

Occupational Health and Safety

We are continuously promoting organizational safety, security and health activities with the aim of eradicating occupational accidents, including those in the supply chain, and achieving a safe work environment.

Basic approach

Our Health & Safety Policy is shown below. Under this policy our headquarters and business sites prepare health and safety management policies that suit the actual conditions at the workplace each fiscal year.

Taiheiyō Cement Health & Safety Policy

We recognize that ensuring the health and safety of our employees is a cornerstone of our company, and we invest appropriate management resources to the prevention of occupational accidents and diseases in accordance with the Industrial Health and Safety Act and the Mine Safety Act, and efficiently implement the fundamental policies shown below.

Fundamental Policies

- 1 Promote health and safety activities through consultation and participation between management and labor, with the aim of eliminating occupational accidents.
- 2 Ensure the health and safety of our employees and those of our contractors by complying with health and safety-related laws and regulations, the health and safety management regulations created by us, and health and safety regulations created by our business sites.
- 3 Strive to improve the level of health and safety by actively promoting the implementation and operation of our Occupational Health and Safety Management System, and by continually ensuring the fundamental safety of our work and equipment, providing education and training, and raising awareness of health and safety, as well as continually improving our Occupational Health and Safety Management System.
- 4 Constantly improve workplace environments and work procedures by applying improved technologies and new health and safety information via the companywide, business site and group affiliate health and safety committees.
- 5 Ensure health and safety throughout the Taiheiyō Cement Group by promoting action to eliminate occupational accidents under the leadership of the companywide, business site, and group affiliate health and safety committees.

● Safety Objectives (KPIs) for FY2023

KPI	Achievements and Issues This Fiscal Year	Plans for Next Fiscal Year
FY2023 Company-wide Health & Safety Committee Objectives (1) Zero fatalities across the group (CSR Objectives for 2025) (2) 30 or less lost-time injuries across the group (3) 80 or less total occupational accidents across the group (4) Absence rate of company employees: 0.5% level	(1) Fatalities: 2 (2) Lost-time injuries: 49 (3) Total occupational accidents: 120 (4) Absence rate: 0.935%	FY2024 Company-wide Health & Safety Committee Objectives (1) Zero fatalities across the group (CSR Objectives for 2025) (2) 30 or less lost-time injuries across the group (3) 80 or less total occupational accidents across the group (4) Absence rate of company employees: 0.5% or less * Excluding the absence rate due to COVID-19 cases
Eliminating Accidents Caused by Breaking Workplace Rules 15% or less of total occupational accidents (ratio of accidents due to rule breaking)	Violations, etc., of the 7 safety principles: 26% • There were 9 cases of accidents involving "touching moving machinery," indicating a lack of thoroughness. There were some cases of violations due to work priority.	Ratio of accidents due to rule breaking: 15% or less • Improve comprehension through periodic education on rules • Identification and improvement of facilities and behaviors that violate rules • Guidance aimed at eliminating violation conditions through regular patrols • Strengthen prevention of accidents among employees and workers with less than 3 years experience
Eliminating Heatstroke-related Accidents Zero heatstroke-related accidents	No. of heatstroke-related accidents: 7 • Reduction the risk of heatstroke occurring whilst recognizing resistance to heatstroke varies from person to person	Zero heatstroke-related accidents • Improved understanding of accidents through prior education • Reliable response to heat index • Improvement of the work environment (development of rest areas, cooling systems, etc.) • Guidance on checking the condition of countermeasures through safety patrols • Expanded use of wearable devices to reduce risk according to individual differences
Preventing the Recurrence of Similar Accidents Halving the three most common causes of accidents • Being trapped by or dragged into equipment • Falls from height • Flying/falling objects	+11 case (55 cases) compared to previous year • Promote raising awareness and mutual consideration through measures such as displaying safety points at accident sites.	Halving the five most common causes of accidents * Added "falling over" and "contact with high or low temperature objects". • Confirmation of effectiveness of countermeasures through accident study support • Conduct case study education using the Accident Information Database • Continual operational checks of accident prevention measures (periodic on-site patrols) • Promote "visualization" with signs, work procedures, etc.

Health & Safety System

Under the Taiheiyō Cement Health & Safety Policy we establish health and safety management regulations that cover the basic principles of the group's health and safety management, and promote health and safety activities. The aim is to create comfortable working environments while also ensuring the health and safety of our employees and those of our contractors at the group's business sites and other locations.

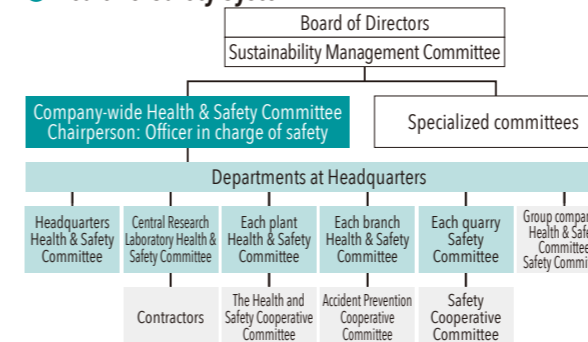
We established the Company-wide Health & Safety Committee, chaired by the officer in charge of safety, as a Specialized Committee under the Sustainability Management Committee, which is itself under the direct oversight of the Board of Directors. The Company wide Health & Safety Committee supervises health and safety activities held by our various business locations. It also collects safety-related data from not only the company itself but also our group companies and provides guidance.

