

February 29, 2023

Japan Petroleum Exploration Co., Ltd.
JGC Holdings Corporation
Kawasaki Kisen Kaisha, Ltd.
PETRONAS CCS Ventures SDN BHD
PETROLEUM Sarawak BERHAD

JAPEX, JGC, and "K" LINE Sign a Storage Site Agreement
with PETRONAS and PETROS for the CCS Project in Malaysia

Japan Petroleum Exploration Co., Ltd. (JAPEX), JGC Holdings Corporation (JGC) and Kawasaki Kisen Kaisha, Ltd. ("K" LINE) (hereinafter referred collectively as the "Japan Consortium (JC)") have agreed and signed the Storage Site Agreement ("SSA") with PETRONAS CCS Ventures Sdn. Bhd. (PCCSV) and PETROLEUM Sarawak BERHAD (PETROS) for the M3 depleted field in offshore Sarawak, Malaysia on 26th February 2024.

The SSA not only enables the feasibility studies of the CO₂ storage sites starting with the M3 depleted field (M3 CCS Project), but also the planning of relevant CO₂ storage site development, including onshore terminals and transportation pipelines, as well as assessment of its techno-commercial feasibility.

This collaboration represents a significant advancement in the effort to reduce greenhouse gas emissions in the Asia Pacific (APAC) region, including Malaysia and Japan.

The signatories of the SSA were PETROS Senior Vice President, Sarawak Resource Management Nazrin Banu Shaikh S. Ahmad; PETRONAS CCS Ventures Chief Executive Officer Emry Hisham Yusoff; JAPEX Managing Executive Officer and President of Overseas Business Division II, YAMADA Tomomi; JGC Senior Executive Officer, Technology Commercialization Officer, AIKA Masahiro; and "K" LINE Managing Executive Officer, Carbon-Neutral Promotion, KANAMORI Satoshi.

Nazrin said, "As the Resource Manager in Sarawak, this step forward signifies our commitment as Sarawak's economic growth engine leveraging as an enabler. This is the first project for the industry and the impetus to more low-carbon solution projects. We also express our gratitude for the strong support from PETRONAS CCS Ventures and the Japanese Consortium in participating in this project in Sarawak."

Emry said, "This collaboration is not just a strategic move to unlock potential CCS opportunities in Malaysia but necessary in addressing climate change as a collective action in achieving a low-carbon future. By securely storing captured CO₂ underground, CCS plays a pivotal role in decarbonizing key industries, and it is hoped that this milestone will set an impetus for other CCS initiatives within Malaysia."

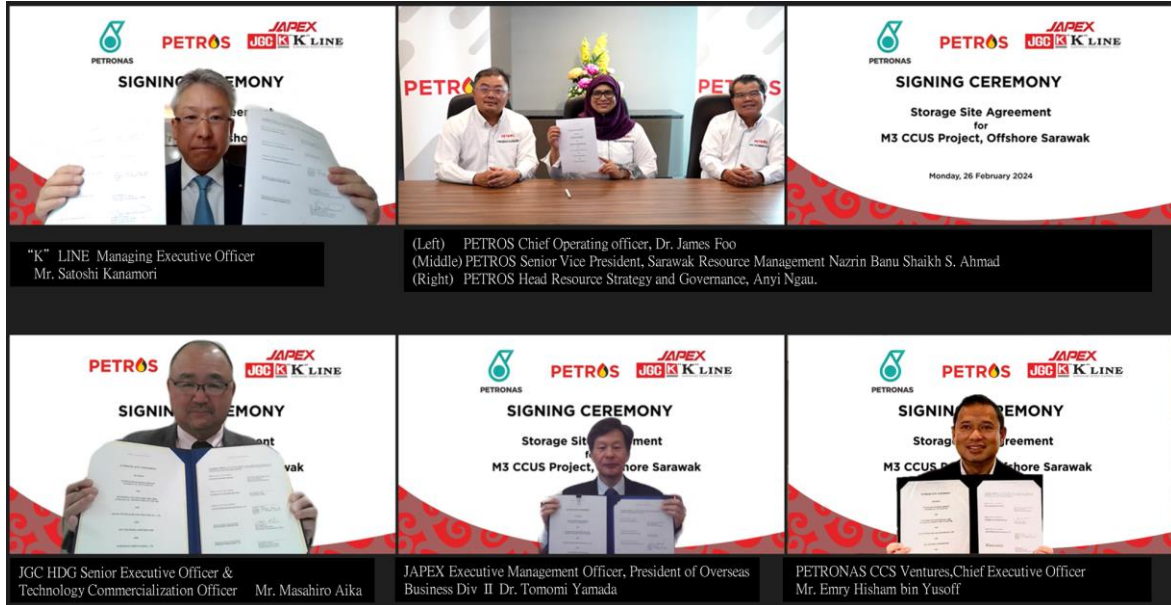
"This is in line with PETRONAS CCS Ventures' commitment in accelerating Malaysia's potential as a prominent regional hub for CCS. The company continues to undertake deliberate actions to accelerate the development of a sustainable energy portfolio that prioritizes responsible practices," adds Emry.

YAMADA representing the Japanese Consortium Parties said, "We are very proud to work with PETRONAS CCS Ventures and PETROS for this epochal project and believe that expertise of each company can make great contribution for realizing the CCS value chain centered on Sarawak aiming at the decarbonization of the APAC region, including Japan."

By executing SSA for the CCS project in Malaysia, JAPEX, JGC, "K" LINE will contribute towards carbon neutrality in 2050, including the realization of a de-carbonized society in Asia targeted by the "Asia Energy Transition Initiative (AETI)" (*1).

*1: The Japanese Government's initiative announced in May 2021, which aims to achieve sustainable economic growth and carbon neutrality simultaneously in Asia.

<Ceremony of the signing of the SSA>



Signers related in the above photo, clockwise from upper left side)

Mr. Satoshi Kanamori - "K" LINE Managing Executive Officer

(Left) Dr. James Foo - PETROS Chief Operating Officer

(Middle) Nazrin Banu Shaikh S. Ahmad - PETROS Senior Vice President, Sarawak Resource Management

(Right) Anyi Ngau - PETROS Head Resource Strategy and Governance

Emry Hisham Yusoff - PETRONAS CCS Ventures Chief Executive Officer

Dr. Tomomi Yamada - JAPEX Executive Management Officer, President of Overseas Business Div II

Mr. Masahiro Aika - JGC Senior Executive Officer & TCO

<Related Releases>

"JGC CORPORATION and Kawasaki Kisen Kaisha, Ltd. Joins CCS Study in Malaysia" on July 29, 2022.

<https://www.kline.co.jp/en/news/carbon-neutral/carbon-neutral-20220729.html>

"Agreed on Joint Evaluation with JFE Steel Corporation to Establish CCS Value Chain Originated from Japan Aligned with CCS Study in Malaysia" on June 19, 2023.

<https://www.kline.co.jp/en/news/carbon-neutral/carbon-neutral-20230619.html>

"JAPEX, JGC HD, and "K" LINE Sign a Key Principles Agreement with PETRONAS for the maturation and development of the CCS Project in Malaysia" on November 20, 2023

<https://www.kline.co.jp/en/news/carbon-neutral/carbon-neutral-20231120.html>

For inquiries, please contact:

General Manager of Carbon-Neutral Promotion Group

Kawasaki Kisen Kaisha, Ltd. (“K” LINE)