



遠東集團
FAR EASTERN GROUP

亞洲水泥股份有限公司 Asia Cement Corporation

Stock code:

1102 TT

IR presentation



May 2021

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- Company Snapshot
- Asia Cement (China) Operating Data
- Shanshui Cement Operating Data
- PRC Industry Overview
- Taiwan Industry Overview
- Financials
- CSR Achievements



Company Snapshot

Company Snapshot



Market Cap: US\$ 5.8 bn / NT\$ 161 bn (as of May 2021)

Consolidated Entities

ACC Taiwan

- Established in 1957
- 2nd largest cement producer
- Cement capacity: 5.0 mtpa.

AC(China) (743 HK)

- 10th largest cement producer
- In Central and Southwest China
- Cement capacity: 33.0 mtpa.

Other Business

- LNG fired IPP (8% of revenue)
- Cold rolled stainless steel (5% of revenue)

Equity Investments

FENC
(1402 TW)

U-Ming
Marine
(2606 TW)

Shanshui
Cement
(691 HK)

Asia Cement
(1102 TT)

ACC (Taiwan) Overview



1. 2nd Largest Cement Player in Taiwan, enjoys steady market share.
2. Profit contribution has improved since 2020 thanks to springing up demand and down-trended coal cost.

**ACC
(TW)**

Cement

Hualien Capacity: 5mtpa

Ready-Mix

Ya-Tung ready-mix concrete

Cement value chain

Prefab, gravel mining



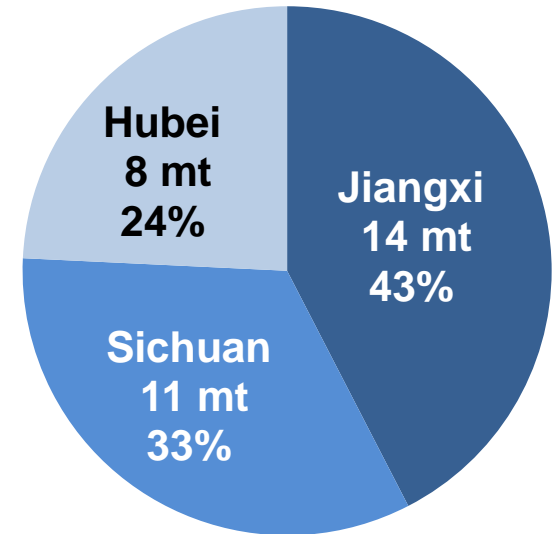
ACC (China) Overview



1. Located in the Yangtze River Economic Belt.
2. Leading player in top-tier cities of each operating province.



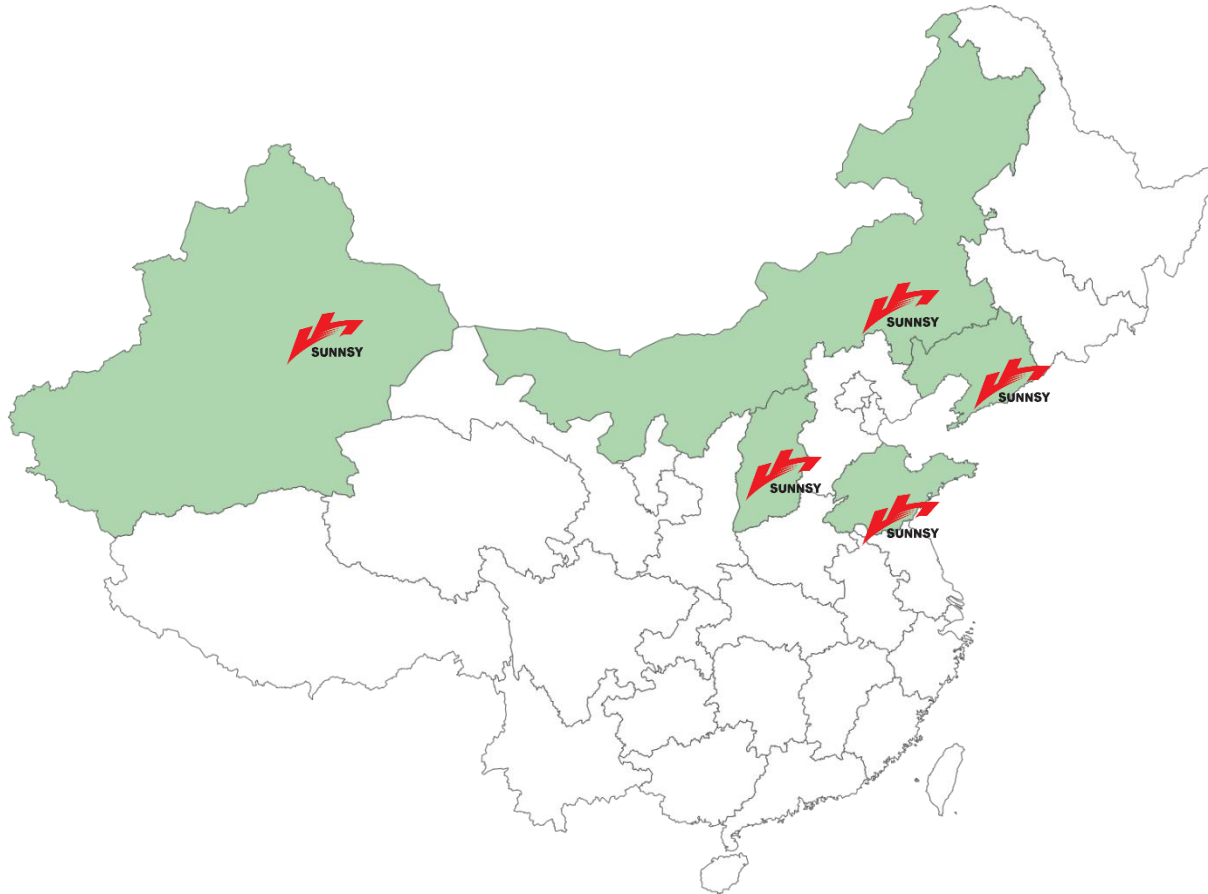
2020 Cement Capacity 33mtpa



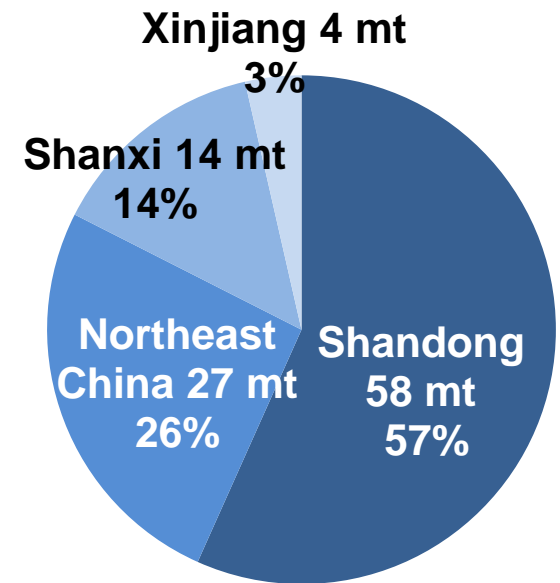
Shanshui Cement Overview



1. One of the major cement producers in Northern China.
2. 7th largest National wide and 2nd largest capacity in Shandong province.



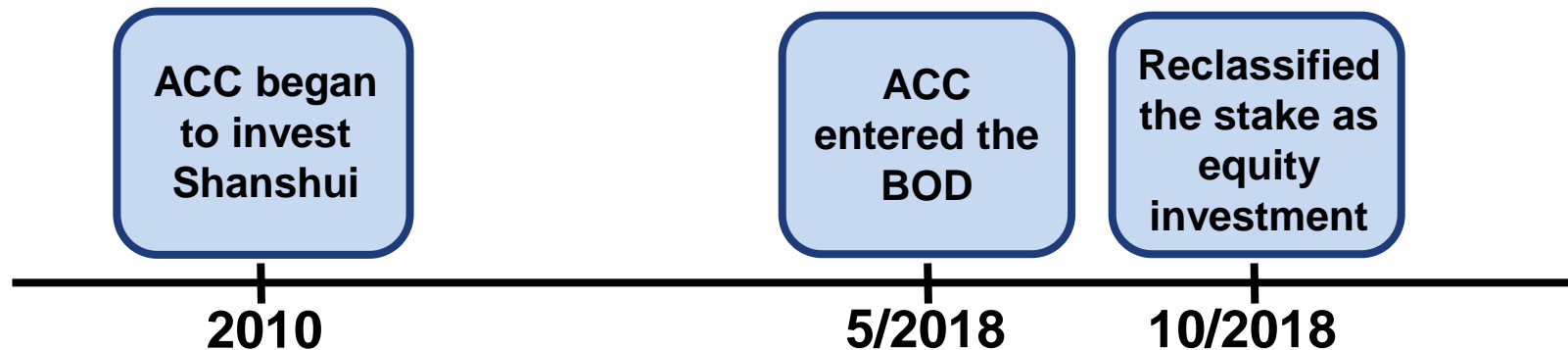
2020 Cement Capacity 103mtpa



Investment in Shanshui

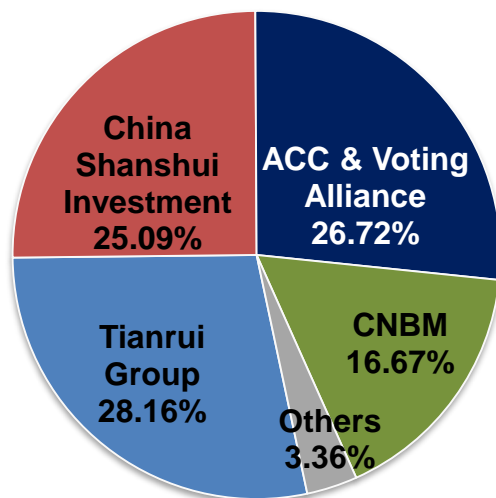


Timeline

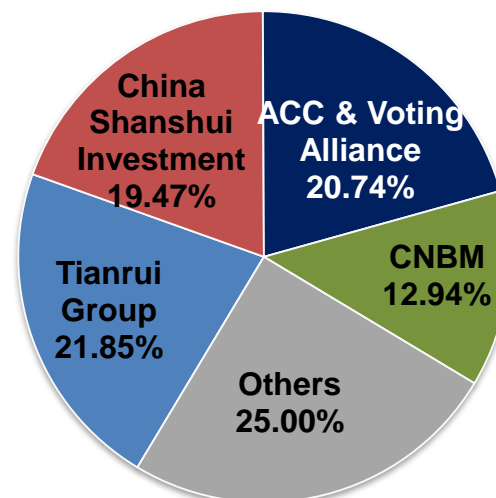


Shanshui Shareholder Structure

Prior EGM 2018/10/30



Current



Note: Asia Cement holds 17.46%, and 3.28% of the interests are held through agreement to acquire interests in the Company, required to be disclosed under s.317(1)(a) and s.318 of the SFO.

Source: http://www3.hkexnews.hk/listedco/listconews/SEHK/2018/1030/LTN20181030956_C.pdf.

ACC (non-cement business)



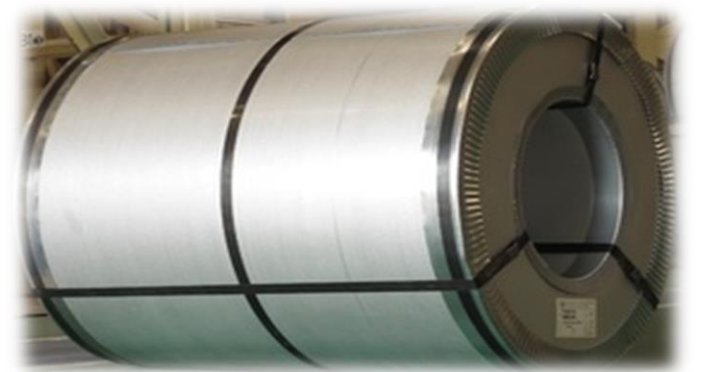
1. **IPP:** LNG fired IPP with stable profit contribution.
2. **Stainless Steel:** Cold rolled stainless steel with 130,000 tons capacity.

