

February 20, 2026

Dear Shareholders of ENEOS,

**Open Letter Requesting engagement with ENEOS to reinforce its target year for carbon neutrality and withdraw from new fossil fuel projects**

Action Aid Australia  
Center for Environmental Law and Community Rights (CELCOR) Inc  
FoE Japan  
Japan Center for a Sustainable Environment and Society (JACSES)  
Jubilee Australia  
Kiko Network  
Mekong Watch  
Reclaim Finance

We, as environmental NGOs, have been urging financial institutions to be consistent with the 1.5 degrees goals of the Paris Agreement and stop providing support for fossil fuel projects. This is absolutely necessary for financial institutions to ensure that investee companies establish and implement transition plans aligned with the 1.5-degree goals of the Paris Agreement in order to stop the worsening impacts of climate change. In May 2025, ENEOS Holdings, Inc. (hereinafter referred to as “ENEOS”), a major fossil fuel company in Japan, announced that it would push back its carbon neutrality target year from 2040 to 2050, while announcing a policy to prioritize LNG. The following month, at ENEOS’s Annual General Meeting, an environmental NGO staff member who participated as a shareholder asked how the Papua LNG project is aligned with the 1.5-degree goals of the Paris Agreement. ENEOS management responded that it needed to cope with uncertainties in the energy transition and the project is in line with the Japanese Government’s Strategic Energy Plan. However, it did not provide any evidence showing that the project is aligned with the 1.5-degree goals. Therefore, we are sending this request to 50 financial institutions that are major shareholders of ENEOS, asking for your engagement with ENEOS to reinforce its target year for carbon neutrality from 2050 to 2040 and withdraw from new fossil fuel projects. Furthermore, we request you to divest from ENEOS if it does not achieve the recommendations below after a certain period of time.

**Recommendation 1: Request ENEOS to reinforce its target year for achieving carbon neutrality**

In May 2025, ENEOS announced the “Basic Carbon Neutral Plan FY2025 Edition” (\*1), which revised the original “Basic Carbon Neutral Plan” formulated in May 2023 (\*2). Under the revised plan, the target for achieving carbon neutrality for Scope 1 and 2 greenhouse gas (GHG) emissions by fiscal year (FY) 2040 was significantly postponed to FY2050. The carbon intensity target for energy supply was also regressed. While the previous target aimed to achieve 44g-CO<sub>2</sub>/MJ by FY2040, the revised one now targets to reduce only 20-50% from FY2020 levels by 2040, which is estimated to result in 45-72 g-CO<sub>2</sub>/MJ. In addition, while ENEOS aims

to increase the total renewable energy generation capacity to 6-8 GW by 2040 (\*3), it has been pointed out that details regarding the implementation of this target remain unclear (\*4).

The International Energy Agency (IEA) has pointed out that in order to achieve the 1.5°C target, the emission of global oil and gas operations must be reduced to nearly zero by the early 2040s (\*5). Therefore, ENEOS has no room to push back its carbon neutrality commitments and should keep the targets set previously —achieving carbon neutrality for Scope 1 and 2 emissions by 2040 and reducing the carbon intensity of supplied energy to 44 g-CO<sub>2</sub>/MJ by FY2040.

## **Recommendation 2: Request ENEOS to withdraw from new fossil fuel projects, including Papua LNG project, Tangguh LNG expansion project, and Ougimachi Gas Power Plant**

The IEA states that in order to achieve net-zero greenhouse gas emissions by 2050, there is no room for extracting new fossil fuels (\*6) and the power sector needs to achieve net zero by 2035 in advanced economies and 2045 in emerging markets and developing economies (\*7). In addition, according to the Stated Policies Scenario (STEPS) in the World Energy Outlook 2025, LNG supply will exceed demand in 2030, resulting in overhang of available LNG capacity of around 65 bcm and pushing LNG prices downward toward levels close to short-run marginal costs.(\*8).

