

President's Message

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Aiming to achieve sustained growth through advanced energy technologies toward the realization of the global environment and society enabling people worldwide to enjoy more affluent and secure lives

Ever since our founding, GS Yuasa has met the expectations of stakeholders by tackling the solution of social issues and contributing to the fields of mobility and public infrastructure through our business in the area of energy, with a particular focus on batteries. I believe that these activities are a direct outgrowth of our corporate philosophy of "Innovation and Growth," which inspires us to benefit people, society, and the global environment. Meanwhile, as a consequence of societal changes, targets and initiatives toward a sustainable society, such as the Paris Agreement, have been gaining momentum around the world. We have developed our business centering on storage and other battery technologies, and I think the opportunities for us to contribute to society are going to grow even more.



Our Policy on Sustainability Management shows our determination to adapt to these medium- to long-term changes in the business environment and enhance our corporate value by realizing a sustainable society and achieving the sustained growth of our company. Our ideal for the company over the long term is expressed in Vision 2035, which takes into account mega-trends and anticipated changes in the business climate heading toward 2050. This vision statement clearly outlines our aim to be a robust Energy Management Company by providing battery and power supply systems technologies for advancement in the mobility and public infrastructure sectors. We will contribute to the global environment and society from all the directions of energy saving, energy creation, energy storage, and renewable energy, including the realization of carbon neutrality and the expanded sale of environmentally considered products.

Furthermore, we formulated the CSR Policy and the Code of Conduct as action guidelines to put our sustainability management into practice, and in April 2018 we signed the United Nations Global Compact (UNGC), which shares the same values as our CSR policy. The UNGC sets forth 10 principles for companies to follow in the four areas of human rights, labour, environment, and anti-corruption. To implement our CSR Policy, we have established a committee at our core operating company to promote group-wide sustainability initiatives and are endeavoring to contribute to a sustainable society through our business activities.

Going forward, we will continue making innovative challenges through the advanced energy technologies that we have cultivated so far and strive to contribute to the realization of a planet, environment, and society enabling people worldwide to enjoy more affluent and secure lives.

September 2025
President
GS Yuasa Corporation
Takashi Abe

A handwritten signature in black ink, appearing to read 'Takashi Abe', written over a thin horizontal line.

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 >

- Principle 7 Businesses should support a precautionary approach to environmental challenges;
- Principle 8 undertake initiatives to promote greater environmental responsibility; and
- 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.

< Anti-Corruption >

- Principle 10 Businesses should work against corruption in all its forms, including extortion and bribery.

Message from the Chair of the Sustainability Committee

Message from the Chair of the Sustainability Committee

In Vision 2035, we declared our commitment to making significant contributions to the realization of a de-carbonized society in the fields of mobility and public infrastructure through technological innovation in storage batteries, which are the Group's principal products. Practicing our corporate philosophy of "Innovation and Growth" and promoting the integration of financial and non-financial areas through our business activities is the foundation of the Group's sustainability management.

To reinforce sustainability management even further, in October 2024 we established the Sustainability Committee as a higher-level committee to the Sustainability Promotion Committee. The Sustainability Committee, comprised of members of the Management Meeting, which is chaired by the Representative Director, improves governance by performing the roles of a steering committee, invigorating deliberation in management, and strengthening collaboration with the Board of Directors.

Under an environment that is undergoing substantial change including changes in sustainability-related laws, ESG issues, and customer needs, we are increasing the Company's non-financial value and corporate value and meeting the diverse needs of stakeholders by responding to sustainability issues appropriately and promptly.



September 2025
Vice President
GS Yuasa Corporation
Masahiro Shibutani

A handwritten signature in blue ink that reads "M. Shibutani".

Promotion of Sustainability Management

We seek to achieve both economic activity and sustainability by putting our corporate philosophy into practice.

