

July 25, 2022

Zeon Introduces Internal Carbon Pricing System

Promoting Capital Investments that Contribute to Reducing CO₂ Emissions
to Accelerate Initiatives for Carbon Neutrality

Zeon Corporation

Zeon Corporation (head office: Chiyoda-ku, Tokyo; President and CEO: Kimiaki Tanaka) has introduced and begun operating an internal carbon pricing (ICP) system, under which CO₂ emissions are converted into expenses based on its own standards and used as a reference for determining environmental investments.

Zeon intends to achieve a 50.0% reduction in CO₂ emissions by 2030* as part of its strategies to promote a transformation of “monozukuri” to realize carbon neutrality and a circular economy under the Medium-Term Business Plan launched in FY2021. With the introduction of the ICP system, Zeon will take CO₂ emissions into account when making every capital investment decision to direct funds into reducing CO₂ emissions.

Zeon’s ICP System

Internal carbon price:	10,000 yen/t-CO ₂
Target:	Investments associated with an increase or decrease in CO ₂ emissions
Method of application:	The internal carbon price will be applied to convert CO ₂ emissions associated with the targeted capital investment planning, which will be used as a reference for investment decisions.

An increasing number of companies in Japan and overseas are adopting the ICP system as a way to promote low-carbon investment. The system enables companies to ascertain the future value of environmental investments for which the effects are difficult to quantify and is expected to promote long-term capital investment for the future. To this same end, Zeon has also introduced an ICP system for balancing economic results with climate change measures in its business operations and thereby contributes to reducing CO₂ emissions.

Zeon will utilize its ICP system and proactively work on the three pillars of energy conservation, process innovation, and energy conversion toward achieving carbon neutrality and contribute to environmental sustainability along with safe and comfortable living.

*50.0% reduction of Zeon Corporation’s Scope 1 and Scope 2 CO₂ emissions from the FY2019 level.

For more information, contact:

Department of Corporate Communication, Corporate Sustainability Division, Zeon Corporation

Phone: +81-3-3216-2747

See Appendix for Zeon’s initiatives for achieving carbon neutrality under the Medium-Term Business Plan.

Appendix

The following diagram shows how Zeon has positioned its initiatives toward achieving carbon neutrality under the Medium-Term Business Plan. Zeon is pursuing various initiatives based on the three pillars of energy conservation, process innovation, and energy conversion toward achieving its target of a 50.0% reduction in CO₂ emissions by 2030.

