



June 19, 2020

Denka Company Limited

Denka's Views Concerning Some of the Claims about US Subsidiary

Around the venue of the General Meeting of Shareholders held on June 19, 2020, some groups expressed claims regarding Denka's US subsidiary Denka Performance Elastomer ("DPE," hereafter). Denka wishes to explain the background to this matter and share its views as follows.

DPE is the subject of multiple lawsuits in the US state of Louisiana (*). The lawsuits have been brought by multiple residents living near the DPE plant, who sought compensation for physical and psychological harm and property damage allegedly caused by chloroprene monomer emitted by the DPE chloroprene rubber plant. DPE has carefully examined the details of the lawsuits and responded appropriately.

In line with the Denka Group's environmental load reduction policy of striving to minimize emissions of air pollutants, effluents and industrial waste, DPE operates in compliance with legally mandated chloroprene monomer emission standards, and has achieved significant reductions in emissions of this substance as part of its efforts to be a good neighbor in the local community. In addition, DPE has submitted a formal request to the US Environmental Protection Agency (EPA) to revise its toxicity assessment of the substance, and it is expected that the assessment method submitted by DPE will be accepted and verified by the EPA. Moreover, as of this moment the lawsuits in question have had no particular impact on the operations of DPE.

Please also refer to the following press releases concerning the specific initiatives undertaken by DPE and the results of those efforts.

[June 4, 2020: "LDEQ confirms 85% emissions reduction achieved, DPE's completion of voluntary program"](#)

[February 14, 2020: "Review of Chloroprene Monomer Toxicity Assessment Performed by the U.S. Environmental Protection Agency"](#)

(*) [February 14, 2020: "Notice Regarding Litigation Against US Subsidiary"](#)

[June 19, 2019: “Statement regarding NATA’s Toxicity Assessments on the Areas Surrounding Denka’s U.S. Subsidiary and Initiatives Being Undertaken to Reduce Environmental Burden”](#)

Moving forward, Denka will continue to support the initiatives being undertaken to DPE to preserve the environment in the areas in which it operates and prevent any negative impact on public health from occurring while helping to relieve the unnecessary anxiety of its stakeholders.

About Denka: Denka is a chemical manufacturer headquartered in Chuo-ku, Tokyo. The company specializes in developing business activities on a global scale across a wide range of fields, from inorganic and organic chemicals, to electronic materials and pharmaceuticals. Founded in 1915, Denka has steadily continued to develop and manufacture products that contribute to the development of society by fully utilizing its unique concepts and technological capabilities. Upholding its corporate slogan, “Possibility of Chemistry,” the company and its president, Manabu Yamamoto, are committed to contributing to the sound development of society while sincerely tackling the challenges that society is now confronting.