In the transition to a carbon neutral society, natural gas and LNG play an important role as a complement to renewable energy intermittency and as an energy source for sectors that are difficult to electrify. Our Group will contribute to the realization of a carbon neutral society and sustainable economic development through the decarbonization of the LNG supply chain and providing a stable supply of LNG.

**Major Growth Drivers**

We have been involved in the LNG business since the 1960s and have increased our equity participation in LNG projects. Currently, we have equity interests in 12 projects in 8 countries around the world, with a total LNG production capacity share of 12.12 MTPA. The Tangguh LNG (Expansion) and LNG Canada projects under construction are expected to start production in 2023 and the mid-2020s, respectively, and it is expected that our total LNG capacity share will reach 14.60 MTPA by the mid-2020s. We will continue to expand our LNG production capacity share through participation in competitive new projects in the future.

**Production Capacity Share and Projected Growth**

*12.12 MTPA*

*0.38 MTPA*

*2.10 MTPA*

*1.80 MTPA*

*14.60 MTPA+*

*Mid-2020s*

*Sept. 2022 (at present)*

**Business Examples**

**Indonesia, Tangguh LNG (Expansion) project, CCUS business**

In the Tangguh LNG project in which we participate with BP as the operator, we are undertaking a Carbon Capture Utilization and Storage (CCUS) project together with the other participating companies. This project will apply CCUS to gas fields under production to recover a cumulative total of approximately 25 million tons of CO2 emitted from the project and approximately half of project emissions by injecting and storing it in existing gas fields, while at the same time improving production efficiency and increasing natural gas production. The development plan was approved by SKK Migas (Special Task Force for Upstream Oil and Gas Business Activities Republic of Indonesia) in 2021, and the natural gas production and CCUS operations are scheduled to commence in 2026, subject to the Front-End Engineering and Design (FEED) and a final investment decision to be made after mid-2022.