

GS Yuasa Corporation

Sustainability Activities in 2022



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Every year, the GS YUASA Group announces its views toward CSR and the status of related initiatives on its GS YUASA websites. This PDF file has been prepared to allow readers to refer to the information released in the 2022 fiscal year through the contents of the "Sustainability Activities" website, of the sites of our.

President's Message

President's Message

Become an energy device company that continually creates new value

As the first in Japan to successfully manufacture lead-acid batteries, and first worldwide in achieving mass production of lithium-ion batteries for electric vehicles, our high level of technological expertise is demonstrated by products that deliver stable performance even in extreme and highly demanding environments, such as in deep sea research submersibles, aircraft, space



satellites, etc. We are also meeting the expectations of our stakeholders through engagement in next-generation vehicle development, the renewable energy sector, and infrastructure applications. I am confident that these efforts are the result of practicing our corporate philosophy of being committed to people, society and the global environment through the innovation and growth of our employees and business entities.

In May 2017, we formulated as the President's Policy the GS Yuasa CSR Policy and Code of Conduct, which clarifies this corporate philosophy, and in April 2018 we signed the U.N. Global Compact (UNGC), which aligns with our own CSR policies and values. Our business companies have set up a CSR Committee to put into practice the Ten Principles the UNGC asks of companies in the four areas of Human Rights, Labour, Environment, and Anti-Corruption, as well as the sustainable development goals (SDGs) adopted by the United Nations and our CSR policies. We are working to contribute to a sustainable society through our business activities.

Markets and the societies continually change together with the times, and efforts aimed at solving social issues on an international, global scale, including sustainable development goals (SDGs) and carbon neutrality, are intensifying. We believe that our technologies and products are highly suitable to contribute to the realization of a sustainable society by addressing climate change and building a stable social infrastructure.

In the future too, as an energy device company, we will continue to take on innovative challenges in monozukuri as well as in kotozukuri that drives energy management technologies, and will strive to contribute to the realization of a world, environment, and society where people worldwide can live in greater abundance and peace of mind.

President GS Yuasa Corporation

Amura

The Ten Principles of the United Nations Global Compact

< Human Rights >

Principle 1 Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2 make sure that they are not complicit in human rights abuses.

< Environment >

precautionary approach to environmental challenges;

greater environmental

Principle 9 encourage the development and diffusion of environmentally

friendly technologies.

< Labour >

Principle 3

Businesses should uphold the

freedom of association and the effective recognition of the right to

collective bargaining;

Principle 4 the elimination of all forms of forced and compulsory labour;

Principle 5 the effective abolition of child

labour; and

Principle 6 the elimination of discrimination in

respect of employment and

occupation.

Principle 7 Businesses should support a

Principle 8 undertake initiatives to promote

responsibility; and

< Anti-Corruption >

Principle 10 Businesses should work against

> corruption in all its forms, including extortion and bribery.



CSR Policy and Code of Conduct



The GS YUASA CSR Policy and Code of Conduct, formulated in May 2017 as the President's Policy, have become the foundation of the Group's CSR activities. In the GS Yuasa Group, we carry out business in accordance with the CSR Policy and Code of Conduct in order to ensure the sustainable development of society and business.

CSR Policy

Besides legal compliance, we respect international norms, guidelines, and initiatives related to social responsibility, work on sustainable development of our business through developing energy storage technologies, and contribute to people, society, and global environment.

1. Developing Fair, Transparent, and Sound Business, and Anti-Corruption

GS YUASA conducts a transparent business policy which aims to earn the trust of customers, business partners, shareholders, and of local communities as a top priority. And to adhere to laws and regulations of each country and region. Furthermore, we address to prevent any kind of corruption, will not tolerate any illegal political contribution, bribery of public officials, and will not have relationships with personnel or organizations of organized crime.

2. Respect for Human Rights

GS YUASA will respect all human rights and fundamental labor rights, and will not tolerate any forced labor or child labor. We will also respect diversity, without any discrimination being tolerated.

3. Conservation and Improvement of Adequate Working Environment

GS YUASA will provide safe and comfortable working environments for employees. Proper management will be provided in order to promote mid to long-term development of human resources.

4. Fulfillment of Our Responsibilities to Provide Safe and Secure Products and Services

GS YUASA ensures the safety and quality of products/services to the end of their lifecycle throughout manufacturing. Furthermore, GS YUASA honest provides clear safety information for all products/services.

5. Global Environmental Conservation

GS YUASA addresses to prevent pollution, and to mitigate climate change, and to establish a sound material-cycle society through using sustainable resources.

Building Better Relationships with Local Communities

GS YUASA will contribute to sound and sustainable development of local communities through building better relationships with their local communities.

7. Ensuring Social Responsibility within Our Supply Chain

GS YUASA will promote actions to ensure social responsibility within our supply chain.

Date: May 1, 2017 GS Yuasa Corporation

President Osamu Murao

CSR Code of conduct

1. Developing Fair, Transparent, and Sound Business, and Anti-Corruption

1-1. Compliance

- (1) We respect international and regional norms, guidelines, and initiatives, and also strictly comply with the laws and regulations in each country and region in which we operate.
- (2) As a member of the international community, we will comply with the export control laws and regulations of each country in order to maintain international peace and security, and we will not export in a manner to spread materials which could lead to the proliferation of weapons of mass destruction.

1-2. Elimination of mixing up official business with personal affairs

We will never conduct to bring damage to the company, through misappropriation of corporate assets and corporate expenses only for one's personal ends or else with misfeasance allowing one's personal advantage.

1-3. Fair, Transparent and free competition and trade

- (1) We will not engage horizontal agreements (cartel) through meeting and participation to trade association's activities, i.e. price and quantity fixing as well as exclusivity in distribution of products and services. Upon receipt of such proposal, we decline clearly without leaving no doubt to be misunderstood. To this extent, we will never act in collusion with other contractors, nor to fix the winning bidder and/or contract price.
- (2) We never act in abuse of dominant position, to take advantage of subcontractors, i.e., withholding the amount of subcontract payments without reasons attributable to the subcontractor or failing to make payment after the lapse of the due date of payment, or obtaining undue or improper advantage. Also, upon issuing our order to subcontractors, we will retain the written offer on paper or electronic record.
- (3) We will not obtain or use trade secret or data of other companies or firms in an unauthorized way.
- (4) We will not leave product labelling or service information inexact or unclear in a manner to cause customers misunderstanding.

1-4. Management of confidential information

- (1) We observe the protection of confidential information and its appropriate use; then, at the event of disclosure to the third parties, we will disclose only after concluding confidentiality agreement.
- (2) We will observe the protection and appropriate use of confidential information received from our business partners and coresearchers or co-developers; We will not disclose to the third parties without the prior consent of the disclosing party.
- (3) Before assembling personal information, we will at first notify the purpose of use, and then collect in an appropriate way. The purpose of using personal information is to be limited and specified.
- (4) We will conserve personal information data in safety and control its use, then monitor in a suitable way the employees and subcontractors using/handling these data.
- (5) We always respect the individual privacy, so need to pay the most attention in handling their confidential information, learned from one's business relations or in the course of business, and at last, not to inform or leak to anyone without authority.
- (6) We will not commit so-called "insider trading", act of making max profit in stock and security exchanges transaction thanks to privileged acknowledgement of internal information, within our group and received from business partners.

1-5. Respect for intellectual property

- (1) We will research sufficiently third parties' patents, industrial designs, trademarks and other intellectual property rights, prior to development, production, commercialization and delivery of, or providing our products and services.
- (2) We will not use intellectual property of a third party without authorization of intellectual property holder, unless we have a justifiable reason.
- (3) We will not unlawfully duplicate any software and other copyrighted works, i.e., Literature and images, Journalistic articles, Paintings, Music.

1-6. Separation from organized crime

- (1) We will not provide any form of benefit in excess of the normal shareholder's right to any person or company associated with organized crime.
- (2) We will cut off business or any other relationships with individuals and organizations having an indication of support for organized crime.

1-7. Transparency of information disclosure

We will disclose, within a specific time limit and with appropriate method, any information required by laws and regulations of each country and region in which we operate, as well as specific information to maintain good communication with other stakeholders and local communities.

1-8. Legal compliance for political funds control

We will not contribute for political funds, requesting some business advantage in return, such as acquisition or maintenance of trading, or access to nondisclosure information. Also, we will comply with the conditions stipulated by the laws and regulations of each country and region in which we operate before making political contributions.

1-9. Prohibition to offer entertainment or gifts to public employees

We will not offer money, entertainment, gifts, or other economic benefits, nor provide advantages to public employees or equivalent persons perceived as a conflict of interest.

1-10. Sound relationship with business partners

We will endeavor to maintain sound business relationships with our business partners; therefore we will not receive money, gift or entertainment offered from business partners exceeding commonly accepted limits.

2. Respect for Human Rights

2-1. Prohibition of discrimination and respect for diversity

We will respect and honor diversity and will not discriminate anyone for any reason, including race, gender, sexual identity, nationality, national origin, disability, and religious or political opinions.

2-2. Respect for individual personality

We will not condone the removal of human rights of any individual person, including sexual harassment and power harassment, nor the reduction of personal dignity of others.

2-3. Respect for labor rights

We will respect labor rights including freedom of association and collective bargaining rights, in accordance with the laws of each country and region in which we operate.

2-4. Prohibition of forced labor and child labor

We will neither force labor, nor employ children under the legal working age. Furthermore, we will not tolerate forced labor or child labor in any way.

2-5. Avoidance of complicity in human rights abuses

Directly or indirectly, we will not be complicit in human rights abuse.

3. Conservation and Improvement of Adequate Working Environment

3-1. Conservation and improvement of safety and health in working environments

We will maintain and improve working environments from the perspective of health and safety in accordance with laws and regulations of each country or region in which we operate.

3-2. Ensuring appropriate working hours, securing minimum wages and prohibiting unreasonable wage reduction

- (1) We will provide management in order to maintain appropriate working hours and will make every effort to take measures to prevent mental and physical health disorders caused by overwork.
- (2) We ensure that the salaries we pay are over the minimum wage of each country or region in which we operate, and that there will be no unreasonable reduction.

3-3. Mid to long-term human resources development and appropriate ability assessment

We will make every effort to proactively support career development in accordance with each employee's abilities and aptitudes. Performance of each employee will be assessed adequately.

3-4. Respect for individual work-life balance

We will make every effort to respect diverse working styles, so as to ensure work-life balance and to maintain physical and mental health of employees.

3-5. Offer of equal employment and working opportunities

We will offer equal opportunities in recruitment and promotion, as well as forbid any arbitrary or discriminatory treatments.

4. Fulfillment of Our Responsibilities to Provide Safe and Secure Products and Services

4-1. Focus on safety and quality

We will address to prioritize safety and quality throughout our business. For this purpose, we will strive to provide safe products and services to maintain and improve satisfied quality for customers, through all our business activities which are research & development, design, procurement, production, sales and after-sales service.

4-2. Making safety Information accessible

We clarify Safety Information on our products and services. Safety Information includes Instruction manuals supplied with products, Labelling of products, Web portal communication, etc. We will make Safety Information accessible for customers as well as for any other stakeholders involved in commercialization of our products and services.

4-3. Solutions in case of product accidents

We address to prevent spin-off effects on the extent of damages of accidents as well as swiftly react in case a serious accident occurs on our product or service. And also, we investigate and collate the relative facts, research of causalities, make a necessary report on these inside and outside our company group, and then we disclose information so as to take preventive steps.

5. Global Environmental Conservation

5-1. Promoting environmental protection

- (1) We will evaluate environmental impact resulting from our business activities, products and services; strive for environmental protection (including prevention of pollution) through energy saving, greenhouse gas reduction, efficient use of raw materials and water as well as waste reduction and recycling; and aim to increase our environmental performance through continuous improvement of these aspects.
- (2) We will address to reduce the environmental burden resulting from the activities conducted at each stage of the life cycle of products and services, from acquisition of raw materials, development and design/conception, production, transportation, use, until end-of-life treatment and final disposal.
- (3) We will satisfy environmental needs corresponding to comply with environmental laws and regulations. In addition, if necessary, we address to develop our environmental risk management with operational control by voluntary management standards and for preventing accidents likely to lead to environmental pollution.

5-2. Providing environmentally conscious products

We will contribute to the environmentally conscious society through the provision of products and services corresponding to the environmental requirements.

6. Building Better Relationships with Local Communities

6-1. Contribution to the sustainable development of communities

We recognize that we are member of the community and we aim to work together in cooperation with the local community which is our foundation. We will respect local culture and customs.

6-2. Adoption of local human resources

We will actively adopt local human resources in the business activities of our overseas affiliates and contribute to the development of local communities through our business activities.

7. Ensuring Social Responsibility within Our Supply Chain

7-1. Responsible procurement promotion

We will share responsible procurement guideline among our suppliers, then address to promote Responsible Procurement upon interactive cooperation, aiming to ensure our social responsibilities across overall supply chain.

Date : May 1, 2017 GS Yuasa Corporation

President Osamu Murao

CSR Promotion Framework



Our CSR management, in which we seek to contribute to a sustainable society and ensure long-term commerce.

forms an integral part of our aim to realize our corporate philosophy.

GS Yuasa Group's CSR

"Innovation and Growth", our corporate philosophy, is the basis of the GS Yuasa Group's CSR. By developing new technologies and reforming our business processes without being bound by convention, we aim to generate innovation and, as a result, drive sustainable growth by expanding earnings and contributing to people, society, and the global environment. This is the basis of our CSR. Furthermore, by responding swiftly through our business to global social issues and the needs and expectations of interested parties, we aim to become a company in which society places long-term trust and hopes for us to remain a presence into the future.

See details of GS Yuasa's philosophy and Management vision (https://www.gs-yuasa.com/en/company/philosophy.php)

CSR Promotion Framework

Our Group has established an organizational framework to promote CSR through our business and to make continuous improvements. In order to supervise the CSR activities of the entire Group, we have designated the company President as the chief commanding officer for the promotion of CSR and set up the post of officer in charge of CSR, who is appointed by and works directly under the president. In addition, the CSR Committee, which is chaired by the officer in charge of CSR and comprises persons responsible for CSR in business divisions, Group companies, etc. as members, discusses, promotes and plans CSR activities throughout the Group as a whole. Important matters concerning CSR promotion (including CSR policies and key CSR issues) discussed at CSR Committee meetings are communicated Group-wide following the resolution of the Board of Directors.

■ CSR Promotion Framework



CSR Promotion Process

Our Group aims to enhance corporate value and stakeholder satisfaction by implementing a CSR promotion process that is based on our corporate philosophy which reflects the Group's enduring corporate values.

We have formulated management and CSR policies to serve as evaluation criteria for decision-making to facilitate realization of our corporate philosophy. Regarding the major areas of CSR policy, we have compiled the CSR Code of Conduct, which clarifies the specific direction of CSR activities, and individual policies clarifying concrete behavioral standards in CSR activities.

Our business strategy process incorporates planning designed to realize CSR policy. Corporate planning is formulated to ensure social and corporate Group economic growth and sustainability which fulfills stakeholder needs and expectations while addressing social issues. Achieving this planning requires application of multiple management systems based on existing business processes. Performance of operational processes relies on reevaluation by the CSR Committee, chaired by the officer in charge of CSR, with continuous improvements as necessary.

Meanwhile, our CSR Manual, detailing the Group's CSR Policy, is distributed to each employee to ensure Company-wide CSR promotion. Behavioral standards underpinning the CSR Policy are clarified for employees in Q&A sections and columns covering key topics, along with a checklist for employee self-assessment of behavioral conformity with CSR Policy. The CSR Manual is translated into 6 languages for use among local-hire employees in our overseas Group companies to ensure full comprehension of Group policy. Our goal is to promote CSR directionality and to implement CSR through our business activities based on a common understanding of CSR shared by all Group employees in Japan and overseas.

Overview of CSR Promotion Process



TOPICS

CSR Promotion Activities at Overseas Group Companies

We actively conduct CSR education at overseas sites to encourage overseas Group companies to undertake effective CSR measures.

We periodically distribute an e-mail newsletter (the CSR e-mail newsletter) with easy-to-understand explanations of basic CSR terminology and Group CSR policies. At overseas Group companies, the CSR e-mail newsletter is translated into six languages that local employees can understand and use for CSR training provided to all employees.

In addition, each overseas Group company has established training programs in accordance with the local conditions and provides CSR-related education to their employees.

■ Examples of CSR training at overseas group companies

Company name	Abbreviated name	Country	Contents
Century Yuasa Batteries Pty Ltd.	СҮВА	Australia	Implementing e-learning education on human rights issues (including discrimination, bullying, and sexual harassment) (Confirming the extent of employee comprehension through quiz formats using case studies)
GS Battery Taiwan Co., Ltd.	GSTW	Taiwan	Holding kick-off study sessions for CSR Promotion Initiatives (such as formulating CSR Policy and drawing plans for responding to CSR issues)
PT. Yuasa Battery Indonesia	YBID	Indonesia	Distribution of the CSR Guidebook with CSR Policy among other things in local languages to all employees
GS Yuasa Asia Technical Center Ltd.	GYAT	Thailand	Regular distribution to all employees of the reader-friendly CSR Newsletter with explanations of CSR and introduction of examples of CSR activities at companies in Thailand



Example image of e-learning education (CYBA)



A look at kick-off study session (GSTW)



CSR Guidebook (YBID)



CSR Newsletter (GYAT)

Materiality



Incorporating Materiality (Key CSR Issues) into Group Business Strategy

To reflect CSR issues in our business strategy, the GS Yuasa Group analyzes and assesses the impact on business and the impact of our business on society and then clarifies the Group's materiality for items that need to be addressed. Regarding the specified materiality, as necessary we have set targets relating to our business strategy and, to achieve those targets, have formulated concrete activity plans and key performance indicators (KPIs) to gauge progress in achieving the goals.

Materiality is periodically revised by the GS Yuasa Group CSR Committee in accordance with evolving stakeholder needs/expectations and social issues. When incorporating materiality into business strategy, the CSR Committee formulates plans that will lead to enhanced stakeholder satisfaction through the strengthening of our corporate infrastructure and enhancement of corporate value.

The GS Yuasa Group aims for enhanced management of financial and non-financial operations, as well as for sustainable corporate and social growth through execution of business processes that incorporate materiality in the Mid-Term Management Plan.

Overview of CSR issues impacting sustainable growth in our Fifth Mid-Term Management Plan

Category	Topic	CSR Issues Relating to Sustainable Growth	Details of Main Plans and Targets
E	Contribute to sustainability of the global environment	 Development and global sales of environmental considerations products Reduction of environmental burden of business activities 	 Group-wide CO₂ emission reduction target: 6%/3 years Group-wide water use reduction target: 8%/3 years Ratio of environmental considerations products to overall sales: 35%
S	Respect for human rights and contribution to society	 Respect for human rights Enhancement of productivity and motivation through human resources development Enhancement of work environments and occupational health and safety Products and information sharing that is reassuring to consumers Contribution to the addressing of societal issues with responsible procurement and reduction of procurement risks 	 Enhance human rights education and human rights risk management Nurture autonomous-minded human resources and establish groundwork for utilizing diverse human resources Promote measures to improve work-life balance Achieve group-wide quality improvement
G	Promotion of fair, transparent, and swift group-wide governance	 Respect for international norms and compliance with laws of respective countries Protection of intellectual property Thorough management of confidential information Swift and appropriate management decision-making 	 Promote compliance education, preparation of legal information Contribute to elimination of counterfeit goods and bolster patent infringement prevention activities Management that is mindful of the corporate governance code

 $^{^{\}star}$ CSR issues relating to sustainable growth are categorized as E (environment), S (social) or G (governance).

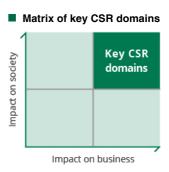
Materiality Specification Process

Step 1: Identify risk and opportunity in CSR

For key challenges in the Mid-Term Management Plan, we identify risk in CSR (that hinders the resolution of these issues) and opportunity in CSR (that promotes the resolution of the issues). When identifying these risks and opportunities, our actions are based on international guidelines related to CSR.

Step 2: Specify significant risk and opportunity in CSR

We evaluate and assign a score to the scale of the CSR risk and opportunity identified in Step 1 in consideration of the impact on business (possibility of occurrence x scale of impact on business), which enables us to specify risks and opportunities as key business challenges. Next, we evaluate the impact of our Group's business activities on society relative to these core business risks and opportunities based on the number of related CSR themes and social importance. We then specify risks and opportunities that will be key CSR domains.



Step 3: Determine materiality

We order the core CSR risks and opportunities evaluated in Step 2 and then determine materiality in consideration of the response method to the risks and opportunities. In order to ensure the appropriateness of materiality, where necessary we also incorporate feedback from stakeholders through dialogue with outside experts.

Materiality and Response Plan

A summary of the Group's materiality response plans and the impact of these plans on society and business are presented in the following table.

With respect to materiality shown in the table, we will conduct operation and management based on the measurable target management and management criteria, make ongoing improvements and perform effective maintenance and management. The details of the formulated plans will be reviewed and revised as necessary according to the status of changing circumstances and other factors.

When carrying out the Mid-Term Management Plan, the first year of which is fiscal 2019, we formulated new materiality response plans to address CSR issues relating to sustainable growth under the relevant plan. After summarizing the fiscal 2018 materiality response plans and reviewing the materiality, we established materiality response plans for fiscal 2019 and later. In these plans, we not only establish KPIs and target values to manage the impact of CSR issues on society, but also assess the status of achievement of the plans using financial indicators to ascertain the impact on business.

■ Summary of Materiality Response Plans (fiscal 2019–2022)

Materiality	Activity outline	Scope of application*	KPI (key performance indicator)	Impact on Society	Impact on Business	
Thoroughly fulfilling our CSR and ensuring compliance	Provision of legal information and promotion of	Domestic	 (1) Number of times compliance education information disseminated annually (2) Number of significant compliance violations 	Maintenance of a sound and well-ordered society	Avoidance of financial losses from compliance violations	
	compliance training	Overseas	 (1) Achievement ratio of compliance training plan (2) Achievement ratio of significant compliance violation risk response plan 	oracles decisty	compliance violations	
Respect and protection for intellectual property	Thorough avoidance of infringement third-party intellectual property rights, promotion of the use of company intellectual property rights	Domestic	Achievement ratio of patent acquisition plans in the ASEAN region and China	Maintenance of a fair competitive	 Avoidance of financial losses from infringement of other companies' patents Prevention of lost sales in the future due to sales of counterfeit products 	
	Promotion of the enforcement against infringement products	Overseas	Achievement ratio of response plan to intellectual property infringement (imitation products)	order in society		
Strict management of confidential information	Promotion of security measures and	Global	Cyberattack response ratio at time of detecting high security alerts		Avoidance of financial losses from leaks of confidential information	
	strengthening of illegal /inappropriate access monitoring	Domestic	Information leak confirmation and response ratio at time of large data output	Achieve a safe and secure information society		
	Promotion of information security training	Domestic	Ratio of employees passing information security proficiency test			

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Materiality	Activity outline	Scope of application*	KPI (key performance indicator)	Impact on Society	Impact on Business	
	Promotion of human rights education and thorough publicity of internal whistleblower system	Domestic	Achievement ratio of human rights training plan	Raise awareness	Avoidance of financial losses from human rights violations	
Respect for individuality		Overseas	(1) Achievement ratio of harassment education plan(2) Introduction ratio of harassment whistleblower system	concerning respect for human rights • Provide equal access to judiciary		
Respect for Diversity	Women's empowerment	Domestic	(1) Ratio of women in management positions(2) Ratio of women among new graduates recruited for career-track positions	Promotion of participation by women in decision-making	Acquisition of shareholders' equity in conjunction with higher external assessment of measures regarding women's empowerment Securing labor capacity by increasing the retention rate for female employees	
	Promotion of the employment of persons with disabilities	Domestic	Employment rate of persons with disabilities	Promotion of full employment	Avoidance of financial losses in conjunction with failing to satisfy the statutory standard for the employment ratio of persons with disabilities	
Human resources development	Promotion of human resource development programs		 (1) Achievement ratio of training plan for development of autonomousminded human resources (2) Achievement ratio of worksite education plan 	Promotion of skill development for young people	Reinforcement of organizational capabilities through the utilization of the diverse individuality of employees Avoidance of human resource losses through	
		Overseas	Achievement ratio of global human resources education plan		separation • Enhancement of human resource performance	

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Materiality	Activity outline	Scope of application*	KPI (key performance indicator)	Impact on Society	Impact on Business
Enhancement of work environments and occupational health and safety	Promotion of the thorough management of employees' working hours and prevention of the recurrence of long working hours Promotion of occupational health and safety risk management	Domestic	(1) Response ratio to prevent the recurrence of long working hours (2) Annual frequency of labormanagement consultations relating to working hours (3) Operational achievement ratio of standard for number of days of paid leave taken annually Achievement ratio of working hours (1) Number of serious occupational accidents (2) Missed work frequency ratio (3) Number of workers not meeting internal blood lead concentration management standards Number of worksites in work management	Realization of rewarding workplaces Prevention of health damage Promotion of safe and secure working environment	Avoidance of financial losses from occupational accidents Avoidance of financial losses from work in excess of statutory working hours and failure to use paid leave
	Promotion of quality improvement and strengthening of quality communication	Global	Achievement ratio of targets for claims and in-process defects	 Improvement in energy efficiency Responses to natural resource 	Reduction of financial losses from quality defects Increased profits
Provision of high-quality products	Strengthening of maintenance service setup	Domestic	Achievement ratio of operational management standards for product maintenance service systems	depletion Reduce waste generation aggement standards product ntenance service depletion Reduce waste generation promotion of sustainable	
	Promotion of product safety education	Global	Number of serious product accidents	a safe and secure society	occurrence of product accidents

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Materiality	Activity outline	Scope of application*	KPI (key performance indicator)	Impact on Society	Impact on Business
	Promotion of effective use of water resources	Global	Ratio of reduction of water use (compared with FY 2018)	Elimination of water shortage problems	 Avoidance of loss of sales opportunities due to delayed
Promoting environmental	Contribution to realization of low-carbon society	Global	Ratio of reduction of CO ₂ emissions (compared with FY 2018)	 Improvement in energy efficiency and resource efficiency Climate change mitigation 	responses to issues concerning water security, carbon
protection	Prevention of environmental pollution	Global	Number of major environmental accidents	Prevention of water pollution and air pollution Reduction of	neutrality, and a recycling- oriented society • Avoidance of
	Improvement in ratio of use of recycled materials in products provided to markets	Global	Ratio of recycled lead used as lead raw materials in lead-acid batteries	natural resource consumption Reducing waste generation	financial losses from the occurrence of environmental accidents
Developing and popularizing environmentally considered products	Expansion of market for GS Yuasa products contained in products contributing to the curbing of global warming	Global	Percentage of environmentally considered products in total sales of all products	 Improvement in energy efficiency Reduction of natural resource consumption Climate change mitigation 	Avoidance of loss of sales opportunities from delayed responses to issues concerning a recycling-oriented society Increased profits from expanded sales of environmentally considered products
Responsible	Responses to responsible mineral procurement	Global	Achievement ratio of responsible mineral survey plan	 Realization of sustainable supply chain Abolition of forced labor and child labor 	Avoidance of financial losses from accourage of
procurement promotion	Management of supply chain CSR risks	Global	Achievement ratio of supplier CSR issues improvement plan deaths violen • Eradic forms and to	 Reduction of deaths due to violence Eradication of all forms of violence and torture against children 	from occurrence of supply chain CSR risks

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Refer to page 99 for detailed information concerning materiality response plans

^{*}The scope of application may not cover all Group companies.

Developing Fair, Transparent, and Sound Business, and Anti-Corruption

To gain the trust of society, we emphasize appropriate earnings through highly ethical conduct.

Compliance with Laws, etc.

Basic Philosophy on Promoting Compliance

By training our personnel according to our philosophy of innovation and growth while manifesting our commitment to society and preserving the global environment, we are ensuring that all employees are guided in their behavior focusing on compliance with laws, company regulations and ethical standards.

The Compliance Declaration made by the President states that success must never be achieved through legal and moral infringements and that "establishing rules and structure" and "developing a strong sense of commitment to realize compliance" are essential to becoming a corporate leader in compliance. Based on these guidelines, multifaceted compliance promotion activities are developed at every employee level, and each employee is encouraged to incorporate self-directed and proactive actions to yield an effective improvement in compliance awareness.

Permeation of Compliance Awareness

The CSR Manual which delineates rules for adherence by every corporate Group member is distributed to all employees to facilitate permeation of compliance awareness.

The manual clarifies Group CSR policy and outlines behavioral standards which each employee must follow during business activities.

To facilitate its usage as a tool for employees in gauging behavioral standards, the manual delineates following items:

- Concrete examples of compliance operations and the occurrence of compliance risks (explanations using a question and answer format and columns)
- Diagnostic checklist to help employees assess their own adherence to corporate behavioral standards.

The manual further details how to use the internal whistleblower system for simple risk detection and introduces an emergency contact system for use in a crisis to realize quick responses to compliance infringements.

Workplace Meetings on CSR

Workplace meetings on compliance were initiated in fiscal 2012 as a means of allowing compliance awareness to permeate to each and every employee and have been conducted for ten consecutive years through till 2021.

Transitioning into "workplace meetings on CSR" from fiscal 2018, these meetings introduced topics aligned with CSR policy, and are now being expanded to 21 Group companies within Japan in addition to the 380 GS Yuasa workplaces. The educational materials used in the meetings have been made by the division in charge for each topic and include content related to the circumstances of the Group. Vigorous debates took place at many of the meetings held in fiscal 2021, and 96% of the workplaces rated them as meaningful. We intend to continue running these meetings and upgrading the content to ensure that it is both up-to-date and educational.

Examples of themes of CSR workplace meetings

- · Corporate philosophy
- · CSR Policy and Code of Conduct
- Diversity
- · Preventing intentional wrongdoing
- · Handling confidential information
- · Subcontracting laws
- Personal information protection
- · Security trade controls
- · Intellectual property
- · Respect for human rights
- · Sexual/power harassment
- · Management of working hours
- · Occupational health and safety
- Product safety
- · Specific facility reports
- · Global warming and corporate responsibility
- · Promotion of supply-chain CSR activities

GS Yuasa Group Corporate Ethics Hotline

We established GS Yuasa Group corporate ethics hotline regulations and set up a corporate ethics hotline. Accessible both internally and externally, the hotline enables employees, temporary workers, suppliers and others to provide information anonymously if they become aware of behavior by a Group employee that violates the law or company regulations or is unethical or otherwise inappropriate or any matter that is at risk of becoming a violation. In addition, we ensure that information identifying whistleblowers managed rigorously and that whistleblowers are protected so that they are not subject to disadvantageous treatment as a result of making a report.

