

August 30, 2022

**The "Basic Study on the Establishment of Ammonia Supply Center at the Shunan Industrial Complex" was adopted for a subsidy program for "measures to promote the introduction of non-fossil energy (Support Project for Establishment of Hydrogen and Fuel Ammonia Supply Center at Industrial Complex)" by the Agency for Natural Resources and Energy, Ministry of Economy, Trade and Industry (METI).**

**- The project will study the establishment of Japan's first carbon-free ammonia supply chain with a capacity of over 1 million tons per year-**

Idemitsu Kosan Co.,Ltd.

Tosoh Corporation

Tokuyama Corporation

Zeon Corporation

**Idemitsu Kosan Co.,Ltd., Tosoh Corporation, Tokuyama Corporation, and Zeon Corporation ("Companies") jointly proposed "the Basic Study on the Establishment of Ammonia Supply Center at the Shunan Industrial Complex" ("Project") to a subsidy program for "measures to promote the introduction of non-fossil energy (Support Project for Establishment of Hydrogen and Fuel Ammonia Supply Center at Industrial Complex)", for which is advertised by the Agency for Natural Resources and Energy, METI, and this project has been adopted for the subsidy.**

The Project aims to establish a carbon-free ammonia supply system in the Shunan Industrial Complex with an annual capacity of over 1 million tons by 2030. The Companies will study the infrastructure improvement for ammonia supply to customers in the Shunan Industrial Complex, including the use of the storage facilities in the Tokuyama complex of Idemitsu Kosan as a common ammonia supply base. Based on the Project, the Companies will promote the construction of Japan's first ammonia supply chain in the Shunan complex through various initiatives such as ammonia co-firing demonstration tests in actual equipment.

The Shunan Industrial Complex produces and supplies a wide variety of high-value-added products, including chemical raw materials and chemicals, and steel, cement, and fine chemicals. In order to maintain and develop its competitiveness, it is essential to control CO2 emissions produced by manufacturing activities. In this context, the Shunan Industrial Zone Decarbonization Council ("Council") cooperating with the Chemical Engineering Society was established in January 2022 under the lead of Shunan City, aiming to achieve Carbon Neutral Complex ("CNK") in 2050 by making full use of the existing facilities and industrial infrastructures. In order to maintain and strengthen the industrial competitiveness of the Shunan Industrial Complex and to achieve its decarbonization, The council has been working to formulate a ground design, a roadmap by backcasting, as well as discussions on specific measures to be taken for achieving CNK in 2050. As one of the concrete measures for achieving CNK, Companies reached an agreement to jointly promote the study of the development of common infrastructures necessary for the establishment of ammonia supply chain in July 2022, which resulted in a proposal for this Project.

The Companies will build ammonia supply chains in the Shunan Complex to contribute to the realization of a carbon-free society.

For more information, contact:

Department of Corporate Communication, Corporate Sustainability Division, Zeon Corporation

Phone: +81-3-3216-2747