IPP

- Phase I capacity 670MW
- Expanding phase II project with 510MW in 2021



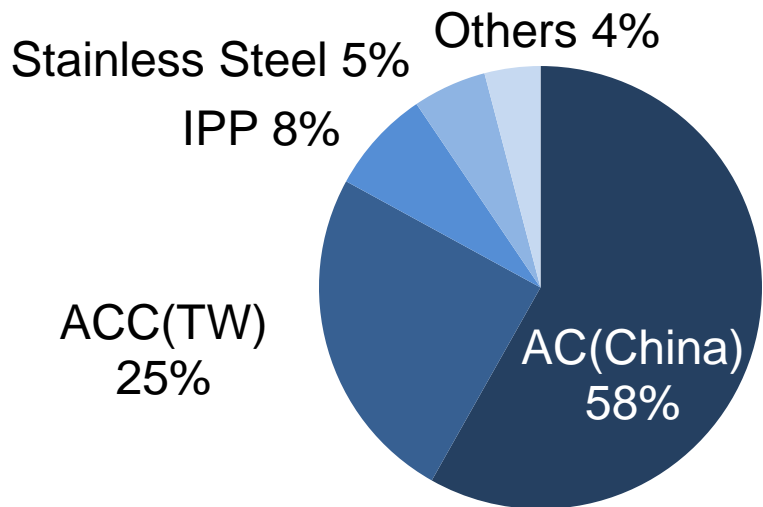
Stainless Steel



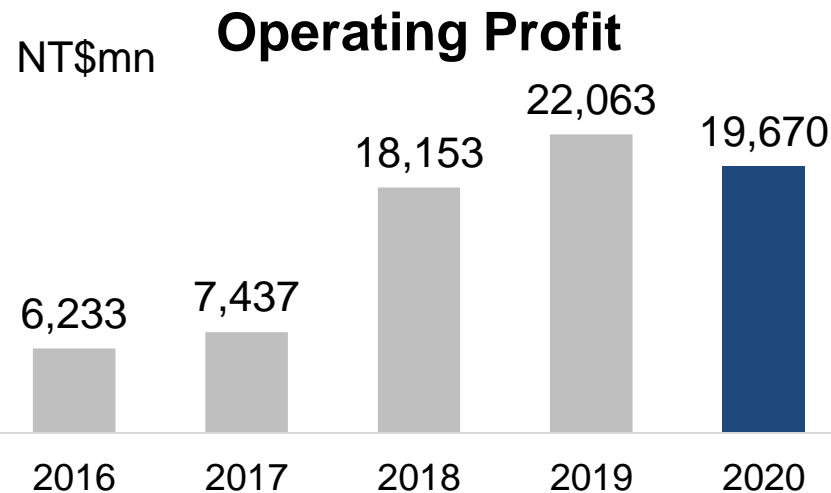
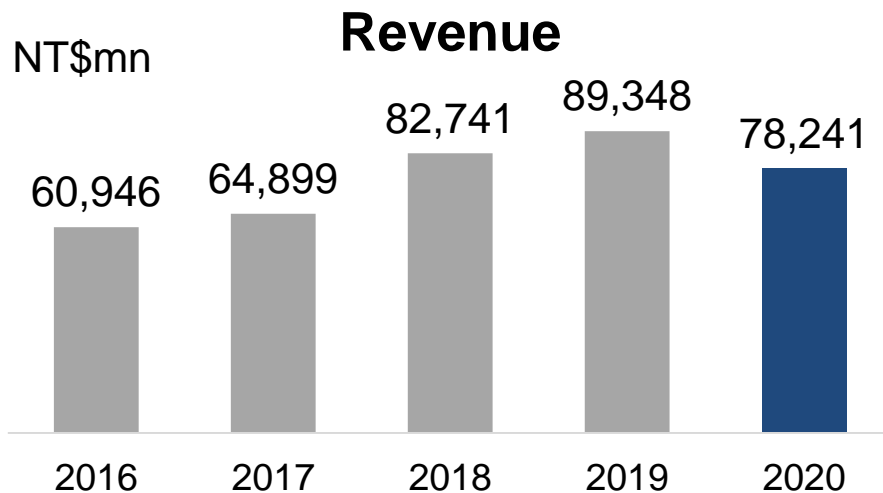
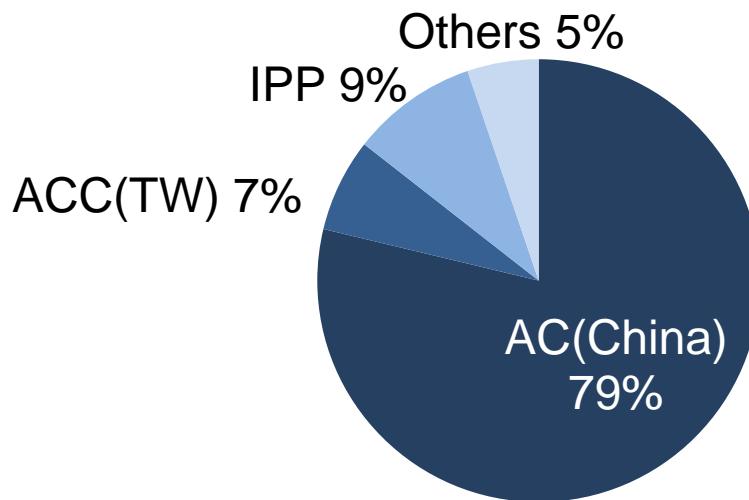
Revenue and Operating Profit Breakdown



Revenue (2020)



Operating Profit (2020)







Note: ACC(TW)= Taiwan cement operation, RMC and other downstream value chain

Investment Portfolio in Far Eastern Group



NT\$ mn

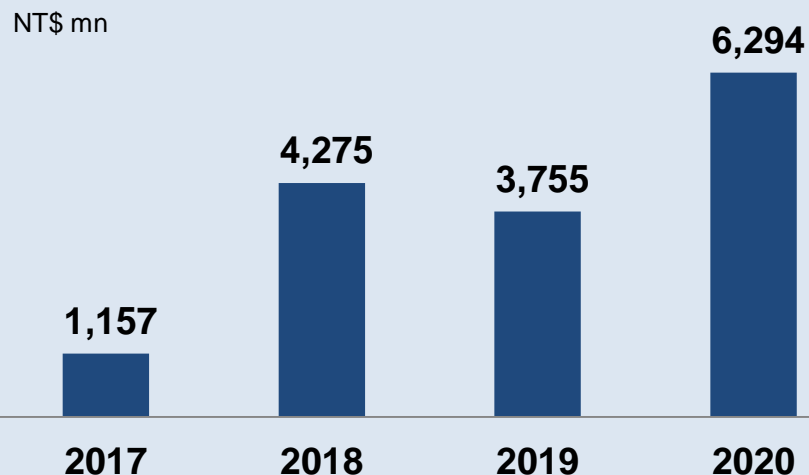
Incorporated Year	Investees	Stock Code	Holdings	Category	Company Introduction
2004	Asia Cement (China) Holdings Corp. 	743 HK	67.7%	Consolidation	Top 10 cement producer in China
1997	Far EasTone Telecommunications Ltd. 	4904 TT	1.0%	FVTOCI	Top 3 telecom company in Taiwan
1992	Far Eastern International Bank 	2845 TT	2.4%	FVTOCI	Provide diversified financial services in Greater China
1975	Oriental Union Chemical Corp. 	1710 TT	7.2%	FVTOCI	Important supplier of EG and chemical products in Asia-Pacific
1968	U-Ming Marine Transport Corp. 	2606 TT	39.3%	Equity Method	Largest dry bulk carrier in Taiwan
1967	Far Eastern Department Stores Ltd. 	2903 TT	5.7%	FVTOCI	Leading retailer of department store and supermarket in Taiwan
1949	Far Eastern New Century Corp. 	1402 TT	23.8%	Equity Method	Holding Company of Far East Group. Core business integrated from petrochemical to textile.

Note: Asia Cement comprehensively holds 72.0% of Asia Cement(China) Holdings.
 (100%-owned AC(Singapore) holds a 4.1% stake and Asia Engineering Pte. holds a 0.2% stake of Asia Cement(China))

Highlights of Capex



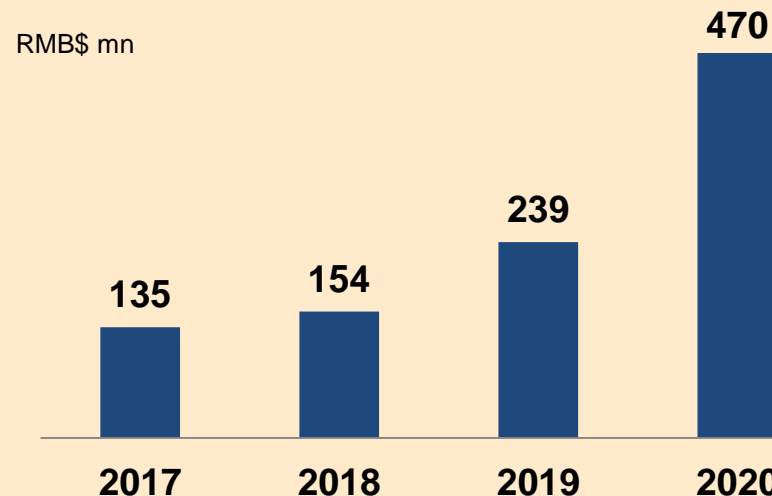
Consolidated Capex



Future expenditure

- IPP phase II commission
- Circular Economy
- Cement 4.0 manufacturing

AC(China) Capex



Future expenditure

- Emission & energy saving
- Process improvement
- 12mt aggregate capacity expansion in Jiangxi

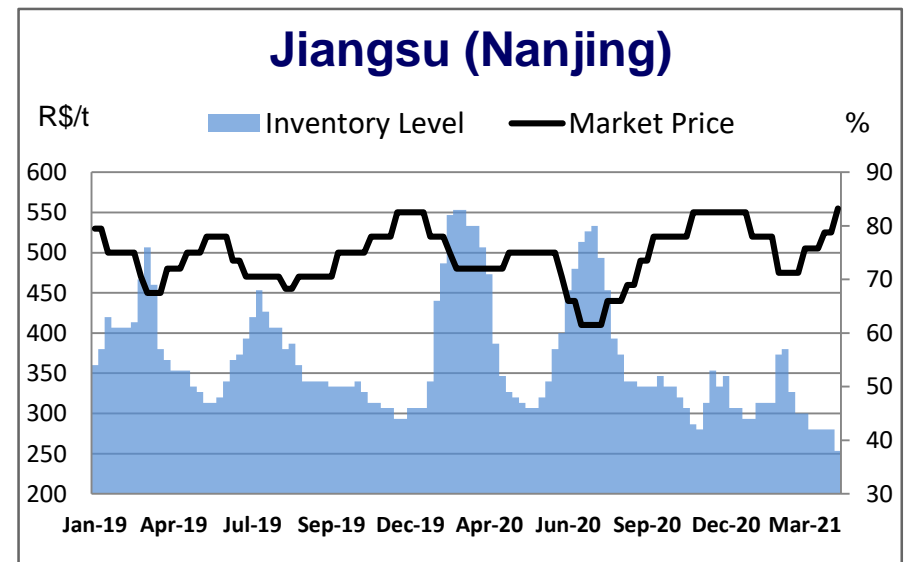
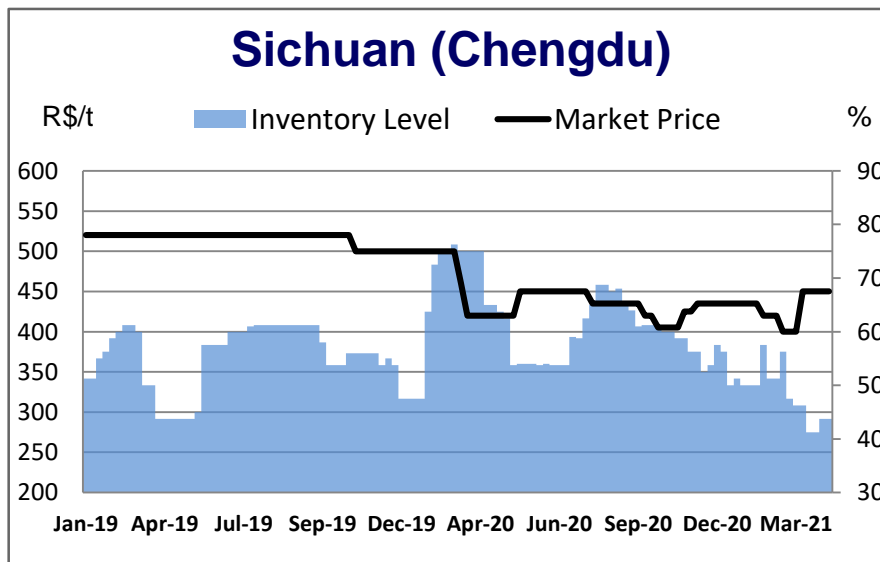
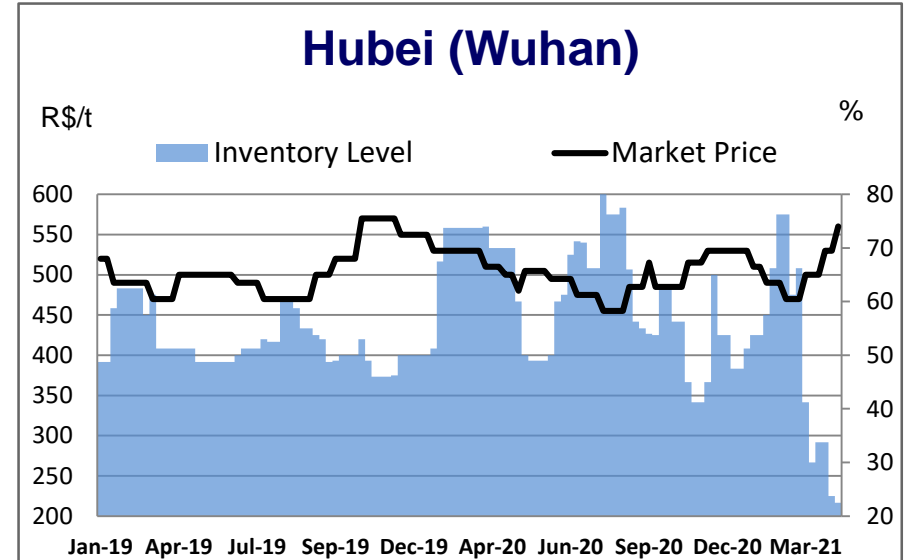
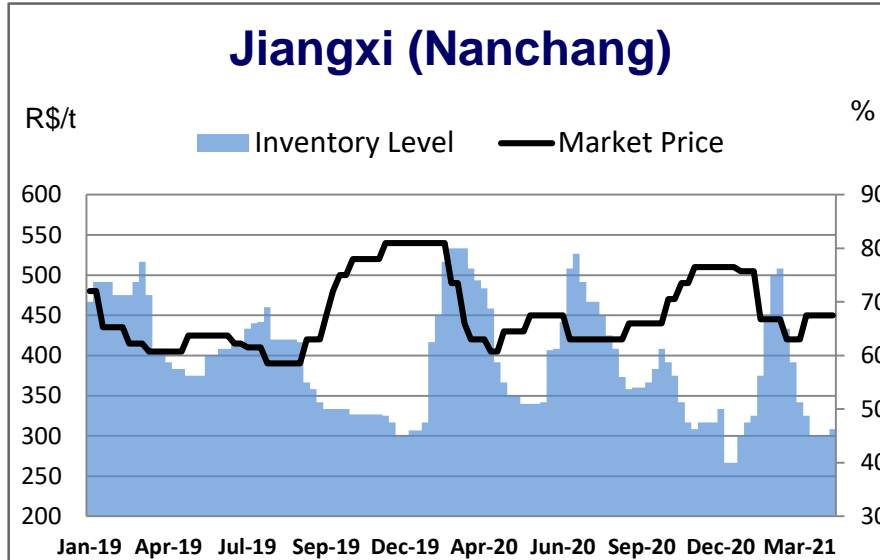


