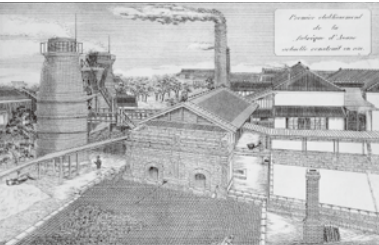


History of the Taiheiyo Cement Group

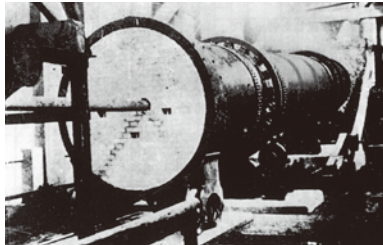
Taiheiyo Cement Corporation was founded in October 1998 through the merger of Chichibu Onoda Cement Corporation and Nihon Cement Co., Ltd., both of which had operated for over 100 years. The Taiheiyo Cement Group continues to support infrastructure development by supplying high quality cement and construction materials and applying advanced technologies at nine cement plants in Japan and nine in the Pacific Rim region, including in the U.S., China and Southeast Asia. We will continue to strive to create a sustainable society by demonstrating the group's overall capabilities.

Nascent Period of Cement Production in Japan

In 1873 the government constructed a cement production works in Fukagawa, Tokyo. Two years later the works successfully produced and launched sales of domestic cement comparable in quality to foreign products. Following this, Onoda Cement Co., Ltd., Asano Cement Co., Ltd. (predecessor of Nihon Cement Co., Ltd.) and Chichibu Cement Co., Ltd. were founded and underpinned the modernization of Japan.



Cement production works in Fukagawa, Tokyo



Japan's first rotary kiln (DB kiln)

Launch of Taiheiyo Cement

Taiheiyo Cement Corporation was founded in 1998 via the merger of Chichibu Onoda Cement Corporation and Nihon Cement Co., Ltd. The company has supplied cement for various national construction projects in Japan. In 2000 we completed the construction of the Nghi Son Cement Corporation plant in Vietnam, and then in 2003 made Taiheiyo Cement Philippines, Inc. a wholly owned subsidiary, further expanding the group's global network.

Commitment to Environmental Issues

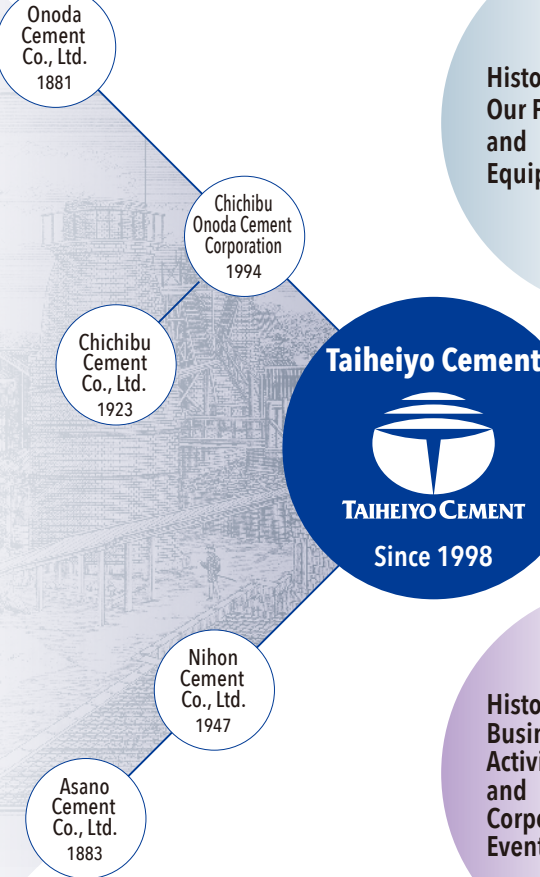
In 2006 we formulated the Taiheiyo Cement Environmentally-conscious Management Policy, which identified an active commitment to environmental issues as a key management challenge. Then, in 2007, we launched the Taiheiyo Brand Cement and Concrete Project and began taking action to boost the value of the group's technological strengths and solutions.

