

November 5, 2021

Upon the launch of ETI-CGC

We, the Japanese companies in Attachment 1 and the Center for Global Commons (CGC) at the University of Tokyo, launched ETI-CGC (Energy Transition Initiative - Center for Global Commons), an initiative to discuss Japan's energy transition. Located within the University of Tokyo, the CGC was established to study the stewardship of the Global Commons (a stable earth system that needs to be collaboratively protected as a common foundation of the human society) and will serve as its secretariat.

We have decided to drive the ETI-CGC forward under the following five principles:

1. We will safeguard the sustainability of our environment, the Global Commons. To this end, we will chart pathways to reduce Japan's greenhouse gas emissions to net-zero by 2050.
2. Capitalizing on findings and scientific insights across the world and in Japan, we will study pathways compatible with local circumstances in order to achieve carbon neutrality, while safeguarding well-being and wealth.
3. With these pathways, we aim to become an international model case for countries with unique local circumstances and subsequently make contributions to the carbon neutrality of the entire world.
4. We will consider the implementation of the pathways an opportunity to transform Japan's industrial structure and economic/social system as well as our behavioral pattern towards the future. We will also discuss how we can take advantage of this opportunity.
5. We will make policy proposals and take a leadership role in stimulating discussions on a broader basis.

As we launch ETI-CGC, we asked the Energy Transitions Commission (ETC), a global coalition of leading executives from across the energy landscape chaired by Lord Adair Turner, to analyze what would happen if the ETC's approach to explore pathways, which is becoming one of the

international standards, were applied to Japan. This analysis is still underway. With this analysis as one of the materials for discussion, we will discuss items that have been summarized in Attachment 2 in order to identify the optimal pathway for Japan.

We strongly hope that this platform stimulates broader discussions of energy transition in Japan, and that the government, the private sector, academia, and the public collaborate towards carbon neutrality in 2050.