



AMESSAGE FROM THE PRESIDENT

From Japan to the world - with a view towards the practical use of CCS technology

The World Meteorological Organization announced in November 2020 that the average concentration of CO_2 in the atmosphere exceeded 410ppm in 2019, renewing the historical high. The threat of global warming is becoming increasingly serious in various parts of the earth, and the international call to strive for net zero emissions in 2050 is gaining momentum. The target of achieving a carbon neutral society in 2050 was declared in Japan as well, leading to the announcement in April 2021 that it would aim for a 46% reduction in greenhouse gas emissions (compared to 2013) by 2030.

In order to realize such a decarbonized society and achieve sustainable development goals (SDGs) such as "No Poverty", "Affordable and Clean Energy", and "Reduced Inequalities" at the same time, huge expectations have been placed not only on the advancement of energy conservation and



expansion of renewables, but also the social implementation of CCS as a technology to capture and store CO_2 emitted by economic activities as well as CCU and carbon recycling as a means to utilize CO_2 as a resource.

In response to the national policy to promote CCS, Japan CCS Co., Ltd. (hereinafter JCCS) was established in 2008 through investment by the private sector. Since then, JCCS has been steadily conducting a CCS demonstration project in Tomakomai, Hokkaido as well as nationwide surveys of potential offshore CO₂ storage sites as projects commissioned by the Japanese government and public institutions with the understanding and cooperation of the local community. As a result, the Tomakomai Project safely achieved the target of 300,000 tonnes cumulative CO₂ injection in November 2019, confirming that CCS is a "safe and secure" system.

Additionally, a consortium comprising four companies including JCCS was jointly adopted by the New Energy and Industrial Technology Organization (NEDO) to conduct the "Demonstration of CO_2 Transportation" project. In this demonstration project, we will conduct research on transportation technology that will lead to long-distance/mass transportation and cost reduction of CO_2 at a scale of 1 million tonnes per year, thereby aiming to establish liquefied CO_2 ship transportation technology.

As the efforts to achieve the social implementation of CCUS in Japan gain speed, our activities are at a transition period in which we must pursue new developments. Aiming for the realization of carbon neutrality in 2050, we view as our mission the contribution towards the establishment of the social foundation for CCUS by 2030. To this end, harnessing the technology and know-how that we have nurtured on CCS, we will continue our efforts in order to assume our role in reaching out to the international community.

We will progress our demonstration and survey activities, placing the utmost priority on safety and security. We ask for your continued understanding and support.

June 2021

Toshiaki Nakajima President Japan CCS Co., Ltd.



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COMPANY PROFILE ■□

Company Name: Japan CCS Co., Ltd.

Address: SAPIA TOWER 21F, 1-7-12, Marunouchi, Chiyoda-ku, Tokyo,

100-0005, JAPAN

TEL: +81-3-6268-7380 FAX: +81-3-6268-7385

URL: https://www.japanccs.com

Date of Incorporation: May 26, 2008

Business Description: Implementation of investigations, research and development, feasibility studies and

demonstration projects pertaining to carbon dioxide capture, utilization, transportation and

storage technologies.

 Capital:
 242,500,000 yen

 Capital Reserves:
 242,500,000 yen

Members of the Board:

President

Toshiaki Nakajima Managing Executive Officer, In charge of Corporate Strategy,

Corporate Communication Japan Petroleum Exploration Co., Ltd.

Managing Director

Goro Himuro General Manager, Plant Engineering Dept., Japan CCS Co., Ltd.

Director Takashi Kawabata General Manager, Administration Dept., Japan CCS Co., Ltd.

Director Toshiyuki Hagiwara General Manager, Storage Engineering Dept., Japan CCS Co., Ltd.

