ITOCHU ENEX CO., LTD.

Tonami Holdings Co., Ltd.

Sato Oil Ltd.

<u>Practical Verification of Renewable Diesel for Trunk Transportation Using a New Refueling Station</u> <u>Has Been Launched</u>

Special loading business (large trucks for trunk transportation between bases) introduces Renewable Diesel for the first time

ITOCHU ENEX CO.,LTD. (Headquartered in Chiyoda-ku, Tokyo; Kenji Okada, Representative Director, President and CEO; hereinafter "ITOCHU ENEX"), Tonami Transportation Co., Ltd. (Headquartered in Takaoka-shi, Toyama; Katsusuke Watanuki, President and Representative Director; the core company of Tonami Holdings Group; hereinafter "Tonami Transportation") and Sato Oil Ltd. (Headquartered in Ama-gun, Aichi; Jun Sato, President and CEO; ITOCHU ENEX's gas filling stations, hereinafter "Sato Oil") will set up a new Renewable Diesel (hereinafter "RD") refueling station in Sato Oil's Tobishima Truck Station enabling the launch of Ionami Transportation's practical verification of trunk transportation using this RD refueling station as an initiative for carbon neutrality.

From August 23 onward, Tonami Transportation will demonstrate and verify the availability of RD as an alternative fuel to conventional light oil on the route between its Sagami Branch (the base in Ebina-shi, Kanagawa, which is nearest to the RD refueling station) and its office in the Chukyo area (the base in Tobishima-mura, Aichi, which is nearest to the RD refueling station). This is the first case in the industry in Japan of RD being used in the special loading business (large trucks for trunk transportation between bases). This was made possible by ITOCHU Corporation concluding an import agreement with NESTE for the import of RD to Japan, while ITOCHU ENEX built a supply chain for RD transportation and refueling within Japan.

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 intended mainly for use in cargo trucks and buses, etc. for transportation as a so-called "drop-in" fuel and allows use of existing vehicles and refueling facilities without modification. It has already been widely distributed, mainly in the US and Europe. As a future generation renewable fuel that can minimize the cost related to decarbonization measures and greatly contribute to the reduction of GHG emissions, the expansion of the use of RD is expected in the land transportation field in the future.

Tonami Holdings Group works toward sustainable development through environmental activities including the introduction of electric trucks and use of solar power in its logistics facilities. Going forward, the Group will further promote initiatives responding to climate change from a long-term perspective and contribute to the realization of a sustainable society.

Under its corporate philosophy, "The Best Partner for Life and Society," ITOCHU ENEX will continue to popularize products and services that reduce environmental burdens and contribute to a sustainable society going forward, while simultaneously offering a reliable supply of energy as an energy company.

Sato Oil Tobishima Truck Station

Location: 6-93 Takenogo, Tobishima-mura, Ama-gun, Aichi

Access: 4 minutes by car from Umenogo Interchange (Meishi Bypass)



Truck powered by Renewable Diesel