Denka

March 2, 2021 Denka Company Limited

U.S. EPA's Review of the Toxicity Assessment of Chloroprene Monomers (Updated)

The U.S. Environmental Protection Agency (EPA) has completed a peer review of the assessment method, submitted to the EPA in 2019 by Denka Performance Elastomer LLC (hereinafter "DPE"), a US subsidiary of Denka Company Limited. The method is based on an advanced physiological pharmacokinetic (PBPK) model used to study the impact of chloroprene monomers on health.

Taking the EPA's proposal into consideration, DPE will withdraw the Request for Reconsideration (RfR) on toxicity assessments that it submitted to the Agency in 2018, while alternatively working to submit an official Request for Correction (RfC) within the next few months, on which the adoption of the PBPK model is reflected. Calculations using the PBPK model indicate that the toxicity assessment of chloroprene monomers that the EPA conducted based on its 2010 Integrated Risk Information System (IRIS) could overstate by as much as 130 times.

The new RfC that will be submitted to the EPA will replace the RfR that DPE withdrew as part of its normal process for reviewing toxicity assessments. The EPA has suggested that is a more appropriate process for incorporating the new model into EPA's risk assessment, on which DPE will continue to work in collaboration with EPA.

The major study authored and updated recently by researchers from the University of Pittsburgh followed nearly 7,000 workers at chloroprene-handling facilities across United States for approximately 70 years and concluded "the risk of death from lung or liver cancer is unrelated" to exposure to chloroprene monomers. In addition, The other research completed by the Louisiana Tumor Registry shows residents in the area where the DPE Pontchartrain Works locates do not experience elevated rates of those cancers compared to state averages.

In addition to working to correct the science, DPE voluntarily invested more than \$35 million in air emissions reduction technologies, which have reduced the amount of chloroprene the facility emits by 85 percent. DPE continues to work with state and federal regulatory agencies both to develop the best science regarding the chemical, and to identify opportunities to further reduce the facility's footprint.

*Refer to the press releases below for the background and details of the matter.

- "Latest Epidemiological Study of Chloroprene Monomer Workers in the US" December 17, 2020 https://www.denka.co.jp/eng/storage/news/pdf/317/20201217 denka dpe en.pdf
- " U.S. EPA review of chloroprene model reaches next step" August 7, 2020 https://www.denka.co.jp/eng/storage/news/pdf/311/20200807 denka dpe en.pdf
- "LDEQ confirms 85% emissions reduction achieved, DPE's completion of voluntary program" June 8, 2020 https://www.denka.co.jp/eng/storage/news/pdf/314/20200608 denka dpe en.pdf
- " Review of Chloroprene Monomer Toxicity Assessment Performed by the U.S. Environmental Protection Agency" February 14, 2020

https://www.denka.co.jp/eng/storage/news/pdf/266/20200214 denka statement en.pdf

- "Notice Regarding Litigation Against US Subsidiary" February 14, 2020 https://www.denka.co.jp/eng/storage/news/pdf/265/20200214 denka dpe litigation en.pdf
- * "Statement regarding NATA's Toxicity Assessments on the Areas Surrounding Denka's U.S. Subsidiary and Initiatives Being Undertaken to Reduce Environmental Burden" June 19, 2019
 https://www.denka.co.jp/eng/storage/news/pdf/238/20190619 statement en.pdf

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 the society while sincerely tackling the challenges that the society is now confronting.

About Denka Performance Elastomer

Denka Performance Elastomer LLC acquired DuPont's Neoprene manufacturing operations at the Pontchartrain Works site in LaPlace in November 2015. DPE employs around 240 manufacturing jobs associated with the Pontchartrain Works production site. DPE intends to make strategic investments in the Pontchartrain Works facility while adhering to a key DPE guideline to develop and supply products that are safe and environmentally friendly. DPE considers the safe production and handling of materials and products and the prevention of their unauthorized release into the environment as its most important mission as a chemical manufacturer.

> [For Inquiries about This Press Release from Media] Corporate Communications Dept. Tel : +81-3-5290-5511