

Message from the Plant Managers

Initiatives to recruit and cultivate human resources at our plants

The Sumitomo Osaka Cement Group has five cement plants across Japan, each supported by approximately 80 to 160 employees who maintain daily operations.

As society at large faces a serious labor shortage, the Group is focusing not only on securing human resources, but also on creating a workplace environment in which each and every employee can work with enthusiasm over the long term. In that vein, we are actively recruiting and training human resources at each of our plants.

As part of these efforts, we would like to share with you a number of messages from our factory managers, as well as from our young on-site employees.



Tochigi Plant

Akio Hamada
General Manager,
Tochigi Plant

Shion Kobayashi
Accounting and
Purchasing Sub
Section, General
Affairs Section

Hamada

Sano City, where the Tochigi Plant is located, is experiencing a declining birth-rate and aging population, making it difficult to recruit young talent. In our recruitment activities, we are expanding the number of schools we visit, and are making efforts to inform school teachers and students about the role of cement plants and their contribution to society through internships and other such programs.

In addition, since the Tochigi Plant is located in the populous Kanto region, we receive many requests for interviews and plant tours. In 2024, the President's dialogue with the Japan Cement Association was featured in the popular "Outside Director Kosaku Shima" manga series. Furthermore, in 2025, the Company was showcased on TV Tokyo's program "Shirarezaru Gariba (The Unknown Gulliver)." These developments have broadened the opportunities for people to get to know our Company through books and television programs, and have also afforded us an advantage in recruiting human resources.

Last but not least, plants must be safe places for people to work, and continuing to ensure that remains the case requires awareness and knowledge of safety issues. Our daily safety inspections, for example, pair younger employees with veterans, who provide guidance and training. Along with passing on skills, this also serves as a unique opportunity for these employees to get to know each other better, as well as being an additional forum for communication within the workplace.

Kobayashi

Thanks to our daily safety inspections, I have learned more about safety and have gained knowledge of certain equipment that I am not usually involved with in my normal day-to-day work.

I am in charge of receiving shipments of raw materials and fuel, and what I have discovered through these safety inspections has been very useful in my line of work. I am now better able to grasp the situation, and to report and communicate more accurately, if a problem occurs. In addition, because we conduct patrols with other team members from departments with whom we seldom have much opportunity to interact, it has become much easier to cooperate and to seek advice within the plant when confronted with on-the-job issues.



Plant safety inspections



Gifu Plant

Masahiko Sasaki
General Manager,
Gifu Plant

Ren Yamada
Manufacturing Sub
Section,
Production Section

Sasaki

The high school students of today rely on a wide diversity of routes to seek out companies to join, so we are working to raise awareness of the Gifu Plant by utilizing a broad range of media and community contribution activities.

In order to be perceived by students as a "company of choice" and a "place where people grow with peace of mind," we make every effort to ensure that when they visit our plant for workplace tours or internships, they have the opportunity to experience the actual work environment for themselves, thus allowing them to more easily visualize their potential future careers.

One initiative for improving the workplace environment at our plant was the renovation of the central control room. Partition walls have been removed to create a single floor with a clear and open view, and we have devised a clever way to divide the operational space from the meeting and rest spaces using a floor design that allows for the separation of spaces without walls. We are also pursuing digital transformation by digitizing work shift handovers and machinery operating schedules, enabling them to be checked via smartphones. In addition, Fresh Sumitomo Osaka (FSO) activities (small group activities) provide a platform where young employees can learn leadership skills, and their fresh energy and perspectives have led to many improvements at our plant.

We will continue to do our utmost to create an environment in which each and every one of our employees can vigorously develop their skills and hone their abilities.

Yamada

In my FSO activities, I worked as a leader to solve on-site problems under the theme of improving raw material-related facilities. In my third year, I took on an organizational role, and, as well as receiving detailed training in equipment and operations from my supervisors and seniors in my daily work, I also received advice from many different team members during my activities, which allowed me to gain knowledge and experience that will help me grow as a person. Looking ahead, I aim to collaborate with those around me to solve whatever operational problems we may encounter.



A meeting being held at the renovated central control room

Ohashi

The Ako Plant's workforce consists mainly of people in their 30s and 40s, and we are currently facing a challenge in securing new graduates, which means that future staffing levels have become an issue.

Our plant is located between Hyogo and Okayama prefectures, and we are finding it difficult to recruit fresh graduates because most graduates from nearby high schools tend to seek employment in urban areas such as Kobe, Himeji, and Okayama. As part of our recruiting activities, we are endeavoring to increase points of contact with the community and to make our plant known to as many people as possible by (1) visiting high schools in Hyogo and Okayama prefectures on a regular basis, (2) participating in joint company information sessions hosted by the private sector and local governments, and (3) participating in bus tours of plants hosted by Ako City.

