

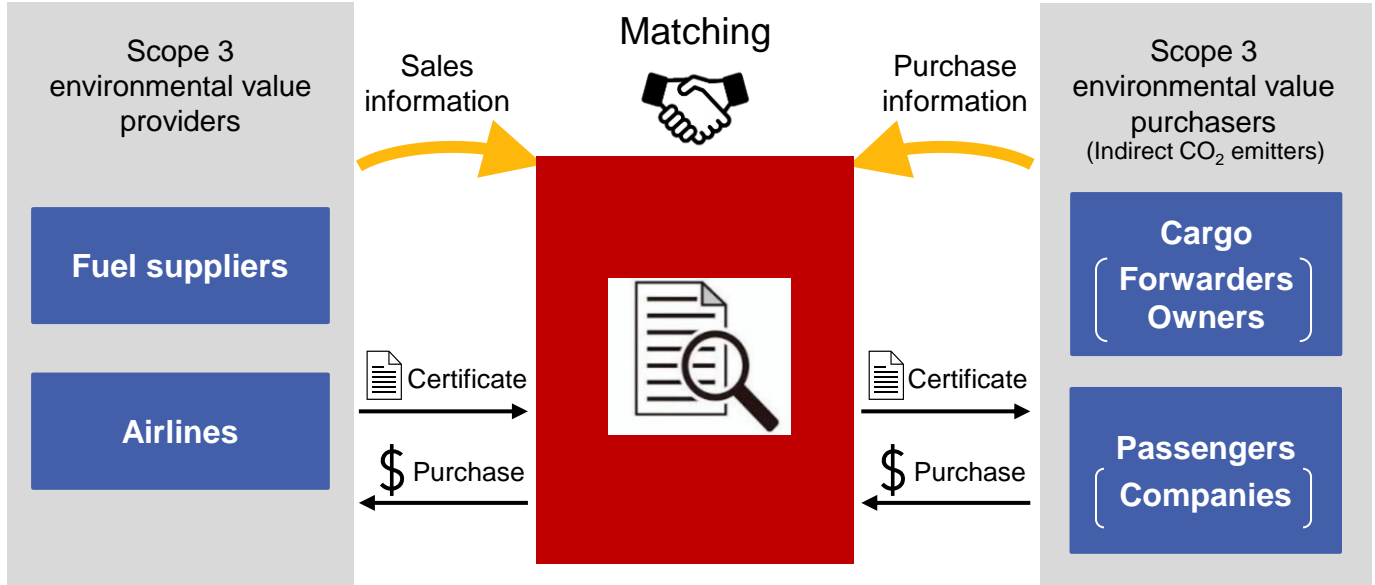
September 6, 2024
 ENEOS Corporation
 ITOCHU Corporation
 NIPPON EXPRESS HOLDINGS, INC.
 Japan Airlines Co., Ltd.
 Mizuho Bank, Ltd.
 Mizuho Research & Technologies, Ltd.
 NARITA INTERNATIONAL AIRPORT CORPORATION

World's First Initiative to Promote SAF Use and Decarbonize Aviation Begins

- Scope 3 Environmental Value Trading Demonstration Test to be Conducted at Narita Airport -

Sustainable aviation fuel (SAF)^{*1} is expected to contribute to the decarbonization of aviation by substantially reducing the volume of CO₂ emissions compared with conventional aviation fuel.

To encourage the use of SAF, **a project aimed at building a new scheme for trading Scope 3 environmental value**^{*2}—the reduction effects of indirect CO₂ emissions resulting from SAF use—is being launched. As the first step, seven companies (listed on the next page) have agreed to conduct a demonstration test of Scope 3 environmental value trading to verify the concept behind the new scheme.



This represents **the world's first**^{*3} initiative bringing together fuel suppliers, an airline, a forwarder, and an airport operator in an effort to jump-start trading in Scope 3 environmental value. Brisk trading in environmental value via this project's scheme will **make it possible to share the costs associated with SAF throughout the air transport value chain**.

