

ENEOS Corporation
Wakayama Public Corporation for Forests and Greenery

Signing of Partnership Agreement for the Realization of a Decarbonized Society Through Forest Conservation in Wakayama Prefecture

ENEOS Corporation (“ENEOS”) and Wakayama Public Corporation for Forests and Greenery (“WPFPG”) have signed a partnership agreement for the realization of a decarbonized society through forest conservation.

Under this agreement, ENEOS and WPFPG will create and use J-Credits*¹ derived from forests under the management of WPFPG. ENEOS will use the created credits to offset CO₂ emissions from business activities such as those in Wakayama Prefecture. Furthermore, WPFPG will use the proceeds from the sale of the credits for forest maintenance projects, aiming to sustain the CO₂ absorption capability of forests over the long term.



Toward achieving the target of reducing the Group’s Scope 1 and 2*² CO₂ emissions by 46% of the FY2013 level by FY2030, the ENEOS Group will take on the challenge of achieving both a stable supply of energy and materials and the realization of a carbon-neutral society by promoting initiatives to create and use J-Credits derived from forest management. Going forward, the Group will continue to implement initiatives—from the creation to the use of credits derived from forests—nationwide in Japan together with local communities and promote the conservation of Japan’s forest resources through proper forest management.

WPFPG will use the forests it has cultivated so far to contribute to the realization of a decarbonized society. At the same time, besides proceeds from the sale of the credits, it also aims to maximize the application of various knowledge obtained through the process of credit creation in sustainable forest management for the long-term maintenance of the multi-faceted functions performed by forests, including the cultivation of water sources*³, prevention of disasters in mountainous areas, and conservation of ecosystems.

Going forward, ENEOS and WPFPG will continue to cooperate toward solving social issues and contribute to the development of a decarbonized, recycling-oriented society.

*1 The J-Credit is a carbon credit which is certified by the Japanese government under the J-Credit Scheme. In this scheme, the amount of greenhouse gas emissions (such as CO₂) reduced or removed through the introduction of energy-saving equipment, renewable energy, and proper forest management is certified as “credit.” In this news release, credits created by proper forest management are referred to as “J-Credits derived from forest management.”

*2 Scope 1: Direct greenhouse gas emissions by the business itself (fuel combustion, industrial processes)
Scope 2: Indirect emissions from the use of electricity, heat, and steam supplied by other companies

*3 This refers to the function of forests in leveling the water level of rivers by storing rainwater and the cleansing of rainwater.



WPFG Chairman Shimo Hiroshi (left) and ENEOS Senior Vice President Shiga Satoru (right) signing the agreement



Forest (Japanese cedar and Japanese cypress forest in the center in Yura Town, Hidaka District) under the management of WPFG

<Overview of the forest-derived J-Credit project (to-be-submitted)>

1. Target forests	Forests with a profit-sharing forestry contract (approx. 3,000 ha)
2. Certification period	10 years
3. Forest category	Cultivated forest, natural forest
4. Amount of CO ₂ absorption	Approx. 10 thousand tons/year

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