

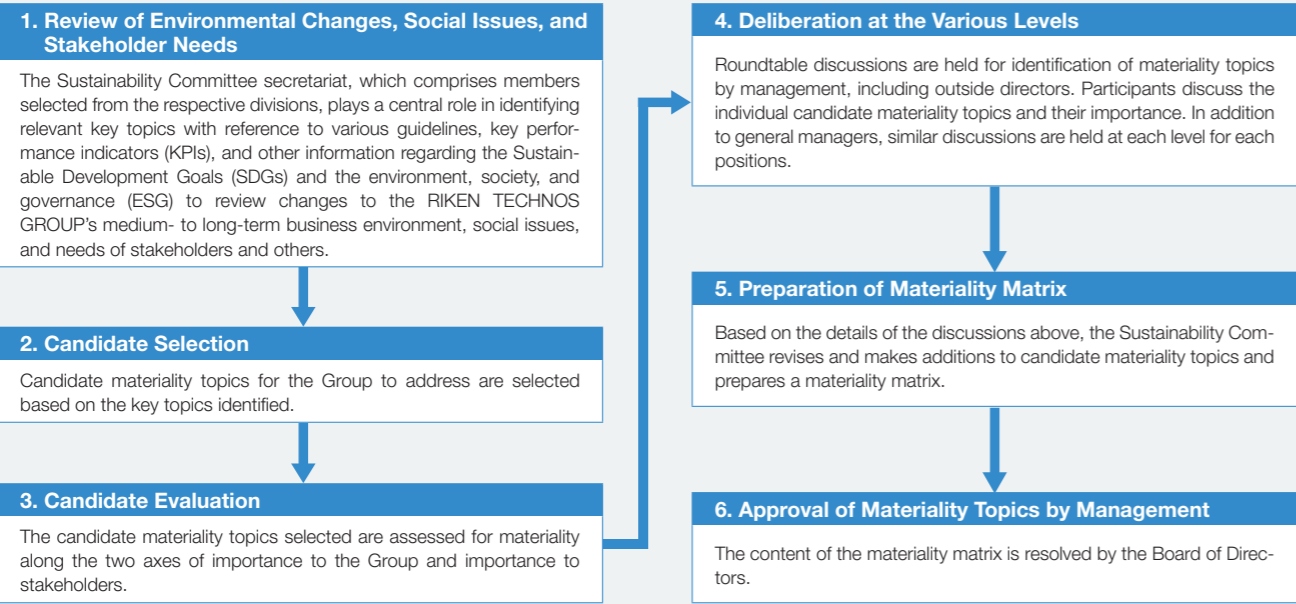
Overview of Value Creation

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.