In fiscal 2021, we received eight reports relating to harassment and other matters. We conduct inquiries and take appropriate action, on these matters, while remaining committed to protecting whistleblowers.

Number of reports to the GS Yuasa Group corporate ethics hotline

FY	Number of reports
2017	6
2018	10
2019	7
2020	4
2021	8

Elimination of Antisocial Forces

The GS Yuasa Group clearly disavows contact "with personnel or organizations of organized crime" in our CSR Policy, while our CSR Code of Conduct similarly stipulates "separation from organized crime," stating a specific policy that, "we will not provide any form of benefit in excess of the normal shareholder's right to any person or company associated with organized crime" and "we will cut off business or any other relationships with individuals and organizations having an indication of support for organized crime." This policy and the Code of Conduct have been shared with all Group employees.

Information Security

Efforts to Ensure Information Security

Our Group places importance on global efforts to ensure information security. In addition to preventing malware infection of endpoints including PCs, we are strengthening our countermeasures by introducing tools that can quickly detect and respond if infection or intrusion is allowed to occur. In addition, through the regular monitoring of communications by an outside security service, the introduction of an illegal connection detection system and other measures, we endeavor to prevent illegal access to our in-house network and forestall damage. We promote awareness-raising activities so that our employees follow our "procedures for the management of information system usage." To prevent the outflow of confidential information, we conduct the encryption of personal computer data taken outside the company, the distribution of an information security handbook, the implementation of e-learning, and so on. Furthermore, based on domestic security standards, we conduct surveys of security measures in overseas Group companies and give guidance to address vulnerabilities.

Intellectual Property

Intellectual property strategy

The Group's intellectual property activities are based on the PDCA cycle of identifying patent strength, identifying and avoiding risks, and acquiring rights with an awareness of how to link these activities to the growth of GS Yuasa's business. We reinforced these activities during the period from the Fifth to Sixth Mid-Term Management Plans with emphasis on the following three points.

1 Transformation to strategic business

Using the landscape method, we analyze the patents of the Company and other companies, share information on technology trends with development and business divisions, and investigate countermeasures.

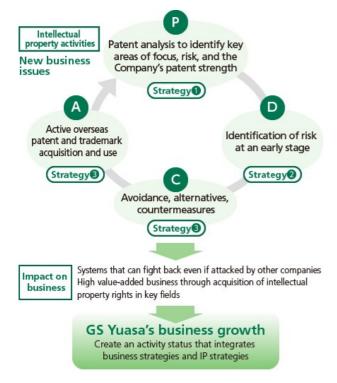
2 Division-oriented IP creation and clearance activities

Through personnel exchanges with business divisions and regular intellectual property meetings with development and business divisions, we are building a strategic patent network for promising technologies. In addition, we quickly identify intellectual property rights of other companies that may be an obstacle to our business and take advance measures to avoid them.

3Elimination of overseas competition

With regard to competition in China and ASEAN countries in particular, we conduct dismantling studies on information regarding the acquisition of patents by competitors and their products in order to secure interests in them. We also actively acquire and utilize rights.

■ Image of the Group's intellectual property activities



Communication with management

At the beginning of each fiscal year, we hold a business policy meeting to discuss activity policies with management as well as quarterly management meetings to report on these policies, new issues, and the status of disputes.

Issues investigated (partial list)

- Information on the patents of the Company and other companies relating to all-solid-state batteries
- Synergies with the patents of GS Yuasa Infrastructure Systems Co., Ltd.

Intellectual property creation activities

The Group conducts meetings on inventions policy with the aim of sharing information with the development division on important invention themes for the current fiscal year. It also ascertains which themes need to be addressed, establishes suitable mechanisms for building patent networks, and then prepares invention plans accordingly. Plan progress is reviewed, revisions are made at regular meetings, and measures are taken to achieve targets. In addition, to enhance the incentives for invention, we have an annual award system that encourages inventions throughout the Company including the Outstanding Invention Award for the patent that has contributed the most to business and the Best Inventor Award for those who have created inventions that are outstanding both in quality and quantity. In recent years, we have been focusing on promoting service-related patent applications to protect and utilize new businesses that make use of AI and IoT from the perspective of patents.

Global activities

In addition to applying for foreign patents for most domestic patent applications, the Group is also focusing on business defense through patent rights in order to curb competition from emerging companies overseas. In the area of trademarks, the Group has been curbing counterfeiters in China, ASEAN countries, and other countries by exposing them and suing for injunctive relief and has publicized major results on its own websites and the websites of overseas affiliates to curtail them.

Number of patent applications and patents held (FY2021)

Items	Domestic	Overseas	Total
Number of patent applications	310	156	466
Number of patents held	1,945	1,781	3,726

Transparent Information Disclosure

Good Communication with Society

We believe that for the GS Yuasa Group to achieve sustainable growth and increase corporate value, it is necessary that we undertake business activities while gaining understanding through positive dialogue with various stakeholders.

In recent years, the asset investment of shareholders and investors has become increasingly diversified and strong interest in the environmental initiatives and stakeholder relationships of investment targets has developed. The GS Yuasa Group appropriately discloses not just financial information, but also material information relating to sustainability and works to enhance the transparency of management.

Through our disclosures on this CSR website, we seek to deepen mutual understanding and build trusting relationships through communications with a wide range of stakeholders by publicly disclosing accurate, understandable, and highly useful information regarding the Group's material impacts on society and the environment.

Communication with stakeholders

We endeavors to communicate with shareholders, investors, and other stakeholders through various channels.

As investor relations activities, in addition to quarterly financial results briefings for institutional investors and analysts, we regularly hold individual interviews, conferences sponsored by securities companies, briefings for individual investors, and other events. Furthermore, we make use of investor relations sites to actively transmit information.

In addition, as a means of disseminating information internally, the director responsible for investor relations provides video presentations of financial results to managers on a half-year basis and regularly publishes and investor relations column on the PR portal site.

In the future, we plan to use in-house training programs to disseminate investor relations information. We endeavor to regularly share opinions obtained through these activities with management including the Board of Directors and reflect them in our management and business activities.

■ Record of main IR activities (FY2021)

Target	Activity content	Frequency	Remarks
Shareholders	Shareholders' Meeting	Once	
Institutional investors and analysts	Financial result briefing	4 times	Audio data (Japanese only) for the first and third quarters is available on the shareholder and investor information site Video clips (Japanese and English versions) for the second and fourth quarters are posted on the shareholder and investor information site
	Specific interviews	Japan:143 times Overseas: 28 times	
	Conferences	3 times	
	Small meetings	13 times	
	Technology small meetings	Once	Held jointly with research and development departments regarding initiatives on all-solid-state batteries
Individual investors	Briefing for individual investors	3 times	Held online with video and briefing materials posted on the shareholder and investor information site

Risk Management

Basic Approach

The GS Yuasa Group believes that risk management is essential for the lasting growth of the company. As our basic approach, the Group thinks that the following two points are important so that crises stemming from the escalation of risks do not exert a serious impact on the Group or on society. First, by predicting and understanding risks and adopting appropriate preliminary measures, the escalation of risks (outbreak of crises) can be prevented. Second, effective measures can be taken beforehand so that even if a crisis does occur, the loss is kept to a minimum. Based on this approach, to properly promote risk management, our Group has formulated risk management rules that stipulate the responsibilities of employees and our risk management promotion setup.

The structure and functions of risk management



Risk Management under the Group Risk Management Committee

The Group Risk Management Committee, headed by the president and consisting of the chairs of departmental Risk Management Committees, holds semiannual meetings to promote group-wide risk management and to encourage the sharing of key information related to risk management. In addition to making decisions on measures to promote risk management, the Risk Management Committee confirms that the appropriate risk management measures have been implemented, and the committee chairs report on progress in this area. We also actively exchange opinions and share information on the different styles of risk management and so on.

Risk Management Based on Risk Management Sheets

In accordance with the risk management rules, each department assesses risk using a risk management sheet. The following is an outline of these activities:

- Step 1: Identification of risks by departments and employees
- Step 2: Determination of risks that need to be intensively managed through risk management activities and determination of preventive measures
- Step 3: Monthly confirmation by each department of the status of implementation of related measures

The department also fills in the details of any critical events that occurred, measures are taken for early resolution and normalization of operations and efforts are made to strengthen management by identifying root causes, implementing and expanding preventive measures, and confirming their status each month using a risk management sheet.

The risk management sheets produced by the departments are compiled at the divisional level with the director in charge of the division verifying and assessing the status of response through the Risk Management Committee. The deliberations by the committees are summarized and then fed back to each department as required, to enhance the effectiveness of risk management.

System for Dealing with Crises

To prepare for the possibility that a risk materializes, we have established a system that includes an emergency contact network to swiftly implement crisis management. If a serious crisis occurs, members from the Group Risk Management Committee will be appointed to organize a crisis management headquarters, under the president, to minimize corporate losses, and an effective response will be implemented swiftly and with appropriate care.

Refer here for a summary of the Group's corporate governance. (https://www.gs-yuasa.com/en/ir/governance.php)

Respect for Human Rights



The GS Yuasa Group believes that the rights of all people must be respected in order to realize our philosophy of contributing to people, society and the global environment.

Management That Takes Human Rights into Consideration

Fundamental Approach to Respect for Human Rights

Respect for human rights is a cornerstone of the GS Yuasa Group's business activities, and we are cognizant that preventing the occurrence of human rights violations in Group decision-making and activities is a key element of management. Moreover, we conduct business on a global scale, and for this reason, we believe that proper management of human rights issues is crucial not just for GS Yuasa and its Group companies, but also in our relationships with domestic and overseas suppliers and other business partners.

Legal systems relating to human rights have been established in Japan and other countries in recent years, and corporate measures regarding human rights issues has become a matter of considerable stakeholder interest. The Group's fundamental approach regarding respect for human rights is expressed in the president's policy (CSR Policy), which is the foundation for the CSR activities of the entire group, and we make employees aware of this policy. In addition, we undertake human rights risk management by conducting human rights due diligence in accordance with the Guiding Principles on Business and Human Rights, international norms on human rights.

Policy on Respect for Human Rights (excerpted from the CSR Policy)

2. Respect for Human Rights

GS Yuasa will respect all human rights and fundamental labor rights, and will not tolerate any forced labor or child labor.

Identification of Human Rights Issues

The GS Yuasa Group identifies human rights issues that pose human rights risk in collaboration with outside experts so that we can conduct proper management of those risks (the risks of direct and indirect human rights violations arising from business activities). When identifying human rights risk, we take the following into consideration.

- Human rights issues that require management by a manufacturing business that is active on a global scale
- Setting the scope of application to persons subject to impact on human rights throughout the value chain (not limited to employees, but also including supplier workers, local residents, customers, users, and others)
- · Complicity in human rights violations that occur in the supply chain (contributing to human rights violations)
- Examples of human rights risks that have occurred in other companies

Human rights issues that may be impacted by our Group business activities

	Persons impacted by human rights					
Human rights issues	Suppliers	Employees	Local residents	Customers, users	Local communities	
Forced labor	•	•				
Child labor and dangerous work that puts young workers at risk	•	•				
Long working hours	•	•				
Inadequate compensation for labor	•	•				
Unsafe and unhealthy work environments	•	•				
Refusal to engage in collective bargaining	•	•				
Discrimination	•	•				
Inhumane conduct (harassment, etc.)	•	•				
Human rights violations in the mineral supply chain	•					
Indirect human rights violations resulting from QCD priority procurement	•					
Privacy violations		•		•		
Harm to health due to product accidents				•		
Harm to health due to environmental pollution			•			
Destruction of living environments from resource exploitation			•			
Destruction of living environments in conjunction with commencement of facility operation			•			
Violation of the rights of residents in conjunction with business development			•			
Inadequate compensation in conjunction with workforce restructuring		•				
Discriminatory expression in corporate advertising					•	

Improvement of Priority Human Rights Issues

The GS Yuasa Group conducts risk assessments regarding human rights issues and determines priority issues to be addressed. We use human rights risk response checklists that enable us to determine the status of responses to human rights issues and the occurrence of human rights risk and assess the degree of impact on human rights. We assess risk that originates not from business but from people from the perspective of whose rights and which rights will be negatively impacted from Group business activities. We address priority human rights issues by taking human rights risk countermeasures integrated into existing business processes.

To undertake human rights risk management in the supply chain, we administer a questionnaire survey of suppliers to confirm the status of their responses regarding human rights issues, and when necessary, request that suppliers take human rights risk countermeasures. We collaborate with a variety of stakeholders in the mineral supply chain and undertake activities to avoid being complicit in human rights violations in mineral procurement.

A summary of the human rights issues to be addressed as priorities by the main Group business company (GS Yuasa international Ltd.) is set forth below. We plan to expand this process to domestic and overseas Group subsidiaries in the future.

Priority human rights issues (GS Yuasa international Ltd.)

Priority human rights issues	Human rights risk	Persons impacted by human rights
Unsafe and unhealthy work environments	Risk that workers are unable to work in a healthy manner due to inappropriate occupational health and safety management	Employees
Harm to health due to environmental pollution	Risk of harm to the lives and health of local residents due to atmospheric pollution or water contamination resulting from business activities	Local residents

Grievance Mechanisms for Human Rights Violations

The GS Yuasa Group works to prevent and minimize negative impact on human rights throughout the value chain and has established a mechanism (the GS Yuasa Group corporate ethics hotline) to provide remedies to persons who have been negatively impacted.

We have established internal and external whistleblower systems that employees (including the employees of suppliers) who face a risk of human rights violations from business activities can directly consult or report on negative human rights impacts. If information concerning a possible violation of human rights is received, we promptly analyze the validity of that information and take appropriate remedial action based on the results of the analysis in order to prevent any expansion of human rights risk over the course of time.

Refer to page 19 for the GS Yuasa Group corporate ethics hotline

Promoting Human Rights Education

The GS Yuasa Group conducts employee education to implement business activities with respect for human rights.

The following enlightenment and education initiatives help employees to grasp various human rights issues and the importance of business activities keyed to human rights. When necessary, personnel participate in human rights management training sessions, nurturing and expanding knowledge vital in properly recognizing and evaluating human rights risks and their negative effects.

Human rights respect education

- Worksite training (meetings, discussions) in respect for human rights and avoiding harassment
- · Distribution of booklets and internal e-mail newsletters designed to increase respect for human rights
- · Distribution of our Group CSR policy manuals
- Human rights risk explanatory meetings targeting overseas site managers

■ Worksite Training on Respect for Human Rights and Harassment (Fiscal 2021)

Company	Number of Worksites	Worksite Implementation Rate (%)	Average implementation time (hours)
GS Yuasa International Ltd.	388	100	2.4
Group companies in Japan	168	100	2.9
Total	556	100	2.6

^{*}Implemented for all GS Yuasa International Ltd. employees

■ TOPICS

Worksite Training on Diversity

GS Yuasa International continuously conducts human rights education in the form of meetings for all employees. In fiscal 2021, we set "diversity (respect for diversity)" as an essential theme. Through discussions based on case studies in the workplace, we have strived to enhance awareness of the importance of respecting diversity and about unconscious bias (prejudices that one unconsciously holds due to past experiences, knowledge, and beliefs, among other things). In the future too, we are committed to promoting the creation of a culture that respects the diversity of all individuals so as to enable all employees to make the most of their multifarious values, experiences, knowledge, and abilities.

Prohibition of Discrimination and Respect for Diversity

Providing Fair Selection and Opportunity

The GS Yuasa Group promotes fair employee selection, evaluation and training based on ability and performance. We prohibit discrimination in recruitment, personnel assessment and other employee circumstances. Also, we respect diversity irrespective of race, gender, sexuality, nationality, place of birth, disability, religion or political opinion.

Respect for Labor Rights

Creating a Pleasant Workplace through Labor and Management Working as One

The GS Yuasa Group companies in Japan promote a pleasant workplace through labor and management working as one. GS Yuasa International Ltd. has adopted a "union shop system" and as a general rule all regular employees, aside from management, are members of the labor union (the rate of labor union membership is 100%, with the ratio of employees subject to collective bargaining being 79%). Furthermore, we are pursuing business based on mutual understanding achieved through labor union recommendations and active discussion on management policies of the Group companies in Japan, including working conditions and benefit programs for employees. In cases where an employee is transferred, the new workplace and details of the work are explained to the employee at least one month before the transfer order is issued. With regard to transfers of labor union members, the labor union confirms with the employee whether the transfer is unreasonable, and labor and management work together to create an organization where employees are convinced regarding the appropriateness of transfers and are provided opportunities for growth. Through such labor-management relations, we will continue to ensure the objectivity and transparency of company management and increase the effectiveness of our various initiatives.

■ Labor-Management Consultative Structure on Labor Rights (Domestic Group Companies)

Name of Labor-management consultative body	Meeting frequency	Content
Management council	4 times/year	Company's management policies, business conditions and status of business execution, etc.
Divisional committee	Monthly	Checking the status of work hours and making improvements by R&D and business division
Factory committee	Monthly	Checking the status of work hours and making improvements in production divisions
Central health and safety committee	2 times/year	Consultations on policies and initiatives related to Group-wide health and safety management
Health and safety committee	Monthly	Initiatives to prevent occupational accidents
Expert committee on work hours	Monthly	Checking the status of work hours and making improvements
Expert committee on the Development of Future Generations	4 times/year	Consultations on childcare and nursing care support systems and development of diverse working conditions

Prohibition of Forced Labor and Child Labor

Basic Rules on Forced Labor and Child Labor

The GS Yuasa Group has established and enforces the basic rules on forced labor and child labor. We build a system to take immediate corrective action upon discovering forced labor or child labor by a supplier.

Prohibition of Forced Labor and Child Labor

We will neither force labor, nor employ children under the legal working age. Furthermore, we will not tolerate forced labor or child labor in any way.

Avoidance of complicity in human rights abuse

Directly or indirectly, we will not be complicit in human rights abuse.

Responses to Laws and Regulations on Modern Slavery and Wage Disparities

The GS Yuasa Group complies with the laws and regulations of every country and region, taking all necessary steps to meet the provisions of the UK's Modern Slavery Act enacted in 2015 and the Gender Pay Gap Information Regulations enacted in 2017 as one of the activities involved in securing the transparency of business.

GS Yuasa Battery Europe Limited (GYEUR), an overseas Group company in the United Kingdom, has released statements on its website regarding these laws and regulations and information on the status of its undertakings. This company will continue to periodically release information in the future.

Kefer here for relevant information (link the GYEUR website). (https://www.yuasa.co.uk/csr-policies-modern-slavery-statement/)

Respect for Individuality

Measures to Prevent Harassment

The GS Yuasa Group is aware that harassment is a violation of human rights that harms the personal dignity of employees and causes deterioration of the workplace environment. For this reason, we take measures to prevent harassment.

Since fiscal 2020, we have distributed to employees cards with information about harassment policies and have posted in worksites educational posters on the prevention of harassment in order to ensure that employees are fully aware of policies regarding the prevention of harassment. We also conduct e-learning on workplace power harassment to enhance employee understanding. Further, we educate newly appointed managers with the aim of enhancing their awareness of cases of power harassment and guide them on how to respond when they receive reports from subordinates about damage from harassment. We are committed to ensuring that each and every employee is fully aware of the need for preventing and resolving harassment to secure a comfortable working environment without human rights violations. In addition, we established an exclusive harassment consultation hotline available to all Group employees and established a mechanism to rapidly provide remedies to the victims of harassment.

The Group seeks to establish work environments where all employees can work comfortably and create good workplaces with free and open communication by implementing measures to prevent harassment.

Policy on the prevention of harassment

- The Group does not tolerate any conduct that harms the personal dignity of individuals including sexual harassment and power harassment. Overlooking such behavior is also not permitted.
- · Group employees shall not engage in harassment or any other conduct that harms personal dignity.
- The Group shall establish hotlines to resolve harassment and other such problems and will strive to achieve prompt and
 appropriate resolutions. Persons who consult with such hotlines or cooperate with confirmation of the facts shall not be
 subject to any detrimental treatment. In addition, privacy shall be protected.

Human Rights Risk Management at Overseas Group Companies

Responding to Human Rights Issues at Overseas Group Companies

To avoid or mitigate negative impacts on human rights from our business activities, the Group conducts measures to address human rights issues at overseas Group companies.

Specifically, our CSR promotion inspectors toured working environments and examined other aspects of overseas Group companies, confirming compliance with the legal systems in nations and regions where business is conducted and making comparisons with international human rights standards.

In addition, we analyze and evaluate the results of those inspections and implement necessary countermeasures while taking into consideration the national and local culture and customs where we conduct business.

Main inspection items

- · Presence of forced labor, child labor, discrimination
- Work hours and wage management
- · Respect for diversity (employment of persons with disabilities, promoting women's empowerment, etc.)

- Humane treatment (harassment, internal whistleblower system, etc.)
- · Freedom of association
- · Occupational health and safety, health care
- Comfortable working environments (job turnover, etc.)
- Human resources development, fair evaluation and personnel treatment systems

Examples of responses to human rights issues (Fiscal 2021)

Comprehensive labor management

We conducted a survey on working hours and the status of wage management at overseas Group companies and shared information on problem areas relating to labor management by providing feedback of the survey results. We also take measures with the aim of creating mechanisms that enable overseas Group companies to practice appropriate labor management.

Harassment prevention

We distributed videos on Group human rights policies and social trends relating to harassment to overseas resident employees transferred from Japan. In the future, we will conduct training on preventing harassment for local employees.

Prevention of health hazards

In order to prevent harm to health from the lead that is used as a raw material of products, we implemented work environment improvement measures based on the results of periodic measurements of employee blood lead concentrations (measures included improvement of production equipment used to handle lead and instruction on the proper methods of use of protective gear).

Conservation and Improvement of Adequate Working Environment

The GS Yuasa Group respects diversity and works to maintain and improve a pleasant working environment. We are also committed to developing human resources with an emphasis on workplace conditions.

Provision of Comfortable Working Environment

Basic policy

The Group believes that the ability of everyone to fully demonstrate their capabilities and continue working in good physical and mental health is crucial and takes measures with an emphasis on worksites that facilitate work and providing meaningful work. We also strive to establish work environments that facilitate communication.

To progressively raise employee satisfaction, the Group moves to secure outstanding personnel, boost labor productivity and otherwise enhance its corporate competitiveness.

■ Number and ratio of new employees (FY2021, domestic companies)

Number	r of new	Ratio (%)		Breakdown of new employees (person)				
Age group	Age group employees (person)			New graduates		Mid-career employees		
Male	Female	Male	Female	Male	Female	Male	Female	
10's	27	5	17.1	3.2	27	5	0	0
20's	64	31	40.5	19.6	53	22	11	9
30's	22	3	13.9	1.9	0	0	22	3
40's	4	0	2.5	0.0	0	0	4	0
50's	0	0	0.0	0.0	0	0	0	0
60's	2	0	1.3	0.0	0	0	2	0
Total	119	39	75.3	24.7	80	27	39	12

■ Number of resignees and job turnover (FY2021, domestic companies)

Age group	Number of resignees (person)		Job turnover (%)		
	Male	Female	Male	Female	Total
10's	1	0	3.7	0.0	3.1
20's	19	6	3.6	3.7	3.6
30's	25	6	3.4	5.3	3.6
40's	11	0	1.6	0.0	1.4
50's	9	3	0.9	2.4	1.1
60's	5	0	2.6	0.0	2.4
Total	70	15	2.2	2.9	2.3

■ Number and Breakdown of Employees (FY2021, domestic business companies)

Tunes of ampleyage	Number	(persons)	Ratio (%)		
Types of employees	Male	Female	Male	Female	
Fulltime employee	2,945	485	80.8	13.3	
Fixed-term employment	192	25	5.3	0.7	
Total	3,137	510	86.0	14.0	

Ratio of female employees to all employees

Scope of application	FY 2018	FY 2019	FY 2020	FY 2021
GS Yuasa International Ltd.	12.6	13.2	13.4	14.0
Entire Group	12.7	11.7	11.2	11.1

TOPICS

Introduction of GLTD Program

The Group introduced a group long-term disability (GLTD) insurance program in November 2019 with the aim of creating an environment where employees can work with reassurance and expanding our benefits programs. If an employee requires an extended period of recuperation due to injury or illness, the GLTD program creates an environment that allows the employee to focus on recovery without worrying about income, supporting a rapid return to work. The program provides a certain level of income up to age 60 and adds supplementary benefits through the self-help efforts of employees.

TOPICS

Implementation of Mentality Management Diagnosis

Since fiscal 2021, the Group has introduced mentality management diagnosis to measure employees' mental health and engagement (enthusiasm for work and for the organization). Our aim is to adopt measures for improvement by preventing disorders based on an understanding of the status of employees' mental health, and by recognizing existing organizational issues based on an understanding engagement status that encourages the revitalization of the organization. We are committed to continued examination of the results of regularly conducted diagnosis to promote the development of effective measures and the creation of an environment where all can continue working with a sense of fulfillment.

Conservation and Improvement of Safety and Health in Working Environments

Top-Management-Promoted Health and Safety Measures

The GS Yuasa Group promotes company-wide endeavors to build a corporate culture of safety. Based on the Health and Safety Declaration by the President, our uncompromising commitment is to protect all employees (including contractors) from injury, sickness and other workplace issues.

The Fundamental Health and Safety Policy sets forth the Group's basic thinking on the optimum approaches in this domain. Our Occupational Safety and Health Division is instrumental in strengthening health and safety management at both domestic business sites and overseas Group companies. We established organizational structures and carry out safety and health measures centered on safety and health committees established in individual business divisions and companies.

Additionally, our domestic business sites as well as the majority of the production companies of our overseas Group companies have obtained the occupational health and safety management systems in compliance with international standards (ISO 45001) certification. Our Group companies in Japan are currently working to acquire ISO 45001 certification and seek to achieve effective management aimed at Group-wide attainment of the Fundamental Health and Safety Policy. We are committed to continual improvement of our health and safety performance by making effective use of systematic mechanisms based on the PDCA cycle.

Fundamental Health and Safety Policy

Fundamental Philosophy

We will create a corporate culture that ensures worker's safety and health.

· Action Agenda

Top management presents the following action agendas for the succession of advanced energy technologies developed in our battery business and for the realization of our fundamental philosophy.

- 1. We will fulfill legal requirements, invest resources and stipulate procedures for all of our operations in order to ensure a healthy and safe working environment.
- 2. We will promote continuous improvement to the management system to achieve determined goals for health and safety.
- 3. Managers/supervisors will grasp the root causes of dangers associated with safety and health and take measures systematically to lower their risks.
- 4. Through conference and discussion, managers/supervisors will reflect opinions of employees to activities promoting health and safety.
- 5. Managers/supervisors will not overlook unsafe behavior of employees and will provide guidance to correct them.
- 6. Employees will follow predetermined rules related to safety and health in order to protect their own selves.
- 7. Employees will make a report to their superiors requesting for improvement of facilities or procedures when he or she finds the root cause of danger.

ISO certification acquisition rate at domestic and overseas production sites

79%

Overview of Organizational Structure



Reducing Occupational Accident Risk

At all worksites of plants at domestic business sites, we identify potential hazard sources by conducting general inspections using risk assessment methods and take mitigation measures according to the scale of the risk. Similar measures are also taken concerning indications made by periodic on-site safety patrol activities conducted under the leadership of the safety and health officer. In the event of an industrial accident, the cause of the occurrence is investigated and measures are taken to prevent recurrence. In addition, information on accident occurrence status is shared with all employees in a timely manner. By doing so, we implement activities to prevent the actualization of occupational accident risks. Further, even in workplaces dealing with hazardous substances, we take risk reduction measures utilizing risk assessment of chemical substances and regularly monitor the impact on the working environment and workers' health in accordance with laws and regulations. In fiscal 2020, we have been focusing on adopting essential measures (including eliminating hazard sources) and engineering measures (including improvements towards equipment that comes with safety functions) to eradicate "getting stuck or caught in machinery" which is the top cause of industrial disasters.

We continuously reassess occupational accident risks, indicate sources of risk, and recommendations related to improvements at the production plants of overseas Group companies based on the results of safety and health audits conducted by CSR promotion inspectors. When improvements concerning indications are made, information on domestic management criteria and operational processes is shared, leading to lower risk throughout the Group. In fiscal 2021, although on-site audits of overseas Group production plants were suspended due to the impact of the worldwide spread of COVID-19, we adopted measures to prevent occurrence of risks by sharing information on the status of operations management of serious occupational accidents risks and details of countermeasures. Further, we distributed teaching materials containing a summary of examples of past risk countermeasures to each plant to support the realization of effective safety and health education. In fiscal 2022, we plan to resume safety and health inspections at our Group production plants overseas.

Implementation period of safety and health risk assessment

- · Adoption of new raw materials or changes in raw materials
- · Adoption of new equipment or changes in equipment
- Adoption of new work methods and procedures or changes in work methods and procedures
- Installation, repair, and dismantling of structures
- · Occurrence of occupational accidents
- Changes in risk factors (aging of machinery, equipment, etc.)

■ Status of occurrence of occupational accidents (GS Yuasa International Ltd.)

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Missed work frequency rate *1	0.45	0.47	0.62	0.55	0.30
Average frequency rate in manufacturing industry	1.02	1.20	1.20	1.21	1.31
Rate of intensity*2	0.01	0.00	0.01	0.00	0.00
Average rate of intensity in manufacturing industry	0.08	0.10	0.10	0.07	0.06

^{*1} Missed work frequency rate is the number of people missing work per 1,000,000 work hours

■ Targets related to occupational accidents risk (FY 2022)

	Target		
Items	Domestic business sites	Overseas Group companies	
Number of serious occupational accidents	None	None	
Number of workers not meeting our blood lead concentration management standards	None	None	
Number of worksites in work management category III	None		
Missed work frequency ratio	0.3 or less	1.8 or less	

Please see here for details in targets and results for previous fiscal year.

(https://www.gs-yuasa.com/en/csr/pdf/materiality_2021.pdf)

Ensuring Safety for Passage in the Vicinity of Plant Sites

At domestic business sites, we create safe environments for travel within plant sites by installing soft poles to separate vehicles and pedestrians, optimizing the number and positions of crosswalks, setting one-way routes for vehicles, restricting bicycle access, and taking other measures.

At the Kyoto Plant, we have implemented radical measures to reduce the chances of contact between pedestrians and vehicles by relocating on-site vehicle and bicycle parking lots to places without pedestrian walkways. In addition, we ensure the safety of bicycles and pedestrians passing near site gates by taking measures to improve visibility on roads and sidewalks around the plant and installing automatic alarm devices to provide notice when vehicles enter and exit.

