

Coexistence with Society

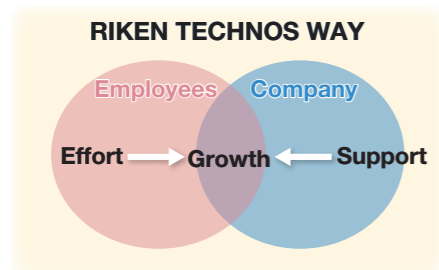
RIKEN TECHNOS believes that employees and the Company have a relationship of mutual growth, and the growth of people is corporate growth itself. Our human resource development policy is one in which each employee puts the RIKEN TECHNOS WAY into practice and grows into the human resource that the Company needs, and in which the Company achieves growth at the same time by uniting the abilities of each individual, leveraging them as the organization's own capabilities. The individual initiatives implemented by the Company are focused on developing human resources suited to a "challenger," and the Company strives to hire and develop the human resources it needs to carry out the strategies defined in the three-year medium-term business plan.

Seeking to become a globally competitive company, we have established a structure and foster a culture in which diverse employees play active roles at work.

Develop Human Resources Suited to a "Challenger"

We provide ideal work and a workplace environment that enables individual employees to demonstrate the abilities required by the Company. We actively develop (invest in) human resources who can succeed in the face of global competition. Through these efforts, we support the growth and active participation of employees. By bringing together the enhanced abilities of individual employees through dialogue and demonstrating the collective strength of the team, we contribute to the further growth of the Company. We believe that the self-driven practice of our corporate philosophy, RIKEN TECHNOS WAY, by each and every employee is the foundation of all our operations, and the Company is responsible for creating the environment in which that takes place.

We advocate being a challenger, so not only are we taking on new challenges as a company, but we have also created a human resource development system in which every employee can set new targets for themselves and develop their own abilities.



Relationship between employees and the Company

Human Resources Needed to Execute Strategies Defined in Three-year Medium-term Business Plan

For sustainable improvement of corporate value, we believe it is vital to see our human resources as capital and to draw out all of their potential value, while at the same time formulating and implementing human resource strategies linked to our management strategies. We carry out a range of initiatives to secure and develop the human resources necessary for executing the strategies of our three-year medium-term business plan.

Medium-term Business Plan Strategies	Human Resources Needed to Execute Strategies
Intensify global management and generate synergies	Human resources capable of executing global business strategies
Stay ahead of customers' expectations	Human resources with analytical skills and strategic perspectives
Take on the challenge toward achieving new businesses and products	Human resources with diverse perspectives

Global Human Resource Development

We carry out various measures for developing human resources capable of executing global business strategies.

Pre-dispatch Global Human Resource Development for Employees Dispatched Overseas

Participants in this training learn sales strategy formulation techniques, marketing, financial accounting, and foreign languages through e-learning and pre-dispatch training.

Selection-based Development of Management and Junior Employees

Selected employees are sent to educational institutions such as an outside school to learn a variety of ways of thinking and to develop usable management skills.

Career Development

We offer various career development programs to enable employees to autonomously develop their own careers, increase their own value, and continue to grow as employees.

Career Development Training

In our career development training for junior employees, participants delve deeply into their own careers and how they can apply them.

Career Development Training for Women's Empowerment

In this training that we conducted in FY2022, we encouraged female employees to learn about social trends, reexamine their future careers in a positive light, and grow to become core human resources.

System of Career Advice from Supervisors to the Personnel for Whom They Are Responsible

We have introduced a system in which, each year, supervisors provide the employees for whom they are responsible with advice regarding medium- to long-term career development and capability development.

Professional System

To develop specialized human resources and provide them with opportunities to play active roles as well as secure human resources with a high level of specialized skills, we introduced a professional system in April 2022.

DX Training

In FY2022, we conducted selective digital transformation (DX) training. We will introduce e-learning and other training, providing basic DX instruction to all employees, creating the foundation for DX promotion, and discovering and developing DX human resources.

