

The Expert's Opinion



Mr. Mitsuo Ogawa

President
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The lengthening COVID-19 pandemic continues to test the patience of companies and individuals. Against an uncertain future, there has been significant impact on our ways of working and living, which has also changed people's awareness and ways of thinking. Among the changes in awareness, a major one is probably the need to think about the individual's relation with society.

During the early days of the COVID-19 pandemic, masks disappeared from stores and people went all over the place looking for masks. This is still fresh in our memories. If society is not healthy, it is not possible to live well even if the individual is fine. We are in a state that continues to demand us to think deeply about the individual's as well as companies' relation with society, whether we like it or not. The sustainability movement, such as SDGs and ESG, is accelerating. Amid the COVID-19 pandemic, the trend that sees companies as being behind the times if they only think of securing profits will likely further move forward.

Since last year, RIKEN TECHNOS CORPORATION has issued its sustainability report and undertaken the challenge of disclosing its activities according to the SDGs. Furthermore, starting from this year, it has embarked on a new form of information disclosure for both within and outside the company under the name "Blue Challenge." Blue Challenge is a proactive action positioned as part of the detailed measures committed toward creating sustainable societies in the company's three-year mid-term business plan. The RIKEGUARD series of products against infectious diseases found in the featured article will likely be satisfying successes created by RIKEN TECHNOS's persevering and serious development stance. As mentioned by President Tokiwa in his message, RIKEN TECHNOS's mission is to provide fundamental value, and the timely launch

of RIKEGUARD is the result of RIKEN TECHNOS's serious approach toward development. It is a manifestation of the company's stance and I think it should be highly evaluated.

Last year, I pointed out three issues for RIKEN TECHNOS. One of them is to work on internal dissemination. There is progress on this issue, with RIKEN TECHNOS positioning Blue Challenge as the concept of the company's activities starting from this year. I hope you will continue to take on the challenge of various sustainability activity communication under the umbrella of Blue Challenge. Disclosing internally and externally the results of activities will likely increase the opportunities for employees to further come into contact with the purpose and results of those activities. I hope that eventually, you will develop a brand such that people think of RIKEN TECHNOS when talking about Blue Challenge. The second issue was the clarification of the future image painted by sustainability and the creation of KPIs (quantitative target values) that lead to it. On this point, while it is not stated in this report, I was told that KPIs have been set for each department within the company, and the targets are being managed with achievements being accumulated step by step. In the future, I hope RIKEN TECHNOS will move to the stage where KPIs are disclosed through Blue Challenge and committed widely to stakeholders.

About the last issue on "value creation story," I did not see any mention in this report. The value creation story is information that investors put the greatest emphasis on. It is also an excellent opportunity to draw attention to the company's strengths and business model. With RIKEN TECHNOS producing the result of RIKEGUARD, I think now is a good time to formulate this value creation story.

Finally, I wish to offer a proposal. How about creating opportunities for directors and officers to learn about sustainability? Recently, other companies are also actively conducting sustainability workshops for their senior management. I think the background to this trend is that SDGs and ESG have become core issues of management. I hope this will be a year that leads RIKEN TECHNOS to take on the challenge of linking Blue Challenge to society, and at the same time, to the improvement of corporate value.

Response to Expert's Opinion

Kazuaki Tokiwa

Representative Director, President & CEO RIKEN TECHNOS CORPORATION

Regarding the disclosure of sustainability-related KPIs which was pointed out, we will consider it carefully as there are also difficulties in achieving the targets under the COVID-19 pandemic. At the same time, we will move to consider positively

the formulation of a value creation story. In addition, we will strengthen activities globally so that the Blue Challenge wave we have embarked on this year will spread into various areas.

Editors' Postscript

The report has been renamed "Blue Challenge Report" and edited to allow the challenges undertaken by the RIKEN TECHNOS GROUP to be understood as easily as possible.

We hope that this report has helped readers to better understand the RIKEN TECHNOS GROUP's initiatives. We look forward to receiving frank and candid opinions on this report.

Representative of the department in charge of this report

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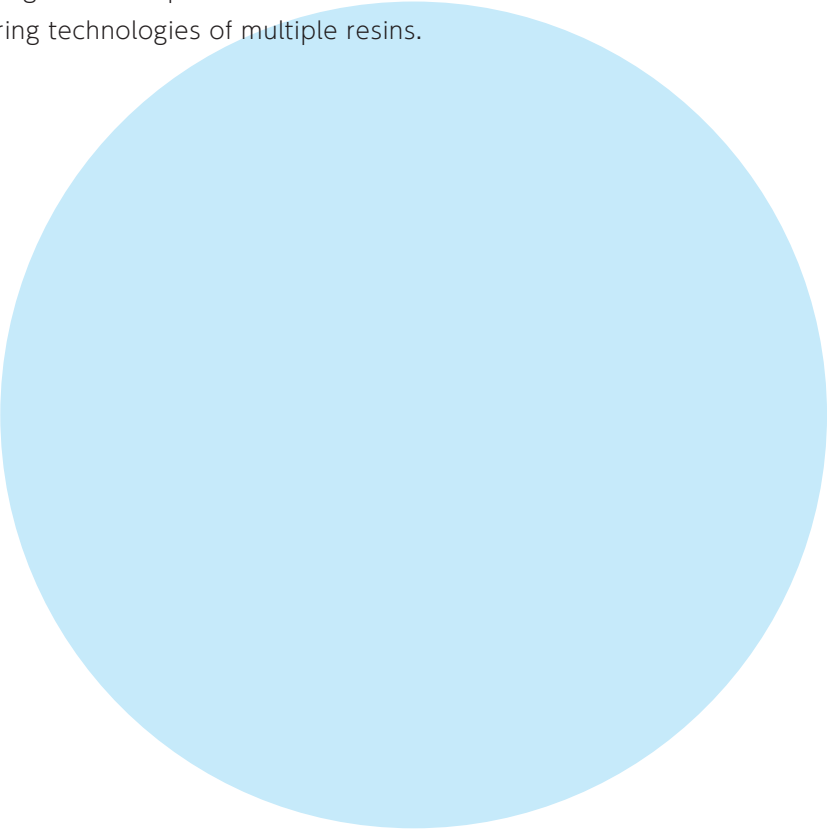
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RIKEN TECHNOS WAY

We are a challenger
that harnesses the power of science
to improve the quality of life
and create a safe, affluent society.
We continuously provide new value and satisfaction
to people, companies, and society
through our original and superior formulations
and manufacturing technologies of multiple resins.



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