Process for Identification of Materiality Topics

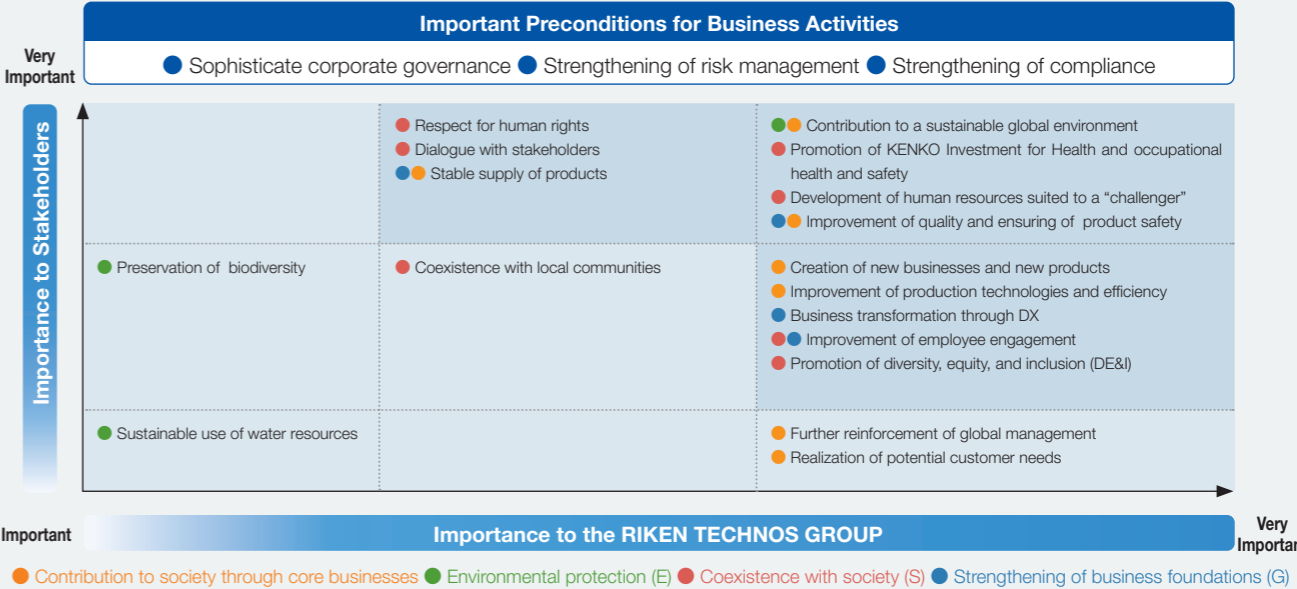


Materiality Matrix and KPIs

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



Indicators and Targets (KPIs)

Materiality Topics	Standards for Evaluation (KPIs)	Medium- to Long-term Targets		Relevant SDGs
		FY2027	FY2030	
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)	13, 15, 17
	Achievement of carbon neutrality by 2050 (Group)	-	-	13
	Ratio of total waste to total production (non-consolidated)	3.2% or less	3.0% or less	12
Promotion of KENKO Investment for Health and occupational health and safety	Occupational injuries requiring time off work (domestic)	0	0	3, 8
Development of human resources suited to a "challenger"	Achievement of recognition under KENKO Investment for Health program	Achievement of recognition	Maintenance of recognition	8
	Training costs per employee (non-consolidated)	160,000 yen	200,000 yen	8
Improvement of quality and ensuring of product safety	Percentage of positive responses to applicable questions in employee awareness survey (non-consolidated)	70%	75%	8
	Serious quality incidents requiring recalls (non-consolidated)	0	0	3, 8, 12, 13
Creation of new businesses and new products	Serious violations of legal and regulatory compliance regarding use of chemical substances (non-consolidated)	0	0	3, 8, 12, 13
	Number of patent applications (non-consolidated)	(FY2025–2027) 75 (cumulative)	(FY2022–2030) 210 (cumulative)	9
Improvement of production technologies and efficiency	Ratio of new product sales (non-consolidated and overseas manufacturing subsidiaries)	23%	25%	9
Business transformation through DX	Production capacity (non-consolidated)	(vs. FY2021) +11%	(vs. FY2021) +15%	9
	Development of MI human resources (non-consolidated)*1	15 persons	20 persons	8
Improvement of employee engagement	Participation in DX training (non-consolidated)	100%	100%	8
Promotion of diversity, equity, and inclusion (DE&I)	Engagement score (ratio of positive responses) (non-consolidated)	60%	70%	5, 8, 10
	Ratio of global human resources*2 in management positions (Group)	24%	26%	5, 8, 10, 16
Respect for human rights	Ratio of women in management positions (Group)	20%	22%	5, 8, 10, 16
	Penetration of respect for human rights (non-consolidated)	(vs FY2025) Improvement	(vs FY2027) Improvement	8, 10, 16
Dialogue with stakeholders	Improvement rate of human rights due diligence for suppliers (non-consolidated)	100%	100%	8, 10, 16
	Meetings with investors and existing shareholders (non-consolidated)	190	220	10
Stable supply of products	Assessment response rate*3 regarding customer satisfaction survey results (non-consolidated)	100%	100%	10
	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
*3 Rate of customers for which improvements have been completed, out of the customers for which response is assessed to be necessary