Nevertheless, ENEOS is planning new LNG projects both domestically and internationally. One of those projects, the Papua LNG project, aims developing the Elk and Antelope gas fields in the Gulf Province of southeastern Papua New Guinea and constructing liquefied natural gas (LNG) production facilities near Port Moresby. The project is estimated to emit approximately 220 million tons of CO<sub>2</sub> over an operation period from 2028 to 2053. At present, twenty-nine financial institutions—including Export Finance Australia, Eksportfinans AS, BNP Paribas, and Crédit Agricole, ING and Swedish Export Credit Corporation —have explicitly, or by their policies, ruled out financial support for this project (\*9). Following that Mitsubishi UFJ Financial Group is reported to be serving as a financial advisor to the project, environmental NGOs from around the world filed a complaint to the Equator Principles Association on December 10, 2025, alleging that the project violates the Equator Principles.

ENEOS is also planning the UCC Project (Tangguh Ubadari CCUS Compression Project), an expansion plan of the Tangguh LNG project in West Papua, Indonesia. While utilizing the existing facilities of the Tangguh LNG project, the UCC project aims to develop the Ubadari gas field, implement CCUS for Enhanced Gas Recovery (EGR), and increase gas transmission capacity through the installation of compressors. A Final Investment Decision (FID) was made in November 2024, and the operation and production are scheduled to start in 2028. Nippon Export and Investment Insurance (NEXI) is currently considering providing support for the project (\*10). However, mangrove destruction, the forced relocation of Indigenous peoples, and restrictions on access to hunting grounds have been reported in connection with the project, prompting civil society groups to call on NEXI not to provide support (\*11). In addition to this

expansion plan, ENEOS is also participating in exploration plans for the Gaea 1 and Gaea 2 blocks in West Papua (\*9), indicating that it intends to expand more LNG projects in the future.

In May 2025, ENEOS submitted a document on Environmental Impact Assessment for the construction of an LNG power plant, tentatively called the “Ougimachi Gas Power Plant.” The plan is to develop a single unit with a capacity of approximately 750MW, aiming to begin operations in the first half of 2033. It is estimated that the plant would emit around 1.5 to 1.7 million tons of CO2 annually (\*13). The company possesses power plants with a total generation capacity of 2.2 GW in Japan, and in recent years, there has been a rush of new LNG-fired power plant operation commencements and new project plans.

ENEOS should withdraw from these new fossil fuel projects.

**Recommendation 3: Request ENEOS to ensure FPIC from Indigenous Peoples affected by projects, and publish an Indigenous Peoples Plan which includes details of that process**

To date, there is no verifiable evidence that Indigenous Peoples’ have been fully informed about the various climate, environment, health and human rights aspects, risks and impacts of the Papua LNG project. This is a necessary precursor to achieving the “informed” aspects of Free, Prior and Informed Consent, as is ensuring that they have been fully informed of their rights. Similarly, consent must be achieved “prior” to significant project decisions, such as a Final Investment Decisions. CELCOR, a NGO in Papua New Guinea, and many other human rights organisations have raised concerns about these issues (\*14).

Accordingly, ENEOS should ensure FPIC of affected Indigenous Peoples and publish an Indigenous Peoples Plan which includes verifiable information confirming that FPIC has been secured.

\* \* \*

We would greatly appreciate it if you could share your institution’s policy and views regarding this request by March 13. Should it be difficult to provide a written response, we would appreciate it if we could hold an online meeting.

Thank you for your consideration and we look forward to receiving your response.

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Note :

\*1: [https://www.hd.eneos.co.jp/about/carbon\\_neutral/pdf/index\\_01.pdf](https://www.hd.eneos.co.jp/about/carbon_neutral/pdf/index_01.pdf)

\*2: [https://www.hd.eneos.co.jp/company/system/pdf/e\\_hd\\_jp\\_ot\\_fy2023\\_01.pdf](https://www.hd.eneos.co.jp/company/system/pdf/e_hd_jp_ot_fy2023_01.pdf)

\*3: [https://ssl4.eir-parts.net/doc/5020/ir\\_material\\_for\\_fiscal\\_ym3/164364/00.pdf](https://ssl4.eir-parts.net/doc/5020/ir_material_for_fiscal_ym3/164364/00.pdf) p.30

\*4: <https://climateintegrate.org/wp-content/uploads/2025/09/JCCRM25-JP.pdf> p.16

\*5:

