

May 29, 2023

Sojitz Corporation

Sojitz Invests in Next Renewable Fuels, Inc., a Next-Generation Renewable Fuel Producer
– Entering the Sustainable Aviation Fuel and Renewable Diesel Production Business in
the U.S. –

Sojitz Corporation ("Sojitz"), through its fully owned subsidiary Sojitz Corporation of America ("SCA"), has invested in Next Renewable Fuels, Inc. (Head Office: Texas, U.S.; "NEXT"), which aims to produce next-generation renewable fuels with a low environmental impact in the United States. NEXT plans to construct a plant at Port Westward, Oregon to produce next-generation renewable fuels from used cooking oil, vegetable oil, animal fat, and other materials using HEFA*¹ technology, which is currently the only commercially available method for producing sustainable aviation fuel (SAF).*² The U.S. plant is anticipated to start commercial operations in 2026.



[Concept image of the completed manufacturing plant to be planned and constructed by NEXT]

NEXT aims to produce up to 50,000 barrels (8 million liters) of SAF and renewable diesel per day, or 750 million gallons (2,800 million liters) per year. In addition to SAF and renewable diesel, NEXT has plans for a hydrogen and biomethane gas production business, as well as a feedstock procurement business for the production of next-generation renewable fuels, and a wide range of other decarbonization initiatives.

Last November, United Airlines, a major U.S. airline, invested in NEXT through United Airlines Ventures, Ltd., a sustainability-focused venture fund affiliated with United Airlines. NEXT has also established relationships with major gas and oil companies. Sojitz will work with NEXT and its strategic relationships to realize a stable supply of raw materials and expand sales channels to enhance NEXT's corporate value.

As the global trend toward decarbonization accelerates, the aviation sector faces an urgent need to respond in kind. The International Civil Aviation Organization (ICAO) led the implementation of the CORSIA*³ emissions reduction framework, which requires airlines to reduce or offset their emissions from international flights to 15 percent below 2019 levels. To reduce greenhouse gas emissions from aviation, SAF is an essential alternative to conventional aviation fuel, and demand is expected to grow rapidly.

The U.S. is a major fuel market that accounts for 50% of the world's aviation fuel use. The U.S. is therefore actively working to promote the manufacturing and popularization of SAF, and the country is expected to be a global pioneer in the supply and utilization of SAF.

Sojitz Group is working toward the realization of a decarbonized society through its business activities under the Sustainability Challenge, the company's long-term sustainability vision for 2050. Sojitz will contribute to the decarbonization of the airline industry by continuing to help expand the supply of SAF and by developing a supply system for Japanese airlines.

(*1) HEFA (Hydroprocessed Esters and Fatty Acids): A process to produce the hydrocarbon fuel by hydrogenating and deoxygenating vegetable oils (rapeseed oil, palm oil, soybean oil, corn oil, etc.), animal oils (tallow, etc.) and used cooking oil.

(*2) SAF (Sustainable Aviation Fuel): A sustainable alternative aviation fuel that is not derived from fossil fuels and is produced mainly from waste cooking oil and biomass. SAF is expected to significantly reduce greenhouse gas emissions compared to conventional aviation fuel.

(*3) CORSIA (Carbon Offsetting and Reduction Scheme for International Aviation): A carbon offsetting and reduction scheme for international aviation adopted at the ICAO Assembly in 2016. It requires airlines to reduce or offset emissions in order to maintain emissions from the entire international air transportation sector at 85% of the 2019 level.

[Related Information]

[Company Overview – Next Renewable Fuels, Inc.]

Established	2016
Head Office	Houston, Texas, U.S.
Representative Director	Christopher Efird, Chief Executive Officer
Main Business	Production of next-generation renewable fuels
Website	https://nextrenewables.com/

[For questions, contact:]

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