

## The Expert's Opinion



**Mr. Mitsuo Ogawa**

President  
Craig Consulting

We have reached an era where climate change has become a management theme. Japan has declared to the world its commitment to realize a carbon neutral society by 2050. As the next step is to set interim goals for 2030, the impact on management can no longer be ignored. This is substantiated by companies changing the ways they develop their mid-term business plans in recent years. It is becoming mandatory to include sustainability when formulating plans. Amid such a trend, the approach for implementing materiality (priority issues) and thinking about SDGs in medium- to long-term management will likely be given further emphasis going forward. RIKEN TECHNOS CORPORATION has made the realization of a sustainable society as a theme in its current mid-term business plan. "Blue Challenge"—which started last year—is a medium that communicates the company's initiatives in an easy-to-understand manner to parties within and outside the company. At the same time, it has also become a theme that demonstrates the activities of the company. In his message, President Tokiwa touched on the responsibilities to be fulfilled as a chemical manufacturer. RIKEGUARD—the series of products against infectious diseases that appeared in the featured article—is a well-known initiative of RIKEN TECHNOS CORPORATION. At the same time, the company also handles compounds for medical devices. For example, the compound for syringe gasket stoppers introduced on page 18 is a material essential for dialysis patients. With the supply chains of many companies disrupted by the COVID-19 pandemic, the field of materials for medical devices is one that requires stable supply in particular. RIKEN TECHNOS CORPORATION stably operates its

factories to continue supplying compounds for medical devices without delays. This is truly a part of the responsibilities to be fulfilled by a chemical manufacturer. While this effort may look modest, it needs to be highly evaluated.

Regarding RIKEN TECHNOS CORPORATION's sustainability initiatives for the future, I hope to objectively point out three issues.

The first issue is regarding initiatives in the aspect of human resources. Human resources are of utmost importance for RIKEN TECHNOS CORPORATION to provide greater value to customers. The company cannot improve value provision without the growth of its human resources. On this note, I hope more effort can be put into "Relationship with Employees" (page 40). An example is the active participation of women. Although page 41 has KPI (quantitative targets) for the active participation of women, higher targets compared to other companies should be set. Having a small number of female employees—who are subject to these measures—can no longer be accepted as a reason today. I think this is an area that requires more effort than other companies due to the small number of female employees. In addition, for the aspect of human resource development (page 42), I hope the company can set KPI and disclose even more detailed targets. The second issue is about initiatives for the reduction of CO<sub>2</sub> emissions and waste. Looking at the graphs on page 51, it seems that the amount of reduction is slowing down in the past several years. Besides extensions of existing initiatives, the company should take drastic measures. As mentioned at the start, as we move toward a carbon neutral society, the two indices are themes that cannot be avoided as a manufacturer. Furthermore, these themes can bring competitiveness to the company's finances as cost reductions.

The last issue concerns the approach toward the next mid-term plan. This is the final year of RIKEN TECHNOS CORPORATION's current mid-term plan. It is also the year for formulating the next mid-term plan. Having built the foundation of sustainability in the current mid-term plan, what are the sustainability themes that RIKEN TECHNOS CORPORATION will set in the next mid-term plan and what will the company reform? I look forward to high results and targets, including the themes I mentioned above.

## Response to Expert's Opinion

### Kazuaki Tokiwa

Representative Director, President & CEO, RIKEN TECHNOS CORPORATION

As various goals are being set globally in response to climate change, the RIKEN TECHNOS GROUP will further strengthen our Blue Challenge initiatives. In the mid-term business plan for the

next three years, we will continue to include various measures to contribute to a sustainable society and implement them globally.

### Editors' Postscript

The report has been renamed "Blue Challenge Report" since the previous fiscal year 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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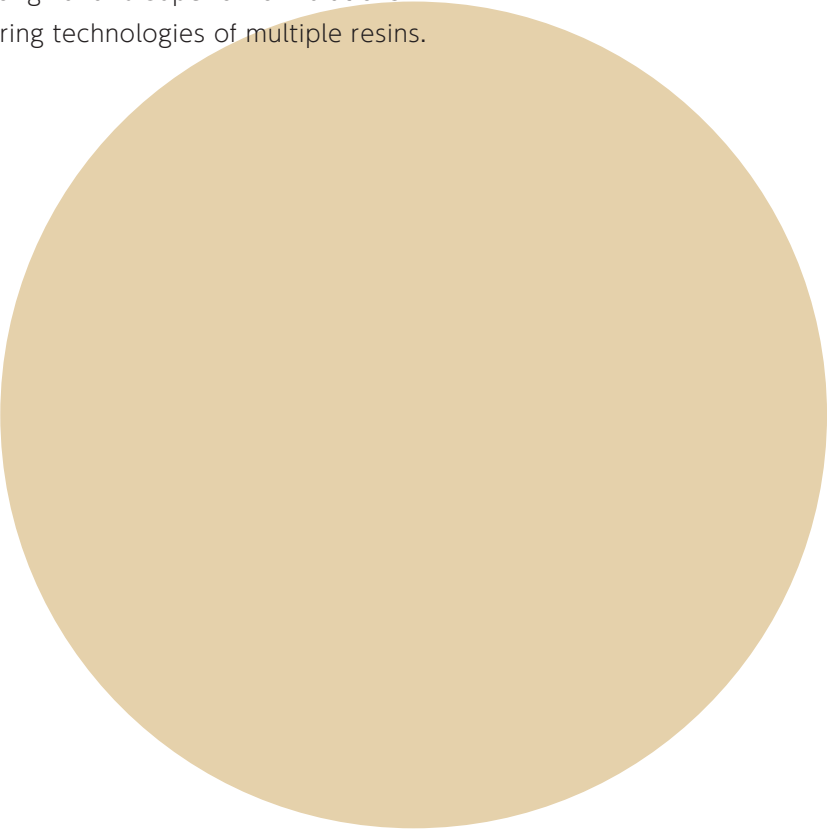


## RIKEN TECHNOS WAY

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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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