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Sojitz Corporation

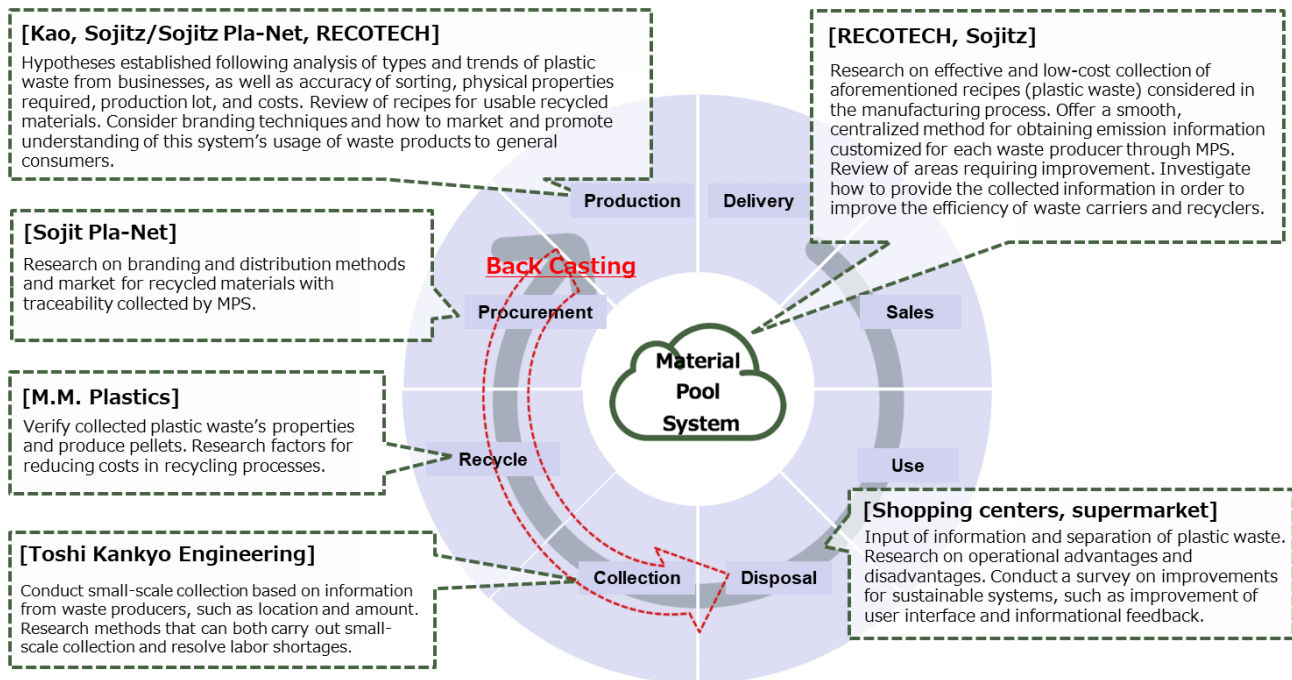
Sojitz Concludes Contract with Kawasaki City, Kanagawa Prefecture for  
Low-Carbon Material Recycling Model Study

Sojitz Corporation (“Sojitz”) in consultation with Sojitz Pla-Net Corporation (“Sojitz Pla-Net”), has concluded a subcontracting agreement along with M.M.Plastic, Inc. (“M.M.Plastic”), Kao Corporation (“Kao”), Toshi Kankyo Engineering Co., Ltd. (“Toshi Kankyo Engineering”), and RECOTECH. K. K. (“RECOTECH”) for a low-carbon material recycling model study (“this Study”) with Kawasaki City, Kanagawa Prefecture, to realize an urban circular economy. Kawasaki City is a subsidy recipient under a business subsidy program to curtail CO<sub>2</sub> emissions put forth by Japan’s Ministry of the Environment in 2020 as part of its efforts to establish Regional Circular and Ecological Spheres (Regional CES) through innovation for decarbonization.

