

ITOCHU ENEX Begins Providing Japan's First Carbon Neutral GTL Fuel

ITOCHU ENEX CO., LTD. (headquartered in Chiyoda-ku, Tokyo; Kenji Okada, Representative Director, President and CEO) announced today that, as a part of its continuing efforts to achieve decarbonization, it has signed a purchase agreement for carbon neutral GTL fuel with Shell MDS (Malaysia) Sdn Bhd (hereinafter "Shell MDS"), a subsidiary of Royal Dutch Shell plc (hereinafter "Shell"). This agreement is the first of its kind in the Japanese market.

Through this agreement, we will purchase GTL from Shell and carbon credits that Shell holds will compensate for the greenhouse gas emissions from the entire lifecycle of the GTL, including its production, transportation, processing, and combustion.¹

In October 2021, we began using carbon neutral GTL in our facilities and we will gradually begin sales at a later date.

Following its corporate philosophy, "The Best Partner for Life and Society," the ITOCHU ENEX Group will continue to work to realize a decarbonized society, reduce burdens on the environment and contribute to a sustainable society going forward, while also providing a reliable supply of energy as an energy company.

¹ Shell generates carbon credits from its global portfolio of nature-based projects, including the Cordillera Azul National Park Project in Peru. The carbon credits are verified by a third-party and represent the avoidance or removal of greenhouse gas emissions. These nature-based projects protect, transform, or restore land and enable nature to add oxygen and absorb more CO₂ from the atmosphere.

Statement from Hirofumi Chimura, Executive Officer and Chief Operating Officer, Industrial Business Division

"Four years have passed since we started working with Shell MDS as our strategic partner for the expansion of the use of GTL in Japan, and we are now entering a new stage. We are delighted that this new effort will contribute to the expansion of the use of carbon neutral GTL in Japan. Shell's carbon neutral products are highly reliable and help us increase the transparency of our efforts to achieve decarbonation. This is why we have chosen carbon neutral GTL fuel. First, we began to shift the GTL fuel we use (at Sodegaura Asphalt Terminal) to carbon neutral GTL beginning in October 2021, and we will gradually start selling the fuel at a later date."

Statement from Amir Bakar, Vice President of Shell MDS

"While continuing to developing methods for avoiding and reducing greenhouse gas emissions throughout the GTL value chain, we are pleased to be able to provide our customers with solutions that can be immediately adopted as a means for them to control their gas emissions. Shell GTL Fuel is a drop-in fuel derived from natural gas, which burns more cleanly than conventional crude oil-based diesel and also helps reduce gas and particulate emissions. The use of GTL fuel, a high quality, naturally derived and offset fuel, is a unique, new solution for meeting the changing energy needs of our customers that aim to achieve carbon neutrality.

We sincerely appreciate that ITOCHU ENEX, one of our important business partners, will introduce this new service in Japan."



The GTL fuel is a colorless, clear and odorless fuel.

For more details of the GTL fuel including its features, please go to the [website of ITOCHU ENEX](#).

[Contact information for this release]

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