

**Video Message by President Onoda  
for the LNG Producer-Consumer Conference 2020**

Good morning, Good afternoon and Good evening. My name is Satoshi Onoda, president of JERA Co., Inc.

I am honored to be given the opportunity to deliver a video message via online at the 9<sup>th</sup> LNG Producer-Consumer Conference amidst the COVID-19 pandemic.

I would like to express my heartfelt gratitude to the members of the Ministry of Economy, Trade and Industry as well as the Asia Pacific Energy Research Centre, which are the sponsors of this conference, for all their efforts.

The LNG Producer-Consumer Conference provides a venue for key members from the public and the private sector representing LNG producers and consumers, respectively, to meet together under the same roof to actively engage in discussions aimed at the development of greater transparency and sustainability of the LNG market, and what actions should be taken by producers and consumers. We have been taking part in this conference since the very first one in 2012. The two main themes for this year's conference are "Price mechanisms favorable and sustainable for both producers and consumers of LNG" and "De-carbonization through the LNG value chain." I believe both of these themes are extremely important and pinpoint precisely what the LNG industry must address going forward.

It is Asia that drives the growth of the world's energy demand from now on. This is because of the remarkable economic growth by countries and regions including China, Southeast and Southwest Asia. I believe the role that LNG plays is essential to realistically fulfill the energy demands necessitated by this growth. However, I have to say that the structure for stimulating the flow of commercial commodities is still immature in Asian LNG market, unlike markets in the US and Europe.

I feel that in order to stimulate the exchange of commercial commodities among consumers, it is necessary to carry out such measures as completely abolishing destination clauses, and implementing price indexes and a platform for transactions specifically for the market in Asia. Although the sense of uncertainty is increasing with regard to economic trends and trends in the energy market because of the COVID-19 crisis, I have high expectations that these initiatives will greatly contribute to the development of a transparent and sound LNG market in Asia.

Moreover, I believe that the trend toward de-carbonization is a commitment by all the human beings on the earth. As energy transition moves forward, LNG will play a more important role in maintaining a stable supply of electricity complementary to renewable energy generation. Furthermore, I believe that the LNG industry itself should promote de-carbonization in the LNG value chain as it is truly an issue that both producers and consumers should undertake by working together and taking “no sides”.

I would like to conclude my video message with the hopes that there will be lively discussions on these themes at this LNG Producers-Consumers Conference.