This Study aims to recycle resources to contribute to the realization of the "Kawasaki Eco - Town Plan," \* 1 which strives to create a sustainable society in which the environment and industrial activities are in harmony. In order to realize the necessary recycling of resources in the region, a cost-effective waste plastic recycling system will be constructed to reduce CO<sub>2</sub> emissions. Additionally, through operation of this recycling system, this Study will demonstrate the effects of low carbon.

The target businesses in this Study are shopping centers and other commercial businesses that produce plastic waste. For plastics, there are challenges to more appropriate industrial waste treatment, and it is often difficult to achieve cost benefits from recycling. Most plastic waste is incinerated as general waste or is not used effectively, which is a leading cause of rising CO<sub>2</sub> emissions. In order to provide a solution, we will work with companies that promote use of recycled materials to analyze reusable plastics and match plastic waste suppliers and potential users. At the same time, verifications for sustainable recycling will be performed using Material Pool System (MPS)\*2 to visualize the amount of reusable resources, consolidate the collection of similar materials, and verify optimal collection routes. This Study will be in collaboration with businesses located in Kawasaki City that produce plastic waste, including Marui Group Co., LTD. (Marui Family Mizonokuchi) and Mizonokuchi Shintoshu Co., Ltd. (Nocty Plaza).

Sojitz Group’s Key Sustainability Issues state the company’s goal to contribute to the global environment through our business and to pursue the development, supply, and use of sustainable resources. This project with Kawasaki City will not only promote decarbonization through sustainable use of the region’s resources, but also serve as a business model that can be widely expanded to other regions as an environmental solution.



### [Role of Each Company and Overview of This Study]

\*1: Kawasaki Eco-Town Plan: In 1997, Kawasaki City drew up the Kawasaki Eco-Town Plan targeting the entire coastal area of Kawasaki (approximately 2,800 hectares). Recognized as the first eco-town in Japan by the Japanese government, Kawasaki Eco-Town is revitalizing the city’s industry while promoting the recycling of resources both in Japan and abroad.

\*2: Material Pool System (MPS): A system developed by RECOTECH for visualizing the type, amount, and location of waste products. The system plots information on a map based on waste product information input from sources using weighing devices and a dedicated app.



[Sample MPS Screen]

[Related Information]

[Company Overview –M.M.Plastic,Inc.]

Established	April 2006
Location	66-1 Shintomi, Futtsu City, Chiba Prefecture
Representative Director	President Tutomu Morimura
Main Business	Waste recycling and recycling business
Capitalization	JPY 50 million

[Company Overview – Kao Corporation]

Established	May 1940 (Founded June 1887)
Location	1-14-10 Kayabacho Nihonbashi, Chuo-ku, Tokyo
Representative Director	President and Chief Executive Officer Michitaka Sawada
Main Business	Cosmetics business, skincare and haircare business, healthcare business, fabric and home care business, chemical business
Capitalization	JPY 85.4 billion

[Company Overview – Toshi Kankyo Engineering Co., Ltd.]

Established	January 1992
Location	5-6-35 Kiba, Koto-ku, Tokyo Kiba Okamoto Building 2F
Representative Director	President Ken Niikawa
Main Business	Waste collection, transport, treatment, recycling; waste storage room management; waste product treatment consulting
Capitalization	JPY 50 million

[Company Overview – RECOTECH. K. K.]

Established	May 2007
Location	1-5-6 Kudan-minami, Chiyoda-ku, Tokyo Resona Kudan Building 5F KS
Representative Director	Chief Executive Officer Ei Nozaki
Main Business	Waste product consulting; sales of environmental equipment and products
Capitalization	JPY 6 million

[Company Overview – Sojitz Pla-Net Corporation]

Established	January 2004
Location	1-1, Uchisaiwaicho 2-chome, Chiyoda-ku, Tokyo Iino Building
Representative Director	President Kenichi Ariga
Main Business	Plastics trading
Shareholders	Sojitz Corporation
Capitalization	JPY 3 billion

[For questions regarding this press release, contact:]

Sojitz Corporation      Public Relations Dept.      +81-3-6871-3404