Besides, overseas Group companies are also working to create a safe environment in the vicinity of plant sites. In order to ensure the safe passage of local residents and employees, we have installed signals in front of our business site at Yuasa Battery (Thailand) Pub in Thailand, in cooperation with the local police. In addition, we are also making efforts to regulate the speed of moving vehicles by displaying deceleration marks on the surface of roads within business site. The Group is committed to continued efforts to prevent traffic accidents within and outside the plants, through strict enforcement of traffic safety measures and of rules for passage.



Separating vehicles and pedestrians by installation of soft poles (Kyoto Plant)



Road surface with markings for deceleration (Yuasa Battery (Thailand) Pub)

^{*2} Rate of intensity is the number of lost days due to accidents per 1,000 work hours

Heatstroke Countermeasures

To respond to the recent increase in occupational accidents caused by heatstroke in our domestic business sites, we are working to prevent the occurrence of occupational accidents caused by heatstroke by informing workers about heatstroke countermeasure guidelines specifying measures for mitigating the adverse physical effects of working in a high-temperature, high-humidity environment, the timing of breaks, and other matters.

Examples of countermeasures against heatstroke

- · Displaying heatstroke alerts (alerts for employees through banner-flags indicating the level of heatstroke alert for the day)
- · Holding regular seminars on countermeasures against heatstroke
- Introduction of work clothes to suppress rise in body temperature
- Recommendations for using parasols when walking in the plant premises
- · Ready availability of emergency response kits (with salt supplements and ice packs) to mitigate the initial symptoms of heatstroke





Banner-flag indicating the level of heatstroke alert

Raising Worker Awareness Concerning Safety

The GS Yuasa Group conduct activities intended to raise worker awareness of safety in order to maintain and improve safety and health management operations.

We also ensure that safety and health activities are well-established and raise their levels by conducting education and training to prevent safety and health risks from occurring.

Examples of activities for raising safety awareness

- Posting statements of management intent concerning occupational safety at all worksites
- Distribution of site safety cards with basic site safety information
- · Periodically conducting safety and health awareness surveys
- Display of awareness posters for raising awareness of basic safety behavior in the premises
 - *Such as not walking with your hands in your pockets, holding a railing when climbing stairs, ensuring pointing and calling at the crossing

Examples of education and training to prevent safety and health risks from occurring

- · Periodic training on hazard avoidance techniques (including risk prediction and risk assessment)
- · Periodic experience-based risk training for employees to gain first-hand understanding of the nearby risks at the worksite





Experience-based risk training (Kyoto Plant)

Experience-based risk training (P.T. GS Battery)

Participation in safety and health education (Fiscal 2021, GS Yuasa International Ltd.)

Classification	Items	Number of participants (persons)	Intended audience
	Experience-based risk training	640	
General education	Courses on risk assessment	176	All employees (including contractors), suppliers
	Training for hazard prediction	54	
Specialized education	Education of safety trainers	250	Persons (including contractors) promoting activities for workplace safety

Ensuring Appropriate Working Hours

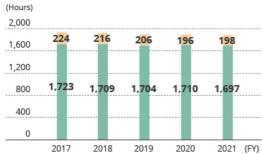
Optimizing Work Hours

Aiming to be a workplace that protects the health of employees and enables them to work with peace of mind, the GS Yuasa Group is striving to ensure the most appropriate work hours through cooperation between labor and management. GS Yuasa International Ltd. has introduced and managed systems to accurately understand and manage work hours (attendance management system and access control system). Moreover, an expert committee combining labor and management is held monthly, and we check the condition of employees working long hours and other related matters, making efforts to manage appropriate working hours.

We are taking steps to reduce labor hours for employees who had worked long hours by providing consultation with an industrial physician and through an advisory system (see "Work Style Reform" below) for supervisors. In addition, we provide compliance-related education with the themes of promoting understanding of work hour rules and appropriately managing work hours, to employees.

Annual Working Hours

Average number of fixed hours worked annually by employees in Japan
 Average number of overtime hours worked by employees in Japan



^{*}Notes: Employees do not include personnel on leave or those transferred to workplaces overseas.

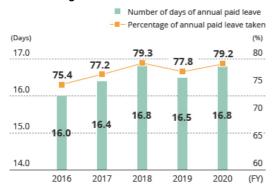
Work Style Reform

At GS Yuasa Group, labor and management are working as one to reduce long work hours and encourage employees to take annual paid leave with the aims of improving work efficiency and enhancing creativity at work by making sure employees stay physically and mentally healthy.

Examples of initiatives to provide variation in work style

- Setting one "no overtime" day a week
- · Making it compulsory to take at least 10 days of annual paid leave
- Work-life synergy leave (consecutive paid leave is recommended)
- · Prohibiting two consecutive days of work on prescribed holidays
- Prohibiting overtime late at night (10 p.m. to 5 a.m.)
- Postponing the start-time next day in case of overtime work till late night (securing rest time)
- Introducing a system to monitor employees working in excess of the standard hours, and providing advice to supervisors on how to deal with overtime issues
- Promoting improvement activities that contribute to the enhancement of work efficiency and creativity and the optimization of work allocation
- Implementing a commendation system for improvement activities that have enhanced workability and productivity beyond a certain level

Percentage of Annual Paid Leave Taken



^{*}Notes: Employees do not include personnel on leave or those transferred to workplaces overseas.

^{*}Number of annual prescribed workdays = prescribed work hours minus hours taken for leave and hours absent due to tardiness, leaving work early, etc.

^{*}Period: January to December

^{*}Monthly average number of overtime hours worked: 16.5 hours (fiscal 2021)

^{*}Period: September to August

 $^{^{\}star}$ Rate of acquisition for the number of statutory days granted: 94.2% (fiscal 2020)

Securing the Minimum Wage

Payment of Proper Wages

In order for employees to live a safe and healthy life, it is important that wages that are the source of daily bread for employees are paid properly and reliably.

In order to ensure employee wages are calculated accurately and payments made without delay, the Group operates thoroughly based on internal rules that establish methods for paying appropriate labor compensation and so on. In addition, the Group also provides clearly comprehensible payment statements when making wage payment, and enough information is included on the payment statement to verify labor compensation. Further, there is no system (gender-based wage structure, personnel evaluation standards etc.) that lead to gender pay gaps.

Besides paying employees a basic salary above the local minimum wage, the Group promotes initiatives to ensure fair treatment regardless of type of employment.

Comparison of standard newcomer salary to local minimum wage (Fiscal 2022, GS Yuasa International Ltd.)

Occupation	Ratio (average)
Career-track positions	136%
Manufacturing jobs, clerical work	114%

^{*}Calculated based on data on status of minimum wage revisions by region (Ministry of Health, Labour, and Welfare)

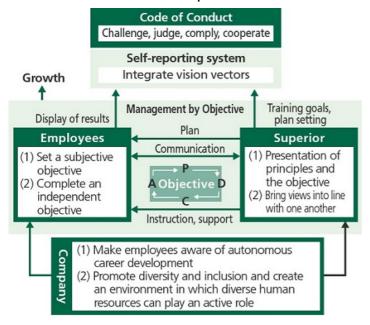
Mid to Long-term Human Resources Development and Appropriate Ability Assessment

Fostering Autonomous-minded Human Resources

At the GS Yuasa Group, front-line workplaces are the engine that generates corporate value, and the lead players in those workplaces are our employees. We believe the best training is on-the-job training, so with a strong focus on management by objective we implement training to nurture autonomous-minded human resources. In addition, Off-JT (Off-the-job training) such as trainings by rank and free participation type of training is used to improve leadership and management skills and implement career development. With respect to career development, we promote career management in which all employees take the initiative in setting goals and thinking about their vision of work by implementing annual reviews relating to career formation.

We plan to introduce training for mid-career employees in fiscal 2022. The objective of this training is to encourage mid-career employees to make maximum use of the knowledge and abilities they possess and to engage in work by proactively thinking about their goals and vision of their work. Going forward, we are committed to further expansion of educational opportunities for all personnel and to promoting diversity management that leverages the diverse individualities of employees to enhance organizational strength.

■ Basics of Human Resource Development



■ Training System

Classification	Training name
Rank	•New division manager training, •New manager training, •New leader training, •Management training (in the 4th year after being appointed to a managerial position), •Career advancement training(sixth year after joining the company), training(sixth year), •Power-up training (in the 4th year after joining the company), •Skills improvement training(third year after joining the company), •Logical communication skills training(second year after joining the company), •New employee training, •Mentor training, •Training for mid-career employees (scheduled to commence in fiscal 2022), •Training for career development
Business Skills	•Logical communication training, ●Facilitation training, ●Time management training, ●Training for coaching (scheduled to commence in fiscal 2022), ●Project management training, ●English email writing training, ●Skills training(external)
Personal Development	•Online language lessons, •Distance learning, •Online courses, •Online courses for business skills, •The Japan Business Law Examination(external), •Business Accounting Examination(external)
Global Human Resource Development	Overseas practical training program(Training of candidates for overseas assignments), ◆Pre-overseas assignment training(language, management skills, etc), ◆Training for nurturing next-generation management
Diversity	•Training for women's career advancement, •Training for diversity management (managerial positions), •Leadership enhancement program

■ Training hours for human resources development (FY2021, GS Yuasa International Ltd.)

Item	Classification	Average training hours (h/person)	Total training hours (h)
Condor	Male	5.47	17,160
Gender	Female	8.97	4,574
Toward of annularies	Indefinite-term employment	6.31	21,657
Types of employees	Fixed-term employment	0.35	77

Respect for Individual Work-Life Balance

Promoting Women's Empowerment

The Group is committed to increasing opportunities for female employees to play an active role by supporting the two axes of "career development" and "support for work-life balance."

In 2018, the Company launched the GY Mirai Project to actively recruit diverse human resources and continuously develop an environment that allows each individual to make the most of their individuality and abilities, and to create a workplace where each individual can continue to work with enthusiasm and fulfillment. Further, top management regularly sends out messages to all employees about the importance and significance of promoting women's empowerment.

President's Message

We are committed to "fostering autonomousminded human resources" and "diversity and inclusion," and to the actualization of our corporate philosophy of "Innovation and Growth."

Our aim is to create an environment that nurtures a culture in which diverse human resources can grow together and play an active role and to be a company where each individual can continue to work with enthusiasm and fulfillment.

Our company will continue to promote the "three Ls" and to cultivate diversity and inclusion that enables all employees to keep on shining, embracing their individual capabilities.

■ The "three Ls"





■ Roadmap for promoting women's empowerment

Promoting Diversity

Promoting the Active

Participation

Supporting Work and Childcare Balance

Creating workplaces where women raising children can also continue working



Certificated in 2017

Supporting the Active Participation of Women

Creating workplaces where employees can demonstrate their abilities regardless of gender



Certificated in 2020

of Women

Creating workplaces where employees can contribute to enhancing

where employees can contribute to enhancing competitiveness regardless of gender



Selected in 2021

Creating workplaces where diverse human resources can demonstrate their abilities to the fullest regardless of gender, age, or nationality, and can contribute to enhancing corporate competitiveness

Action Plan Promoting Women's Empowerment (April 1, 2019 to March 31, 2023)

Objective 1

Raise ratio of women among new graduates recruited for career-track positions every year to over 30%

Objective 2

Raise understanding of childcare support systems to encourage male employees to participate in childcare

Objective 3

Raise the maximum limit on use of half-day paid leave

■ Important management indicators regarding measures to promote the active participation of women (unit: %)

Classification	Objectives (FY2024)	Results (FY2021)
Percentage of women among new graduates recruited for career-track positions	30.0	27.4
Percentage of women among workers	15.0	14.1
Percentage of women in managerial positions	4.0	3.5
Percentage of women at assistant managers rank	10.0	8.9
Percentage of men taking childcare leave*	40.0	22.5

^{*}Objective values have been changed from FY2022.

Initiatives to expand opportunities for active participation of female employees

- Establishing processes for incorporating initiatives to promote women's empowerment in evaluation indicators for managers and evaluation criteria for appointment to managerial positions
- · Ensuring fairness in promotions and appointments (responding to life events) and assigning roles according to expertise
- Strategic appointment of female managers and officers (including medium- to long-term securing of female employees with advanced abilities and high motivation for promotion)
- · Considering mid-career recruitment of female managers (including candidates for managerial positions)



First Certified as a Nadeshiko Brand

The company has been selected for the Nadeshiko Brand that is jointly sponsored by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange.

The Nadeshiko Brand aims to promote investment in companies and accelerate corporate initiatives by introducing listed Japanese companies that excel in promoting women's empowerment as attractive stocks to investors who place importance on improving corporate value over the medium to long term.







Conducting Exchange Meetings between Women Directors and Women Managers

In May 2021, we held the Group's first exchange meeting between women directors and women managers.

On this occasion, the participants shared information about their current situation with each other while discussing specific issues faced by them. In addition, through various exchange of opinions, the meeting served as an opportunity to once again confirm the direction of the Group to nurture respect for diversity through the promotion of active participation of women and going beyond to foster respect for all diversity.



Conducting Career Advancement Training for Female Assistant Managers

In January 2022, GS Yuasa International Ltd. conducted training targeting female employees at the assistant managers rank with the aim of enabling them to face the challenges and anxieties of balancing life events with career development for positive career advancement. While providing opportunities to recognize individual qualities and strengths by using diagnostic tools, and to learn how to leverage one's strengths to demonstrate leadership based on one's own individual style, we also held panel discussions featuring female managers and guest lecturers, to foster familiarization with managerial positions. We believe this has led to the nurturing of a career vision among female employees that focuses on managerial positions.

Employment of People with Disabilities

To promote the employment of people with disabilities, GS Yuasa International Ltd. offers a wide range of opportunities to people with disabilities, including in a company certified as a special subsidiary in December 2007.

As of April 1, 2022, 2.68% of employees were people with disabilities, which exceeds the legally mandated employment rate of 2.3%. We will continue to manage employment so that people with disabilities can put their skills and qualities to good use in an effort to maintain and improve a pleasant work environment.

Change in employment rate for persons with disabilities

Scope of application	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
GS Yuasa International Ltd.	2.74	2.79	2.53	2.56	2.68

Rehiring of Elderly Employees

Our Group operates a rehiring system by which employees who have reached mandatory retirement age can continue to work and utilize their wealth of experience and high-level skills and abilities. If an employee who has reached mandatory retirement age wishes to extend his or her employment with us, appropriate decisions on conditions and personnel assignment are made based on an evaluation of job necessity, the employee's work ability, and other factors. Furthermore, as with currently active employees, we operate a work target management system and reflect job performance in conditions so that rehired employees can work with motivation.

In the future, as Japanese society continues to be characterized by a low birthrate and further aging, the securing of human resources is expected to become increasingly difficult. Not only does our Group see the employment of senior citizens as one measure to alleviate the labor shortage, but we aim to improve our capacity for sustained business growth by enabling outstanding elderly people to display their skills and know-how.

State of Rehiring of Elderly Employees (FY2021, domestic companies)

Classification	Number of rehired employees (persons)	Rehiring ratio (%)	Employment ratio of rehire applicants (%)
Male	73	80.2	100.0
Female	7	100.0	100.0
Total	80	81.6	100.0

^{*}Rehiring ratio: Ratio of rehired employees to retirees.

^{*}Special subsidiary: A system based on the Disabled Persons Employment Promotion Law, under which, when a subsidiary is certified by Japan's Ministry of Health, Labor and Welfare as giving special consideration to the employment of people with disabilities, it can be regarded as one of the parent company's business establishments when calculating the employment rate of people with disabilities.

^{*}Employment ratio of rehire applicants: Ratio of employment of retirees wishing to be rehired.

TOPICS

Initiatives for Middle-Aged and Advanced-Age Employees

GS Yuasa International Ltd. conducts seminars on career training and life-planning targeting employees above 50 years of age.

As part of career training, we support employees' career development to enable them to continue to be reliable human resources by nurturing a renewed recognition of their strengths as experienced employees. The aim of life-planning seminars is to support employees in deepening their understanding of life-money planning and asset management and assist them in leading an enriched second life after retirement.

Going forward, we will continue to nurture an environment where middle-aged and advanced-age employees can demonstrate their valuable know-how and skills.

Supporting Work Alongside Childcare/Nursing Care

At GS Yuasa International Ltd., we aim to create an environment that makes it easy for employees to participate in childcare and nursing care and to this end we have established a support system for childbirth, childcare, and nursing care. To encourage employees to use this system, we have also set up an in-house electronic message board called Supporting a Work and Childcare/Nursing Care Balance where we disseminate information on childcare-related systems to employees. Further, the company has released a Handbook on Supporting Work-Childcare Balance targeting superiors and subordinates, and distributed it to all employees. In addition, we aim to create workplaces where all employees, regardless of gender, can use the systems, by raising awareness of the systems through trainings by rank for the management as well, and by other means.

In fiscal 2022, we commenced a system in which employees can avail subsidized usage fees (up to 4,400 yen per day) when they use babysitters*. We are committed to improving our systems to enable employees to demonstrate their abilities while balancing work and childcare.

*Applies to the babysitter dispatch services provided by the All Japan Childcare Services Association commissioned by the Cabinet Office.

■ Childbirth, Childcare and Nursing care support systems

Item	System	Details
	Alleviation of commutation during pregnancy	System under which work at the beginning or the end of working hours is exempted for female employees who are pregnant(up to 60 minutes/day)
	Maternity leave	System under which a leave of absence for six weeks before childbirth (14 weeks in case o multiple pregnancy) and eight weeks after childbirth can be obtained
	Leave for going to hospital during pregnancy/maternity protection leave	System under which female employees who are pregnant or have spent only less than one year after childbirth can obtain a leave for medical examination, etc.
	Maternity protection leaves	System under which female employees who are pregnant or have spent only less than one year after childbirth can take leave(up to one year)
	Paid leave for births	System under which employees who have a newborn can take leave (three days)
Childbirth, Childcare	Childcare leave	System under which employees who are bringing up a child/children can take leave (as the maximum period, until a child reaches the age of two)
- Ciliacare	Short-time working due to childcare	System under which employees who have a child in the sixth grade or under in elementary school or a child with disability can work for a short time or work with a flexible schedule
	Nursing leave	System under which employees can take leave for nursing a child in the third grade or under in elementary school(five days/year for one child; ten days/year for two children or more)
	Breast-feeding hours	System under which employees can get time for breast-feeding a baby under a year old (twice/day, 30 minutes each time)
	Exemption/limitation of overtime work and latenight work	System under which employees who are raising a child can be exempt from/limit overtime and late-night work
	Issuing discount vouchers for babysitter dispatch services	A system in which employees who use babysitters can avail subsidized usage fees (up to 4,400 yen/day per child)
	Long-term nursing care leave	System under which employees who are caring for a family member can take leave (up to one year)
Nursing	Short-term nursing care leave	System under which employees can take leave for nursing a family member (five days/year for one person; ten days/year for two persons or more)
care	Short-time working due to nursing care	System under which employees who are caring for a family member can work for a short time or work with a flexible schedule (up to three years)
	Exemption/limitation of overtime work and latenight work	System under which employees who are caring for a family member can be exempt from/limit overtime and late-night work
	Accumulated leave	System under which employees can accumulate the number of days for annual paid leave whose validity has expired(up to 40 days, acquired for the reason of nursing care for a family member or raising a child in the third grade or under in elementary school, etc.)
Others	Leave in hourly units	System under which employees can take leave in hourly units from granted annual paid leave (maximum of 40 hours/year)
	Telecommuting program	A program that allows employees to work from home, so they can balance work with childcare or nursing care
	Return to work program	A program for rehiring employees who left work for childcare, nursing care or other similar reasons to return to work if certain conditions are met

■ Utilization of Childcare support system (Childcare leave)

	Females			Males		
FY	Number of users (person)	Usage rate (%)	Return-to-work rate (%)	Number of users (person)	Usage rate (%)	Return-to-work rate (%)
2017	8	100.0	87.5	1	1.2	100.0
2018	15	100.0	91.0	2	2.8	100.0
2019	18	100.0	100.0	3	2.7	100.0
2020	14	100.0	100.0	9	9.1	100.0
2021	21	100.0	100.0	27	22.5	100.0

^{*}Notes: Employees do not include personnel on leave or those transferred to workplaces overseas.

Utilization of Nursing care support system

	Long-term no	ursing care leave	Short-term nursing care leave		
FY	Number of users (person)	Return-to-work rate (%)	Number of users (person)	Total Number of days (day)	
2016	1	100.0	10	30.0	
2017	1	100.0	14	63.5	
2018	2	100.0	23	103.0	
2019	1	0.0	23	99.0	
2020	1	0.0	24	116.0	
2021	1	0.0	_	_	

^{*}Notes: Employees do not include personnel on leave or those transferred to workplaces overseas.

TOPICS

GS Yuasa has received Platinum Kurumin certification

Platinum Kurumin is a program of certification granted by Japan's Ministry of Health, Labour and Welfare to organizations that provide high levels of childcare support.

GS Yuasa has long worked to create environments where employees can continue to work while caring for children and first received Kurumin certification in 2017. Since then, we have established action plans to promote support and enhance its effects, expanded the applicable period of the program for reduced working hours for childcare, introduced a telecommuting program for employees who are taking care of children, and took other measures, leading to the Platinum Kurumin certification in fiscal 2020.

The Group is committed to promoting the creation of workplaces where employees can balance work and childcare with peace of mind.



^{*}Period: April to March (long-term nursing care leave), September to August (short-term nursing care leave)

TOPICS

Conducting Information Exchange Meetings on Work-Childcare Balance

GS Yuasa International Ltd. has been conducting information exchange meetings twice a year since fiscal 2019, with the objective of supporting employees, to balance work and childcare successfully and engage in work with a sense of fulfillment. Presentations on experiences of employees who use the company's childcare support system while being actively engaged in work, and exchange of views among participants, are meaningful occasions for both employees who are balancing work and childcare and those who are in the midst of challenging themselves to achieve this balance going forward. In addition, majority of the participants in these information sessions are male employees, demonstrating that the percentage of male employees availing childcare leave in the Group is rising year by year.

Business Operations Considering Religious Customs

At the GS Yuasa Group's overseas sites in Indonesia where Muslims are the large majority, we are conducting business operations considering Islamic traditions and customs. PT. Yuasa Battery Indonesia, PT. Trimitra Baterai Prakasa and PT. GS Battery have a mosque in their respective offices. These companies allow employees to offer prayers at a mosque during working hours, and Muslims gather for prayers on Fridays from both the office and outside the company. We also established a multi-purpose room that can be used as a mosque on the site of the Group's Kyoto Plant and allow employees to pray during working hours.

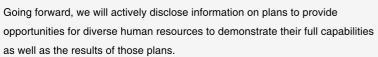
The GS Yuasa Group believes that understanding and respecting customs, cultural values and religion in each region are indispensable for building a good relationship with local employees and effectively operating businesses.

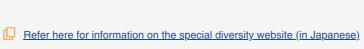


Special Website on Diversity Established

(https://www.gs-yuasa.com/jp/diversity/)

In April 2020, the GS Yuasa Group launched a special website to provide timely information on our approaches to diversity and the status of activities. The site presents easy-to-understand information regarding the Group's measures for the targets, results, and initiatives associated with diversity and work style reforms, including the promotion of women's empowerment.







Health Management Initiatives

In order to realize the corporate philosophy of "innovation and growth of our employees and business entities," the GS Yuasa Group believes that it is important to prepare the foundation to enable employees to perform their duties while maintaining good physical and mental health so as to achieve maximum performance. The Group promotes company-wide health management of employees and their families based on the Health Management Policy established by the president of the company who constitutes the top management.

Health Management Policy

In order to realize the "innovation and growth" of our employees and business entities, the GS Yuasa Group supports employees and their families in collaboration with health insurance society so as to ensure that they maintain their own health and encourages "health promotion" so that all employees can work zealously and with a sense of fulfillment.

- We strive to prevent the onset and severity of lifestyle-related diseases and mental disorders.
- We support managing of both work and medical treatment so that everyone can engage in decent work.
- We encourage health promotion to maintain and improve health.

Promotion Framework

The GS Yuasa Group appoints a general occupational health physician (a contracted occupational health physician) at the head office and occupational health physicians at its major offices, with 11 full-time nursing staffers nationwide. In addition, in collaboration with the health insurance society, the Group conducts health management promotion meetings attended by the health management officer(concurrently serving as chairperson of health insurance society) and labor union executives to promote measures for employee health issues. Further, in order to prevent severity of mental disorders, we have established a conducive environment for counseling from clinical psychotherapists that can be availed every week at our head office and some of our other offices.

Specific measures for health promotion

In our Group, in conjunction with measures such as work style reform and promotion of women's empowerment, data about employee health checkups and stress checks is analyzed to identify health issues of employees. For issues that are identified, we adopt measures for promoting health, and formulate plans to resolve the issues after verifying the effectiveness of the measures. The Group ensures effective health promotion by addressing employee health issues using the PDCA cycle.

- 1. Prevention of lifestyle-related diseases
- Encouraging medical examinations and follow ups according to the seriousness of the health risk to the person with abnormal findings in regular health checkups
- Implementation of health consultations and education for new graduates and mid-career employees to improve health literacy in early stages
- Conducting health events targeting all employees (walking events twice a year, showing videos on health promotion during regular health checkups, etc.)
- Implementing measures for promoting health through collaborations between the Company and health insurance societies
 (conducting cancer screenings during regular health checkups, periodic distribution of "health email magazines" aimed at
 employee health promotion, conducting smoking cessation outpatient clinics and implementing measures to prevent increase in
 severity of illnesses via online means, etc.)

- 2. Early detection and treatment of mental disorders
- Setting up an internal consultation system and an external consultation desk (including consultation and counseling with occupational health physicians and nursing staffers)
- · Providing information such as results of diagnosis and advice to ensure self-care to those undergoing stress checks
- Support for individuals identified as high risk through stress checks (consultations with physicians, individual consultations by nursing staffer, etc.)
- Continued access to "line care (care by supervisors)" and "self-care (care based on the awareness of individuals)" training sessions
- Reviewing programs for human resources based on results of analysis of stress checks and employee satisfaction surveys (including support for activities for improving workplace environment based on feedback to each division)
- 3. Early detection and treatment of cancer
- · Inclusion of various cancer screenings and gynecological examinations in regular health checkups (no individual payments)
- · Regular distribution of cancer self-examination kits to employees and family members (no individual payments)
- · Recommending medical examinations and follow ups to persons with abnormal findings in cancer screening results
- 4. Optimize work hours and maintenance of a positive work-life balance
- Thorough observance of "no-overtime-work days"
- Making it compulsory to take at least 10 days of annual paid leave
- Establish monthly overtime work hour limits
- · Prohibiting two consecutive days of work on prescribed holidays and overtime late at night
- · Introduction of leave in hourly units, telecommuting program, and expansion of the flextime system
- Promoting a system that encourages employees to avail at least three consecutive days or more of annual paid leave
- 5. Promotion of awareness of various health issues specific to women
- Introduction of e-learning on the theme of health management and women's health care
- Encouraging consultations for gynecological checkups through our in-house quarterly magazine
- Providing information on cervical cancer vaccines and women-specific diseases through our in-house quarterly magazines

Objectives and Results for "health promotion"

Classification	Items	Objectives (0()	Results(%)				
Classification	items	Objectives(%)	FY2017	FY2018	FY2019	FY2020	FY2021
	Consultation rate	100	100	100	100	100	100
Regular health	Rate of persons with abnormal findings	30 or less	41	37	35	35	33
checkups	Consultation rate of medical re- examination of persons with abnormal findings	70 or more	57	59	63	59	66
	Consultation rate	100	84	93	94	94	93
Stress checks	Rate of high stress individuals	10 or less	8	9	9	8	8
	Overall health risks	90 or less	87	89	87	86	83
Measures against smoking	Rate of smoking	20 or less	24	23	22	22	21
Gynecological examinations	Consultation rate	100	58	55	58	62	56
Colorectal cancer screening	Consultation rate	100	65	65	67	67	80

TOPICS

External Evaluation Related to Health Management

GS Yuasa International Ltd. and three Group companies were each designated as a Company with Excellent Health Management 2018 in a program run by the Ministry of Economy, Trade and Industry and Nippon Kenko Kaigi, for the six years in a row.

Under this system, corporations that implement particularly excellent health management in terms of initiatives to deal with health issues in local communities and health promotion suggested by Nippon Kenko Kaigi are publicly honored.

Aiming to create a working environment in which employees can enjoy good health and work with vigor, we will continue to promote health management.





Increase the Consultation Rate of Medical Re-examination of Persons with Abnormal Findings in Regular Health Checkups and of Gynecological Examinations

The Group has always considered hours required for cancer screening of employees to be working hours as is the case for regular checkups. In fiscal 2022, we commenced a system in which the time required to re-examine abnormal findings in regular medical examinations or cancer screenings at an external medical institution, or gynecological examinations at an external institution, are considered as working hours. The Group is encouraging health promotion measures through collaboration between the Company and health insurance societies to prevent disease-severity through early detection of serious illnesses.

TOPICS

Human Resource and Labor Measures to Prevent the Spread of the Novel Coronavirus

In response to the novel coronavirus, which is spreading globally, strong social demands are being made to prevent the spread of infection including avoiding crowded areas and avoiding gathering in areas where people gather in high density and spend time. The GS Yuasa Group is conducting human resource and labor management to prevent the spread of the novel coronavirus infections so that we can ensure the safety and peace of mind of our employees.

Introduction of telecommuting program and staggered work times

We introduced a telecommuting program and staggered work times as measures to prevent the spread of the novel coronavirus. Neither of these programs has no limit on the number of times they may be used. We are operating this program so that they can be actively used such as by allowing employees to make use of both programs.

Handling of leave in conjunction with school closures, etc.

In cases where employees are unable to freely report to work due to requests to parents to refrain from sending their children to daycare facilities, school closures, and so on and in cases where there are substantial health risks from infection with the novel coronavirus due to chronic illness and so on, we are allowing employees to use their accumulated leave. In some cases, employees who do not have accumulated leave are permitted to take special leave in the form of non-statutory leave.

Measures concerning use of cafeterias

- (1) Distribution of cafeteria used times and modification of seating arrangements In addition to distributing cafeteria used times to mitigate crowding in the cafeterias, seating arrangements have been modified so that cafeteria users do not face one other. Also, the cafeteria windows and doors are open to ventilate the cafeteria.
- (2) Thorough measures to prevent infection in meals Cafeteria users are required to thoroughly practice measures to prevent infection during meals (including hand washing, disinfecting hands with alcohol, using cafeteria for short duration, wearing mask except when eating, not talking while eating).