GS Yuasa Group's Sustainability

"Innovation and Growth", our corporate philosophy, is the basis of the GS Yuasa Group's Sustainability management. We believe our mission is to create "innovation" through the development of new technologies and the renewal of business processes without the restrictions of old customs. Accordingly, we aim to achieve sustainable development of business and society, by not only expanding profits, but also contributing to people, society, and the global environment. 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 (<https://www.gs-yuasa.com/en/company/philosophy.php>)

Sustainability Promotion Framework

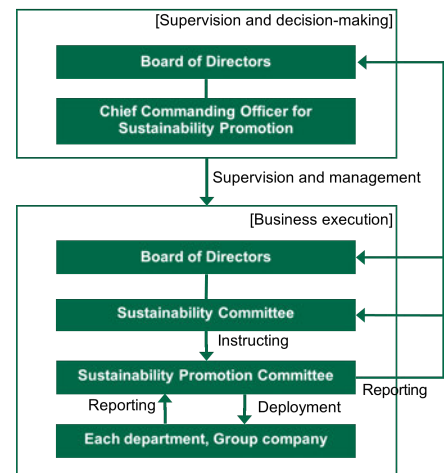
The Group has in place a governance framework centering on the Sustainability Promotion Committee under the supervision of the Board of Directors, to promote sustainability initiatives by the entire Group from a medium- to long-term and multilateral perspective. In October 2024, the Group also established a new "Sustainability Committee" comprised of members of the Management Meeting of GS Yuasa International Ltd., its core operating subsidiary, and chaired by a Representative Director. Using these means, the Group is further enhancing its framework for the promotion of sustainability management under the leadership of the highest levels of management.

In this framework, the Company's President supervises group-wide sustainability activities as the "Chief Commanding Officer for Sustainability Promotion," and its corporate governance framework centering on the Board of Directors supervises and manages the appropriateness of sustainability management of the entire Group. In addition, GS Yuasa International Ltd. has established a Sustainability Promotion Committee to serve as a conference body responsible for deliberating on sustainability issues, and planning and promoting sustainability-related initiatives, to promote sustainability management throughout the Group.

The Sustainability Committee discusses important matters deliberated at the meetings of the Sustainability Promotion Committee and provides feedback to the Sustainability Promotion Committee on guidelines for implementing effective sustainability management. The Sustainability Promotion Committee utilizes this feedback as the basis for determining response measures and management resources, which are then subject to resolutions at the Boards of Directors of the Company and GS Yuasa International Ltd. before deployment throughout the Group.

When the Group discloses its sustainability information externally, the Sustainability Promotion Committee first reviews the information, followed by a final review and approval by the Board of Directors to ensure the transparency and reliability of the information to be disclosed.

Sustainability Promotion Framework



Refer here for Message from the Chair of the Sustainability Committee (https://www.gs-yuasa.com/en/csr/chair_message.php)

See details of GS Yuasa's corporate governance structure (<https://ir.gs-yuasa.com/en/ir/management/esg/governance/governance.html>)

Sustainability Promotion Process

The Group aims to enhance corporate value and stakeholder satisfaction by implementing a sustainability promotion process based on the corporate philosophy reflecting the Group's enduring values.

To practice the corporate philosophy, the Group has created the Sustainability Management Policy, which determines its future direction for realizing a sustainable society and enhancing corporate value. This policy indicates the Group's commitment to emphasize dialogue with stakeholders, contribute to solving sustainability issues, and maintain a strong business foundation.

To achieve the Sustainability Management Policy, the Group is currently operating a medium- to long-term business strategy process (including the Mid-Term Management Plan aimed at achieving the long-term vision and taking into account sustainability issues). The Group also promotes initiatives to address sustainability issues relating to its employee action guidelines (hereinafter the "CSR Policy"), which it has formulated to achieve the Sustainability Management Policy. For both policies, the Group has devised business plans to ensure economic growth and sustainability in society and the Group, taking into account the needs and expectations of stakeholders and social, environmental and economic issues. Furthermore, the Group makes continuous efforts to improve its sustainability initiatives by properly analyzing and assessing the status of responses to significant risks and opportunities related to sustainability issues and reviewing the plans as necessary. For practicing the CSR Policy, the Group has compiled the CSR Code of Conduct to define specific action standards for responsible business conduct, which has been shared with all employees.