Human Resource Development Programs

We carry out various human resource development programs to promote individual employee growth and strengthen our organizational abilities.

New Managerial Staff Training

For managerial staff members working at the frontlines, we conduct training for the purposes of providing them with a solid foundation in management and strengthening their abilities to solve problems, develop the capabilities of the employees for whom they are responsible, and exert leadership. We have also introduced a system in which supervisors provide problem-solving advice to the personnel for whom they are responsible.

New Recruits Training

We overhauled our training program in FY2022. The goal is for employees to have developed the basic conduct they will need to engage in as members of the workforce and the work mentality required in each workplace by the time they are given their work assignments after completing the training. Various departments take part, assisting with the development of new employees.



We also carry out new chief and mid-level employee training.

Promote Diversity and Inclusion

We recruit and promote diverse human resources without bias with respect to gender, nationality, age, or career history. To accelerate the global expansion of business in the future and to respond with speed to the rapidly changing market environment, we actively recruit and promote human resources with different experiences, skills, and careers, and will continue to work to establish a human resource development system and a work environment in which these employees can play active roles.

1. Female recruitment rate of at least 25%
2. 100% attendance in career development training for women (targeting employees in and after their fourth year of employment)
3. At least a rate of 60% for taking of annual paid leave (Plan period: April 1, 2021 to March 31, 2024)

Ensuring of Diversity, Including the Women's Empowerment

We have established targets for the percentage of women, foreigners, and mid-career recruits in management positions so that diverse human resources play active roles as the core resources of the Company.

	March 31, 2023 (actual)	March 31, 2025 (target)
Percentage of women in management positions	2.0%	7.0%
Percentage of foreigners in management positions	1.4%	3.0%
Percentage of mid-career recruits in management positions	31.3%	40.0%

With respect to the empowerment of women, we strive to create workplace environments where women can freely participate based on our action plan under the Act on the Promotion of Women's Active Engagement in Professional Life. For the three years starting from FY2021, we have developed and are implementing the following action plans for our efforts.

In FY2023, we are carrying out projects for further promoting women's empowerment.

We continue to employ employees who wish to be reemployed after retirement until the age of 65, giving consideration to flexible work styles including job scope and number of days/hours of work. Many of those reemployed play valuable roles, such as guiding young employees and passing on skills developed so far. We see support for the employment of persons with disabilities as part of allowing diverse human resources to play active roles, and we provide opportunities for their active participation at various workplaces. In FY2022, the employment rate of persons with disabilities was 2.84%.

Support for Balancing Work and Childcare / Nursing Care

We have created working environments that are convenient for employees providing childcare or nursing care. Under our childcare and nursing care leave systems, up to 10 days of paid leave can be taken to care for a sick/injured child or to provide nursing care to a family member. The childcare leave system allows employees to take childcare leave for up to two years, including a period of paid leave. In FY2022, the childcare leave usage rate was 63.2% (100% for women and 43.8% for men). In addition, the nursing care leave system allows employees to take up to a total of 93 days of leave.

Comments from Employees Using the Childcare Leave System

Atushi Yagi Group 1, Material R&D Department No. 2, R&D Center

I took two months of childcare leave and then returned to work. Initially, I was worried about what the environment would be like after coming back, but thanks to the understanding and cooperation of my colleagues and supervisor, I was able to resume work in the same environment as before, for which I am very grateful.

Taking childcare leave and spending every day with my wife and child impressed upon me how difficult taking care of a child is. Being able to spend such a long time with my child was an invaluable experience. I plan to balance my work and home life by working hard while I am in the office, and then at home leveraging the housework and child rearing skills that I improved during my childcare leave period.



Izumi Kadokawa Sales Support Group, Food Packaging Business Unit

I took a year and six months of maternity and childcare leave when my second child was born, returning to work in April.

Before coming back to work, I was apprehensive about whether I would be able to raise two children and manage my work as well, but the members of my group have all provided their assistance, and I am very thankful to have been blessed with such a great working environment.