Measures concerning conducting events for new employees

The entrance ceremony and training for new employees for fiscal 2022 was conducted face-to-face for the first time in three years with exhaustive measures adopted to prevent the spread of the novel coronavirus infection. The training was held after adopting measures such as scattering of training venues (three venues), ensuring adequate distancing between seats, arranging seating with no face-to-face contact, conducting temperature checks and disinfection with alcohol before the start of the training, and thoroughly ventilating the venue.

Measures concerning recruiting

Recruiting events (such as company briefings and social gatherings) and job matching consultations (interviews) are as required conducted online. In addition, online interviews are conducted for mid-career employees.

Fulfillment of Our Responsibilities to Provide Safe and Secure Products and Services

As a trusted manufacturer, GS Yuasa is constantly working to improve customer satisfaction and ensure safety.

Focus on Safety and Quality

Ensuring Quality and Safety through Company-wide Quality Management

The GS Yuasa Group is promoting initiatives aiming to improve the quality of the products and services offered to our customers on a group-wide basis, based on the Quality Policy. To remain a manufacturer trusted by customers at all times, the GS Yuasa Group approaches manufacturing activities from the customer's perspective and works relentlessly to improve the quality of products and services.

To maintain this trust, we formulated, under the leadership of top management, the GS Yuasa Quality Management System based on the ISO 9001 standard and are promoting a quality management system that crosses business divisions. The quality of our products and services is discussed company-wide every month by the Quality Management Committee, which is chaired by a director (the executive officer in charge of quality), to enable us to enhance quality by responding swiftly to any change.

As part of our initiatives to pursue manufacturing, we provide quality-related education courses to all employees and promote improvement team activities company-wide as a way to bolster the awareness of quality among employees and to boost their understanding and skills related to quality management. Thereby enhancing the quality of our products and services.

These activities have been highly rated by the Union of Japanese Scientists and Engineers, and the Industrial Batteries Production Division of the Industrial Batteries & Power Sources Business Unit received the Deming Prize, which is designed to reward individuals and companies who have produced good results through the implementation of quality management, in fiscal 2015.

Quality Policy

GS YUASA is committed to a diligent study of 'Monozukuri' customer first thinking and the improvement of products and service for the realization of our Corporate Philosophy.

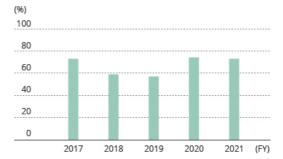
Meaning 'Meaning 'manufacturing' is not just pointing to 'craftsmanship' in the narrow sense. It is "the overall process of the corporation, the industry and the on-site activity, implementing the designers' determination into the products and the services for customer satisfaction, corporate profit and job security."

^{*&#}x27;Monozukuri':

Quality Management Organization



Quality Loss Index for Domestic Business



*The fiscal 2016 quality loss index is set at 100, indicating the changes in the quality loss rate over five years.

(The quality loss rate is the loss ratio occurring during product manufacturing and sales.)

■ Status of acquisition of certification of standards for quality management system (domestic business sites)

Business Unit	Scope of application	Certification number (ISO9001、IATF16949*)	Remarks
	GS Yuasa International Ltd. Automotive Battery Business Unit	JQA-1678	Expected to obtain IATF16949 certification
	GS Yuasa Energy Co., Ltd.	YKA-4005088	
Automotive Batteries	Lithium Energy Japan Ltd	DQS497841 QM15, DQS497841 IATF16	
	Blue Energy Co., Ltd.	JQA-QMA14793	
	GS Yuasa International Ltd. Lithium-ion Battery Business Unit		Expected to obtain IATF16949 certification
Industrial Batteries, Power Supplies	GS Yuasa International Ltd.	JQA-1397	
	Yuasa Membrane Systems Co., Ltd.	JQA-QMA15374	

^{*}IATF16949: International standard for quality management systems in the automotive indsutry

Rounds of inspection by top management

The GS Yuasa Group systematically conducts rounds of onsite inspection, centering on domestic factories and branches, by management. Through rounds of inspection by management conducted as part of top management activities, the management grasps the actual state of onsite operations and has a dialogue with employees working at each site.

Based on the "quality" of work, employees share the situation of actual activities and tasks regarding various themes such as safety, quality and environment with management, fostering mutual understanding.

Persons in charge of onsite operations as well as younger managers report tasks and activities of each site to management, providing an opportunity for the exchange of opinions between employees and management.

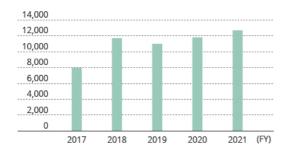
Promoting Greater Customer Satisfaction

The GS Yuasa Group values the opinions, recommendations and complaints of customers regarding our products and services as important customer feedback. We improve our products and services after considering inquires received by email and the opinions of customers heard at our Customer Consultation Office. We have taken measures using audio guidance through which the telephone number of a person in charge is automatically dialed according to inquiries from customers from fiscal 2017, making efforts to improve convenience for customers.

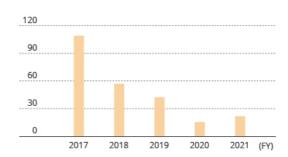
The number of complaints received from customers has tended to decline.

Going forward, we will continue working to improve customer satisfaction by paying close attention to the opinions of our customers.

Number of inquiries to the Customer Consultation Office



Number of Customer Complaints



GS Yuasa Customer Consultation Office

(accepts inquires and provides consultation on the GS Yuasa Group's products)

Toll free (in Japan): 0120-43-1211 Hours: Weekdays 9:00 - 17:30

(excluding Saturdays, Sundays, public holidays and holidays prescribed by the Company); Valid only within Japan,

Initiatives for Product Safety

Ensuring product safety of GS Yuasa Group's products has been positioned as a critical challenge because our products store, control and convert electrical energy.

The Group has established a company-wide organization with the Product Safety Management Committee as the center, to promote product safety management based on international standards for quality management systems. In addition to conforming to product safety standards, each business division utilizes the results of product safety risk assessments as well as know-how gained from case studies of failures to develop products that factor in the product usage environment and safety as the products are used, age, and deteriorate. Further, in addition to making note of product unsafe events on a daily basis, we provide our customers with appropriate product safety information. In the unlikely event of the occurrence of a product accident that may harm our customers, we implement a system in which we immediately confirm the facts and investigate the cause, and respond to emergencies (providing prompt and appropriate information, first aid measures to prevent the occurrence and spread of harm, measures to prevent recurrence, and so on), as necessary. Also, for the continued enhancement of product safety management, we leverage information such as points for improving product safety obtained through periodic internal audits and external inspection.

■ GS Yuasa Product Safety Action Flow

No.	Flow	Details of activities	Process, mechanism
1	Promotion of product safety management (Product Safety Management Committee)	 Review and final decisions about important product safety issues Disseminating information on product accidents Calling on business divisions to ensure prevention before occurrence and prevention of recurrence of product-related accidents Confirmation and approval of the voluntary action plan related to product safety Reporting to the top management about the status of occurrence of unsafe events and instances of application of product liability insurance 	 Risk Management Rules GS Yuasa Quality Management System Regulations on management of product safety
2	Product safety activities	 Formulate policies on product safety in business divisions Ensure product safety in product realization process 	Divisional policy book Quality-related manual for business divisions
3	Gather information on products and services	 Gather information on product safety Gather information on complaints, defects and accidents for our products and services 	Claims information CenterGS Yuasa websiteDaily quality report
4	Examine information and take appropriate steps	 Examine information, decide on and implement appropriate steps and make continual improvements (to prevent a reoccurrence) Manage and respond to crises concerning product-related accidents and quality-related claims Take steps to prevent harm and any additional accidents 	 Quality-related manual for business divisions Manual on crisis management concerning product-related accidents and quality-related claims Manual for implementing product recalls

■ Status of achievement of product safety targets (Fiscal 2021)

Items	Target	Result	Scope of application	Remarks
Number of serious product accidents	0	0	Group-wide	Applicable to product accidents involving death, serious injury or illness, permanent disability, fire, etc.

Improving Employees' Awareness of Quality

We are adopting a system under which all employees can be taught based on the type of their work and their experience through a quality education program systemized according to the level of quality control and type and rank of their job. Furthermore, basic quality-related education has been compulsory for all new recruits since fiscal 2008 and their knowledge of quality control (QC) is evaluated based on the results of the QC examination. 256 passed from Grade 1 to Grade 4 in fiscal 2021 with a cumulative total of 3,270 people passing the exam company-wide up to fiscal 2021.

The Group is committed to working on quality-related education targeting employees to improve product quality and ensure the safety of its products.

Quality-related Education

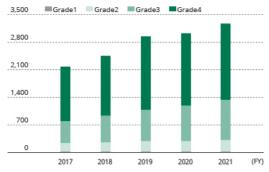
Quality Management Knowledge Level	Quality Education Course	External Seminars, etc.	Target Ranks and Job Types	Reference Level for QC Examination
Quality Management		Quality Control Symposium, Quality Management Seminar for Officers	Officers, General Managers	-
Quality Control Application			Key personnel in the Technical Development Department and Quality Control Department	Level 1
	•Internal Quality Auditor Training, •DRBFM, •FMEA, •Product Safety (Methods), •Product Safety (Outline), •Quality Management System Requirements, •Estimation and Testing of statistical hypothesis, •Methods of statistical analysis	Quality Management Correspondence Education (Preparation course for QC Examination Level 2)	Technological development section, Quality management section	Level 2
Basic Knowledge of Quality Control and TQM	•Seven New OC tools, •Methods of collecting and summarizing statistical data necessary for process control, •Support for Taking QC Examination Level 3, •"why-why analysis", •Course for improving team leadership, •Daily management, •TQM (Outline)	Quality Management Correspondence Education (Equivalent to QC Examination Level 3)	All employees who entered the company 2 or more years ago	Level 3
Introduction to Quality Control	QC Story Method, Seven QC tools、●Basic Quality (general)		New employees	Level 4

^{*}Note: QC Exam levels are for reference only.

■ Number of Quality Education Courses and Participants (FY2021)

Level of quality management knowledge	Number of courses	Number of participants
Introductory	11	268
Basic	18	238
Applied	24	387
Total	53	893

■ Cumulative Total of Successful QC Examinees



Developing Human Resources in Quality Management through "Monozukuri (Manufacturing) Expert" Education

On the occasion of the 100th anniversary of its founding, the GS Yuasa Group launched the "Monozukuri Expert" education workshops in October 2017, with the aim of developing continuously human resources who can "study Monozukuri diligently" under the Group's Quality Policy.

At the workshops, we are aiming to develop human resources who will learn control technology required mainly for design development and be capable of implementing such technology. Participants of the workshops are expected to become an expert after a one-year training period and act as a core member for quality improvement in the workplace by utilizing his/her knowledge and experience.

Examples of Activities

Presentation about Team Activities to Drive Kaizen (improvement)

The GS Yuasa Group is promoting kaizen team activities to bolster the awareness of quality among employees and conduct aggressive quality management control in an effort to improve the quality of our products and services. In addition, we have held a presentation event at which kaizen teams present examples of their improvement activities since fiscal 2004, for the following purposes:

- Promotion of activities to enhance workplace capabilities
- · Learning from kaizen activities/successful results and horizontal deployment
- · Participation of all employees in kaizen activities
- Promotion of dynamic communications
- · Building a corporate culture with a mindset focused on improvement

This presentation event was held twice (July and December) in fiscal 2021. Every year a large number of employees, including overseas Group companies, participate at the venue, but this fiscal year in order to prevent the spread of the novel coronavirus infection, only executives and concerned persons participated at the venue, and the audience participated online. In this situation, kaizen teams nominated by each business division presented examples of their improvement activities.

At the end of the presentation event, the executive officer in charge of quality gave feedback (individual and overall) to the teams, and the President expressed his appreciation to the teams and provided an assessment of the presentations. Furthermore, the "encouragement award" by the President and the "impression award" determined by participants' votes were presented to teams.

At presentation events in recent years, not only kaizen teams in quality-related business divisions but also people in the sales and development divisions, management divisions, and internal divisions made presentations, with a variety of themes.

The GS Yuasa Group believes that everyone must attain quality management tools. Through the presentation event, we will share experiences/know-how in each workplace on a global basis and horizontally develop the results of improvement, continuing our efforts to conduct various improvement activities.

Examples of themes in fiscal 2021

- Eliminating non-compliance with pointing-and-calling within plant premises
- Efforts to strengthen activities related to proposals for renewal of equipment
- Enhancing operational efficiency based on a review of claim handling procedures for batteries
- Improving retention rate of dispatched staff
- Utilizing ICT to improve the efficiency of support methods for overseas production sites
- · Improving operational efficiency based on digitalization through work style reform
- Enhancing operational efficiency through robotic process automation (RPA)



During the presentation (July 2021)



During the presentation (December 2021)

Holding an exhibition showing examples of critical quality problems

The GS Yuasa Group believes that failure at a workplace provides a valuable learning opportunity in terms of the prevention of defective products.

From this perspective, we have taken measures from fiscal 2016; specifically, we share information on examples of past product-related accidents caused by unsafe conditions and critical quality problems with employees so that we will never allow a similar quality problem to occur.

In fiscal 2021, the critical quality problem example exhibition was held at the Kyoto Plant, one of our Group companies, and 239 employees participated in this exhibition. This year the exhibition was held with a limited number of participants in order to prevent the spread of the novel coronavirus infection.

These exhibitions use panels and other means to explain the causes, mechanisms and other aspects behind the occurrence of past critical quality problems, helping employees recognize examples of past mistakes as important lessons. For further understanding of such lessons, areas are provided onsite for exhibition-related presentations and Q&A sessions. Until fiscal 2018, the exhibition was held for limited periods, but by changing it to a permanent exhibit, information on critical quality problems can be shared with employees from sites other than the Kyoto Plant at any time.

Results of participant questionnaires indicate that these exhibitions are effective in raising employee awareness of quality issues. Reflecting such visitor desires, exhibitions will continue to utilize the lessons of past failures to raise quality going forward.

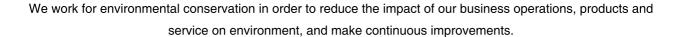


At the critical quality problem example exhibition



At the presentation

Global Environmental Conservation



Fundamental Environmental Policy and Environmental Mid-to Long-term Plans

Fundamental Environmental Policy

In recent years, we understand that our stakeholders have become increasingly concern about our environmental issues, including climate-related issues. In such a situation, we believe that we are socially responsible for realizing a low-carbon society and contributing to a recycling-oriented society.

The GS Yuasa Group has established this Fundamental Environmental Policy to outline our basic Group-wide approach to environmental efforts. The policy aims to clarify our social responsibility toward the environment and guide our contributions to the emergence of a sustainable society. We are also developing and using environmental management systems that will help to reduce environmental impacts and prevent any accidents that could cause environmental pollution.

Fundamental Environmental Policy

· Fundamental Philosophy

We are committed to people, society and the global environment through innovation and growth of our employees and business entities. We will apply the advanced energy-related technologies we have built up through battery research and development work to help form a carbon-neutral circular economy and bring about a sustainable society.

Action Agenda

1. Compliance with laws, regulations, and other requirements

We will strive to prevent environmental incidents, comply with legal requirements, and reduce risks connected with the use of chemical substances, and continually improve our environmental management system with the aim of enhancing our environmental performance.

2. Reducing environmental load

To contribute to the prevention of global warming, we will reduce greenhouse gas emissions and water consumption levels across our entire supply chain.

3. Efficient utilization of natural resources

To contribute to the creation of a circular economy, we will minimize the amount of natural resources we use through a range of means, including reducing raw material usage, using recycled materials, and reducing wastage.

4. Environment-friendly products

To be able continue "creating the future of energy", we will develop and manufacture products that can contribute to the formation of a carbon-neutral circular economy.

5. Disclosure

We will disclose environment-related information to stakeholders in an appropriate manner, and strive to coexist harmoniously with communities through engaging in proactive communication.

6. Human resources development

We will foster, across the entire GS Yuasa Group, personnel able to forge the future of our business with the aim of meeting our responsibilities in helping to create a carbon-neutral circular economy.

Environmental Mid-to Long-term Plans

We have developed mid-term plans for important issues related to our fundamental environmental policy in order to contribute to the emergence of a sustainable society.

Since fiscal 2019 we have been promoting this as one of our business strategies to address key management issues that concern the entire Group by incorporating environmental objectives into our Mid-term Management Plan. In addition, we have set long-term CO₂ emission reduction targets for fiscal 2021, taking into account the trends in the international community toward transition to a decarbonized society and the carbon neutral targets of domestic governments. Going forward, the Group will continue to actively promote initiatives to mitigate climate change and aim to achieve the long-term environmental goals.

■ Medium-term environmental goals (FY2019-2022)

lkansa	Fiscal 2022	Fisca	I 2021	Results for the	Remarks	
Items	Objectives	Objectives	Results	base year (fiscal 2018)	Heiliaiks	
CO ₂ emissions	6.0% reduction compared with fiscal 2018	4.0% reduction compared with fiscal 2018	8.1% reduction	655,291t-CO ₂	Organizational boundary (Scope of application): adopt the financial control approach (not applicable to sales companies and sales offices); percentage of emissions based on reduction target of company: 100%	
Water consumption	8.0% reduction compared with fiscal 2018	6.0% reduction compared with fiscal 2018	10.3% reduction	6,667,317m³		
Percentage of environmentally considered products in total sales of all products	35.0% or more	34.0% or more	36.5%	(31.9%)		
Ratio of recycled lead used as lead raw materials in lead-acid batteries	35.0% or more	35.0% or more	55.9%	(27.5%)	Ratio of utilization of recycled materials in main products	

^{*}Scope: Seven domestic business sites, twenty overseas business companies

■ Long-term environmental goals (FY2030)

Item	Objectives (fiscal 2030)	Base year	Scope
CO ₂ emissions	Reduction of 30% or more	FY2018	7 plants in Japan and 20 overseas group companies

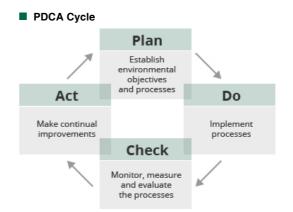
^{*}Due to effects of the novel coronavirus, the final year of the Group's Mid-Term Management Plan was changed from fiscal 2021 to fiscal 2022, and consequently, this plan also was extended to fiscal 2022.

Environmental Management Systems

Operation of environmental management systems

At GS Yuasa Group, we are developing and using environmental management systems that comply with the ISO 14001 international standard.

At every site, we use a PDCA (Plan, Do, Check, Act) cycle as part of a systematic framework for environmental management, enabling us to make continual improvements for environmental conservation.



Organizational Structure

In the organizational structure for GS Yuasa Group's environmental management systems, the president of GS Yuasa serves as the chief executive officer responsible for environmental management, overseeing the environmental management of the entire Group working with officers in charge of environment under direct supervision. Environmental issues that affect the entire Group, such as fundamental environmental policy, are discussed and finalized at management meetings.

We are also establishing environmental management systems for domestic business sites and overseas Group companies to enable quick and efficient communication within the group. Starting in fiscal 2018, we are expanding the scope of ISO 14001 certification, the international standard for environmental management systems, from our main domestic business sites to the entire Group, thereby building a system for strategically achieving the Group's environmental goals.

ISO certification acquisition rate at domestic and overseas production sites

96%

Overview of Organizational Structure



- *Seven domestic business sites have obtained integrated ISO 14001 certification
- *Among our overseas Group companies, 19 business sites have obtained ISO 14001 certification for systems currently in use

Environmental Auditing

We conduct internal environmental audits at every GS Yuasa Group business site to determine whether our environmental policy is being implemented appropriately and that environmental objectives are being met. In addition, we evaluate the environmental management system to improve performance as well as to improve the system itself. We also have an environmental certification agency conduct external environmental audits to check the conformity and effects of our environmental management systems.

Internal environmental auditing

Internal environmental auditors — with qualifications gained from training both inside and outside the company — determine the condition of the following:

- 1. Compliance with environmental laws and regulations, etc. (legal compliance audit)
- 2. Maintenance and management of environmental management systems (system audit)
- 3. Degree of achievement of environmental objectives (performance audit)

External environmental auditing

Audits of the status of maintenance and management for environmental management systems based on ISO 14001 standards and the functioning of PDCA cycles confirmed that every business site adheres to ISO 14001 standards. We will continue working to improve these systems by evaluating environmental management from a third-party perspective and by using information on such items as areas needing improvement.

Environmental Education

The GS Yuasa Group employs different types of environmental education to maintain and improve environmental management systems. In addition, we regularly provide training to avoid exposure to environmental risk.

General Environmental Education

Education for Employees	In every division, we provide education to all employees to build awareness of their role in achieving the environmental policy.
Education for new recruits	New recruits are made aware of the GS Yuasa Group's basic philosophy on environmental management.

Specialized Environmental Education

Training of internal environmental auditors	At every business location, we train internal environmental auditors and provide them with education to boost their skills to continually improve our environmental management systems.
Emergency response training	In every division, we regularly provide training on responses to potential emergencies to all employees working in operations that have significant potential impact on the environment.

Environmental Compliance Management

The GS Yuasa Group regularly reviews the environmental laws and regulations that must be obeyed, and ensures, through monitoring, that operations are managed in a way that is legally compliant.

Further, business is conducted in compliance with environmental laws and regulations since we use hazardous substances, such as lead, in our products and we must obey the laws and regulations related to the operation of recycling systems for used products.

There was no litigation and there were no punitive fines or administrative fines for nonadherence to environmental laws or regulations in fiscal 2021.

Environmental Risk Management

Our GS Yuasa Group develops environmental risk management with consideration to the different needs of our stakeholders. In every business location, we work to prevent environmental pollution (atmospheric pollution, water contamination, etc.) through operational management based on voluntary standards that are stricter than regulatory standards based on environmental laws, regional ordinances and agreements.

In operations that have significant potential impact on the environment, we implement both tangible and intangible measures to reduce the risk of pollution. The tangible measures include: increasing the visibility of operations, preventing spills and using equipment to remove noxious substances. Intangible measures include: equipment inspections, monitoring, measuring and enhancing of operational procedures.

We also hold emergency response training regularly to help mitigate damage in an emergency situation.

In fiscal 2021 there were no instances of emergencies directly related to environmental pollution at any of our business locations.

Appropriate Environmental Information Disclosure

The Group conducts environmental information disclosure in response to the CDP*1. The CDP requires companies to disclose information of environmental strategies based on the needs of institutional investors and customers. As we recognize that climate-related issues are one of the important management issues, we are working on climate-related information disclosure based on the

TCFD*2 framework.

For the volume of greenhouse gas emissions (including energy consumption), we disclose information for which authenticity of data has been secured through third-party verification *3. We are also promoting disclosure of information on water security performance and countermeasures with regards to water risks.

In the future as well, we are committed to working on disclosure of appropriate environmental information in response to the needs of various stakeholders.

- *1 This is a global-standard information disclosure platform for corporate initiatives to address environmental issues (climate change, water security etc.), with an established mechanism in which scores calculated based on corporate information disclosure are used for evaluation by investors and others.
- *2 An organization established by the Financial Stability Board at the request of G20 for examining climate-related information disclosure and ways in which financial institutions can respond
- *3 We have received third-party verification from SGS Japan Inc. (Scope 2 verification data: CO₂ emissions calculated based on market standards)
- Statement on third-party verification (FY2021) (https://www.gs-yuasa.com/en/csr/pdf/SGS_220905e.pdf)

 Refer to page 103 for information on our initiatives for the TCFD

Activity to Decrease Environmental Burdens

Designing environmentally conscious products

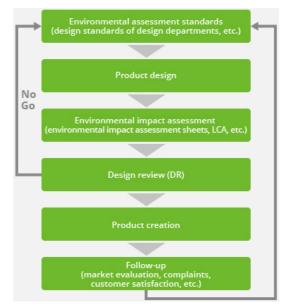
The GS Yuasa Group's products have some impact on the environment during every stage of the product life cycle, from procurement and manufacturing to transportation, use and disposal. In order to reduce the environmental burden throughout the product life-cycle caused by the consumption of resources and the generation of greenhouse gases and waste, the Group is committed to improving the product performance through designing that considers selection of raw materials, ease of disassembly and segregation, energy conservation, and appropriate labelling.

For an environmental assessment of product design, design departments employ design standards and then evaluate the suitability of products in design review (DR) meetings based on environmental impact assessments of every stage of the product life cycle. When environmental impact standards are not met, we review the design standards and redesign the product. We use the expertise of several departments in addition to design departments, including engineering, marketing, procurement, quality and the environment, to make sure that the results of Design for the Environment (DfE) are communicated widely, which also maximizes their effectiveness.

Environmental Assessment Items

- 1. Energy conservation
- 2. Volume reduction
- 3. Recyclability
- 4. Ease of disassembly
- 5. Ease of separation processing
- 6. Safety and environmental conservation
- 7. Material selection
- 8. Ease of maintenance
- 9. Energy efficiency
- 10. Reusability (life extension)

■ Flow of Environmental Assessment



Reflecting information in the products we distribute

Important information, such as customer requirements for GS Yuasa Group products, is used when we change the design of existing products or design new products. This helps boost the value of our Design for the Environment. Information from interested parties related to after-sales service, returns and complaints are used as a valuable resource to improve the environmental performance of products.

Management of chemical substances contained in products

The GS Yuasa Group takes steps to provide products with minimal environmental burden based on the Chemical Substance Management Guidelines, which clarify the standards for chemical substances in products. These guidelines are part of initiatives to examine chemical substances contained in materials delivered as stipulated in the GS Yuasa Group green procurement criteria. With these guidelines, we classify chemicals contained in our main materials, as well as the secondary materials and the parts used in the products that the Group makes and sells as either prohibited substances or managed substances. The GS Yuasa Group works with our suppliers who supply main materials, auxiliary materials and components to identify and definitively manage the substances covered by the guidelines to raise the environmental quality of our products.

Popularizing environmentally considered products

The GS Yuasa Group defines environmentally considered products as those products that help mitigate global warming, and we are actively working to develop and popularize such products.

In fiscal 2019 we started incorporating into the Group's Mid-Term Management Plan sales targets for environmentally considered products, making it part of our business strategy to work on climate change through the products we provide to customers.

■ Examples of Environmentally Considered Products

Item	Description	Examples of products
Batteries for vehicles with start- stop systems	Batteries for vehicles with start-stop systems (ISS) for improving gas mileage by allowing the engine to stop instead of idling to reduce fuel consumption	ecan can
Storage battery system	A system to effectively utilize renewable energy (power conditioners, lithium-ion battery, etc.)	
Automotive Lithium-ion Batteries	Hybrid vehicle batteries and electric vehicle batteries that contribute significantly to reducing greenhouse gases	Py the Greeny that the state of

*Click image to enlarge

Increasing Usage Rate of Recycled Lead in Products

The GS Yuasa Group is working to increase the usage rate of recycled lead—the primary material used in lead-acid batteries, one of our core products.

In fiscal 2019 we started taking action to work toward a recycling-oriented society as part of our business strategy by incorporating into the Group's Mid-Term Management Plan targets for the usage rate of recycled lead contained in our lead-acid batteries.

The GS Yuasa Group has been taking action to recycle our post-use products by building and operating a recycling system based on extended producer responsibility (EPR). Going forward, we also plan to strengthen our efforts to promote the use of recycled materials in our products.

Reduction of CO₂ Emissions by Promoting Group-wide Energy Management

The Group believes that it is important to continuously improve the energy management system associated with its business activities and promotes the reduction of greenhouse gas emissions in order to respond to the social changes accompanying the transition to a decarbonized society (such as requests from stakeholders to reduce greenhouse gas emissions, addition of carbon prices to the use of fossil fuels, and shift from fossil fuels to renewable energy).

The Group promotes initiatives that contribute to a low-carbon, sustainable society as part of our business strategy by incorporating CO₂ emissions reduction targets in production activities around the world in the Group's Mid-Term Management Plan. In fiscal 2021, we launched a company-wide project (Energy Saving and Renewable Energy Project) to promote the target of long-term reduction of CO₂ emissions (reduction by fiscal 2030 of 30% or more compared to fiscal 2018 levels*). In this project, we are working on promoting measures to save energy, introducing solar power generation facility in our own factories, and procuring renewable energy from the market. In addition, we have established an energy management system at each business site and Group company and are promoting measures to save energy and initiatives for the introduction of renewable energy.

The Group will continue to promote initiatives to realize carbon neutrality in order to fulfill the role of the company in the transition to a sustainable decarbonized society.

^{*}The Group manages CO₂ emissions in totality and not on a basis of intensity, with the aim of reducing greenhouse gas emissions consistent with the Paris Agreement.

Energy conservation activities for logistics

The GS Yuasa Group promotes energy conservation for freight forwarding (shipping) as one way to reduce the environmental burden during the product life cycle.

As part of coordinated efforts to save energy, we created a system to identify the quantity of goods being shipped, as well as energy consumption and CO₂ emissions during logistics. We have established a system to identify the quantity of goods being shipped, as well as energy consumption and CO₂ emissions during logistics, and are implementing energy saving measures such as reducing the quantity of items shipped between sites by integration of physical distribution bases and a modal shift from trucks to rail containers and other related systems for transportation.

In addition, the Group has been designated as certified by the Eco Rail Mark System for four series of batteries for automobiles and motorcycles. By getting customers to purchase certified products, we are promoting activities in which customers and companies can participate together to reduce the burden on the environment.

Our Group promotes logistics that consider the environment by active utilization of rail freight transportation.

*A system of certification by the Railway Freight Association, for companies and products that make thorough use of rail transportation for minimal environmental burden.



Examples of GS Yuasa Group products with Eco Rail certification

Refer to page 77 for data on changes in energy consumption and CO₂ emissions during transportation

Initiatives for Water Security

The Group uses a large amount of quality fresh water for applications such as dilution of electrolytes, which are storage battery materials, and cooling of storage batteries in the charging process. Since water resources are important natural resources for the continuation of business activities, we believe it is important to work on ensuring quality freshwater and reducing water consumption. Therefore, we are working to improve the efficiency of water use in conjunction with our business strategy by incorporating the target for reducing water consumption in production activities worldwide (reduction of water consumption by 8% by fiscal 2022, in comparison to fiscal 2018) in its Mid-Term Management Plan. We also respond appropriately to restrictions on water intake, etc. imposed by the national and local governments.

