

Our cement factories recycle diverse waste and by-products as raw materials for cement and thermal energy alternatives. Our cement kilns operate at up to 1,450°C, so they can burn and detoxify substances that conventional counterparts could not handle. They can also process large waste volumes. It is also possible to use ash from incineration as an alternative to the clay used in cement, thereby eliminating the need to maintain final disposal sites.

In fiscal 2020, our three cement factories harnessed 3.19 million metric tons of waste and by-products, 2.84 million metric tons of which we

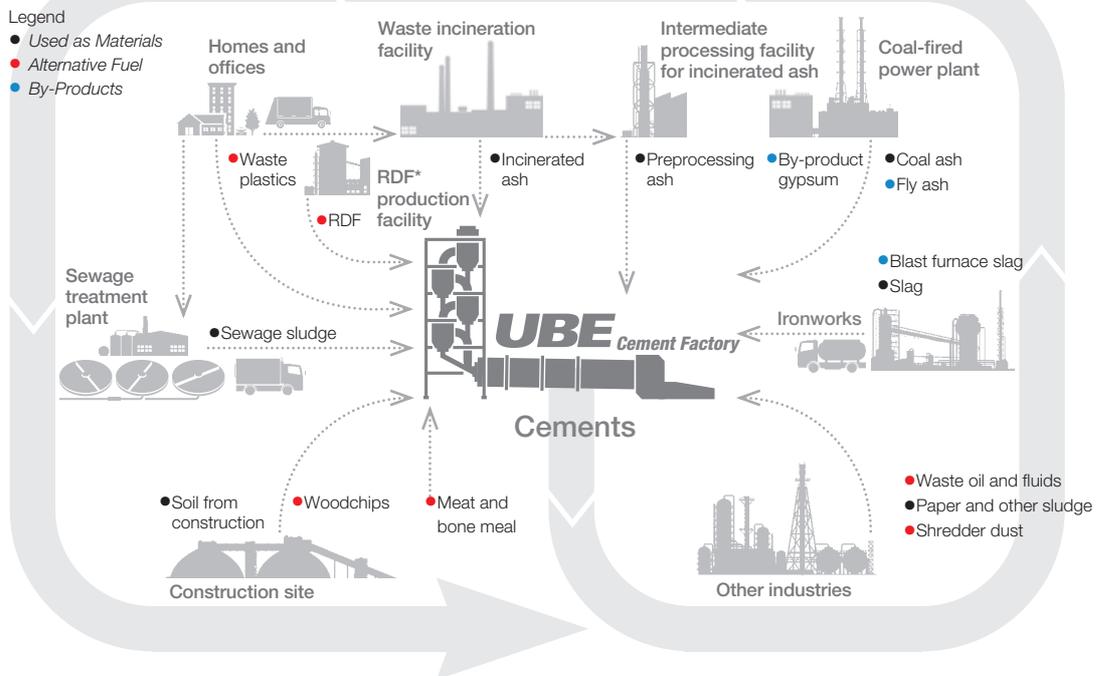
sourced externally, contributing considerably to a recycling-oriented society.

We are developing new businesses to use waste materials in applications other than as materials for cement. For example, we are recycling waste plasterboard and exploring the use of sewage sludge, a biomass resource. We will continue to boost our capacity for handling various waste as part of efforts to expand our resource recycling business.



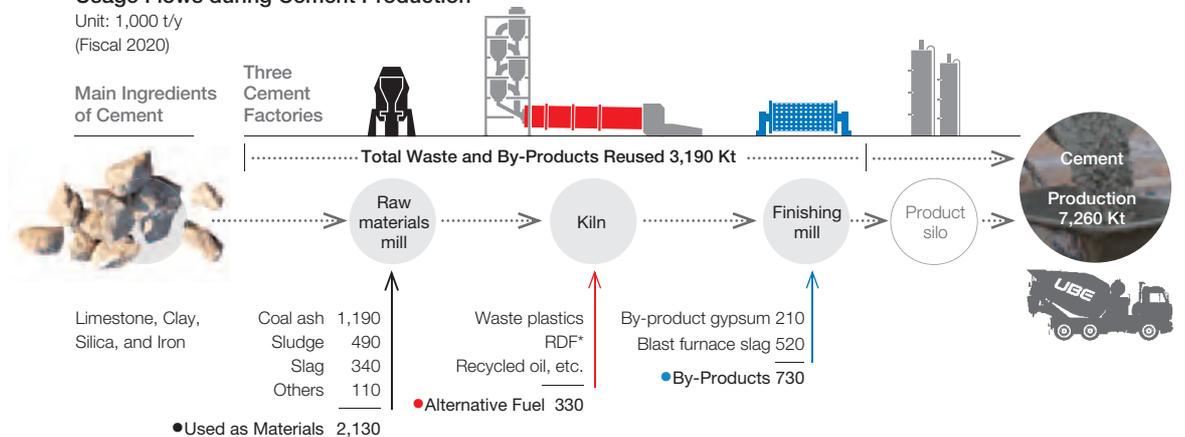
Please see Non-Financial Highlights on page 3 for details of our usage of waste substances and by-products.

### Cement Factory Resource Recycling



### Overview of Waste and By-Products Usage Flows during Cement Production

Unit: 1,000 t/y  
(Fiscal 2020)



#### Glossary

\* Refuse-derived fuel (RDF): A solidified fuel made of waste plastic, woodchips, and household waste.