

September 4, 2020

Kawasaki Kisen Kaisha, Ltd.

Launch of Kobe/Kansai Hydrogen Utilization Council

Kawasaki Kisen Kaisha, Ltd. (Head Office: Chiyoda-ku, Tokyo, Representative Director, President and CEO: Yukikazu Myochin, hereinafter “K”LINE’) is pleased to announce that “K”LINE has participated in the “Kobe/Kansai Hydrogen Utilization Council” founded together with the companies involved in various hydrogen-related projects with the goal of the implementation of a hydrogen society as well as development of hydrogen supply-chain in the Kobe/Kansai area.

Kansai area is one of the most advanced area in the world where various world’s leading projects concerning hydrogen supply and utilization are currently underway including the hydrogen supply chain pilot project with the effective utilization of brown coal in Australia conducted by CO<sub>2</sub>-free Hydrogen Energy Supply-chain Technology Research Association (“HySTRA”), demonstration project of hydrogen cogeneration system (“Hydrogen CGS”) at Kobe Port Island, and investigation on the possibilities for the introduction of hydrogen-fueled power generation.

In order to accelerate these efforts to achieve a hydrogen society as well as “Basic Hydrogen Strategy” and “Strategic Roadmap for Hydrogen and Fuel Cells” published by the Japanese government, the companies promoting hydrogen-related business have joined and founded the Council. The member will conduct feasibility study in pursuit of the large-scale utilization of hydrogen in 2030’s by way of unifying experience acquired through existing projects and business resources owned by companies operating in Kobe/Kansai area. The Agency for Natural Resources and Energy at the Ministry of Economy, Trade and Industry, New Energy and Industrial Technology Development Organization (“NEDO”), and Kobe City which is participating in Hydrogen CGS will support the activity of the Council as observers.

In pursuit of our goal, placing the roadmap to implement large-scale commercialized utilization of hydrogen in 2030 as well as formulating a concrete scheme for the verification of commercial utilization of hydrogen in 2025, the Council’s activities will include:

- (1) Consideration on business models of hydrogen utilization in Kansai area through combined study from supply and demand sides to develop large-scale hydrogen supply chain.
- (2) Building a road map for the implementation of hydrogen utilization business models in the Kansai area.

- (3) Policy proposal to the national and local governments, by identifying issues towards the implementation of a hydrogen society.

“K”LINE Group have been promoting its efforts towards the reduction of greenhouse gas (GHG) emissions in line with its long-term guideline concerning environment “K”LINE Environmental Vision 2050 -Blue Sea for the Future-. “K”LINE will devote its utmost effort to contribute in realization of carbon-free society through the activities of the Council to implement CO2-free hydrogen in society in 2030, besides our participation in HySTRA in 2019.

<Founding Member (Alphabetical order)>

Electric Power Development Co., Ltd., ENEOS Corporation, Iwatani Corporation (\*), The Kansai Electric Power Company, Inc., Kawasaki Heavy Industries, Ltd., Kawasaki Kisen Kaisha, Ltd. (“K” LINE), Kobe Steel, Ltd., Marubeni Corporation (\*), Mitsubishi Power, Ltd., Obayashi Corporation, and Shell Japan Limited.

(\* Lead)

[Reference]

Announcement by the Council, please see attachment.