

June 6, 2022

MOU Signed with Shell for Joint Exploration of Decarbonization

Accelerate various types of decarbonization solutions, including synthetic gas, hydrogen, and CCUS

Tokyo Gas Co., Ltd.

Tokyo Gas Co., Ltd. (President: Takashi Uchida, hereinafter "Tokyo Gas") has signed a Memorandum of Understanding (hereinafter "MOU") with Shell Eastern Petroleum (Pte.) Limited (hereinafter "Shell") to jointly study potential opportunities to accelerate decarbonization.

Tokyo Gas and Shell have a long history of cooperation in building and expanding the LNG supply chain. With the conclusion of the MOU, the companies will hold discussions and conduct assessments in areas of decarbonization, such as synthetic gas, hydrogen, bio-methane and CCUS^{*1}, with the aim of generating and developing new decarbonization solutions. For synthetic gas, Osaka Gas Co., Ltd. (hereinafter "Osaka Gas") is also involved as a joint study partner.

Tokyo Gas is collaborating with various entities in Japan and overseas to achieve net zero CO₂ emissions, a goal set forth in the Group management vision "Compass 2030", by combining renewable energy, hydrogen, synthetic gas, CCUS, and other measures. In particular, we have set a target of introducing synthetic gas equivalent to 1%^{*2} of our gas sales volume as of 2030 to bring synthetic gas into reality. In order to achieve this target and beyond, it is essential to establish a global supply chain, and we believe that Shell is one of the partners for this initiative.

Through the materialization of studies based on this MOU, we will contribute to the achievement of a "carbon-neutral and decarbonized society by 2050," which is a goal of the Japanese government.

Steve Hill, EVP Shell Energy, stated:

"We have been delivering LNG to Japan for over 50 years and are proud to be part of Japan's energy journey over the years. Customers are at the center of our energy transition strategy, and we are delighted to be collaborating with Tokyo Gas and Osaka Gas on exploring the potential of developing a range of low-carbon energy products and solutions like hydrogen and renewables based synthetic gas, among others, to meet their decarbonization needs."

Kentaro Kimoto, Tokyo Gas Senior Managing Executive Officer, Chief Executive of Digital Innovation Division, stated:

"We are very pleased to sign this MOU with Shell. Shell and Tokyo Gas have been leading the LNG industry in their respective capacities for half a century. Based on the framework of this agreement, we will continue to develop solutions to achieve a decarbonized society, including studying the

possibility of a demonstration project that will contribute to the establishment of a synthetic gas supply chain. Tokyo Gas will continue to accelerate these initiatives in cooperation with the gas industry. "

Overview of Shell Eastern Petroleum (Pte.) Limited

Headquarters	Singapore
Location	
Date of Establishment	August 1960

*1: Carbon dioxide Capture, Utilization, and Storage

*2: 1% of our company's city gas sales excluding wholesaling and power generation (as of FY 2020, approximately 80 million cubic meters)