

Nikko Group upholds a customer-first policy as its corporate philosophy. Our mission is to provide products and services that truly satisfy our customers while gaining widespread trust from society, and becoming a solution partner that grows with our customers.

To realize the 2030 Vision, it is important to make the value co-creation platform strong and it is necessary to continue refining the four core technologies of mixing and kneading, heating, control, and material handling.

		Measures to Reinforce Platform for Delivering Value to Realize 2030 Vision					
		Input (management resources)	Goals in 2030	Issues to be addressed (short, medium, and long term)	Measures (short, medium, and long term)	Progress, outlook	FY2021 evaluation
Platform for delivering value	R&D  Kawamura, Manager	-R&D expenses: 0.73 billion yen -Development division engineers: 28 people -Joint development with customers and external organizations -4+ core technologies (drying, mixing and kneading, material handling, and control) + measurement	-Full-scale installation of low-carbon and environmentally friendly products -Installation of automated products leveraging AI and IoT technologies -Lateral deployment of environment-related equipment	-Human resource development for transfer and expansion of core technologies -Short-term and medium- to long-term product development aimed at decarbonization -Building a development platform for environment-related equipment -Acceleration of development for increasing the amount of social implementation	-R&D expenses from FY 2022 to FY 2024: 2.5 billion yen (2.1 times) -The number of development personnel to be hired from FY 2022 to FY 2024: 12 -Nurturing based on active implementation of human resource rotation -Promotion of open innovation with customers and external organizations including universities -Update of product development roadmap and redistribution of resources -Promotion of company-wide project themes	-Human resource rotation implemented in the current fiscal year: 2 employees -FY 2021 -> FY 2022: employees increased by 4 -Joint R&D: 4 projects being implemented -Updating product development roadmap -2 company-side projects to be implemented	○
	Sales and consultation  Nakayama, General Manager	-Establishment of a marketing division -Adaptation of the organization for globalization -Utilization of past and future data -Support of comprehensive operation of plants	-Offering of environmentally friendly products for low carbonization -Offering of products + operation through remote operation and automation -No. 1 manufacturer in Asia	-Development of environmental products -Acquisition of plant operation knowhow -Acquisition of overseas partners (agents) -Nurturing of human resources who will play the main role in developing fields	-Trade shows for new products -Collaboration with customers (development, education) -Establishment of overseas planning division and support for acquisition of products and partners -Enhance the hiring of new graduates -Arranging more environmentally friendly products by joining an industry association	-Trade show for new products: Scheduled in November -Collaboration with customers: To be implemented for mutual education -Acquisition of partners in neighboring countries by utilizing the Thailand House Messe -Joining Japan Road Contractors Association (JRCA) as a support member	○
	Planning and designing  Uehara, Manager	-Group of skilled engineers who respond to customer needs -Core technologies (mixing and kneading, heating, material handling, and control) -Accumulation of knowhow regarding plant design and technical bases -Cooperation structure with technical design partner companies	-Plant solution provider -Proposals that create values at both customers and society -Comprehensive support of remote operation, automation, saving manpower -Overseas expansion of global standard products	-Systematic human resource hiring, strengthening the knowledge of the workers through nurturing -Enhancement of core standard products that respond to customer needs -Improve customer satisfaction in quality, safety, and environment friendliness -Propose suitable products that reflect customer requests and meeting the delivery date -Improvement of design work efficiency and shift of resources to new expanding business fields	-The number of engineers to be hired from FY 2022 to FY 2024: 35 -Promotion of standardization and development of products with high added values -Build engineering structure that combines sales and maintenance service -Restructuring and development of global models and technological involvement in overseas production -Promotion of outsourcing and digitization of operations	-Active investment in resources, placing engineers at the eastern and western bases -Offering of a series of block-type plants, a high percentage of which is built in-house -Restructuring of organizations in charge of mission implementation and building engineering methods -Establishment of a team dedicated to overseas markets, hiring of human resources for overseas expansion -Development of a new control panel model	○
