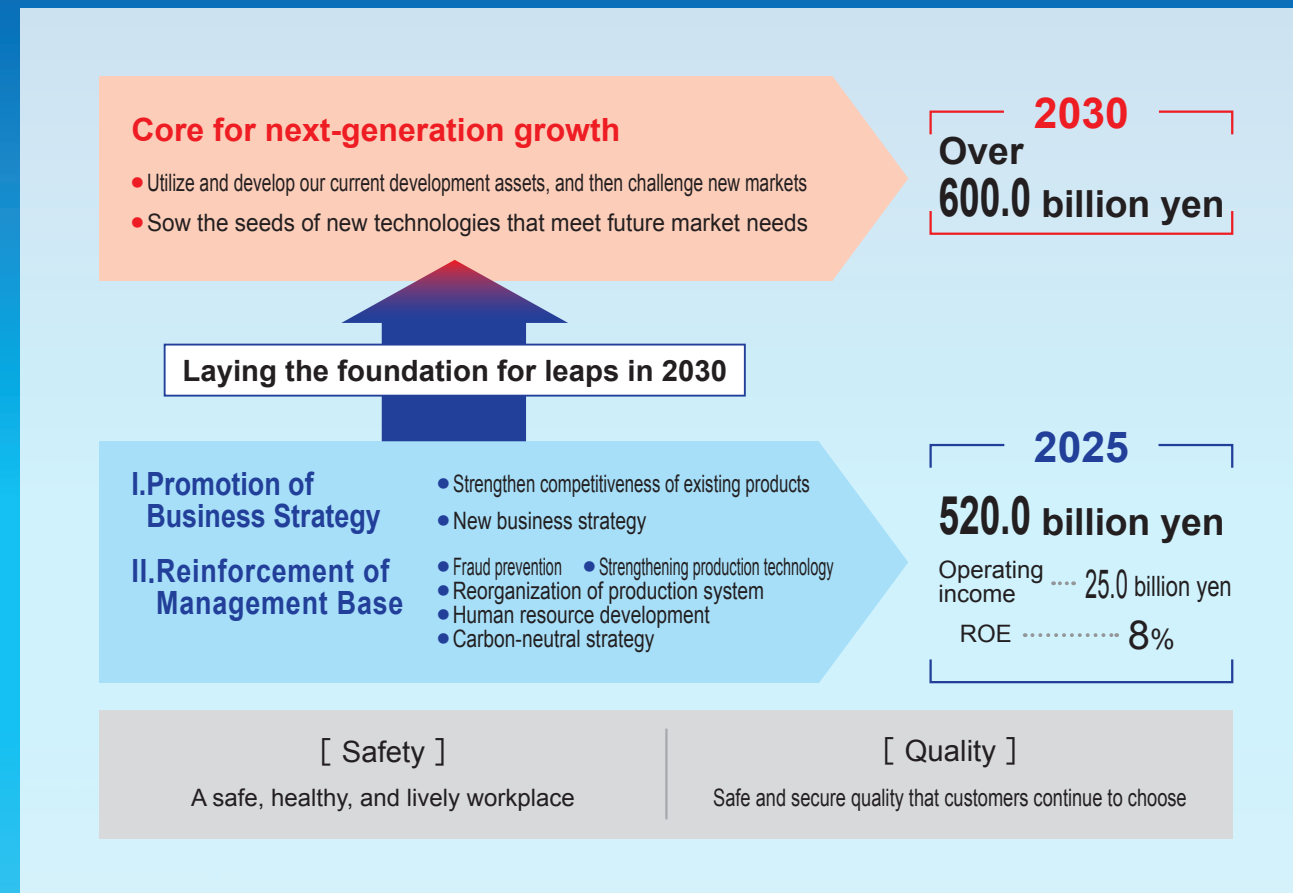


## Mid-term Management Plan

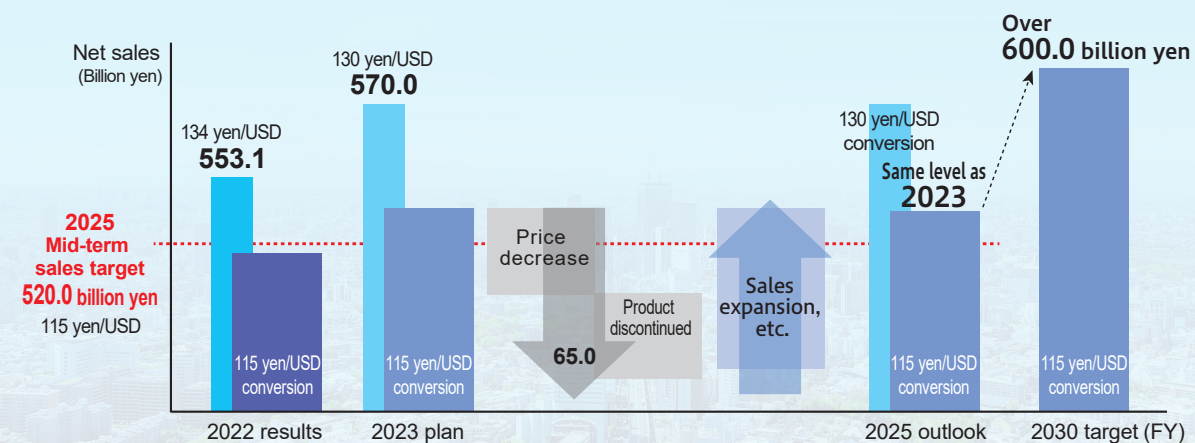
In our mid-term management plan, we formulated a vision for 2030 and strategies for 2025 to lay the foundation for that leap forward. Here the overall picture of our mid-term management plan will be explained.



### Mid-term management plan: Sales target

- Secure orders for strategic product groups to be launched in FY 2025
- The mid-term sales target for FY 2025 is expected to be achieved due to new sales expansion in the North American and Indian markets, etc.

**Core for next-generation growth**  
—Challenge new fields  
—Sow the seeds of new technologies



## I. Promotion of Business Strategy

### Strengthen competitiveness of existing products

In the Human Machine Interface area, we have expanded our shift by wire shifter lineup. At the same time, we are working to differentiate ourselves from other companies through decoration and modularization, and are expanding the adoption of these products.

In order to support autonomous driving and electric

cockpits, we have completed the development of transparent lighting decorations and the world's smallest column switch.

Additionally, we are steadily expanding our sales in India, including acquiring new orders for smart entry and digitalkeys.



### New business strategy

We are continuing sales activities to expand our new business, focusing on digitalkeys and gaming keyboards.

We have rebranded the company-car management service as Bqey, and the non-face-to-face rental car app as Uqey. Regarding Bqey, we are striving to popularize it while improving its services, such as adding an alcohol detection function that complies with laws and regulations.

We will strengthen our semiconductor business as a growth core for our future.

By leveraging the characteristics and strengths of our semiconductor business, which we have previously manufactured for our own products, we are taking on the challenge of external sales, aiming to achieve sales of

