

The EU Registration, Evaluation and Authorization of Chemicals Regulation (1907/2006), commonly known as REACH, came into force 1 June 2007. REACH is a regulation that is designed to ensure substances have been properly evaluated, registered, and the method of safe use effectively communicated to the end-user. This Regulation consolidated European Union (EU) chemical laws into a unified piece of legislation with the intent of improving the control over chemicals that adversely affect human health and the environment. Government oversight is present through the establishment of the European Chemicals Agency (ECHA).

The REACH Regulation applies to all substances ("chemical elements and their compounds in the natural state") that are manufactured or imported into the EU. These substances may be in their natural state or as part of an "article," an "object which during production is given a special shape, surface or design which determines its function to a greater degree than does its chemical composition." Examples of articles include cell phones, computers, and electronic components, such as connectors.

The requirements for compliance with the REACH Regulation differ depending on whether a company is an importer of an article or maintains operations in the EU. As a company that does both, Molex must consider each situation in order to comply.

Products

For products that are imported into the EU, there are five primary requirements that dictate whether actions are necessary by Molex. The first requirement concerns *registering* substances that are "intentionally released" under normal conditions of use (for example, an intentional release of a fragrance from a scented eraser). In addition, the substance being released must be present in those articles in quantities totaling over 1 metric ton per producer/importer per year. To the best of our knowledge, Molex does not produce any articles that meet these criteria and therefore does not expect to have to register any substances in Molex products with ECHA.

The second requirement involves *notification* to ECHA of substances. Under Article 7.2, any article producer or importer whose products meet certain conditions must notify ECHA. Imported Molex products have not met the conditions for notification at this time but we will continue to assess our products for applicability to this requirement.

The third requirement concerns a Candidate List of "Substances of Very High Concern," or SVHC. Beginning in October 2008, ECHA published an initial list of SVHCs and has updated the list every six months. The presence of an SVHC in an article has no impact on the ability to sell a product into the EU; it only regulates the need to *communicate* SVHC in the product to the customer. According to Article 33 (1), any supplier of an article containing an SVHC in concentration above 0.1% by weight of the article shall provide the recipient (i.e. customer) of the article with sufficient information to allow safe use; at a minimum this information is the name of the SVHC found in the article. In order to fulfill this requirement, Molex directs all customers to the Molex website to obtain SVHC content and SVHC certificate of compliance using the Molex online compliance tool.

When ECHA updates the published list of SVHCs, Molex follows a process to update its systems and, where necessary, collect additional information from suppliers. Molex is unable to provide information regarding the presence of potential SVHCs prior to formal publication, but Molex is willing to provide SVHC content after the list is formally updated.

The fourth requirement involves the *authorization* of certain SVHCs. When a SVHC is added to the authorization list (Annex XIV), the <u>substance</u> may not be used or placed on the EU market without an authorization from ECHA. This

requirement applies to the <u>use of the SVHC itself</u>; it does not apply to imported products that contain the SVHCs in Annex XIV. Therefore, this requirement will not have an impact on Molex products imported into the EU.

The fifth requirement involves the *restriction* process of REACH. Restrictions, listed in Annex XVII of REACH, may apply to Molex products depending on the application. These restrictions are included in the **Molex Chemical Substances Specification for Products and Packaging (MCSS)**; Molex products comply with these restrictions as required by REACH.

Molex is committed to managing the use of chemical substances in accordance with governmental regulations, industry standards, and customer-specific requirements in order to protect the environment. In accordance with ECHA guidance and consistent with industry practices, Molex does not support analytical testing for SVHCs. SVHC information is based on the knowledge of materials used in the finished products and information provided by suppliers.

Operations

As a company that maintains operations in the EU, Molex must also consider the REACH requirements that cover this aspect. In order to comply, a company must first identify and track the substances used or imported into their operations. With that knowledge, a company must then ensure their chemical suppliers are including the company's specific use of the substance in their registration. One method, currently employed by Molex facilities, to identify the substances used in our operations is through the management of Safety Data Sheets (SDS). These documents are maintained as part of our normal operations and serve as the basis for our compliance evaluation in our EU operations.

To obtain EU REACH SVHC certificate of compliance please visit <u>Molex online compliance tool</u>. For additional information regarding Molex's environmental initiatives please visit <u>Molex Ecocare</u>.