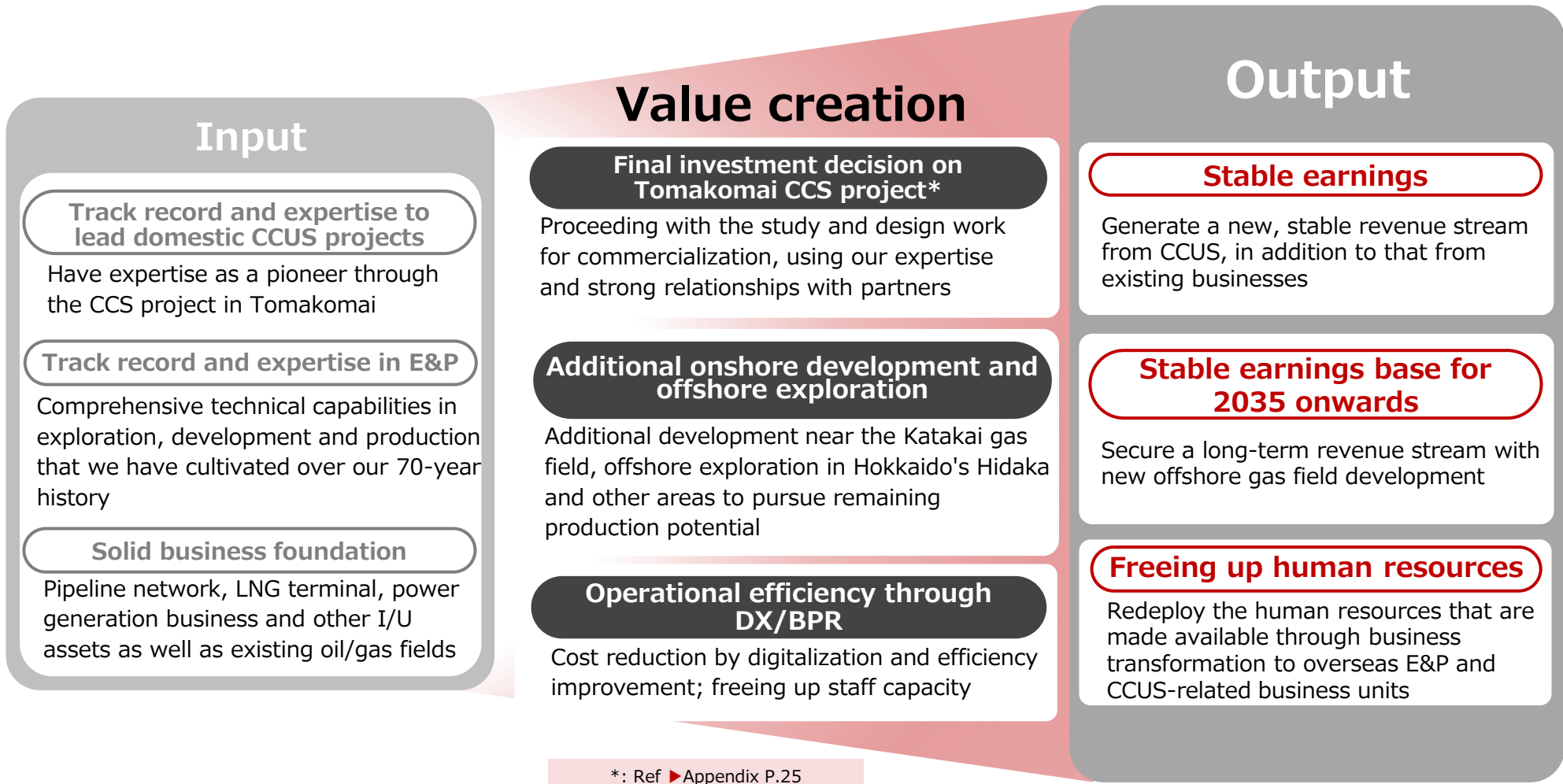
Establishing a presence in E&P and CCUS by leveraging our specialty technologies
Securing a foothold for large-scale gas field development projects for 2035 onwards



6. Appendix Business Strategy by Area (4)

Japan: Promoting CCUS projects and pursuing exploration potential

Serving as both a stable earnings base and a place to foster technologies and talent
Promoting CCUS projects and venturing into offshore exploration



Professional Talent Underpinning Our Overseas E&P Business

PEORIA RESOURCES



Chief Executive Officer (CEO)
Greg West

Mr. West is the former CEO of Treadstone with more than 30 years of executive leadership experience in the E&P industry, including 20 years at bp and 10 years in private equity.

As a seasoned leader, his expertise encompasses engineering, finance, operations, and corporate strategy.

A leadership team with extensive experience in the U.S., primarily at bp, and an invaluable network of personnel for tight oil/gas development. At Treadstone, they successfully redeveloped old oil fields using modern tight oil/gas technology, thereby increasing their asset value prior to sale.