5 billion yen in FY 2030. Additionally, with the electrification and automation of cars, the need for software is increasing. We will strengthen and expand our ECU business to support these changes.



### TOPICS esports brand “ZENAIM”

We have launched the esports gaming gear brand “ZENAIM,” utilizing the technology we have cultivated through the manufacturing of switches and sensors. We have started selling the “ZENAIM KEYBOARD” as our first brand.

During the development stage, we asked top esports professional team “ZETA DIVISION” to supervise. Thanks to this, we have achieved the world's highest level of performance.





## II. Reinforcement of Management Base

### Fraud prevention

We are working hard to improve our audit system and internal reporting system from the perspective of fraud prevention and compliance.

We are working to maintain the effectiveness of our consultation services, which include not only an in-house consultation service but also one provided by external lawyers, a counselor system in each workplace, and a dedicated counseling service for employees' families.

Regarding certification and inspection, we have an

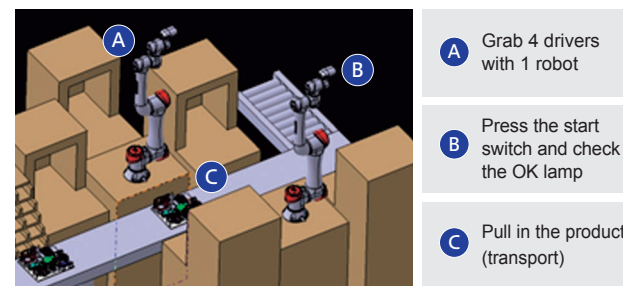
organization that allows each function such as design, evaluation, and certification to maintain independence. In addition, each year we carry out voluntary confirmation of fraud in our inspection and evaluation divisions. Furthermore, we conduct interviews with all divisions involved in production and quality, as well as individual surveys of divisions in charge of evaluation, with reference to examples from other companies.

### Strengthening production technology

With the aim of increasing the efficiency of the production line itself and realizing space savings (1/n concept), we are working to strengthen our competitiveness while cooperating with the Production Center.

While working to bring the lines closer together and significantly reduce space, we have introduced collaborative robots to create a versatile line that can handle a wide variety of products.

