



# Chemicals Management

## Management System and Rules

Mitsubishi Chemical (MCC) maintains a system, including internal rules and systematic checks, that ensures the rigorous product stewardship-based management of chemicals in all its business domains.

To effectively utilize the favorable properties of its chemical raw materials, MCC seeks out, aggregates and shares within the company information on all substances related to its products, including that on chemical hazards, applicable domestic and international regulations, and the results of risk assessments. In addition, we have built a support structure to better enable the business domains to implement proper chemicals management.

Because chemical regulations vary by country and region, MCC has appointed persons responsible for overseeing product stewardship at the regional headquarters to reinforce the global management system.

We have laid out the essentials of chemicals management in our Chemicals Management Regulations, Standards for the Safe Management of Chemicals and Standards for Product Safety Management. Furthermore, we have formulated guidelines and manuals that provide concrete methods for working within regulations, authoring and issuing SDSs<sup>1</sup> and implementing voluntary chemicals management. These efforts help ensure proper management.

1 Safety data sheet (SDS): A document for providing information on the properties, hazards and toxicity, safety measures and emergency responses concerning chemical substances when transferring or providing chemicals to other business entities.

## Compliance with Chemicals Management Regulations

### Japanese Laws and Regulations

MCC complies with wide-ranging laws concerning chemicals, including the Chemical Substances Control Law (CSCL), the Industrial Safety and Health Act's requirements concerning filing new chemical substance notifications, and the Poisonous and Deleterious Substances Control Law's requirements concerning the registration and management of manufacturing, importing and sale businesses as well as record maintenance. To ensure that such compliance is thorough and comprehensive, MCC has established internal rules and guidelines related to compliance with domestic laws and carries out centralized management using a database of notifications filed. In fiscal 2020, we overhauled our guidelines for annual reports on handling amounts and other data required under the CSCL and implemented training for the entire company, including manufacturing and import departments, to promote continued efficient and sure management.

### Overseas Laws and Regulations

In the run-up to 2020, the target deadline for achieving the overall goal of the SAICM,<sup>2</sup> countries around the world (including China, South Korea, Taiwan, the United States and Turkey) enacted and amended legal regulations on chemicals. In the European Union, as part of the European Green Deal, the European Commission announced the Chemicals Strategy for Sustainability: towards a toxic-free environment in October 2020, taking a major step forward to promote innovation aimed at the use of safe and sustainable chemical substances. To respond to such changes, we are working with the regional headquarters and overseas Group companies to collect the latest information on legal requirements in each region or location and develop a system to ensure a more accurate response to regulations. In fiscal 2020, we focused efforts on the management of self-registration under EU REACH<sup>3</sup> and UK REACH as well as on commenting on the systems to the regulatory authorities; pre-registration under Turkey's KKDIK (a law similar to REACH); responding to the promulgation of China's amended Measures for the Environmental Management Registration of New Chemical Substances; and responding to Vietnam's chemical inventory supplementation notification system.

2 Strategic Approach to International Chemicals Management (SAICM): A strategic approach to international chemicals management adopted by the International Conference on Chemicals Management (ICCM) and approved by the United Nations Environment Programme (UNEP) in 2006.

3 Registration, Evaluation, Authorization and Restriction of Chemicals (REACH): EU regulations regarding the registration, evaluation, approval and restriction of chemical substances.

## Voluntary Chemicals Management Initiatives

### ■ Participation in Chemical Industry Activities

MCC takes part in the international activities of the Chemicals Policy & Health Leadership Group of the International Council of Chemical Associations (ICCA) and cooperates in promoting product stewardship in the chemical industry. In recent years, MCC has also actively participated in initiatives to address the global issue of microplastics.

Furthermore, looking toward new developments in chemicals management beyond the 2020 goal of SAICM and building on the SDG<sup>4</sup> vision established by the Japan Chemical Industry Association (JCIA), MCC aims to go beyond solving environmental and social issues as a chemicals manufacturer to contribute to the sustainable development of society and the planet, in line with its vision of realizing KAITEKI.

### ■ Mitsubishi Chemical's Voluntary Initiatives

To prevent the theft and/or abuse of chemicals, MCC has established its own list of MCC-specified chemicals, which includes voluntarily designated substances in addition to legally designated or restricted substances. We have established safety management guidelines for managing these substances at plants and laboratories, during logistics operations and during transfer to customers. In this way, we are working to reinforce the management of such substances.

4 Sustainable Development Goals (SDGs): A set of development goals aimed at realizing a sustainable world by 2030 that were adopted at the UN Sustainable Development Summit in September 2015.

## Providing Reliable Chemical Substance and Product Information (SDSs, etc.)

MCC has adopted and begun the operation of comprehensive chemicals management systems (for example, SAP-EHS) to support its expert staff in the proper provision of information to customers throughout supply chains in and outside Japan as well as management based on the most up-to-date information related to chemicals management.

The systems comprise databases of the chemical substances and components of products handled by MCC, their hazardous properties, relevant domestic and international laws and regulations, and other information. The systems are capable of performing the GHS<sup>5</sup> classification of chemical substances, determining the applicability of laws and regulations, and producing SDSs and labels in line with the laws and standards of a wide range of countries and regions, including Japan, Europe, the United States, and East Asian and ASEAN countries, for review by expert staff. The system uses highly reliable data that is carefully reviewed by experts at Mitsubishi Chemical Research, an MCC Group company, to generate GHS classifications. Furthermore, we are implementing proactive product management using a function of the system that enables users to search chemical substances and products in the MCC database that may be subject to anticipated legal or regulatory amendments.

5 Globally Harmonized System of Classification and Labelling of Chemicals (GHS): A system for classifying chemicals by the type and degree of their hazardous properties based on globally harmonized rules and communicating this information using labeling and the provision of SDSs.



## Chemicals Management

### In-House Chemicals Management Training

In addition to basic chemicals management education, MCC hosts the Chemicals Management Seminar (“PS Seminar”) on a monthly basis at MCC Group headquarters. This seminar serves to teach Group company employees about increasingly stringent regulations in and outside Japan and how to address them. In fiscal 2020, we held special lectures on the theme of chemicals management, safety and security for management. A total of 1,527 employees participated via an online meeting system.

We conducted e-learning about the Poisonous and Deleterious Substances Control Law to prevent compliance violations due to inadequate understanding of the law, in which a total of 1,435 employees participated.

We also provided education for the entire company, including plants and the R&D center, on the basics of the CSCL and Industrial Safety and Health Act and held liaison meetings on specific topics, such as food packaging material regulations and chemical product regulations in certain countries. Further, we provided basic training on relevant laws on 11 occasions at plants, our R&D center and Group companies, providing detailed, concrete guidance on working within laws.



In-house chemicals management training