Chief Technology Officer (CTO)
David Kita

Formerly CTO at Treadstone, Mr. Kita brings broad experience from senior roles at bp and in private equity.

He has a wealth of experience across corporate finance, strategy and M&A, as well as technical expertise in the subsurface.

JAPEX JAPEX Norge AS



Managing Director
Hilde Salthe

With over 20 years of experience in the Norwegian oil and gas industry, Ms. Salthe has held key positions at firms including DNO, Shell, Equinor, Talisman, Paladin, and Faroe Petroleum.

Her extensive career spans a wide range of key roles, from geologist and subsurface manager to executive management.

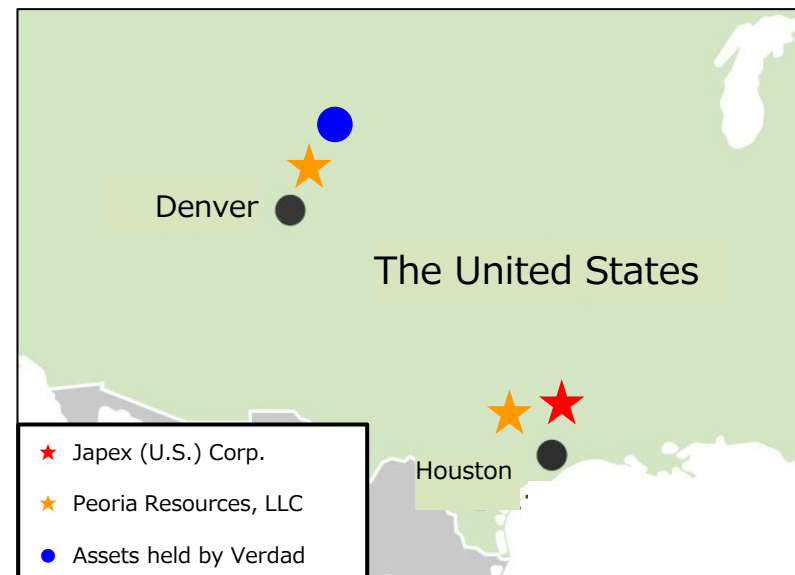
Ms. Salthe has played a pivotal role as the local leader, driving the successful launch and strategic growth of our Norwegian operations and providing strong organizational leadership.

Acquisition of Tight Oil and Gas Assets Held by Verdad

Overview of the Assets

We have acquired tight oil and gas assets in the U.S. by purchasing an entire equity interest in Verdad Resources Intermediate Holdings LLC in February 2026, with the aim of establishing a foothold to pursue operator business in the country.

Location	Denver-Julesburg Basin (D-J Basin)
Oil-gas production ratio	Light oil: 49% Natural gas liquids: 24% Natural gas: 27%
Main assets we have acquired	Wells in production: over 1,000 Wells planned for development: over 1,000
Interest ratio	Varying by lease agreement
Sales and transportation	Selling to wholesale distributors within the U.S.



Characteristics of the Assets

The assets produce both oil and gas, enabling the generation of relatively stable cash flows through the hedging effect of price fluctuations.

Ample potential for additional development (proven undeveloped reserves)



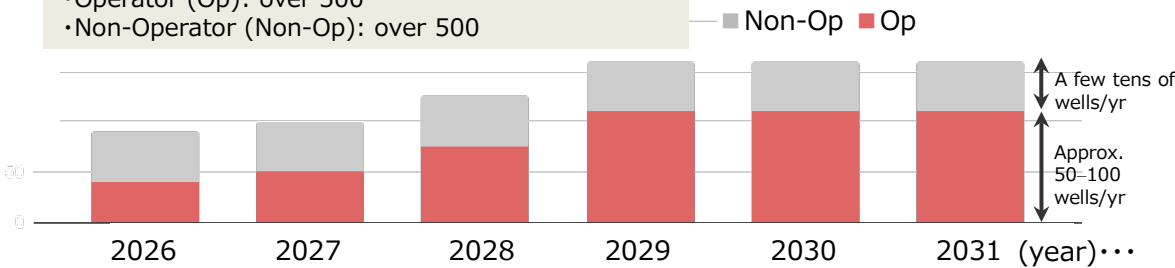
Supplementary Data on Additional Development in the Verdad Assets

Additional development (projected)

Number of wells available (subject to timing and market conditions)