After a trial phase of trading, a full-scale demonstration project with a larger number of participating companies will be followed by efforts to achieve the social implementation of the established scheme. The use of this scheme by a large number of companies involved in air transport will generate substantial opportunities to drive the widespread uptake of SAF throughout Japan. Extending decarbonization efforts to encompass the entire air transport value chain will secure the sustainable growth of the aviation industry.

■ Information on and Comments from Each Company

ITOCHU Corporation

Head Office: Minato-ku, Tokyo President & COO: ISHII Keita

ITOCHU's management policy commits to the enhancement of corporate brand value, and positions "Enhancing our contribution to and engagement with the SDGs through business activities" as one pillar of this effort. Through this project and increasing the market prevalence of SAF in cooperation with leading partners, ITOCHU aims to make an even greater contribution to the achievement of a circular economy.

ENEOS Corporation

Head Office: Chiyoda-ku, Tokyo President: YAMAGUCHI Atsuji

ENEOS is moving forward with the construction of an integrated system covering everything from procurement of the raw materials for SAF to in-house manufacture and sales. Through its participation in this project, ENEOS will promote Scope 3 environmental value and SAF use, thereby contributing to the reduction of GHG emissions throughout the aviation industry value chain.

NIPPON EXPRESS HOLDINGS, INC. (NX)

Head Office: Chiyoda-ku, Tokyo President & CEO: HORIKIRI Satoshi

Expanding the use of SAF is crucial to the pursuit of decarbonization in the aviation field, and efforts throughout the supply chain are required. Participating in this project as a forwarder, the NX Group aims to contribute to the creation of a sustainable society.

Japan Airlines Co., Ltd. (JAL)

Head Office: Shinagawa-ku, Tokyo President & Group CEO: TOTTORI Mitsuko

The JAL Group will contribute to the decarbonization of the aviation industry as a whole through the use of SAF. Via this project, JAL aims to work with customers and partner companies alike, in an effort to further the development of aviation networks and industry as a whole, and to achieve a sustainable society.

Mizuho Bank, Ltd.

Head Office: Chiyoda-ku, Tokyo President & CEO: KATO Masahiko

Mizuho Bank is strengthening its sustainability action, in an effort to achieve a sustainable society. In this project, it will contribute to the decarbonization of the aviation and airport sector by supplying Mizuho's financial knowledge and platform development expertise.

Mizuho Research & Technologies, Ltd.

Head Office: Chiyoda-ku, Tokyo President & CEO: YOSHIHARA Masatoshi

Mizuho Research & Technologies supports its customers' decarbonization activities as an expert group in the environmental field. In this project, it will contribute to the decarbonization of the aviation and airport sector by supplying Mizuho's financial knowledge and platform development expertise.

NARITA INTERNATIONAL AIRPORT CORPORATION (NAA)

Head Office: Narita-city, Chiba President & CEO: TAMURA Akihiko

As around 70% of the CO₂ emitted from Narita Airport stems from aircraft operation, ensuring the widespread uptake of SAF is a crucial task for NAA as well. Through this project, NAA will encourage efforts to reduce the Scope 3 emissions of aviation users, thereby contributing to decarbonization in the aviation industry and, by extension, across the globe.