Asia Cement (China) Operating Data

AC(China): Regional P.O42.5 Price & Inventory Level



Unit: R\$/t ; %



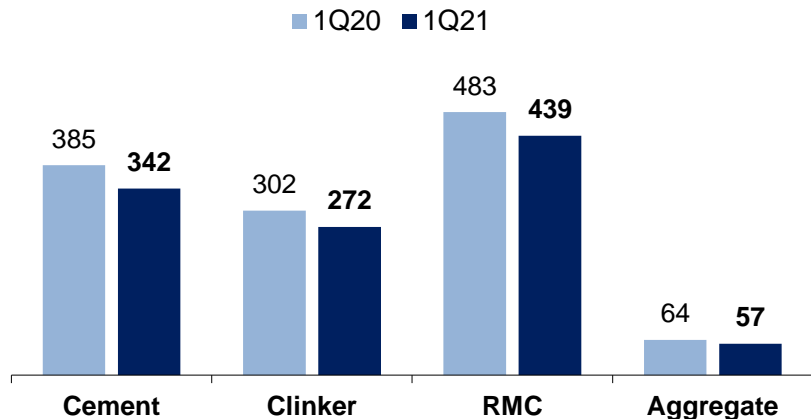
Source: Digit Cement. Inventory level is based on the average of province.

AC(China): 1Q21 Operating Data



R\$/t
RMC:R\$/mm³

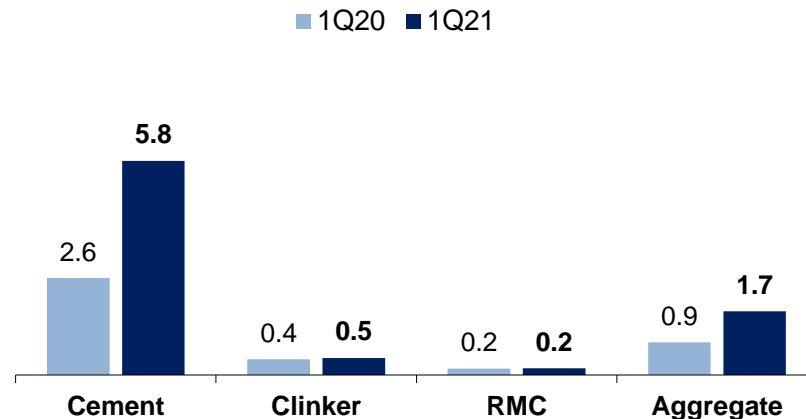
ASP



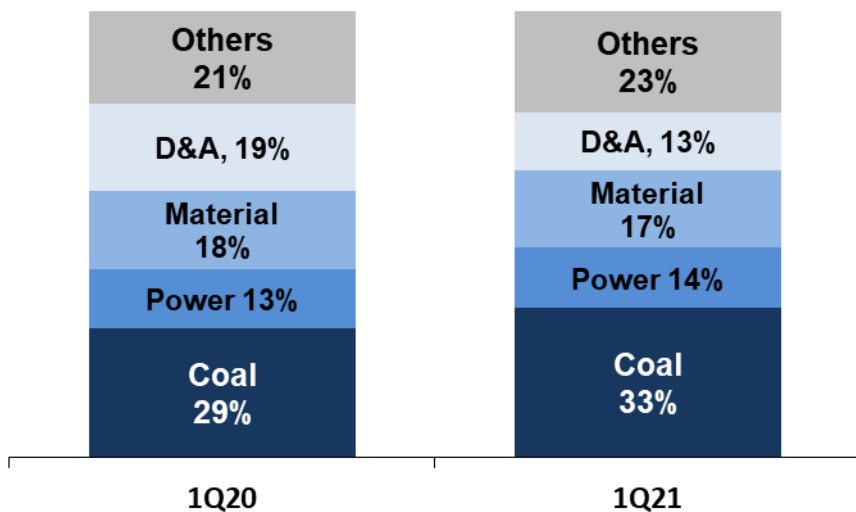
Note: Net of VAT

mt
RMC:mm³

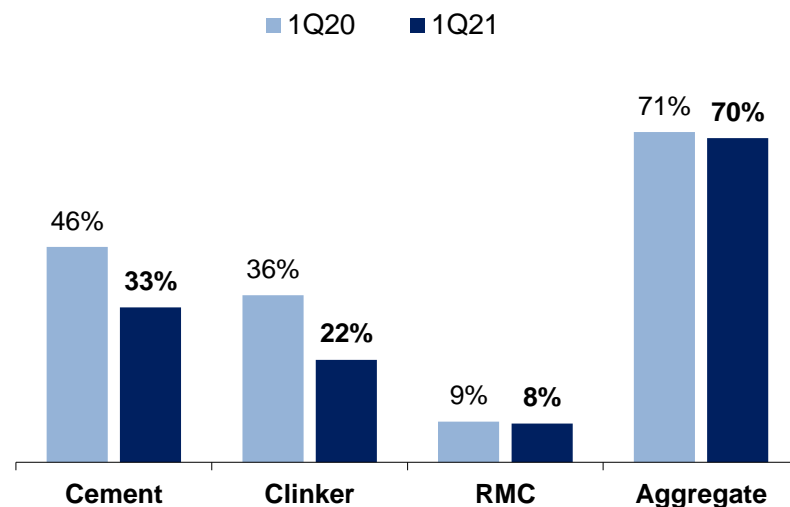
Shipment



Cost Breakdown



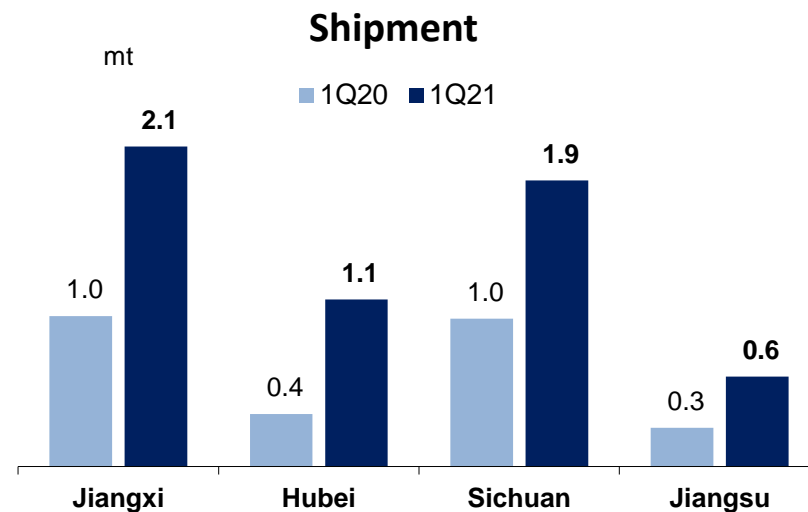
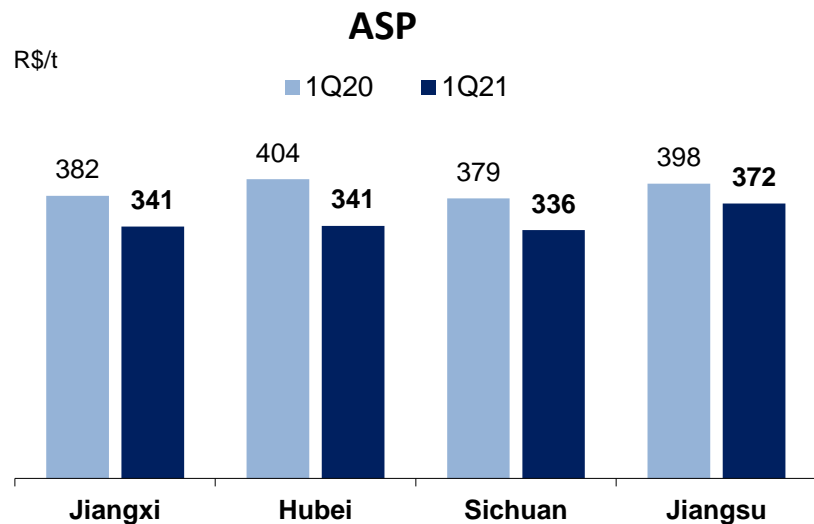
Gross Margin



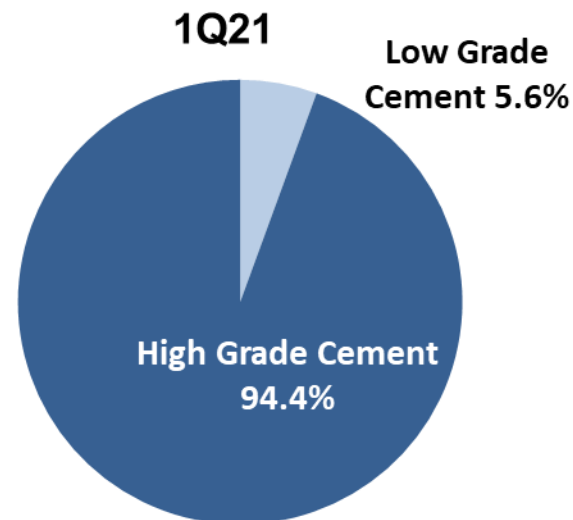
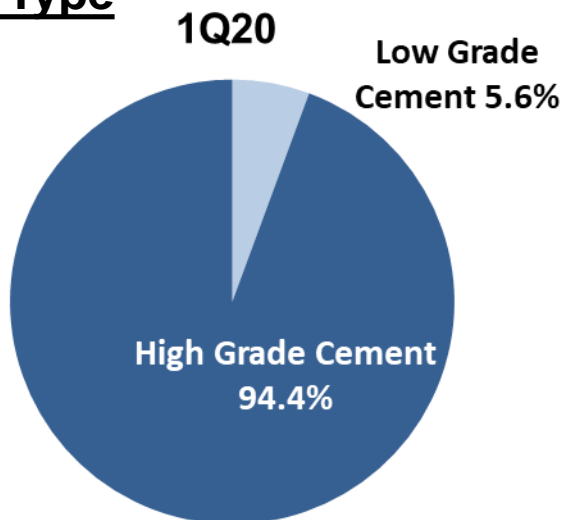
AC(China): 1Q21 Operating Data



