

<news release>

Idemitsu Kosan Co., Ltd.

Suntory Holdings Limited

## Idemitsu and Suntory Collaborate in Chemical Recycling Demonstration Test Aiming for Recycling Caps and Labels of Used PET Bottles

Tokyo, JAPAN (October 24, 2024) – Idemitsu Kosan Co., Ltd. (Idemitsu Kosan) and Suntory Holdings Limited (Suntory) today announced they have started collaborating on a project aiming for recycling caps and labels of used PET bottles and have conducted a chemical recycling demonstration test for recycling caps. In this demonstration test, Idemitsu Kosan subsidiary Chemical Recycle Japan Co., Ltd. used the used PET bottle caps provided by Suntory as raw materials to produce chemical recycled oil (CR oil<sup>\*1</sup>) through technology of recycling of used plastics into oil<sup>\*2</sup>. Idemitsu Kosan confirmed the utility of this CR oil as a raw material for petrochemical products and fuel oil.

Going forward, Idemitsu Kosan will explore the production of "Renewable Chemicals" and "Renewable Fuel Oil"<sup>\*3</sup> from CR oil derived from used PET bottle caps and labels using its petroleum refining and petrochemical equipment. Suntory will confirm the practicality of plastic containers produced from "Renewable Chemicals" and explore the forms and possibilities of optimal recycling of containers and packaging in general, including horizontal recycling into caps and labels. In addition, both companies will work to establish a comprehensive supply chain for the entire process.

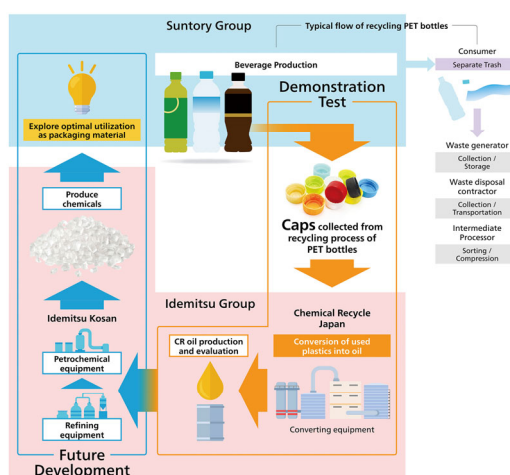


Image of demonstration test and the project

This high-resolution image has been posted on <https://www.suntory.com/news/index.html>

Idemitsu Kosan established Chemical Recycle Japan Co., Ltd. in April 2023, aiming to produce CR oil from collected used plastics as an alternative raw material to crude oil. In recent years, in addition to the promotion of measures against marine plastic waste issues, climate change issues, and strengthening of waste import regulations in various countries, the importance and social needs of further promoting plastic resource circulation have increased, with the enforcement of the Act on Promotion of Resource Circulation Related to Plastics. Idemitsu Kosan has been handling fossil fuels for many years and has been deeply involved in plastic manufacturing. It is precisely because of this that we believe that we should take responsibility for recycling used plastics. Idemitsu Kosan will utilize the knowledge it has cultivated in the manufacture of fuel oil and chemicals to meet social needs with unprecedented, innovative recycling technology that returns plastic to its raw material, petroleum. The initiative to recycling used PET bottle caps and labels is part of Idemitsu Kosan's commitment to implementing diverse resource conservation and circulation solutions, one of its three business domains, as announced in their medium-term business plan.

As a corporation sustained by the gifts of nature and water, and with a purpose to inspire the brilliance of life, by creating rich experiences for people, in harmony with nature, Suntory Group has been committed to achieving a sustainable society since its founding. In 2011, in collaboration with Kyohei Sangyo Co., Ltd., Suntory Holdings established the first horizontal recycling technology in the Japanese beverage industry and has been promoting "bottle-to-bottle" horizontal recycling<sup>\*4</sup> through agreements with over 100 municipalities and more than 40 companies. Additionally, Suntory Group is developing bio-based PET bottles using plant-derived materials, aiming to achieve 100% sustainable bottles by using only recycled or bio-based material for all of its PET bottles used globally by 2030 and eliminating the use of virgin petroleum-based materials. As of 2023, more than half<sup>\*5</sup> of its soft drink bottles sold in Japan use 100% recycled PET bottles.

Both companies will work toward realizing a carbon-neutral and circular society by further exploring the possibility of recycling caps and labels of PET bottles into packaging and containers.

\*1 Pyrolysis oil produced through technology of Chemical Recycle Japan

\*2 Converting used plastics into oil, and producing renewable chemicals and renewable fuel oil, using the CR oil as raw material.

\*3 Chemicals and fuel oil produced from CR oil by the recycling of used plastics technology.

\*4 Mechanical recycling of used PET bottles to new PET bottles

\*5 By quantity

#### About Idemitsu Kosan Co., Ltd.

<b>Headquarters</b>	1-2-1 Otemachi, Chiyoda-ku, Tokyo
<b>Representative</b>	Representative Director, President and CEO Shunichi Kito
<b>Main business</b>	Fuel oil business, basic chemicals business, high-performance materials business, electric power and renewable energy business, and mineral resources business

The Idemitsu Group is engaged in the development, manufacture, and sales of a wide variety of energy sources and materials in the areas of Petroleum, Basic Chemicals, High-Performance Materials, Power/Renewable Energy, and Resources based on relationships of trust with partners and customers in a variety of fields. To achieve carbon neutrality and a circular society by 2050, we aim to develop the three business areas of "Energy One-Step Ahead," "Diverse Resource Conservation/Circulation Solutions," and "Smart Yorozuya" and continue to take on new challenges using our domestic and international networks.

For more information, visit <https://www.idemitsu.com/en/index.html>.

#### About Chemical Recycle Japan, Co., Ltd

<b>Headquarters</b>	6F RBM Tsukiji Square, 1-18-8 Shintomi, Chuo-ku, Tokyo
<b>Representative</b>	President Masahiko Okamura
<b>Main business</b>	As a subsidiary of Idemitsu Kosan Co., Ltd., the company engages in procurement of used plastics, recycling of used plastics into oil using its own facilities, and sales of CR oil.

For more information, visit <https://cr-japan.co.jp/>.

#### About Suntory Group

As a global leader in the beverage industry, Suntory Group aims to inspire the brilliance of life, by creating rich experiences for people, in harmony with nature. Sustained by the gifts of nature and water, the Group offers a uniquely diverse portfolio of products, from award-winning Japanese whiskies Yamazaki and Hibiki, iconic American whiskies Jim Beam and Maker's Mark, canned ready-to-drink -196, The Premium Malt's beer, Japanese wine Tomi, and the world-famous Château Lagrange. Its brand collection also includes non-alcoholic favorites Orangina, Lucozade, Oasis, BOSS coffee, Suntory Tennensui water, TEA+ Oolong Tea, and V energy drink, as well as popular health and wellness product Sesamin EX.

Founded as a family-owned business in 1899 in Osaka, Japan, Suntory Group has grown into a global company operating throughout the Americas, Europe, Africa, Asia and Oceania, with an annual revenue (excluding excise taxes) of \$20.9 billion in 2023. Its 41,511 employees worldwide draw upon the unique blend of Japanese artisanship and global tastes to explore new product categories and markets.

For more information, visit [www.suntory.com](http://www.suntory.com) and [Drink Smart](#).

DRINK  SMART®