

Value Creation Process

In accordance with its corporate philosophy, the Group continuously tackles the challenges of creating cutting-edge technologies to drive the future. We will achieve sustained growth by contributing to solutions to various social issues.

Social issues closely related to the Group

- Accelerating moves toward the realization of carbon neutrality
- Increasing importance of public infrastructure
- Increasing climate change risks
- Expanding importance of BCP response

Opportunities

- pp.13, 41-42
- Diffusion of eco-friendly vehicles
 - Expansion of renewable energy
 - Increase in demand for public infrastructure

Risks

- p.14
- Raw material restrictions and price rise
 - Changes in the market environment
 - Changes in the supply chain
 - Sustainability of human resources

Philosophy Innovation and Growth

We are committed to people, society, and the global environment through innovation and growth of our employees and business entities.

Mid-Term Management Plan → pp.31-34

We aim to achieve sustainable business growth and contribute to the sustainable development of society

Establish business processes that incorporate CSR issues into our business strategy

Business portfolio → pp.43-62

Automotive Batteries (Japan, Overseas)

Industrial Batteries and Power Supplies

Automotive Lithium-ion Batteries

Specialized Batteries and Others

Lead-acid Batteries Business
Strengthen profitability, expand sales

Lithium-ion Batteries Business
Upfront investment for growth

Response to Key ESG Issues → pp.65-80, 87-99

E Environment
Contribute to sustainability of the global environment

- Developing and popularizing environmentally considered products
- Promoting environmental protection

S Social
Respect for human rights and contribution to society

- Respect for individuality
- Respect for diversity
- Provision of high-quality products
- Human resources development
- Enhancement of work environments and occupational health and safety
- Responsible procurement promotion

G Governance
Promotion of fair, transparent, and swift group-wide governance

- Thoroughly fulfilling our CSR and ensuring compliance
- Respect and protection of intellectual property
- Strict management of confidential information

Underpinnings of Value Creation → pp.15-16

A stable financial foundation bolstered by the Group's mainstay lead-acid batteries business

Solid strengths for developing technologies and cultivating markets built on an outstanding track record and customer trust

Advanced technological capabilities bolstering the lithium-ion batteries business

Strong brand power and competitiveness supported by business partnerships

A workforce that upholds and passes down technologies rooted in sound understanding of the Company's corporate philosophy

CSR ingrained in the corporate culture

Growth driven by solving social issues

→ p.17

- Maximization of profit
→ **¥23.9 billion**
(fiscal 2021 Operating profit before amortization of goodwill)
- Maximization of returns to shareholders through efficient use of assets
→ Dividend payout ratio
47.5%
(fiscal 2021)
- Innovation and new business creation supported by enhanced technological capabilities
- Growth of employees, maintaining and expansion of employment
→ **13,571**
(as of March 31, 2022)
- Building stable supply systems through strengthened bonds with suppliers

Long-term vision

→ p.31

An energy device company committed to the constant creation of new value

Investment and return of management resources