All plants, quarries and branches under the jurisdiction of our divisions at Headquarters, and all group companies, have a health and safety committee consisting of representatives from both management and labor, as well as a cooperative committee promoting the health and safety-related activities of each business site.

Health and safety management at cement plants and quarries in Japan is carried out under our OSHMS*.

* OSHMS (Occupational Safety and Health Management System): Guidelines issued by the Ministry of Health, Labour and Welfare in 1999. A framework for reducing potential dangers at workplaces and promoting comfortable work sites by autonomously practicing continuous, uninterrupted health and safety management.

● Health & Safety System



Safety Operation Officer Certification System

Since FY2008, we have been using the Safety Operation Officer System which emphasizes the importance of improving leadership capabilities to reduce occupational accidents. This system provides safety operation officer certification that

is required for leaders of work groups. To further improve the capabilities of those leaders, as of FY2016 we require participants in the certification seminars held at the plants to have completed the foreman training course stipulated in the Industrial Safety and Health Act.

Health and Safety Training

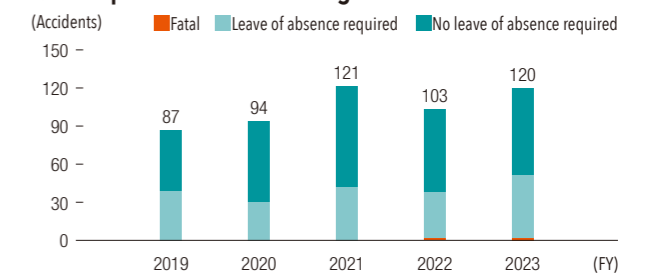
We have established procedures for the implementation of health and safety training, and are committed to providing such training so that work can be carried out safely. Training is provided at all our business sites. It can be categorized into training for newly-hired employees, training for newly-hired employees with professional experience at another company, specialized courses, training for newly-appointed managers, skills training, and training for contractors when they start work at a site.

Occupational Accident Reports and Database

Any occupational accident is reported to the Company-wide Occupational Health & Safety Committee immediately, regardless of how insignificant it may seem. We promptly post the details of any accident on the group bulletin board as a step towards avoiding any recurrence.

We have maintained an occupational accident database since FY2009. It covers accidents involving employees of the company and group companies as well as those of all our contractors, including temporary workers. It categorizes accidents according to the "4 Ms" (men, machines, methods and management), analyzes the causes of unsafe behavior and situations, and systematically stores occupational accident review reports that include details of the countermeasures taken. The database is also translated into English and Chinese so that it can be widely used at our overseas business sites.

● Occupational Accidents Registered in the Database*



* Taiheiyō Cement and group companies that are business sites required to submit accident reports under our Safety, Security and Health Management Regulations are the subject of aggregation

Health and Safety Promotion Activities

The Company-wide Health & Safety Committee set the following objectives for FY2023: zero fatalities, limit lost-time injuries to 30 or less and the total number of occupational accidents to 80 or less, while also setting the absence rate in the 0.5% range. We therefore engaged in health and safety promotion activities with a focus on: (1) improving the level of safety management at group companies in order to achieve our CSR Objectives for 2025, (2) eliminating accidents caused by breaking the rules, (3) eliminating heatstroke-related accidents, (4) preventing the recurrence of similar accidents, (5) complying with health & safety-related legislation, and (6) preventing the spread of COVID-19 infections (preventing employees from becoming infected or infecting others).

There were 120 occupational accidents, including two fatalities, and a 0.935% absence rate due to the spread of COVID-19 infections, so we failed to achieve the target. It is now more important than ever for each business site to gather the opinions of workers, and for all employees to work together on safety, security, and health issues.

Fatalities	2 (2)
Lost-time injuries	49 (36)
Total occupational accidents	120 (103)
Absence rate	0.935% (0.604%)

* (figures in brackets are FY2022 results)

Regarding the elimination of heatstroke-related accidents, which we have identified as a key issue since FY2021, we are measuring WBGT (Wet Bulb Globe Temperature) values (heat indices) at each work site, have established break frequencies based on WBGT values, and are promoting improvements in work environment and work management. There were 7 cases of heatstroke in FY2023 (FY2022: 6 cases). Heat tolerance varies from person to person, and wearable devices are being used to reduce the risk of developing symptoms. In addition, regarding accidents involving the violation of workplace rules remained high, accounting for 26% of all occupational accidents, so we are progressing with guidance through periodic patrols, education on rules, improvement of equipment and behaviors, and "visualization" of safety activities, such as displays of accident lessons learned at the locations of the accidents.

Analysis of occupational accidents found that approximately 40% of accidents involved workers with less than three years of experience, so we will enhance initiatives to prevent accidents involving less experienced workers.

