

Denka Completes High-Efficiency Gas Turbine Power Generators at Chiba Plant ~ Environmental Investment of Around 3.7 Billion Yen Boosts Cost Competitiveness and Cuts CO₂ Emissions at Least 12 Kilotons per Year ~



High Efficiency Gas Turbine Power Generators Reach Completion

Denka Company Limited (headquarters: Chuo-ku, Tokyo; president: Toshio Imai; hereinafter, “Denka”) announced that it has completed construction of high efficiency gas turbine power generators for private use at its Chiba Plant (Ichihara-shi, Chiba Prefecture), which is one of the Denka's major plants. Operation of the generators will bolster the cost competitiveness of the overall Chiba Plant and reduce CO₂ emissions by 12 kilotons or more per year.

Based on its ESG management, the Denka Group has set targets of lowering greenhouse gas emissions by 50% from the fiscal 2013 level by fiscal 2030 and of achieving carbon neutrality by fiscal 2050. As one specific initiative to achieve this, it is working to increase the use of clean energy. In August 2020, Denka decided to make an environmental investment of approximately 3.7 billion yen to introduce the generators. This project was subsidized by the Ministry of Economy, Trade and Industry (METI) under the program for supporting business operators making rational use of energy.

Private power generation accounts for at least 50% of electric power required for Denka's domestic business. In the past two years, the company introduced one high efficiency gas turbine power generator to the Omi Plant and launched two hydroelectric power plants (*1). It is thus expanding the use of clean energy. Denka will continue its efforts to increase the use of clean energy. It will also strive for carbon neutrality by fiscal 2050 by pursuing a number of long-term initiatives, such as introducing carbon dioxide capture, utilization and storage, CCUS (*2) technologies and changing the fuel for thermal power generation for private use from natural gas as a fossil fuel to hydrogen as a clean energy source.

With the SDGs as its compass, Denka aims to be an irreplaceable company for society, creating a better world for all through work Denka can perform better than anybody.

1. Overview of the new high efficiency gas turbine power generators for private use

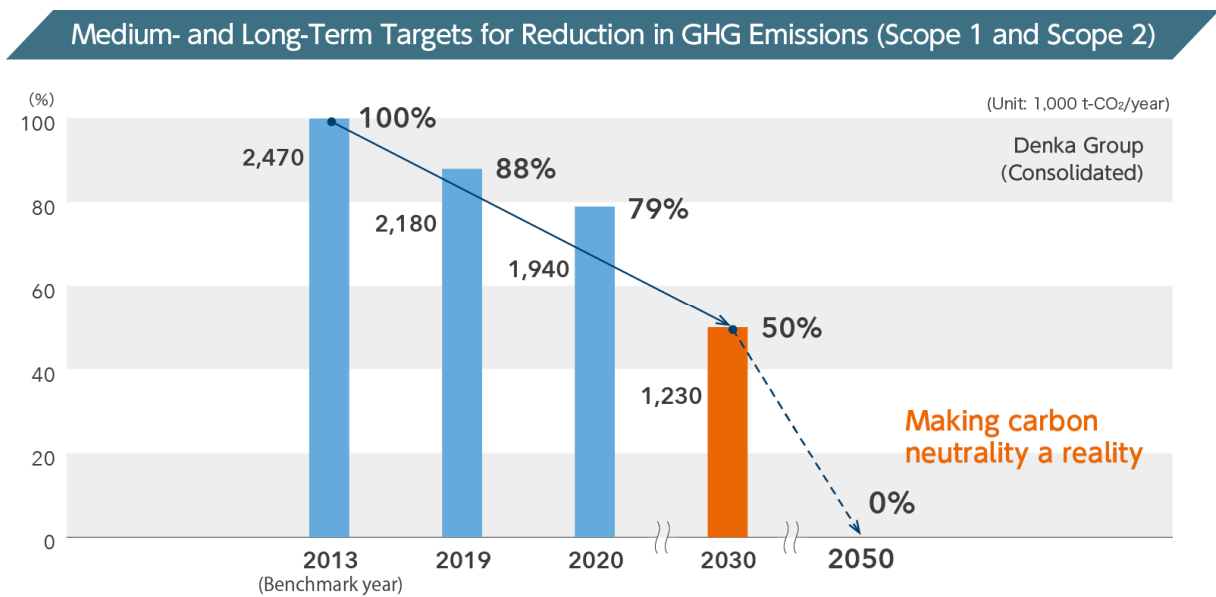
- Maximum output: Approx. 7,500kW each
- Overall efficiency: Approx. 85%
- Greenhouse gas emissions reduction: Approx. 12 kilotons CO₂ per year or more
- Energy consumption reduction: At least 6,000 kL per year (crude oil equivalent)
- Total investment: Approx. 3.7 billion yen

* The consolidated financial forecasts for the fiscal year ending March 31, 2023 take the completion of the new generators into account.

2. Overview of the Chiba Plant

- Location: 6, Goi Minamikaigan, Ichihara-shi, Chiba
- Main products: Styrene monomers, styrene-based functional resins, special acrylic synthetic rubber, ultra high-purity acetylene black, electric insulation tapes, harness tapes for automotive, culvert pipes for agriculture and civil engineering, and others
- Number of employees: Approx. 500

~Denka Group's Greenhouse Gas Emissions and Medium- and Long-Term Goals for Carbon Neutrality~



Scope 1: Direct greenhouse gas emissions from combustion of raw materials and fuels and from the production process at the company

Scope 2: Indirect greenhouse gas emissions from the use of electricity, heat and steam supplied from outsiders

(*1) The two hydroelectric power plants include the newly constructed one (i.e. the New Himekawa No. 6 Power Plant) to be operated by a joint venture, namely Kurobegawa Electric Power Company.

(*2) A technology for separating the CO₂ in exhaust gases from plants and factories from other constituents, capturing it and preventing it from being emitted into the air.

For References:

- ”New Hydroelectric Power Plant Begins Operations, Expanding the Use of Clean Energy~ Commercial Operation of New Himekawa No. 6 Power Plant Commences ~ “ April 5, 2022
https://www.denka.co.jp/eng/storage/news/pdf/395/20220405_denka_shin-himeroku_en.pdf
- ”Transmission of Power from the New Omigawa Power Plant Commences~ Expanding Use of Clean Energy towards the Achievement of Carbon Neutrality by 2050 “ January 29, 2021
https://www.denka.co.jp/eng/storage/news/pdf/321/20210129_denka_shinomi_en.pdf
- “Denka Completes Construction of High-Efficiency Gas Turbine Power Generator at Omi Plant ~ Reduction of at least 16,000 tons of CO₂ Emissions Annually with Investment of Approximately ¥4 Billion Yen ~“ October 29, 2020
https://www.denka.co.jp/eng/storage/news/pdf/304/20201029_denka_omi_en.pdf
- ”Denka Decides to Invest Approximately ¥3.7 Billion Yen with an Eye to Achieving Greenhouse Gas Emission Targets: Reduction of at least 12,000 tons of CO₂ Emissions Annually through the Introduction of a High-Efficiency Gas Turbine Power Generator “ August 31, 2020
https://www.denka.co.jp/eng/storage/news/pdf/296/20200831_denka_greenhousegas_reduction_en.pdf

<p>[For Inquiries about This Press Release from Media] Corporate Communications Dept. Tel: +81-3-5290-5511</p>
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