In addition, in the production process of lead-acid batteries, water containing harmful substances (such as lead) is discharged. The Group recognizes the importance of properly treating wastewater so that such wastewater does not adversely affect the surroundings of our business sites. For this, we are committed to implementing wastewater management based on voluntary management standards that are stricter than regulatory standards, in order to ensure compliance with wastewater standards based on laws and regulations and regional agreements.

By securing water necessary for business activities and through an appropriate response to water risks such as environmental pollution around business sites due to wastewater, the Group aims to promote water security initiatives as well as realize the sustainable use of water resources. Further, we are responding to climate change-related risks based on the TCFD recommendations with respect to risks of damage due to floods (such as the shutdown of our factories due to flooding and disruptions in the supply chain).

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Examples of a water risk initiative

Classification	Items	Example of Initiative
Water consumption	Reusing water	Recycling water used in the production process
	Wastewater management	Thorough implementation and management based on voluntary management standards that are stricter than regulatory standards; regular maintenance and management of wastewater treatment facilities
Treatment of wastewater	Preventing under seepage	Installation of dikes at wastewater treatment facilities and impermeability of floor surfaces
	Responding to emergency situations	Establishing response procedures and training for emergency situations in case of water leakage

Refer to page 81 for data on changes in water consumption at our Group

Refer to page 81 for data on changes in amount of wastewater at our Group

Refer page 76 for status of violations of permits, standards, and regulations related to water quality and quantity



Reuse of Treated Rainwater

The Group is committed to promoting water reuse and water conservation at its plants in order to ensure the efficient use of water

At our Gunma Plant, we are working to reduce industrial water consumption by reusing water that has been properly treated by rainwater treatment facilities, such as backwash water of industrial water filtration equipment and rainwater. Through this initiative, we aim to reduce industrial water consumption by approximately 1,500 m³/year or more.



Rainwater treatment facility

Preventing Atmospheric Pollution

The Group believes that to prevent any damage to the health and the living environment of local residents, it is crucial to appropriately process substances that are emitted into the atmosphere in the course of our business activities. For this, we are committed to thorough implementation of our environmental management system that conforms to international standards and which ensures that our operations are in compliance with atmospheric emission standards based on laws and regulations concerning soot and smoke, dust, volatile organic compounds, etc. as well as regional agreements. Also, by adopting appropriate measures to prevent atmospheric pollution (installation of dust collectors and maintenance and management of related equipment, etc.), we are making efforts to prevent adverse effects of atmospheric pollution in the vicinity of our business sites. Further, we regularly monitor, and adopt appropriate measures in response to, updated information on atmospheric pollution standards of national and local governments.

Waste Management

The Group considers that promoting effective utilization of resources as well as the 3Rs (reduce: reduce waste generation; reuse; and recycle) are crucial for contributing to the realization of a recycling-oriented society. As lead-acid batteries that constitute the Group's main product use harmful substances (such as lead) as raw materials, we are committed to stressing on the importance of proper disposal of waste generated in our production processes.

By promoting quality improvement activities aimed at reducing in-process defects, the Group ensures reduced waste generation (including hazardous waste). In addition, we are committed to reducing amount of waste generated by reusing raw material loss (such as lead scrap) in the production processes. As for recycling, we are engaged in activities to improve the rate of recycling of resources. We have also established a system to ensure proper disposal of waste in accordance with laws and regulations so as to prevent improper waste disposal (including illegal dumping).

Examples of initiatives for effective use of resources

- · Strict implementation of waste separation rules
- · Appropriate selection of recycling companies
- · Reusing raw materials loss

Examples of operations to ensure proper waste disposal

- · Establishing a company-internal system to promote proper waste management
- · Strict implementation of waste separation and waste storage rules
- Periodic on-site inspections of waste disposal contractors
- Nurturing personnel in charge of waste disposal practices (including implementation of regular education on waste)

Refer to page 77 for data on waste-related changes (amount of recycling, quantity of final disposal).

Resource Recycling of Used Product

The GS Yuasa Group believes in the importance of creating and operating a system for recycling resources from our used products to help create a recycling-oriented society. To achieve this goal, the Group is promoting initiatives for processing used products and resource recycling by using the wide area certification system.

A wide-area certification system aims to involve the manufacturers of a product in the product's recycling and disposal once it reaches the end of its useful life. These systems make possible more efficient recycling and provide feedback on product design leading to easier disposal and reuse, while ensuring that discarded goods are disposed of properly.

In January 2008, the GS Yuasa Group in Japan acquired wide-area certification from the Ministry of the Environment for industrial batteries and power supplies, and in January 2009 started accepting orders in earnest for a recycling system based on this certification. Even following the start of operations, we continue to make improvements such as expanding the scope of covered products and reviewing operational rules to create mechanisms for the reliable and proper disposal of used industrial batteries.

In the future, we will promote even more effective operation of the wide-area certification system to improve customer service as well as to recycle and properly dispose of post-use products.

Refer to page 77 for a five-year trend on end-of-life recycling of industrial batteries and power supplies.

TOPICS

Initiatives to Reduce Waste Discharge

The Group is committed to promoting initiatives to reduce discharge of hazardous waste (including lead-containing sludge and waste alkali), as well as non-hazardous waste (wood chips, and waste plastics, etc.) generated as part of the production processes. GS Yuasa Ibaraki Co., Ltd. has reduced wood pallet discharge by approximately 5.8 tons in fiscal 2021, through consistent efforts toward miniaturization of wood pallets used when shipping products.



Miniaturized wooden pallets

Identifying chemical substance emissions

Today, chemical substances used at GS Yuasa group's business sites include those subjects to reporting under the PRTR Law. The Group incorporates the management of hazardous substances into environmental management and regularly assesses how they have been handled to reduce environmental risk and related legal compliance.

PRTR (Pollutant Release and Transfer Register) Law

This law covers identifying, etc., the emissions of specific chemical substances into the environment and promotes improved management. The law requires businesses to collect, tabulate and disclose data related to hazardous chemical substances, their sources, the amount of emissions and how much is transferred out of the plant, including as waste.

*Class I Designated Chemical Substances (substances that may damage people's health or interfere with the growth of animals and plants) are subject to reporting under the PRTR system. Of these substances, those that have carcinogenic properties are classified as Specific Class I Designated Chemical Substances.

Refer to page 77 for data on chemical substance emissions.

TOPICS

Initiatives for Biodiversity

The Group commenced initiatives for the conservation of regional biodiversity in June 2021.

At our Kyoto Plant, we participate in the Futaba Aoi Cultivation Program organized by the Afuhi Project located in the premises of the Kamigamo Shrine in Kyoto City, and are involved in the cultivation of the Futaba Aoi, a plant endemic to Japan, in the plant premises. In addition, the cultivated Futaba Aoi plant was handed back to Kamigamo Shrine in May, 2022 and this returned Futaba Aoi will be used for the Aoi Katsura at the Aoi Festival, one of the three major festivals in Kyoto. From next year as well, we plan to our participation in the Afuhi Cultivation Program and are committed to considering and promoting appropriate biodiversity initiatives to which the Group can contribute.

*Afuhi Cultivation Program: The cultivation of Futaba Aoi by "Aoi no Mori" located in Kamigamo Shrine is a program to cultivate the Futaba Aoi externally (that is by individuals, companies etc.). This is because there is a high risk of animal damage attributed to deer and moles and abnormal weather, etc. A project that aims for external cultivation of Futaba Aoi (by individuals, companies etc.) to avoid the high risk of animal damage attributed to deer and moles and abnormal weather when the Futaba Aoi is cultivated in the "Aoi no Mori" situated within the premises of the Kamigamo Shrine.





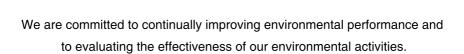


Futaba Aoi

Transplanting the Futaba Aoi

Offering the Futaba Aoi

Environmental Performance and Environmental Accounting



Environmental Performance Data

Environmental Performance of Domestic Business Sites

Scope of application	GS Yuasa International Ltd. (Kyoto, Osadano, Gunma, Ritto and Odawara Plants), GS Yuasa Energy Co., Ltd. and GS Yuasa Ibaraki Co., Ltd.
Greenhouse gas emissions related to	 (1) Scope 2 emissions refer to CO₂ emissions calculated based on market standards[*]. (2) The CO₂ conversion factor for calculating CO₂ emissions for power consumption uses
Scope 2	emission intensity data for fiscal 2016 from the Electric Power Council for a Low Carbon Society (ELCS) (0.52 t-CO ₂ /MWh). However, the conversion factor for power derived fror renewable energy is set as zero.
Remarks	(1) Environmental performance related to transportation refers to actual values for GS Yuasa International Ltd.
	(2) The scope of application has been expanded from fiscal 2018 (addition of GS Yuasa Energy Co., Ltd.).
	(3) The Ritto Plant includes actual figures of Lithium Energy Japan Ltd.
	(4) All data was reviewed prior to disclosed.
	(5) The CO ₂ emissions from manufacturing in fiscal 2021 are provisional figures.

^{*}A method of calculating Scope 2 emissions based on the contents of the contract for purchased electricity.

■ Environmental performance data (fiscal 2021)

Classification	Product life cycle	Items	Unit	Total	Content	Breakdown	Remarks
		Amount of main			Virgin materials	122,505	Lead, sulfuric
		materials consumption	t	188,020	Recycled materials	65,515	acid, plastics, etc.
					Water for industrial use	1,021,241	Third party water
		Amount of water consumption	m³	2,252,028	Underground water	983,269	
	Production				Public water supply	247,518	Third party water
					Electricity	81,466	
INPUT		Amount of			City gas	11,517	
INPUT		energy consumption (crude oil	kL	96,080	LPG	3,019	
		conversion)			Kerosene and gasoline	79	
	Physical distribution	Amount of energy consumption (crude oil conversion)	kL	3,598	Kerosene and gasoline	3,598	Energy consumption based on volume of cargo transportation
	Waste	Volume of used products recovered	t	4,773	Industrial Batteries, Power Supplies	4,773	
		Amount of waste discharged	t	12,587	Waste plates, batteries, and lead paste	4,973	
					Metal scraps	596	
					Lithium-ion batteries	2,689	
					Waste paper and garbage	894	
					Sludge	1,123	
					Waste acids, alkaline substances	810	
					Waste plastic	659	
					Wood scraps	447	
01/25:-	.				Other	397	
OUTPUT	Production				Waste plates, batteries, and lead paste	4,973	
					Metal scraps	596	
					Lithium-ion batteries	2,689	
		Amount of recycling	t	12,083	Waste paper and garbage	801	
					Waste acids, alkaline substances	735	
					Sludge	835	
					Waste plastic	640	
					Wood scraps	445	
					Other	370	

Classification	Product life cycle	Items	Unit	Total	Content	Breakdown	Remarks		
					Sludge	288			
					Waste plastic	19			
		Amount of final			Waste paper and garbage	93			
		disposal	t	504	Wood scraps	2			
					Waste acids, alkaline substances	75			
					Other	27			
		Amount of waste	m³	1 020 502	Public water body	1,131,316	River		
		water	IIIs	m³ 1,938,523	Sewage disposal	807,207			
							Electricity	141,294	Scope 2 emissions
		Amount of CO ₂	t-CO ₂	170,667	City gas	22,259			
		emissions	1 002	170,007	LPG	6,909	Scope 1		
						Kerosene and gasoline	205	emissions	
	Physical distribution	Amount of CO ₂ emissions	t-CO ₂	9,484		9,484	Scope 3 emissions (category 4)		
	Mosto	Volume of used products recycling	t	3,952		3,952			
	Waste	Final disposal volume (used products)	t	822		822			

■ Status of violations of permits, standards, and regulations related to water quality and quantity (fiscal 2021)

Items	Number of violations of laws and regulations for which have been imposed penalties	Number of administrative measures
Water intake	0	0
Waste water	0	0

■ Data on changes in environmental performance

Category	Items	Unit	fiscal 2017	fiscal 2018	fiscal 2019	fiscal 2020	fiscal 2021
	Amount of main materials consumption	t	137,701	200,486	197,972	186,225	188,020
	Amount of water consumption	m³	1,409,366	2,366,429	2,393,768	2,378,491	2,259,805
INPUT	Amount of energy consumption in production (crude oil conversion)	kL	76,540	95,857	95,097	94,212	96,080
1111 01	Amount of energy consumption in physical distribution (crude oil conversion)	kL	3,140	3,078	3,411	3,409	3,598
	Volume of used products recovered	t	4,505	4,276	4,294	5,006	4,773
	Amount of recycling (waste)	t	10,623	10,266	12,809	11,126	12,083
	Amount of final disposal (waste)	t	283	343	629	598	504
	Amount of wastewater	m³	1,134,131	1,937,866	2,041,969	2,100,937	1,938,523
	Amount of CO ₂ emissions in production	t- CO ₂	147,746	192,280	190,737	188,990	170,667
OUTPUT	Amount of CO ₂ emissions in physical distribution	t- CO ₂	8,119	7,970	8,931	8,953	9,484
	Volume of used products recycling (used products)	t	3,740	3,559	3,566	4,156	3,952
	Final disposal volume (used products)	t	765	717	728	850	822

■ Changes in consumption of major raw materials

Items	Unit	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021
Lead compounds	t	104,472	150,415	148,486	139,299	139,669
Sulfate	t	20,511	31,695	31,769	30,189	30,899
Plastic	t	9,635	14,324	14,185	13,800	13,351

■ Status of release and transfer of substances subject to the PRTR Law (Unit: kg)

Substances subject to the PRTR Law	Sites	Released into the air	Released into public waterways	Transferred to sewage system	Transferred outside the site	Total
	Kyoto	77.0	0.0	3.7	17,000.0	17,080.7
	Osadano	45.0	0.0	11.0	2,300.0	2,356.0
	Gunma	22.0	3.5	0.0	67.1	92.6
Lead compounds*	GS Yuasa Energy	7.0	5.2	0.0	3,400.0	3,412.2
	GS Yuasa Ibaraki Co., Ltd.	15.0	4.8	0.0	50.0	69.8
	Kyoto	3.1	0.0	0.3	4.4	7.8
Arsenic and its	Gunma	0.0	0.5	0.0	0.0	0.5
inorganic compounds*	GS Yuasa Energy	0.0	0.0	0.0	0.3	0.3
	Kyoto	10.0	0.0	0.3	1.6	11.9
	Osadano	0.0	0.0	2.3	0.0	2.3
Antimony and its compounds	Gunma	0.0	1.8	0.0	0.0	1.8
	GS Yuasa Energy	0.0	0.0	0.0	0.2	0.2
	Kyoto	0.0	0.0	0.0	4,000.0	4,000.0
Manganese and its	Osadano	3.9	0.0	0.0	0.1	4.0
compounds	Lithium Energy Japan	0.0	0.0	0.0	27,000.0	27,000.0

Items	Unit	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021
	Kyoto	0.0	0.0	0.0	440.0	440.0
	Osadano	1.4	0.0	0.0	0.1	1.5
	Odawara	0.0	0.0	0.0	0.0	0.0
Nickel compounds*	Ritto	0.0	0.0	0.0	0.0	0.0
	Lithium Energy Japan	0.0	0.0	0.0	2,000.0	2,000.0
	Kyoto	0.0	0.0	0.0	350.0	350.0
	Osadano	0.1	0.0	0.0	0.0	0.1
Cobalt and its	Odawara	0.0	0.0	0.0	0.0	0.0
compounds	Lithium Energy Japan	0.0	0.0	0.0	2,000.0	2,000.0
Dichloromethane	GS Yuasa Ibaraki Co., Ltd.	1,600.0	0.0	0.0	35.0	1,635.0
Cadmium and its compounds	Odawara	0.0	0.0	0.0	0.0	0.0
Triethylenetetramine	GS Yuasa Ibaraki Co., Ltd.	0.0	0.0	0.0	0.0	0.0
Total		1,784.5	15.8	17.6	58,648.8	60,466.7

^{*}Production of Specific Class I Designated Chemical Substances

The Group's Environmental Performance

■ Aggregation criteria

Scope of application	The Group's production bases (Domestic: 7 business sites; Overseas: 20 business sites)
Scope of application regarding greenhouse gas emission	 The scope of application of Scopes 1 and 2 is the same as the above scope of application. Regarding the scope of application of Scope 3, the scope of calculation is clearly indicated for each category.
Greenhouse gas emissions related to Scope 2	(1) Scope 2 emissions show the CO ₂ emissions calculated using the methods of market standards ^{*1} and location standards ^{*2} respectively. Further, the Group's reduction targets for greenhouse gas emissions focus on CO ₂ emissions calculated based on market
	standards. (2) The CO ₂ conversion factor in the calculation of CO ₂ emissions associated with power usage uses the following published values. However, in market standards, the conversion factor for electricity derived from renewable energy is set to zero. Japan: The primary unit of CO ₂ emissions of the Electric Power Council for a Low Carbon Society (ELCS) Outside of Japan: Individual country-based GHG protocol factors
Remarks	 We have been expanding the scope of application since fiscal 2018. Regarding greenhouse gases other than CO₂ are excluded from calculation because their relationship to the Group's business activities is negligible and due to extremely low emissions. All data is disclosed after review. The CO₂ emissions in fiscal 2021 are provisional figures.

- *1 A method of calculating Scope 2 emissions based on the contents of the contract for purchased electricity (a calculation method taking into account the amount of renewable energy procured)
- *2 A method of calculating Scope 2 emissions based on the average electricity emission factor for specific locations (a calculation method that does not take into account the amount of renewable energy procured)

■ CO₂ emissions and water consumption by country (FY 2021)

Country	CO ₂ Emissions [*] (t-CO ₂)	Water Consumption (m³)
Japan	170,667 (192,744)	2,259,805
China	43,478 (65,498)	349,295
Taiwan	74,163 (74,163)	352,001
Vietnam	13,927 (13,927)	237,473
Malaysia	1,599 (1,599)	37,988
Indonesia	125,314 (125,314)	670,685
Thailand	49,657 (49,657)	666,587
India	21,218 (21,218)	103,975
Pakistan	26,209 (26,209)	399,027
Turkey	41,106 (41,106)	742,460
United Kingdom	11,203 (11,203)	61,066
United States	9,779 (9,779)	56,716
Australia	14,017 (14,017)	43,065
Hungary	154 (154)	381
Total	602,492 (646,589)	5,980,525

^{*}This shows CO₂ emissions calculated based on market standards. Also, the figures in parentheses are CO₂ emissions (reference values) calculated based on location standards.

■ CO₂ emissions and water consumption by production sites for the Group (FY 2021)

Country	Production site	CO ₂ Emissions [*] (t-CO ₂)	Water Consumption (m³)
	GS Yuasa International Ltd. (Kyoto, Osadano, Gunma, Ritto and Odawara Plants)	138,376 (158,093)	1,312,173
Japan	GS Yuasa Energy Co., Ltd.	29,858 (29,858)	791,946
	GS Yuasa Ibaraki Co., Ltd.	2,433 (4,792)	155,686
	Tianjin GS Battery Co., Ltd.	14,418 (36,438)	211,213
China	Yuasa Battery (Shunde) Co., Ltd.	22,968 (22,968)	123,282
	GS Battery (China) Co., Ltd.	6,092 (6,092)	14,800
	Taiwan Yuasa Battery Co., Ltd.	54,110 (54,110)	261,901
Taiwan	GS Battery Taiwan Co., Ltd.	20,053 (20,053)	90,100
Vietnam	GS Battery Vietnam Co., Ltd.	13,927 (13,927)	237,473
Malaysia	GS Yuasa Battery Malaysia Sdn. Bhd.	1,599 (1,599)	37,988
	PT. GS Battery	66,171 (66,171)	369,671
Indonesia	PT. Trimitra Baterai Prakasa	31,449 (31,449)	151,334
	PT. Yuasa Battery Indonesia	27,694 (27,694)	149,680
	Siam GS Battery Co., Ltd.	31,548 (31,548)	477,306
Thailand	Yuasa Battery (Thailand) Pub. Co., Ltd.	11,788 (11,788)	157,219
	GS Yuasa Siam Industry Ltd.	6,321 (6,321)	32,062
India	Tata AutoComp GY Batteries Private Limited	21,218 (21,218)	103,975
Pakistan	Atlas Battery Ltd.	26,209 (26,209)	399,027
Turkey	Inci GS Yuasa Aku Sanayi ve Ticaret Anonim Sirketi	41,106 (41,106)	742,460
United Kingdom	GS Yuasa Battery Manufacturing UK Limited	11,203 (11,203)	61,066
United States	Yuasa Battery, Inc.	9,779 (9,779)	56,716
Australia	Century Yuasa Batteries Pty. Limited	14,017 (14,017)	43,065
Hungary	GS Yuasa Hungary Ltd.	154 (154)	381

^{*}This shows CO₂ emissions calculated based on market standards. The figures in parentheses are CO₂ emissions (reference values) calculated based on location standards.

■ Changes in Scope 1 and 2 emissions (Unit: t-CO₂)

Items	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021
Scope 1 emissions	82,617	90,809	85,655	83,471	89,631
Scope 2 emissions	532,162	564,482	558,077	534,645	512,861
Total	614,779	655,291	643,732	618,115	602,492

^{*}The data in this table has undergone third-party verification.

Our calculated Scope 3 emissions (Fiscal 2021)

No.	Category	CO ₂ Emissions (t-CO ₂)	Scope of application
1	Purchased goods and services	471,173	Production sites of GS Yuasa International Ltd.
2	Capital goods	45,615	Domestic production sites (7 business sites)
3	Fuel- and Energy-related activities not included in scope 1 or scope 2	86,686	The Group's production sites (domestic: 7 business sites; overseas: 20 business sites)
4	Upstream transportation and distribution	9,484	Production sites of GS Yuasa International Ltd. (Restricted to transportation of freight involving specified shippers)
5	Waste generated in operations	1,089	Domestic production sites (7 business sites)
6	Business travel	732	Domestic production sites (7 business sites)
7	Employee commuting	2,103	Domestic production sites (7 business sites)
	Total	616,881	

^{*}Shippers whose annual freight transportation volume exceeds 30 million ton-kilometers based on the Law Concerning the Rational Use of Energy

■ Changes in the water consumption for the Group (Unit: m³)

Water source	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021
Water for industrial use (Third party water)	4,001,602	4,230,208	4,203,782	3,771,363	3,680,432
Underground water	902,480	1,586,720	1,494,775	1,506,265	1,475,249
Public water supply (Third party water)	1,531,413	839,618	823,262	783,406	824,843
Other	65,280	13,056	25,446	0	0
Total	6,500,776	6,669,602	6,547,264	6,061,034	5,980,525

■ Changes in the amount of wastewater (Unit: m³)

Discharge destination	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021
River	1,265,967	1,882,505	2,138,376	1,940,289	1,810,965
Underground water	699,519	2,502,947	2,387,598	2,382,658	2,346,663
Total	1,965,486	4,385,452	4,525,974	4,322,948	4,157,628

^{*}The figures for fiscal 2017 were calculated only for domestic business sites.

^{*}Scope 2 emissions are calculated based on market standards.

Environmental Accounting

■ Scope of calculations for environmental accounting

Structures	Seven domestic sites (GS Yuasa International Ltd. (Kyoto, Osadano, Gunma and Odawara Plants), GS Yuasa Energy Co., Ltd., Lithium Energy Japan and GS Yuasa Ibaraki Co., Ltd.). Note, however, that environment-related equipment costs within business area costs do not include onsite affiliated companies.
Period covered	April 1, 2021 - March 31, 2022
Reference	Environmental Accounting Guidelines 2005 Edition (issued by the Ministry of the Environment)

■ Environmental conservation costs (categorized by business activity)

Category		Key initiatives	Total (Thousands of yen)
Business are	ea costs (total)		1,735,200
	Pollution prevention costs	Efforts to prevent air, water and soil pollution	1,408,359
Breakdown	Global environmental conservation costs	Efforts to reduce greenhouse gas emissions	152,728
	Resource recycling costs	Efforts to ensure suitable disposal of waste	174,113
Upstream ar	nd downstream costs ^{*1}	Additional efforts to reduce environmental burden	24
Managemen	t activity costs ^{*2}	Employee education and ISO 14001 maintenance and management	7,063
Research an	d development costs	Research and development efforts in consideration of the environment	12,383,000
Social activity costs		Environmental volunteer efforts	4,748
Environment	al remediation costs ^{*3}	Efforts related to soil pollution measures	694
Total			14,130,729

■ Economic effect of environmental conservation initiatives

Category	Key item	Monetary amount (Thousands of yen)
Economic effects of more efficient water use	Water use and wastewater cost reduction*3	12,093
Energy conservation effects	Cost reductions for electricity, heavy oil and gas (city gas, LNG, LPG)*3	-752,027
Waste reduction effects	Cost reduction for industrial waste treatment*3	30,258
Resource recycling effects	Profit from recycling and reusing waste	387,176

■ Effect of environmental conservation

Category	Key items	Material amount	Unit
	Amount of recycled water used	1,002,755	m³
Effects related to resources used in business activities	Amount of reduction in water use*3	118,686	m³
Submission delivines	Amount of energy saved (crude oil conversion)*3	-1,868	kL
	Amount of CO ₂ reduced ^{*3}	18,323	t-CO ₂
	Amount of waste reduced (final disposal volume) *3	94	t
Effects related to environmental burden and	Amount of wastewater reduced*3	162,414	m³
waste from business activities	Amount of waste recycled	12,083	t
	Recycling rate*4	96	%
	[Water quality] Amount of lead discharged	28.2	kg
	[Air] Amount of lead emitted	166.0	kg

^{*1} Upstream and downstream costs are the total of consulting expenses and expenses for contracts to create new products based on the Law for Promotion of Sorted Collection and Recycling of Containers and Packaging.

^{*2} In addition to employee education, and costs related to ISO 14001 maintenance and management, the management activity cost includes expenses related to information disclosure.

^{*3} The tables show amounts reduced compared with the previous fiscal year (negative amounts represent increases).

^{*4} Recycling rate (%) = (amount recycled / amount of waste) x 100

Building Better Relationships with Local Communities

We seek to contribute to solutions to social issues through our business activities so that we can support the sound and sustainable development of local communities.

Contributions to Society

Contribution to the SDGs through Our Business Activities

The Sustainable Development Goals (SDGs) express priority global issues and the ideal status of global society in relation to economics, society, and the environment in the lead-up to 2030. Many countries, companies, and other organizations are actively addressing these issues with the aim of creating sustainable societies.

The GS Yuasa Group believes that it can contribute to achieving the society sought by the SDGs by practicing our corporate philosophy of contributing to people, society, and the global environment through innovation and growth of our employees and business entities. The Group is developing globally with storage batteries as its main products, and by providing products and services to regional societies in every country of the world by making use of the storage battery technologies we have accumulated through more than a century of experience, we are working to solve the shared problems of the international community. In addition, the Group has decided to consider CSR issues that have an impact on its business as well as a significant impact on society, as materiality. By promoting activities that respond to materiality, we aim to maximize the positive impact and minimize the negative impact on global social issues.

Refer to page 111 for information on our efforts to contribute to the SDGs with Group products and services.

Refer to page 107 for information on the Group's contribution to SDGs through its response to materiality.

Refer to page 12 for the Group's materiality.

Contributions to R&D Relating to Space Development Applications

The Group's space lithium-ion batteries are used on the International Space Station (ISS). The ISS is a manned test facility constructed approximately 400 km above the Earth's surface. It is used through the cooperation of many countries.

The main objective of the ISS is scientific and technological advances through various experiments and research in outer space, and the results of research, experimentation, and measurement are contributing to enriching lifestyles and enhancing industrial competitiveness. It is a key facility for making significant advances in space development and is also a symbol of international

cooperation and peace operated jointly through the provision of state-of-the-art technologies by numerous countries. Power for all equipment on the ISS including experimentation and observation devices and life support systems is supplied by photovoltaic power generation. However, power generation ceases 16 times each day as the ISS passes through the earth's shadow, and during these periods, power is supplied by GS Yuasa lithium-ion batteries for space use that are charged while the station is in the sunlight.

The GS Yuasa Group will continue contributing to the development of science and technology for the realization of a sustainable society through development and manufacture of high-performance lithium-ion batteries.

^{*}Source: the Japan Aerospace Exploration Agency (JAXA)

Free Provision of Products to Local Communities

PT.GS Battery (below, PTGS) located in Indonesia, continues to supply storage batteries manufactured by our company to the fire brigades in Karawang Province, Indonesia. In Indonesia, where natural disasters (such as earthquakes, tsunamis, and floods) are many, disaster management activities carried out by the Karawang fire brigades play a very important role. PTGS assist the fire brigades in their smooth operations through the continuous supply of storage batteries. In fiscal 2021, in addition to donations to other public institutions, PTGS provided 86 storage batteries free of charge.

Inci GS Yuasa Aku Sanayi ve Ticaret Anonim Sirketi (below, IGYA), located in the Republic of Turkey, ensures a continued supply of storage batteries manufactured by our company to all vehicles owned by Turkey's largest search and rescue organization, and has donated a total of 68 storage batteries since fiscal 2019. IGYA has also received training in fire, search and rescue, and disaster preparedness from the same organization in order to prepare for the establishment of an in-house rescue team.

Siam GS Battery, located in Thailand has donated our company manufactured storage batteries to the Thung Yai Naresuan Wildlife Sanctuary and Border Patrol in Kanchanaburi Province. The Thung Yai Naresuan Wildlife Sanctuary is one of Southeast Asia's largest wildlife reserves endowed with untouched nature and is also a UNESCO World Heritage Site. The donated storage batteries are used in solar power generation systems providing support to daily power use.

The Group will contribute to sound and sustainable development of local communities by working together and coexisting with them through product offerings.



Donation of storage batteries to fire brigades (PTGS)



Donation of storage batteries to search and rescue organizations (IGYA)



Donation of storage batteries to the wildlife sanctuary (SGS)

Contributions to the Environment

Stable Supply of Photovoltaic Generation Systems

A photovoltaic generation system using the GS Yuasa Group's lithium-ion batteries has been in operation at the Kushiro Town Toritoushi Wildland Photovoltaic Generation Plant in Hokkaido.

When generating photovoltaic power, changes in natural conditions, such as sunshine hours and temperature, can lead to significant fluctuations in the power generated, while a major increase in the photovoltaic power load could reduce the quality of the system's power in terms of both voltage and frequency. For this reason, storage battery systems are necessary to stabilize output fluctuations in power generated when photovoltaic power generating facilities are connected to the power grid.

In conjunction with the global increase in energy demand due to the growing population, economic growth and other factors, there are increasing calls for the expanded use of renewable energy as an alternative to limited fossil fuels. The introduction of storage battery systems to stabilize output fluctuations is essential for the effective use of energy from photovoltaic or wind power generation.