■ Overview of Sustainability Promotion Process



■ Overview of sustainability initiatives relating to the CSR Policy

- [Refer here for Developing Fair, Transparent, and Sound Business, and Anti-Corruption \(https://www.gs-yuasa.com/en/csr/governance.php\)](https://www.gs-yuasa.com/en/csr/governance.php)
- [Refer here for Respect for Human Rights \(https://www.gs-yuasa.com/en/csr/human_rights.php\)](https://www.gs-yuasa.com/en/csr/human_rights.php)
- [Refer here for Conservation and Improvement of Adequate Working Environment \(https://www.gs-yuasa.com/en/csr/working_env.php\)](https://www.gs-yuasa.com/en/csr/working_env.php)
- [Refer here for Fulfillment of Our Responsibilities to Provide Safe and Secure Products and Services \(https://www.gs-yuasa.com/en/csr/quality_index.php\)](https://www.gs-yuasa.com/en/csr/quality_index.php)
- [Refer here for Global Environmental Conservation \(https://www.gs-yuasa.com/en/csr/env_policy.php\)](https://www.gs-yuasa.com/en/csr/env_policy.php)
- [Refer here for Building Better Relationships with Local Communities \(https://www.gs-yuasa.com/en/csr/social.php\)](https://www.gs-yuasa.com/en/csr/social.php)
- [Refer here for Ensuring Social Responsibility within Our Supply Chain \(https://www.gs-yuasa.com/en/csr/supply_chain.php\)](https://www.gs-yuasa.com/en/csr/supply_chain.php)

📄 [See details of GS Yuasa's corporate philosophy, Sustainability Management Policy, and action guidelines \(https://www.gs-yuasa.com/en/company/philosophy.php\)](https://www.gs-yuasa.com/en/company/philosophy.php)

📄 [See details of GS Yuasa's Long-Term Vision \(https://ir.gs-yuasa.com/en/ir/management/plan.html\)](https://ir.gs-yuasa.com/en/ir/management/plan.html)

Promoting Company-Wide Sustainability Initiatives

To promote company-wide sustainability initiatives, the Group distributes the document, the Vision Book, that clarifies our corporate philosophy to all our employees. Through the distribution of our Vision Book, which provides a clear overview of our corporate philosophy, sustainability management policies, Long-Term Vision, and action guidelines, the direction, future vision, and values of the Group's sustainability management are shared with all our employees.

Our CSR Manual, detailing the Group's policy on responsible corporate conduct (CSR Policy) which serves as action guidelines for sustainability management, is also distributed to all our employees. 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 the CSR Policy. Our CSR manual, translated into local languages (six languages) that local employees can understand, has been distributed to overseas Group companies. The Group is committed to ensuring that all domestic and overseas employees are cognizant of sustainability issues related to our CSR Policy and is making efforts for the promotion of sustainability initiatives through business activities.

Management of key sustainability issues

Materiality-Related Initiatives

The Group identifies the risks and opportunities relating to the action guidelines (the CSR Policy) aimed at achieving the Sustainability Management Policy and assesses the impacts on its businesses and society to determine key sustainability issues (materiality) concerning the CSR Policy. In addition, the Group has compiled business plans to deal with materiality (the materiality response plans), taking into account such aspects as enhancement of business foundation and corporate value, and has set management indicators and targets to track the progress of the plans. The conference body (the Sustainability Promotion Committee), tasked with promoting sustainability in the Group, regularly reviews and determines materiality and the materiality response plans, taking into account the needs and expectations of stakeholders and sustainability issues. As for significant risks relating to the CSR Policy, the Group implements appropriate responses to them by utilizing its risk management system.

By managing the business process incorporating materiality into the long-term vision and the Mid-Term Management Plan, the Group seeks to improve the management quality of financial and non-financial operations and ensure sustainable growth of businesses and society.

 [See details of GS Yuasa's Long-Term Vision and Mid-Term Management Plan \(https://ir.gs-yuasa.com/en/ir/management/plan.html\)](https://ir.gs-yuasa.com/en/ir/management/plan.html)

■ Materiality Specification Process

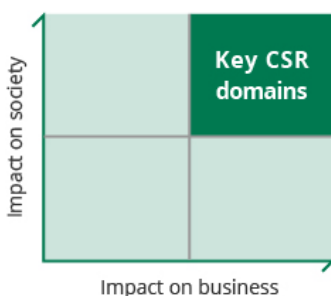
Step 1: Select risks and opportunities relating to the CSR Policy

The Group selects risks and opportunities relating to the CSR Policy, taking into account key issues of the Mid-Term Management Plan formulated based on the Sustainability Management Policy. When selecting risks and opportunities, the Group refers to international guidelines related to responsible business conduct.

