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Asakura: Good morning. Thank you very much for attending today's briefing. As you are aware, Taiheiyo Cement has long engaged in initiatives in circular economies and carbon neutrality. However, as many here today may have experienced, with the Trump administration taking office, the United States' withdrawal from the Paris Agreement, and the news of major financial institutions withdrawing from the Net-Zero Banking Alliance making headlines in recent times, certain companies appear to have developed fairly strong sentiments against the concept of carbon neutrality. Be that as it may, our own long-term strategy remains unchanged, and we are dedicated to continuing to promote a solid carbon neutral strategy with the recognition that corporations are also members of society.

Therefore, today, we would like to take this opportunity to provide an explanation on two themes centered around the premise of Taiheiyo Cement's sustainability, that being carbon neutrality and circular economies.



Asakura: There are two main topics we would like to discuss today. First is our sustainability management. Although we have offered explanations on this subject in our medium-term management plan announcements and integrated reports up to this point, we would like to take this opportunity to provide a comprehensive summary of our thoughts on this matter. The second involves circular economies and carbon neutrality, and we would like to communicate this information to you by providing an outline of each of our strategies, our initiatives to date, the current conditions that we face, and our prospects for the future.

I. Sustainability Management of the Taiheiyo Cement Group

Asakura: First, I would like to provide an outline of our model for sustainability management.

I. Thoughts on Sustainability Management of the Taiheiyo Cement Group - 1. Taiheiyo Cement Group



Asakura: Taiheiyo Cement was established in 1881, and will be marking our 144th anniversary this year. Please take a look at the graphs on the right side. Overseas business accounts for approximately 40% of our net sales by region, in addition to close to 40% of our number of employees by region.



Asakura: Next, looking at net sales, combining our cement business in Japan and overseas, Taiheiyo Cement is a company for which roughly 70% of sales come from cement business.





Asakura: Next, we would like to explain our thoughts on the fundamental aspects that are of the most importance to our management, a subject which I believe represents our mission as a company. The Taiheiyo Cement Group's business activities, as we are sure you are aware, involves businesses that have a significant impact on the environment, such as the development of quarries and the operation of cement plants. As such, we have long considered sustainability to be a very important theme for our business operations.

In preparing the 26 Medium-Term Management Plan, which started this fiscal year, we first started by organizing our long-term visions for 2030 and 2050 based on this mission and incorporating these visions into a concrete plan. As written therein, our most important vision is aiming to become a leader in the global cement industry by 2050. In addition, we have set our sights on initiatives for carbon neutrality and circular economies, the main topics of today's briefing. This is the background from which we back-casted to create Taiheiyo Vision 2030 and the current 26 Medium-Term Management Plan.



Asakura: Next, we have an explanation of our materialities. We prepared these materialities by holding internal discussions revolving around the importance to Taiheiyo Cement on the horizontal axis and the importance from the perspective of our stakeholders on the vertical axis. As you can see, the concerns of our stakeholders remain centered around environmental impact, and we also recognize carbon neutrality and circular economies to be important materialities.

I. Thoughts on Sustainability Management of the Taiheiyo Cement Group - 1. Taiheiyo Cement Group

[Our Group's Strengths]



Asakura: Next, please allow us to explain the three factors that we consider to be the strengths of Taiheiyo Cement that work in consensus with our mission and materialities. First is being a leading supplier of cement and limestone supporting a safe and secure society. Taiheiyo Cement is a leading supplier of cement and limestone in Japan, and in maintaining this status, to secure limestone for cement raw materials and aggregates used in ready-mixed concrete, we are working on quarry development with a future-oriented approach that looks 100 years ahead. Second is world-class cement production and waste recycling technologies. The world-class manufacturing technology possessed by Taiheiyo Cement is utilized in the manufacturing process to treat various waste and by-products, contributing significantly to solving social challenges, including that of a recycling-based society and the restoration of disaster-stricken areas. Third is a global network, in other words, a supply chain, incorporating the growth markets of the Pacific Rim. The existence of this network serves not only to expand overseas business in and of itself, but also takes a role in the operation of domestic plants by securing importers for blended cement manufactured in Japan.



Asakura: Next, here we would like to provide a brief explanation on the history behind the cement industry's development. As you are aware, with an increase in production capacities to track mounting demand during the period of rapid economic growth and an emphasis on shifting energy sources as a result of the subsequent energy crisis, in addition to improvement and remodeling of the manufacturing process, major progress has been made in terms of energy conservation. Furthermore, in the 1990s, as issues concerning the shortage of landfills started to arise with the expansion of economic activities, we positioned waste disposal at cement plants as a clear growth strategy for responding to changes in the social environment, and have devoted ourselves to developing related technologies and actively promoting capital investment.

