Overview of Value Creation

Materiality Topics

The RIKEN TECHNOS GROUP recognizes that responding to issues surrounding sustainability is important. By incorporating these issues into our management, we seek to help realize a sustainable society and enhance our corporate value. We identified key issues (materiality topics) to be addressed for the realization of the long-term vision based on considerations such as the medium- to long-term conditions of the Group's business environment, social issues, and the needs of stakeholders. In March 2025, following the revision of the long-term vision, we also revised some of our materiality topics.

Mission (Mission and Purpose)

"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."

Long-term Vision (→ p. 21)

Aiming to become the leading provider of comfort for all living spaces (Ideal image for 10 years' time)

- Realize monozukuri and value creation with new ideas and approaches
- Contribute to a sustainable society, flexibly adapting to changes in society and the environment
- Ensure employees each have fulfilling jobs and pride, and grow to-

Materiality Topics

Key issues (materiality topics) to be addressed for the realization of the long-term vision based on considerations such as the mediumto long-term conditions of the RIKEN TECHNOS GROUP's business environment, social issues, and the needs of stakeholders.

Medium-term Business Plan

Three-year medium-term business plan "One Vision, New Stage 2027" (FY2025-2027)

Process for Identification of Materiality Topics

1. Review of Environmental Changes, Social Issues, and

The Sustainability Committee secretariat, which comprises members selected from the respective divisions, plays a central role in identifying relevant key topics with reference to various guidelines, key performance indicators (KPIs), and other information regarding the Sustainable Development Goals (SDGs) and the environment, society, and governance (ESG) to review changes to the RIKEN TECHNOS GROUP's medium- to long-term business environment, social issues, and needs of stakeholders and others.

2. Candidate Selection

Candidate materiality topics for the Group to address are selected based on the key topics identified

3. Candidate Evaluation

The candidate materiality topics selected are assessed for materiality along the two axes of importance to the Group and importance to stakeholders.

Relevance to Long-term Vision

The "ideal image for 10 years' time" newly added to the long-term vision incorporates the three perspectives of "to market/customers," "to society," and "to employees." In revising our materiality topics, we reflected these perspectives of the "ideal image," adding new items and reorganizing the positioning of several items.

New additions:

- Stable supply of products (→To customers)
- Improvement of employee engagement (→To employees)

Reorganizing of positioning:

- Promotion of diversity, equity, and inclusion*
- * Change in name from "Promote diversity and inclusion" (→To employees)

Integration into important preconditions for business activities:

- Strengthening of capital policies
- Strengthening of business continuity management (BCM)
- Strengthening of information security

4. Deliberation at the Various Levels

Roundtable discussions are held for identification of materiality topics by management, including outside directors. Participants discuss the individual candidate materiality topics and their importance. In addition to general managers, similar discussions are held at each level for each positions

5. Preparation of Materiality Matrix

Based on the details of the discussions above, the Sustainability Committee revises and makes additions to candidate materiality topics and prepares a materiality matrix.

6. Approval of Materiality Topics by Management

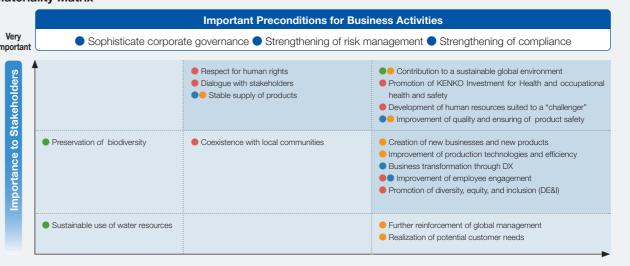
The content of the materiality matrix is resolved by the Board of Direc-

Materiality Matrix and KPIs

We carried out evaluations in terms of importance to the RIKEN TECHNOS GROUP and importance to stakeholders and prepared a materiality matrix. We also established indicators and targets (KPIs) for 12 of the selected materiality topics that the Group considers are of particular importance.