[Multi-skilled workers using collaborative robots]



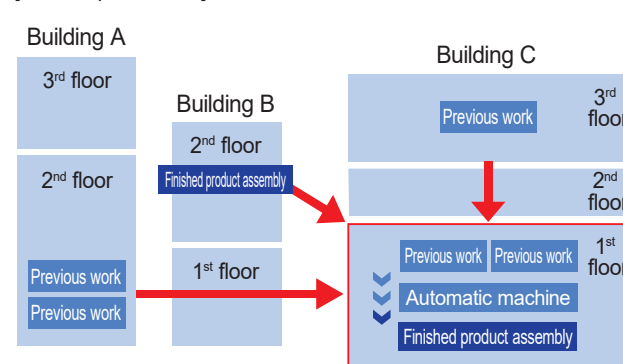
### Reorganization of production system

Adhering to the keywords “Do not store, do not carry, and do not touch,” we are thoroughly pursuing efficiency in the flow of goods and logistics, and steadily promoting the reorganization of our production system. We are reducing transportation by minimizing transportation between buildings and bringing processes closer together, automating unavoidable transportation, and taking on challenges such as in-house production of AGVs.



In-house manufactured AGV

[Process proximation]



### Human resource development

For a company to grow sustainably, it is essential to maximize the value of human resources.

In order to realize our mid-term business plan formulated in 2022, the Thought and Action of each and every employee who drives Tokai Rika's growth engine are essential.

In order to expand sales in priority business areas as well as new fields and new technologies, we are

promoting “initiatives that generate results” such as priority allocation and reskilling.

We also provide our employees with opportunities to take on challenges, support them, and work to respect the diversity of individuals. Furthermore, we will link the voluntary challenges and activities of all employees to sustainable value creation.

[Maximize the value of human resources and achieve sustainable growth of the company]



### Carbon-neutral strategy

We are promoting activities with the aim of achieving the goals of the “Carbon-neutral Strategy 2030” announced in 2021.

Regarding production, we are promoting energy visualization and the introduction of renewable energy with the goal of reducing production CO<sub>2</sub> by 60% by 2030. In terms of products, we are developing “Bamboo+,” a composite material of bamboo and resin.

Many customers have expressed interest in Bamboo+

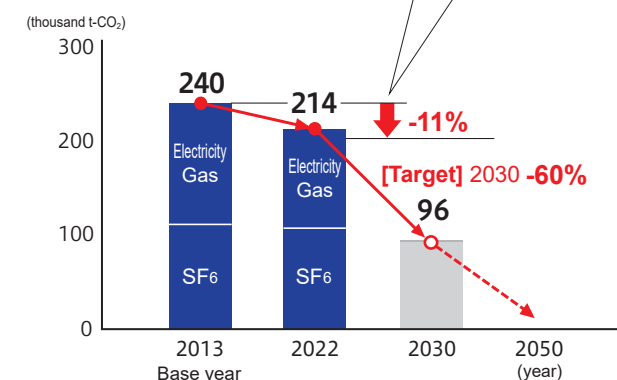
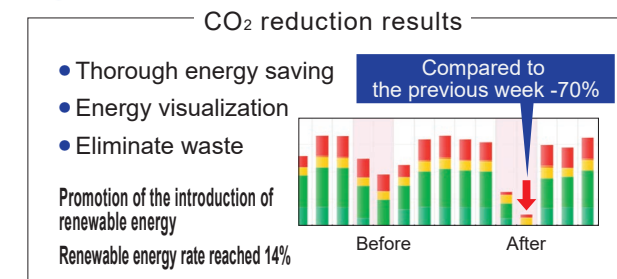
because by mixing bamboo and resin materials, the amount of CO<sub>2</sub> contained in the material itself can be halved.

Additionally, in order to accelerate the introduction of renewable energy in our supply chain, we conducted joint renewable energy procurement with the Kyouryoku-kai as a first in the region.

In recognition of these activities, we received the Environmental Promotion Excellence Award from Toyota Motor Corporation for the second consecutive year.

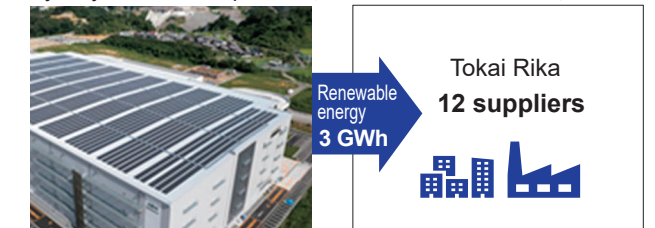
[Steady promotion of carbon neutrality]

#### Production strategy



#### Procurement strategy

Joint procurement of renewable energy power with 12 Kyouryoku-kai companies (Press release November 2022)



Rooftop solar panels on a distribution warehouse

#### Product strategy

Development of bamboo composite material



#### Customer evaluation

[2 years in a row]  
Environmental Promotion Excellence Award  
Awarded by Toyota Motor Corporation