While this trend has subsequently been integrated into various forms of waste treatment, in Japan, where there is a frequent occurrence of earthquakes and torrential rains, cement plants have been positioned as bases for disposing of disaster waste, and we believe that the significance of cement plants as important bases for supporting local communities is continuing to increase.

In addition, with the transition towards a decarbonized society that has been prevalent in recent years, a new trend toward decarbonization has emerged in the cement industry as well, and Taiheiyo Cement has joined this movement by promoting various measures centered around material design for cement, review of the manufacturing process itself, and technological development.

Furthermore, there has been a significant increase in coal and other energy prices over the past several years as a result of situations such as the invasion in Ukraine, leading us to believe that under current conditions, the utilization of waste as an alternative source for energy has become an even more important factor, not only for decarbonization but also for reducing manufacturing costs.

I. Thoughts on Sustainability Management of the Taiheiyo Cement Group - 2. Our Group's Business Structure and Manufacturing Process

- Cement is produced in high volumes at large -scale manufacturing facilities.
- Domestic cement production: 47,177 thousand t (entire industry in FY2024: from Japan Cement Association homepage)



Asakura: Next, we would like to provide everyone with a basic explanation of the cement production process. Please take a look at the picture in the center. This shows the central feature of a cement plant. First, raw materials such as limestone are ground in a mill, and to put it in simple terms, the powdered mixture is introduced from the top of a tower called a preheater where heat is exchanged. The materials are then fired in a cylindrical furnace called a rotary kiln with a diameter of 5-6 meters and a length of 100 meters.

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Temperatures inside the kiln reach around 1,450°C, and by heating raw materials such as limestone and clay at this high temperature, we can manufacture clinker, an intermediate product in cement production. This clinker is then ground down to become cement. In terms of production volumes, the entire cement industry in Japan has produced 47.17 million tonnes of cement in FY2024, with our Group's domestic cement business having produced 16.15 million tonnes of cement from within that total.

I. Thoughts on Sustainability Management of the Taiheiyo Cement Group – 2. Our Group's Business Structure and Manufacturing Process



Asakura: Next, we would like to focus on one of the key points of today's briefing by explaining why so much garbage can be consumed in the process of making cement. The original raw materials that are required for cement production, and these are just the virgin raw materials, include limestone, clay, and silica stone, and those required components can be expressed in terms of their chemical formulas and ratios as shown in the panels on the left.

Now, let's take a look at the waste that is used. The chemical components that are required in cement production include, as previously mentioned, CaO (calcium), SiO₂ (silica), Al₂O₃ (alumina), and Fe₂O₃ (iron), and while the main raw material is limestone, the other components can be substituted with alternative materials. For example, coal ash or construction soil can be used as an alternative for clay. Additionally, materials such as silica stone can be substituted by foundry sand, etc., while materials such as blast furnace dust yielded by steel companies are mainly used as a supply source for Fe₂O₃ (iron). We also utilize waste tires, etc. as fuel instead of coal.

I. Thoughts on Sustainability Management of the Taiheiyo Cement Group
– 3. Reasons Why Waste and By-Products Can Be Used at Cement Plants



Asakura: As we have explained, various types of waste are used in the manufacturing process of cement, and to facilitate your understanding, we would like to summarize the reasons for this with the following four points. To begin, first is the fact that the main components of cement include calcium oxide (CaO) and silicon dioxide (SiO₂), with these chemical components being blended in compositions, and therefore waste containing these components can be used as part of the raw materials. Second is that we use combustible waste as part of the fuel for the burning process in cement kilns. Third, since the incineration residue from this process is used in the cement product itself as a raw material for cement, no secondary waste is generated, providing another reason that we are able to utilize large amounts of waste at cement plants. And finally, as previously mentioned, incineration temperatures inside the kiln reach 1,450°C, and at extremely high temperatures such as this, dioxins contained in the waste are fully decomposed and detoxified inside the kiln. These reasons we have listed provide a background to the technological capabilities possessed by Taiheiyo Cement and the ways in which we are able to utilize large amounts of waste at cement plants.