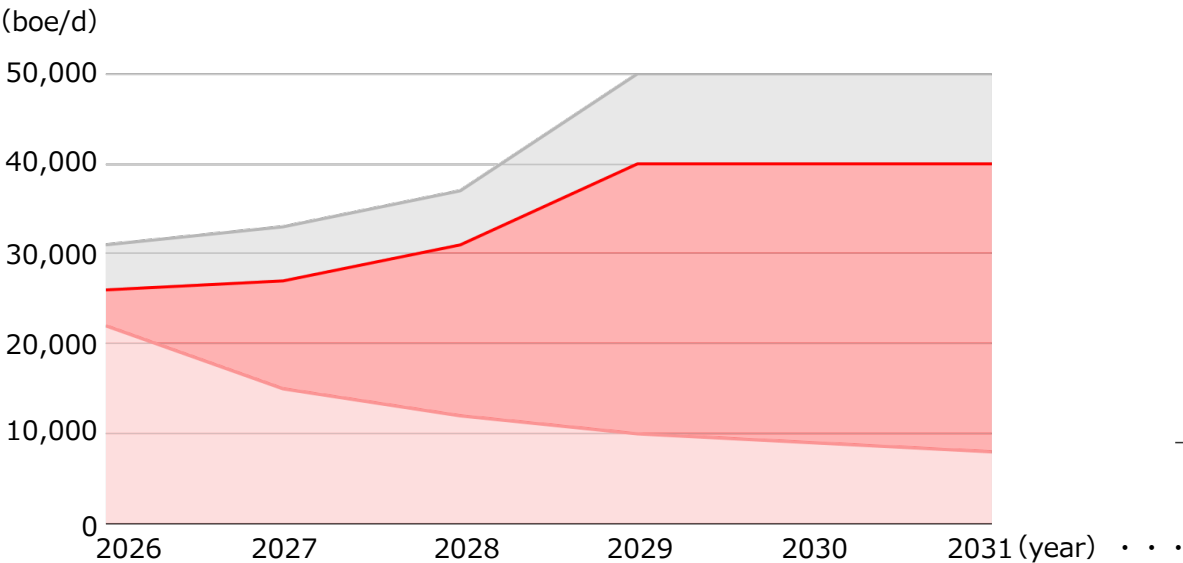
Potential for additional development by well type

- Operator (Op): over 500
- Non-Operator (Non-Op): over 500



Production volume

- Non-Op (JAPEX estimate)
- Op (additional dev.)
- Op (already developed)



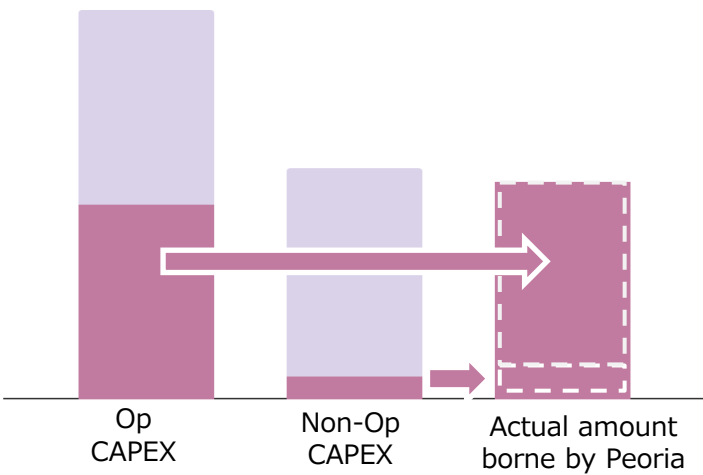
Well development costs (projected)

Allocation of revenue and expenses among Working Interest (WI) holders in proportion to their respective interests

