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Press Release

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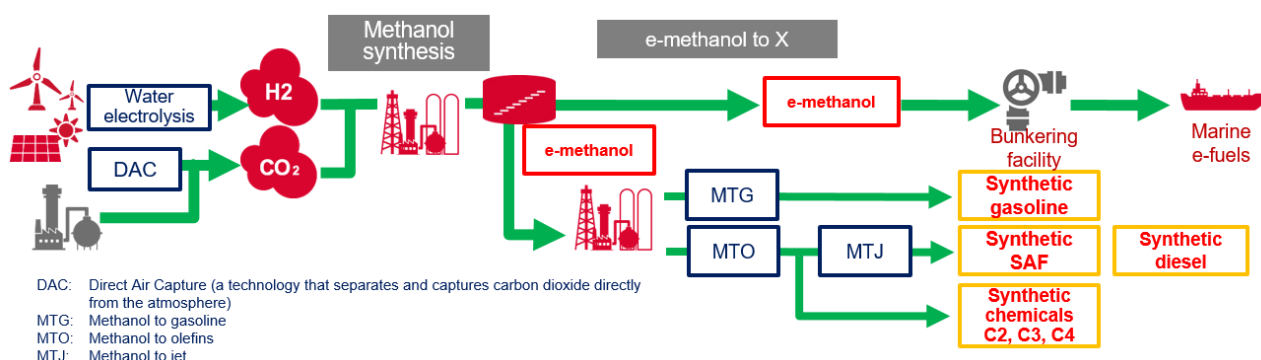
Joint Study on e-methanol Started with HIF

Idemitsu Kosan Co.,Ltd. (Head office: Chiyoda-ku, Tokyo; Representative Director, President and Chief Executive Officer: Shunichi Kito; hereinafter referred to as “Idemitsu”) has agreed with HIF USA, a subsidiary of HIF Global, which manufactures e-fuels in South America, North America, Australia, and elsewhere, to jointly procure e-methanol from the HIF group and to study the development of an e-methanol business.

e-methanol is produced by synthesizing CO₂ recovered from the atmosphere and other sources with hydrogen derived from renewable energy. In addition to direct use as marine fuel, for which demand is expected to continue to grow, e-methanol can be used to selectively produce e-fuels such as synthetic gasoline, synthetic SAF (Sustainable Aviation Fuel), synthetic diesel, and synthetic chemicals. Unlike methanol, which is produced from fossil fuels, CO₂ itself is used as a raw material, making a significant contribution to low carbon emissions throughout the product life cycle, including the use of the final product.

HIF USA is in the process of starting up a 1.4 million ton/year e-methanol production facility in Matagorda, Texas, USA. In March of this year, Idemitsu [signed an MOU with HIF Global for a strategic partnership in the field of e-fuels](#), and has been working with the HIF group on various studies for early social implementation of e-fuels. This agreement is part of that progress, and the parties have now agreed to work together to study the procurement of e-methanol from the HIF group and the development of an e-methanol business.

Methanol is a liquid under normal temperature and pressure, and Idemitsu’s existing facilities such as tanks and pipelines can be used for storage, transportation, and supply. Aiming to establish a supply chain for e-methanol, which has low environmental impact and high versatility, Idemitsu will accelerate studies on procurement of e-methanol from overseas where it can be produced using inexpensive renewable energy, development of demand for marine fuel applications and bunkering facilities, and production of e-fuels and synthetic chemicals in Japan.



Schematic Illustration of e-methanol Supply Chain



Photograph from a visit by members of HIF to Idemitsu

(From left to right: Hiroshi Tanaka, Manager of Carbon Neutral Transformation Department, Masahiko Sawa, Director, Cesar Norton, President and CEO of HIF Global, Shunichi Kito, Representative Director, President and Chief Executive Officer, Clara Bowman, COO of HIF Global, Susumu Nibuya, Representative Director, Ignacio Hernandez, CEO of HIF Asia Pacific)

In the [“Medium-Term Management Plan \(FY2023 - FY2025\)”](#) announced in November 2022, Idemitsu announced our commitment to promote business portfolio transformation through social implementation in the following three business domains.



This initiative is positioned as an effort to develop and socially implement “Energy one step ahead” and “Diverse resource conservation / resource recycling solutions” among the three business domains that Idemitsu has identified to realize a carbon-neutral society in 2050.

■ About HIF

HIF Global is the world’s leading eFuels company, developing projects to convert hydrogen using low cost renewable power into carbon neutral liquid eFuels that can be transported and utilized in existing infrastructure. The name HIF represents the mission of the company: to provide Highly Innovative Fuels to make decarbonization of the planet possible. HIF Latam, HIF USA, HIF Asia Pacific, and HIF EMEA are wholly owned subsidiaries of HIF Global. HIF Global is already producing eFuels in its Haru Oni eFuels Facility in Magallanes, Chile and intends to begin construction of the commercial scale HIF Matagorda eFuels Facility in Texas in 2024. HIF Global’s first Australian development, in Tasmania, was announced in July 2022. For more information, visit www.hifglobal.com

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