

## **Relationship with Customers**

The RIKEN TECHNOS GROUP develops products according to the needs of our customers and delivers them globally. Organized around market segments, together with our customers, we address issues being faced by society.

### **Transportation Segment**

# Establish overwhelming presence in Asian and North American markets Provide environmentally friendly materials for functional parts in the automotive field



#### **Business Overview**

We supply automotive electrical equipment materials (wire harnesses) and molding materials for automobiles and two-wheeled vehicles from plants in Japan, North America, ASEAN, and China to mainly Tier 1 parts manufacturers. Production and sales are carried out globally, centered on PVC compounds for electrical equipment materials and PVC and elastomer compounds for automobiles and two-wheeled vehicles.







#### **Contributing to a Sustainable Society**

Fiscal 2020 was a year affected by the COVID-19 pandemic and a shortage of semiconductors. At the same time, the market is expected to recover and expand from the second half of fiscal 2021. Amid such an environment, automotive parts manufacturers are starting to show their directions toward a hydrogen society and carbon neutrality. Materials for automobiles and two-wheeled vehicles will likely be required to increasingly pursue carbon neutrality and sustainability. PVC resin—the raw material of PVC compounds handled by the RIKEN TECHNOS GROUP—comprises approximately 60% naturally-occurring materials (salt) and is a material that is excellent at retaining carbon and chlorine in a stable state.

In addition, elastomer compounds can be expected to widen in applications as rubber substitutes in the future as they can reduce the generation of CO2 gas and lessen weight compared to vulcanized rubber. For automotive electrical equipment materials, we have an overwhelming share of PVC compounds for Japanese wire harness manufacturers and aim to further expand this share. In the area of molding materials for automobiles, we will encourage the use of elastomer compounds as rubber substitutes in sealing materials and various types of functional parts. In the future we also expect an increase in the requirement for products using nature-derived biomass materials. We think a key point is to use the formulations and manufacturing technologies of the RIKEN TECHNOS GROUP to realize performance through products with increased biomass content. In addition to existing PVC and elastomer compounds, we seek to contribute toward a sustainable society through expanding sales of products that consider the environment.



Wire harness



Control cable for two-wheeled vehicles



Steering boot

















## **Daily Life & Healthcare Segment**

## Expand high value-added products that are close to daily life and take on new fields



#### **Business Overview**

We provide compounds, films, wraps, and other products mainly in the medical, consumer goods, and food packaging markets. For the medical market, we mainly supply PVC compounds to Japan and ASEAN countries, while for the food packaging market, we supply food wraps from China and Japan. In response to COVID-19 which started to spread last year, we have launched anti-viral products for both compounds and films, contributing to infection prevention measures.



The trends of moving away from plastics and reducing CO<sub>2</sub> are spreading globally and affecting various markets. Further reduction in disposable plastic containers and packaging products is expected due to events in recent years, such as the establishment of laws such as the Act on the Promotion of Sorted Collection and Recycling of Containers and Packaging and the Act on Promotion of Resource Circulation for Plastics. Amid such an environment, we see the provision of sustainable materials as an important issue. Derived from natural salt, PVC compounds—the flagship products of the RIKEN TECHNOS GROUP—are different from many other plastics which are made 100% from petroleum and contribute toward saving petroleum resources. PVC compounds are safe and reliable materials that have been used for many years in tubing for medical devices. In addition, rubber products are used in many products within the medical and consumer goods markets. We are working to reduce CO<sub>2</sub> gas in the manufacturing process by substituting rubber products with elastomer compounds.

Furthermore, amid the global spread of infectious diseases since last year, we will further enhance our RIKEGUARD® lineup of products against infectious diseases and strive to help protect everyone's health. In the food packaging market, we are helping to reduce food loss by storing food using food wraps with strong adhesion. Our thin and tough food wraps that is hard to tear also contributes toward reducing waste.





Antiviral & antimicrobial product





RIKEGUARD® products



Food wraps



Tubing for medical devices

### **Relationship with Customers**



### **Electronics Segment**

## Contribute to infrastructure that supports comfortable living through the electric wire field Develop unique products that create the future of optics



#### **Business Overview**

In the electric wire field, we contribute toward the continuous supply of safe and reliable energy and information by selling compounds for energy and communication infrastructure. In optics, to create market trends being aimed at by the industry for mobile and other industrial displays by combining the various optical technologies developed so far, we will provide advanced technologies and unique products that always exceed the expectations of customers.











#### **Contributing to a Sustainable Society**

In the electric wire field, flame-resistant elastomer compounds are used as covering materials for solar cables and electric vehicle charging cables in the energy market. We will continue to work on improving resource efficiency and contributing toward the field of energy saving. In the field of robots using IoT, through expanding sales of cable covering materials, we will contribute toward increasing productivity as well as toward improving working environments via automation.

In optics, we sell films that cut heat and UV rays for saving energy within automobiles and buildings as well as films with scattering prevention functions that serve as substitutes for tough glass to markets in and outside Japan. Last year, we used optical blending technologies added with anti-viral function to create the world's first tough and high transparency RIKEGUARD® grade certified by the Society of International sustaining growth for Antimicrobial Articles (SIAA), supporting the safety of consumers against COVID-19. Going forward, we will fulfill our mission as a manufacturer of pioneer materials toward the realization of a sustainable society through deepening, evolving, and combining optical technologies.







Keio Corporation's ticket machine pasted with RIKEGUARD®



Semiconductor cases, etc.



Cables for electric vehicles



















## **Building & Construction Segment**

## Provide functional, environmentally friendly and beautiful materials in the field of building and construction materials



## BUILDING & CONSTRUCTION

#### **Business Overview**

In the field of building and construction materials, our products are used in a wide range of applications. Compounds are used in materials for interiors such as resin sashes, wainscots, and baseboards. Films are used for surface finishing materials for kitchens, furniture, and the walls of modular bathrooms as well as high-end wall covering materials for commercial facilities. Besides Japan, compound and film products are also sold globally, such as in North America, Europe, ASEAN, and China.









#### **Contributing to a Sustainable Society**

In 2020, the building and construction materials field was also affected by the spread of COVID-19. Within Japan, new constructions and renovations were sluggish and there was significant impact on materials for commercial facilities, especially on the sales of high-end wall covering materials. At the same time, it is expected that, starting from the second half of fiscal 2021, vaccinations will make progress, the flow of people will return to commercial facilities, and the market will recover. Under such circumstances, there is likely to be requirement for products that are even more safe and reliable. Last year, the anti-viral product RIKEGUARD® was launched as a high-end wall covering material, and we will further expand sales into areas such as handrails.

Environmentally friendly products are always required in the building and construction materials field. As high-end wall covering materials are decorative films printed with beautiful wood grains that cannot be distinguished from real wood, they contribute toward reducing deforestation. In addition, rigid PVC compounds are used in resin sashes that seek to achieve high insulation performance. Resin sashes keep down the usage of air conditioning and contribute toward saving energy.

PVC resin, which is the raw material for these products, is also a material that can retain carbon and chlorine in a stable state. We will also conduct development to further increase biomass content using the formulations and manufacturing technologies of the RIKEN TECHNOS GROUP. We pursue high performance, beautiful appearance, and good workability in our products, and help to create spaces where people can spend time in comfort and with peace of mind.



Resin sash

Antiviral & antimicrobial product





Toilet booth panels that use RIKEGUARD®