WI held by Peoria*	
Op (average)	≅50%
Non-Op (average)	≅10%

*: varies by lease agreement

■ Paid by partners ■ Paid by Peoria

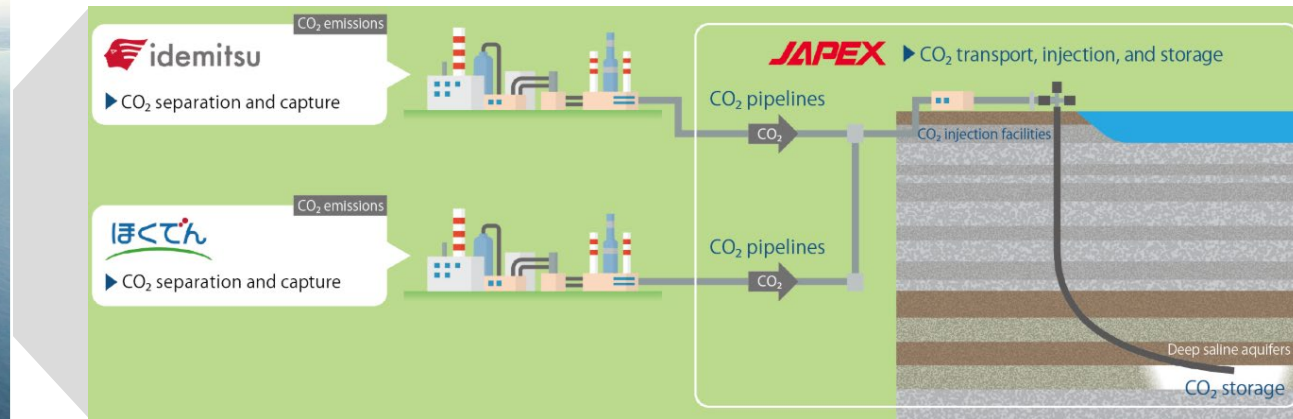


Tomakomai CCS

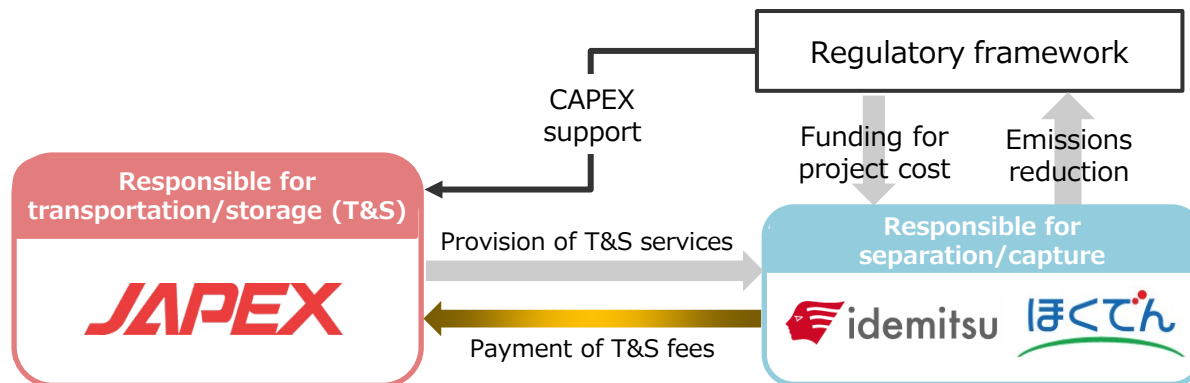
Overview

Three companies based near Tomakomai City—JAPEX, Idemitsu Kosan, and Hokkaido Electric Power—have been engaged in a study of the entire CCS value chain, including CO₂ separation and capture, pipeline transportation, injection and storage, and monitoring.

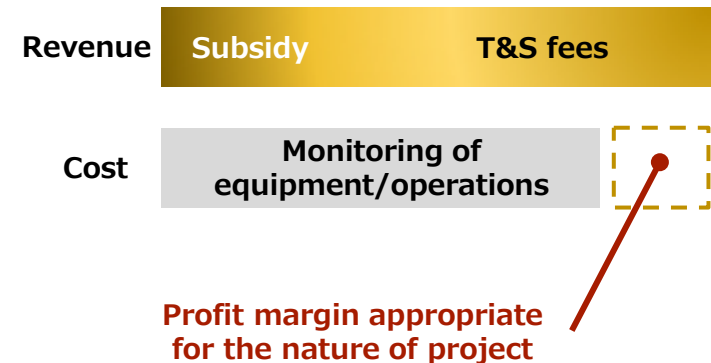
The goal is to start **injecting CO₂ by the end of FY2030** (with a storage capacity of **1.50 to 2.00 million tons/year**).



Project scheme



Revenue model of transportation and storage (T&S)



Dry Piney Project

Overview of the Assets

This project involves separating natural gas, helium and CO₂ from produced gas which is processed beforehand, selling the natural gas and helium, and applying CCUS to the separated CO₂.

Our plan is to construct a gas processing plant with a capacity of 400 million cf/d, produce liquid helium (equivalent to around 10% of the global supply), as well as natural gas at a rate of 75 million cf/d. Additionally, we plan to inject a total of 4.5 million tons of CO₂ per annum into underground storage.

Equity participation in	Blue Spruce Operating LLC (BSO)
Effective date	October 2023
Location	Dry Piney area, Wyoming, United States (adjacent to a long-lived, stable, low-carbon helium and natural gas production site with a world-scale carbon capture facility, owned by ExxonMobil)

Purpose of engagement and progress in development

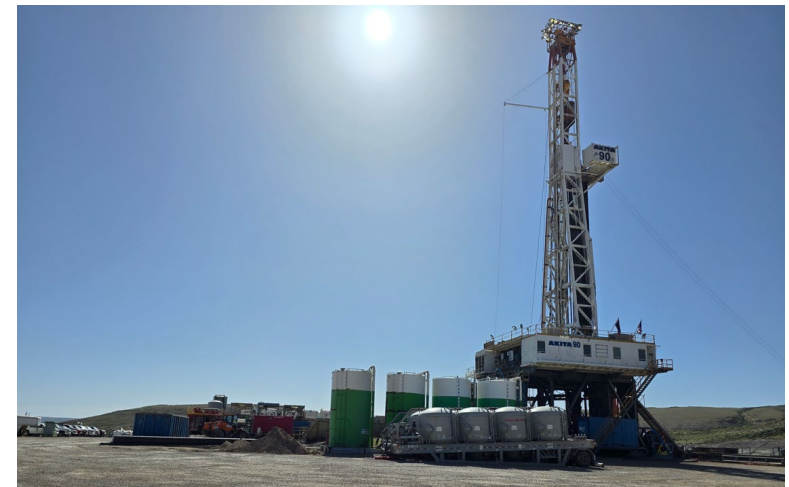
Purpose

To enhance corporate value by participating in our first overseas commercialization-oriented CCUS project in a systematically advanced country, and by producing natural gas and helium in an environmentally-friendly way