A Period of Economic Downturn, Earthquakes and Adversity

The group marked its 10th anniversary amid a serious economic downturn in the wake of the 2008 global financial crisis. We then carried out business restructuring for the group in 2010. While the Ofunato Plant and eight of our service stations in the Tohoku region were out of action due to the Great East Japan Earthquake of 2011, our financial structure was bolstered by an increase in capital and we were able to navigate a way through this adversity.

Making Progress by Fully Deploying Our Capabilities

We formulated our 23 Medium-Term Management Plan as the third step towards realizing our future vision and direction targeting the mid-2020s. All businesses in our group will function together comprehensively and integrally as we aim to become an outstanding leading company.



History of Our Products and Equipment


2000 May	Acquired an exclusive license from three French companies for the inorganic composite material Ductal.	2002 November	Started operating an AK system to recycle municipal waste as a raw material for cement at the Saitama Plant.
2001 July	Started operating a municipal waste incineration ash washing system (Ash Washing System) at the Kumagaya plant.		
2002 January	Expanded the scale of the coal ash treatment business following completion of the Kanto Ash Center.	2002 December	Started operating a facility to recycle wood as a biomass resource at the Oita Plant.
		2006 July	Developed Silica Fume Premix Cement for ultrahigh-strength cement.

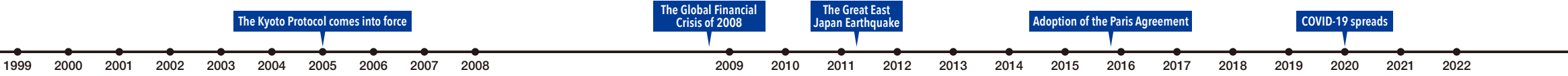
History of Business Activities and Corporate Events

1998 October	Taiheiyo Cement founded.	2002 June	Formulated the Mission of the Taiheiyo Cement Group.
		2003 April	Grand Cement Manufacturing Corporation made a wholly owned subsidiary. Company name changed to Taiheiyo Cement Philippines, Inc. in June 2003.
1999 May	Obtained ISO 14001 certification at six directly operated cement plants in Japan.	2003 April	Launched a business to recycle construction soil as a raw material for cement.
2000 October	Acquired the management rights to Grand Cement Manufacturing Corporation in the Philippines (currently Taiheiyo Cement Philippines, Inc.)	2005 April	Launched an electric power supply wholesale business at the Tosa Power Station.
2000 November	Completed construction of Nghi Son Cement Corporation (Vietnam).	2006 January	Formulated the Environmentally-conscious Management Policy of the Taiheiyo Cement Group.
2001 July	Completed construction of Itoigawa Power Station and launched an electric power supply business.	2008 October	Marked the 10th anniversary of the company.
		2009 April	Registered company-wide ISO 14001 integrated certification at six directly operated plants.

2007 August	Commenced selling DENITE, a heavy metal immobilizer.
2007 December	Ductal was used in the pier slabs of Haneda Airport Runway D.
2010 November	Launched a phosphor material, ChiccaLight, for LEDs.
2011 March	Suspended operations at the Ofunato Plant due to damage from the Great East Japan Earthquake.
2012 June	Resumed full operations at the Ofunato Plant.
	

2014 August	Harumi Onoda Remicon Co., Ltd. completed construction of an environmentally sound (indoor) plant.
	
2018 May	Water purification material Ceraclean obtained ETV mark certification from the Ministry of the Environment.
2019 May	Developed AI technology for predicting concrete slump.
2019 December	Started operating a municipal waste incineration bottom ash washing system at the Kumagaya Plant.

