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Japan's First Import of Biomethane from Malaysia

Diversifying Supply Sources and Import Routes for Alternatives to Fossil Fuels through Collaboration with PETRONAS

Tokyo Gas Co., Ltd

Tokyo Gas Co., Ltd. (President: SASAYAMA Shinichi; "Tokyo Gas") and Petroliam Nasional Berhad (PETRONAS), Malaysia's wholly owned energy company, have jointly achieved Japan's first import of biomethane from Malaysia. On November 22nd, Tokyo Gas received approximately 40,000 m^3 of biomethane on a gaseous-volume equivalent basis at its Ohgishima LNG Terminal.

This initiative marks the first concrete decarbonization project undertaken under the Memorandum of Understanding (*1) announced today by PETRONAS and Tokyo Gas. The two companies have long been partners in supporting the stable supply of LNG to Japan and will further strengthen their collaboration through this initiative.



Unloading operations at the Ohgishima LNG Terminal (November 22nd)

Tokyo Gas imported biomethane from the United States for the first time in 2024 (*2). By realizing the import from Asia in addition to North America, Tokyo Gas has taken another step toward building a global biomethane procurement portfolio. Tokyo Gas will continue to diversify supply sources and import routes for biomethane and other alternatives to fossil fuels, thereby contributing to a more resilient energy supply system in Japan.



Loading operations at the Regasification Terminal, Pengerang (November 5th)

The biomethane imported under this initiative was produced by capturing and upgrading the biogas (*3) generated from agricultural waste to increase its methane concentration. By making effective use of waste resources and displacing fossil fuels, biomethane is expected to help reduce greenhouse gas emissions. Because methane is also the primary component of city gas, biomethane can be used as a drop-in fuel that leverages existing LNG and city gas infrastructure, thereby helping to minimize additional system-wide infrastructure costs.

Regarding the attribution of GHG emissions reductions associated with imported biomethane, relevant Japanese government councils and other forums are discussing the necessary regulatory amendments and development of guidelines, with the aim of reflecting such attributes under Japan's SHK scheme (*4) beginning with fiscal 2026 emissions data. The SBTi (*5) is also revising its standards for corporate net-zero targets, while clarifying the treatment of bioenergy under international standards and frameworks, including the GHG Protocol. In light of these evolving regulatory and international frameworks, Tokyo Gas will continue its efforts to develop services that meet its customers' needs for decarbonization.

Guided by the "Challenge to Achieve Net-Zero CO_2" set out in its Group Management Vision Compass2030 and its Carbon Neutrality Roadmap 2050, Tokyo Gas will continue to contribute to the realization of a carbon-neutral society by combining a range of measures, including renewable energy, e-methane, biomethane, hydrogen and CCUS, while collaborating with a wide range of partners in Japan and overseas.

Notes

***1** Tokyo Gas press release dated November 26, 2026, "Signing of Memorandum of Understanding with PETRONAS on Strategic Collaboration for Stable LNG Supply, Decarbonization and Other Areas."

***2** Tokyo Gas press release dated March 22, 2024, "Import of Overseas Biomethane Toward the Realization of a Carbon-Neutral Society."

***3** A mixture of methane, CO_2 and other gases generated through the anaerobic digestion of organic matter.

***4** The Greenhouse Gas Emissions Accounting, Reporting and Disclosure System established under Japan's Act on Promotion of Global Warming Countermeasures.

***5** The Science Based Targets initiative (SBTi), an international climate action initiative.

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