

October 5, 2020

## Koei Chemical to Reduce CO<sub>2</sub> emissions in collaboration with Sumitomo Chemical

Koei Chemical Company, Limited, has decided to close down its existing co-generation equipment and to procure the resulting shortfall of electricity and steam from the facility of the adjacent Chiba Works of Sumitomo Chemical Co., Ltd., Koei Chemical's parent company, as part of the Sumitomo Chemical Group (including Koei Chemical)'s efforts to reduce greenhouse gas emissions. Sumitomo Chemical's facility is scheduled to be completed in the fall of 2023,

Sumitomo Chemical will terminate the use of petroleum coke in thermal power plants at Chiba Works and introduce a gas turbine power generator that uses liquefied natural gas (LNG) with a low CO<sub>2</sub> emission factor.

Through the procurement of electricity and steam from Sumitomo Chemical's newly built facility, Koei Chemical expects to reduce its annual CO<sub>2</sub> emissions of its Chiba Works by approximately 6% or 3,000 tons. The construction of a new facility is subsidized by the Ministry of Economy, Trade and Industry (METI) through its 2020 program, which promotes investment in energy conservation (supporting business operators in rationalization of energy use).

Sumitomo Chemical has been active in its efforts to reduce greenhouse gas emissions. For example, it obtained the approval from the Science Based Targets initiative in October 2018 for the first time in the world as a diversified chemical company. Embracing the management principles of "contributing to society through business activities," the Sumitomo Chemical Group will work together as one and continue to actively address climate change and other societal challenges.

As one of the Sumitomo Chemical Group companies, Koei Chemical will also continue to actively address climate change and other societal challenges.

(For Reference)

Sumitomo Chemical to Construct a High-Efficiency Gas Turbine Power Generator at Chiba Works - Will reduce annual CO<sub>2</sub> emissions by more than 240,000 tons –

<https://www.sumitomo-chem.co.jp/english/news/detail/20201005e.html>