Cement Product by Regions



Product Type



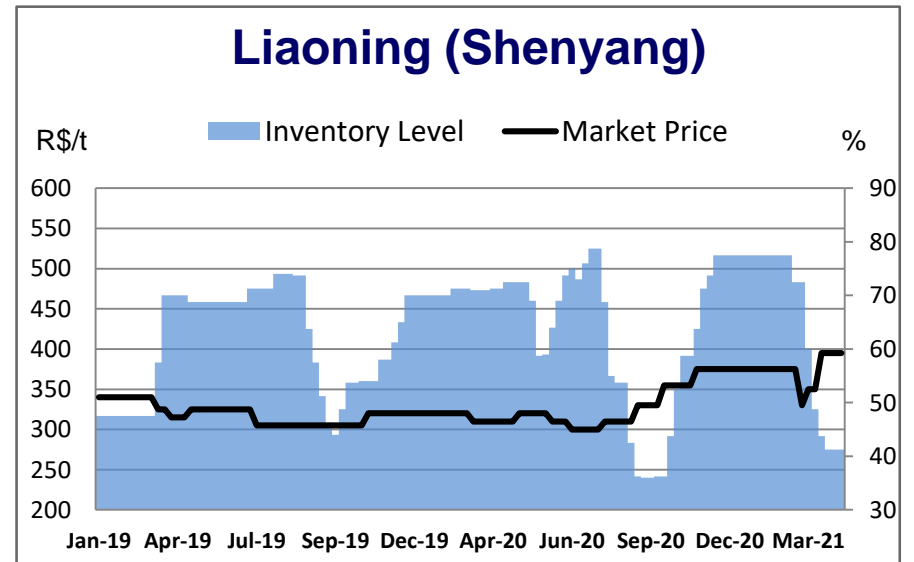
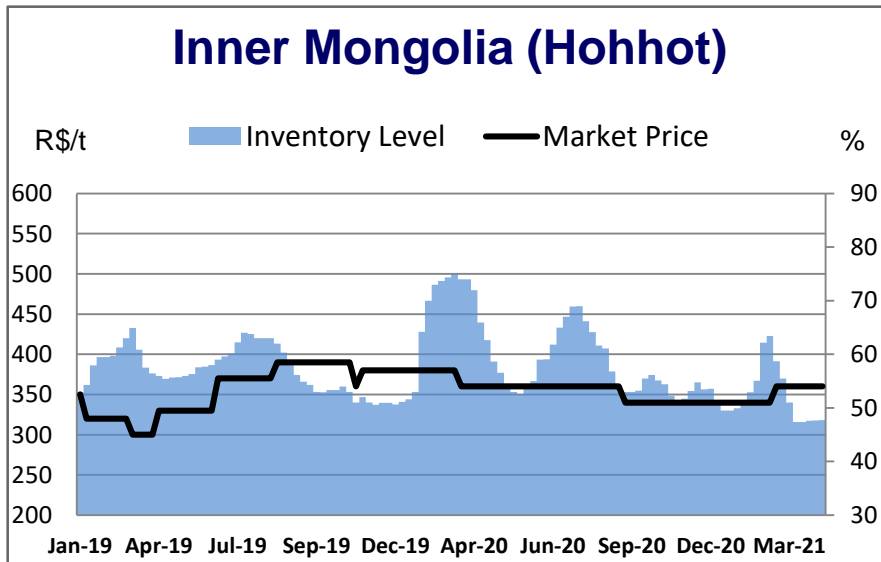
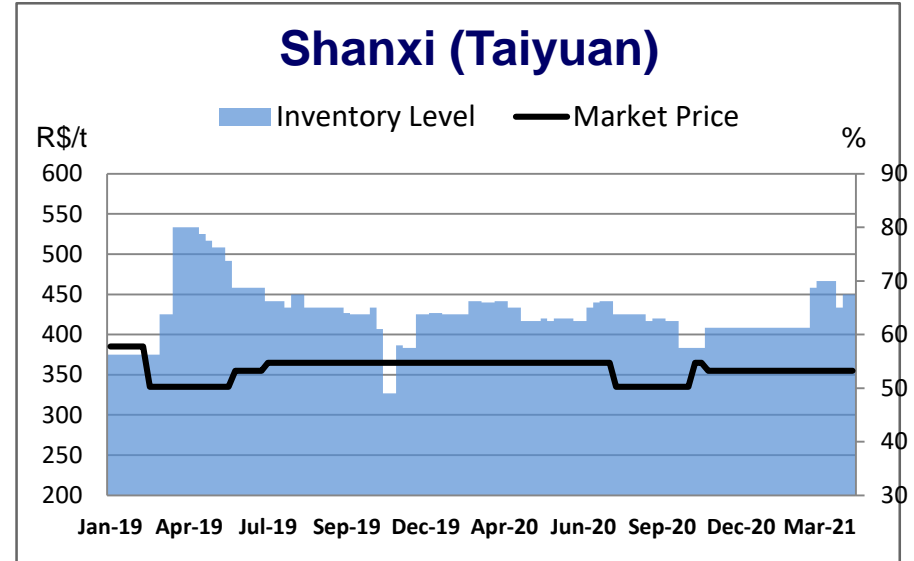
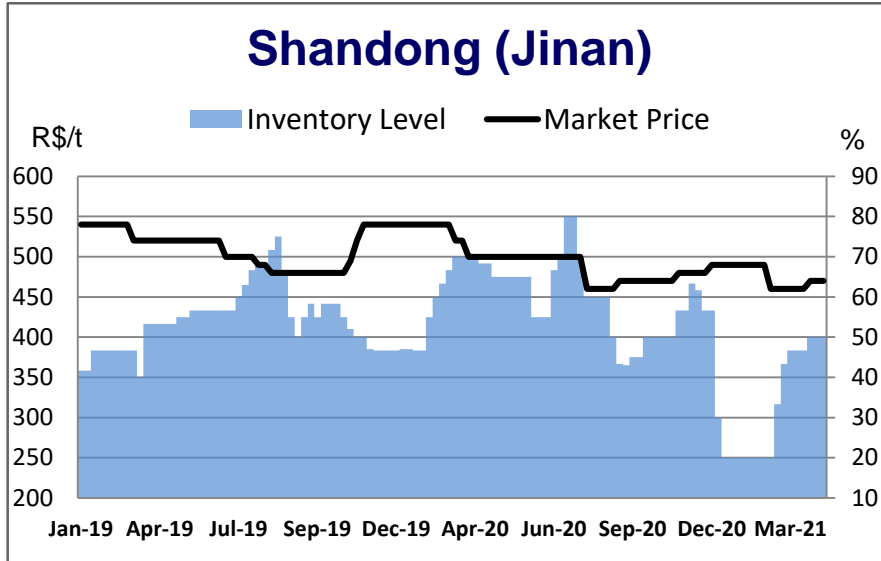


Shanshui Cement Operating Data

Shanshui: Regional P.O42.5 Price & Inventory Level



Unit: R\$/t ; %

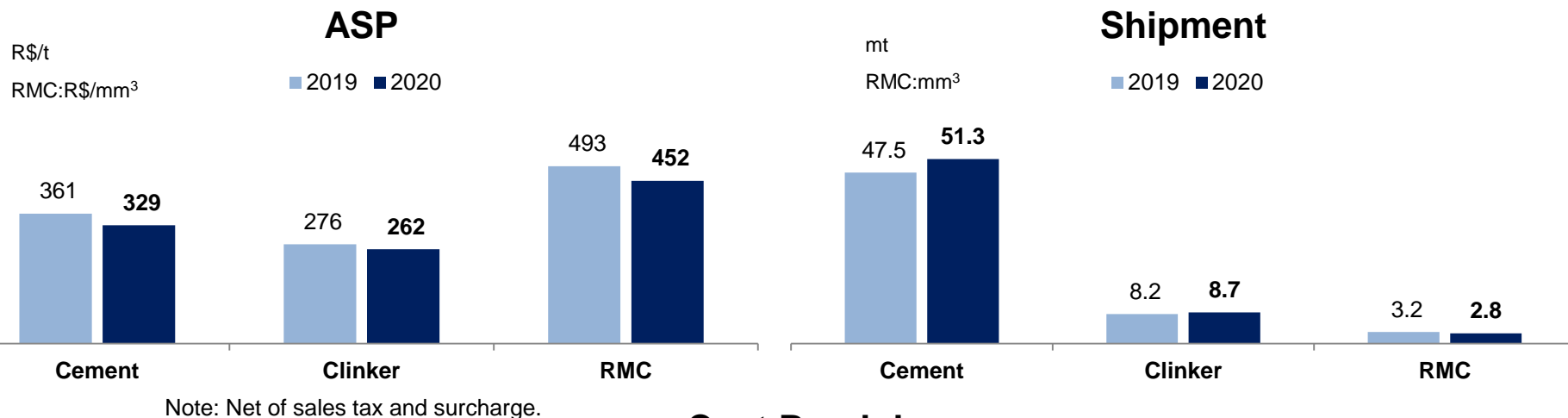


Source: Digit Cement. Inventory level is based on the average of province.

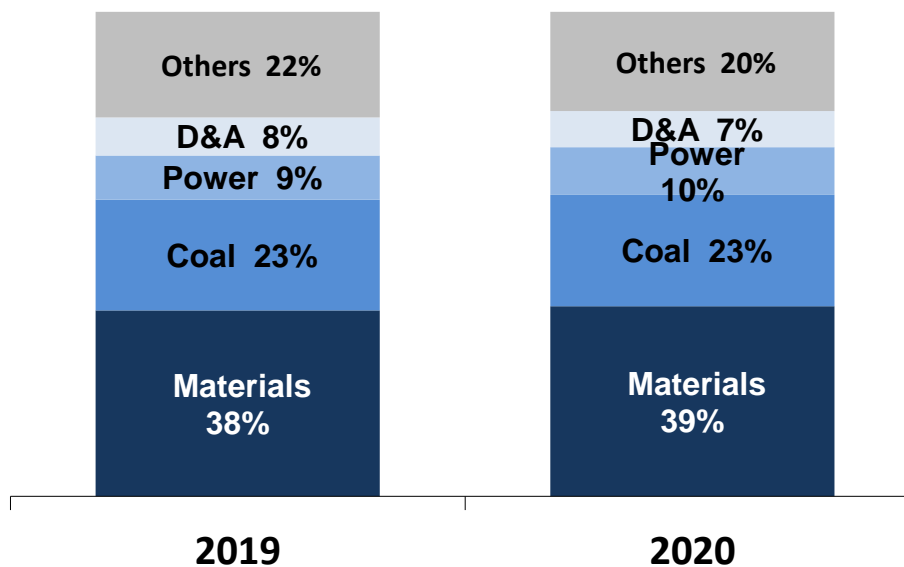
Shanshui: 2020 Operating Data



Operating Data by Products



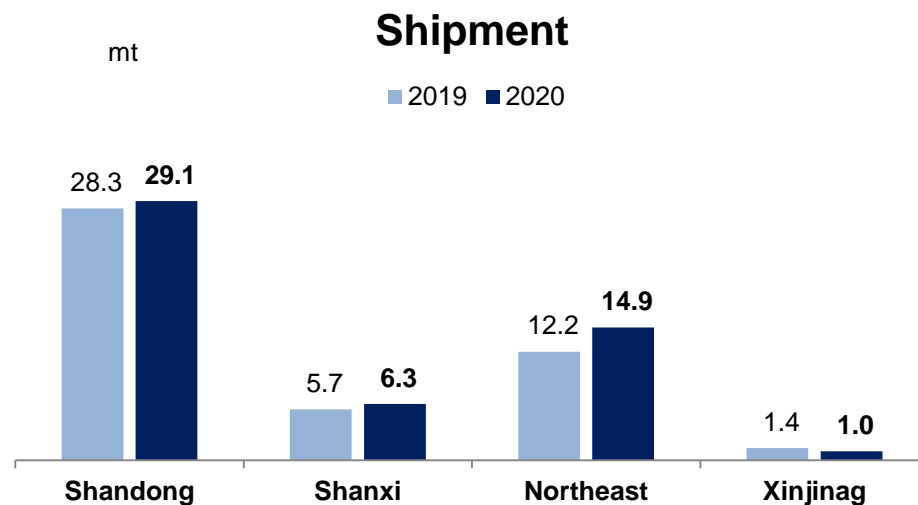
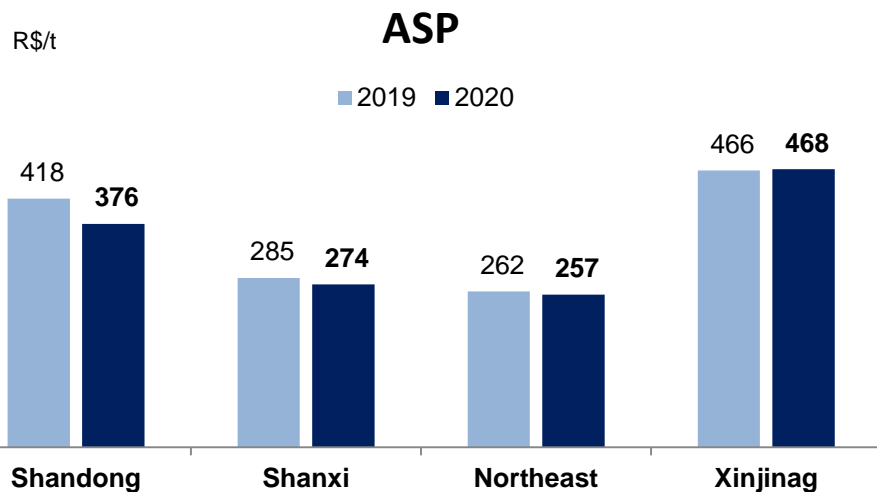
Cost Breakdown



