

Global Environmental Conservation

Water Security

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. Accordingly, the Group assesses water risks (flooding, drought, water stress, etc.) at production sites using the water risk assessment tools released by the World Resources Institution (WRI) as well as climate-related scenarios and the results of the Company's own environmental impact assessments. In particular, the water intake volume at production sites determined to have high levels of water stress (three sites located in China, Turkey, and Thailand) is 737,327m³, accounting for approximately 17% of total water intake at all production sites. To effectively use limited water resources, including responses to water stress, the Group included targets for reducing water intake in production activities in all countries (15% reduction by fiscal 2025 compared to fiscal 2018) in its Mid-Term Management Plan and is implementing initiatives that are integrated with business strategies. We also respond appropriately to restrictions on water intake imposed by 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).

■ Examples of a water risk initiative

Classification	Items	Main Initiatives
Water consumption	Reduction of water consumption	Reduction of wasteful use of water by improving manufacturing processes and implementing other measures, introduction of water-saving equipment, recycling of water used in production processes, and education of employees about saving water
Treatment of wastewater	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
	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

■ Reduction of Water Consumption Associated with Production Activities

The Group promotes the effective use of water by taking measures at production plants such as recycling water and reducing water use.

At lead-acid battery plants, we are undertaking measures to reduce water intake including reusing cooling water, which is used in large volumes during the charging process, and recycling water that has been appropriately treated, such as rainwater and backwash water from industrial water filtration equipment. In addition, by switching the water nozzles of water-cooling devices in the outdoor units of dehumidifiers to spray nozzles at specialized battery factories, we are working to reduce the amount of cooling water used by air conditioning equipment while maintaining the necessary cooling performance.

☐ [Refer here for data on changes in water intake by the Group](https://www.gs-yuasa.com/en/csr/env_performance.php#data1_2_05)
(https://www.gs-yuasa.com/en/csr/env_performance.php#data1_2_05)

☐ [Refer here for data on changes in amount of wastewater at our Group](https://www.gs-yuasa.com/en/csr/env_performance.php#data1_2_06)
(https://www.gs-yuasa.com/en/csr/env_performance.php#data1_2_06)

☐ [Refer here for status of violations of permits, standards, and regulations related to water quality and quantity](https://www.gs-yuasa.com/en/csr/env_performance.php#data1_1_02)
(https://www.gs-yuasa.com/en/csr/env_performance.php#data1_1_02)