[https://iea.blob.core.windows.net/assets/7a4b0c4e-d78c-4a8e-998c-6cde10a4e49b/TheOilandGasIndustryinNetZeroTransitions.pdf?utm\\_source=chatgpt.com](https://iea.blob.core.windows.net/assets/7a4b0c4e-d78c-4a8e-998c-6cde10a4e49b/TheOilandGasIndustryinNetZeroTransitions.pdf?utm_source=chatgpt.com) p.14

\*6:

[https://iea.blob.core.windows.net/assets/deebef5d-0c34-4539-9d0c-10b13d840027/NetZeroby2050-ARoadmapfortheGlobalEnergySector\\_CORR.pdf](https://iea.blob.core.windows.net/assets/deebef5d-0c34-4539-9d0c-10b13d840027/NetZeroby2050-ARoadmapfortheGlobalEnergySector_CORR.pdf) p.21

\*7:

<https://iea.blob.core.windows.net/assets/c036b390-ba9c-4132-870b-ffb455148b63/WorldEnergyOutlook2024.pdf> p.231

\*8:

<https://iea.blob.core.windows.net/assets/0a7a40a4-5dcb-4d6e-a7ad-76a1c90ec8eb/WorldEnergyOutlook2025.pdf> pp.69-70

\*9:

[https://www.banktrack.org/article/ngos\\_submit\\_first\\_formal\\_equator\\_principles\\_complaint\\_against\\_mufg\\_and\\_potential\\_financiers\\_of\\_the\\_papua\\_lng\\_project](https://www.banktrack.org/article/ngos_submit_first_formal_equator_principles_complaint_against_mufg_and_potential_financiers_of_the_papua_lng_project)

\*10: <https://www.nexi.go.jp/en/environment/a/202601071015.html>

\*11: <https://foejapan.org/en/issue/20260213/28189/>

\*12:

<https://www.esdm.go.id/id/media-center/arsip-berita/lima-pemenang-wilayah-kerja-migas-ditetapkan-bukti-industri-migas-masih-menarik->

\*13: <https://kikonet.org/content/37813>

\*14:

[https://www.banktrack.org/article/ngos\\_submit\\_first\\_formal\\_equator\\_principles\\_complaint\\_against\\_mufg\\_and\\_potential\\_financiers\\_of\\_the\\_papua\\_lng\\_project](https://www.banktrack.org/article/ngos_submit_first_formal_equator_principles_complaint_against_mufg_and_potential_financiers_of_the_papua_lng_project)

The letter was submitted to:

1. AllianceBernstein Holding LP
2. American Century Cos Inc
3. Amova Asset Management
4. Anima SGR SpA
5. AQR Capital Management LLC
6. Asset Management One Co., Ltd.
7. Blackrock Inc
8. BNP Paribas SA
9. Cardano Asset Management NV
10. Credit Agricole Group
11. Daiwa Asset Management Co.Ltd.
12. Deutsche Bank AG
13. Dimensional Fund Advisors LP

14. DNB ASA
15. Fidelity International (FIL Ltd)
16. FMR LLC
17. Franklin Resources Inc
18. Geode Capital Management LLC
19. Goldman Sachs Asset Management
20. Grantham Mayo Van Otterloo & Co LLC
21. Hachijuni Nagano Bank, Ltd.
22. HSBC Asset Management
23. JPMorgan Asset Management
24. Kochi Shinkin Bank
25. Legal & General Group PLC
26. Man Group PLC
27. Marsh & McLennan Cos Inc
28. Mitsubishi UFJ Asset Management Co., Ltd.
29. Nippon Life Insurance Co
30. Nomura Asset Management Co., Ltd.
31. Norges Bank Investment Management
32. Northern Trust Corporation
33. Okasan Securities Group Inc
34. Pacer Advisors Inc
35. Prudential Financial Inc
36. Schroders PLC
37. SEI Investments Company
38. SNS Investment Fund Management/Net
39. St James's Place PLC
40. State Street Global
41. Sumitomo Mitsui DS Asset Management Company, Limited
42. Sumitomo Mitsui Trust Asset Management Co., Ltd.
43. Teachers Insurance & Annuity Association of America
44. The Charles Schwab Corp
45. The Vanguard Group Inc
46. Thrivent Financial for Lutherans
47. Tokio Marine Holdings Asset management
48. Toronto-Dominion Bank
49. UBS Asset Management
50. WisdomTree Inc