I. Sustainability Management of the Taiheiyo Cement Group - 4. Significance of Our Group's Engagement in Circular Economies and Carbon Neutrality



[Our Mission and the Significance of Engagement in Circular Economies and Carbon Neutrality]

Asakura: In order to summarize the information we have discussed to this point, we would like to emphasize the following two points. First, in the promotion of circular economies and carbon neutrality, it is our belief that to start, Taiheiyo Cement is indeed contributing to the stable supply of cement and the circular economy. Currently, we believe cement to be a product that is essential for maintaining social infrastructure, and we are convinced that there is no material that can serve as its replacement at this point in time. In addition, we believe that it is necessary for us to maintain a certain volume of cement production in order to play a central role in taking responsibility for the waste treatment functions in society. Consequently, we recognize that Taiheiyo Cement, as Japan's leading cement production supplier, supports social infrastructure through cement production while simultaneously playing a role in the circular economy through waste treatment.

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Second, in regard to carbon neutrality, as previously explained, the decarbonation and burning of $CaCO_3$ that happens inside the kiln inevitably results in emitting CO_2 . Consequently, in order to make cement production a sustainable endeavor, we believe it is necessary to inspire changes in the manufacturing process itself and engage in a combination of relevant measures. As we will explain later, the Taiheiyo Cement Group has been working with the background of focusing on carbon neutral strategy and the shift to immediately effective blended cement in recent years, in addition to the development of carbon free cement technology in the medium to long term.

II. Initiatives for Circular Economies

Asakura: Next, we would like to briefly talk about circular economies.

II. Initiatives for Circular Economies – 1. Remaining Capacity and Years of Landfills

Remaining space in domestic landfills is decreasing every year → Landfills will ultimately be maxed out
→ Waste disposal through cement production contributes to expanding the lifespan of landfills



Asakura: These graphs were composed by Taiheiyo Cement based on the White Papers released by the Ministry of the Environment for FY2025. The graph on the left depicts the remaining capacity at general waste landfills, while the graph on the right shows the remaining capacity at industrial waste landfills. These figures express a reality in which only about 20 years of capacity remain for each category, and even the government recognizes that in Japan, where our land area is increasingly limited, the maintenance of landfills and the reduction of waste present very important challenges.



Asakura: Here, we would like to provide an explanation on a typical example of one of our initiatives for circular economies. This image depicts the cyclical exchange of raw materials and waste between coal-fired thermal power plants and Taiheiyo Cement. Coal ash plays a central role in this relationship. As you are aware, coal ash is generated from the combustion of coal in the boilers of coal-fired thermal power plants. For power plants, coal ash is a waste material that is produced in large volumes in the course of generating electricity, and as previously explained, includes the components of SiO₂ (silica) and Al_2O_3 (alumina), which are main components of the raw materials for cement. As such, coal ash can be utilized as an alternative raw material for clay in cement production.

Meanwhile, coal-fired thermal power plants also generate sulfur oxides by burning coal. Sulfur oxides are known for their status as a causative substance that is responsible for asthma and acid rain. As a measure against this, power plants remove sulfur oxides by turning it into gypsum through a process involving flue gas desulfurization injected with materials such as calcium carbonate. Taiheiyo Cement supplies coal-fired thermal power plants with calcium carbonate and accepts the by-product gypsum, which is then reused as a raw material for cement. In this way, the cement industry and thermal power plants are closely linked in a resource recycling network which involves the treatment of coal ash, the supply of calcium carbonate for desulfurization, and the utilization of by-product gypsum.

As many of you are likely aware, the Seventh Strategic Energy Plan was announced earlier this year, and the ratio of coal-fired thermal power generation has been highlighted as a significant challenge. Nevertheless, while Japan has no choice but to rely on coal-fired thermal power for the time being, our Group will continue to contribute to resource recycling through our commitment to the treatment of coal ash.



Asakura: Next, we would like to briefly talk about household waste. This is a depiction of the recycling structure for municipal waste. Municipal waste produced by households is a mixture of various forms of refuse that includes both combustible and noncombustible waste, presenting an obstacle for recycling at cement plants. In order to accommodate this factor, we installed what we call the AK System at our Saitama Plant in 2002. This technology is used to ferment household waste in advance to improve its handleability so that it can be recycled at cement plants and reused as raw materials for cement.

What's important here is that by introducing this system, Hidaka City has been able to use the AK System at our Saitama Plant to treat almost all 14,000 tonnes of the waste produced every year by its population of approximately 54,000 residents, providing an example of a city being able to operate without needing to build a treatment plant.