2020 January	Started commercial operations of a biomass power station at the Ofunato Plant.
	
2021 February	Successfully developed Nanolitia, a cathode material for lithium-ion batteries.
2022 August	Started construction of a production line at Taiheiyo Cement Philippines, Inc. (TCPI)



2010 March	Announced business restructuring for the group.
2010 April	Second production line of Nghi Son Cement Corporation came into operation.
	
2013 July	Their Majesties the Emperor Akihito and Empress Michiko of Japan visited the Ofunato Plant.
	

2015 May	Formulated the CSR Objectives for 2025.
2015 June	Acquired the Oro Grande plant (California, U.S.)
	
2018 May	Jointly established the Global Cement and Concrete Association (GCCA) with the world's leading cement companies.
	

2018 October	Marked the 20th anniversary of the company.
2019 June	Supported the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).
2021 January	Concluded the agreement on capital alliance with the Semen Indonesia (SI) Group.
2022 March	Established technology development roadmap and 2030 Interim Targets for the Carbon Neutral Strategy 2050.
2022 May	Signed the UN Global Compact
2022 June	Acquired the Redding Plant and ready-mixed concrete business assets (California, U.S.A.)

Taiheiyo Cement Group Business Network

The Taiheiyo Cement Group deploys production and logistics sites in Japan and overseas, and establishes systems to ensure stable supplies of cement and mineral products. In addition, we utilize our world-leading environmental cement production technologies to contribute to the creation of a recycling-based society and countermeasures to mitigate climate change.

Taiheiyo Cement Group Profile

Net sales

Consolidated: 708.2 billion yen
Non-consolidated: 287.5 billion yen

Number of employees

Consolidated: 12,542
Non-consolidated: 1,874 (not including seconded staff)

Subsidiaries

176 (including 112 consolidated subsidiaries and 5 equity-method subsidiaries)

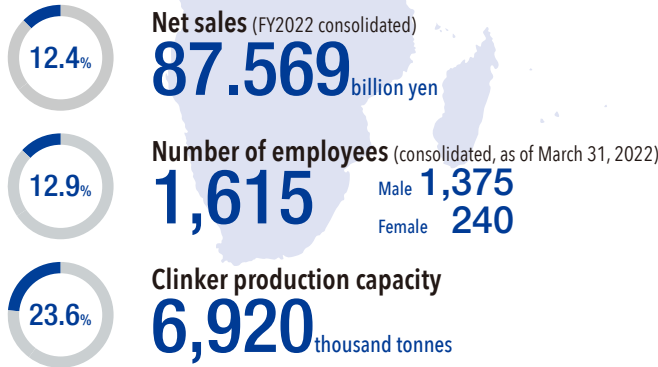
Affiliates

101 (including 38 equity-method affiliates)

- Holding company
- ◆ Cement plant*
- ◇ Clinker grinding plant*
- ▲ Representative office
- △ Distribution terminal

* Business locations where data for GCCA KPIs are collected (FY2022)

Other areas



Dalian Onoda Cement Co., Ltd. Taiheiyo Cement Corporation Fujiwara Plant (Dalian, China)



Jiangnan-Onoda Cement Co., Ltd. (Nanjing, China)



Nghi Son Cement Corporation (Nghi Son, Vietnam)



Taiheiyo Cement Philippines, Inc. (Cebu, Philippines)



PNG-Taiheiyo Cement Limited (Lae, Papua New Guinea)

TAIHEIYO CEMENT (CHINA) INVESTMENT

TAIHEIYO CEMENT HEADQUARTERS



TAIHEIYO SINGAPORE

Lae



CalPortland Company, Redding Plant (Redding, USA)



CalPortland Company, Mojave Plant (Mojave, USA)



CalPortland Company, Oro Grande Plant (Oro Grande, USA)

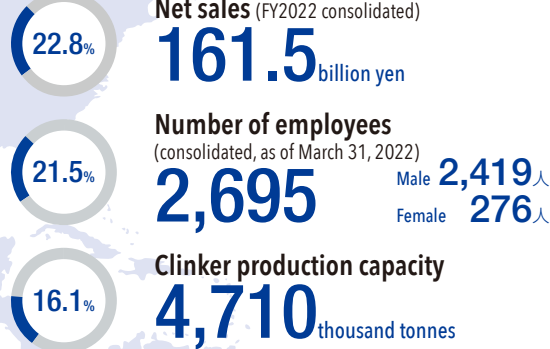


CalPortland Company, Rillito Plant (Rillito, USA)



TAIHEIYO CEMENT U.S.A.