My children rely on me, always calling out "Mom! Mom!" and I will do my best so that sales staff and group members rely on me just as much.



Promote Health and Productivity Management

Health Management

We believe that investing in the promotion of our employees' health invigorates our organization by energizing employees and making them more productive. This contributes to the sustainable growth of the Company. Failing to create environments where our employees can continue to work in good health would render the Company incapable of sustainable growth. That is why the Company and our health insurance union are conducting collaborative health* initiatives, closely connecting the Company's health management (investment) and the health insurance union's data health plan activities.

* Companies and health insurance unions each performing their own roles and meeting their own responsibilities while collaborating together to promote the health of employees

Ensuring of Work-life Balance

We have created various systems, including a flex time system, to ensure that employees can maintain their work-life balance.

System for Accumulating Expired Paid Leave

Paid leave expires after two years. This system allows paid leave to be withheld and accumulated for up to 60 days. The accumulated paid leave can be taken for childcare, nursing care, or when an employee is sick or injured.

System for Half-day Paid Leave and Period for Promoting the Taking of Paid Leave

We seek to promote the taking of paid leave, such as introducing a system where employees can take paid leave for half a day at a time and conducting campaigns for promoting the taking of paid leave.

Support for the Promotion of Employee Mental and Physical Health

We have created a second phase data health plan as an effective and efficient health promotion project (data health) that uses data analysis to assess the health of employees and their family members and addresses health issues. We are monitoring progress on this plan, making improvements, sharing scoring report information with the health insurance union, and revising the plan to make address and resolve health issues.

We have defined specific health checkup and specific health guidance participation rates as a key performance indicator (KPI) in our lifestyle-related disease countermeasures, and we are working to raise participation rates. We have also adopted a comprehensive medical examination system for employees aged 40 and older as a disease prevention measure. In addition, we are enriching our efforts to diagnose cancer, including breast cancer, carrying out diabetes prevention/mitigation and smoking cessation programs, implementing shoulder stiffness and back pain prevention measures, holding "walking challenge" promotion

activities, issuing seasonal magazines and pamphlets to promote health literacy. Through these efforts, we are providing support to help employees change their activity patterns to enjoy mental and physical health.

We are also, of course, conducting stress checks, as specified in the Industrial Safety and Health Act. These stress checks help employees become aware of their own stress and assist them in dealing with them. They also help prevent mental health issues in advance by improving workplace environments. When workplaces are found to have high stress levels, we promptly take steps to make workplace environment improvements.

Percentage of Employees Undergoing Specified Health Examinations (domestic)

Results	Medium- to Long-term Targets	
FY2022	FY2024	FY2030
88.9%	90%	90%

Percentage of Employees Provided Specified Health Guidance (domestic)

Results	Medium- to Long-term Targets	
FY2022	FY2024	FY2030
52.5%	55%	60%

Occupational Health and Safety

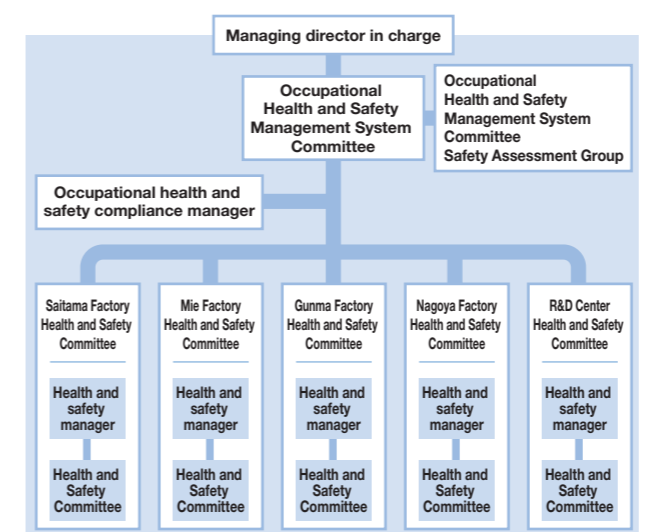
Fundamental Occupational Health and Safety Policy

Based on our belief that safety comes above all else, we consider occupational health and safety to be one of the most important foundations of our business operations, and strive to maintain and improve our healthy and safe working environments.

