

August 21, 2024

**Sojitz Corporation**

## Sojitz and Nippon Yusen Kaisha Sign Term Sheet for Marine Transport of Green Ammonia from India to Japan

-Establishing a Supply Chain Spanning Production in India to Transportation to Japan-

Sojitz Corporation ("Sojitz"), Kyushu Electric Power Co. ("Kyushu Electric"), and Sembcorp Green Hydrogen Pte. Ltd., a wholly-owned subsidiary of Asia's leading energy provider Sembcorp Industries ("Sembcorp"), have signed a term sheet ("the Agreement") with Nippon Yusen Kaisha for marine transport of green ammonia\* produced in India to Japan. Each company intends to develop the term sheet into a legally binding document at a later stage.



[The signing ceremony was attended by India's Minister of New and Renewable Energy, Shri Pralhad Joshi]

As the global trend toward carbon neutrality accelerates, there is a greater push to a transition to clean energy. Sojitz began discussions with Sembcorp from 2022 to collaborate on a wide range of infrastructure and new energy business areas focused on decarbonization. Price-competitive green ammonia will be produced in India, which has abundant renewable energy resources and vast land area, by utilizing Sembcorp's knowledge and resources in project development and operation in the country. In June 2024, Sojitz and Sembcorp, together with Kyushu Electric, reached a basic agreement to produce 200,000 metric tonnes of green ammonia per year from the latter half of the 2020s, which will be supplied to various industrial off-takers mainly in the Kyushu region. The Agreement secures key marine transportation for establishing a supply chain from production in India through transportation to Japan.

By supplying cost-competitive green ammonia, Sojitz will promote the introduction of clean energy and contribute to Japan's decarbonization efforts. At the same time, Sojitz strives to provide a stable supply of energy through diversification of the clean energy supply with the establishment of a new supply chain in India.

\*Green hydrogen, which is produced using renewable energy and water electrolysis equipment, is attracting attention as a carbon-neutral, next-generation energy source that does not emit CO<sub>2</sub>.

However, there are some issues that remain to be solved, such as the transportation method. Green ammonia is expected to spread quickly for use in thermal power generation and other applications as a hydrogen carrier for green hydrogen and as a zero-emission fuel (fuel ammonia) that emits no CO<sub>2</sub> when burned.

[Related News Releases]

June 6, 2024

[Sojitz, Sembcorp and Kyushu Electric Sign Term Sheet to Supply Green Ammonia from India to Japan](#)

December 18, 2023

[Attendance at the MOU Ceremony of AZEC Leader's Meeting](#)

October 26, 2022

[Sojitz and Sembcorp signed MOU on wide-ranging new energy and infrastructure business fields aimed at decarbonization](#)