America



- Headquarters/Branches

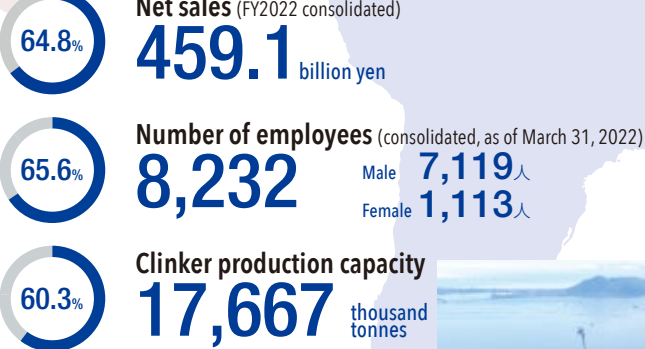
1 Hokkaido Branch
2 Tohoku Branch
3 Headquarters/Tokyo Branch
4 Kanto Branch
5 Chubu Hokuriku Branch
6 Kansai Shikoku Branch
7 Chugoku Branch
8 Kyushu Branch
- Research Center

15 Central Research Laboratory
- Group Production Plants*

16 DC Co., Ltd.
17 Myojo Cement Co., Ltd.
18 Tsuruga Cement Co., Ltd.
- Cement Plants*

9 Kamiiso Plant
10 Ofunato Plant
11 Kumagaya plant
12 Saitama Plant
13 Fujiwara Plant
14 Oita Plant

Japan



Taiheiyo Cement Corporation Kamiiso Plant



Taiheiyo Cement Corporation Ofunato Plant



Taiheiyo Cement Corporation Kumagaya Plant



Taiheiyo Cement Corporation Saitama Plant



Taiheiyo Cement Corporation Fujiwara Plant



Taiheiyo Cement Corporation Oita Plant



DC Co., Ltd.



Myojo Cement Co., Ltd.



Tsuruga Cement Co., Ltd.

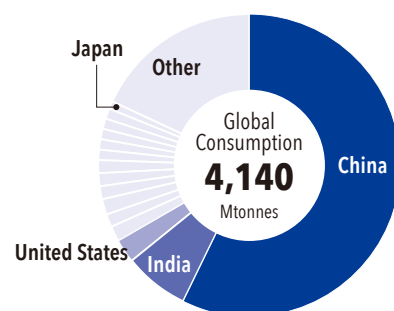
Cement Industry and Taiheiyo Cement

Global Cement Industry

① Trend in Global Cement Demand

Global cement demand in 2020 was impacted by the COVID-19 pandemic in the January-March quarter, but declined by only 0.2% year-on-year to 4.14 billion tonnes due to growth in housing demand and the economic stimulus measures implemented by governments around the world. Of this, China's demand stands out at 2.37 billion tonnes, accounting for about 57% of total global demand. This is followed by India at 280 million tonnes and the United States at 104 million tonnes.

Demand is expected to recover to 4.33 billion tonnes in 2021 as economic activity resumes and is expected to rise to 4.44 billion tonnes in 2022. However, the COVID-19 pandemic that has no end in sight, as well as the soaring coal and other energy prices caused by the war in Ukraine, leave uncertainty in the global demand trend.



Source: Global Cement Report, 14th Edition

② World Cement Production Volume

Global cement production in 2021 was 4.4 billion tonnes, an increase of 4% from the previous year, which is in line with the recovery of the global economy. By country, China leads with 2.5 billion tonnes, followed by India with 330 million tonnes, Vietnam with 100 million tonnes, the United States with 92 million tonnes, and Turkey in fifth place with 76 million tonnes.