Asakura: Next, we would like to talk about the disposal of disaster waste. Taiheiyo Cement owns the Ofunato Plant in Ofunato City, Iwate Prefecture, and as you are aware, this plant was involved in the disposal of disaster waste resulting from the Great East Japan Earthquake. What we would like you to note about this endeavor is that while the cement manufacturing process is able to dispose of disaster waste that is either combustible or sedimentary with relative ease, the Great East Japan Earthquake involved damage caused by tsunami, which presented the challenge of seawater being mixed in with the retrieved materials.

Salt contamination not only affects the quality of cement, but also creates additional problems by causing raw materials to clog equipment. In order to ensure our ability to dispose of disaster waste with our technologies, we endeavored to reinforce the equipment for salt removal that was installed at our Ofunato Plant. As a result of this equipment reinforcement, in FY2012, the Ofunato Plant treated approximately 17% of the disaster waste in Iwate Prefecture, and from 2011 to 2014, we were able to dispose of 1 million tonnes of disaster waste at this same plant.

II. Initiatives for Circular Economies– 3. Acceptance of Disaster Waste (Example 3)

Disaster waste disposed by Taiheiyo Cement

	Event	Date	Amount utilized	
	Chuetsu Offshore Earthquake	July 2007	47 thousand tonnes	
	Great East Japan Earthquake	March 2011	1,037 thousand tonnes	
	Hiroshima Landslides	August 2014	2.5 thousand tonnes	
	Kumamoto Earthquakes	April 2016	80 thousand tonnes	
	Northern Kyushu Flood	July 2017	16 thousand tonnes	
	West Japan Floods	July 2018	60 thousand tonnes	
	2019 East Japan Typhoon (No. 19)	October 2019	20 thousand tonnes	
	2020 Kyushu Floods	July 2020	7 thousand tonnes	
	2024 Noto Peninsula Earthquake	January 2024	21 thousand tonnes (ongoing) *1	



*1. FY2025 target : approx. 30 thousand t

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Asakura: Although the best situation would be to witness no disasters whatsoever, this chart shows the amount of waste we have processed from various events that have occurred in the past. Taiheiyo Cement has plants in locations ranging from Hokkaido to Tsukumi City, Oita Prefecture, demonstrating our ability to assist with disaster processing initiatives throughout Japan.



Asakura: Taiheiyo Cement has concluded advanced agreements for disaster processing initiatives with several local governments in Japan. As written here, we have concluded agreements with six different prefectures and cities on promoting the formation of a recycling-based society, and have agreed to rapidly accept and dispose of disaster waste at our plants in the event that a disaster were to occur. We are confident that forming relationships such as this will provide peace of mind to the people of these municipalities and enable us to make significant contributions to local economies.

II. Initiatives for Circular Economies – 4. Cement Business and Circular Economies

Major revenue source of initiatives for circular economies: Waste and by -products recycling business
Earn profits while simultaneously contributing to reducing the cost of cement production



[Volume of waste and byproducts accepted by our Group (FY2024)]

Asakura: This image depicts the categories of waste that are accepted at cement plants. As noted here, it takes the use and consumption of 400 kg or more of waste and by-products to make one tonne of cement. These by-products and waste are discharged through operations in the steel, electric power, paper, and automotive industries, and we are dedicated to the process of receiving the various types of resources detailed in this list and accepting and disposing of them at cement plants. As a result, the volume of waste accepted by our Group has reached a total of 6.81 million tonnes.



Asakura: We have recognized two challenges in circular economies. The first challenge is the decrease in domestic cement demand. Of course, in order for us to accept by-products and waste, a certain volume of cement demand is required to enable us to engage in cement production, meaning that we have been presented with a challenge in facing the significant decline in domestic demand and the decline in the volume of waste accepted, or consumed, in recent years.

The other challenge is changes in waste disposal demand. Fuel-based waste, which is relatively easy to dispose, is in high demand from various sources due to soaring fuel prices, with it seeming that everyone wants to utilize them in some manner, and on top of the global trend toward decarbonization, every year this waste is becoming more difficult to procure. On the other hand, waste that is difficult to treat is flowing to landfills, which presents a separate problem. Our approach to addressing these two challenges will be covered in the next section.

