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Press Release

Company Name: Idemitsu Kosan Co., Ltd.
Representative Director & Chief Executive Officer:
Shunichi Kito
(Company Code: 5019, TSE Prime Market)
Contact person: Daisuke Mogi, General
Manager

Construction of the integrated laboratory

“Innovation Center” (tentative name) within the Chiba Complex

~ Strengthening internal and external coordination to establish an integrated framework from R&D to process engineering and commercial production ~

Idemitsu Kosan Co., Ltd. (headquarters: Chiyoda-ku, Tokyo; representative director, president and chief executive officer: Shunichi Kito; hereinafter “Idemitsu” or the “Company”) hereby announces plans to construct the “Innovative Center” (tentative name), a new integrated laboratory, within our Chiba Complex (Ichihara city, Chiba) which is home to our largest core petroleum and petrochemical manufacturing center. The Company plans to aggregate laboratories researching production technology, development technology, etc. that currently exist in multiple locations in the Innovation Center, establishing a cross-organizational R&D framework and strengthening coordination with third parties in order to establish an integrated framework from R&D to analyses, verification, process engineering, and commercial production and to accelerate technological development towards the business structure reforms set forth in the mid-term management plan. The total investment is forecasted to exceed 50 billion yen and construction is expected to be completed during fiscal year 2027.



Anticipated Exterior View of the Innovation Center

The Idemitsu Group currently has laboratories in 13 domestic and 4 overseas locations. Of these, most domestic research functions will be aggregated in the Innovation Center, centered around the corporate research department, which focuses on medium-to-long-term themes that contribute to GHG reduction and resource circulation, and the research division of the functional materials business, which handles highly functional materials.

With respect to functions and facilities, Idemitsu will create a space and framework that allows for active interaction between persons across various departments and companies, including a flexible laboratory that can adapt rapidly to future changes in the environment, one-room offices that promote collaboration and co-creation among researchers, and open laboratory space that allows for joint R&D with partners worldwide. With respect to the state-of-the-art MI^{*1}/DX environment in Japan, the Company will also accelerate and strengthen R&D through cutting-edge initiatives including collaboration with domestic and overseas partners. The Company will establish a cross-organizational R&D framework and strengthen coordination with third parties in order to create new technologies and businesses.

The Chiba Complex area is currently engaging in efforts such as validation towards manufacturing/supply of SAF (sustainable aviation fuel), petrochemical recycling with used plastics, and validation towards commercial production of lithium solid electrolytes in efforts to transition to CNX Centers^{*2}. The Innovation Center will also strive to co-create synergies in these areas.

To date, the Company has expanded from petroleum and petrochemical manufacturing process development to achieve technological innovation and social implementation in the functional materials domain with technologies developed in-house, including OLED materials, engineering plastics, and lithium solid electrolytes. Leveraging its high development and technological capabilities, the Company has implemented business structure reforms under the 2050 vision of “Shaping Change” set forth in the mid-term management plan (for fiscal years 2023–2025). In order to create new businesses that contribute to the realization of carbon neutrality and a circulatory society, it is necessary not only to follow the ways of the past, but to evolve them. To this end, Idemitsu aims to aggregate the technological strengths of each laboratory, to establish functions that create new businesses based on such strengths, and to step up efforts to create new technologies by going beyond the technologies and domains of each business, and of Idemitsu as a whole, in order to reform its R&D operations. Construction of the Innovation Center is at the core of such reforms and is anticipated to go beyond technological and facilities-related aspects to strengthen the group R&D framework from various other perspectives including human resources, organization, and DX.

*1 MI: Materials Informatics. An approach to enhancing efficiency in the development of various materials using information science, including AI and machine learning.

*2 Transition to CNX Centers: CNX = Carbon Neutral Transformation. Efforts to transform existing manufacturing centers to new, low-carbon, resource-recycling energy hubs.

■ Overview of the Innovation Center (tentative name)

1. Facility overview: building total floor area: about 60,000 m² (5 floors)
2. Location: 2-1 Anesakikaigan, Ichihara city, Chiba (within Chiba Complex premises)
3. Expected completion date: fiscal year 2027
4. Major functions and facilities:
 - (1) Functions and facilities that promote co-creation within the Company
 - Flexible laboratories that can adapt to changes in research resulting from changes in the environment
 - One-room office to promote collaboration and co-creation across multiple businesses
 - Open space to promote technological and personal interactions
 - (2) Functions and facilities that promote co-creation with third parties
 - Open laboratory allowing for co-creation with third parties
 - Exhibition space to introduce products and technologies that support the future
 - (3) State-of-the-art MI/DX environment in Japan
 - Establishment of an MI environment with advanced integration of experimentation, analytics, calculation, and AI
 - Establishment of a cloud MI environment that allows for safe and easy use of open source and open data
 - (4) Measures aimed at energy conservation
 - Introduction of energy creation and resource conservation technologies such as solar power generation, use of rainwater, etc.

■ Overview of the Chiba Complex

1. Facility overview: site area 3.82 million m²
2. Launch of operations: 1963
3. Major functions and facilities:
 - Petroleum refinery equipment (refinery)
 - Petrochemical manufacturing equipment (petrochemical plant)
 - Utility facilities, environment protection facilities, oil storage facilities, incoming and outgoing delivery facilities, etc.

<https://www.idemitsu.com/jp/business/factory/chiba/index.html> (Japanese only)

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