



July 1, 2024

ENEOS Renewable Energy Corporation

ERE Purchases J-Credit from Forestry Association of Wind Farm Site and Achieves Carbon Neutrality (Scope 1 and 2)

ENEOS Renewable Energy Corporation (“ERE”; headquartered in Minato-ku, Tokyo; Kazuhiro Takeuchi, CEO) purchased J-Credit derived from a forest in the village of Morotsuka in Higashiusuki District, Miyazaki Prefecture (hereinafter, “Credit”). The credit was created by the Mimikawa Regional Forestry Association (headquarters: Hyuga City, Miyazaki; President: Koji Hirano). The purchase will help reforestation activities in Morotsuka and is being used to offset ERE’s Scope 1 carbon emissions. This along with the purchase of FIT Non-Fossil Certificates led to the achievement of carbon neutrality in fiscal 2023 for the company.

The Mimikawa Regional Forestry Association boasts one of the largest operations in Japan, covering the Mimikawa drainage basin. In addition to Morotsuka, where ERE’s Nakakyushu Onitayama Wind Farm and Nakakyushu Onitayama 2 Wind Farm are located, the association also manages forests in Hyuga, Kadogawa, Misato, and Shiiba. Over 90% of the total area of Morotsuka is privately owned forest. The locals have a long tradition of protecting and nurturing the forest. By creating the Credit and using the proceeds for reforestation activities, Morotsuka will resolve the issue of ensuring sustainable forest resources and a stable timber supply. The reforestation will also serve to absorb CO₂.

ERE used the Credits to offset approximately 101 t-CO₂ of Scope 1 carbon emissions of the previous fiscal year, thereby reducing its Scope 1 emissions to zero. Renewable energy-derived FIT Non-Fossil Certificates were also procured from the market for approximately 11,330 MWh of power purchased by all power plants from external parties the previous fiscal year, which reduced the company’s Scope 2 emissions to zero as well. These efforts led to the achievement of Scope 1 and 2 carbon neutrality for fiscal 2023.

Going forward, ERE will continue to contribute to building a sustainable decarbonized society by supporting communities and their forestry activities, utilizing systems that promote decarbonization, and spreading renewable energy.

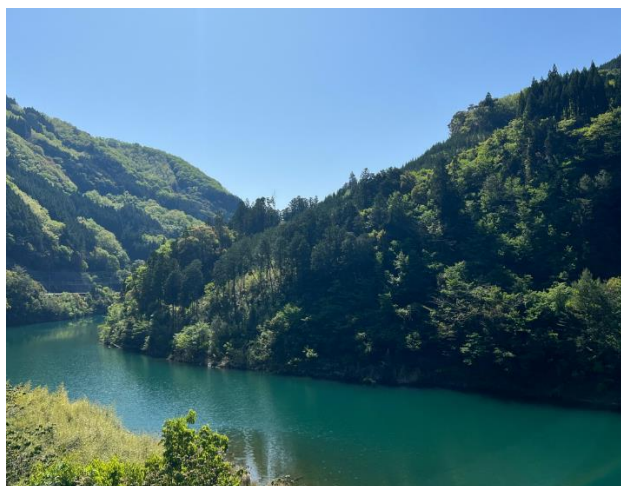
*The J-Credit Scheme is a government certification program that certifies as credits the amount of emissions such as CO₂ reduced, or amount removed by sinks through proper forest management. The Mimikawa Regional Forestry Association applied last year for reforestation activities in privately owned forests in Morotsuka and was certified for 2,209 t-CO₂ worth of J-Credits.

Mimikawa Regional Forestry Association (in Japanese only) : <http://mimikawa-kouiki.org>

ERE webpages on CO₂ emissions:

<https://www.eneos-re.com/english/sustainability/materiality/environment02/>

<https://www.eneos-re.com/english/sustainability/tcfid/>



Recent photographs of Morotsuka Village in Higashiusuki District, Miyazaki Prefecture
Left: Forest in Mimikawa drainage basin, Right: Wind-themed art event (November 2023)