The Group continues to promote the use of high-performance lithium-ion battery systems in power generation and is aiming to contribute to creating sustainable local communities using renewable energy.







Overall view of Kushiro Toritoushi Wildland Photovoltaic Generation Plant

Contributing to the Optimization of Energy Use

The Group aims to optimize energy use in local communities by utilizing new energy services that link storage batteries with IoT technology.

At the Kyoto Plant, we have introduced a power storage system manufactured by our company that can handle virtual power plants* (below, VPP) and that performs energy management taking into account the balance between power supply and demand. By adjusting the power supply balance in the plant during normal times and utilizing it for peak cut in the event of tight demand, we have been able to achieve stabilization of power supply and lower power consumption costs. In addition, in the event of an emergency such as a power outage due to a large-scale disaster, supplying power in cooperation with solar power generation systems to lighting load (lighting and outlet equipment) and power load (air conditioning equipment) has also played a role in ensuring employee safety and business continuity.

Since fiscal 2016, the Group has participated in the VPP construction verification project to start verification of the introduction and control of large storage batteries. In fiscal 2017, we introduced a container-type power storage system at our Kyoto Plant and are promoting verification for the practical application of power supply and demand adjustments based on directives from external, large storage battery servers.

*It functions like a single power plant through the supervision and control of scattered energy sources (including small-scale solar power generation and storage batteries) using IoT devices, and plays the role of adjusting the power supply-demand balance (including leveling the power load, absorbing surplus power when excess renewable energy is supplied, power supply in the event of power shortage).



External appearance of the container type power storage system

Increasing the Accuracy of Greenhouse Gas Observations

The IBUKI-2 greenhouse gases observing satellite launched from the Tanegashima Space Center in October 2018 was equipped with a space lithium-ion battery manufactured by the Group. The mission of IBUKI-2 is to accurately and uniformly measure greenhouse gases such as carbon dioxide and methane around the world and to increase the precision of measurements.

Many countries are obligated to report on their own greenhouse gas emissions in accordance with the Paris Agreement, in international mechanism relating to climate change. As a result, the data obtained from IBUKI-2, which can take uniform measurements around the world, is expected to play an important role as a scientific basis for confirming the accuracy of greenhouse gas emissions volumes by each country.*

Group products will continue to contribute to international efforts to curtail global warming.

*Source: the Japan Aerospace Exploration Agency (JAXA)

Support for Activities of the Yakushima Environmental and Cultural Foundation

GS Yuasa Battery Ltd. (GYB) is providing support for the Yakushima Environmental and Cultural Foundation as part of initiatives to preserve the environment in the region.

Yakushima, which was placed on the World Heritage List in 1993 for the first time in Japan, is representative of nature in Japan. The Foundation is involved in activities to protect the beautiful natural environment on Yakushima, a heritage for humanity, and the business for creating communities where nature and people can co-exist.

Furthermore, GYB offers a family tour to Yakushima as the prize to the Gold Award winner of the "GS Yuasa Eco Art Contest for Elementary School Students" which has been held from fiscal 2009, and also conducts activities for elementary school students to experience the beauty of nature.

The GS Yuasa Group is promoting contribution to the protection of nature on Yakushima which is called the "Island of Life" and environmental education for children through support for the Foundation.



Rich natural environment on Yakushima (photo courtesy of the Yakushima Environmental and Cultural Foundation, a public interest incorporated foundation)

Refer here for the website of the Yakushima Environmental and Cultural Foundation

(https://www.yakushima.or.jp/en/)

Contributions to Human Resource Development

GS Yuasa Eco Art Contest for Elementary School Students

Since FY 2009, GS Yuasa Battery Ltd. has sponsored the GS Yuasa Eco Art Contest for Elementary School students to give the pupils, who will become the young citizens in the future, an opportunity to express their thoughts on the global environment.

This contest program provides the opportunity for children and their families to come together and think about the environment. We plan to continue holding this event in the future in the form of a painting.

Support for Shiki Theatre Company's "Kokoro no Gekijo (Theatre of the Heart)"

The GS Yuasa Group supports some of performances (in Kyoto, Gunma, and Shizuoka prefectures) of "Kokoro no Gekijo" (Theatre of the Heart), sponsored by the Shiki Theatre Company and Performing Arts Centre Foundation. "Kokoro no Gekijo" uses the stage to communicate to children such important life lessons as the value of life, consideration of others, and the joy of trusting each other. Children across Japan are invited to the performances in school groups, free of charge.

As in the previous fiscal year, it will be held online in fiscal 2022 due to the impact of the novel coronavirus.

Through our continued support of Shiki Theatre Company's "Kokoro no Gekijo," we will continue to support activities that deliver valuable, unchanging lessons to children who will be leaders of the future.



Shiki Theatre Company's family musical "The Story of a Seagull and the Cat Who Taught Her to Fly" (Photograph: Takashi Uehara) (September 2019)



Volunteers assisting with the production (September 2019)

Ensuring Social Responsibility within Our Supply Chain

The GS Yuasa Group, together with the supply chain, will contribute to creating a sustainable society.

Collaboration with Suppliers

Building Better Partnerships

The GS Yuasa Group believes that all suppliers are important business partners. By providing support for improving mutual development with suppliers, support for quality control and health and safety management, as well as working on education and guidance on compliance and CSR, we aim to strengthen our business foundation together with our suppliers.

We also hold annual procurement policy briefings to raise understanding of our management policies, annual business policies, and basic procurement policy and to deepen mutual understanding and trust. We also created a system for granting awards to suppliers that have achieved excellent results in initiatives (CSR, safety, quality, delivery date, price, etc.) that we expect from our suppliers.

In fiscal 2022, while being committed to strengthening the business foundation for mutual development with our suppliers centered on safety, quality, and business continuity planning, we aim to focus on the key theme of activities aimed at cardon neutrality throughout the entire supply chain.



Procurement policy briefing for suppliers



Awards to suppliers

Basic Procurement Policy

We intend to boost the results of our suppliers and the GS Yuasa Group by working to create better partnerships based on mutual understanding and relationships of trust.

Promotion of Responsible Procurement

The GS Yuasa Group advances materials procurement based on awareness of such international social issues as forced labor, child labor and environmental destruction. Along with quality, performance, pricing, delivery deadlines and other conventional supply demands, it is also vital to base procurement in CSR championing human rights, working conditions and the global environment. Toward that end, the Group does not simply tackle CSR on its own, but also, in cooperation with suppliers, promotes responsible procurement in response to social issues.

By tackling CSR, we believe we can raise the mutual corporate value of our Group and suppliers and realize a mutually prosperous supply chain overall.

In fiscal 2018, the GS Yuasa Group published Responsible Procurement Guidelines and issued it to suppliers to better clarify the practices of responsible procurement. The Guidelines seek to support a sustainable society through the partnership linking the Group to all suppliers. The key goal is to reduce business risks capable of negatively impacting improvements in mutual performance and sustainability, with supplier briefings held to raise awareness of the spirit and key points of these new parameters throughout the supply chain. In addition, we are working to further deepen our awareness of the results of Responsible procurement by obtaining the consent of suppliers to cooperate with the content of these guidelines.

In the case of new transactions, we select suppliers that conform to the Guidelines.

In addition, we educate procurement personnel to enable them to appropriately implement responsible procurement. Also, while nurturing a greater understanding of Responsible Procurement Guidelines, we also foster greater awareness of the importance of preventing CSR risks that may affect the business continuity throughout the supply chain.

Overview of requirements for suppliers

Classification	Summary of requirements
Labor	 Prohibition of forced labor and child labor, and of long working hours Payment of appropriate wages Elimination of discrimination and inhumane treatment Freedom of association Avoid complicity in human rights violations
Health and Safety	 Appropriate safety management, management of industrial health, and response to occupational accidents and diseases Reduction of physically heavy work, safety measures for appropriate machinery, and provision of hygienic equipment, meals, and housing Mitigate impact in an emergency situation Promoting health and safety communication
Environment	 Appropriate response to environmental laws and regulations concerning permits, approvals, and notifications Appropriate management of hazardous substances, waste, atmospheric emissions, and water Efficient use of natural resources and energy Reduction of greenhouse gas emissions Restrictions on use of substances
Corporate Ethics	 Elimination of inappropriate profits Fair Business Transactions Respect for intellectual property Appropriate management of confidential information Appropriate export controls Promoting responsible mineral procurement Establishment of whistleblower system Transparent information disclosure
Product Safety	 Ensuring product safety Providing safety information concerning products and services



Education on responsible procurement for procurement personnel

Responsible Procurement Guidelines (https://www.gs-yuasa.com/en/csr/pdf/Responsible_Proc_Guide_190326.pdf)

Responsible Procurement Survey of Suppliers

In order to realize a sustainable supply chain, the Group periodically surveys its major suppliers concerning their compliance with the requirements in the Responsible Procurement Guidelines. In this survey, suppliers evaluate their own CSR response status using questionnaire type of surveys, and the Group identifies CSR issues in the supply chain based on the results of the self-evaluations and implements a process to resolve these issues. We are working in collaboration with our suppliers to resolve the CSR issues in the supply chain in order to strengthen our business foundation.

■ Overview of supplier CSR survey items (fiscal 2022)

Classification	Number of questions	Example question items
Labor 12		Forced labor, child labor, working hours, wages, inhumane behavior, discrimination, etc.
Health and Safety	10	Occupational safety management, preparedness for emergency situations, industrial health, physically heavy work, machinery and equipment, etc.
Environment	6	Environmental permits, pollution control, hazardous substances、waste, atmospheric emissions, wastewater, etc.
Corporate Ethics	7	Legal compliance, bribery, intellectual property, unfair trade, internal whistleblower systems, information security, etc.
Product Safety	1	Ensuring product safety
Total	36	

■ Results of the supplier CSR survey (fiscal 2020)

Items	Domestic suppliers	Overseas suppliers	Total
Companies surveyed	298	151	449
Companies targeted for improvement	53	23	76

Specific Initiatives to Promote Responsible Procurement

The Group is promoting diverse initiatives in collaboration with suppliers for the realization of a sustainable supply chain.

Examples of specific initiatives to promote responsible procurement

- 1. Ensuring Quality and Health/Safety
- 2. Green Procurement
- 3. Responsible Mineral Procurement
- 4. Initiatives for Carbon Neutrality and Reduction in Water Consumption

1. Ensuring Quality and Safety

To promote activities that raise quality and enhance health and safety, including for suppliers who supply parts and raw materials, the GS Yuasa Group provides guidance on quality reflecting the needs of our suppliers as well as health and safety patrols, if required. In programs that raise quality, we share with suppliers the target values and the results of quality defect analysis of products supplied to the Group and work to improve the quality of these items along with them. In addition, we support quality improvement activities of suppliers by holding seminars on quality and conducting plant tours for suppliers.

Further, we consider occurrence of occupational accidents on the part of suppliers as occupational accidents of the Group, and are committed to working with our suppliers to adopt measures based on safety-first. Health and safety patrols that perform safety inspections at supplier plants point out potential hazards and propose measures to mitigate those hazards depending on the scale of the risks. We provide support for suppliers to identify workplace risks that pose hazards to workers and take appropriate action including monitoring of hazards and formulation of safe working procedures. Since fiscal 2019, we have been holding experience-based training, so suppliers personnel can experience first-hand and gain an understanding of the hazards in their workplaces.

Through these activities, we are supporting the creation of strong partnerships in the supply chain and measures to ensure the quality of products used by customers as well as the health and safety of our suppliers.



Supplier plant tour (held online)



Quality improvement lectures (held online)



Experience-based training

2. Green Procurement

The GS Yuasa Group companies in Japan makes the following requests of suppliers based on our Green Procurement Criteria.

Requirements for Suppliers

- 1. Operation of an environmental management system
- 2. Examination of chemical substances contained in items being supplied
- 3. Checking the legality of cutting down certain trees (logging)
- 4. Programs to identify and reduce CO₂ emissions

For 2. above, we ask our suppliers to examine substances using Chemical Substance Management Guidelines, which comply with international laws and regulations including EU directives (REACH, RoHS, etc.), and to test individual chemical substances as specified by customer needs.

GS Yuasa evaluates the appropriateness of stipulations to suppliers concerning green procurement by checking and auditing the status of their response. When selecting new suppliers, we apply supplier selection criteria relating to environmental management. In fiscal 2021, all suppliers that entered into new agreements satisfied those criteria. Further, for existing suppliers, we employ a supplier survey process related to responsible procurement to confirm the status of their response to environmental conservation.

By prioritizing trade with those suppliers that supply goods that conform to green procurement standards, we are reducing the environmental burden, including the burden within the supply chain.

Suppliers selection criteria relating to environmental management

- · Acquired third-party certification of environmental management systems
- · Has not acquired third-party certification of environmental management systems but has submitted a plan for acquisition

3. Responsible Mineral Procurement

The GS Yuasa Group believes that addressing social issues (armed conflict, human rights violations, etc.) that may arise during the extraction, transport, and trading of minerals used in our products is crucial in the global mineral supply chain, and we strive to conduct responsible mineral procurement with an emphasis on internationally certified frameworks.

Therefore, we have formulated a policy on responsible mineral procurement and we undertake comprehensive operations and management in accordance with that policy so that we can collaborate with suppliers and various other stakeholders to undertake activities without being complicit in armed conflict or human rights abuses.

GS YUASA Responsible Mineral Procurement Policy

GS YUASA shall, recognizing the risks of significant adverse impacts which may arise in the supply chain of the minerals used in the products, parts, and materials handled by our company, promote responsible mineral procurement while respecting the internationally recognized framework through the following initiatives, to fulfill the responsibilities to respect human rights and avoid contributing to conflicts.

- 1. GS YUASA will investigate whether its group companies or their suppliers procure or use the minerals that may contribute to human rights violations or armed conflicts.
- 2. GS YUASA will, if it was revealed that anyone of its group companies or their suppliers has procured or used minerals that have a high risk of contributing to human rights violations or armed conflicts, work on activities to avoid the procurement or use of such minerals, in collaboration with related companies.
- Refer here for the full text of the policy on responsible mineral procurement.

 (https://www.gs-yuasa.com/en/csr/pdf/rmpp_200407e.pdf)

4. Initiatives for Carbon Neutrality and Reduction in Water Consumption

The GS Yuasa Group is working to reduce environmental impact not just from its own business activities, but throughout the entire supply chain to address environmental issues including climate change and resource depletion.

To address carbon neutral and water resource issues in particular, we request that suppliers cooperate with our measures for achieving CO₂ emissions and water consumption reduction targets (down by 1% or more compared with the previous fiscal year) in conjunction with production of products supplied to our Group.

The Group is working to conserve natural environments in all its business activities by efficiently using resources including energy and water throughout the entire supply chain.

External Evaluation



We describe the results of evaluations from various stakeholders regarding the GS Yuasa Group's CSR activities.

Inclusion in ESG Investment Constituents

ESG investment means an investment made by selecting companies who consider Environment, Social and Governance. Corporate value in terms of investment is evaluated based not only on financial information (a company's business performance and managerial conditions, etc.) but also non-financial information (a reduction in emissions of greenhouse gases, management of chemical substances, response to human rights issues, employees' work-life balance, compliance, and independence of outside directors, etc.).

MSCI Japan ESG Select Leaders Index

This index was developed by Morgan Stanley Capital International (MSCI). For the index, companies with high ESG evaluation in each category of business have been selected. This is the index adopted by the ESG investment managed by the Government Pension Investment Fund (GPIF), an entity managing pension reserve funds in Japan.

The Company has been selected for this index by acquiring "A" rating (seven investment ratings: AAA, AA, A, BBB, BB, B and CCC).

MSCI Japan Empowering Women Index (WIN)

This index was developed by Morgan Stanley Capital International (MSCI). For the index, companies with excellence gender diversity in each category of business have been selected. This is the index adopted by the ESG investment managed by the Government Pension Investment Fund (GPIF), an entity managing pension reserve funds in Japan.

FTSE4Good Index Series

The Company has been selected for inclusion in the ESG Investment Constituents, a major global index developed by the global index provider FTSE Russell. The FTSE4Good Index series is a series of stock market indices made up of corporations that satisfy global criteria for ESG management and performance.

FTSE Blossom Japan Index

The Company has been listed in the FTSE Blossom Japan Index, which is comprised of Japanese companies recognized for their outstanding ESG initiatives by the global index provider FTSE Russell. This index was adopted for ESG investment management by the Government Pension Investment Fund (GPIF), which manages and invests pension funds in Japan.

FTSE Blossom Japan Sector Relative Index

The Company has been included in the FTSE Blossom Japan Sector Relative Index, a stock index designed by global index provider FTSE Russell to indicate relatively performance in the various sectors of Japanese companies excelling in the area of ESG. This index has also been adopted for ESG investment management by the Government Pension Investment Fund (GPIF), which manages and invests pension funds in Japan.

S&P/JPX Carbon Efficient Index

The Company has been included in the S&P/JPX Carbon Efficient Index, a stock index jointly developed by the S&P Dow Jones Indices and the Tokyo Stock Exchange. This index consists of companies meeting certain criteria on disclosure of environmental information and carbon intensity (carbon emissions to revenues). The S&P/JPX Carbon Efficient Index is one of the indices used in the context of ESG investment operated by the Government Pension Investment Fund (GPIF), which manages and operates Japanese pension funds.

Nadeshiko Brand

The Company has been selected as a Nadeshiko Brand, a program run jointly by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange. The Nadeshiko Brand program showcases Japanese listed companies noted for excelling in the area of women's empowerment to investors who are specifically focused on greater medium and long-term corporate value. The goal is to promote investment in these companies and facilitate their initiatives.

CSR Rating

Toyo Keizai CSR Ranking

CSR survey conducted by Toyo Keizai Inc. with the aim to find "a company that is trusted by society."

The Company has acquired the following ratings for each initiative (five ratings: AAA, AA, A, B and C).

Utilization of human resources	Environment	Corporate governance	Sociability
AAA	AAA	AA	AAA

EcoVadis Business Sustainability Ratings

EcoVadis operates a joint platform to evaluate sustainability of suppliers, and evaluates suppliers based on CSR-related standards considering response to environmental issues, labor practices, respect for human rights, fair trade and Responsible Procurement.

The Company has received the "gold rank" certification level (Four ranks: Platinum, gold, silver and bronze).

Evaluation, Certification, Award, Etc. Regarding CSR Activities

DBJ Employees' Health Management Rated

Under the health management rating loan system conducted by the Development Bank of Japan Inc. (DBJ), companies that conduct excellent initiatives for their employees' health have been evaluated/selected, and the terms and conditions of loan are set up according to the evaluation.

The Company received the highest rank "particularly excellent in terms of initiatives for employees' health" in 2018.

"Company with Excellent Health Management 2022"

"Company with Excellent Health Management" means a system under which the Ministry of Economy, Trade and Industry (METI) and The Nippon Kenko Kaigi jointly confer companies that carry out particularly excellent health management, based on activities to deal with local health issues and initiatives for health improvement promoted by The Nippon Kenko Kaigi. The Company has been selected as a certified company of this system.

Platinum Kurumin

Platinum Kurumin is a certification program under which the Minister of Health, Labour and Welfare recognizes companies that offer high levels of childcare support. GS Yuasa was selected as a certified company under this program.

CDP

CDP is a London-based international non-profit organization that collects, analyzes, and publicly releases information on the environmental strategies of leading companies around the world in response to the needs of institutional investors. GS Yuasa is classified in the A- rank for climate change programs that require information disclosure on greenhouse gas emissions, risks and opportunities arising from climate change, and other topics (assessments are based on an eight-step scale: A, A-, B, B-, C, C-, D, D-).

Third-Party Assurance

Greenhouse gas emissions

The Company requested third-party verification in order to secure the credibility of our greenhouse gas emission data that is disclosed on the CSR web content, and received the results of verification, saying "there is no item indicating that it has not reported material points about the GS Yuasa Group's greenhouse gas emissions (Scopes 1 and 2) in FY 2021".

Statement on third-party verification by SGS Japan Inc. (FY2021) (https://www.gs-yuasa.com/en/csr/pdf/SGS_220905e.pdf)

Editorial Policy



Editorial Policy

On this CSR website, we report on the GS Yuasa Group's concept and initiatives regarding CSR.

We disclose information that considers the opinions of stakeholders and their importance to the GS Yuasa Group.

Period covered

We disclose information centering on CSR activities in fiscal 2021 (April 1, 2021 to March 31, 2022).

In order to report the GS Yuasa Group's latest CSR activities, we disclose information on activities after fiscal 2020 whenever appropriate.

With respect to some performance data, we disclose information before fiscal 2019 to show a change over time.

Structures

GS Yuasa Group (GS Yuasa Corporation and major domestic and overseas subsidiaries) are covered.

The term "the Company" refers to GS Yuasa Corporation.

An explanation is given in a particular situation whenever appropriate if the structure covered differs.

Accuracy of information

To ensure the accuracy of the information we disclose, it is verified by multiple departments, such as the department in charge of the specific area and the Investor Relations Department.

Material changes

Regarding structures covered, there has been no material change in disclosed information.

Furthermore, there is no item that should be corrected due to an error in a description in the previous disclosed information.

Referenced guidelines

We have referenced the GRI (Global Reporting Initiative) Standards, an international guideline for companies' sustainability reports.

Refer to page 114 for GRI Content Index.

Inquiries

For inquiries about the sustainability website, please contact us using the following form:

The inquiries form can be accessed here.

Final update

December 23, 2022

Reference Data

Reference data relating to this report is set forth on the following pages. The reference data covered is indicated in the table below.

No.	Reference Data	Outline	Pages	Related Section	Related pages
1	Materiality and Response Plans	Information Indicating the Details of the Group's Materiality (Key CSR Issues) Response Plans (Targets and Results)	99	Materiality and Response Plan	13
2	Response to Climate Change (TCFD)	Climate-related based on TCFD framework Information	103	Appropriate Environmental Information Disclosure	65
3	Contribution to Achieving SDGs Through Materiality Response	Information Indicating the Relationship between the Group's Materiality (Key CSR Issues) Response Plans and the SDGs	107	Contribution to the SDGs through Our Business Activities	84
4	Contributing to the SDGs through Products and Services	Information Indicating the Relationships between Group Products/Services and the SDGs	111	Contribution to the SDGs through Our Business Activities	84
5	GRI Content Index	Information indicating disclosure status in accordance with the Global Reporting Initiative Standard, an international guideline for corporate sustainability reporting	114	Editorial Policy	97

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	Scope of FY 2022 targets FY 2021 results applicati							Y 2021 results				
Materiality	Activity outline app		KPI	Target	KPI	Target	Results	Self-Assessment / Challenges				
		Domestic	Number of times compliance education information disseminated annually	16 times	Number of times compliance education information disseminated annually	16 times	16 times	We issued educational email publications on compliance that cover primarily legal topics including receivables management, the Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors, governance structures, and electronic signatures. Based on the results of an employee survey, we believe that this is an effective means of education and will continue implementation in the future.				
			Number of significant compliance violations	None	Number of significant compliance violations	None	None	As a result of operation of a company-wide risk management system, implementation of training designed to raise employee awareness of compliance, and other measures, there were no significant compliance violations. Going forward, we will continue to undertake measures for preventing the occurrence of compliance risks.				
Thoroughly fulfilling our CSR and ensuring compliance	Provision of legal information and promotion of compliance training	Overseas	Achievement ratio of compliance training plan	100%	Achievement ratio of compliance training plan	100%	100%	We translated emails publications relating to respect for human rights into seven languages and conducted training by distributing them to 19 business sites of overseas Group companies. We conducted a questionnaire and confirmed that there are no problems concerning the status of responses regarding human rights at each company. We were able to deepen understanding not only of management, but also among local employees. It is important that we review training topics and tools for the next fiscal year and continuously conduct training to raise awareness of compliance.				
			Achievement ratio of significant compliance violation risk response plan	100%	Achievement ratio of significant compliance violation risk response plan	100%	100%	We confirmed the presence of business risks at overseas Group companies on a monthly basis. We also reinforced inspections of overseas Group companies with regard to risk that have a high likelihood of occurring (health and safety related risk, compliance risk, etc.) to prevent the occurrence of risks Going forward, continuously overseeing risk management (including compliance) of overseas Group companies will remain important.				
Respect and protection for	Thorough avoidance of infringement third-party intellectual property rights, promotion of the use of company intellectual property rights	Domestic	Achievement ratio of patent acquisition plans in the ASEAN region and China	100%	Achievement ratio of patent acquisition plans in the ASEAN region and China	100%	100%	We established a process to investigate whether the products of other companies infringe our intellectual property rights and verified the status of rights infringement by competitors' products in the ASEAN region. With regard to competitors' products in China, we completed advance preparations for operation of such a process including reaching agreement with local companies and other persons involved in business. In the future, we will carry out our strategy for the utilization of intellectual property by implementing this process appropriately.				
intellectual property	Promotion of the enforcement against infringement products	Overseas	Achievement ratio of response plan to intellectual property infringement (imitation products)	100%	Achievement ratio of response plan to intellectual property infringement (imitation products)	100%	100%	We investigated the status of trademark infringement, targeting websites that sell counterfeit goods and major electronic commerce websites worldwide and identified sites on which our intellectual property rights are being infringed. In the following fiscal year, following a close examination of the status of damage from counterfeit goods, we plan to take action to shut down the sites. It will remain important in the future to continue taking measures to mitigate the adverse impact on business caused by counterfeit goods in international markets.				
Strict management	Promotion of security measures and strengthening of illegal	Global	Cyberattack response ratio at time of detecting high security alerts	100%	Cyberattack response ratio at time of detecting high security alerts	100%	100%	There have been no critical confidential information leakage accidents. It is important to continually strive to				
of confidential information	/inappropriate access monitoring	Domestic	Information leak confirmation and response ratio at time of large data output	100%	Information leak confirmation and response ratio at time of large data output	100%	100%	enhance our information security measures into the future.				

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Materiality Activity outline		Scope of applicati	FY 2022 targets			FY 2021 results				
Materiality	Activity outline		KPI	Target	KPI	Target	Results	Self-Assessment / Challenges		
	Promotion of information security training	Domestic	Ratio of employees passing information security proficiency test	95% or more	Ratio of employees passing information security proficiency test	95% or more	96%	We believe that the increase in the test-taking ratio as a result of measures to raise employee awareness of information security (including periodically distributing email publications) enabled us to achieve the target. It will remain important in the future to continuously undertake activities in order to raise employee awareness regarding the importance of information security.		
		Domestic	Achievement ratio of human rights training plan	100%	Achievement ratio of human rights training plan	100%	100%	Based on the results of an analysis of records of training conducted at all workplaces, we believe that employee awareness of human rights increased. It is important to continuously implement measures into the future.		
Respect for individuality	Promotion of human rights education and thorough publicity of internal whistleblower		Achievement ratio of harassment education plan	100%	Achievement ratio of harassment education plan	100%	100%	We conducted harassment training for employees working overseas Group companies and those scheduled to be transferred overseas. Starting in the next fiscal year, we will continuously conduct harassment training for employees scheduled to be transferred overseas. Going forward, we plan to expand harassment training to the local employees of overseas Group companies.		
	system	Overseas	Introduction ratio of harassment whistleblower system	100%	Introduction ratio of harassment whistleblower system	100%	70%	For those overseas Group companies that do not have internal report systems regarding harassment, we planned to provide support for the introduction of such systems, but on-site visits were not possible due to COVID-19, and this program was suspended. It is necessary that we continue to take measures to prevent harassment in the future and provide ongoing support for the introduction of systems so that we can reliably operate support mechanisms for individuals who have been subjected to harassment.		
	Women's empowerment	Domestic	Ratio of women in management positions	4% or more	Number of times training to support women's empowerment conducted annually	1 time or more	3 times	We conducted training for female leaders on acquisition of business mindset skills that are necessary qualities for management positions and diversity management training for managers to promote career development support for female subordinates (there were 23 course participants, for a participation rate of 100%). It will remain important in the future to continuously provide opportunities for career enhancements to female employees.		
Respect for Diversity			Ratio of women among new graduates recruited for career-track positions	30% or more	Ratio of women among new graduates recruited for career-track positions	30% or more	27%	Of 73 recent graduates hired for career-track positions, 20 were women. It is important to continuously and actively undertake public relations targeting female job seeks and to take measures such as expanding workplaces where women can play active roles into the future.		
	Promotion of the employment of persons with disabilities	Domestic	Employment ratio of persons with disabilities	2.65%				(KPI and target values will be set in fiscal 2022)		
		Domestic	Achievement ratio of training plan for development of autonomous-minded human resources	100%	Achievement ratio of employee growth support training plan	100%	100%	We implemented training by rank and quality education based on the annual plan. In the future, it is important to not only improve the self-analysis skills of the employees but also to promote activities that support their future career development		
Human resources	Promotion of human resource development		Achievement ratio of worksite education plan	100%	Achievement ratio of worksite education plan	100%	100%	Each division took action to enhance the skills of personnel necessary to carry out business in accordance with a skill development education plan. In the future, it will be important to expand and enhance educational content and online educational services.		
development	programs	Overseas	Achievement ratio of global human resources education plan	100%	Achievement ratio of global human resources education plan	100%	100%	An educational program for managers at overseas sites was implemented for 15 employees in accordance with the annual plan. In addition, a global leader's development and training plan was conducted for 17 young employees who are candidates to become managers in the future. We will continue to undertake measures for the development of global human resources who serve as business leaders in diverse environments that cross countries, regions, and culture.		
Enhancement of work environments	Promotion of the thorough management of employees' working	Domestic	Response ratio to prevent the recurrence of long working hours	100%	Response ratio to prevent the recurrence of long working hours	100%	100%	After monitoring the overtime working hours of general employees, there has not been long working hours in violation of the labor-management agreement on overtime work. In addition, it was confirmed every month at labor-management consultations that there		
and occupational health and safety	hours and prevention of the recurrence of long working hours	Domestic	Annual frequency of labor-management consultations relating to working hours	12 times	Annual frequency of labor-management consultations relating to working hours	ncy of ment 12 12 appropriate wor enforced. It is in a section to the section of		had not been violations of the agreement and that appropriate working hours management had been enforced. It is important to continue these activities in order to maintain a comfortable working environment		

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Reference Data

Matariality	Activity outline	Scope of	FY 2022 target	:s		Y 2021 results		
Materiality	Activity outline	applicati on	KPI	Target	KPI	Target	Results	Self-Assessment / Challenges
			Operational achievement ratio of standard for number of days of paid leave taken annually	100%	Operational achievement ratio of standard for number of days of paid leave taken annually	100%	99%	Starting last fiscal year, we changed target management to expand the scope of application, but the target was not achieved. General employees achieved the target, but managerial employees, who were added to the scope of application, did not achieve the target. Nonetheless, the percentage of managerial employees who took paid leave increased substantially from the 2018 fiscal, up from 73% to 99%, and consequently, we believe that measures encouraging employees to take paid leave have been effective to a certain degree. Going forward, we will analyze the conditions concerning the unachieved target and take ongoing measures to achieve the target.
		Overseas	Achievement ratio of working hours management standards	100%	Achievement ratio of working hours management standards	100%	80%	We analyzed data from periodic working hour surveys of overseas Group companies, provided feedback to each Group company regarding the analysis results, and called on them to curtail long working hours. In the future, we will continuously implement working hours management based on working hours in the previous fiscal year, which was set as a voluntary management standard.
		Global	Number of serious occupational accidents	None	Number of serious occupational accidents	None	1	A serious occupational accident occurred at an overseas Group company. We promptly investigated the cause of the accident, took measures to prevent reoccurrence, and distributed the information to all Group companies to prevent the occurrence of similar accidents. It will be important in the future to conduct rigorous safety management using risk assessment methods for the identification and assessment of potential hazards in the workplace and to reinforce safety training for employees.
			Missed work frequency ratio	0.3 or less	Missed work frequency ratio	0.8 or less	0.4	In fiscal 2021, we focused our efforts on fundamental countermeasures and engineering countermeasures to address mechanical accidents (such as accidents involving being crushed by or caught in equipment). Also, by focusing on rigorous safety management for work in high locations, we were able to substantially reduce the missed work frequency ratio from fiscal 2020 (when the ratio was 1.0). In fiscal 2022, we set targets at half or less of the fiscal 2021 KPI target values and will reinforce safety countermeasures even further.
	Promotion of occupational health and safety risk management	Domestic	Number of workers exceeding internal blood lead concentration management standards (30 µg/dL)	None	Number of workers exceeding internal blood lead concentration management standards (35 µg/dL)	None	4	We strictly managed the blood lead concentration standards of workers who handle lead in accordance with internal standards, but the target was not achieved due to worker levels in excess of the standards in fiscal year-end measurements. It is necessary that we analyze the causes of non-conformity with the standards and continuously improve work environments at sites where lead is handled.
			Number of worksites in work management category III	None	Number of worksites in work management category III	None	None	We launched a project to increase the collection efficiency of lead dust that occurs in worksites, and as a result of reviewing local ventilation facilities, we were able to achieve the target. It will remain important in the future to continuously implement this project.
		Overseas	Missed work frequency ratio	1.8 or less	Missed work frequency ratio	2.1 or less	2.0	We shared information on analysis of causes of accidents that occurred overseas and on preventing reoccurrence with all sites and took measures to prevent the occurrence of similar accidents. In addition, we reduced the number of minor occupational accidents by more than 10%, leading to a reduction in the likelihood of accidents resulting in missed work. It will remain important in the future to take measures that mitigate the risk of accidents that lead to back pain and muscle pain.
			Number of workers exceeding internal blood lead concentration management standards (40 µg/dL)	None	Number of workers not meeting internal blood lead concentration management standards (60 µg/dL)	None	None	In fiscal 2021, we launched full-scale target management based on internal management standard values for all overseas production sites. As a result of improvements to facilities and operations at individual production sites, we achieved the targets. Starting in in fiscal 2022, we undertake operational management with even stricter internal control standard values.

