

August 19, 2021

ENEOS Corporation
Nippon Shokubai Co., Ltd.
Mitsubishi Corporation

**Joint Study to Commence on the Supply of Ethylene Derivatives
derived from Bio-based Raw Materials**

ENEOS Corporation (ENEOS), Nippon Shokubai Co., Ltd. (Nippon Shokubai) and Mitsubishi Corporation (MC) have agreed to undertake a joint feasibility study on the manufacturing and sale of ethylene derivatives derived from bio-based raw materials (bio-derivatives). This will be the first such undertaking in Japan and is in line with the country's aim to go carbon neutral by the year 2050. Our plan is to commence operations in fiscal year 2024.

ENEOS manufactures and sells ethylene from petroleum products. Using its ethylene, Nippon Shokubai manufactures and sells ethylene oxide (raw materials for toiletries, cosmetics, etc.), ethylene oxide derivatives and ethylene glycol (raw materials for PET bottles, polyester fibers, etc.). Mitsubishi Corporation's expertise is to supply stability in chemicals products and raw materials, as well as business-development and marketing capabilities in bio-based and eco-friendly raw materials. By leveraging our respective strengths, our companies shall endeavor to forge Japan's first bio-derivatives supply chain, thereby better equipping us to contribute to the realization of a low-carbon and carbon-free society, and circular economy.

Our joint study shall assess the feasibility of these bio-derivatives supply chain and the market's need for them, by taking advantage of our companies' worldwide raw-materials sourcing capabilities, our existing production capabilities and sales channels for both ethylene and ethylene derivatives including the supply-and-logistics infrastructure at the Kawasaki Industrial Complex.

In the Group Long-Term Vision, ENEOS Group set forth contribution to the realization of a low-carbon, recycling-oriented society through the enhancement of environmentally conscious business.; Nippon Shokubai promotes the initiatives for sustainability, such as a reduction in CO2 emissions, recycling, and decarbonization in the Nippon Shokubai Group long-term vision, "TechnoAmenity for the future."; Mitsubishi Corporation aims to contribute to achieve a low-carbon and carbon-free society and circular economy, which is a major theme through the conception and execution of business that is simultaneously generating economic value, environmental value and social value in the fields of energy and materials.

Our three companies setting the abovementioned visions are delighted that this joint study affords us the opportunity to promote swift market growth in bio-derivatives using sustainable raw materials.