## **Value Creation Process**

## **OUTPUT INPUT OUTCOME** Respond to Capital **Business Activities** Contribute to **Material Aspects** . Stakeholder social sustainability **Financial Capital Expectations on** Aiming to become Change **Material Aspects** an outstanding Climate change Credit rating (as of August 2021) leading company Environmental pollution A (JCR) Occurrence of massive We will construct a business model unique to us, earthquakes **A-**(R&I) where all businesses in our group function Technological innovation: together comprehensively and integrally Evolution of digitalization to achieve our aim of being "outstanding." • Changes in economic Shareholders Manufacturing Capital conditions Domestic clinker production capacity (FY2021) Continuity and Management stability Efforts to mitigate and development related to and growth potential Boost the Group's Strengths 17,667 thousand tonnes declining birth rates and adapt to climate change **Total Capabilities** aging populations Overseas clinker production capacity (FY2021) 11,630 thousand tonnes Company-specific 8.3% Waste treatment Highly diverse Customers Contribute to Aging facilities organizations Intellectual Capital the building of safe and Stable supply of products secure social Stable provision of Supply high Compliance Patents held (as of the end of FY2021) infrastructure products and services value-added products Maintenance and 1,273 in Japan improvement of the governance system Capacity for Contribute to World-class 238 overseas 19,334 Respect for human rights stable the achievement of environmental Global Occupational health provision of carbon neutrality cement and safety network cement and production mineral Accident prevention technologies **Employees** ource product 13,017 Waste treatment **Human Capital** Participating in and Contribute to Promote work-life respecting local the creation of balance management Number of employees (as of the end of FY2021) communities a recycling-based Employee satisfaction Creation and Research and Developm society development of 12,586 Stable a recycling-based financial society footing Society **Fundamental Policies of** Social and 89.2 Build social capital and Relationship Capital the 23 Medium Term Management Plan improve infrastructure Become a corporate group Relationships of trust with communities in which we do business Efforts to mitigate and that never stops moving forward. adapt to climate change Individual meetings with investors As part of the social infrastructure industry, contribute to the establishment of a safe and stable society. **Opportunities** Events: **142** Contributing to a recycling-Strengthen our earnings foundation and based society steadily carry out growth investment. Strengthening urban resilience, preventing Natural Resources Capital disasters Mission of the Taiheiyo Cement Group Provision of environmentally Limestone quarries of the group (as of the end of FY2021) sound products Our mission is to contribute to Reconstruction in disaster 17 social infrastructure development by providing solutions stricken areas that are environmentally efficient, Utilization of waste and by-products (FY2021) Development of enhance our competitive position and bring value to our stakeholders. **402.7** kg/t-cement carbon-neutral technologies

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Corporate Governance and Compliance