II. Initiatives for Circular Economies - 5. Initiatives to Resolve Challenges

[Measure 1] Maintain domestic operation rate through blended cement production

• Maintain domestic operation rate and volume of waste and by -products accepted by expanding production and exports of blended cement, demand for which is increasing overseas



Asakura: Although domestic demand for cement is decreasing, we are focusing on the production of blended cement for export as one of our measures on behalf of our desire to maintain our production system to a certain extent. Centered around Southeast Asia, where we have been making investments and promoting exploration into potential as a market to date, the spreading use of blended cement, demand for which is increasing overseas, is on one side contributing to carbon neutrality while simultaneously enabling us to maintain our domestic operation rate to a certain extent. As a result, we believe that we have been able to maintain the volume of waste and by-products accepted by cement plants in Japan and contribute to circular economies as well.

II. Initiatives for Circular Economies - 5. Initiatives to Resolve Challenges

[Measure 2] Improve thermal energy substitution rate

• Taiheiyo Cement will improve the thermal energy substitution rate by increasing the ratio of combustible waste used in cement production.



Asakura: One more topic we would like to cover is alternative fuel. As one measure to increase the amount of waste treatment while domestic cement production is decreasing, Taiheiyo Cement is working to improve the thermal energy substitution rate. We have made it possible to dispose of a wide range of combustible waste through spreading and developing technologies such as the chlorine bypass system that was reinforced at the Ofunato Plant as previously discussed, which you can see in this picture, and the burners for combustion in cement kilns.

Also, to put it in simple terms, regions in Japan where people live are full of waste, but in locations where the population is decreasing, there is less waste being produced. As such, in terms of logistics as well, we are working to develop and improve the efficiency of the logistics network to plants where waste is difficult to collect. Furthermore, as Japan has strict rules on the transportation of waste outside of the country, we are in continued discussions with the national and local governments with regard to this factor.





Asakura: Depicted above as summarized in this table, we have provided an explanation of our efforts to promote circular economies.

As mentioned at the beginning of this briefing, the Taiheiyo Cement Group believes that through cement production that utilizes waste and by-products, we are fulfilling an important social role exemplified by extending the lifespans of landfills, accepting disaster waste, and furthermore, detoxifying dioxins and other hazardous chemicals. However, in order to make initiatives such as these sustainable, we believe that it is necessary for us to face challenges such as changes in waste disposal demand while confronting the decline in domestic cement demand. To this end, we are mapping out a strategy that leverages our strengths, including the global sales channels and development of new technology as previously explained.

Through these initiatives, we are dedicated to continuing to balance our commitment to solving social challenges with our drive to seize business opportunities.

III. Initiatives for Carbon Neutrality

Takano: In this next section, I, Takano, will provide an explanation on our initiatives for carbon neutrality.

III. Initiatives for Carbon Neutrality – 1. CO₂ Emission Results



Takano: Going over the source of CO_2 emissions from the cement production process, 40% is derived from fossil fuels, primarily coal. The remaining 60% is derived from limestone. Since the use of limestone is inevitable, the cement industry faces a major challenge in reducing limestone-derived CO_2 emissions.

While Taiheiyo Cement has set forth our commitment to achieving carbon neutrality throughout our entire supply chain including overseas plants, even in saying that, we recognize that CO_2 emissions from our cement production process account for 90% or more of our Group's CO_2 emissions. The numerical targets that we have announced include setting goals for the reduction rate of total domestic CO_2 emissions as well as specific CO_2 emissions per tonne of cement produced in our supply chain, including both domestic and overseas plants.

While we set a target to reduce total domestic CO_2 emissions by 40% by 2030 compared to FY2001, actual production volumes have also been reduced, allowing us to reach a reduction rate of 46.8% as of FY2024, surpassing our goal of 40%.

Meanwhile, specific CO₂ emissions in the entire supply chain including overseas plants, with the target of 20% by 2030, has reached approximately 12% as of FY2024.



Takano: This slide presents an outline of our initiatives for carbon neutrality in Carbon Neutral Strategy 2050. In this way, we have set forth our immediate approach for maximum utilization of existing technologies, our approach leading up to 2030 for promoting initiatives including the development of innovative technologies, and our approach for the period from 2030 to 2050 following the establishment of these technologies. We will provide a basic explanation of each of these technologies and measures on the following slides.



Takano: First, with regard to the immediate approach, our measures to reduce raw-material derived CO₂ revolve around the potential offered by blended cement. As previously explained, demand for blended cement is increasing both in Japan and overseas, particularly in Southeast Asia. Since this blended cement is effective for carbon neutral and also has a CO₂ reducing effect, we will expand sales of both blended cement produced in Japan and blended cement with a higher mixing ratio in overseas markets.