③ Cement Production Volume of the Taiheiyo Cement Group

The Taiheiyo Cement Group's domestic cement production volume for FY2021 was 19.3 million tonnes, down 2.5% year-on-year due to the impact of the COVID-19 pandemic. In FY2022, despite the impact of the prolonged pandemic, it will remain almost flat at 19.1 million tonnes (down 1% year-on-year). The Taiheiyo Cement Group's domestic production volume is the largest in Japan, accounting for approximately 36% of Japan's production volume.

On the other hand, the group's overseas production volume in FY2021 was 13 million tonnes (down 6.8% year-on-year) due to the transfer of a Chinese consolidated subsidiary, and in FY2022 it will remain almost the same as the previous fiscal year at 12.9 million tonnes (down 0.5% year-on-year). Going forward, we aim to further expand our overseas business by proceeding with the rebuilding of our overseas business portfolio and seeking to expand into countries and regions we have not yet entered where economic development is strong and demand for cement is expected to grow on the one hand, while increasing our production and supply capabilities in countries where we already have a presence.

● Top 15 Countries by Cement Consumption (2020)

(Unit: M tonnes)

Rank	Country	Volume
1	China	2,377.3
2	India	288.7
3	United States	104.2
4	Iran	63.3
5	Indonesia	62.7
6	Vietnam	62.1
7	Brazil	60.5
8	Turkey	58.4
9	Russia	56.0
10	Saudi Arabia	51.1
11	Korea	47.0
12	Egypt	46.0
13	Pakistan	43.2
14	Mexico	40.3
15	Japan	39.2
	Other	740.0
	Global Consumption	4,140.0

● Top 5 Countries by Cement Production (2020)

(Unit: M tonnes)

Rank	Country	Volume
1	China	2,500
2	India	330
3	Vietnam	100
4	United States	92
5	Turkey	76
...		
11	Japan	52
	Global Production Volume	4,400

Source: US Geological Survey, Mineral Commodity Summaries, January 2022

● Taiheiyo Cement Group Cement Production Volume (past three years)

(Unit: M tonnes)

Volume	FY2020	FY2021	FY2022
Total	33.8	32.3	32.0
Domestic	19.8	19.3	19.1
Overseas	14.0	13.0	12.9

Japanese Cement Industry

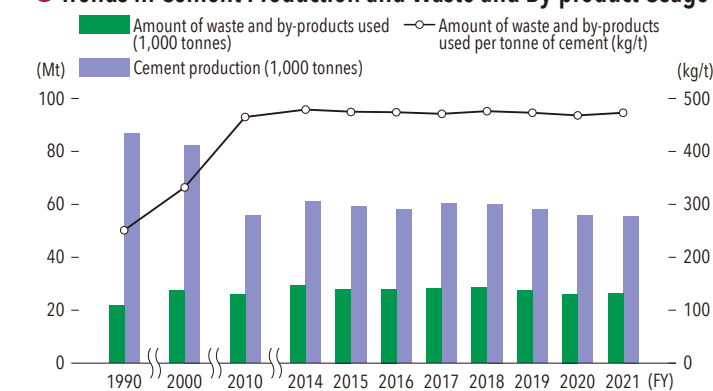
① Trend in Domestic Cement Demand

Following its peak at 86 million tonnes in FY1991, domestic cement demand continued a declining trend until FY2011, which was caused by various adverse factors such as the global financial crisis. Demand subsequently turned upward for three consecutive years from FY2012 due to the reconstruction demand and national resilience policy following the Great East Japan Earthquake. FY2020 demand remained at more than 40 million tonnes, but has since fallen for two consecutive years to about 38 million tonnes due to the outbreak of the COVID-19 pandemic in FY2021 and the effects of the delta strain of the virus in FY2022.

