

Inappropriate Identification of Certain Resin Products as Receiving Certification from Third Party Organization and Establishment of the Expert Committee

Tokyo, Japan, January 31, 2022 – Toray Industries, Inc., today announced that certain resin products were improperly identified by Toray as receiving certification from Underwriters Laboratories (hereinafter, "UL"), a global third-party safety science organization headquartered in the United States.

Within the management of the Toray Group, business ethics and fairness are considered top priorities, and this is understood by all officers and employees. We deeply regret having allowed this situation to occur, and sincerely apologize for all concern and inconveniences caused.

We have established an expert committee today to conduct thorough investigation and investigate the cause of this matter. We will also conduct a survey on UL registration across the entire Toray Group to confirm the presence of similar matter.

Although Toray has not received any reports of problems with products using the affected resins, we will continue to investigate and confirm safety and performance with the cooperation of our customers.

Toray will redouble efforts relating to compliance adherence, and together with recurrence prevention measures, will do our utmost to regain the trust placed in our company.

A summary of this matter is as follows:

1. Overview of inappropriate listing

Regarding UL94 that indicates the flame retardancy performance of resins, we learned the case that the samples submitted to UL for testing were different than the resins certified by UL. We also learned the case that some resins which were different than the composition certified by UL and that we manufactured and sold to customers.

- The time when this matter was discovered: late December 2021
- Resin concerned

We learned inappropriate measures in some of the following six resins:

- ABS resin TOYOLAC™
- Nylon resin Amilan™
- Polybutylene terephthalate (PBT) resin TORAYCON™
- Polyphenylene sulfide (PPS) resin TORELINA™
- Liquid crystal polyester resin SIVERAS™
- Poly-lactic acid resin Ecodia™

Although we have been conducting re-evaluation of the flame retardancy, which includes evaluation by a third-party organization, we learned that some resins do not meet the UL safety standard requirements. We will take measures for such resins in accordance with the UL procedures.

2. Response to this matter

- (1) We have already started the explanation to our customers about the resins which do not meet the UL registration standard and have been discussing the measures to be taken since the beginning of January.
- (2) We have started the performance verification of concerned resins by a third-party organization and will upload their results in the following special website for customers once we know them. We will also consult with customers individually.
 - Special website for customers:
 - (Japanese) https://www.plastics.toray/ja/ul/ul_001.html
 - (English) https://www.toray.jp/plastics/en/ul/ul_001.html
- (3) Although we have not received any reports of problems with products using the affected resins at this point of time, we will continue to investigate and confirm safety and performance of such products with the cooperation of our customers.
- (4) We have reported this matter to UL headquarters in the United States and been consulting with them toward future action.

3. Impact on the company's business performance

At this point of time, we believe that any impact on the company's business performance is immaterial, but we will disclose any serious effect in a timely manner whenever such announcement is deemed necessary.