Status

Under consideration toward a Final Investment Decision (FID):

- conducted Front-End Engineering Design (FEED) for surface equipment
- awarded a state-funded subsidy for project development
- environment assessment completed and permit granted to proceed
- obtained approval for CO₂ injection well operations



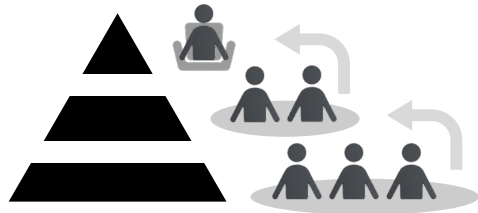
Human Capital Strategy Aligned with Management Strategy

Optimally manage human capital across the company by securing the personnel required to achieve business strategies

Secure key personnel

Systematically develop key personnel
who lead the build-up of core assets

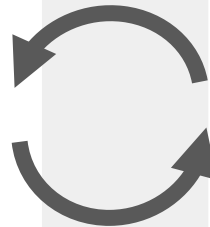
Develop a talent pipeline that
consistently nurtures key personnel



Transform organizational culture

Strategically develop the culture
by backcasting from the desired state

Enhance engagement as a catalyst
for changes



A fulfilling workplace with employee well-being that forms the foundation for human capital management

Digital Transformation (DX)

Advancing into the value creation phase where we align DX outcomes with business strategies, drawing on the foundation (DX-ready) we have developed

Achievement to date

Development of advanced digital talent

- 250 people completed the training (equivalent to about 25% of the non-consolidated headcount)
- Initiated a *grassroots DX* movement for frontline-driven changes; multiple projects now in the implementation phase

Launched an integrated data infrastructure (nickname: central kitchen)

- Developed a data warehouse to integrate/accumulate operational data and management information scattered across different sites, primarily in Japan, providing an infrastructure for data utilization

Streamlined domestic back-office processes

- Reduced the workload by streamlining operations and using digital technologies as part of a trial roll out of BPR covering budget process and management planning

Next steps

Optimize the executions of operator business

- Optimize operator business by leveraging data through highly skilled digital talent and implementing advanced technologies on-site

Accelerate decision-making for investment and withdrawal by integrating data more effectively

- Centralize the operational data and management information for overseas sites and CCS projects, enabling portfolio management that flexibly respond to the changes in business environment

