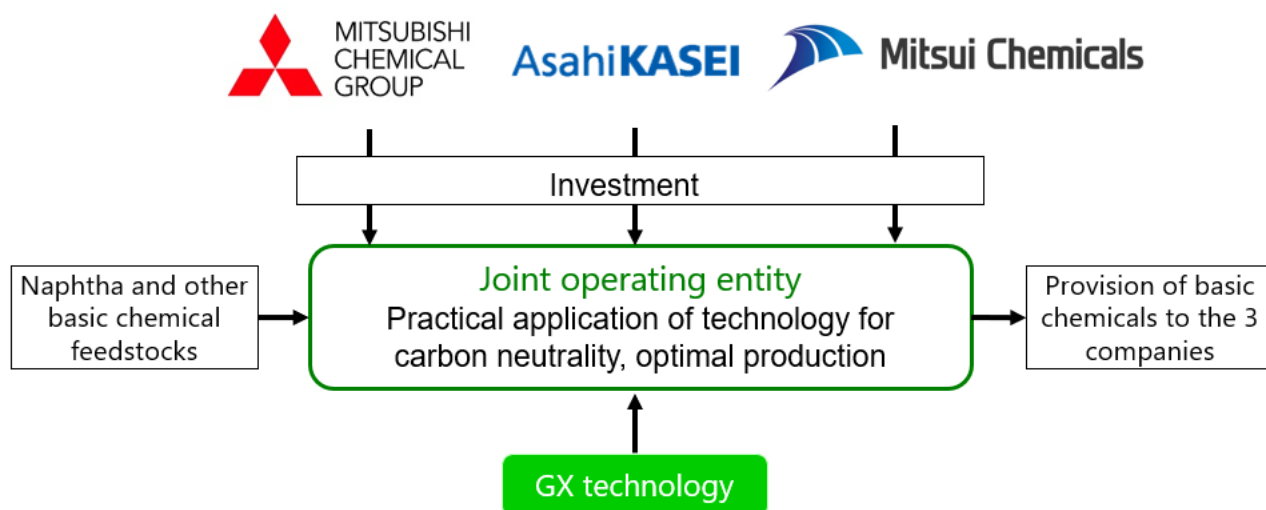


Asahi Kasei, Mitsui Chemicals, and Mitsubishi Chemical advance joint feasibility study on carbon neutrality of ethylene production facilities in western Japan

Asahi Kasei, Mitsui Chemicals, and Mitsubishi Chemical have advanced discussions as announced in "Asahi Kasei, Mitsui Chemicals, and Mitsubishi Chemical to start joint feasibility study on carbon neutrality of ethylene production facilities in western Japan" issued on May 8, 2024, regarding the transition to carbon neutrality of said facilities, including concrete measures for conversion to biomass feedstock, low-carbon fuel, etc., in place of petroleum-derived resources, and optimal future production arrangements.

Based on initial assessment of discussions thus far, it was confirmed that coordination across districts would be valuable, and the three companies have reached agreement to perform more in-depth study on production optimization, including carbon neutrality of ethylene production facilities in western Japan and future capacity reductions, premised on the establishment of a joint operating entity.

Moving forward, the three companies will pursue the possibilities of provision and implementation of each company's GX technology for carbon neutrality of ethylene production facilities, based on the presumption of the three companies fairly and rationally bearing the costs incurred and enjoying the benefits gained, including GHG reduction effects, of these measures.



Conceptual diagram of the joint operating entity

Discussions are also advancing for the establishment of optimal production arrangements taking into consideration joint procurement of basic chemicals, emplacement of infrastructure, etc. Regarding establishment of the joint operating entity, preparations will begin at an appropriate time.

This agreement is expected to strengthen coordination across districts of the sites of the three companies in western Japan, to swiftly and effectively achieve carbon neutrality of petrochemical products.

This study will be advanced while receiving confirmation from various concerned parties, and through these measures the three companies will make a broad contribution to the carbon neutrality and circular economy of Japan's chemical industry.