	Procurement  Umezawa, Manager	-Introduction of a new core system -Construction of new materials warehouse -Human resources to build procurement base	-Operation structure focused on stable purchasing and cost reduction -Information sharing with suppliers and favorable relationship of trust with them -Acquisition of ample knowledge of products and industry trends and enhancement of communications with suppliers and within the company -Contribute to the mitigation of environmental burden	(Short term) -Soaring prices of supplies and prolonged delivery time -Large burden of daily operations including receiving and placing orders -Aging of the core systems (Long term) -Surging raw material prices, their shortage, and depreciating yen -Discontinuation of the production of supplies -Downsizing and closure of suppliers	(Short term) -Early dissemination of information regarding price revisions and delivery information -Improvement of operating efficiency using a new system (cost accuracy, divisional collaboration, EDI) (Long term) -Work with designing section and promote functional purchase -Cost reduction through centralized and distributed purchasing -Reconsider sustainable supply chain -Promote communication with suppliers	-Information on price revision status and delivery => Continue to disseminate. Details are being prepared at individual levels -New system => The Purchasing Department has already implemented, and other departments' EDI implementation rate exceeds 30% -Cost reduction => rate of achievement in FY 2021: approx. 80% -Reconsider supply chain => Being implemented	△
	Manufacturing  Yamada, Factory Manager	-Three latest fiber laser processing machines, etc. -Technology and skills of integrated in-house manufacturing from primary processing of materials to canning welding, machine processing, final assembly, and trial run as well as production and shipment control	-Further improving productivity by 10% -Flexible, large variety and enhancement of production corresponding to destinations -Achievement in both quality improvement and reduction of manufacturing cost -Thailand subsidiary NIC to turn profitable in a stable manner	-Further improving productivity by 10% -Flexible, large variety and enhancement of production corresponding to destinations -Achievement in both quality improvement and reduction of manufacturing cost -Thailand subsidiary NIC to turn profitable in a stable manner	-Expansion of the manufacturing factory block of head office factory -Replacement of aged equipment -Reconstruction of factory layout -Promoting engineers to acquire multiple skills -Utilization of foreign technical interns	-Human resource rotation -Vitalization through appointment of young employees as group leaders -Number of technical interns accepted in FY 2022: 6 -Implementation of environmentally friendly factory construction plan	○
	Construction work  Noguchi, Section Manager	-Operation engineers: 20 including 8 field management engineers and 17 chief engineers -Contractors around the country -End-to-end structure from assembly to operation adjustment	-Operation engineers: 30 -Increase field management engineers and chief engineers and take on all sorts of plant installation works -Digitization of work plan, safety documents, etc. to enable a structure where anyone can handle them	-Reduction of work processes and response to safe operations or safety instructions -Identifying new contractors and collaboration with other departments -Easy-to-implement structure in the design and construction work stages	-Digitization of work plans and safety documents (conversion to online, and online work) -Easy-to-construct unit structure, increasing the percentage of parts built in-house, forming JV with other companies -Promotion of structure designs that facilitates safe work -Proactive negotiations with contractors throughout Japan	-Reduction of on-site construction man hours by improving the degree of product completion -Initiatives for reviewing construction work processes -Two new contractors. Continued efforts for discovering more contractors	○
	Maintenance  Tanaka, Manager	-Service men: 110 employees -Transfer of front office operation, strengthening of organization -Development of workplace safety and machinery management system	-Plant management through asset management -Start of operation service -Global operation of customer support	-Shift from after-incident maintenance to predictive maintenance -Acquisition of on-site human resources -Remote management and utilization of plant operation data for prevention and prediction	-Predictive maintenance based on next-generation diagnosis and promotion of shift to next-generation preventative and predictive maintenance -Hiring, reduction of emergency repair, and improvement of efficiency through division of labor -Starting actual operations at cooperating factories and refining it	-Expecting contracts with 10 AP users and 20 BP users -Plan to appoint employees who are in charge of area-based front office operations -Start of data monitor operation	○