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Reference Data

		Scope of applicati	FY 2022 target	ts		FY 2021 results					
Materiality	lateriality Activity outline		KPI	Target	KPI	Target	Results	Self-Assessment / Challenges			
	Promotion of quality improvement and strengthening of quality communication	Global	Achievement ratio of targets for claims and in-process defects	100%	Achievement ratio of targets for claims and in-process defects	100%	64%	Targets for claims and in-process defects were not achieved in Japan and overseas. The main cause was a concentration of defects in specified business, but we believe that uncertain aspects (such as fluctuations in production caused by impacts of the COVID-19 pandemic) were also factors in not achieving the targets. It is important that we take priority measures to achieve KPI targets in the next fiscal year.			
Provision of high-quality products	Strengthening of maintenance service setup	Domestic	Achievement ratio of operational management standards for product maintenance service systems	100%	Achievement ratio of operational management standards for product maintenance service systems	100%	100%	In order to properly operate product maintenance service systems, we conducted target management using indicators to ascertain the status of capturing maintenance demand. Going forward, we will analyze results data and work to improve the efficiency of internal management standards to promote the capture of maintenance demand.			
	Promotion of product safety education	Global	Number of serious product accidents	None	Number of serious product accidents	None	None	This fiscal year, we continuously reinforce product safety management through implementation of voluntary action plan concerning product safety at overseas Group companies and taking other measures. In the following fiscal year, we will conduct product safety training at overseas Group companies to raise understanding of product safety throughout the Group.			
	Promotion of effective use of water resources	Global	Ratio of reduction of water use (compared with FY 2018)	8.0% or more	Ratio of reduction of water use (compared with FY 2018)	6.0% or more	10.3%	We believe that continuously encouraging the cyclical use of water at domestic and overseas Group company production sites was a factor in achieving the target. In the future, we will continuously implement measures to curtail water intake.			
Promoting environmental	Contribution to realization of low-carbon society	Global	Ratio of reduction of CO ₂ emissions (compared with FY 2018)	6.0% or more	Ratio of reduction of CO ₂ emissions (compared with FY 2018)	4.0% or more	8.1%	As a result of the launch of an energy saving and renewable energy project and company-wide implementation of measures starting in fiscal 2021, we were able to achieve the target. It will remain important in the future to continuously undertake company-wide countermeasures for achieving targets including encouraging energy-saving and the use of renewable energy.			
protection	Prevention of environmental pollution	Global	Number of major environmental accidents	None	Number of major environmental accidents	None	None	There were no major environmental accidents as a result of operational management in accordance with strict voluntary management standards pursuant to environmental regulations. It will remain important in the future that we continuously undertake rigorous environmental risk management.			
	Improvement in ratio of use of recycled materials in products provided to markets	Global	Ratio of recycled lead used as lead raw materials in lead-acid batteries	35.0% or more	Ratio of recycled lead used as lead raw materials in lead-acid batteries	35.0% or more	55.9%	Increased the ratio of recycled lead use at some overseas Group companies in China, Turkey, Indonesia, and Thailand, and the result improved by 11.4 points compared to the previous fiscal year. We will continue our efforts to maintain and improve this level in the future.			
Developing and popularizing environmentall y considered products	Expansion of market for GS Yuasa products contained in products contributing to the curbing of global warming	Global	Ratio of environmentally considered products in total sales of all products	35.0% or more	Ratio of environmentally considered products in total sales of all products	34.0% or more	36.5%	In fiscal 2021, we steadily increased sales of environmentally considered products in conjunction with the recovery in sales from the downturn caused by the COVID-19 pandemic. In the future, we will continue efforts to provide products and services that appropriately meet the needs of stakeholders regarding a decarbonized society.			
Responsible procurement promotion	Responses to responsible mineral procurement	Global	Achievement ratio of responsible mineral survey plan	100%	Achievement ratio of responsible mineral survey plan	100%	100%	All matters regarding customer-need based mineral procurement surveys are conducted in cooperation with suppliers to ensure that we are not complicit in armed conflict or human rights abuses (the minerals covered are gold, tantalum, tungsten, tin, cobalt, and mica).In addition, we identified smelters with high CSR risks in mineral procurement by conducting a voluntary survey in Japan and took measures to mitigate risk in supply chains including those smelters. Going forward, we will take measures to respond to these risks in collaboration with stakeholders in mineral supply chains.			
	Management of supply chain CSR risks	Global	Achievement ratio of supplier CSR issues improvement plan	100%	Achievement ratio of supplier CSR issues improvement plan	100%	100%	Based on the results of a supplier CSR survey, we took measures to improve identified CSR issues in supply chains. We cooperated with suppliers to investigate response measures to issues and made operational improvements. It will remain important in the future to continuously take measures to mitigate CSR procurement risks.			

^{**} The scope of application may not cover all Group companies.

X Due to effects of COVID-19, the final year of the Group's Mid-Term Management Plan was changed from FY 2021 to FY 2022, and consequently, this plan also was extended to FY 2022.

^{*} This plan is periodically reviewed, and as a result, there may be differences from the details of the plan disclosed last time.

Response to Climate Change (TCFD)

The Group recognizes that climate-related issues are one of the important management issues and, in December 2019, we announced its support for the Task Force on Climate-related Financial Disclosures (TCFD) recommendations and are working on climate-related information disclosure based on the TCFD framework. In fiscal 2021, we launched a project to integrate climate-related risks and opportunities into our future business plans. The climate change scenarios used in the analysis are the 1.5°C

scenario and the stated policies scenario (equivalent to the 3°C scenario). We devised strategies based on the short-term (fiscal 2025), medium-term (fiscal 2030), and long-term (fiscal 2050) time axes.



Governance

Environmental issues (including climate change) are positioned as important management issues for the Group, and the CSR Committee, which is chaired by the director in charge of CSR, formulates and deliberates on environment-related policies, targets, and important topics. The details of deliberations are reported to the Executive Conference, which is headed by the president and has the relevant officers as members.

Topics determined in the Executive Conference to be of material significance are discussed by the Management Meeting and then approved by the Board of Directors. In addition, the status of responses to formulated environmental policies and objectives is reported to individual bodies, which monitor and manage progress.

[Governance structures relating to climate-related issues]

Board of Directors

Engages in deliberation and discussion at least once every six months

- Approves proposed responses, receives status reports, and monitors and oversees progress
- A Directors and auditor

Executive Conference Meets once every three months

- Receives reports on proposed responses and manages the progress of responses
- President, director in charge of the environment, and relevant directors

Management Meeting / Engages in deliberation and \discussion several times annually

- Discusses proposed responses
- Directors and auditors

CSR Committee

- Formulates and discusses proposed responses and manages the progress of responses
- Director in charge of CSR, planning divisions of each business unit, and corporate division of Head Office

[Examples of Matters Discussed by or Reported to the Board of Directors and Management Meeting]

- Formulation of environmental targets on the Fifth Mid-Term Management Plan
- Endorsement of the recommendations of the TCFD
- Formulation of the Fundamental Environmental Policy
- Formulation of long-term environmental target (GY 2030 Long-Term Greenhouse Gas Target) and others

Risk management

Risks and opportunities are identified and evaluated through the process described on the right

Identified risks and opportunities and the responses to them are managed under the governance structures including the CSR Committee.

In fiscal 2021, each business division and the Head Office Corporate Management Division established a project team to conduct companywide analysis of scenarios and formulation of strategies.

- Identification of risks and opportunities relating to climate pursuant to the TCFD framework
- **2** Evaluation of the degree of impact of the identified risks and opportunities using companywide risk management criteria
 - Identification of significant risks and opportunities for which the degree of impact is particularly large and investigation of responsive measures

Strategy

<Assumed conditions>

[Time Axis]

[I IIII C AXI3]			
	Short term	Medium term	Long term
End year	2025	2030	2050
Reason for adoption	Periods of the Fifth (FY2019–2022) and the Sixth (FY2023–2025) Mid-Term Management Plans	Period of the GY 2030 Long-Term Greenhouse Gas Target and achievement of SDGs	1.5°C target achievement period

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[Main Scenarios Used in Scenario Analysis*1]

Temperature increase	Main scenarios used	Overview						
	IEA*2 Net Zero Emissions by 2050 Scenario (NZE)	A scenario indicating what the world (policies, technologies, markets, etc.) needs to look like in order to achieve net zero global greenhouse gas (GHG) emissions by 2050 (assumed through a backcasting method)						
1.5°C	IPCC*3 RCP*4 2.6 Scenario and SSP*5 1-2.6 Scenario	RCP2.6: A scenario that assumes future temperature rise to be limited to less than 2°C used in the IPCC Fifth Assessment Report SSP1-2.6: A scenario for the introduction of climate policies to limit future temperature increases to less than 2°C under sustainable development used in the IPCC Sixth Assessment Report						
	IEA Stated Policies Scenario (STEPS)	A scenario based on energy and climate policies previously implemented and individual policies that are currently being implemented by individual governments						
3°C	IPCC RCP 8.5 Scenario and SSP 5-8.5 Scenario	RCP8.5: A scenario with maximum GHG emissions used in the IPCC Fifth Assessment Report SSP5-8.5: A scenario with no climate policies used in the IPCC Sixth Assessment Report						

- *1 Scenario analysis uses the scenarios of public agencies and may differ from actual future social conditions.
 *2 International Energy Agency
 *3 Intergovernmental Panel on Climate Change
 *4 Representative Concentration Pathways
 *5 Shared Socioeconomic Pathways

[Social conditions under scenario]

•	conditions under	•	Through 2025 (short term)	Through 2030 (medium term)	Through 2050 (long term)								
	Operations	Social demand for emissions reduction	-20%	-40%	-100%								
	Operations	Carbon price	\$75 / t-CO ₂	\$130 / t-CO ₂	\$250 / t-CO ₂								
1.5°C scenario	Automotive related business	Changes in the automobile market	Expansion of automobile electrification Structural changes in the automobile industry in conjunction with electrification	Ratio of EVs, PHEVs, and FCVs*6 in passenger vehicles (global Sales volume: 64% (1.3 times) Ownership: 20% (1.6 times) Ratio of EV two-wheeled and three-wheeled vehicles (global Sales volume: 85% Sales volume: 85% Sales volume: 100% Ownership: 54% Ownership: 100%									
		Development of alternative technologies to replace lead-acid batteries	 In conjunction with increasing demand for batteries for applications relating to transportation and electric power, prices will decline for alternative technologies, such as lithium-ion batteries, to take the place of lead-acid batteries 										
	Industrial battery and	Changes in energy-related markets	 In conjunction with the rapid expansion of solar and wind power generation, demand for batteries used for electric power will expand Batteries for storing excess power from renewable energy sources will increasingly be converted to use for backup applications 										
	power supply related business	Development of alternative technologies to replace lead-acid batteries	 In conjunction with increasing demand for batteries for applications relating to transportation and electric power, prices will decline for alternative technologies, such as lithium-ion batteries, to take the place of lead-acid batteries 										
		Raw materials	 Demand for lithium, nickel, and other resources will increase rapidly as demand for lithium-ion batteries increases for use with energy storage technologies and renewable energy Competition to sustainably secure raw materials will intensify 										
	Supply chains R&D	Acceleration of the circular economy* ⁷	Needs for products adapted to a rec	cycling-oriented society will increase year-	by-year								
		Emergence and spread of alternative technologies to replace lithium-ion batteries	 As battery demand for transportation and electric power related applications expands, the development and spread of battery technologies with higher added value in terms of safety, energy density, cost, charging speed, and life span will progress 										
3°C scenario	Operations	Storm and flood damage, storm surges	flood damage, Sea levels v										
	Industrial battery and power supply related business	Storm and flood damage, storm surges	Expansion of business relating to disaster countermeasures										

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^{*6} EV: Electric Vehicle; PHEV: Plug-in Hybrid Electric Vehicle; FCV: Fuel Cell Vehicle
*7 An economic mechanism for the circulation of resources without waste. Positioned as a medium- to long-term economic growth policy, particularly in European countries.

Response to Climate Change (TCFD)

<Risks and Opportunities>

		Introduction of carbon tax and renewable energy								
	Operations	Risk Increased costs for energy saving and renewable energy to reduce CO2 emissions Risk Increased carbon costs for the company's emissions in conjunction with the introduction of a carbon tax Risk Increased carbon costs for emissions in upstream segments of supply chains	Under the 1.5°C scenario, targets for a major reduction of CO ₂ will be required and carbon taxes will be introduced to achieve carbon neutrality. Cost increases are expected due to the introduction of energy-saving equipment and renewable energy to reduce CO ₂ emissions in order to achieve carbon neutrality.							
		Opportunity Higher demand for batteries in conjunction with increased sales and ownership of passenger vehicles								
		Starting batteries and batteries for auxiliary equipment								
	Automotive related business	Opportunity Higher demand for batteries for auxiliary equipment used in EVs and PHEVs Opportunity Risk Replacement of lead-acid batteries with lithium-ion batteries Declining demand for starting batteries used in internal combustion engine vehicles	In conjunction with the expansion of the market for EVs, PHEVs, and other such vehicles, demand for starting batteries used in internal combustion engine vehicles is expected to decline while demand for batteries for auxiliary equipment is expected to increase. Also, a shift of a certain number of lead-acid batteries to lithium-ion batteries is expected.							
		Batteries for HEVs*8, PHEVs, and EVs								
		Opportunity Higher demand for batteries used in EVs and PHEVs Opportunity Risk Changes in demand for batteries used in HEVs and PHEVs (higher demand over the short to medium term and declining demand over the long term)	It is expected that over the short to medium term, sales of HEVs and PHEVs will increase, but in the long term, as sales of EVs increase substantially and account for approximately 100% of sales ratio in 2050, the battery market will change.							
1.5°C scenario		Lead-acid batteries for backup applications and forklif	itc							
scen			Demand for batteries used in transportation and electric power							
ario	Industrial battery and power supply related business	Opportunity Higher demand for batteries Risk Replacement of lead-acid batteries with lithium-ion batteries	related applications is expected to increase, but as technological innovation progresses, it is expected that prices for lithium-ion batteries and other such products will fall and that a certain number of lead-acid batteries will be replaced by lithium-ion batteries.							
		Energy storage systems (ESS) for renewable energy								
		Opportunity Higher demand for batteries and peripheral systems and devices	It is expected that in conjunction with the increased introduction of solar, wind, and other renewable energy generation, demand for batteries and peripheral systems and devices for electricity load leveling and the like will increase.							
		Raw materials procurement and circular economy								
		Opportunity Improvement in the superiority of recyclable lead in a recycling-oriented society	Risks such as rising resource prices and difficult securing resources are							
	Supply chains R&D	Risk Difficulty procuring and rising price for metal resources Risk Difficulty procuring and rising price for sustainable raw materials	expected over the short to medium term. On the other hand, with the development of alternative technologies, it is expected that tight supply and demand situations will be alleviated over the long term. It is also expected that competition relating to procurement of sustainable raw materials will intensify in terms of the environment and society.							
		Technological innovation								
		Opportunity Risk Increased business opportunities as a result of leading development of next-generation batteries technologies (all-solid-state batteries, etc.)	It is expected that the development and spread of higher added value battery technologies (all-solid-state batteries, metal-air batteries, sulfur batteries, etc.) for transportation and electric power related applications will advance. In cases where the company can lead the development of new technologies, business opportunities will arise.							
		Natural directors and toppositive vice								
		Natural disasters and temperature rise Increased damage to facilities due to storm and flooding	Due to increased storm and flooding damage, there is a risk of							
3°C scenario	Operations	Risk disasters and increased loss of profit due to business suspension Risk Business suspension due to damage to supply chains Risk Increased costs for air conditioning and cooling processes	greater impact including property damage to facilities and machinery at the company's plants, loss of profit from business suspension, and the inability of workers to report to work. Interruption of supply chains is also anticipated.							
ario		- "								
	Industrial battery and	Emergency power supplies	It is expected that demand for emergency never supplies will							
	pattery and power supply related business	Opportunity Increased demand for emergency power supplies as countermeasures against severe disaster	It is expected that demand for emergency power supplies will increase out of concern regarding intensification of natural disasters due to climate change.							

Note: Those items that were determined in the risk assessment to be of particular importance in the short to long term are listed.
*8 Hybrid Electric Vehicle

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<Direction of Business Strategies>

		Now 2050									
	Operations	Reduce CO ₂ emissions by at least 30% by 2030 Implement measures for energy conservation and use of renewable energy Further accelerate measures for achieving carbon neutrality Further implement measures for energy conservation and procurement of renewable energy									
		Securing profits from lead-acid batteries for internal combustion engine vehicles Introduce differentiated products, strengthen our sales capabilities, and increase sales of high-value-added products with a focus on regions where internal combustion engine business remains such as ASEAN									
		Capture demand for batteries for auxiliary equipment used in electric vehicles Capture demand for 12 V lead-acid or lithium-ion batteries for auxiliary equipment used in electric vehicles as well (for new automobiles and for replacement)									
	Automotive related business	Capture demand for redundant batteries used in electric vehicles Capture demand for lithium-ion batteries used for backup of self-driving vehicles									
1.5°C		Expand production of lithium-ion batteries for HEVs and PHEVs Production will increase, particularly for Japanese automakers, but will decline in the future									
1.5°C scenario		Full-scale entry into EV lithium-ion battery market Invest development resources to enter the market for lithium-ion batteries used in EVs, which are used under demanding environments and must be highly reliably									
	Industrial battery and power supply related business	Apply automotive lithium-ion battery know-how to industrial applications Establish a lineup that includes both lead-acid batteries and lithium-ion batteries for industrial applications according to market needs									
		Focus on the renewable energy and energy management fields • Strengthen operation, maintenance and inspection services • Develop more price-competitive batteries • Introduce products and services aligned customer needs to capture demand for renewable energy • Capture demand for peak cutting, peak shifting, and other energy management services for business sites									
	Supply chains	Develop the market for lead-acid batteries with high recycling rates Commercialize lead-acid batteries compatible with the needs of a recycling-oriented society Conduct R&D of and commercialize rare metal-free batteries Promote R&D on and commercialize rare metal-free batteries such as sulfur cathode batteries									
	R&D	Conduct R&D of and commercialize post-lithium-ion batteries Promote R&D of all-solid-state batteries and put them into practical application, promote R&D of and commercialize silicon anode batteries, lithium metal anode batteries, and sulfur cathode batteries									
3°C sc	Operations	Countermeasures against intensifying disasters • Evaluate future risks including climate risks, implement countermeasures as necessary • Undertake BCP including supply chains									
3°C scenario	Industrial battery and power supply related business	Contribute to countermeasures against intensifying disasters using backup power supplies Focus on market expansion conditions and respond to needs									

Metrics and Targets

[Fifth Mid-Term Management Plan (FY2019-FY2022)]



CO₂ emissions

Reduce by at least 6% (compared with FY2018)



Percentage of environmentally considered products in total sales of all products

35.0% or more

[GY 2030 Long-Term Greenhouse Gas Target]



CO₂ emissions

Reduce CO₂ emissions by at least

30% (compared with FY2018)



Water consumption

Reduce by at least 8% (compared with FY2018)



Ratio of recycled lead used as lead raw materials in lead-acid batteries

35.0% or more

[Internal Carbon Pricing (ICP)]



The price will be set at \$8,600 / t-CO₂ Use as reference information when making investment decisions regarding energy-saving and renewable energy measures

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Contribution to Achieving SDGs Through Materiality Response (FY 2022)

		R	esponse Plans			Relevant SDGs											
Materiality	Activity outline	Scope of application	KPI	Corresponding Social Issues	Supplement	3 FATOAK	4 東の東い徳東を	5 SELST-FEE	6 安全な水とトイレ を世界中に	7 エネルギーセネルなに そしてクリーンに	8 mare	9 高東と世俗書館の高田をつくろう	11 GARGERA	12 つくる責任 CO	13 水米文物に 現代的な対策を	16 FRENZE	Scope of impact
	Promotion of human	Domestic	Achievement ratio of human rights training plan	Raising of awareness			4.7										Pos
Respect for individuality	rights education	Overseas	Achievement ratio of harassment education plan	rights			4.7										1 05
	Thorough publicity of internal whistleblower system	Overseas	Introduction ratio of harassment whistleblower system	Equal access to judiciary	Ensuring of employees' free access to grievance mechanisms											16.3	Neg
	Women's empowerment	Domestic	Ratio of women in management positions Ratio of women among new graduates	Realization of rewarding workplaces	Promotion of enhanced work motivation among female employees						8.5						- Pos
Respect for Diversity	women's empowerment	Domestic	recruited for career-track positions	Participation of women in decision making	Ensuring of opportunities for women to train as candidates for senior positions			5.5								16.7	1 03
	Promotion of the employment of persons with disabilities	Domestic	Employment rate of persons with disabilities	Promotion of full employment	Providing employment opportunities to persons who have the will and ability to work are able to work						8.5						Pos
Human resources	Promotion of human resource development programs	Domestic	Achievement ratio of training plan for development of autonomous-minded human resources Achievement ratio of worksite education plan	Promotion of skill development for young			4.4										Pos
development		Overseas	Achievement ratio of global human resources education plan	people													
Enhancement	Promotion of the thorough management of employees' working hours and prevention of	Domestic	Response ratio to prevent the recurrence of long working hours Annual frequency of labor-management consultations relating to working hours Operational achievement ratio of standard for number of days of paid leave taken annually	Realization of rewarding workplaces	Building of pleasant workplaces by ensuring safe and secure working environments						8.5						Neg
of work environments and	the recurrence of long working hours	Overseas	Achievement ratio of working hours management standards														
occupational health and safety	Promotion of occupational health and	Global	Number of serious occupational accidents Missed work frequency ratio Number of workers exceeding internal blood lead concentration management standards	Prevention of health damage	Prevention of deaths and illnesses due to exposure to harmful substances	3.9											Neg
	safety risk management	Domestic	Number of worksites in work management category III	Promotion of safe and secure working environment							8.8						
				Improvement in energy efficiency	Reduction of needless energy consumption by curbing the occurrence of defective products					7.3							
Provision of high-quality	Promotion of quality improvement and	Global	Achievement ratio of targets for claims and in-	Responses to natural	Reduction of needless energy resource consumption by curbing the occurrence of defective products							9.4					- Neg
products	strengthening of quality communication	GIUDAI	process defects	resource depletion	Reduction of needless material consumption by curbing the occurrence of defective products									12.2			INCR
				Reduce waste generation	Reduction of needless waste by curbing the occurrence of defective products									12.5			

Contribution to Achieving SDGs Through Materiality Response (FY 2022)

		R	esponse Plans							Re	elevant SI	OGs					Scope		
Materiality	Activity outline	Scope of application	KPI	Corresponding Social Issues	Supplement	3 TATOAK -W	4 ROALERE AARL	5 SELES	6 安全な木とトイレ を世界中に	7 エネルギーセネルのに そしてクリーンに	8 marks	9 高東と世報事務の 高額をつくろう	11 @###96h8	12 okane Odone	13 张州玄和仁	16 FRENZE FRENZE	of impact		
	Strengthening of maintenance service setup	Domestic	Achievement ratio of operational management standards for produfourct maintenance service systems	Promotion of sustainable urbanization	Upkeep of social infrastructure by means of the appropriate maintenance of products supporting power infrastructure								11.3				Pos		
	Promotion of effective use of water resources	Global	Ratio of reduction of water use (compared with FY 2018)	Elimination of water shortage problems	Reduction of water intake through the promotion of water recycling				6.4								Neg		
				Improvement in energy efficiency	Reduction of CO ₂ emissions through the efficient use of fossil-fuel-derived energy					7.3									
	Contribution to realization of low-carbon society	Global	Ratio of reduction of CO ₂ emissions (compared with FY 2018)	Improvement of resource efficiency	Reduction of CO ₂ emissions through the efficient use of fossil-fuel-derived energy							9.4					Neg		
Dramatian of				Climate change mitigation											13.3				
Promotion of environmental protection	Prevention of	Clabal	Number of major anniversal accidents	Prevention of water pollution	Promotion of environmental risk management to control the discharge and underground percolation of water containing harmful substances				6.3								Nog		
	environmental pollution	Ilution Global Number of major environmental accider		Prevention of air pollution	Promotion of environmental risk management to control the dispersal and leakage of harmful substances and volatile organic compounds								11.6				Neg		
	Improvement in ratio of use of recycled materials in products provided to markets		use of recycled	Clabal	Ratio of recycled lead used as lead raw	Reduction of natural resource consumption										12.2			Pos
			materials in lead-acid batteries	Reducing waste generation	Reduction of landfill disposal through the recycling of waste									12.5			FOS		
				Improvement in energy efficiency	Reduction of CO ₂ emissions through the efficient use of fossil-fuel-derived energy					7.3									
Developing and popularizing	Expansion of market for GS Yuasa products contained in products	Global	Percentage of environmentally considered	Reduction of natural	Reduction of CO ₂ emissions through the efficient use of fossil-fuel-derived energy							9.4					Pos		
environmental ly considered products	contributing to the curbing of global warming	Global	products in total sales of all products	resource consumption	Reduction of CO ₂ emissions through the efficient use of fossil-fuel-derived energy									12.2			F 05		
				Climate change mitigation											13.3				
				Abolition of forced labor and child labor	Avoidance of the procurement of minerals supporting human rights violations by armed groups						8.7								
Responsible	Responses to		Achievement ratio of responsible mineral survey	Reduction of deaths due to violence	Avoidance of the procurement of minerals supporting human rights violations by armed groups											16.1	N		
procurement promotion	responsible mineral procurement	Global	plan	Eradication of all forms of violence and torture against children	Avoidance of the procurement of minerals supporting human rights violations by armed groups											16.2	Neg		
				Eradication of bribery	Avoidance of the procurement of minerals involving the payment of bribes or commission to armed groups											16.5			

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Contribution to Achieving SDGs Through Materiality Response (FY 2022)

	Response Plans			0		Relevant SDGs								Scope		
Materiality	Activity outline	Scope of application	KPI	Corresponding Social Issues	Supplement	3 TATOAL A	↑ 見の高い世間を あんなに	5 \$255-926 \$2555	6 安全な水とトイレ を世界中に	7 tarf-earen	8 menus markes	9 88248880 8867055	11 BARIISAS 12 768RB 12 769RB	13 景州文物に	16 FRENZE	16 TRENET OF
	Management of supply chain CSR risks	Global	Achievement ratio of supplier CSR issues improvement plan	Realization of sustainable supply chain									12.7			Neg

^{**}Scope of application: "Domestic" means plans of Group companies in Japan; "overseas" means plans of Group companies outside Japan; "global" means plans of Group companies both in Japan and overseas.

^{**}Scope of impact: "Neg" means the plan minimized the negative impact on the SDG; "pos" means the plan maximized the positive impact on the SDG.

^{**}Relevant SDGs: The goal numbers and target numbers of the main SDG related to the plan are shown.

