



September 17, 2026
Cosmo Oil Co., Ltd.
Maruzen Petrochemical Co., Ltd.
UBE-MARUZEN POLYETHYLENE CO., LTD.
SAFFAIRE SKY ENERGY LLC

Cosmo Oil to Begin Utilizing Naphtha Co-Produced During SAF Production

Cosmo Oil Co., Ltd. (hereafter, “Cosmo Oil”), Maruzen Petrochemical Co., Ltd. (hereafter, “Maruzen Petrochemical”), UBE-MARUZEN POLYETHYLENE CO., LTD. (hereafter, “Ube-Maruzen”), and SAFFAIRE SKY ENERGY LLC (hereafter, “SAFFAIRE SKY ENERGY”) are pleased to announce that they will begin utilizing naphtha co-produced during Sustainable Aviation Fuel (SAF) production at Cosmo Oil's Sakai Refinery.

Efforts to commercialize used cooking oil-derived naphtha were initiated following the receipt of a subsidy from the New Energy and Industrial Technology Development Organization (NEDO)¹ in 2021 for the “Establishment of a Supply Chain Model for Bio-jet Fuel Production from Domestic Used Cooking Oil.” The SAF production unit located on the premises of Cosmo Oil's Sakai Refinery was completed in December 2024 as Japan's first large-scale facility of its kind, commencing production from FY2025. The used cooking-oil derived naphtha co-produced at the same unit and to be utilized in this initiative has obtained certification under the International Sustainability and Carbon Certification (ISCC) initiative².



SAF production unit (on the premises of Cosmo Oil's Sakai Refinery)

- Attributes of Used Cooking Oil-Derived Naphtha
 - Reduces transportation-related environmental impacts by primarily utilizing domestic resources
 - Can be used in existing manufacturing processes
 - Minimizes lifecycle environmental impacts (reduces CO₂ emissions)
- Roles of Each Company
 - SAFFAIRE SKY ENERGY: Manufacturing used cooking oil-derived naphtha
 - Cosmo Oil: Supplying used cooking oil-derived naphtha using the mass balance approach³
 - Maruzen Petrochemical: Manufacturing basic chemicals
 - Ube-Maruzen: Manufacturing polyethylene and applying it in plastic products

1. Initiative Background and Outlook

To achieve carbon neutrality, the chemical industry is required to reduce CO₂ emissions from the raw materials stage. Naphtha is a feedstock for basic chemicals that are essential to a wide range of chemical products, making the reduction of its carbon footprint indispensable in minimizing environmental impacts across the entire supply chain. Bionaphtha produced from biomass-based feedstocks offers significant environmental benefits compared with conventional fossil fuel-derived naphtha and is expected to serve as a sustainable resource.

The used cooking oil-derived naphtha to be utilized in this initiative is a co-product of Sustainable Aviation Fuel (SAF) produced by SAFFAIRE SKY ENERGY at the SAF production plant located within Cosmo Oil's Sakai Refinery. Starting with chemical feedstocks incorporating the environmental value of the used cooking oil-derived naphtha supplied by Cosmo Oil, Maruzen Petrochemical and Ube-Maruzen will collaborate to establish an integrated low-carbon supply chain spanning raw materials to end products. The naphtha produced under this initiative will be supplied using the mass balance approach in accordance with ISCC PLUS certification^{4,5}.

Going forward, the four companies will promote decarbonization across a wide range of industries, including the chemicals, textiles, and packaging sectors, by expanding supply volumes and developing new applications. In addition, they will contribute to the realization of a recycling-oriented society by expanding the use of domestically sourced bio-resources.

2. Comments from Company Representatives

○ Cosmo Oil Co., Ltd.

This initiative, backed by ISCC PLUS certification, helps ensure traceability of sustainable raw materials while enabling their appropriate management under the mass balance approach. Going forward, we will continue to work to expand our use of sustainable raw materials.

○ SAFFAIRE SKY ENERGY LLC

Since 2021, with the support of the Japanese government, the Ministry of Economy, Trade and Industry's Agency for Natural Resources and Energy, and NEDO, SAFFAIRE SKY ENERGY has been working with JGC HOLDINGS, Cosmo Oil, and REVO International to commercialize domestic SAF.

Through this initiative, in addition to producing SAF, we have created new value by utilizing used cooking oil-derived naphtha, a co-product of SAF production, as a chemical feedstock. We find it highly significant that the results of our efforts to promote resource recycling by repurposing domestic used cooking oil as a feedstock can contribute to decarbonization not only in the aviation sector but also in the chemical industry. Going forward, we remain committed to expanding the circular use of sustainable resources and effectively utilizing domestic biomass resources.

○ Maruzen Petrochemical Co., Ltd.

At Maruzen Petrochemical, we aim to expand sales of sustainable products by applying the ISCC PLUS mass balance approach to derivatives and product groups produced utilizing used cooking oil-derived naphtha as a feedstock and marketing them as ISCC PLUS-certified products.

○ UBE-MARUZEN POLYETHYLENE CO., LTD.

Ube-Maruzen is committed to developing products utilizing environmentally friendly raw materials and contributing to the realization of a sustainable society.

We hereby declare our commitment to complying with the ISCC PLUS requirements in accordance with the latest applicable ISCC requirements.

1. NEDO website (available in Japanese only):
https://www.nedo.go.jp/koubo/FF3_100312.html
2. Press release issued on December 13, 2024:
Cosmo and SAFFAIRE SKY ENERGY Obtain ISCC CORSIA and ISCC EU Certifications
<https://www.cosmo-energy.co.jp/en/information/press/2024/241213-01.html>
3. The mass balance approach is a method for attributing the amount of sustainable raw materials, such as biomass-based and recycled raw materials, to part or all of a product in proportion to the amount of such raw materials and fossil-based raw materials used in the production process. It is an effective method for ensuring sustainability across the complex supply chains of the chemical industry.
4. An international certification scheme designed to validate the sustainability characteristics of alternative feedstocks
Reference: <https://iscc-system.org/certification/certification-schemes/iscc-plus/>
5. Cosmo Oil, Maruzen Petrochemical, and Ube-Maruzen have each obtained ISCC PLUS certification.
Press release issued by Cosmo Oil on July 24, 2023 (available in Japanese only):
<https://www.cosmo-energy.co.jp/ja/information/press/2023/230724.html>
Press release issued by Maruzen Petrochemical on July 24, 2023 (available in Japanese only):
<https://www.chemiway.co.jp/news/shousai152.html>
Press release issued by Ube-Maruzen on November 26, 2025:
https://www.ube.co.jp/ump/en/pdf/20251126_01.pdf

(End)

(The official language for Cosmo Energy Group's filings with the Tokyo Stock Exchange and Japanese authorities, and for communications with our shareholders, is Japanese. We have posted English versions of some of this information on this website. While these English versions have been prepared in good faith, Cosmo Energy Group does not accept responsibility for the accuracy of the translations, and reference should be made to the original Japanese language materials.)