



November 24, 2022

Basic Agreement Concluded with Mitsubishi Estate on Cooperation to Reuse Used Cooking Oil in Domestic Sustainable Aviation Fuel (SAF)

Japan's first large-scale production of SAF, which will be partially sourced from used cooking oil from the Marunouchi area, to start in fiscal 2024

JGC Holdings Corporation
REVO International Inc.

JGC Holdings Corporation (Representative Director, Chairman and CEO: Masayuki Sato; "JGC Holdings") and REVO International Inc. (President: Tetsuya Koshikawa; "REVO International") announced today the conclusion of a basic agreement with Mitsubishi Estate Co., Ltd. ("Mitsubishi Estate"), on mutual cooperation to reuse cooking oil ("used cooking oil") used at restaurants and other establishments in the Marunouchi area (Otemachi, Marunouchi, and Yurakucho) operated and managed by Mitsubishi Estate as sustainable aviation fuel (SAF), etc. This is the first time¹ that an integrated real-estate company is participating in an initiative to encourage tenants in a commercial area that it operates and manages to cooperate toward the reuse of used cooking oil as SAF, etc.

SAF refers to sustainable aviation fuel using raw materials other than fossil fuels. SAF made from 100% used cooking oil can achieve CO₂ emission reductions of about 80% across the entire value chain, from collection of the raw material to production and combustion of SAF, when compared to conventional aviation fuel. In order to accelerate the introduction of SAF, which is expected to have the highest CO₂ reduction effect in the future, Japan's Ministry of Land, Infrastructure, Transport and Tourism (MLIT) is also mounting efforts toward decarbonization in the aviation field, including partnering with the Agency for Natural Resources and Energy of the Ministry of Economy, Trade and Industry to establish a public-private council to promote the introduction of SAF in April of this year as a venue for the government and private sector to discuss technical and economic challenges and solutions.

JGC Holdings has been working with REVO International and Cosmo Oil Co., Ltd., to conduct commercialization studies aimed at building a domestic supply chain from collection of used cooking

¹ According to research by Mitsubishi Estate

oil to production, transport, and supply of SAF. The new company SAFFAIRE SKY ENERGY LLC established on November 1 of this year is targeting domestic supply of SAF sourced entirely from used cooking oil generated in Japan on a level of about 30,000 kiloliters annually. A domestic SAF production facility is expected to begin operating between the second half of fiscal 2024 and the beginning of fiscal 2025. This endeavor has been adopted as a subsidized project by Japan's New Energy and Industrial Technology Development Organization (NEDO)².

According to the recently concluded basic agreement, JGC Holdings and REVO International will receive used cooking oil provided by buildings operated and managed by Mitsubishi Estate (about 150 tons annually)³. They will also work with Mitsubishi Estate to educate restaurant tenants on the environmental merits of SAF and call for their cooperation with collection, among other cooperative efforts by the three companies. Future aims are to expand this initiative beyond the Marunouchi area to hotels operated by Royal Park Hotels and Resorts Co., Ltd., a member of the Mitsubishi Estate Group, as well as to related facilities inside airports.

JGC Holdings and REVO International are accelerating their efforts in collaboration with business partners, local governments, and others to build a supply chain from collection of used cooking oil to production, transport, and supply of SAF. These efforts include a basic agreement concluded with Kansai Airports in June of this year on cooperation to supply used cooking oil generated by restaurants and other sources at the three airports operated by the Kansai Airports Group (Kansai International Airport, Osaka International Airport, and Kobe Airport).

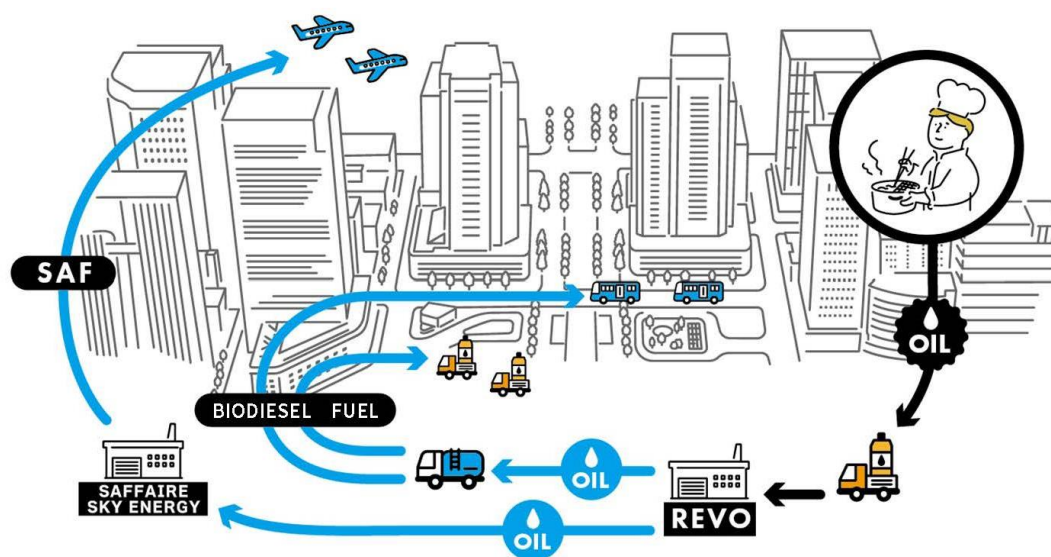
Used cooking oil is also recyclable as a raw material for the sustainable diesel engine fuel C-FUEL, a form of used cooking oil methyl ester (UCOME)⁴. Mitsubishi Estate will therefore begin reusing it for C-FUEL in March 2023, first as fuel for trucks to collect used cooking oil. While contributing to a decarbonized society through the utilization of SAF, it will aim to create a recycling scheme for further utilization of C-FUEL in the Marunouchi area in the future.

² NEDO website: https://www.nedo.go.jp/koubo/FF3_100312.html

³ Figure for total of 23 properties in fiscal 2019; amounts for some properties are estimates.

⁴ A biodiesel fuel derived from waste cooking oil

【Concept image of recycling】



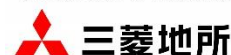
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■Role of Each Company

○Mitsubishi Estate Group

The Mitsubishi Estate Group will supply used cooking oil from complexes and commercial facilities in the Marunouchi area and other districts that it operates and manages, in addition to educating restaurant tenants on the environmental merits of used cooking oil and requesting their cooperation with collection. It will also aim to expand the initiative to hotels operated by Royal Park Hotels and Resorts Co., Ltd., along with related facilities inside airports.

人を、想う力。街を、想う力。



○JGC Holdings Corporation

JGC Holdings Corporation will build the entire supply chain for a business to produce SAF from used cooking oil (joint venture with Cosmo Oil Co., Ltd., and REVO International).



Used cooking oil collected by REVO International will be delivered to SAFFAIRE SKY ENERGY LLC, which will manufacture SAF from the received used cooking oil.

○REVO International Inc.

REVO International will collect used cooking oil from restaurants and other establishments as a valuable resource rather than a waste product and deliver it to SAFFAIRE SKY ENERGY LLC. It will also ensure the traceability of the used cooking oil by managing its collection status, including the amount of used cooking oil purchased from restaurants as well as the amount delivered to SAFFAIRE SKY ENERGY LLC.



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