Occupational Health and Safety Policy

1. Comply with occupational health and safety laws and regulations
2. Maintain and improve our occupational health and safety structure
3. Create comfortable work environments
4. Promote health

Occupational Safety Management Organization Diagram



Occupational Health and Safety Structure

We carry out our business operations with an occupational safety management system in accordance with ISO 45001.

Eradication of Causes of Dangers and Hazards through Risk Assessments

Following the introduction of risk assessments (RA) in 2003, improvement activities to prevent incidents were established to eliminate and separate potential dangers and hazards in the workplace to reduce risks. Going beyond "zero industrial accidents," all employees work to achieve "zero risks" by participating in safety awareness and risks and systems improvement activities.

Health and Safety Patrols



Factory managers regularly patrol workplaces to confirm that there are no latent risks or unsafe behavior in factories, and that the 5S are being practiced as fundamental behavior. We perform risk assessments of the hazards identified through these activities, and establish work environments which place safety first.

Virtual Reality Safety Education



We introduced educational contents making use of virtual reality (VR) as part of safety education and *kiken yochi training* (KYT: hazard prediction training) activities at the work site involved in dangerous work within the factory. By using VR, operators can experience simulated industrial accidents and dangerous situations, helping to prevent accidents and improve safety awareness.

Sharing of Health and Safety Information

Materials regarding health and safety and information regarding industrial accidents is shared between Group companies, including overseas sites. This helps improve the safety awareness of operators and prevent accidents.

Initiatives at Overseas Factories

Like our domestic sites, our overseas sites are also carrying out health and safety activities to achieve zero industrial accidents.

Case Example: RIKEN VIETNAM CO., LTD.

RIKEN VIETNAM held an occupational health and safety seminar led by an outside instructor. The company is also carrying out monthly 5S safety patrols and managing progress on its safety improvements.



Results of Safety and Health Activities

(1) Mie Factory Achieves Three Zeros for Thousand Days

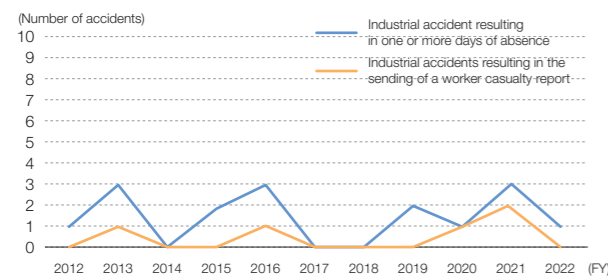
Our manufacturing divisions refer to zero industrial accidents, zero quality complaints, and zero serious mechanical failures as the “three zeros,” and all of the members of manufacturing divisions work towards the achievement of these goals. The Mie Factory’s manufacturing division recently achieved three zeros for one thousand days, and those involved in this accomplishment were recognized with an award.



(2) Incidence of Industrial Accidents

Our Group has never had a fatal accident.

Occupational injuries requiring time off work



Respect for Human Rights

The Group considers it absolutely vital to respect the human rights of all that are affected by our business activities so that we can create a sustainable society by practicing our corporate philosophy, the RIKEN TECHNOS WAY, and following the RIKEN TECHNOS GROUP Code of Conduct. Based on this belief, we have set respect for human rights as one of our materiality topics and we are implementing the activities.

We have also formulated the RIKEN TECHNOS GROUP Human Rights Policy for our human rights activities. In formulating this policy, we engaged in discussions with input from outside experts, conducted Sustainability Committee and Risk & Compliance Committee deliberations, and received the approval of the Board of Directors.

We will continue to enhance our efforts to reduce and prevent any negative impact on human rights.

The RIKEN TECHNOS GROUP Human Rights Policy is posted on our website.