Step 2: Identify significant risks and opportunities relating to the CSR Policy

The Group conducts a scoring evaluation on the risks and opportunities selected in Step 1 and identifies the risks and opportunities that may have significant impacts on businesses. Regarding the risks and opportunities with significant impacts, the Group then assesses the impacts of its business activities on society and identifies significant risks and opportunities relating to the CSR Policy.

■ Domains for identifying significant risks and opportunities relating to the CSR Policy (key CSR domains)



Step 3: Determine materiality

The Group analyzes the risks and opportunities identified in Step 2 and determines key sustainability issues (materiality) relating to the CSR Policy. The Group determines materiality, incorporating the opinions of external experts and other stakeholders, to ensure the appropriateness of materiality.

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 are conducting operations and management based on the measurable target management and management criteria, make ongoing improvements and perform effective maintenance and management. The details of the plans are periodically reviewed and revised according to changes in sustainability issues and the needs and expectations of stakeholders.

When carrying out the Mid-Term Management Plan, the first year of which is fiscal 2023, we formulated new materiality response plans to address significant sustainability issues. After summarizing the fiscal 2022 materiality response plans and reviewing the materiality, we established materiality response plans for fiscal 2023 and later. In these plans, we not only establish indicators and targets to manage the impact of significant sustainability issues on society, but also assess the impact on business using financial indicators.


■ Summary of Materiality Response Plans (Fiscal 2023–2025)

Materiality	Activity outline	Scope of application*	KPI (key performance indicator)	FY 2025 targets	Impact on Society	Impact on Business
Ensuring compliance	Provision of legal information and promotion of compliance training	Global	Number of significant compliance violations	None	Maintenance of a sound and well-ordered society	Avoidance of financial losses from compliance violations
		Domestic	Number of times compliance education information disseminated annually	16 times		
		Overseas	(1) Achievement rate of compliance training plan (2) Achievement rate of significant compliance violation risk response plan	100%		
Respect and protection for intellectual property	Promotion of the use of company intellectual property rights	Global	Achievement ratio of plan for acquisition of patents that contribute to business growth and new business creation	100%	<ul style="list-style-type: none"> Promotion of high value-added technological innovations Maintenance of a fair competitive order 	<ul style="list-style-type: none"> Increased profits in conjunction with the expansion of business Avoidance of financial losses arising from infringement of third-party intellectual property rights Prevention of lost sales in the future due to sales of counterfeit products
	Thorough avoidance of infringement third party intellectual property rights	Domestic	Number of incidents of third-party intellectual property rights infringements	None		
	Elimination of counterfeit products	Overseas	(1) Number of websites shut down for selling counterfeit products (2) Number of civil lawsuits filed against makers and sellers of counterfeit products	(1) 1,000 (2) 100		
Strict management of confidential information	Promotion of security measures and strengthening of illegal /inappropriate access monitoring	Global	Cyberattack response ratio at time of detecting high security alerts	100%	Achieve a safe and secure information society	Avoidance of financial losses from leaks of confidential information
		Domestic	Information leak confirmation and response ratio at time of large data output	100%		
	Domestic	Promotion of information security training	Ratio of employees passing information security proficiency test	95% or more		