Shanshui: 2020 Operating Data

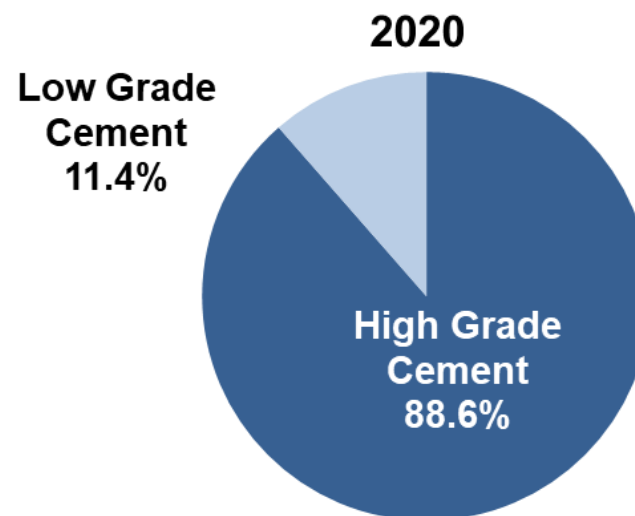
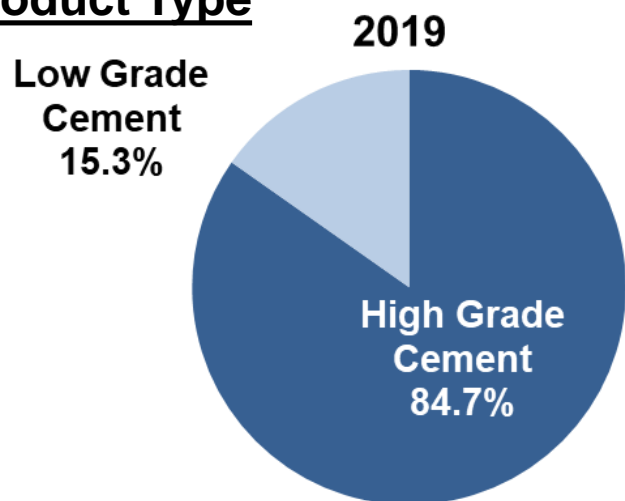


Cement Product by Regions



Note: Net of sales tax and surcharge.

Product Type





PRC Industry Overview

China Cement Demand Outlook

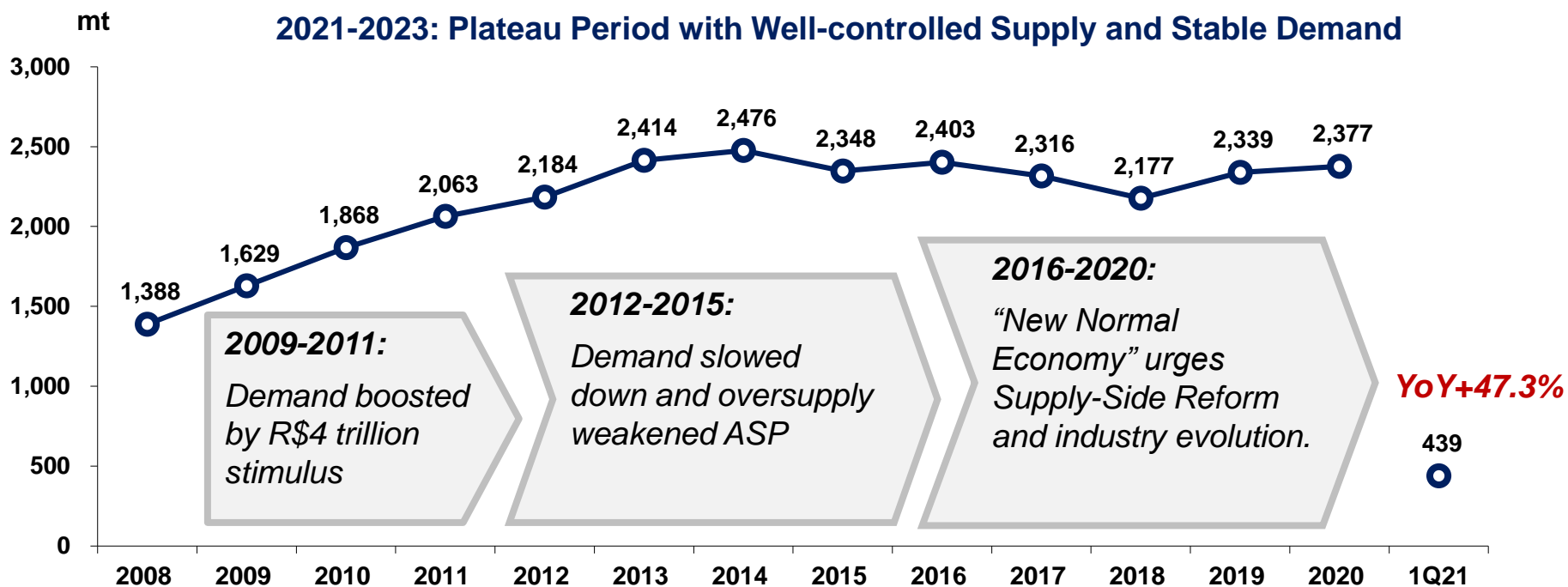
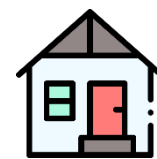


Infrastructure:

- RMB\$3.65 tn local government special bond for 2021 and raising the urbanization ratio in 14FYP indicates strong demand for transport constructions and infrastructure projects.

Property:

- Rigid demand for real estate in Tier 1&2 cities.
- Construction activities are expected to continue to accelerate in 1H21.



China Cement Industry Policy Trend



Capacity expansion control



1. Production halt normalized
2. Tightening regulation for capacity swap



Emission reduction



1. Environmental leaders to mitigate production halt
2. The industry is expected to be included in carbon trade system



Industry consolidation

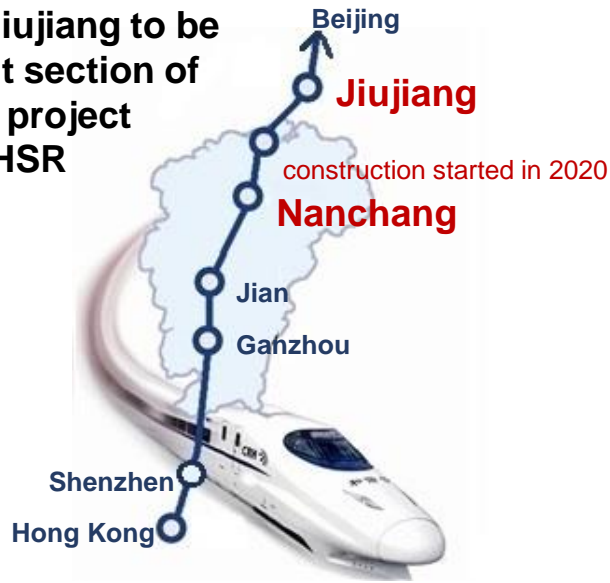


1. Encouraging production relocation and consolidation
2. Stricter environmental and higher production costs



Jiangxi: Guaranteed Mid-long Term Demand

Nanchang-Jiujiang to be an important section of the national project Beijing-HK HSR



1. Important connection to link Beijing, Yangtze delta and Pearl delta.
2. Major projects:

Projects	Estimated Construction Period
Nanchang-Jiujiang High-speed Railway	2020~2023
Anqing-Jiujiang High-speed Railway	2018~2022
Nanchang-Huangshan High-speed Railway	2019~2023
Expansion of Nanchang City Ring Expressway	2020~TBD

ZheGanYue canal to be a national water system



Sichuan: Gateway to the West

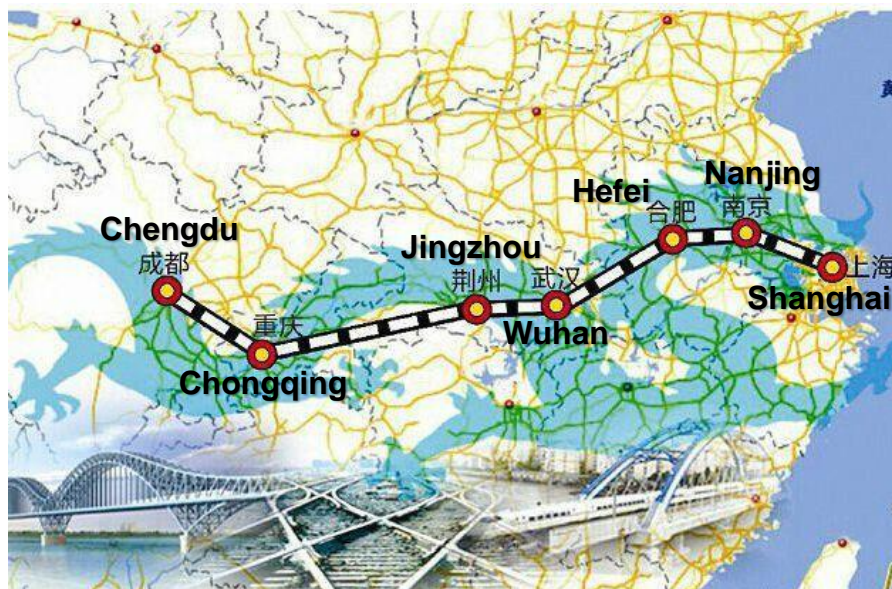


Sichuan-Tibet Railway

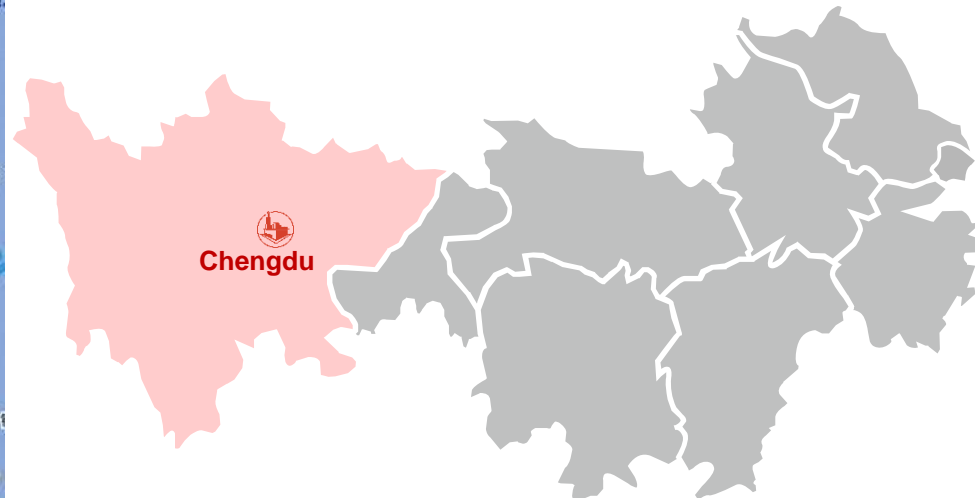


1. Hub of coordinated development between eastern and western regions.
2. Primary beneficiary of Western Development.
3. Major projects:

High-speed Railways along the Yangtze River



Projects	Estimated Construction Period
Sichuan-Tibet Railway	2013~2026
High-speed railways along the Yangtze River	2020~2025
Xian-Chengdu High-Speed Railway	2019~2025
Transportation Integration of Chengdu-Chongqing Twin Cities Economic Circle	2020~2022



