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Zeon Begins Energy Conversion Toward Achieving Carbon Neutrality by Shifting to 100% Renewable Energy for All Purchased Electricity at Four Domestic Business Sites

Zeon Corporation

Zeon Corporation (President and CEO: Kimiaki Tanaka) has converted to 100% renewable energy*¹ for all purchased electricity at four of its production sites in Japan (Takaoka Plant, Himi Futagami Plant, Tsuruga Plant, and Tokuyama Plant) as of April 1. In addition, it has signed an agreement for purchasing carbon neutral LNG, which has the effect of generating zero CO₂ emissions, for the Takaoka Plant, and an agreement for purchasing Green Heat Certificates*² to reduce CO₂ emissions generated by steam used at this plant. Through these initiatives, CO₂ emissions at the four sites are expected to decrease by approximately 80,000 tonnes per year compared to levels in 2019, and Zeon intends to continue accelerating its efforts toward achieving carbon neutrality.

Zeon is working to realize carbon neutrality and a circular economy by promoting a transformation in its “monozukuri” as part of its strategies under the Medium-Term Business Plan launched in FY2021. One of the key measures is energy conversion, and consideration had been underway to adopt renewable energy and fuel with non-fossil certificates*³ for replacing the fuel used for facilities such as boilers, the source of energy generation, at each production base.

In the latest move, all electricity used at the three sites in the Hokuriku region (Takaoka Plant, Himi Futagami Plant, and Tsuruga Plant) have been converted to energy with renewable energy certificates based on hydroelectric power generation, through the introduction of the Kagayaki GREEN RE100 plan provided by the Hokuriku Electric Power Company. The agreement, signed by the Takaoka Plant for purchasing carbon neutral LNG (liquefied natural gas), was the first such arrangement between a general company*⁴ and the Hokuriku Electric Power Group.

Furthermore, the Tokuyama Plant has converted to renewable energy by introducing a plan (special agreement for renewable energy) provided by Chugoku Electric Power Co., Inc. for all its energy needs and is also reducing its CO₂ emissions by purchasing Green Heat Certificates from Japan Natural Energy Co., Ltd.

Business Sites that Implemented Energy Conversion as of April 1

Location	Site Name	Main Products	Type of Energy Conversion
Takaoka City, Toyama Prefecture	Takaoka Plant	Synthetic rubber, electronic materials	<ul style="list-style-type: none"> • Use of 100% renewable energy for all purchased electricity • Purchase of carbon neutral LNG
Himi City, Toyama Prefecture	Himi Futagami Plant	Optical film	<ul style="list-style-type: none"> • Use of 100% renewable energy for all purchased electricity
Tsuruga City, Fukui Prefecture	Tsuruga Plant	Optical film	<ul style="list-style-type: none"> • Use of 100% renewable energy for all purchased electricity
Shunan City, Yamaguchi Prefecture	Tokuyama Plant	Synthetic rubber, synthetic lattice, polymerized toner, single-walled carbon nanotube	<ul style="list-style-type: none"> • Use of 100% renewable energy for all purchased electricity • Purchase of Green Heat Certificates for steam generation

Considerations are underway for converting to renewable energy at other production sites in Japan, and energy conversion is scheduled to take place at the Kawasaki Plant (Kawasaki City, Kanagawa Prefecture) in August. Zeon will continue striving to ensure safe and secure operations while proactively working to achieve carbon neutrality and contribute to environmental sustainability along with safe and comfortable living.

***1 Renewable energy:**

Electricity derived from renewable energy sources such as hydro, solar, and wind power.

***2 Green Heat Certificate:**

This certificate embodies the environmental added value of green heat generated by “natural energy;” by purchasing the certificate, the purchaser is deemed to have used green heat. The cost of the certificate is used for maintaining and expanding natural energy projects, thereby contributing to the spread of renewable energy. Certificates are issued by a third-party organization to ensure credibility.

***3 Fuel with certificates:**

Fuels that offset greenhouse gases, which are generated in the process, from extraction to the burning of natural gas, and that carry a carbon credit (carbon offsetting). Thus, they are deemed to be carbon neutral on a global scale when used (equivalent to carbon neutral LNG in Zeon’s case).

***4 Company other than a city gas supplier.**

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