

## Business Model

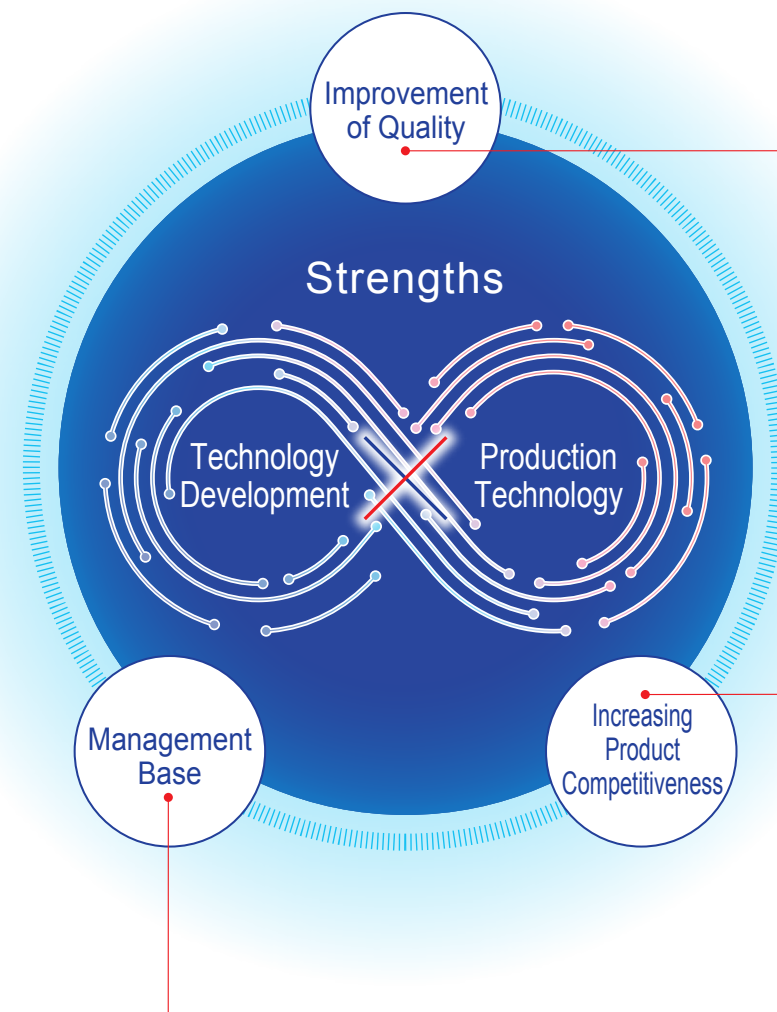
Our business model consists of technological development comprised of six core technologies and four world-class production technologies, based on continuous quality improvement, improved product competitiveness, and the management base that supports them.

### Characteristics of our business model

Since its founding, Tokai Rika has been involved in products that require a variety of processing such as resin molding, metal press processing, and die-casting, and are comprised of parts with complex structures such as switches. Through this process, we have refined our equipment development and manufacturing technology with the aim of producing molds in-house, understanding material properties, improving quality, and strengthening our business base.

Additionally, as automobiles become more multifunctional, there is a need for ergonomics, design engineering, input-sensing technology, and input feedback technology to pursue switch placement, operation modes, and how the driver is feeling.

Added to these are safety technology for evaluating safety devices such as seatbelts and door mirrors, and communication/encryption technology for evaluating smart keys and digitalkeys that provide both security and convenience. These are the sources of improving the competitiveness of our products.



By regarding quality as “the degree to which we meet the needs of our customers and society,” we are also committed to improving quality activities in order to deliver goods with value that satisfy our customers.

We are strengthening the competitiveness of our existing products such as switches, seatbelts, and smart systems, and promoting sales of new business products and services such as digitalkeys, haptic application products, and upcycled products.

Regarding our management base, we are working to strengthen it through six themes: DX promotion, strengthening of production technology, reorganization of production systems, human resource development, a carbon-neutral strategy, and fixed cost control.



Tokai Rika has strengths cultivated over a history of more than 70 years. As we manufacture the most familiar products that drivers come into direct contact with, we focus on sensitivity. The continuation of such manufacturing is the reason why Tokai Rika's growth has traction. Now that we are facing a once-in-a-century change, we will further enhance our strengths and increase the value created by Tokai Rika.

#### Technology Development

Core technologies that support technology development



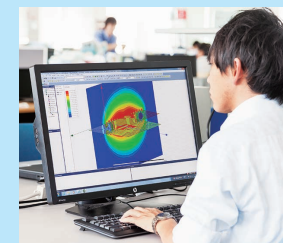
#### Ergonomics

We conduct quantitative analyses and evaluations on how the human body functions physically, physiologically, and psychologically while operating the controls of an automobile.



#### Design Engineering

Our products are designed so that joy and attractiveness are added to the ergonomics and each of our technological initiatives.



#### Input-sensing Technology

The driver's intentions and actions are read as information, which is then incorporated into our development of advanced sensor technologies.



#### Input-feedback Technology

Changing the tactile sensation given to the fingertips in accordance with the type of operation being performed allows the driver to operate intuitively.



#### Safety Technology

We are improving the safety of seatbelts for all vehicle occupants from children to the elderly, and developing rearward visibility support devices for enhanced safe driving.



#### Communication/Encryption Technology

We are continuously developing security measures in order to protect your vehicle from automobile theft, making full use of one of Japan's largest anechoic chambers.

#### Production Technology

World-class production technology



#### Tool and Die Technology Development

We have achieved high-quality product manufacturing thanks to highly-refined mold technology developed from many years of inhouse mold production.



#### Materials Development

We continually engage in analysis, development, and application from a variety of angles in order to identify the material characteristics that will be required in next-generation vehicles.



#### Production Equipment Development

We produce our own production equipment, which combines automation, high speed, and high quality. We support best-in-class manufacturing throughout the world.



#### Manufacturing Technology

We have achieved world-class manufacturing with many advanced manufacturing technologies, such as mounting our inhouse manufactured semiconductor on a printed circuit board.