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Mitsui Chemicals, Inc.

Mitsui-Soko Holdings Co., Ltd.

Mitsui Chemicals Partners With Mitsui-Soko Holdings to Calculate CO2 Emissions From International Transport of Products

Leveraging digital transformation to visualize CO2 emissions in real time
with a new calculation method

Mitsui Chemicals, Inc. (Tokyo: 4183; President & CEO: HASHIMOTO Osamu) has worked in partnership with Mitsui-Soko Holdings Co., Ltd. (Tokyo: 9302; President & CEO: KOGA Hirobumi) to develop a method of calculating CO2 emissions resulting from international transport of its products over the last three years.

This method will enable Mitsui Chemicals to calculate and disclose virtually all CO2 emissions at all stages from raw materials through to production and shipping. The method used to calculate emissions due to the shipment of products is notable for being a highly precise one whose validity has been verified by a third-party international organization.

Both companies will continue to work together to visualize CO2 emissions in real time via a digital logistics platform provided by Mitsui-Soko Holdings.

★ Groundbreaking aspects of the new calculation method

1. Encompasses multimodal transport across the globe, including not only maritime and air shipping but also modes such as rail and road freight.
2. Enables high-precision calculation that takes into account such matters as regional differences in CO2 emission coefficients – even when using the same mode of transport.
3. The calculation method provided by Mitsui-Soko Holdings has been assessed and verified as valid by third-party international organization DNV*1.

Mitsui-Soko Holdings' CO2 emissions calculation service

Mitsui Chemicals used the service for calculating CO2 emissions from international transport offered as part of Mitsui-Soko Holdings' SustainaLink logistics sustainability support service. The calculation was carried out by analyzing tens of thousands of data points held by Mitsui Chemicals for each mode, product and sector.

The formula used to calculate emissions is based on a method that encompasses international transport and complies with the GLEC Framework. In April 2022, the formula became the first in Japan

to be assessed and verified as valid by third-party organization DNV.

Mitsui-Soko Holdings intends to continue identifying CO₂ emissions from transport, visualizing the effects of reducing CO₂ emissions across the supply chains of Mitsui Chemicals and other clients, and proposing specific logistics solutions aimed at achieving actual reductions.

Mitsui Chemicals' initiatives aimed at achieving carbon neutrality

In November 2020, Mitsui Chemicals announced its commitment to achieving carbon neutrality by 2050. In addition to giving consideration to the environment in the realm of production, Mitsui Chemicals will continue to undertake initiatives aimed at reducing the burden on the environment resulting from product shipment and delivery by visualizing transport volumes and CO₂ emissions.

Mitsui Chemicals' carbon neutral strategy is centered around the two pillars of (1) reducing its own greenhouse gas emissions throughout each supply chain and (2) maximizing the reductions in emissions accruing to products and services over their entire life cycle. Based on this strategy, Mitsui Chemicals will seek to create a sustainable society by stepping up a variety of efforts aimed at contributing to the transformation of society.

"Mitsui Chemicals has created a Purchasing Division, Logistics Division and a number of other divisions under the new Digital Transformation Sector established this past April and is shifting up a gear in its efforts to promote digital transformation throughout the company, including our supply chains," said SAMBE Masao, Chief Data Officer and Managing Executive Officer, Mitsui Chemicals. "We're honored to have been able to calculate CO₂ emissions from international transport by Mitsui Chemicals using the service provided by Mitsui-Soko Holdings, which is the first in Japan to have had its validity assessed by a third-party organization.

"Mitsui Chemicals will help realize a sustainable society by leveraging digital transformation to visualize CO₂ emissions in real time and promoting reductions in the environmental burden resulting from product shipment and delivery."

"Mitsui-Soko Holdings is proud to be able to implement this initiative in partnership with Mitsui Chemicals, which is one of Japan's leading general chemical manufacturers and is promoting efforts to reduce the burden on the environment from multifaceted perspectives," said KIRIYAMA Tomoaki, Senior Executive Officer, Mitsui-Soko Holdings. "We'll be stepping up efforts to support initiatives by Mitsui Chemicals and our other clients to reduce environmental burdens arising from supply chains, proposing specific logistics solutions aimed at creating a sustainable society."

*1 DNV: DNV Business Assurance Japan K.K. (<https://www.dnv.jp/>)

Please refer to the following release for details of the validity assessment obtained from DNV Business Assurance Japan by Mitsui-Soko Holdings.

<https://msh.mitsui-soko.com/news/20220426>

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