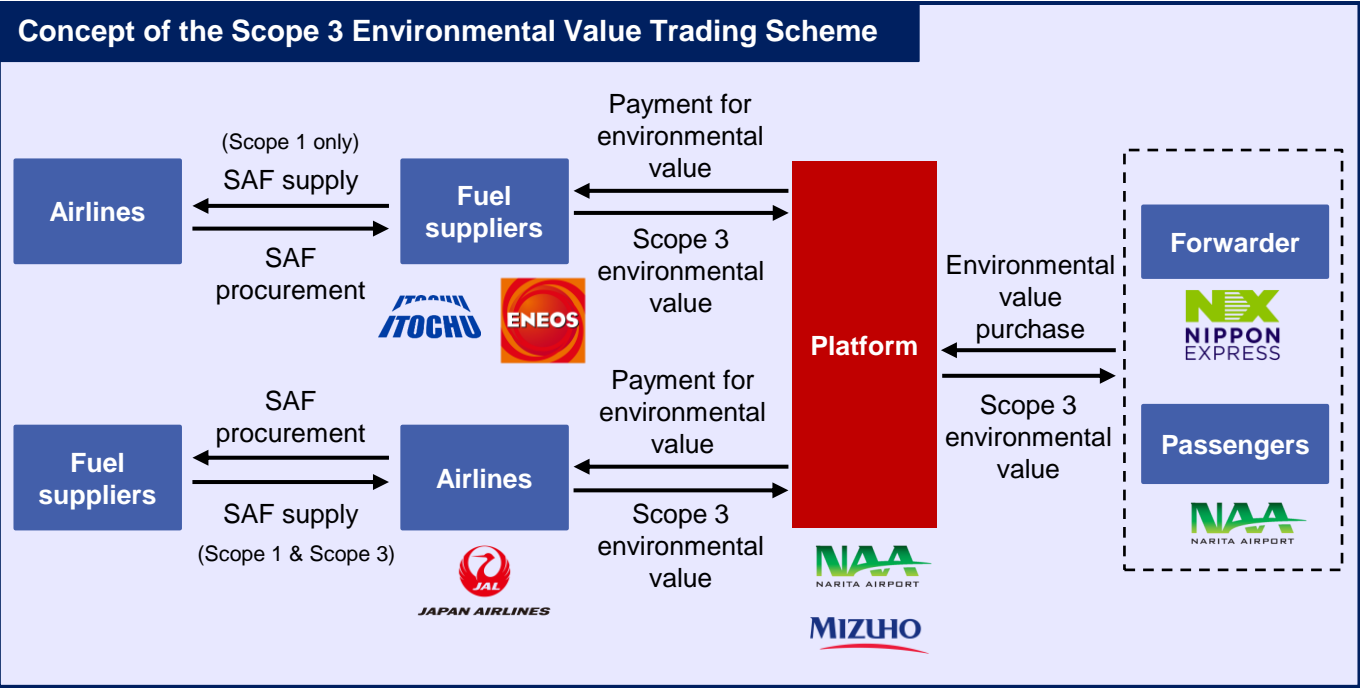
■ Overview of the Scope 3 Environmental Value Trading Scheme

Information about the sale and purchase of Scope 3 environmental value will be gathered on the platform and matching will take place, thereby creating opportunities for Scope 3 environmental value trading. Scope 3 environmental value sellers will bring SAF to Narita International Airport, and will provide Scope 3 environmental value on the platform. Scope 3 environmental value buyers will purchase Scope 3 environmental value corresponding to their purchase conditions via the platform.

■ Effects of the Scope 3 Environmental Value Trading Scheme

Fuel suppliers and airlines (Scope 3 environmental value sellers) currently have their own programs for selling Scope 3 environmental value individually. The scheme to be developed in this project will enable airlines and fuel suppliers to gain new customers for their Scope 3 environmental value, in addition to their own programs.

In addition, both sellers and buyers of Scope 3 environmental value will be able to consolidate their Scope 3 environmental value trades, thereby eliminating the need to conclude multiple individual contracts with the partners in each transaction.