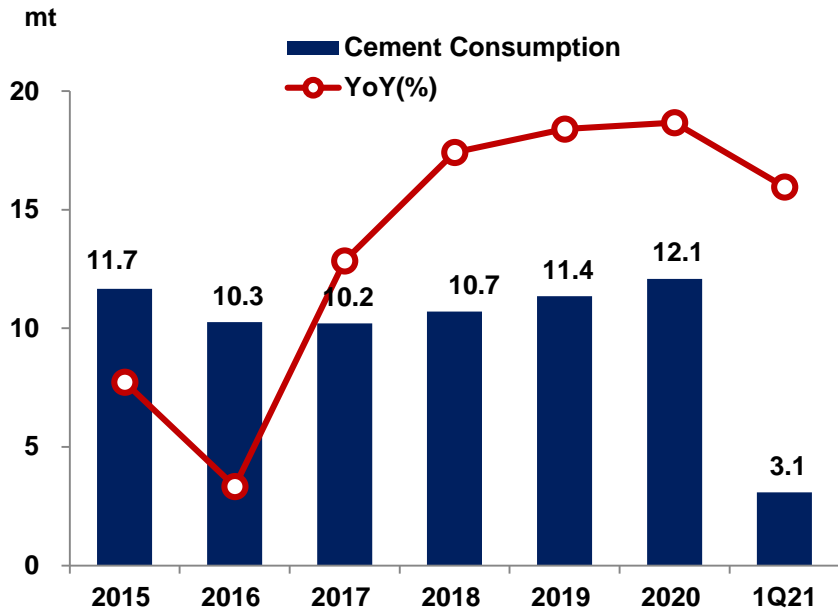


Taiwan Industry Overview

Taiwan Cement Market

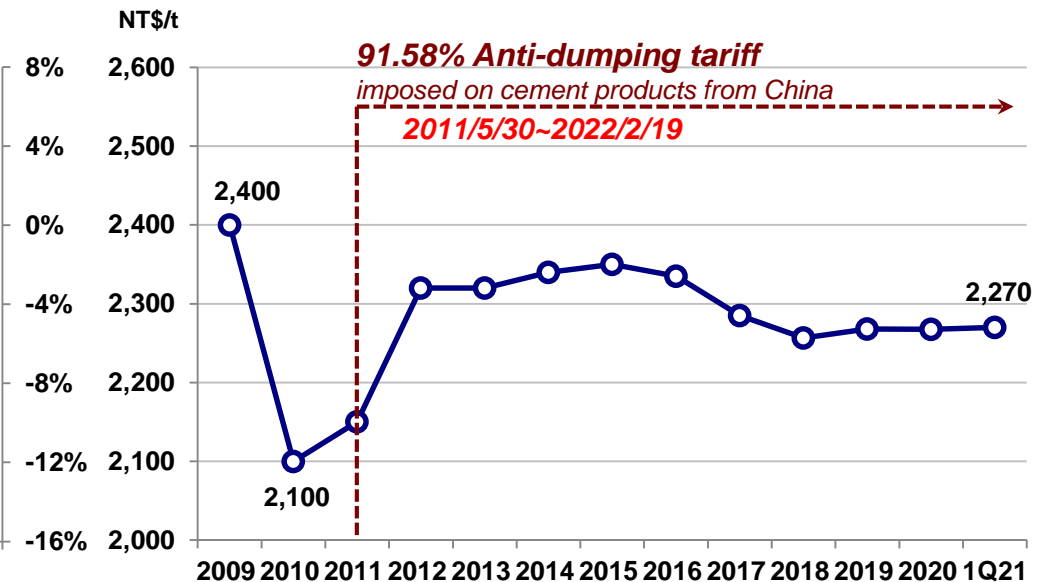


Demand getting warm since 2018



1. Central government proposed the Forward-looking Infrastructure Development Program (2018-2021) with a budget of NT\$420 bn.
2. Trade frictions prompt Taiwanese corporate to return to invest in Taiwan.

ASP remain steady



1. ASP remains steady since anti-dumping tariff blocked import from China.

Note: consumption = local + imports

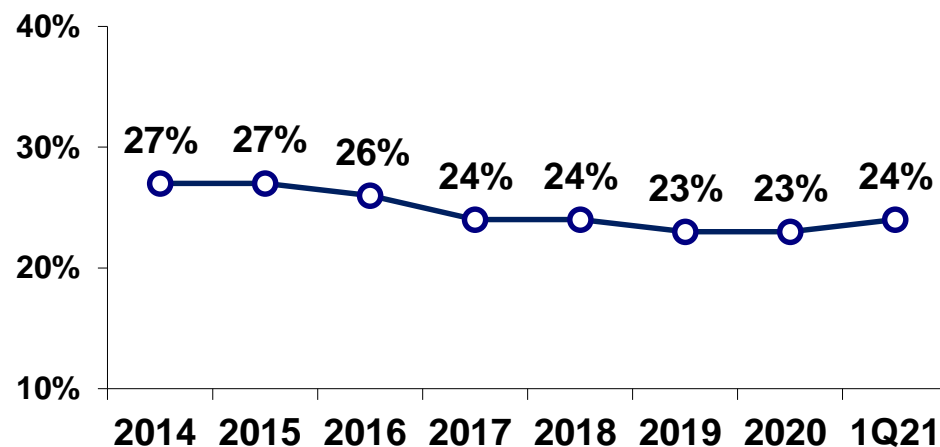
Source: National Development Council, Taiwan Cement Manufacturers' Association

ACC(Taiwan) Outlook: Improving sales and margins

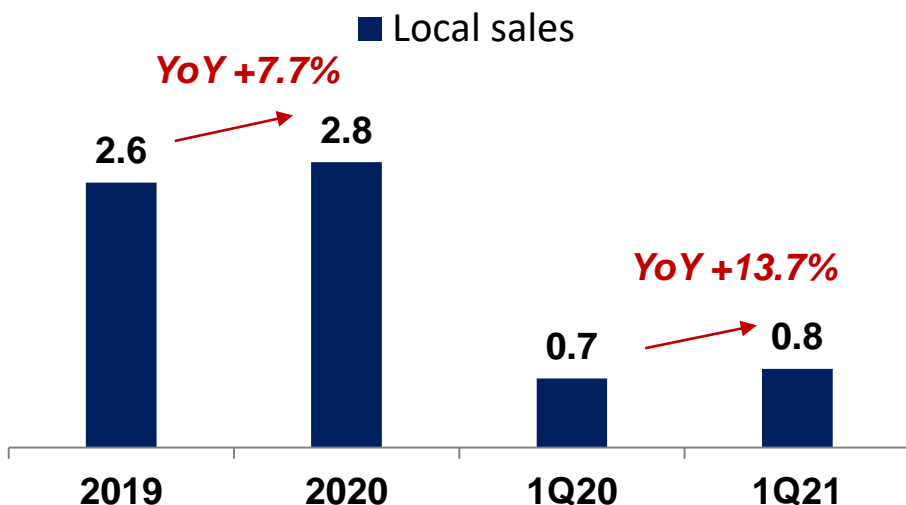


1. Local sales improved thanks to increasing demand.
2. Gross margin continued to pick up on lower coal cost.

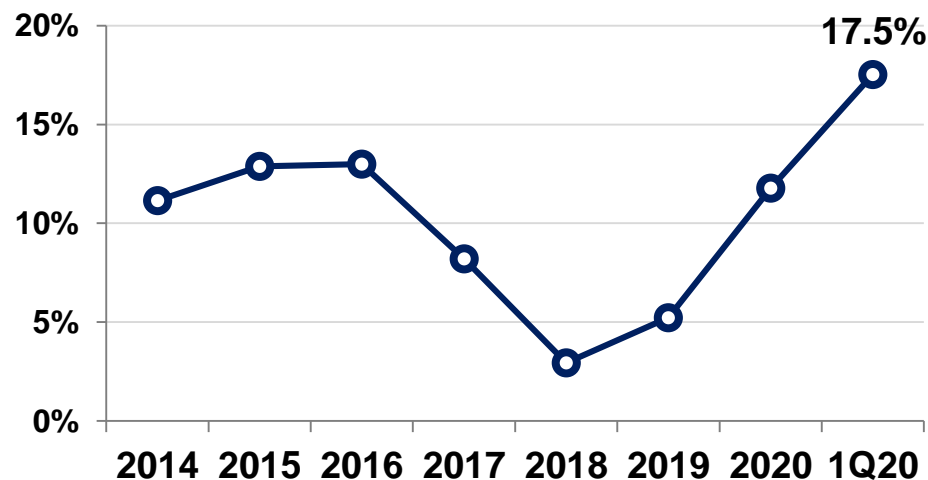
Domestic market shares



mt Cement and Clinker Sales



ACC(Taiwan) Gross Margin





Financials

Steady Payout with Enjoyable Yields

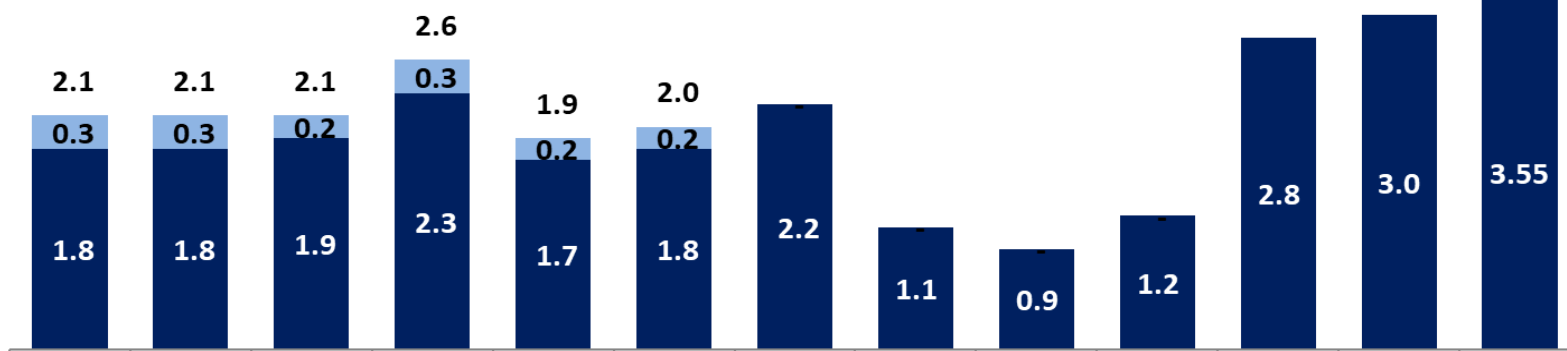


Payout ratio(%)

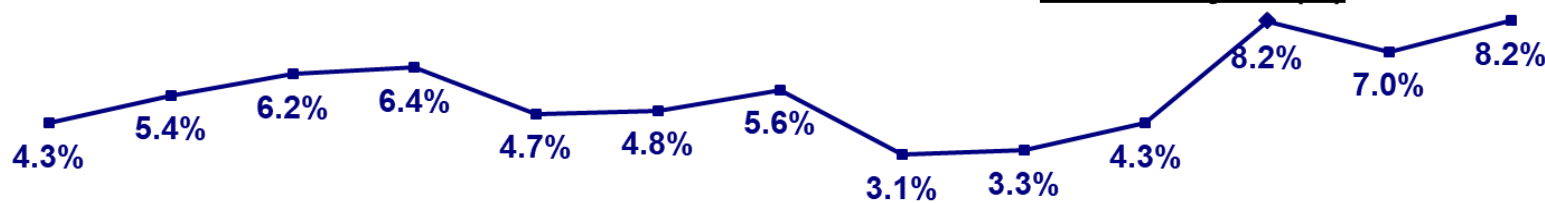


NT\$/share

■ Cash dividend ■ Stock dividend



Dividend yield(%)



2008

2009

2010

2011

2012

2013

2014

2015

2016

2017

2018

2019

2020

Note1: Payable EPS= Net income – Investment property adjustment

Note2: Dividend yield= Cash dividend / Last 12-month average share price

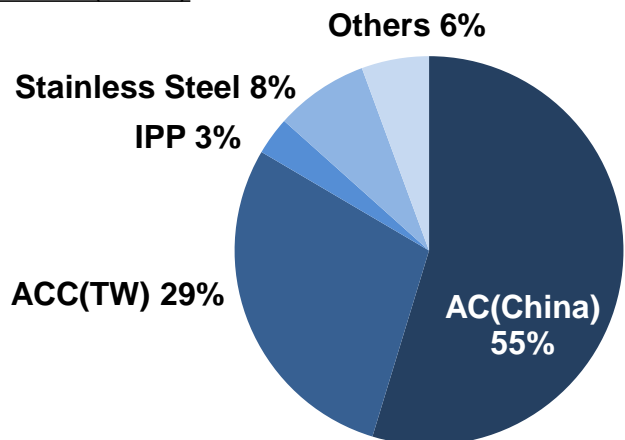
Performance by Segments



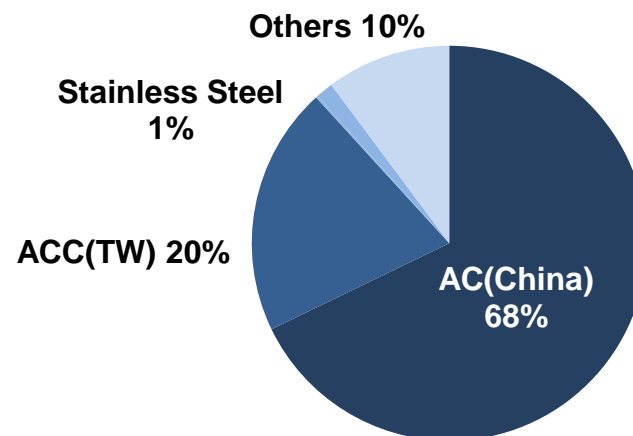
NT\$ mn

	1Q21	1Q20	YoY	2020	2019	YoY
Operating Revenue	17,877	13,139	36%	78,241	89,348	-12%
Cement business	14,921	10,116	47%	64,907	73,849	-12%
Power business	563	1,390	-59%	5,933	7,115	-17%
Stainless Steel business	1,389	1,007	38%	4,212	5,439	-23%
Others	1,004	626	60%	3,189	2,945	8%
Operating Cost	13,517	10,441	29%	54,911	63,747	-14%
Net Gross Profit	4,360	2,698	62%	23,329	25,601	-9%
SG&A expenses	637	676	-6%	3,659	3,523	4%
Operating profit	3,723	2,022	84%	19,670	22,063	-11%
Cement business	3,295	1,663	98%	16,839	19,974	-16%
Power business	(6)	292	NA	1,815	1,382	31%
Stainless Steel business	53	(24)	NA	(6)	85	NA
Others	381	90	322%	1,022	622	64%

