

## **JERA and CF Industries Execute Joint Development Agreement for Low Carbon Ammonia Project**

**TOKYO —18 April 2024 —** JERA Co., Inc. (“JERA”) has executed a Joint Development Agreement with CF Industries Holdings, Inc. (“CF Industries”) to jointly explore the development of a low carbon ammonia production project in the United States.

The project is planned for an annual capacity of approximately 1.4 million tonnes of low-carbon ammonia to be located at CF Industries’ Bluepoint Complex in Louisiana, United States. Under the agreement, JERA is contemplating a 48% ownership stake in the project as well as an agreement to procure more than 500,000 tonnes of ammonia annually to meet demand for low carbon fuels in Japan. JERA and CF Industries aim to reach a final investment decision on the proposed project within a year for commencing production in 2028.

This agreement represents progress made following the January 2023 announcement that JERA and CF Industries had initiated an MOU to explore a potential joint project development and sales & purchase of clean ammonia. The MOU execution resulted from the tender process for the procurement of clean ammonia conducted by JERA in February 2022. This agreement further underscores progress JERA has been making toward replacing coal with ammonia at its Hekinan Thermal Power Station in Japan.

JERA is taking on the challenge of expanding renewable energy and developing zero-emission thermal power technologies. The Company takes its responsibility to facilitate the energy sector transition to a lower carbon future seriously and in 2020, established a JERA Zero CO2 Emissions 2050 goal of achieving net zero CO2 emissions from domestic and overseas businesses by 2050.

JERA will continue to contribute to global decarbonization and solving the world’s energy issues by building and expanding low carbon hydrogen and ammonia supply chains in cooperation with leading domestic and overseas companies.

“We are pleased to further advance our partnership with CF Industries,” said Yukio Kani, Global CEO & Chair, JERA. “Finding cutting-edge solutions to the world’s energy issues requires commitment and partnership. With JERA’s dedication to low carbon fuel development and CF Industries’ expertise as one of the leading ammonia producers, we are confident in making tangible progress towards realizing a low-carbon ammonia value chain, and ultimately ensuring a decarbonized energy supply that is sustainable, affordable, and stable.”

“We are pleased to expand our relationship with JERA as our companies advance leading-edge decarbonization initiatives that will help JERA and Japan achieve their decarbonization goals,” said Tony Will, president and chief executive officer, CF Industries Holdings, Inc. “We believe that JERA’s projects, which represent the first

meaningful volume of what we believe will be substantial global demand for low-carbon clean ammonia as an energy source, will demonstrate the significant contribution ammonia can make to meet the decarbonization goals of hard-to-abate industries. We look forward to continuing to work closely with JERA and other stakeholders in Japan as regulatory requirements and government incentives regarding low-carbon clean ammonia are finalized."