We are working to achieve our targets, and by managing our progress, we repeat the plan-do-check-act (PDCA) cycle and strive to realize the long-term vision. Our achievements for FY2024 can be found on our website. https://www.rikentechnos. co.jp/e/csr/materiality/

Materiality Matrix



Importance to the RIKEN TECHNOS GROUP

s ● Environmental protection (E) ● Coexistence with society (S) ● Strengthening of business foundations (G)

Contribution to society through core business Indicators and Targets (KDIs)

Materiality Topics	Standards for Evaluation (KPIs)	Medium- to Long-term Targets		Delevent ODG
		FY2027	FY2030	Relevant SDGs
Contribution to a sustainable global environment	Achievement of CO ₂ emissions reduction targets for 2030 (non-consolidated)	29,792 tons	24,139 tons (46.2% decrease compared to FY2019)	11 12 12 13 15 14 15 15 15 15 15 15 15 15 15 15 15 15 15
	Achievement of carbon neutrality by 2050 (Group)	-	-	15 🚉
	Ratio of total waste to total production (non-consolidated)	3.2% or less	3.0% or less	
Promotion of KENKO Investment for Health and occupational health and safety	Occupational injuries requiring time off work (domestic)	0	0	3
	Achievement of recognition under KENKO Investment for Health program	Achievement of recognition	Maintenance of recognition	
Development of human resources suited to a "challenger"	Training costs per employee (non-consolidated)	160,000 yen	200,000 yen	8 8 8 8 8 8 8 8 8 8 8
	Percentage of positive responses to applicable questions in employee awareness survey (non-consolidated)	70%	75%	
Improvement of quality and ensuring of product safety	Serious quality incidents requiring recalls (non-consolidated)	0	0	3 means 12 means 14 mm
	Serious violations of legal and regulatory compliance regarding use of chemical substances (non-consolidated)	0	0	
Creation of new businesses and new products	Number of patent applications (non-consolidated)	(FY2025–2027) 75 (cumulative)	(FY2022-2030) 210 (cumulative)	9:::
	Ratio of new product sales (non-consolidated and overseas manufacturing subsidiaries)	23%	25%	
Improvement of production technologies and efficiency	Production capacity (non-consolidated)	(vs. FY2021) +11%	(vs. FY2021) +15%	8 200 12 200 12 200 10 10 10 10 10 10 10 10 10 10 10 10 1
Business transformation through DX	Development of MI human resources (non-consolidated)*1	15 persons	20 persons	8 more anno
	Participation in DX training (non-consolidated)	100%	100%	
mprovement of employee engagement	Engagement score (ratio of positive responses) (non-consolidated)	60%	70%	3 mm 5 m 8 mm 6 mm 6 mm 6 mm 6 mm 6 mm 6
Promotion of diversity, equity, and inclusion (DE&I)	Ratio of global human resources*2 in management positions (Group)	24%	26%	5 min 8 min min 10 min 16
	Ratio of women in management positions (Group)	20%	22%	
Respect for human rights	Penetration of respect for human rights (non-consolidated)	(vs FY2025) Improvement	(vs FY2027) Improvement	5 mmi. 8 marana 10 imin. 4 ÷
	Improvement rate of human rights due diligence for suppliers (non-consolidated)	100%	100%	
Dialogue with stakeholders	Meetings with investors and existing shareholders (non-consolidated)	190	220	12 11 11 11 11 11 11 11 11 11 11 11 11 1
	Assessment response rate*3 regarding customer satisfaction survey results (non-consolidated)	100%	100%	
Stable supply of products	Understanding of core product supply risks and determination/implementation of policies (non-consolidated)	Understanding of core product supply risks and determination/implementation of policies	Strengthening of risk controls for core products	12:::::::

^{*1} Human resources that can provide guidance on materials informatics (MI) *2 Human resources with at least one year of experience working outside country of birth

RIKEN TECHNOS GROUP Integrated Report 2025 RIKEN TECHNOS GROUP Integrated Report 2025 26