

Joint Feasibility Study on the Commercialization of Sustainable Aviation Fuel

ENEOS Corporation (President: Saito Takeshi; ENEOS) and Mitsubishi Corporation (President: Nakanishi Katsuya; MC) have agreed to undertake a joint feasibility study aimed at commercializing Sustainable Aviation Fuel (SAF) and other next-generation fuels in Japan.

This study aims to build a supply chain for SAF, which requires cross-industrial collaboration, by leveraging both companies' respective strengths. These include ENEOS' manufacturing technologies and distribution networks, together with MC's global expertise in raw material sourcing and marketing capabilities. After formulating a basic strategy that takes into account the maturity of various SAF manufacturing technologies and the necessary time for commercialization, ENEOS and MC will proceed with the study based on the following three approaches:

- (1) Developing sustainable feedstock derived from bio-based raw materials
- (2) Producing SAF with newly emerging techniques
- (3) Building a supply chain for next generation fuels, with a focus on SAF

In the aviation industry, there is growing momentum towards the adoption of SAF in Europe and North America in order to align with CORSIA (※1), Carbon Offsetting and Reduction Scheme for International Aviation that will commence in 2027. This would drive the growth of the SAF market on a global scale going forward. In addition, the Japanese government has proposed a target to replace 10 percent of the jet fuels consumed by Japanese airlines with SAF by 2030. This makes establishing a SAF supply chain in Japan an urgent issue.

ENEOS and MC put a high priority on addressing climate change issues, and both companies are actively promoting initiatives to reduce CO₂ emissions with the aim of helping to achieve a decarbonized, circular society. By proceeding with this study as part of the above efforts, ENEOS and MC will be steadily contributing toward the early establishment of a supply chain for next-generation fuels.

(※1) An environmental measure in the aviation industry: In 2016, the International Civil Aviation Organization (ICAO) adopted at its annual meeting the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) aiming to achieve international aviation growth without increasing CO₂ emissions from 2021.