Contribution to Achieving SDGs Through Materiality Response (FY 2022)

■ Content of Relevant Sustainable Development Goals and Targets

	Goals		Targets
No.	Content	No.	Content
3 FATOAL	ENSURE HEALTHY LIVES AND PROMOTE WELL- BEING FOR ALL AT ALL AGES	3.9	By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination
4 ROALINES	ENSURE INCLUSIVE AND EQUITABLE QUALITY EDUCATION AND PROMOTE LIFELONG	4.4	By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship
	LEARNING OPPORTUNITIES FOR ALL	4.7	By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development
5 \$2104-126 \$21,23	ACHIEVE GENDER EQUALITY AND EMPOWER ALL WOMEN AND GIRLS	5.5	Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life
6 至全工本とテイレ を担害中に	ENSURE AVAILABILITY AND SUSTAINABLE MANAGEMENT OF WATER AND SANITATION	6.3	By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally
À	FOR ALL	6.4	By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity
7 \$4.67-64.000 \$10.09-000	ENSURE ACCESS TO AFFORDABLE, RELIABLE, SUSTAINABLE AND MODERN ENERGY FOR ALL	7.3	By 2030, double the global rate of improvement in energy efficiency
		8.5	By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value
8 mark	PROMOTE SUSTAINED, INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH, FULL AND PRODUCTIVE EMPLOYMENT AND DECENT WORK FOR ALL	8.7	Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms
		8.8	Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment
9 高度とは高度の 基度をつくろう	BUILD RESILIENT INFRASTRUCTURE, PROMOTE INCLUSIVE AND SUSTAINABLE INDUSTRIALIZATION AND FOSTER INNOVATION	9.4	By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities
11 daggens	MAKE CITIES AND HUMAN SETTLEMENTS INCLUSIVE, SAFE, RESILIENT AND	11.3	By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries
⋴	SUSTAINABLE	11.6	By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management
		12.2	By 2030, achieve the sustainable management and efficient use of natural resources
12 つくら 東任 つか うま任	ENSURE SUSTAINABLE CONSUMPTION AND PRODUCTION PATTERNS	12.5	By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse
		12.7	Promote public procurement practices that are sustainable, in accordance with national policies and priorities
13 ##### 13 ###########################	TAKE URGENT ACTION TO COMBAT CLIMATE CHANGE AND ITS IMPACTS	13.3	Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning
		16.1	Significantly reduce all forms of violence and related death rates everywhere
		16.2	End abuse, exploitation, trafficking and all forms of violence against and torture of children
16 FRESE	PROVIDE ACCESS TO JUSTICE FOR ALL AND BUILD EFFECTIVE, ACCOUNTABLE AND INCLUSIVE INSTITUTIONS AT ALL LEVELS	16.3	Promote the rule of law at the national and international levels and ensure equal access to justice for all
		16.5	Substantially reduce corruption and bribery in all their forms
			Ensure responsive, inclusive, participatory and representative decision-making at all levels

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Contributing to the SDGs through products and services (GS Yuasa Corporation)

Business	Products and Services	Contributing to a sustainable society	Corresponding	2 0000 HEATE	C CIEAN WATER	7 1000000000	Relevant SDGs			10 1000000	10
Dusilless	Products and Services	Contributing to a sustainable society	Social Issues	3 GOOD HEALTH JAND WILL BUING	6 CLEAN MATER AND SANITATION	7 ALLAN EMERCY	8 SCHWING SHOWTH	9 AND INFRASTRUCTURE	11 AND COVARABLES	12 CONTINUES ON THE CONTINUES ON T	13 const
		Diffusion of automobiles with improved fuel consumption	Improvement in energy efficiency			7.3					
	Lithium-ion Batteries for Hybrid Electric Vehicle, Storage Batteries for Vehicles with Start-Stop Systems	Diffusion of automobiles with reduced fossil fuel consumption during driving	Responses to natural resource depletion							12.2	
	with otal Cop Systems	Diffusion of automobiles curbing greenhouse gas emissions thanks to reduced fossil fuel consumption during driving	Climate change mitigation								13
		Diffusion of non-fossil-fuel transport infrastructure to contribute to the realization of a low-carbon society	Resilient social infrastructure					9.4			
Automotive	Lithium-ion Batteries for Electric Vehicle	Diffusion of automobiles with no fossil fuel consumption during driving	Responses to natural resource depletion							12.2	
Batteries		Diffusion of automobiles with no greenhouse gas emissions during driving	Climate change mitigation								13
	Storage Batteries That Make Possible the Supply of Electric Power to Vehicles Equipped	Diffusion of automobiles providing advanced means of traffic safety	Halving the number of deaths and injuries from road traffic accidents	3.6							
	with Driving Safety Functions	means of traine safety	Improvement in traffic safety						11.2		
	Lead-acid Battery	Promotion of the reuse of resources through the supply of highly recyclable products	Realization of a recycling-oriented society							12.5	
	Recycling Used Products (Lead-acid Batteries)	Promotion of the reuse of resources through the supply of proper recycle schemes	Realization of a recycling-oriented society							12.5	
	Storage Batteries for Battery-	Diffusion of non-fossil-fuel logistics and transportation infrastructure to contribute to the realization of a low-carbon society	Resilient social infrastructure					9.4			
	powered Forklifts, Storage Batteries for Automatic Guided Vehicles, Storage Batteries for Battery-powered	Diffusion of on-premise transport vehicles and ships with reduced fossil fuel consumption during operation	Responses to natural resource depletion							12.2	
	Vessel	Diffusion of on-premise transport vehicles and ships with no greenhouse gas emissions during operation	Climate change mitigation								1
		Diffusion of special vehicles with improved fuel consumption during driving	Improvement in energy efficiency			7.3					
	Storage Batteries for Hybrid Transfer Cranes, Hybrid Carrier Batteries	Diffusion of special vehicles with reduced fossil fuel consumption during driving	Responses to natural resource depletion							12.2	
		Diffusion of special vehicles curbing greenhouse gas emissions thanks to reduced fossil fuel consumption	Climate change mitigation								1
	Storage Batteries for Battery- powered Trains, Storage	Diffusion of highly energy-efficient trains through the effective utilization of regenerated energy	Improvement in energy efficiency			7.3					
	Batteries for Hybrid Railcars	Diffusion of trains curbing greenhouse gas emissions through the utilization of regenerated energy	Climate change mitigation								1
		Diffusion of electric power systems with stable supplies of renewable energy	Increased use of renewable energy			7.2					
Industrial Batteries	Storage Battery Facilities for Photovoltaic Power Generation, Storage Battery	Diffusion of electric power systems realizing the effective utilization of renewable energy	Improvement in energy efficiency			7.3					
	Facilities for Wind Power Generation	Diffusion of sustainable electric power systems	Resilient social infrastructure					9.4			
		Diffusion of electric power systems curbing greenhouse gas emissions through the utilization of renewable energy	Climate change mitigation								1:
		Diffusion of electric power systems effectively utilizing renewable energy	Increased use of renewable energy			7.2					
	Storage Batteries for Virtual Power Plants (storage battery	Diffusion of electric power systems optimizing the electricity supply-demand balance	Improvement in energy efficiency			7.3					
	facilities used with electric power systems that comprehensively control energy resources according to	Diffusion of energy infrastructure facilitating the stable supply of electricity	Resilient social infrastructure					9.4			
	supply and demand conditions)	Diffusion of electric power systems supporting long-term urban development plans	Sustainable urbanization						11.3		
		Diffusion of electric power systems curbing greenhouse gas emissions through the utilization of renewable energy	Climate change mitigation								1:
	Lead-acid Battery	Promotion of the reuse of resources through the supply of highly recyclable products	Realization of a recycling-oriented society							12.5	
	Recycling Used Products	Promotion of the reuse of resources through the supply of proper recycle schemes	Realization of a recycling-oriented society							12.5	

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Contributing to the SDGs through products and services (GS Yuasa Corporation)

Buoines-	Products and Services	Contributing to a sustainable society	Corresponding		0.000			nt SDGs	5		
Business	Products and Services	Contributing to a sustainable society	Social Issues	3 GOOD HEATH	6 CLEAN WARTER AND SANITATION	7 AFFORMALE IND	8 BEESET MINIST AND	9 AND INFRASTRUCTURE	11 MO COVALINTES	12 RESPONSINE CONSUMPTION AND PRODUCTION	13 cm
	DC Power Supply, Uninterruptible Power Supply	Stable electricity supplies to important facilities at times of power failure or other electricity trouble	Resilient social infrastructure					9.1			
		Realization of sustainable energy infrastructure through the supply of power generation systems using natural energy	Increased use of renewable energy			7.2					
	Dhataurtais Danna	Stable electricity supplies to electrical load at times of power failure or other electricity trouble	Resilient social infrastructure					9.1			
	Photovoltaic Power Generating Systems	Diffusion of electric power systems supporting long-term urban development plans (purchased electric power peak reduction using photovoltaic power generation)	Sustainable urbanization						11.3		
		Diffusion of power generation systems curbing greenhouse gas emissions through the utilization of natural energy	Climate change mitigation								1:
Power		Diffusion of railway systems realizing high energy efficiency through the effective utilization of regenerated energy	Improvement in energy efficiency			7.3					
Supply Systems	Electricity Storage System for Railway (E3 Solution System)	Supply of electric power to trains at times of power failure or other electricity trouble	Resilient social infrastructure					9.1			
		Diffusion of railway systems curbing greenhouse gas emissions through the utilization of regenerated energy	Climate change mitigation								1
	Charging and Discharging Devices for Vehicle-to- Everything (V2X) Systems	Stable electricity supplies to facilities and housing at times of power failure or other electricity trouble	Resilient social infrastructure					9.1			
	That Supply Electric Power from Electric Vehicle Storage Batteries	Diffusion of electric power systems supporting long-term urban development plans (purchased electric power peak reduction using automotive	Sustainable urbanization						11.3		
		batteries) Early restoration of energy infrastructure	Decreased damage caused by disasters						11.5		
	Maintenance Service	damaged at times of natural disaster (flooding, earthquake, etc.)	Adaptation to climate change								1
	Membrane Sheets and Wastewater Treatment Units for Sewage, Waste, Combined Septic Tanks, and Industrial Wastewater	Diffusion of wastewater treatment systems hygienically eliminating dirty water	Improvement in water quality		6.3						
	Membrane Devices for Recycling	Promotion of the reuse of resources by membrane devices to retrieve rare metals, etc. contained in liquid waste	Realization of a recycling-oriented society							12.5	
Industrial Membrane Products	Drinking Water Filter Membranes, Tap Water Purification Processing Filter Modules	Diffusion of water purifying systems to realize appropriate water quality	Safe water supply		6.1						
	Electrolytic Membranes for Electroplating	Reduction of plating defect ratio by using microporous membrane so that the sludge and gas occurring on electrodes during electroplating processing does not touch the substrate	Reducing waste generation							12.5	
		Reduction of additive consumption through the use of membranes to curb the proliferation of plating additives	Improvement in resource efficiency				8.4				
	LED Lighting Equipment, UV-	Reduction of health hazard risks through the supply of lighting equipment that does not include harmful substances (mercury)	Ensuring healthy lives	3.9							
	LED Equipment (light sources that use technologies to cure plastics by irradiation with	Reduction of electricity consumption through the use of highly energy-efficient lighting equipment	Improvement in energy efficiency			7.3					
	ultraviolet light)	Diffusion of lighting equipment curbing greenhouse gas emissions by means of low electricity consumption	Climate change mitigation								1
	Invitable Facilities	Diffusion of UV curable technology that does not emit volatile organic compounds (reduction of health hazard risks due to chemical substances)	Ensuring healthy lives	3.9							
Lighting Equipment and	UV Lighting Equipment (equipment for curing plastics by irradiation with ultraviolet light)	Reduction of electricity consumption through the use of UV curable technology to realize high energy efficiency	Improvement in energy efficiency			7.3					
Ultraviolet Irradiation Device	3 7	Diffusion of UV curable technology to curb greenhouse gas emissions through low electricity consumption	Climate change mitigation								1
		Securing a good visual environment so that road conditions and traffic conditions can accurately	Halving the number of deaths and injuries from road traffic accidents	3.6							
	LED Lamps for Street Lighting	be determined at night	Improvement in traffic safety						11.2		
		Reduction of waste by enabling use of existing lighting equipment when replacing lamps with	Improvement in resource efficiency				8.4				
		LED	Reducing waste generation							12.5	

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Contributing to the SDGs through products and services (GS Yuasa Corporation)

				Relevant SDGs									
Business	Products and Services	Contributing to a sustainable society	Corresponding Social Issues	3 GOOD REATH AND WILL BEING	6 CILAN WATER AND SANITATION	7 ATTORDABLE IND CLEAN ENERGY	8 SECENT VIDOR AND LOCALINE GROWTH	9 INDUSTRY, INSTAURCH OF THE STATE OF THE ST	11 SUSTAINABLE OTTES A DESCRIPTION OF THE STATE OF THE S	12 RESPONSIBLE CONSINVERSION AND PHODUCININ	13 CLINUTE		
		Reduction of electricity consumption through the use of highly energy-efficient lighting equipment	Improvement in energy efficiency			7.3							
	Disaster Prevention	Realization of energy infrastructure capable of responding at times when power supplies are disrupted due to natural disasters caused by climate change (flooding, earthquake, etc.)	Decreased damage caused by disasters						11.5				
	Rechargeable LED Solar Lights		Adaptation to climate change								13.1		
		Diffusion of lighting equipment curbing greenhouse gas emissions through low electricity consumption	Climate change mitigation								13.3		
Lithium-ion Batteries for	Lithium-ion Batteries for Positioning System Satellites That Provide High-precision Positioning Services	Development of location-based services making advanced use of geospatial information (autonomous driving, disaster information transmission, smart farming, etc.)	Resilient social infrastructure					9.1					
Special Applications, High Capacity	Lithium-ion Batteries for the Greenhouse Gases Observing Satellite	Promotion of international measures to counter global warming through the utilization of artificial satellites to supply highly accurate greenhouse gases observation data	Climate change mitigation								13.3		
Primary Lithium Batteries	Primary Lithium Batteries for Marine Observation Buoys	Promotion of international measures to counter global warming through the utilization of maritime observation data that plays an important role in medium- to long-term climate change forecasts	Climate change mitigation			000					13.3		

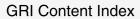
^{*} The figures above indicate the numbers of the SDG targets related to each product and service.

■ Content of Relevant Sustainable Development Goals and Targets

	Goals		Targets
No.	Content	No.	Content
3 GOOD HEALTH	ENSURE HEALTHY LIVES AND PROMOTE	3.6	By 2020, halve the number of global deaths and injuries from road traffic accidents
<i>-</i> ₩ •	WELL-BEING FOR ALL AT ALL AGES	3.9	By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination
6 CLEAN WATER AND SANIERDON	ENSURE AVAILABILITY AND	6.1	By 2030, achieve universal and equitable access to safe and affordable drinking water for all
Å	SUSTAINABLE MANAGEMENT OF WATER AND SANITATION FOR ALL	6.3	By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally
7 AFFORMABLE AND CLEAR ENERGY	ENSURE ACCESS TO AFFORDABLE, RELIABLE, SUSTAINABLE AND MODERN	7.2	By 2030, increase substantially the share of renewable energy in the global energy mix
Ö	ENERGY FOR ALL	7.3	By 2030, double the global rate of improvement in energy efficiency
8 PRESMIT VARIOUS CARD. INCREMENTAL CARDON THE	PROMOTE SUSTAINED, INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH, FULL AND PRODUCTIVE EMPLOYMENT AND DECENT WORK FOR ALL	8.4	Improve progressively, through 2030, global resource efficiency in consumption and production and endeavor to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmers on sustainable consumption and production, with developed countries taking the lead
9 INDUSTRY, NO GRAITEN AND INFRASTRUCTURE	BUILD RESILIENT INFRASTRUCTURE, PROMOTE INCLUSIVE AND	9.1	Develop quality, reliable, sustainable and resilient infrastructure, including regional and trans-border infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all
	SUSTAINABLE INDUSTRIALIZATION AND FOSTER INNOVATION	9.4	By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities
		11.2	By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons
11 MO COMMINIES	MAKE CITIES AND HUMAN SETTLEMENTS INCLUSIVE, SAFE, RESILIENT AND SUSTAINABLE	11.3	By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries
		11.5	By 2030, significantly reduce the number of deaths and the number of people affected and substantially decrease the direct economic losses relative to global gross domestic product caused by disasters, including water-related disasters, with a focus on protecting the poor and people in vulnerable situations
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	ENSURE SUSTAINABLE CONSUMPTION	12.2	By 2030, achieve the sustainable management and efficient use of natural resources
∞	AND PRODUCTION PATTERNS	12.5	By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse
13 сымит	TAKE URGENT ACTION TO COMBAT	13.1	Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries
	CLIMATE CHANGE AND ITS IMPACTS	13.3	Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning

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GRI Content Index



On this CSR website, we have referenced that the GRI (Global Reporting Initiative) standards 2016, an international guideline for companies' sustainability reports.

	GRI Standards		Disclosure Title	References
			General Disclosures	
		2-1	Organizational details	Corporate Profile Stock Data Investors' Guide (PDF)
		2-2	Entities included in the organization's sustainability reporting	GS Yuasa's Offices & Group Companies
	The organization and its reporting practices	2-3	Reporting period, frequency and contact point	Editorial Policy [Period covered, Final update, Inquiries]
	praetices	2-4	Restatements of information	Editorial Policy [Material changes]
		2-5	External assurance	Appropriate Environmental Information Disclosure (GS Yuasa Corporation has not obtained third- party assurance for the report as a whole, but obtained only for Greenhouse gas emission data.)
	A	2-6	Activities, value chain and other business relationships	Investors' Guide (PDF) News Release
	Activities and workers	2-7	Employees	Provision of Comfortable Working Environment [Basic policy]
		2-8	Workers who are not employees	
2		2-9	Governance structure and composition	Corporate Governance [Approach and Governance System] Corporate Governance [CORPORATE GOVERNANCE Report(PDF) > Matters Relating to Organizational Structure and Operation / Matters Relating to Business Execution, Auditing/Oversight, Nomination, and Remuneration Decision-Making Functions]
	Governance	2-10	Nomination and selection of the highest governance body	Corporate Governance [CORPORATE GOVERNANCE Report(PDF) > Policies and procedures for the appointment and dismissal of senior management and nomination of director and auditor candidates / Principle 4.9: Independent outside director independence standards and qualities]
		2-11	Chair of the highest governance body	Corporate Governance [CORPORATE GOVERNANCE Report(PDF) > Matters Relating to Organizational Structure and Operation]
		2-12	Role of the highest governance body in overseeing the management of impacts	CSR Promotion Framework
		2-13	Delegation of responsibility for managing impacts	CSR Promotion Framework
		2-14	Role of the highest governance body in sustainability reporting	

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	GRI Standards		Disclosure Title	References
			General Disclosures	
		2-15	Conflicts of interest	Corporate Governance [CORPORATE GOVERNANCE Report(PDF) > Principle 1.7: Related party transactions / Principle 1.4: Cross- shareholdings / Matters Relating to Organizational Structure and Operation]
		2-16	Communication of critical concerns	Corporate Governance [Approach and Governance System]
		2-17	Collective knowledge of the highest governance body	
		2-18	Evaluation of the performance of the highest governance body	Evaluating the effectiveness of the Board of Directors
		2-19	Remuneration policies	Determination process and composition of remuneration
		2-20	Process to determine remuneration	Corporate Governance [Corporate Governance Report(PDF) > Disclosed Details of Policy for Determining Amount or Calculation Method of Compensation / Status of Establishment of Non-Statutory Committee, Composition of Members, Affiliations of Head of Committee]
		2-21	Annual total compensation ratio	
		2-22	Statement on sustainable development strategy	<u>President's Message</u>
		2-23	Policy commitments	CSR Policy and Code of Conduct CSR Promotion Process
		2-24	Embedding policy commitments	CSR Promotion Framework CSR Promotion Process Promotion of Responsible Procurement
	Strategy, policies and practices	2-25	Processes to remediate negative impacts	GS Yuasa Group Corporate Ethics Hotline Measures to Prevent Harassment
	and practices	2-26	Mechanisms for seeking advice and raising concerns	GS Yuasa Group Corporate Ethics Hotline
		2-27	Compliance with laws and regulations	No serious compliance violations have occurred
		2-28	Membership associations	UN Global Compact Keidanren Charter of Corporate Behavior Task Force on Climate-related Financial Disclosures
	Stakeholder	2-29	Approach to stakeholder engagement	Communication with stakeholders
	engagement	2-30	Collective bargaining agreements	Creating a Pleasant Workplace through Labor and Management Working as One
		3-1	Process to determine material topics	Materiality Specification Process
3	Material topics	3-2	List of material topics	Materiality and Response Plan
		3-3	Management of material topics	Materiality and Response Plan
Econ	omic			
		103	Management Approach	Incorporating Materiality (Key CSR Issues) into Group Business Strategy.
201	Economic Performance	201-1	Direct economic value generated and distributed	Chart Generator Results of Operations/Profitability Indicator Ratios] Earnings Report Earnings Report(PDF) > Statements of Income(Cost of sales, Selling, general and administrative expenses, Nonoperating expenses, Extraordinary loss, Profit)] Shareholders Return
	:	201-2	Financial implications and other risks and opportunities due to climate change	Response to Climate Change (TCFD)

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	GRI Standards		Disclosure Title	References
			General Disclosures	
		201-3	Defined benefit plan obligations and other retirement plans	Annual Securities Report [Annual Securities Report(PDF)](Japanese only)
		201-4	Financial assistance received from government	-
		103	Management Approach	-
202	Market Presence	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Securing the Minimum Wage
		202-2	Proportion of senior management hired from the local community	-
		103	Management Approach	Contribution to the SDGs through our business activities
203	Indirect Economic	203-1	Infrastructure investments and services supported	-
	Impacts	203-2	Significant indirect economic impacts	Contribution to the SDGs through our business activities
	Procurement	103	Management Approach	-
204	Practices	204-1	Proportion of spending on local suppliers	-
		103	Management Approach	-
		205-1	Operations assessed for risks related to corruption	-
205	Anti-corruption	205-2	Communication and training about anti-corruption policies and procedures	Workplace Meetings on CSR
		205-3	Confirmed incidents of corruption and actions taken	No cases
		103	Management Approach	-
206	Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	No cases
		207-1	Approach to tax	-
		207-2	Tax governance, control, and risk management	-
207	Tax	207-3	Stakeholder engagement and management of concerns related to tax	-
		207-4	Country-by-country reporting	-
Envir	onmental			
		103	Management Approach	Waste Management Resource Recycling of Used Product
204	Motoriola	301-1	Materials used by weight or volume	Environmental performance data [Amount of main materials consumption]
301	Materials	301-2	Recycled input materials used	Environmental performance data [Amount of main materials consumption]
		301-3	Reclaimed products and their packaging materials	Environmental performance data [Volume of used products recycling]
		103	Management Approach	Reduction of CO ₂ Emissions by Promoting Group- wide Energy Management Energy conservation activities for logistics
302	Energy	302-1	Energy consumption within the organization	Environmental performance data [Amount of energy consumption (Production)]
		302-2	Energy consumption outside of the organization	Environmental performance data [Amount of energy consumption (Physical distribution)]
		302-3	Energy intensity	-

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	GRI Standards		Disclosure Title	References
			General Disclosures	
		302-4	Reduction of energy consumption	Effect of environmental conservation [Amount of energy saved]
		302-5	Reductions in energy requirements of products and services	-
		303-1	Interactions with water as a shared resource	Initiatives for Water Security
		303-2	Management of water discharge- related impacts	Initiatives for Water Security
303	Water and	303-3	Water withdrawal	Changes in the water consumption for the Group
	Effluents	303-4	Water discharge	Changes in the amount of wastewater Status of violations of permits, standards, and regulations related to water quality and quantity
		303-5	Water consumption	-
		103	Management Approach	-
		304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	-
304	Biodiversity	304-2	Significant impacts of activities, products, and services on biodiversity	-
		304-3	Habitats protected or restored	-
		304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	-
		103	Management Approach	Reduction of CO ₂ Emissions by Promoting Group- wide Energy Management Preventing Atmospheric Pollution
		305-1	Direct (Scope 1) GHG emissions	Changes in Scope 1 and 2 emissions
		305-2	Energy indirect (Scope 2) GHG emissions	Changes in Scope 1 and 2 emissions
		305-3	Other indirect (Scope 3) GHG emissions	Our calculated Scope 3 emissions
305	Emissions	305-4	GHG emissions intensity	Reduction of CO ₂ Emissions by Promoting Groupwide Energy Management
		305-5	Reduction of GHG emissions	Medium-term environmental goals [CO ₂ emissions]
		305-6	Emissions of ozone-depleting substances (ODS)	No cases
		305-7	Nitrogen oxides (NO_X) , sulfur oxides (SO_X) , and other significant air emissions	Status of release and transfer of substances subject to the PRTR Law (Released into the air)
		306-1	Waste generation and significant waste-related impacts	Waste Management Resource Recycling of Used Product
		306-2	Management of significant waste- related impacts	Waste Management Resource Recycling of Used Product
306	Waste	306-3	Waste generated	Environmental performance data [Amount of waste discharged]
		306-4	Waste diverted from disposal	Environmental performance data [Amount of recycling]
		306-5	Waste directed to disposal	Environmental performance data [Amount of final disposal]

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	GRI Standards		Disclosure Title	References
			General Disclosures	
	Environmental	103	Management Approach	Environmental Compliance Management
307	Compliance	307-1	Non-compliance with environmental laws and regulations	Environmental Compliance Management
		103	Management Approach	Specific Initiatives to Promote Responsible Procurement > 2. Green Procurement
308	Supplier Environmental	308-1	New suppliers that were screened using environmental criteria	<u>Specific Initiatives to Promote Responsible</u> <u>Procurement > 2. Green Procurement</u>
	Assessment	308-2	Negative environmental impacts in the supply chain and actions taken	Specific Initiatives to Promote Responsible Procurement > 4. Initiatives for Carbon Neutrality and Reduction in Water Consumption
Socia	al			
		103	Management Approach	Provision of Comfortable Working Environment Ensuring Appropriate Working Hours Respect for Individual Work-Life Balance
401	Employment	401-1	New employee hires and employee turnover	Provision of Comfortable Working Environment > Basic policy
401	Employment	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	-
		401-3	Parental leave	Supporting Work Alongside Childcare/Nursing Care
	Labor/Management	103	Management Approach	Respect for Labor Rights
402	Relations	402-1	Minimum notice periods regarding operational changes	Creating a Pleasant Workplace through Labor and Management Working as One
		403-1	Occupational health and safety management system	Top-Management-Promoted Health and Safety Measures
		403-2	Hazard identification, risk assessment, and incident investigation	Reducing Occupational Accident Risk Top-Management-Promoted Health and Safety Measures
			403-3	Occupational health services
		403-4	Worker participation, consultation, and communication on occupational health and safety	Top-Management-Promoted Health and Safety Measures Creating a Pleasant Workplace through Labor and Management Working as One
	Occupational	403-5	Worker training on occupational health and safety	Raising Worker Awareness Concerning Safety
403	Health and	403-6	Promotion of worker health	Health Management Initiatives
	Safety	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Specific Initiatives to Promote Responsible Procurement > 1. Ensuring Quality and Safety
		403-8	Workers covered by an occupational health and safety management system	Top-Management-Promoted Health and Safety Measures
		403-9	Work-related injuries	Materiality [Enhancement of work environments and occupational health and safety] Reducing Occupational Accident Risk Optimizing Work Hours
		403-10	Work-related ill health	Materiality [Enhancement of work environments and occupational health and safety]
404	Training and	103	Management Approach	Mid to Long-term Human Resources Development and Appropriate Ability Assessment
+04	Education	404-1	Average hours of training per year per employee	Fostering Autonomous-minded Human Resources

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	GRI Standards		Disclosure Title	References
			General Disclosures	
		404-2	Programs for upgrading employee skills and transition assistance programs	Fostering Autonomous-minded Human Resources
		404-3	Percentage of employees receiving regular performance and career development reviews	Fostering Autonomous-minded Human Resources
	Diversity and Equal Opportunity	103	Management Approach	Respect for Individual Work-Life Balance
405		405-1	Diversity of governance bodies and employees	Promoting Women's Empowerment Employment of People with Disabilities
		405-2	Ratio of basic salary and remuneration of women to men	-
406	Non-discrimination	103	Management Approach	Prohibition of Discrimination and Respect for <u>Diversity</u>
400		406-1	Incidents of discrimination and corrective actions taken	No cases
	Freedom of	103	Management Approach	Respect for Labor Rights
407	Association and Collective Bargaining	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	-
	Child Labor	103	Management Approach	Prohibition of Forced Labor and Child Labor
408		408-1	Operations and suppliers at significant risk for incidents of child labor	-
	Forced or Compulsory Labor	103	Management Approach	Prohibition of Forced Labor and Child Labor
409		409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	-
	Security Practices	103	Management Approach	-
410		410-1	Security personnel trained in human rights policies or procedures	-
	Rights of Indigenous Peoples	103	Management Approach	-
411		411-1	Incidents of violations involving rights of indigenous peoples	-
	Human Rights Assessment	103	Management Approach	Management That Takes Human Rights into Consideration
		412-1	Improvement of Priority Human Rights Issues	Improvement of Priority Human Rights Issues
412		412-2	Employee training on human rights policies or procedures	Promoting Human Rights Education
		412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	-
	Local Communities	103	Management Approach	Building Better Relationships with Local Communities
413		413-1	Operations with local community engagement, impact assessments, and development programs	-
		413-2	Operations with significant actual and potential negative impacts on local communities	

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GRI Standards		Disclosure Title		References			
General Disclosures							
414	Supplier Social Assessment	103	Management Approach	Promotion of Responsible Procurement			
		414-1	New suppliers that were screened using social criteria	Promotion of Responsible Procurement			
		414-2	Negative social impacts in the supply chain and actions taken	Responsible Procurement Survey of Suppliers			
415	Public Policy	103	Management Approach	-			
		415-1	Political contributions	No cases			
	Customer Health and Safety	103	Management Approach	Focus on Safety and Quality			
416		416-1	Assessment of the health and safety impacts of product and service categories	Initiatives for Product Safety			
		416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Important announcement regarding products			
	Marketing and Labeling	103	Management Approach	-			
417		417-1	Requirements for product and service information and labeling	Automotive/Motorcycle Batteries & Chargers Traction Batteries & Chargers Lighting Equipment Industrial Batteries/Power Supply Systems Lithium-ion Batteries Export Handling Product (Japanese only)			
		417-2	Incidents of non-compliance concerning product and service information and labeling	No cases			
		417-3	Incidents of non-compliance concerning marketing communications	No cases			
	Customer Privacy	103	Management Approach	Information Security			
418		418-1	Substantiated complaints regarding concerning breaches of customer privacy and losses of customer data	No cases			
		103	Management Approach	Compliance with Laws, etc.			
419	Socioeconomic Compliance	419-1	Non-compliance with laws and regulations in the social and economic area	No major fines or penalties were imposed			

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