

# Research & Development

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## Message from the Director of Research & Development

**Kaoru Kasahara** Director and Senior Managing Executive Officer

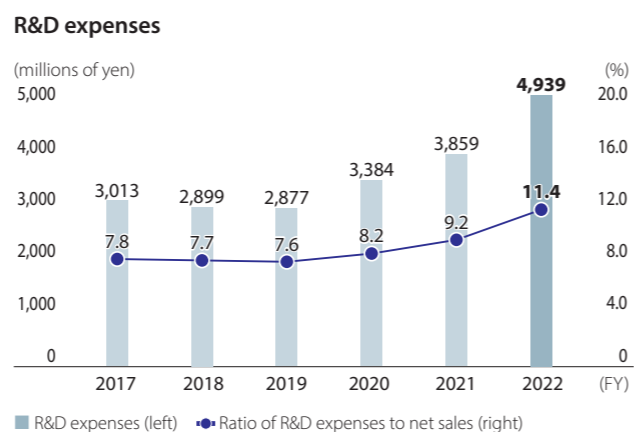
In its business strategy roadmap, the Company has set Electronics & Information, Mobility, Environment & Energy, Life Sciences, and Agriculture & Food Products as its target fields and will develop new products for these five fields. Under the Mid-term Management Plan SPEED 25/30, we will engage in R&D using a flexible approach while determining what 2030 will look like with a view to society in 2050 in the following specific business fields: cutting-edge electronic device materials, environmentally friendly dyes and polyols, bio-medical materials, and environmentally aware agricultural materials.

## Basic Policy

We have formulated a 10-year scenario ideal figure for FY2030 and a target figure for FY2025 as an intermediate point. Our intermediate goal up to FY2025 is to develop and expand our current business areas by implementing necessary measures for OLEDs and expand and develop our business into new areas. To achieve the goal, we will quickly identify the constantly changing needs of society and promote research and development that can quickly respond to the different needs of various customers.

The Hodogaya Chemical Group gives form to the skills and know-how from the technology we have cultivated over our long history to develop products and production technology with all-new functions. We also engage in research and development to become a corporation that contributes to establish a sustainable society by means of our original portfolio and environmentally friendly manufacturing, with a focus on

specialty products. We will encourage innovation by creating specialty products to help achieve SDG goal 9 (Industry, Innovation and Infrastructure).



## Progress of the Mid-term Management Plan

### Basic Strategies in SPEED 25/30

#### Further development of strategic products while fostering new ideas

- New business creation and growth for functional colorants
- Take new research projects into—and beyond—the development stage

#### Strengthen our R&D structure

- Expand our sustainable creation of new research projects
- Establish an organizational structure able to swiftly move from research to mass production

## Further Development of Strategic Products while Fostering New Ideas

By applying the technology we have accumulated over the past 100 years, we aim to continue expanding and developing our strategic products under our Mid-term Management Plan SPEED 25/30.

We will also conduct research and investigations to establish

R&D strategies based on a long-term perspective with the keywords Electronics & information, Mobility, Environment & energy, Life sciences, and Agricultural & food products centered on the New Product Exploration Project. The goal is to create new businesses for the next generation, put in place a system in which R&D, production, and sales functions make a

three-pronged effort to respond speedily to the needs of customers. We will collaborate with the newly reorganized Organic & Optical Device Materials Department to strengthen our activities in the Electronics and Information field, and we aim to expand the biotechnology field in Life Sciences.

We are also actively promoting joint frameworks with industry, government, and academia and working to build next-generation basic technologies and create new businesses.

## Strengthen Our R&D Structure

The Hodogaya Chemical Group promotes cutting-edge R&D for the future with a global R&D system that extends from Japan to overseas.

With the Tsukuba Research Laboratory in Japan as the main center, the R&D departments of each plant and Korean group companies, SFC CO., LTD. and HODOGAYA CHEMICAL KOREA CO., LTD., work together to promote R&D and quickly respond to customer requests.

## Promoting an Intellectual Property Strategy

As far as our future business portfolio is concerned, we are promoting the prompt filing and acquisition of intellectual property rights based on R&D results. Based on information searches and patent analyses, we are also currently focusing on improving the quality of patents by using patent maps and intellectual property education. Going forward, we will continue to secure patent rights in Japan and overseas to accommodate global business expansion.

## Newly Constructed SFC Biotechnology Building

SFC CO., LTD. (HQ; Korea, Hereafter SFC) is currently constructing a new biotechnology building with R&D and production facilities, which includes some head office functions, in Chungbuk, Korea, for the purpose of further expanding its biotechnology business.

Sales of diagnostic oligo products (materials for PCR diagnostic kits) provided by SFC substantially increased, following their PCR diagnostic kit application for several COVID-19 variants. Diagnostic oligo products developed, manufactured, and marketed by SFC are expected to expand in the future while shifting to the pharmaceutical Oligo sector. Specifically, applying the technology cultivated in the R&D and manufacture of diagnostic oligo products, we aim to produce products in the sector of nucleic acid medicine, the next generation of pharmaceuticals.

The market for pharmaceutical oligos (nucleic acid medicines) is expected to expand globally, and we intend to develop it as a second pillar after the OLED business so that it contributes to the growth of the Hodogaya Chemical Group.



## VOICE

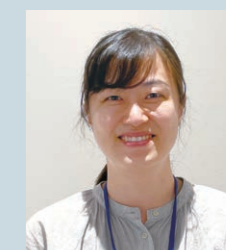
### Contributing to Business Development by Steadily Securing Intellectual Property Rights

The Intellectual Property Office is mainly responsible for carrying out application procedures and work to acquire rights to ensure that the technologies, products, and brands developed benefit the Company.

My areas of responsibility encompass the practical application of patents and trademarks. Practical patent application gives me access to new technologies and products within the Company. Practical trademark application allows me to be involved in the selection of product names for market launches.

In addition, my position requires not only technical and legal expertise, but also communication skills because the Intellectual Property Department has many opportunities to coordinate with internal and external parties, including technical departments, business departments, and patent offices. For this reason, I strive daily to explain specialized legal systems and techniques in an easy-to-understand manner.

Obtaining rights to patents and trademarks is often not easy, but I intend to make every effort to achieve patent rights and, in turn, contribute to business development.



**Mari Toriya**  
Research & Development Department

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