Overview of Value Creation

Value Creation Process

The RIKEN TECHNOS GROUP recognizes that responding to issues surrounding sustainability is one of our key corporate challenges. By incorporating these issues into management, we seek to contribute to the development a sustainable society and also enhance our corporate value.

In response to changes in the external environment and demands from stakeholders, we aim to become the leading provider of comfort for all living spaces as our long-term vision, and we will continuously take on the challenges of providing new value by leveraging the Group's strengths.

Long-term Vision → p. 27

Aiming to become the leading provider of comfort for all living spaces

Outcomes

→ p.15

Providing Economic Value

• Net sales: 123.4 billion yen

• Net profit: 4.5 billion yen

Dividend payout ratio: 35%

Providing Social Value

· Providing comfort (quality,

speed, solutions, resolu-

tions to social issues) for all

→ p.16

(FY2022)

• Operating profit:

7.5 billion yen

Capital ratio: 56%

External Environment / Stakeholders

RIKEN TECHNOS's External Environment

Plastic reduction movement

Growing environmental awareness

Digitalization trend

Progress with EVs

Shrinking domestic market

Growth in Asia

Stakeholders

Shareholders and investors

Customers

Business partners

Employees

Local communities

Inputs

Financial Capital

Total assets: 112 billion yen



Manufacturing Capital

Capital investment: 3.9 billion yen

Production sites: 15 (7 in Japan, 8 overseas)



Intellectual Capital

R&D expenditure: 1.6 billion yen



Human Capital

Number of employees (consolidated): 1,895



Social Capital

Global sites: 12 Overseas net sales ratio:

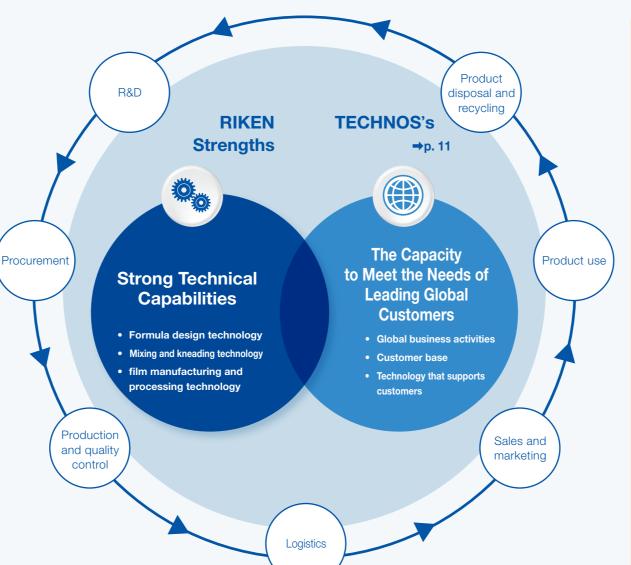


Natural Capital

Raw materials: 303,000 tons Total energy input: 1,618 thousand gigajoules Water resources input: 1,091 tons

(FY2022)

Business Activities



Outputs

Transportation

→ p.37

- Wire harnesses
- Molded parts for automobiles



Daily Life & Healthcare

⇒ p.37

- Medical use
- Rubber substitutes
- Fnvironmentally
- Environmentally friendly materials

Electronics → p.38

- Electric power and industrial wires
- Telecommunications
- Optical films



Building & Construction → p.38

- **→** p.38
- Housing and building materials
- Construction films



11 SUSTAINABLE CITIES A DE LE COMMUNITIES



living spaces



Nurturing the Corporate Culture / Corporate Governance /

Risk Management / Compliance → pp. 51 – 52, pp. 57 – 70

Materiality /

Medium-term Business Plan → pp. 27 - 30

RIKEN TECHNOS WAY (Mission /

Core Value / Basic Action) → pp. 5-6