

**ITOCHU ENEX Announces Renewable Resource-Based Fuel Business in Land
Transportation in Cooperation with NESTE
Facilitating use of commercial delivery vehicles for the first time in Japan**

ITOCHU Corporation (headquartered in Minato-ku, Tokyo; Keita Ishii, President & COO; hereinafter "ITOCHU"), ITOCHU ENEX Co., Ltd. (headquartered in Minato-ku, Tokyo; Kenji Okada, President & Chief Executive Officer; hereinafter "ITOCHU ENEX"), and FamilyMart Co., Ltd. (headquartered in Minato-ku, Tokyo; Kensuke Hosomi, President & Chief Executive Officer; hereinafter "FamilyMart") announced today that they have facilitated the use of renewable diesel (hereinafter "RD") for delivery vehicles for convenience stores for the first time in Japan. This is being realized in cooperation with Neste (headquartered in Finland; Peter Vanacker, CEO; hereinafter "NESTE"), the world's largest renewable fuel producer.

Using this opportunity, ITOCHU Group will make a full-scale entry into the renewable resource-based fuel (hereinafter "renewable fuel") business in the land transportation field and aim to achieve a circular economy and a carbon-free society.

For this project, ITOCHU has concluded an RD import contract for its use in Japan with NESTE, and ITOCHU ENEX has built a series of supply chains related to RD transportation and fueling in Japan. In addition, from early June, FamilyMart will start to use 100% RD as an alternative to light oil in some of the delivery vehicles at FamilyMart's distribution center in Yokohama City. It is the first time in the convenience store industry in Japan for delivery vehicles to be operated using RD as fuel, which can lead to reduction of greenhouse gas (GHG) emissions in the land transportation field.

NESTE is the world's top-class renewable fuel manufacturer that produces RD that uses waste oil and animal oil, etc., which do not have competitor foods, as raw materials as well as Sustainable Aviation Fuel (hereinafter "SAF"), etc. Through collaboration with ITOCHU during the past few years, NESTE realized supply of SAF to Japan in October 2020. Furthermore, to strengthen its initiative for realization of a circulating low-carbon society, it has decided to expand their business to the RD field.

"We're very pleased to work with ITOCHU to develop options to decarbonize in Japan" says Carl Nyberg, Executive Vice President for Renewable Road Transportation at NESTE.

NESTE's RD is produced by using waste oil and animal oil, which do not have competitor foods, as raw materials and realizes up to 90% reduction of GHG emissions compared with the petroleum-based light oil on a life-cycle assessment basis. RD is mainly used for cargo trucks and buses. It can be a "drop-in" fuel and does not need modification of the existing

vehicle/fueling-related facilities to start its use. RD has already been commonly used mainly in Europe and the US. As a future generation renewable fuel that can minimize the introduction cost related to decarbonization measures and greatly contribute to the reduction of GHG emissions, expansion of its use is expected in the future land transportation field.

ITOCHU has set "Contribute to and strengthen initiatives for the SDGs" as one of the Basic Policies in its medium-term management plan and will continue to work to introduce renewable fuels in Japan and Asian markets to solve issues for the realization of a circular economy, a carbon-free society, and a sustainable society.

Under its corporate philosophy "The Best Partner for Life and Society - with Energy, with the Car, with the Home -," ITOCHU ENEX has set "Helping to Realize a Low-Carbon Society" as one of the environment policies in order to realize a better global environment and harmonious coexistence with society. Going forward, the Group will continue to contribute to development of a good life of people and sustainable society through promotion of businesses that match the new era and solution of social issues.

FamilyMart established the FamilyMart Eco Vision 2050 in February 2020. To contribute to the realization of a sustainable society, it has set numeric goals under three themes of "Reduction of greenhouse gas (CO₂ emission)," "Plastic measures," and "Reduction of food loss" as the mid- and long-term goals for 2030 and 2050. With its message, "FamilyMart, Where You Are One of the Family," FamilyMart will advance the sustainability initiatives to achieve continuous growth with society.