During induction ceremonies, we emphasize the importance of not hesitating to ask your senior staff any questions you may have. The reason for this is that, while it is natural for new hires to learn new skills from their seniors, we believe that communication should be a two-way street, and that by actively encouraging such interaction between new hires and senior staff, this will foster an open work environment and a culture of mutual respect. We also encourage FSO activities as a means of personal development. We believe that people grow by boldly taking on challenges, without fear of failure, and by gaining experience through various successes. We will continue to create a comfortable and supportive work environment for our employees.

Kawakami

Now in my third year since joining the Company, I am responsible for the delivery of thermal energy and recycled products, as well as documentation and on-site procedures related to new contracts. Thanks to my experience with both on-site and administrative work, I am increasingly being entrusted with tasks on a solo basis, which is both challenging and rewarding as I develop my ability to assume more responsibilities and to make crucial decisions. I enjoy all aspects of communication, such as reporting, contacting people, and consulting, and aspire to be someone who can support not only my own growth but also the growth of my juniors, thereby helping to create a vibrant workplace.



Delivery operations for recycled goods

Message from the Plant Managers

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Kochi Plant

Masato Hiroshima
General Manager,
Kochi Plant

Ryoya Hashida
Manufacturing
Sub Section,
Production Section

Hiroshima
Recruiting talent remains challenging due to the current increase in job openings, the rising enrollment rates in higher education, and an upsurge in the number of people seeking employment outside Kochi Prefecture. In response, we are expanding our recruitment activities beyond high schools near our factories to raise awareness of our Company throughout the prefecture. For new graduate recruitment, we are stepping up the number of regular school visits, and are actively participating in job fairs run by employees who hail from the region, as well as offering internship opportunities, to help shape the aspirations of prospective employees. We are also engaged in a number of initiatives, such as being featured in various company brochures, hosting government-sponsored outreach classes for elementary school students, and conducting factory tours for high-school career guidance counselors throughout the prefecture. For mid-career recruitment activities, we focus on securing personnel through referral recruitments, as well as recruitment via our website.

The training of employees working nationwide involves not only cultivating knowledge and a sense of responsibility under the guidance of senior employees (trainers), but also providing them with ample experience for the future, thus encouraging them to discover the kind of work that best suits their future aspirations and personal characteristics. Because our Kochi-based personnel are valued figures who have supported the factory for many years, we offer them educational support to improve operational capabilities through the provision of safety-related activities and technical knowledge.

Hashida
The Kochi Plant has a great deal of equipment and there is a lot to learn, so the Production Section conducts comprehensive training for about a year, during which time the employees are familiarized with the names and operating methods of the machinery, troubleshooting protocols, and safety education, before gaining first-hand experience of operating duties through on-the-job training. My duties range from receiving and transferring raw materials and calorific value, operating the cement finishing process, and transferring shipments to silos, and thanks to the support



Operation of cement manufacturing equipment

of my senior colleagues I am able to carry out my work with peace of mind. Looking ahead, I would like to take on other tasks and gain more experience.



Hachinohe Cement Co., Ltd.

Tomoya Akeshiro
President,
Hachinohe
Cement Co., Ltd.

Aoi Mitsuke
Production Section,
Production Division

Akeshiro
With half of our employees in their 50s or older, securing and training human resources at an early stage is a critical issue in terms of passing on technology, skills, and experience. As such, we are promoting Hachinohe Cement by utilizing corporate introduction pamphlets for high school students organized by local newspapers, as well as placing advertisements on the sides of local buses. We actively participate in every opportunity to familiarize people with our company, and make it our number one priority to encourage interest in what we do.

I also believe that for a person to grow, they need to feel a sense of satisfaction and accomplishment on a daily basis. At Hachinohe Cement, we aim to create a workplace where every individual's opinions are respected and in which challenges can be willingly undertaken, where minor mistakes are tolerated and where communication is fostered, as well as where respect for colleagues is the norm. For example, in our suggestion box system and at individual meetings, we carry out recommendations based on the constructive exchange of opinions, follow up on the results, gain experience, and try to create a virtuous cycle by obtaining even minor successes. Additionally, our young employees are taking the lead in planning social gatherings, which is something the company fully endorses.