Meanwhile, we can reduce energy-derived CO₂ emissions by lowering the ratio of coal used, and are engaged in technological development to maximize the utilization of this prospect. Currently, nearly half of the ratio of coal used in domestic plants has already been replaced by waste and by-products.

III. Initiatives for Carbon Neutrality

- 3. Key Strategies during the 26 Medium -Term Management Plan (Immediate Approach and Progressive Approach)



[Reference] Why does blended cement have a CO 2 reducing effect?

Takano: Now then, with regard to the question of why blended cement has a CO_2 reducing effect, at the beginning of this briefing, we talked about the cement production process. Raw materials are heated at 1,450°C. CO_2 is emitted from limestone (CaCO₃) at this point in time. The product that is created from this reaction is called clinker. This clinker, mixed with gypsum and other cementitious materials, becomes cement.

In blended cement, the ratio of clinker is lowered by raising the ratio of cementitious materials other than gypsum. While the ratio of cementitious materials in ordinary Portland cement in Japan is 5%, this ratio is generally 20% to 30% when produced overseas. These conditions provide a mechanism for reducing CO_2 .



Takano: Now then, next we would like to talk about innovative technologies. As previously mentioned, our process emits limestone-derived CO_2 , and as such, it is necessary for us to develop innovative technologies to either recover and utilize CO_2 or otherwise store it underground. For this reason, we are currently participating in the national Green Innovation Fund project and CCS (CO_2 capture and storage) projects to engage in the development of these technologies.

III. Initiatives for Carbon Neutrality

– 4. Innovative Approach (CN Model Plant Concept)

Began conducting studies of the "carbon neutral model plant concept" for demonstrating various technologies at the Kawasaki Plant of DC Co., Ltd.



Takano: Here, we would like to provide an explanation on our initiatives for carbon neutrality. While this topic has already been covered in a press release, together with the development of these component technologies, we have commenced studies of the concept of a carbon neutral model plant. We expect that we will encounter cases where synthetic methane cannot be completely consumed at our plants, and are jointly conducting a study with Tokyo Gas Co., Ltd. on the potential of injecting our supply through city gas pipelines to prepare for this point in time. Meanwhile, we are also considering the effective use of recovered CO_2 as well as participation in CCS projects. Our current project involves underground storage offshore in Akita, and we are making progress on studies of how to efficiently ship and transport CO_2 in order to accomplish this task. Once we obtain the results of these initiatives, we would like to create another opportunity to provide an explanation of our findings.



Takano: Next, we would like to discuss the subject of intensifying disasters. It is said that the frequent occurrence of linear precipitation zones in recent times is being caused by global warming. As such, we have incorporated considerations for disasters such as flood and infrastructure damage due to heavy rain into our initiatives for carbon neutrality. At the beginning of this briefing, we talked about the Tohoku earthquake and tsunami and other significant events, and in addition to these efforts, in the 26 Medium-Term Management Plan we are also working on a mission to propose disaster mitigation, preventive maintenance technology, restoration technology, and early recovery technology, as well as collective access to our Group's related technologies and products, to various local governments.



Takano: Finally, we would like to cover the subject of carbon neutrality. As noted here, we are making clear progress in terms of technological development. Be that as it may, there are various conditions that will impact their implementation after 2030. There is the problem of cost. We have expressed to the Ministry of Economy, Trade and Industry that this problem of cost cannot be absorbed by Taiheiyo Cement on our own, but we believe that we can deploy carbon neutral technologies at each of our plants once these social conditions are in order, and we are in the process of providing explanations to the relevant parties. This concludes our explanation on carbon neutrality.



Asakura: In closing, I would like to finish with a summary of today's briefing.



Asakura: Today, we have introduced Taiheiyo Cement's initiatives for sustainability management centered around the subjects of circular economies and carbon neutrality. What we would like to communicate to you today is that we can sense that the global trend in sentiments toward ESG is starting to change. However, our long-term visions will remain unchanged, and we will continue to gracefully push forward with our endeavors.

The NSP, New Suspension Preheater, is the technical method that stands out as the current mainstream of cement production plants in the modern world. Developed by Taiheiyo Cement, this method has become the global standard for manufacturing. We believe that our C2SP Kiln[®] which we explained earlier will once more become the global standard for CO₂ recovery, and we are dedicated to firmly developing this technology, implementing its utilization, and completing it in its entirety. And we maintain our vision to become a leader in the global cement industry.



Asakura: This concludes our explanation for today. Thank you for your attention.