

September 8, 2025
CHEMIPAZ Corporation

Regarding the falsification of test result reports and the false statement on the safety data sheets of paper making chemical products for the Japanese market, implemented corrective actions and future preventive measures

CHEMIPAZ Corporation (Headquarters: Nihonbashi-Honcho, Chuo-ku, Tokyo; President & CEO: Seido Kan; hereinafter "the Company") has identified the following falsification of test result reports (hereinafter "the falsification") on its paper making chemical products for the Japanese market (hereinafter "PMC-J"). We deeply regret the occurrence of such incidents and sincerely apologize to our customers and all other stakeholders for causing significant inconvenience and concern.

1. Without conducting agreed tests with customers, the Company reported fixed values or marked "no abnormalities" on test report submitted with its shipment.
2. Falsifying test result submitted with its shipment. The falsification consequently led to the falsification of the Safety Data Sheets and of the product labels.

We hereby report the findings of our internal investigation and implemented corrective measures regarding the falsification of test result as preliminary information, along with our future preventive actions/policy, as detailed below.

1. Timeline of events from the discovery of the falsification of test result to the present

Table 1: Timeline of events

July 2025	Received internal report noting unusual situation where issued test reports showed identical values every time
	Initiated emergency investigation on the test reports across entire group companies (currently ongoing)
August 2025	Discovered the falsifications in five test items as described in Table 2
September 1, 2025	Reported to the Company Board of Directors
September 4, 2025	Discovered the false statement on the Safety Data Sheets and on the product-labels related to one of the five test items (details in Table 2)
September 8, 2025	Publicized for explaining the falsification of the test results, implemented corrective actions and future preventive measures (this document)

2. Products involved in the falsification and scope of the impact

Upon discovery, the Company immediately conducted an emergency investigation across the entire group companies. The details of the discovered falsification of test result are shown in Table 2, and the falsification was found to be conducted on PMC-J. While the sales of the affected products represent approximately 4% of the total sales of PMC-J, we recognize that the falsification of test result has significantly damaged the trust of our customers and reputations among society. The falsification for Item No. 1 in Table 2 has been confirmed to have continued since 2007. The timing of the commencement of the falsifications for items No.2-No.5 remains unclear, and the investigation will continue. Currently, no similar falsification of test result has been discovered other than PMC-J. We

will continue investigating all tests data and inspections within our group companies, and the results of the investigation to be reported when any new incident discovered.

We believe there is low possibility of serious impact on product safety and quality, regarding items No. 2-No.5 in Table 2. Regarding item No.1 in Table 2, we are carefully estimating its impact with our customers. We will report on the results of the investigation when we find critical impact on product safety and quality.

Table 2: Details of the falsification of test result

Item No.	Target of the falsification of test result, products involved, details of falsification	
1	Sub-item	1-1
	Target of the falsification	Free formaldehyde content values in test reports
	Products involved	(PMC-J) Starch insolubilizer SI6460, SI6462
	Details of falsification	When test result of free formaldehyde content exceeded customer reference specification range, data was falsified to fit within reference specification range on test reports
	Sub-item	1-2
	Target of the falsification	Safety Data Sheets specified by certain customers
	Products involved	(PMC-J) Starch insolubilizer SI6460, SI6462
	Details of falsification	In relation to sub-item 1-1, recorded information based on lower formaldehyde concentration than actual
	Sub-item	1-3
	Target of the falsification	Safety Data Sheets
	Products involved	(PMC-J) Starch insolubilizer SI6460, SI6462
	Details of falsification	In relation to sub-item 1-1, recorded information based on lower formaldehyde concentration than actual
	Sub-item	1-4
	Target of the falsification	Product Labels
	Products involved	(PMC-J) Starch insolubilizer SI6460, SI6462
	Details of falsification	In relation to sub-item 1-3, created and attached product labels with information based on lower formaldehyde concentration than actual for shipment
2	Target of the falsification	Specific gravity values in the test reports
	Products involved	(PMC-J) Wet strength agents: WS4002, WS4020, WS4024, WS4030, WS4050, TS4070 Internal sizing agents: AL-120, AL1200, AL1203, AL1300, AD1602, AD1612 Inkjet fixing agents: DK6800, DK6852 Starch insolubilizer: SI6460, SI6462 Surface sizing agent: SE2012 Dry (internal) strength agent: T-DS704 Creping Adhesive: CA6012 Plybond strength resin: PB5404 Retention aid: RD7170 Others: RKS-25, RK-570
	Details of falsification	Recorded fixed values depending on products on test reports without conducting tests

3	Target of the falsification	Solubility test results in the test reports
	Products involved	(PMC-J) Surface sizing agents: SS2702, SE2202 Dry (internal) agents: DH4160, DH4192
	Details of falsification	Recorded "No abnormalities" on test reports without conducting tests
4	Target of the falsification	Gelation test results in the test reports
	Products involved	(PMC-J) Dry (internal) strength agent DA4138
	Details of falsification	Recorded "No abnormalities" on test reports without conducting tests
5	Target of the falsification	Gel Test result values in the test reports
	Products involved	(PMC-J) Retention aid RD7120
	Details of falsification	Recorded fixed values depending on products on test reports without conducting tests

3 . Implemented corrective measures

For items No.2-No.5 in Table 2, we immediately implemented corrective actions to ensure that tests are conducted for each shipment of the products. For shipped products affected by the falsification, we notified our customers and have informed them that we will recall the products as necessary.

For items No.1, we have apologized to the customer, and we started discussing future measures and necessary actions with the customers.

4 . Investigation of root causes

We will establish an investigation committee as soon as possible to thoroughly investigate the causes and root causes of the falsification of test result and formulate preventive measures. To ensure its fairness and objectivity, the investigation committee will be led by externally selected members.

Until the abovementioned committee is established, we will continue internal investigation and promptly transfer the results to the external-member-led committee upon its establishment.

5 . Preventive measures

While awaiting the investigation committee's report, we have already identified issues, including vulnerable quality assurance systems, lack of awareness and sense of responsibility regarding compliance, and an organizational culture that never questions past practices. We will promptly implement improvements and reforms within the company regarding these matters. Later, implement further corrective actions based on the investigation committee's report and proposals.

Once again, we deeply apologize for significant inconvenience and concern caused to our customers and all other stakeholders.

(Contact Information for Inquiries)

CHEMIPAZ Corporation

Sustainable Materials Business Unit

Email: Info-quality@chemipaz.co.jp

Phone: +81-3-6202-7338