Mitsuke
With the support of the company, we have many opportunities to communicate with supervisors and colleagues. These efforts have deepened mutual understanding among employees, leading to an "active and free exchange of opinions." Moreover, by taking on and implementing challenges based on the free exchange of opinions, we acquire a range of different experiences and successes, and thereby obtain a sense of personal growth and satisfaction on a daily basis. We will continue to work toward creating a workplace where active communication means everyone's opinion is respected and everyone can take on bold challenges.



Advertisements on Hachinohe City bus routes as part of corporate PR efforts to bolster recruitment

Safety Initiatives

The Sumitomo Osaka Cement Group strives to create comfortable work environments with health and safety at the forefront, and in which employees are empowered to perform their jobs with peace of mind.

Occupational Health, Safety, and Security Measures Basic Policy

The Sumitomo Osaka Cement Group believes that occupational health and safety underpins corporate existence, and that securing this is an essential corporate responsibility. As a Group with strict safety standards, we are committed to creating an uncompromising culture of safety and to targeting a goal of zero accidents. To this end, we will continue to work with partner companies to eliminate risky behavior and unsafe working conditions through various on-site inspections and training sessions, thereby further improving occupational health and safety standards as part of our objective of creating and maintaining a favorable work environment.

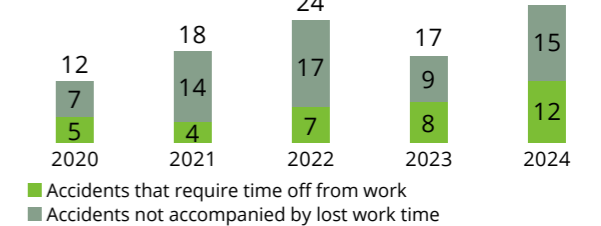
Enactment Priorities for Fiscal 2025

1. Eliminate accidents
 - 1) Prevent risky behavior due to laxity (carelessness and inattention)
 - 2) Eradication of repeated disasters
 - 3) Enhancement of safety standards in the workplace
 - 4) Improvement of the sense of safety (sensitivity to danger)
 - 5) Enforcement of heatstroke prevention measures
2. Develop healthy, people-friendly worksites
3. Eliminate traffic accidents (accidents during commutes)
4. Record and analyze labor accident data

Occupational Health and Safety Quantitative Targets

- Fatal accidents: 0 (FY2024 result: 0)
- Reduce the number of sites with lost time incidents to 20% or less at all sites (FY2024 result: 22%)
- Reduce the number of sites where accidents occur (including incidents without lost time) to 30% or less at all sites (FY2024 result: 44%)

Number of Accidents (Incidents)



Occupational Health, Safety, and Security Measures Division Management System

The Sumitomo Osaka Cement Group has established an Occupational Health, Safety, and Security Measures Division covering the entire company, which implements the plan-do-check-act (PDCA) cycle and holds cross-organizational liaison meetings as necessary to further strengthen safety initiatives.

Issues Identified and Initiatives Taken in Light of Disasters Occurring over the Past Five Years

A categorical analysis of accidents that have occurred within the Sumitomo Osaka Cement Group has revealed that the majority of accidents are caused by workers getting caught or injured by machinery, accounting for nearly 40% of all accidents. Unfortunately, such accidents do continue to occur, and the basic rule of "not touching machinery while it is in operation" is not being sufficiently adhered to. Through regular meetings held by the Chairman of the Safety and Health Committee, we are working on accident prevention from both the equipment and the human perspectives, such as through strengthening safety measures for drive parts and surrounding areas, and by providing practical safety training to enable our workers to better comprehend the dangers.

In addition, after analyzing the occurrence of accidents in terms of years of experience on the job, we found that nearly 50% of accidents involve workers with less than five years of experience. We will therefore step up efforts aimed at those with less experience, such as by encouraging coworkers to offer assistance to these workers, who can easily be identified from their distinctive helmets, as well as by creating simple, straight-to-the-point safety pamphlets.

Heatstroke accidents have occurred every year since 2018 at Sumitomo Osaka Cement, and we have taken measures to address this issue through work environment management, work duties management, and health management. Such measures include installing fans in the workplace, providing work clothes with wet-bulb globe temperature (WBGT) meters and cooling features, and checking the health of employees before the start of work. In addition, we are implementing initiatives to control core body temperature (internal body temperature), such as by using ice slurry.

Safety Education

Sumitomo Osaka Cement is channeling energy into safety education and group training at every level to embed a culture of safety within a greater corporate culture that prioritizes worker health and safety. We are also working to enhance safety education for support staff during regular repairs, using on-site training and danger simulation equipment.

Details of our safety initiatives are available at the following link: <https://www.soc.co.jp/csr/csr09/>