Director Hidehiro Muramatsu Executive Officer, Vice Head of Environment & Energy Solution Sector, Sales Management,

 $Branch \ \& \ Representative \ Offices, \ Sustainability \ \& \ PR, \ NIPPON \ STEEL \ ENGINEERING \ CO., \ LTD.$

Executive Officer, Vice President, Domestic Exploration & Production,

Director **Hiromi Sugiyama** General Manager, Exploration & Exploitation Unit, Domestic Exploration & Production

Division, INPEX Corporation

Director Tomohide Miyata

Senior Vice President, Managing Executive Officer-Hydrogen Business Promotion Dept., Fuel

Cell Customer Support Office and Central Technical Research Laboratory, ENEOS Corporation

Director Tomomichi Seki Managing Executive Officer, Tokyo Electric Power Company Holdings, Inc.

Director Sadahiro Ohno Managing Executive Officer, Vice President of Power Generation and Sales Company, Deputy

General Manager of Nuclear Power Division, Tohoku Electric Power Co., Inc.

Auditor Shinichi Mitsuda Specially Appointed Executive, Energy Resources & Environmental Business Division, Basic

Chemicals Business Sector, Mitsubishi Gas Chemical Co., Inc.

Shareholders:

Hokkaido Electric Power Co., Inc. Tohoku Electric Power Co., Inc. Tokyo Electric Power Company Holdings, Inc.

Chubu Electric Power Co., Inc. Hokuriku Electric Power Co., Inc. The Kansai Electric Power Co., Inc. The Chugoku Electric Power Co., Inc. Shikoku Electric Power Co., Inc. Kyushu Electric Power Co., Inc. The Okinawa Electric Power Co., Ltd. Electric Power Development Co. Ltd. JFE Engineering Corporation NIPPON STEEL ENGINEERING CO., LTD. CHIYODA CORPORATION TOYO ENGINEERING CORPORATION

JGC Holdings Corporation INPEX CORPORATION Japan Petroleum Exploration Co., Ltd.

Mitsui Oil Exploration Co., Ltd. Idemitsu Kosan Co., Ltd. COSMO OIL CO., LTD. Eneos Corporation

ITOCHU Corporation Sumitomo Corporation Marubeni Corporation Mitsubishi Corporation

JFE Steel Corporation NIPPON STEEL CORPORATION Osaka Gas Co., Ltd.

Tokyo Gas Co., Ltd. MITSUBISHI GAS CHEMICAL COMPANY, INC.

Mitsubishi Materials Corporation Marubeni-Itochu Steel Inc. Tenaris NKK Tubes

34 companies (as of June 25, 2021)

COMPANY PROFILE ■■

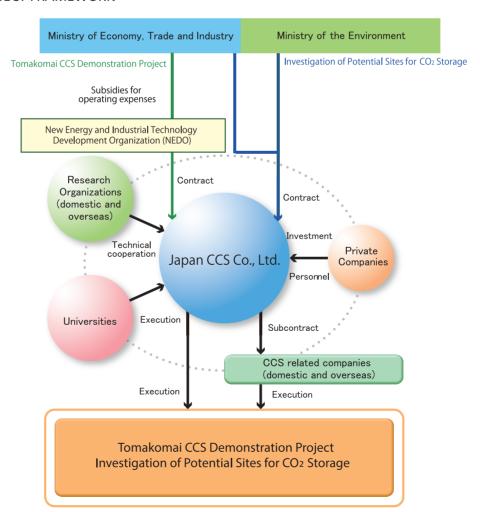
■FOUNDATION

Japan CCS Co., Ltd. (JCCS) was founded in May 2008 when a group of major companies with expertise in CCS-related fields, including electric power, petroleum, oil development, and plant engineering, joined forces to answer the Japanese government's call for development of CCS technology as a countermeasure against global warming. JCCS is a special purpose company founded and dedicated explicitly to develop integrated CCS technology.

