

R&D/Intellectual Property

The Sanyo Chemical Group's strength lies in its various core technologies, including interface control technology, and its development style of translating customer value and needs into functional solutions. We have developed performance chemicals that are used in various fields.

Promptly meeting diverse customer needs with NeeSeeds-Oriented approach

The "NeeSeeds-Oriented approach" is our unique term that describes the approach of combining a technique developed to meet a specific need with another technique to create new seed technology for new products. By taking this approach in a chain reaction manner, we will develop highly original products in new business fields.

In recent explorations of new business ventures in the energy, electronics, and biomedical fields, we have placed special focus on this approach on open-innovation and alliances with other companies.

Measures to foster motivation

We have various measures to keep individual researchers highly motivated and active, such as the challenge system, the commendation system, and opportunities for technology fusion and human resource development. Researchers can take on appropriate challenges at any time and gain successful experience with support from others.

Commendation system established for each phase of R&D

The commendation system for R&D sets up awards for each development phase. They include the Inventor of The Year Award (best invention), which is granted to a patent application selected at the research stage, and the Best R&D Award, which evaluates the quality of R&D at the development stage. After commercialization, there are the Future Product Commercialization Award, which recognizes

the results of commercializing new products, and the Best RU Award, which recognizes the improvement in profitability of a product.

This system enables us to properly evaluate the efforts and results at each R&D stage, thereby increasing the motivation of engineers and researchers and promoting continuous innovation.

Using intellectual property information in R&D

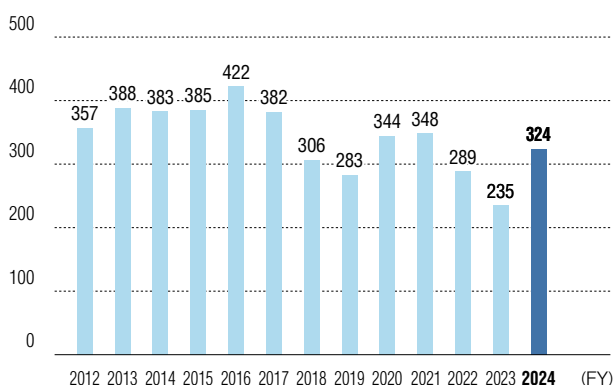
In terms of intellectual property activities, we have developed highly unique products and ensured their reliability by patenting developed technologies, building a patent network to increase the technological advantage and improve profitability, and avoiding infringement of other companies intellectual property rights.

We also conduct an overall analysis of intellectual property and market information, and formulate and implement a business strategy based on the IP landscape.* As an example, we combine the NeeSeeds-Oriented approach, which is the hallmark of our Group's R&D, with the IP landscape to verify the advantages of our proprietary technologies in both existing and new fields. This allows us to explore new applications that can use the strengths of our technologies, increases the reliability of our R&D and accelerates development. We analyze other companies' patent information to understand their areas of focus, areas of expertise, and technological challenges and explore the possibility of matching these with our own technologies, leading to proposals for creating new businesses.

Through the IP Landscape, we encourage the Techno Research Dept., with its expertise in intellectual property, to collaborate with the sales section as well as the R&D section. We share the information obtained by combining the technical issues and needs of customers with intellectual property information to promote interdepartmental dialogue, thus aiming to make our business even more unique and profitable.

* IP landscape: A coined term derived from "intellectual property" and "landscape"

► Number of patent applications



■ Number of patent applications (cases)

Patent education system for each level

In FY2024, we conducted patent education at each employee level, aiming to improve their intellectual property literacy and mindset and strengthen their practical skills. As a result of implementing gradual training for researchers, from those with little experience to those in charge of practical work, setting application targets, and engaging in intellectual property activities, the number of applications filed in FY2024 reached 324, putting a stop to the downward trend.