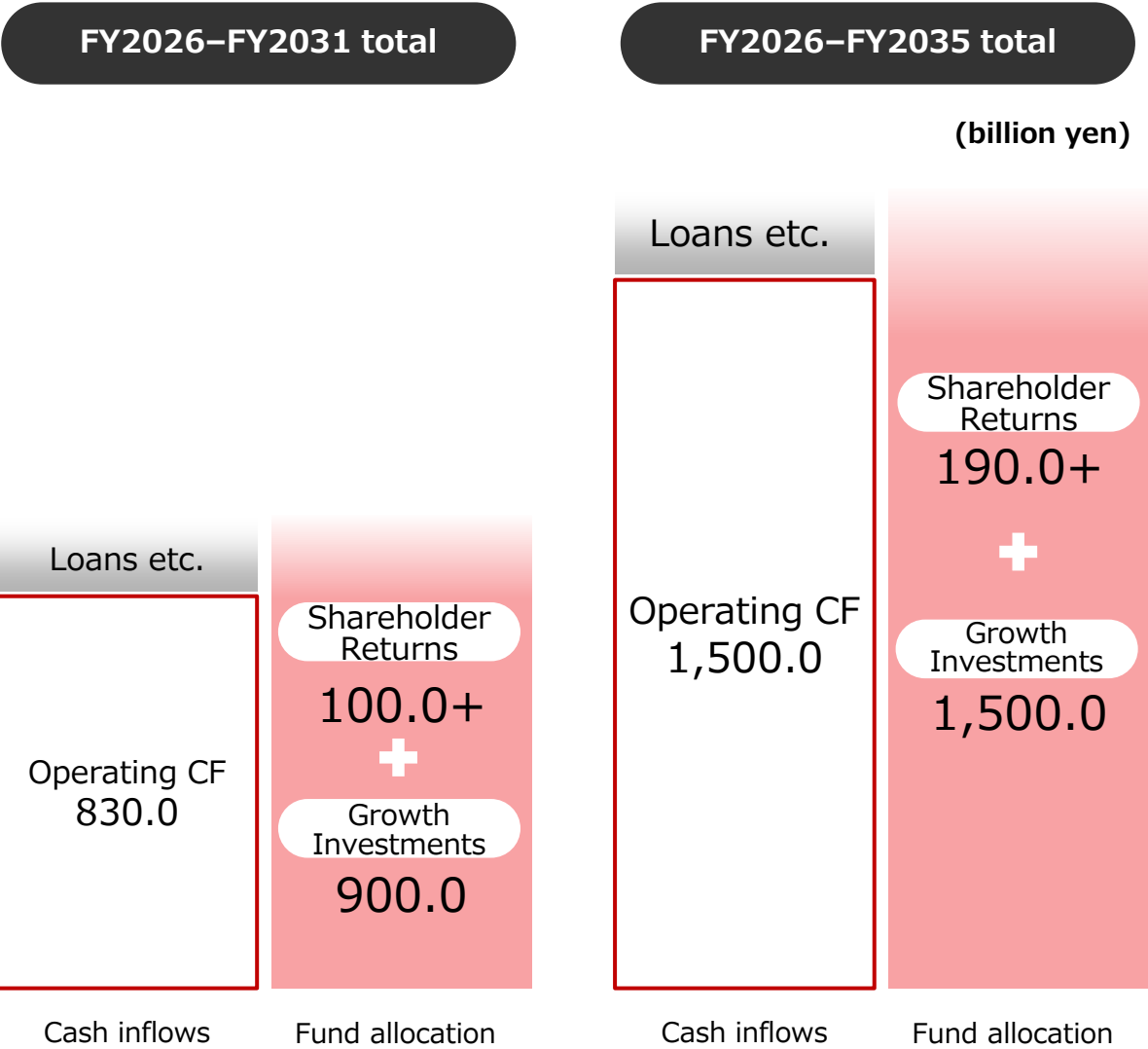
Free up human resources through BPR*

- Make more human resources available by rolling out BPR for the remaining areas across the company and reallocate them strategically to facilitate the build-up of core assets

*: BPR stands for Business Process Re-engineering. It refers to business reform that involves reviewing existing organizational structures, business processes, and systems in order to deliver specific outcome, such as cost reductions, shorter lead times, and improved quality.

Capital Allocation

(billion yen)



Breakdown of growth investments		
	FY2026-FY2031 total	FY2026-FY2035 total
Japan	50.0	60.0
Overseas	540.0	1,100.0
E&P	590.0	1,160.0
Japan	220.0	240.0
Overseas	50.0	60.0
CN	270.0	300.0
Gas	10.0	10.0
Electricity/Renewables	30.0	30.0
I/U	40.0	40.0
Total	900.0	1,500.0

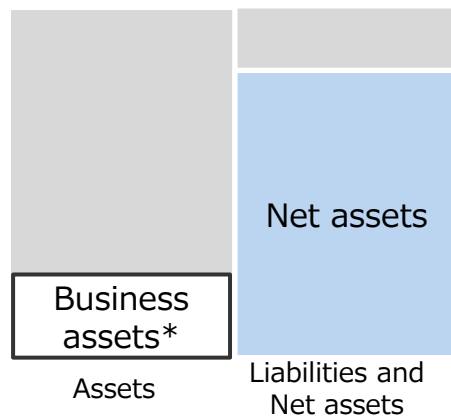
Balance Sheet at the Milestone Year (Projected)

- ✓ The proportion of business assets* within the total assets expanding to 1 trillion yen level as a result of building highly profitable core assets
- ✓ Aiming for an equity ratio of around 60% by the use of leveraged financing
- ✓ Maintaining disciplined finances with a Debt-to-EBITDA ratio of below 3x even under the conditions of crude oil price=USD50.00/bbl and exchange rate=JPY110.00/USD

