

Progress on Management Strategy

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Highlights of Activities in Fiscal 2022



April 2022: Started business of sales company for polyacetal (POM), etc. in Korea

KOREA POLYACETAL, which sells polyacetal, etc., started business as part of the Group's integrated management of the of POM-related business, which is positioned as a differentiating business.



April: Expanded Thai subsidiary manufacturing BT materials for IC plastic packaging

Construction to expand production capacity at a high level for not only general-purpose materials but also highly functional laminated materials was completed at MGC ELECTROTECHNO (THAILAND), which manufactures BT materials, in order to swiftly respond to semiconductor demand.



May: Started discussion on a partnership with Becton, Dickinson and Company in development of next-generation prefillable syringes



Discussions started for a partnership with Becton, Dickinson and Company, a leading medical device company, to promote further utilization of the OXYCAPT™ plastic prefillable syringes with a multilayer structure developed by MGC.



June: Began Japan's first joint study on social deployment of circular carbon methanol utilizing CO₂

MGC and Tokuyama Corporation began considering commercialization of the manufacture and sale of circular carbon methanol made from CO₂ emitted and hydrogen generated at Tokuyama's Tokuyama Factory.



July: Completed plant for lupizeta™EP optical resin/polymer

Completed the third mass-production plant at the Kashima Plant to boost production capacity for lupizeta™EP optical resin/polymer used for highly functional precision lenses in smartphones and various other products.



August: Started Japan's first demonstration project of gasification and conversion of waste plastic into methanol

Kobelco Eco-Solutions Co., Ltd., which possesses fluidized-bed gasification technology, Daiei Kankyo Co., Ltd. and DINS Kansai Co., Ltd., which promote the chemical recycling of waste plastic, Mitsubishi Kakoki Kaisha, Ltd., which possesses hydrogen production and synthetic gas production technology, and MGC, which promotes a circular carbon methanol vision, established a joint demonstration project in February 2022 with the aim of creating Japan's first chemical recycling technology. In August 2022, the project was chosen by the Ministry of the Environment as a "demonstration project for the creation of a recycling system for resources such as plastic supporting a decarbonized society subject to a grant for operating expenses for measures to curb carbon dioxide emissions."



August: Started construction of the MGC Commons innovation center

Started construction of the MGC Commons innovation center, a place for the MGC Group to conduct human resource development, creation of innovation and communication of information. It is aimed to commence operation in October 2023.



October: Began joint study on the production of green methanol using green hydrogen and CO₂ in Australia



Began a study with Cement Australia Pty Ltd on the commercialization of the production and sale of green methanol using green hydrogen and CO₂ captured at its plant. In addition to studying the commercialization of green products utilizing hydrogen generated from renewable electricity in the Gladstone area of Queensland, Australia, there are plans for cross-industry initiatives between the public and private sectors.



November: Start of operation of hydrogen station and fuel cell forklifts

Completed a hydrogen station built at the Niigata Plant, and started operation of fuel cell forklifts using hydrogen.



December: Received ISCC PLUS certification for MX-Nylon

Received ISCC PLUS certification^{*1}, which is an international certification for sustainable products, for MX-Nylon produced at the Niigata Plant. MGC will begin manufacturing and selling MX-Nylon using the ISCC PLUS-certified mass balance approach^{*2}.

^{*1} ISCC PLUS certification, developed by ISCC (International Sustainability and Carbon Certification), is an international certification that ensures and manages the sustainability of raw materials in the global supply chain.

^{*2} The mass balance approach is a method of assigning a measure of sustainability to a product when it has been manufactured using both sustainable raw materials (e.g., biomass-derived raw materials) and non-sustainable raw materials (e.g., petroleum-derived raw materials). The measure is assigned according to the amount of sustainable raw material input.



January 2023: Investment in recycled carbon fiber operating company

MGC and ShinMaywa Industries, Ltd. jointly invested in Fuji Design Co., Ltd., which conducts a recycled carbon fiber business, to promote the recycling of used carbon fiber-reinforced plastic.



February: Launched initiatives to manufacture and market biomass polycarbonate products

Launched initiatives to manufacture and market lupilon™ polycarbonate resin using biomass raw material from Mitsui Chemicals, Inc.



March: Started commercial operation of Abashiri Biomass 3rd Power Plant

Started commercial operation of Abashiri Biomass 3rd Power Plant, in which MGC has invested, in Hokkaido. The total output combined with the 2nd Power Plant that began commercial operation in October 2022 is 19,800 kW.



March: Selected as a "Supplier Engagement Leader 2022" - the highest rating in the CDP Supplier Engagement Rating

MGC was selected as a "Supplier Engagement Leader 2022," the highest rating, in the "Supplier Engagement Rating" conducted by CDP, an international non-profit organization based in the United Kingdom that conducts environmental surveys and information disclosure.