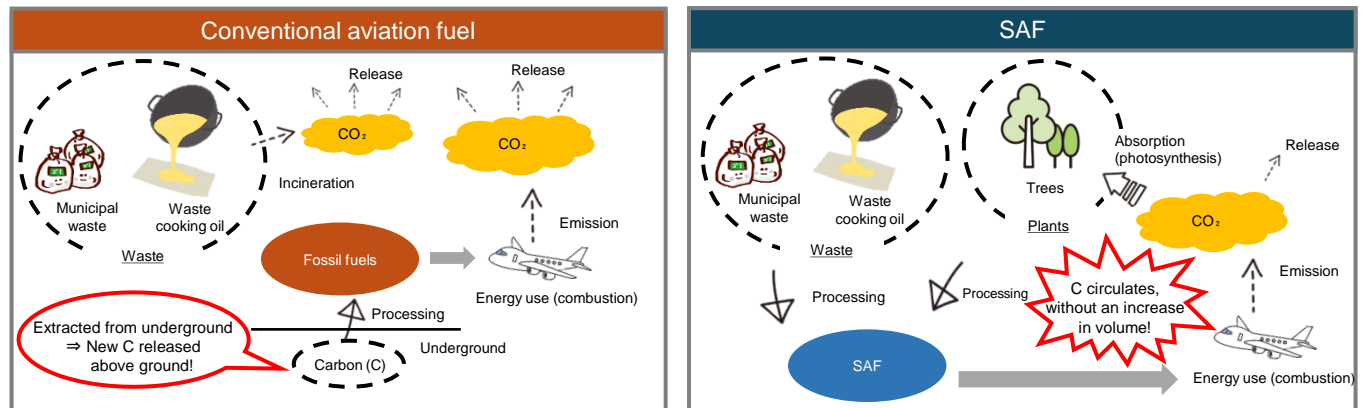


■ Roles of Each Company in This Demonstration Test

ITOCHU	Supply of SAF and provision of Scope 3 environmental value
ENEOS	Supply of SAF and provision of Scope 3 environmental value
JAL	Provision of Scope 3 environmental value arising from the use of SAF
NX	Purchase of Scope 3 environmental value associated with air cargo transport and rollout of Scope 3 environmental value to cargo owners
Mizuho Bank	Support for the operation of the demonstration project and verification of the trading system
Mizuho Research & Technologies	Support for the operation of the demonstration project and verification of the trading system
NAA	Platform operation, project planning, and purchase of Scope 3 environmental value associated with business travel by employees

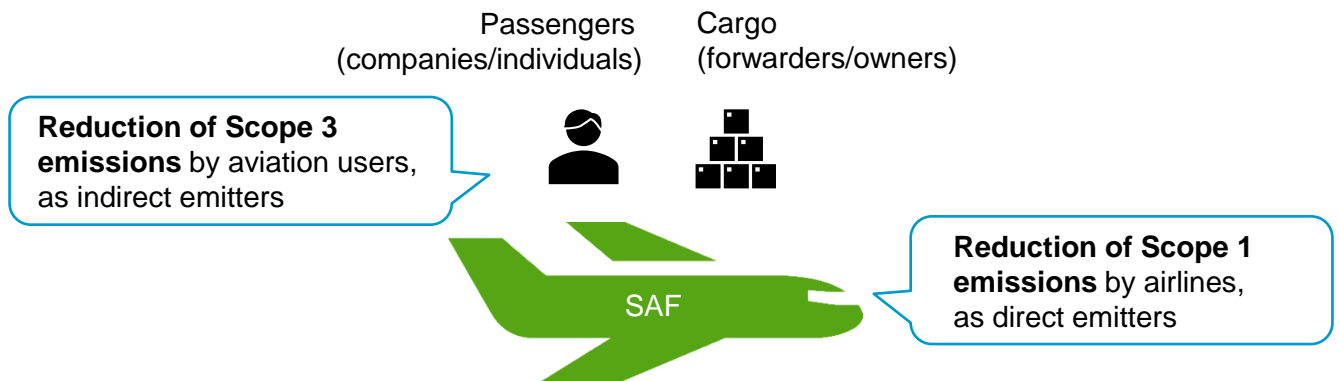
*1: SAF

SAF is an aviation fuel manufactured from non-fossil sources, including animal and vegetable oils and fats, waste cooking oil, and municipal waste. Using SAF makes it possible to substantially reduce greenhouse gas emissions compared with aviation fuel of fossil origin, which means that flights have a lower impact on the environment than has been the case until now.



*2: Scope 3 environmental value

Scope 3 environmental value arising from the use of SAF is becoming the focus of attention. The use of SAF by airlines will reduce direct emissions of CO₂ from aircraft (airlines' Scope 1 emissions). At the same time, it will have the effect of reducing indirect CO₂ emissions arising from such activities as air cargo transport and employees' business travel (aviation users' Scope 3 emissions). This is called Scope 3 environmental value and enables companies that have used air transport fueled by SAF to reduce their own company's Scope 3 emissions.



*3: NAA survey