Transition of the consolidated balance sheet composition

At the end of December 2025

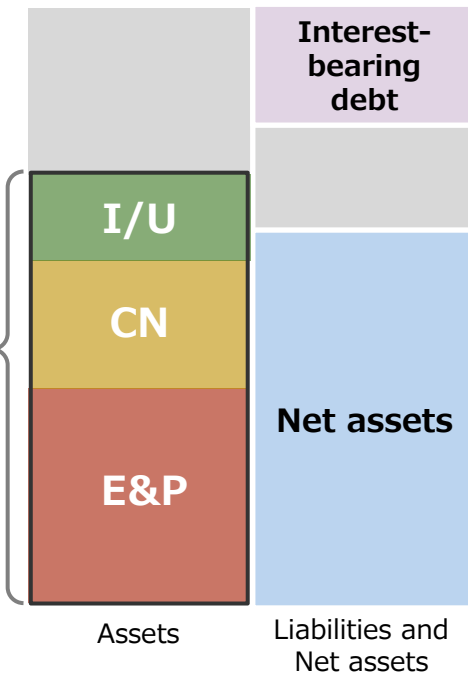
Total assets: **713.5** billion yen



Business assets*
E&P:CN:I/U
= 5:3:2

At the end of FY2031

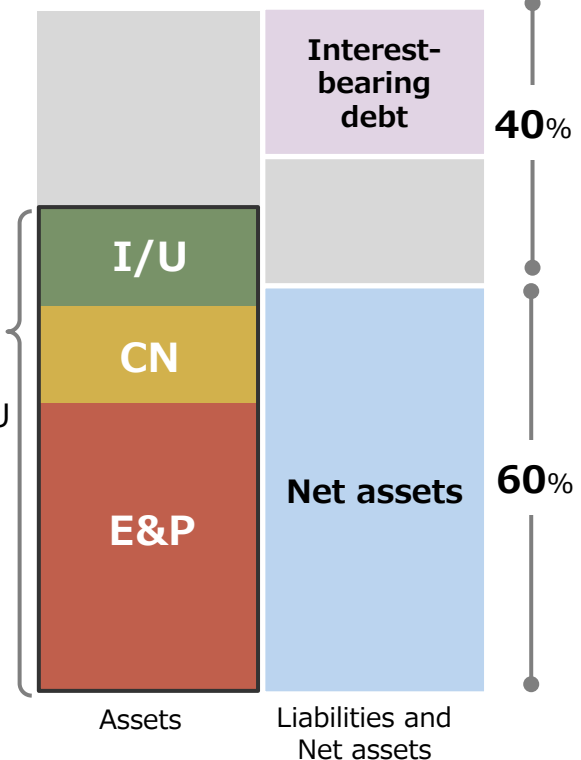
Total assets: **1.2** trillion yen



Business assets*
E&P:CN:I/U
= 6:2:2

At the end of FY2035

Total assets: **1.4** trillion yen

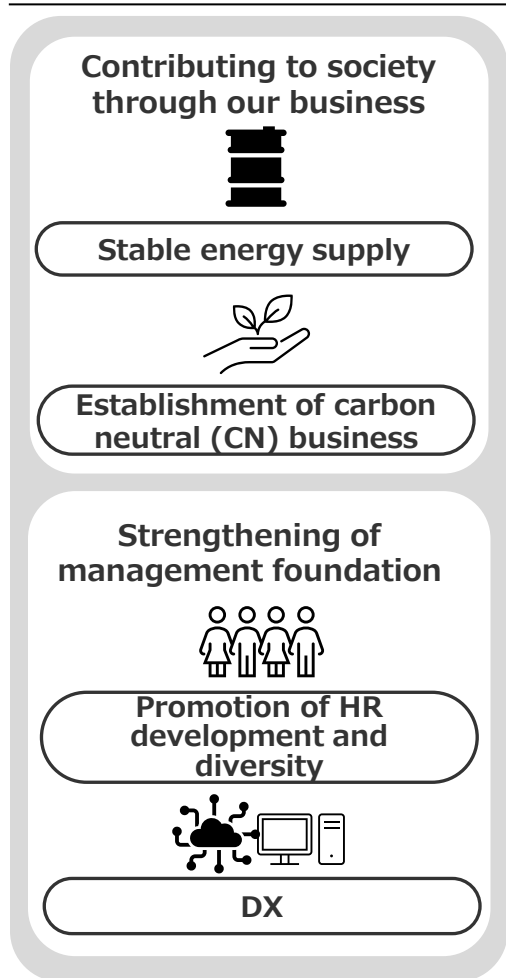


* Business assets include property, plant and equipment, intangible assets, investments in entities accounted for using equity method, among others.

