

May 26, 2020

To whom it may concern

Fuel Conversion of boilers at the Onoda Plant

Nissan Chemical Corporation (Head Office: Chuo-ku, Tokyo; President: KINOSHITA Kojiro) announced the decision to replace the A heavy oil boilers, which had been in use at the Onoda Plant (Sanyo Onoda City, Yamaguchi Prefecture) for more than 20 years, with natural gas-fired boilers. Through the fuel conversion, we expect to reduce greenhouse gas (GHG) emissions by 9.1% at the Onoda Plant.

1. Background

The Onoda Plant is the first plant in Japan that started production of agricultural chemicals in 1910 (Meiji 43), and since then has mainly produced life science products such as agricultural chemicals (insecticides and acaricides, herbicides and other agricultural chemicals), active ingredient for veterinary pharmaceuticals and active pharmaceutical ingredients for such as anti-hyperlipidemia drug and in addition some organic fine chemicals.

Existing A heavy oil boilers at the Onoda Plant have been installed for 22 years since 1998, and in recent years have been aging.

This time, from the viewpoint of reducing GHG emissions, improving boilers combustion efficiency, saving labor, and strengthening maintenance (predictive maintenance), we will replace our boilers with boilers that use natural gas as fuel.

2. Summary of construction by renewal of boilers

Renewal of boilers, construction of new boilers rooms, construction of new natural gas pipes, and ancillary work

3. Construction period

Renewal of boilers June 2020 to December 2021

4. Capital expenditures

700 million yen

We identified the materiality to be addressed in order to realize our corporate vision in 2030 of becoming "A corporate group which provides new values for helping to enrich people's lives by integrating internal and external knowledge with facing globally-changing society " and " A group of first-class pioneers who blaze a way to the future with enthusiasm by trusts they have built and skills they have cultivated".

As part of these efforts, we are continually strengthening our Responsible Care activities including mitigating climate change by energy saving through equipment improvement and fuel conversion that leads to GHG emissions reduction and so on.

Going forward, we will continue to strengthen our efforts to ensure the environment, health, and safety.

Contact information for inquiries on the above
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Nissan Chemical Corporation Corporate Planning Department CSR & Public Relations Office E-mail : csr_pr@nissanchem.co.jp
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