Revenue (1Q21)



Operating Profit (1Q21)



Note: ACC(TW)= Taiwan cement operation, RMC and other downstream value chain

Summary of P&L



NT\$ mn

	1Q21	1Q20	YoY	2020	2019	YoY
Operating Revenue	17,877	13,139	36%	78,241	89,348	-12%
Operating Cost	13,517	10,441	29%	54,911	63,747	-14%
Net Gross Profit	4,360	2,698	62%	23,329	25,601	-9%
SG&A expenses	637	676	-6%	3,659	3,523	4%
Operating profit	3,723	2,022	84%	19,670	22,063	-11%
Non-operating income(net)	1,021	(453)	NA	4,474	6,330	-29%
Equity Income	590	158	273%	4,640	5,490	-15%
Far Eastern New Century Corp.	472	333	42%	1,066	1,638	-35%
U-Ming Marine Transport Corp.	134	(152)	NA	345	637	-46%
Shanshui Cement Co. Ltd.	(210)	(342)	NA	2,146	2,212	-3%
Others	193	319	-40%	1,082	1,004	8%
Net Interest Income (Expense)	(12)	(81)		(78)	(695)	
Dividend Income	3	3		334	451	
Gain (loss) on exchange	(30)	77		(162)	(260)	
Gain (loss) on FVTPL Financial Assets and Liabilities	409	(641)		(241)	1,129	
Gain (loss) on Investment Property	31	34		238	198	
Others	30	(3)		(256)	16	
Pre tax Income	4,744	1,568		24,144	28,393	
Net income	3,849	1,131	240%	18,774	22,244	-16%
Profit Attributable to Owners of Parent	3,200	744	330%	14,710	17,460	-16%
EPS (NT\$/share)	0.95	0.22	330%	4.38	5.19	-16%
Gross margin	24.4%	20.5%		29.8%	28.7%	
Operating margin	20.8%	15.4%		25.1%	24.7%	
Net margin	17.9%	5.7%		18.8%	19.5%	

Note: EPS is calculated using total outstanding shares.

Summary of Balance Sheets



NT\$ mn

	1Q21		2020		2019	
	Amount	%	Amount	%	Amount	%
Current Assets	87,446	29%	87,024	29%	89,242	30%
Cash&Cash equivalents	26,264	9%	25,912	9%	24,735	8%
Short-term Investments	36,438	12%	35,693	12%	31,724	11%
Others	24,743	8%	25,419	9%	32,783	11%
Non-Current Assets	209,798	71%	210,063	71%	208,036	70%
Long-term Investment	96,543	32%	96,054	32%	96,140	32%
Fixed Assets	88,800	30%	89,409	30%	86,858	29%
Intangible Assets	7,154	2%	7,254	2%	7,000	2%
Other Assets	17,302	6%	17,345	6%	18,038	6%
Total Assets	297,244	100%	297,087	100%	297,279	100%
Current Liabilities	54,418	18%	64,028	22%	74,336	25%
Short-term debt	42,552	14%	49,238	17%	55,895	19%
Others	11,866	4%	14,790	5%	18,440	6%
Non-Current Liabilities	69,352	23%	63,172	21%	53,494	18%
Bonds Payable	38,800	13%	38,800	13%	19,281	6%
Bank Loans	16,998	6%	10,945	4%	20,821	7%
Others	13,554	5%	13,427	5%	13,392	5%
Total Liabilities	123,771	42%	127,200	43%	127,829	43%
Total Shareholders' Equity	173,473	58%	169,887	57%	169,449	57%
Book Value(NT\$/Share)	44.9		44.0		43.5	
ROE	11.7%		10.0%		12.3%	
Net Gearing Ratio	23.6%		25.3%		27.1%	
Net Debt	35,648		37,378		39,538	
Net Debt/EBITDA	1.4		1.5		1.4	

Note: Net gearing = Net debt / (total shareholders' equity - minority interest)

Summary of Cash Flow Statement



NT\$ mn

	1Q21	1Q20	YoY	2020	2019	YoY
Net Income	3,200	744		14,710	17,460	
Depr&Amort	1,229	1,228		4,948	6,120	
Changes of non-cash WC	(733)	2,178		7,129	5,798	
Disposal/(Acquisition) of FVTPL FA ⁽¹⁾	(1)	(834)		(9,770)	5,660	
Other Ope. CF Items	(1,858)	(1,163)		2,598	2,234	
Operating Cash Flow	1,838	2,153	-15%	19,615	37,272	-47%
CAPEX	(467)	(1,684)		(6,294)	(3,755)	
Disposal/(Acquisition) of AC FA ⁽²⁾	18	(7,159)		5,931	(8,716)	
Disposal/(Acquisition) of FVTOCI FA	0	(1,145)		(688)	(275)	
Other Inv. CF Items	(59)	(81)		(3,455)	(2,721)	
Investing Cash Flow	(508)	(10,070)	NA	(4,506)	(15,466)	NA
Changes in Debt/Borrowings	(674)	13,018		3,614	254	
Dividends Paid	0	0		(10,085)	(9,412)	
Other Fin. CF Items ⁽³⁾	(170)	(116)		(7,540)	(2,005)	
Financing Cash Flow	(844)	12,902	NA	(14,010)	(11,163)	NA
Effect of FX	(133)	(93)		77	(836)	
Net Changes in Cash	352	4,893	-93%	1,176	9,806	-88%
Free Cash Flow	1,371	469	192%	13,322	33,517	-60%

Note1: Under the IFRS 9 applied since 2018, mutual fund investment has been classified as operating activities.

Note2: Mainly over 3 months time deposit.

Note3: 2020 mainly from acquisition of minority interest of Chiahui .

AC(China): Summary of P&L



RMB\$ mn

	1Q21	1Q20	YoY	2020	2019	YoY
Operating revenue	2,298	1,287	79%	10,824	12,609	-14%
Operating cost	1,536	729	111%	6,305	7,290	-14%
Gross Profit	762	559	36%	4,519	5,319	-15%
Other net income/(loss)	48	57		132	170	
Selling&marketing costs	101	63		436	447	
Administrative expenses	66	185		397	429	
Operating income	643	367	75%	3,819	4,613	-17%
Finance costs	10	53		136	268	
Shares of results of jointly controlled entities	(0)	(2)		4	5	
Pre tax Income	633	312		3,687	4,350	
Tax	152	92		936	1,120	
Net Income	481	220	118%	2,750	3,230	-15%
Profit Attributable to Owners of Parent	467	210	122%	2,669	3,147	-15%
Minority interests	13	10		82	83	
EPS (RMB\$/share)	0.30	0.13	122%	1.70	2.01	-15%
Gross margin	33.2%	43.4%		41.7%	42.2%	
Operating margin	28.0%	28.5%		35.3%	36.6%	
Net margin	20.3%	16.3%		25.4%	25.6%	
EBITDA margin	37.7%	45.6%		43.7%	45.4%	
EBITDA	866	587	48%	4,729	5,724	-17%

Note: According to IFRS, losses on work stoppages, which is the fixed operating cost RMB 115mn in 1Q20, were recognized as operating expense.

AC(China): Summary of Balance Sheets



RMB\$ mn

	1Q21		2020		2019	
	Amount	%	Amount	%	Amount	%
Current Assets	10,855	50%	10,674	49%	12,620	53%
Inventories	685	3%	608	3%	674	3%
Trade and other receivables	4,750	22%	4,786	22%	3,963	17%
Bank balances and cash	5,353	25%	5,276	24%	7,943	33%
Non-Current Assets	10,848	50%	10,960	51%	11,366	47%
Property,Plant&Equipment	7,448	34%	7,587	35%	8,077	34%
Total Assets	21,703	100%	21,634	100%	23,986	100%
Current Liabilities	2,351	11%	2,820	13%	7,695	32%
Borrowings- due within one year	977	5%	873	4%	4,770	20%
Trade and other payables	1,005	5%	1,204	6%	2,174	9%
Non-Current Liabilities	2,340	11%	2,283	11%	1,647	7%
Borrowings- due after one year	2,152	10%	2,099	10%	1,444	6%
Total Liabilities	4,691	22%	5,103	24%	9,343	39%
Total Equity	17,012	78%	16,531	76%	14,643	61%
Equity Attributable to Parent	16,616	77%	16,149	75%	14,264	59%
Book Value(RMB/Share)	10.6		10.3		9.1	
ROE	18.8%		17.5%		23.9%	
ROA	12.3%		11.7%		14.1%	
Net Gearing Ratio	-13.4%		-14.3%		-12.1%	
Net Debt	(2,224)		(2,303)		(1,728)	

Note: Net gearing = Net debt / (total shareholders' equity – minority interests)

AC(China): Summary of Cash Flow Statement



RMB\$ mn

	1Q21	1Q20	<u>YoY</u>	2020	2019	<u>YoY</u>
Net Income	467	210		2,669	3,147	
Depr&Amort				906	1,106	
Changes of non-cash WC				1,386	240	
Other Ope. CF Items				57	390	
Operating Cash Flow	98	447	-78%	5,017	4,883	-97%
CAPEX				(470)	(239)	
Other Inv. CF Items				(3,279)	(472)	
Investing Cash Flow	(167)	(20)	NA	(3,750)	(712)	NA
Changes in Debt/Borrowings				(3,242)	(416)	
Dividends Paid				(783)	(971)	
Other Fin. CF Items				(224)	(346)	
Financing Cash Flow	147	2,213	-93%	(4,249)	(1,733)	NA
Net Changes in Cash	77	2,640	-97%	(2,982)	2,439	NA

Shanshui: Summary of P&L



RMB\$ mn

	1Q21	1Q20	YoY	2020	2019	YoY
Operating revenue	3,120	1,833	70%	20,891	21,479	-3%
Operating cost	2,395	1,394	72%	13,927	14,207	-2%
Gross Profit	725	439	65%	6,965	7,272	-4%
Other net income/(loss)	45	48		416	337	
Selling&marketing costs	138	81		681	673	
Administrative expenses	783	733		2,040	2,243	
Operating income	(151)	(327)	NA	4,659	4,693	-1%
Finance costs	66	84		347	510	
Shares of results of jointly controlled entities	2	2		22	43	
Pre tax Income	(214)	(408)		4,334	4,226	
Tax	89	46		1,059	1,198	
Net Income	(303)	(454)	NA	3,274	3,028	8%
Profit Attributable to Owners of Parent	(251)	(383)	NA	3,187	2,973	7%
Minority interests	(52)	(71)		87	55	
EPS (RMB/share)	(0.06)	(0.09)		0.73	0.68	
Gross margin	23.2%	24.0%		33.3%	33.9%	
Operating margin	-4.8%	-17.8%		22.3%	21.8%	
Net margin	-8.0%	-20.9%		15.3%	14.1%	

Shanshui: Summary of Balance Sheets



RMB\$ mn

	1Q21		2020		2019	
	Amount	%	Amount	%	Amount	%
Current Assets	7,423	27%	7,178	26%	6,217	23%
Inventories			2,288	8%	1,995	7%
Trade and other receivables			2,319	8%	1,937	7%
Bank balances and cash			1,401	5%	1,364	5%
Non-Current Assets	20,103	73%	20,499	74%	20,611	77%
Property, Plant & Equipment			18,022	65%	18,331	68%
Total Assets	27,527	100%	27,677	100%	26,828	100%
Current Liabilities	9,884	36%	9,839	36%	11,182	42%
Borrowings- due within one year			2,197	8%	3,911	15%
Trade and other payables			3,605	13%	3,742	14%
Non-Current Liabilities	2,016	7%	1,956	7%	3,046	11%
Borrowings- due after one year			1,233	4%	2,249	8%
Total Liabilities	11,899	43%	11,795	43%	14,227	53%
Total Equity	15,628	57%	15,882	57%	12,600	47%
Equity Attributable to Parent			15,703	57%	12,497	47%
Book Value(RMB/Share)			3.6		2.9	
ROE			22.6%		27.0%	
ROA			11.7%		11.2%	
Net Gearing Ratio			11.2%		36.5%	
Net Debt			1,764		4,567	

Note: Net gearing = Net debt / (total shareholders' equity – minority interests)

Shanshui: Summary of Cash Flow Statement



RMB\$ mn

	2020	2019	<u>YoY</u>
Net Income	3,187	2,973	
Depr&Amort	1,507	1,533	
Changes of non-cash WC	(897)	(181)	
Other Ope. CF Items	(290)	(158)	
Operating Cash Flow	3,507	4,167	-16%
CAPEX	(1,521)	(1,348)	
Other Inv. CF Items	195	(173)	
Investing Cash Flow	(1,325)	(1,521)	NA
Changes in Debt/Borrowings	(2,097)	(2,563)	
Other Fin. CF Items ⁽¹⁾	(36)	(37)	
Financing Cash Flow	(2,133)	(2,600)	NA
Effect of FX	(12)	14	
Net Changes in Cash	49	46	7%
Free Cash Flow	1,986	2,819	