Materiality	Activity outline	Scope of application*	KPI (key performance indicator)	FY 2025 targets	Impact on Society	Impact on Business
Respect for individuality	Promoting human rights education	Domestic	Achievement rate of human rights training plan	100%	Raise awareness concerning respect for human rights	Avoidance of financial losses from human rights violations
		Overseas	Achievement rate of harassment education plan	100%		
	Thorough management of human rights risks	Domestic	Harassment incident response ratio	100%	Promotion of safe work environments that provide peace of mind	
Respect for Diversity	Women's empowerment	Domestic	(1) Ratio of women in managerial positions (2) Ratio of women in new graduates hired for career-track positions (3) Ratio of women in the workforce (4) Achievement rate of training plan for female senior managers	(1) 6.0% or more (2) 30% or more (3) 17% or more (4) 100%	<ul style="list-style-type: none"> Realization of rewarding workplaces Promotion of participation by women in decision-making 	<ul style="list-style-type: none"> 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 (average over the fiscal year)	2.7% or more	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	Domestic	(1) Achievement rate of training plan for development of autonomous-minded human resources (2) Achievement rate of next-generation manager education plan	100%	Promotion of skill development for young people	<ul style="list-style-type: none"> Reinforcement of organizational capabilities through the utilization of the diverse individuality of employees Avoidance of human resource losses through separation Enhancement of human resource performance
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	Domestic	(1) Response ratio to prevent the recurrence of long working hours (2) Annual frequency of labor-management consultations relating to working hours (3) Operational achievement rate of standard for number of days of paid leave taken annually	(1) 100% (2) 12 times (3) 100%	<ul style="list-style-type: none"> Realization of rewarding workplaces Prevention of health damage Promotion of safe and secure working environment 	<ul style="list-style-type: none"> 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
		Overseas	Number of instances of overtime work in excess of the statutory limit	None		
	Promotion of a work-life balance	Domestic	Job turnover of full-time employee	2.3% or less		
	Thorough implementation of appropriate employment management	Domestic	Number of corrective recommendations from the Labor Standards Inspection Office based on spot inspections	None		
	Promotion of health management	Domestic	Rate of high stress individuals	10% or less		
Promotion of occupational health and safety risk management	Global	(1) Number of serious occupational accidents (2) Number of accidents resulting in missed work (3) Number of workers not meeting internal blood lead concentration management standards	(1) None (2) 28 or less (3) None			

Materiality	Activity outline	Scope of application*	KPI (key performance indicator)	FY 2025 targets	Impact on Society	Impact on Business
Provision of high-quality products	Promotion of quality improvement and strengthening of quality communication	Global	(1) Achievement rate of targets for claims and in-process defects (2) Number of serious product accidents	(1) 100% (2) None	<ul style="list-style-type: none"> Improvement in energy efficiency Responses to natural resource depletion 	<ul style="list-style-type: none"> Reduction of financial losses from quality defects Expansion of profits in conjunction with promotion of services Avoidance of financial losses from the occurrence of product accidents
	Reinforcement of product safety management	Global	(1) Achievement rate of product safety-related incident reduction target (2) Achievement rate of product safety education plan	100%	<ul style="list-style-type: none"> Reduce waste generation Creation of highly reliable and robust infrastructure 	
	Reinforcement of service provision	Domestic	Achievement rate of service promotion project plan	100%	<ul style="list-style-type: none"> Development of a safe and secure society 	
Promoting environmental protection	Promotion of effective use of water resources	Global	Ratio of reduction of water use (compared with FY 2018)	15% or more	<ul style="list-style-type: none"> Elimination of water shortage problems Improvement in energy efficiency and resource efficiency Climate change mitigation Prevention of water pollution and air pollution Reduction of natural resource consumption Reducing waste generation 	<ul style="list-style-type: none"> Avoidance of loss of sales opportunities due to delayed responses to issues concerning water security, carbon neutrality, and a recycling-oriented society Avoidance of financial losses from the occurrence of environmental accidents
	Contribution to realization of low-carbon society	Global	Ratio of reduction of CO2 emissions (compared with FY 2018)	15% or more		
	Prevention of environmental pollution	Global	Number of major environmental accidents	None		
	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	70% or more		
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	45% or more	<ul style="list-style-type: none"> Improvement in energy efficiency Reduction of natural resource consumption Climate change mitigation 	<ul style="list-style-type: none"> Avoidance of loss of sales opportunities due to delayed responses to carbon neutrality Increased profits from expanded sales of environmentally considered products
Responsible procurement promotion	Responses to responsible mineral procurement	Global	Achievement rate of responsible mineral survey plan	100%	<ul style="list-style-type: none"> Curtailment of the provision of funding to armed groups Realization of sustainable supply chains 	Avoidance of financial losses from occurrence of supply chain CSR risks
	Management of supply chain CSR risks	Global	Achievement rate of supplier CSR issues improvement plan	100%		
		Domestic	(1) Achievement rate of internal education plan concerning responsible procurement (2) Achievement rate of supplier education plan concerning responsible procurement	100%		

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

 [Refer here for detailed information concerning materiality response plans \(https://www.gs-yuasa.com/en/csr/pdf/materiality_2025.pdf\)](https://www.gs-yuasa.com/en/csr/pdf/materiality_2025.pdf)