



TAIHEIYO CEMENT NEWS LETTER

February 28, 2019

Taiheiyo Cement Obtains Highest Rating in DBJ Environmental Rating

Taiheiyo Cement Corporation (hereinafter, the “Company”) is pleased to announce that it has received the highest rating for “especially advanced efforts in consideration for the environment” from the Development Bank of Japan Inc. (hereinafter, “DBJ”) environmental rating, and has received a loan based on the rating. The Company has received the top rank three times before under the DBJ’s environmental rating loan program, and this is the fourth time for the Company to be recognized.

The DBJ Environmental Rating Loan is the world’s first loan **to introduce a specialized “environmental rating,”** an approach that evaluates the status of applicant companies’ environmental management through a screening (rating) system developed by the DBJ, selects superior companies, and establishes loan conditions according to the applicants’ scores.

The Company has been active in making effective use of waste materials that contributes to reducing the burden on the environment. In the DBJ environmental rating process, the Company has earned high marks for the initiatives summarized below, with the highest rating for “especially advanced efforts in consideration for the environment.”

- (1) The Company has been active in undertaking environmental management consistent with its core business, seeking to reduce the environmental impact of the manufacturing process through QC circles and related activities. It meanwhile aspires to establish a recycling-based society by promoting the reuse of a range of waste materials and byproducts as raw materials or fuel for cement production on the strength of highly sophisticated recycling technologies, turning waste into usable raw materials.
- (2) The Company has been active in establishing a sustainable supply chain, while conducting a customer/business partner survey that asks questions about the Company’s extensive CSR initiatives on the strength of a global assessment tool in accordance with the Taiheiyo Cement Purchasing Basic Principle.
- (3) The Company has delivered successful results in analyzing how the ESG issues will affect its business in terms of associated opportunities and risks at the CSR management committee, in which all directors participate, while leveraging dialogue opportunities with stakeholders. The Company has also taken active steps to identify materiality regarding the possible impacts of the ESG issues and assess its validity on a regular basis.

Our mission is to contribute to social infrastructure development by providing solutions that are environmentally efficient, enhance our competitive position and bring value to our stakeholders.