② Changes in Waste Usage in the Cement Industry

The cement industry employs various environmental technologies cultivated through cement production to reuse a wide variety of waste and by-products as raw materials and fuel for cement. In Japan, approximately 540 million tonnes of waste is generated annually, of which 238 million tonnes is reused; of this, the cement industry reuses approximately 26 million tonnes, equivalent to 11% of the total. Cement production has continued to decline since its peak in the latter half of FY1991, but the amount of waste and by-products used per tonne of cement production has increased, reaching 468 kg in FY2021.

● Trends in Cement Production and Waste and By-product Usage

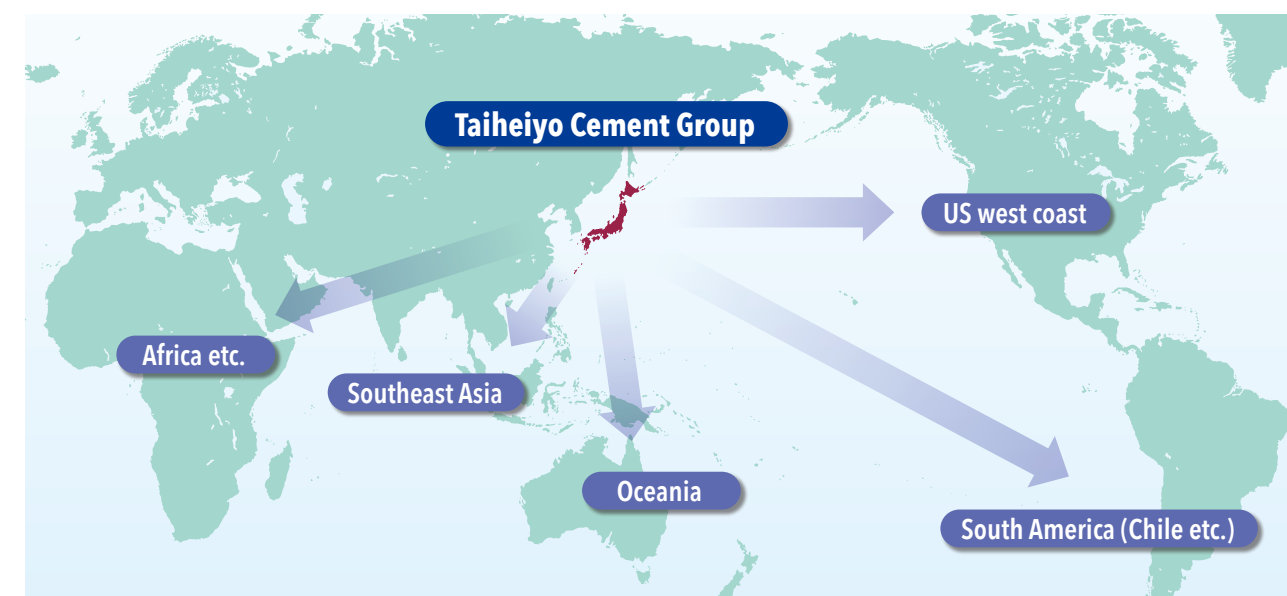


Source: Cement Handbook 2022 (The Japan Cement Association)

③ Overseas Expansion of the Taiheiyo Cement Group

Since the latter half of the 1980s, we have expanded into the United States and China where we manufacture and sell cement locally, and since the 2000s we have expanded our area of operations to Southeast Asian countries such as Vietnam and the Philippines where there is strong economic development. Furthermore, we entered Indonesia in FY2021 where we are working to establish a business foundation.

In addition, there are three pillars to our trading business: the export of cement and clinker through direct trade that does not involve a trading company, trilateral trade mainly to meet the demand of our overseas group companies, and our bulk materials business in materials such as gypsum and slag. We aim to build a new logistics network that includes Indonesia in the future.



Expanded Areas of the Taiheiyo Cement Group