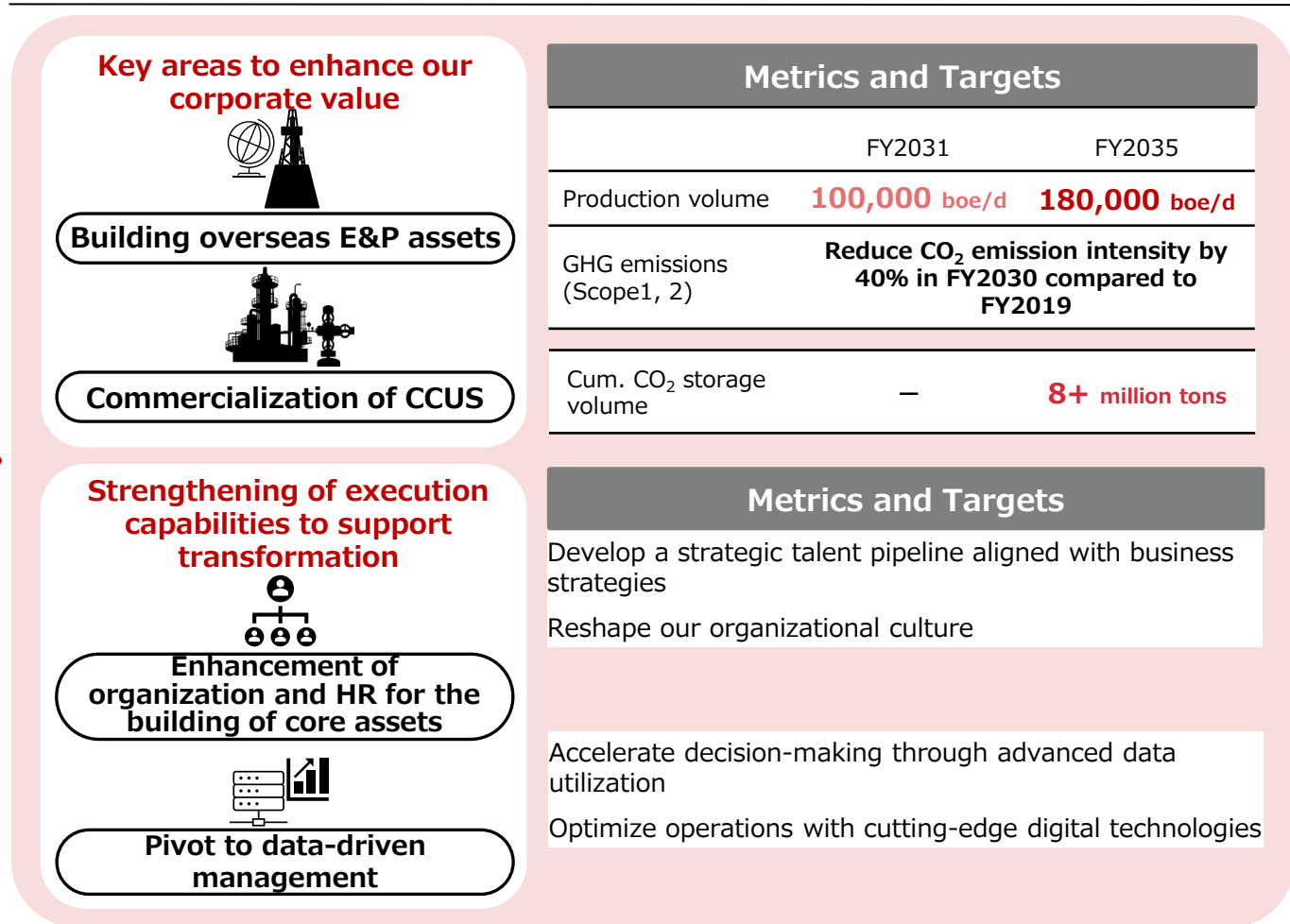
Materiality

We have redefined material issues as “**significant challenges to our growth strategy**”, as opposed to the previous definition of “challenges that should be addressed now, based on their role of connecting the core CSR themes with the Management Plan”. Among those with high financial implications in the Management Plan, we have identified more specific issues centering around the key areas to enhance our corporate value.

Previous definition



Newly defined materiality



Glossary

boe/d	Barrels of Oil Equivalent per Day
CCUS	Abbreviation of Carbon dioxide Capture, Utilization, and Storage. It refers to technologies that separate and capture CO₂ from large amounts of gas emitted from industrial facilities, effectively utilize the CO₂ for enhanced oil recovery etc., before injecting and storing it in stable underground geological layers. The term CCUS is used to include CCS (Carbon dioxide Capture and Storage), a technology that captures emitted CO₂ and stores it underground. Note that when using “CCUS” as a proper noun, the term “CCS” may be used in cases where it does not include the effective utilization of CO₂.
E&P	A business involving the exploration, development, and production of oil and natural gas
JCC	Japan Crude Cocktail: the average price of crude oil imported by Japan
Infrastructure & Utility (I/U)	A business involving the stable supply of energy through large-scale facilities and various methods, such as receiving, storing and vaporizing (regasifying) LNG (Liquid Natural Gas), transporting it via pipeline or using it for a natural gas power plant.
Operator	A contractual term used in the E&P business via collaboration between multiple partners. The operator is commissioned by other parties to handle and manage actual operations.
Carbon Neutral (CN)	A general term for businesses that aim to reduce GHG emissions, mainly through the design/testing of CCUS and the promotion of low-carbon operations
Tight oil and gas	Crude oil and natural gas trapped in geological layers with low porosity and permeability. These resources are developed by means of fracturing with horizontal wells.
Non-operator	A contractual term used in the E&P business via collaboration between multiple partners. It refers to a party other than the operator.
Emission intensity	The amount of carbon dioxide emissions (t-CO ₂) per 1 terajoule of energy supplied by JAPEX
Blue hydrogen	Hydrogen produced using fossil fuel. By capturing and storing the carbon dioxide generated during the production process, emissions to the atmosphere are significantly reduced.

Cautionary Statement

This document contains future outlooks such as plans, forecasts, strategies, and others which are not historical facts and these are made by the management's judgement based on the obtainable information at the time of the disclosure. Actual results may significantly differ from those future outlooks due to various factors.

Uncertainties caused by geopolitical situations

At the time of the finalization and publication of this Plan (from late February to mid-April 2026), the conflict between Iran and the United States/Israel, including the use of force, is ongoing. The safety of shipping in the Strait of Hormuz remains precarious. Depending on the duration of the de facto blockade and the extent of the damage to facilities in surrounding oil- and gas-producing countries, it could have a significant impact on the global economy and our earnings performance. At present, it is extremely difficult to reasonably calculate the impact of these events, and therefore, their impact has not been incorporated into the numerical targets of the Plan. We recognize that our basic policy of actively investing in the E&P business and CCUS projects contributes to energy security in response to rising geopolitical risks and the decarbonization mandate. However, please be aware that, depending on the global economic ramifications of the conflict and any changes in circumstances, we may revise or withdraw this Plan shortly after the announcement.

This document is not intended to solicit investment.

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