INCOME SET UP:KEY BUSINESS OBJECTIVES

- 1. Accomplish comprehensive investigations and demonstrations of Carbon dioxide Capture, Utilization, Transportation and Storage projects in Japan
- 2. Investigate potential CO₂ storage site in Japan
- 3. Integrate opinions of private sector for early establishment of laws, regulations and technical standards applicable to CCUS in Japan
- 4. Conduct promotional activities for CCUS deployment in Japan
- 5. Cooperate with foreign organizations for CCUS deployment overseas
- 6. Collect and exchange the latest information on CCUS with overseas research organizations

■PROJECT FRAMEWORK





Our Projects

- Tomakomai CCS Demonstration Project
- Commissioned to JCCS by the New Energy and Industrial Technology Development Organization (NEDO) with subsidies for the operating expenses by the Ministry of Economy, Trade and Industry (METI) -

Project Description

A large-scale CCS demonstration project being undertaken in Tomakomai, Hokkaido Prefecture, Japan, to demonstrate the viability of a full-chain CCS system, from CO_2 capture to injection and storage. The CO_2 source is offgas supplied from a hydrogen production unit in an adjacent refinery, from which CO_2 of over 99% purity is captured and injected in offshore reservoirs in the Tomakomai port area.

Chronology of Tomakomai CCS Demonstration Project

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2009 - 2011	Marine 3D seismic surveys were conducted in the Tomakomai area in 2009 and 2010, and two survey wells were drilled in 2011 to ascertain the feasibility for CO_2 storage. As a result of a detailed evaluation and analysis of the geological data acquired, it was confirmed that the geological structure of the area was suitable for subsurface CO_2 storage, and a demonstration project could be executed safely.
Feb 2012	METI submitted a public tender for the FY2012 Tomakomai CCS Demonstration Project, which was commissioned to Japan CCS Co., Ltd.
April 2012	Implementation of the Tomakomai CCS Demonstration Project started.
2012 - 2015	Construction of onshore facilities, drilling of injection wells, baseline monitoring, and studies of regulations and standards for safety were completed.
April 2016	Injection of CO_2 started.
April 2018	Implementation of the Tomakomai CCS Demonstration Project was commissioned to Japan CCS Co., Ltd. by NEDO with subsidies for the operating expenses by METI.
Nov 2019	Cumulative CO_2 injection reached the target of 300,000 tonnes. Accordingly, injection has suspended, whereas monitoring operations* will be continued. * Monitoring will be conducted in order to grasp the behavior (movement, distribution) of the injected CO_2 , and microseismicity and natural earthquakes will be observed on a 24-hour basis, and marine environmental surveys will be carried out to verify that there is no CO_2 leakage.



■ Investigation of Potential Sites for CO₂ Storage, Offshore Japan

- Commissioned to JCCS by Ministry of Environment and Ministry of Economy, Trade and Industry -

Project Description

In FY2014, JCCS was commissioned to conduct the "Investigation of Potential Sites for CO₂ Storage, Offshore Japan", a joint project by METI and the Ministry of the Environment (MOE), and has subsequently continued the implementation of this project.

The project comprises activities such as the acquisition of geophysical data and the analysis of geological structure offshore Japan. Taking into consideration the candidates survey sites for CO_2 storage selected by the FY2013 METI Committee on the Expenses for Commissioning the Survey of the Measures for Environmental Problems in Small and Medium-sized Enterprises (Nationwide Basic Survey on CO_2 Reservoirs) and the Committee for Assessing the Suitability for CO_2 Storage in the Vicinity of Japan in the FY2013 MOE Project for Commissioning the Feasibility Survey of Joint Crediting Mechanism Utilizing CCS by Shuttle Ships, the project aims to identify prospective sites for CO_2 storage offshore Japan.

Chronology of Investigation of Potential Sites for CO₂ Storage, Offshore Japan

2005 - 2008	Preliminary estimate by METI assessed the CO_2 storage capacity of offshore waters of Japan to be 146 million tonnes.
April 2012	Selection of potential investigation sites by MOE and METI.
2014 - present	MOE-METI Joint Project Objective is to find multiple sites capable of storing at least 100 million tonnes per site

日本CCS調査株式会社 Japan CCS Co., Ltd.