CSR Achievements

Sustainable Mining Mountain

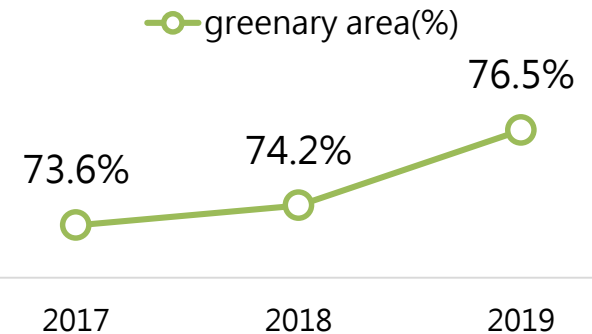


Mining Safety

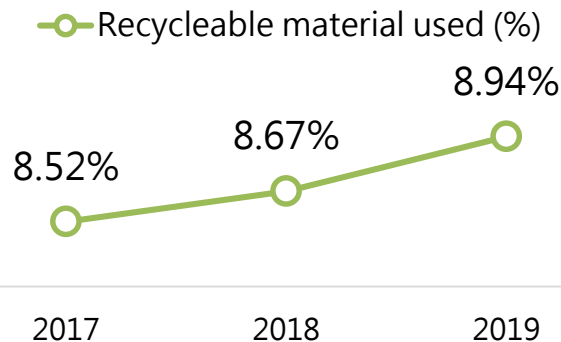


- 24/7 vibration monitoring
- Detention basins building
- No landslide caused by mining in 40 years operation

Environment Restoration



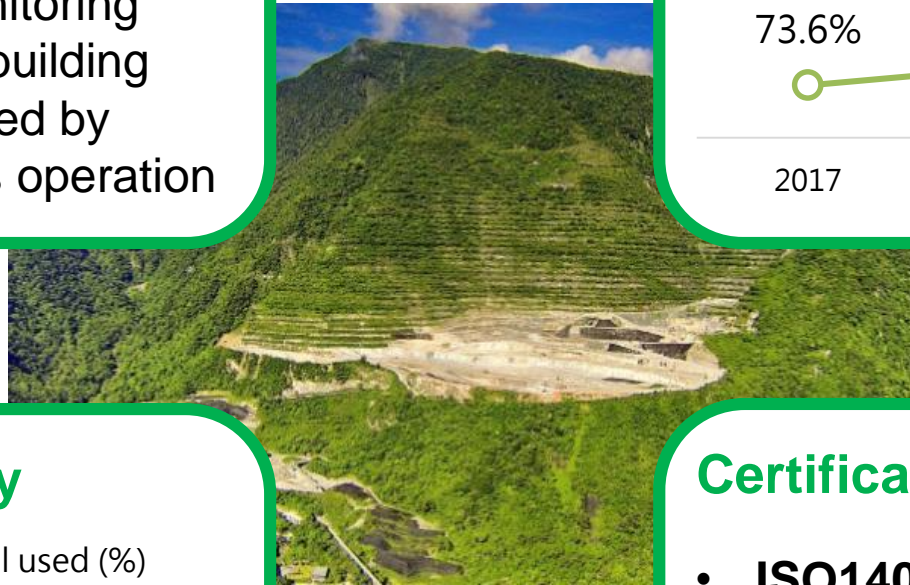
Circular Economy



Certification



- **ISO14067** product carbon footprint
- **ISO14046** product water footprint
- **BS8001** Circular economy highest standard level



Emission Control and Energy Saving: ACC (Taiwan)



ACC(Taiwan)

Emission (ton/yr)	National Standard	2019
SO ₂	715	541
NO _x	5,813	4,894
Particles	1,528	1,386
Energy Consumption	The Previous Year	2019
Total consumption(MWh)	3,714,425	3,836,881
Consumption per unit (MWh/ton)	1.43	1.38


Green Power Purchasing

Complying with the green energy policy, a total of 67 certificates of renewable energy were purchased in 2019.










Emission Control and Energy Saving : ACC (China)



Note :  superior to ultra-low standard

Asia Cement (China)

as of 2020

Emission (mg/m ³)	Jiangxi	Hubei	Sichuan
SO ₂	 28	 31	 5
NO _x	269	193	 76
Particles	 7	 7	 3
Energy Consumption	National Standard		2020
Coal Consumption of Clinker (kgce/t)	112		103
Power Consumption of Clinker (kwh/t)	64		57
Energy Consumption of Clinker (kgce/t)	120		110
Power Consumption of Cement (kwh/t)	90		78
Energy Consumption of Cement (kgce/t)	98		94

Local Community Care



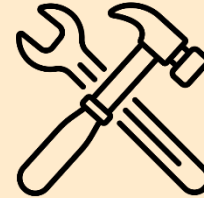
Local Hiring

Provide job opportunities



Communication

Open to inspections to eliminate doubts



Construction

Assist community construction



Education

Support aboriginal education

Hualien plant	Aboriginals
Employee	44%
Asia Cement (China)	Local hiring
Employee	71%



Plant visit in Hualien



Free house repairing

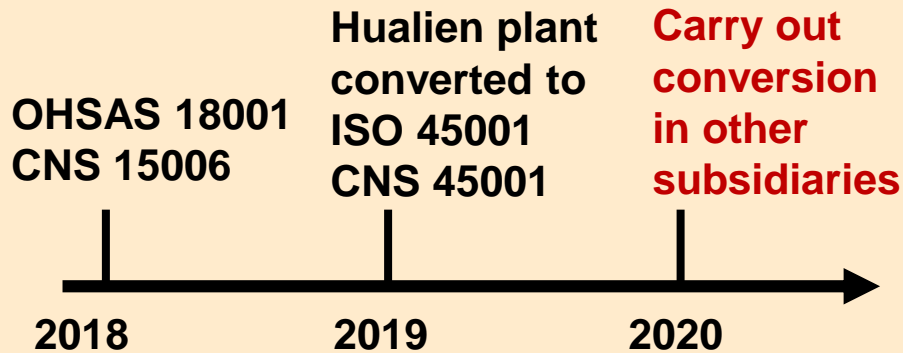


After-school tutoring



Occupational Health

- Safety & health management



- Lower than average injury rate

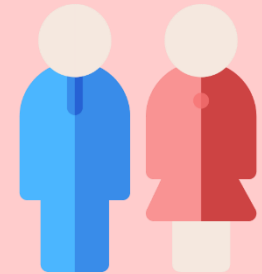
Location	FR	SR	FSI
Asia Cement(TW)	0	0	0
Asia Cement(CN)	3.03	72	0.47
2017~2019 Cement industry	2.78	1039	1.70

FR : actual disable injuries per million hours worked
 SR : total work days lost cause by injury per million hours worked
 $FSI = \sqrt{(FR \times SR) \div 1000}$

Gender Equality Workplace

Year	Resumption rate after parental leave
2017	100%
2018	100%
2019	100%

Equal pay for equal work



Supply Chain Management



A total of 507 suppliers had signed “Social Responsibility Commitment letter” in 2019 .



Expertise in...



Ethical Management

- Behavioral Principles

Anti-corruption

Intellectual Property Rights

Legal

ACC dedicates to meet the standards, and implement training to employees.

- Unethical Behavior Report







Whistleblower Protection

0

cases of ethical violations

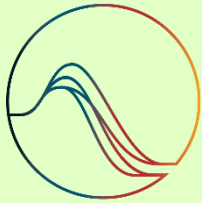
Pushing on the Goal to Sustainability



	Objective	KPI	2019 Results	2030 Goal
 Environmental Protection	Effective use of resource	Quantity of water re-used	85% of water re-used in Hualian plant	>85% of water re-used in Hualien plant
 Climate Strategy	Reduction of emission	SBTi	SBTi evaluation	Reduced 8%* by 2025
		ton of CO ₂ /ton of cement		
 Circular Economy	Application of substitute fuel	Quantity of substitute fuel used	2% of substitute fuel used	15% of substitute fuel used
 Labor Safety	Avoiding occupational injury	ISO 45001	Certified in Hualien plant & Yuan Long	Carry out in other subsidiaries

Note*: equivalent to reduce 258 thousand tons of GHG.

Source: ACC CSR report



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

The target of emission
reduction approved by the
SBTi in 03/2021



FTSE4Good
TIP Taiwan ESG Index



Included in the
FTSE4Good TIP Taiwan
Index by **FTSE Russel**
since 2018



TCSA



GCSA

Taiwan & Global Corporate
Sustainability Award:
2020 TCSA award
2020 GCSA Great Practice



AREA
ASIA
RESPONSIBLE
ENTERPRISE AWARDS

Asia Responsible
Entrepreneurship Awards:
2020 Winner of
Green Leadership



TWSE

TWSE Corporate Governance
Evaluation:
Top 6%~20%
& 7 years listed in
“Taiwan High Salary 100 Index”

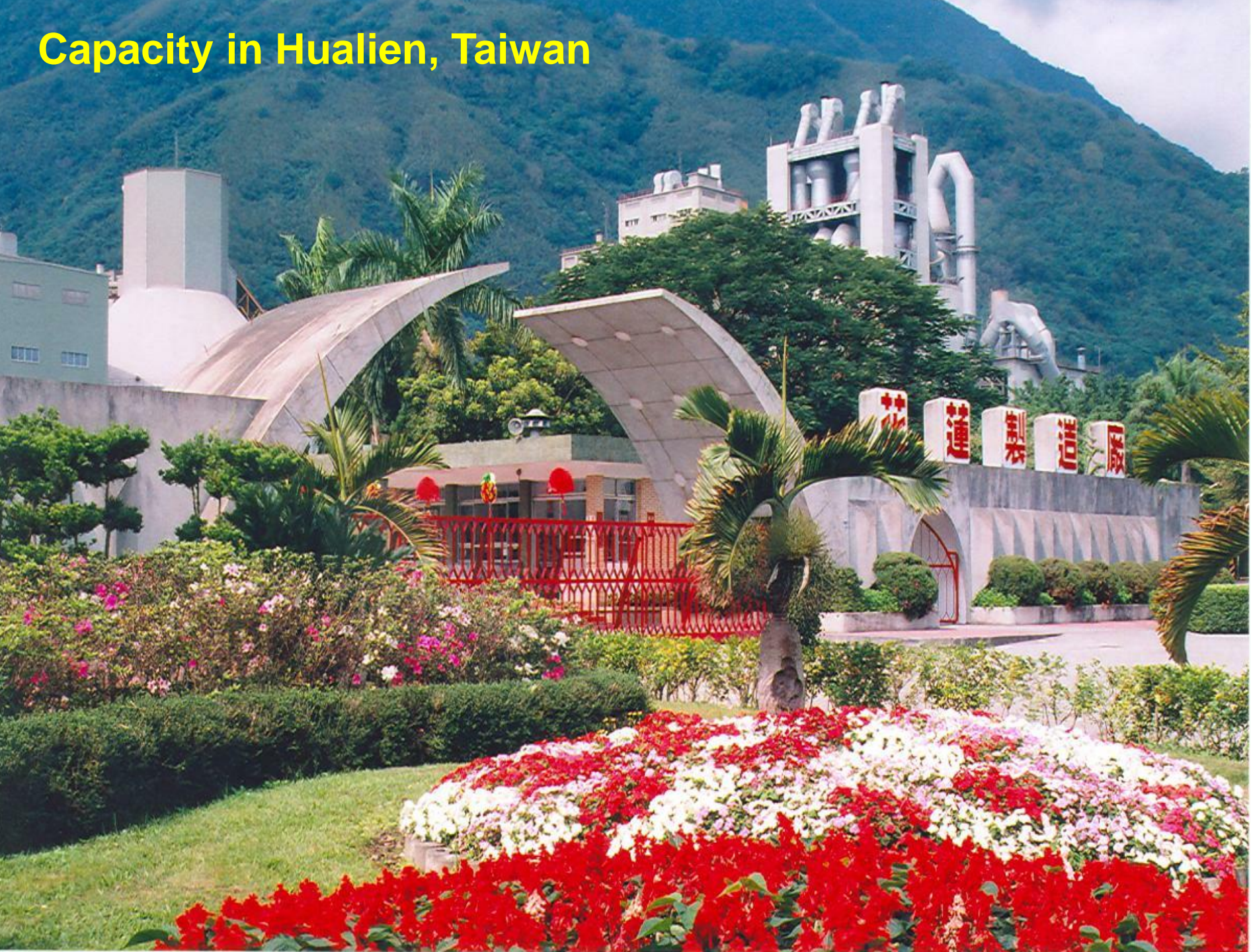


Carbon Disclosure Project:
2020 B List
Ministry of Economics Affairs:
6 times awarded of Company in
GHG Voluntary Reduction

Capacity in Jiangxi, China



Capacity in Hualien, Taiwan





Thank you

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Q&A: Mining Concerns



**ACC Eco-friendly
Achievements**



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