<https://www.rikentechnos.co.jp/e/company/humanrights/>

Measures for Fostering Greater Awareness within Group Companies

The RIKEN TECHNOS GROUP Compliance Manual sets forth the rules that officers and employees of Group companies must comply with. It provides explanations of human rights violations such as discrimination and harassment and makes everyone aware that these actions are strictly prohibited.

We also conduct compliance training regarding harassment to improve the employees’ awareness. In addition to providing information regarding the characteristics of harassment and measures for preventing it, this training also informs participants of points that they needed to pay particular attention to given their positions. Through this, we are striving to create workplace environments in which employees respect each other’s human rights and can work with peace of mind.

Procurement Initiatives

We are creating a sustainable supply chain and have defined a Procurement Policy. This policy declares our respect for human rights and our dedication to eliminating unfair discrimination. In conflict and high-risk regions, we do not procure or engage in transactions involving mineral resources that contribute to conflicts or which are obtained through unlawful labor (such as child labor or labor which involves the infringement of human rights).

With respect to selecting suppliers based on standards for Sustainable Development Goals (SDGs), in FY2022 we administered an online ESG and SDGs questionnaire to our suppliers. Based on the results of this questionnaire, we will perform scoring and revise our supplier list.

Coexistence with Local Communities

We are involved in various activities to promote harmonious coexistence with local communities as well as a better understanding of our business activities. This section introduces initiatives being taken in Japan and overseas.

Initiatives in Japan

Donation of RIKEGUARD® Antibacterial and Antivirus Product Sheets

We donated 1,800 sets of RIKEGUARD® antibacterial and antivirus sheets and 900 rolls of RIKEN WRAP Tappuri® 100 m wraps for food packaging, both of which are manufactured and sold by RIKEN TECHNOS, to Kameyama City, Mie Prefecture, where our Mie Factory is located. A ceremony to commemorate this donation was held at the city government office in January 2023. RIKEGUARD® has long-lasting antibacterial and antivirus effectiveness, so it is used in public day cares, accredited nursery schools, public nursery schools, elementary schools, and junior high schools within the city.



Donation of Goods to Food Bank

Our Osaka Branch Office donated disaster supplies to a non-profit project for the effective use of excess food and the provision of support to welfare organizations.

Support for Environmental Beautification Activities

We support the environmental beautification activities organized by the association of the Konan Industrial Estate, where the Head Office and Shiga Factory of RIKEN CHEMICAL PRODUCTS CO., LTD. are located. These activities include cleaning up the river that flows through town and cleaning the roads around the factory, along with performing regular inspections of facilities such as wastewater and liquid waste facilities within the town and industrial estate.

Initiatives Overseas

RIKEN AMERICAS CORPORATION (U.S.) Support for Victims of Sexual Assault and Domestic Violence

Since FY2021, we have been conducting a project in concert with Sanctuary, Inc., a non-profit organization that provides prevention and healing services to victims of sexual assault and domestic violence and offers comprehensive support, including emotional care for the victims of violence. Every month, we provide 200 snack bags to support the organization.

RIKEN ELASTOMERS (THAILAND) CO., LTD. Health Promotion and Improvement of Healthcare Environments

In August 2022, RIKEN ELASTOMERS (THAILAND) took part in a charity marathon on the outskirts of Ayutthaya as part of its corporate social responsibility (CSR) activities.



PT. RIKEN INDONESIA

Construction of Village Restroom

The village of Pantai Sederhana, in the Bekasi Regency of Western Java, is one of the areas where the water sources used in daily life are being threatened. There have been concerns regarding public restroom facilities, so RIKEN INDONESIA constructed a new, clean public restroom for use by children attending local schools and other members of the community, and donated the restroom to the village. The company also donated cleaning supplies and school supplies to village residents and children attending schools in the area around the village.



RIKEN VIETNAM CO., LTD.

Support for a Social Protection Center

RIKEN VIETNAM donated disposable diapers, detergent, mops, and other supplies to a social protection center in the Bến Cát area of Bình Dương Province, along with milk and notebooks for children.