Also, regarding accidents according to type, "trapped by or dragged into equipment" accidents remain high, while the number of "falling over" accidents is on the rise. By reviewing the essence of safety measures from the perspective of both

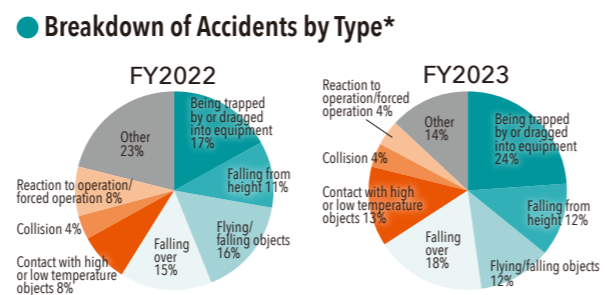
operations and equipment, we will promote the prevention of similar accidents and their recurrence.

● **Absence Rate** Non-consolidated (Unit: %)

	FY2019	FY2020	FY2021	FY2022	FY2023
Absence rate	0.647	0.580	0.337	0.604	0.935

● **Occupational Accidents*** (Unit: occurrences)

		FY2019	FY2020	FY2021	FY2022	FY2023
By region	Japan	81	92	117	98	115
	Overseas	6	2	4	5	5
By gender	Male	83	89	120	100	112
	Female	4	5	1	3	8
Injury or sickness	Injury	83	79	103	97	113
	Sickness	4	15	18	6	7
Our employees or contractors	Our employees	45	40	52	40	51
	Contractors	42	54	69	63	69



* Taiheiyu Cement and group companies that are business sites required to submit accident reports under our Safety, Security and Health Management Regulations are the subject of aggregation

Initiatives for ISO 45001

In March 2018, the ISO 45001 standard for OSHMS was established by the International Organization for Standardization. Since 2007, we have been operating OSHMS based on the guidelines given by the Ministry of Health, Labor and Welfare. As an international company, in addition to quality (ISO 9001) and environmental (ISO 14001), we obtained ISO 45001 certification for Health and Safety for our Kamiiso and Oita Plants.

Examples of Accident Prevention Initiatives

(1) Recurrence prevention measures (in response to fatality)

In March 2023, a transportation company worker was run over and killed by another company's vehicle at the cement shipping yard of an overseas group company. The direct cause was walking in a no-walking area, but another indirect factor was inadequate visualization of the separation of the flow lines between people and vehicles. We promote thorough separation of lines of flow between people and vehicles (work and walking areas are defined and made visible with signs, paint markings, etc.) and the practice of pointing and calling out to others at all workplaces.

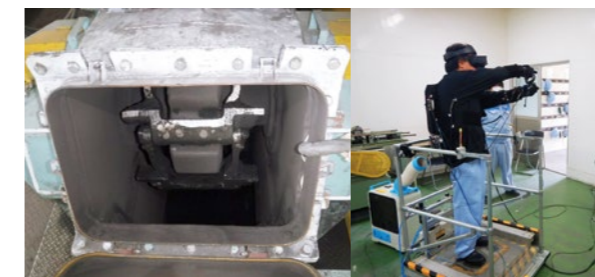


Posting of warning to drivers (Taiheiyu Cement Philippines, Inc.)

(2) Experiential Safety Training

In order to boost the safety awareness of our employees we hold safety training where they experience risks inherent in familiar operations. In FY2019 we introduced experiential safety training equipment such as VR (virtual reality) devices at all our cement plants for employees to experience simulated dangers related to safety harnesses, rotating equipment, electricity and heavy objects suspended from a crane. We also set up a system that can provide effective training for younger or less experienced employees.

At each plant, we are striving to improve safety awareness by adding hazard simulation equipment, providing safety simulation training using on-site equipment, and combining hazard simulation equipment training with VR training.



Simulated experience of an access hole closing and trapping fingers (Ofunato Plant)

Safety training using VR (Saitama Plant)

(3) Expanding Safety Activities to Group Companies

The Company-wide Health & Safety Committee provides support for safety activities at group companies. It started conducting safety surveys at the group's business sites in Japan and overseas in FY2019. Safety surveys were conducted at four business sites in Japan and one overseas in FY2023. In addition, at the Kumagaya Plant, safety personnel from four Group companies exchanged opinions on safety activities and received training using hazard simulation equipment.

Our group companies will continue to improve the level of safety management going forward.



Safety activity support (Nghì Son Cement Corporation)

(4) Ensuring the fundamental safety of work (acquisition of utility model rights)

Each plant is working to make its operations and facilities intrinsically safe by reflecting the opinions of its workers. The Oita Plant has been striving to make the work of cleaning the returned powder from the return roller of belt conveyors intrinsically safe, and has developed a "safety cover for self-aligning return rollers" that enables safe work without stopping the belt conveyor, and obtained a utility model patent in February 2022.



Safety cover for self-aligning return roller Registration No.: 03235767 (February 3, 2022)

(5) Ensuring the Safety of Foreign Workers

The number of foreign workers is increasing each year and we are becoming multinational. At our cement plants we are striving to ensure safety through graphic displays in educational materials, multilingual displays, and using DVDs.



"Safety First" was translated into Vietnamese and Indonesian and posted in the plant (Ofunato Plant)