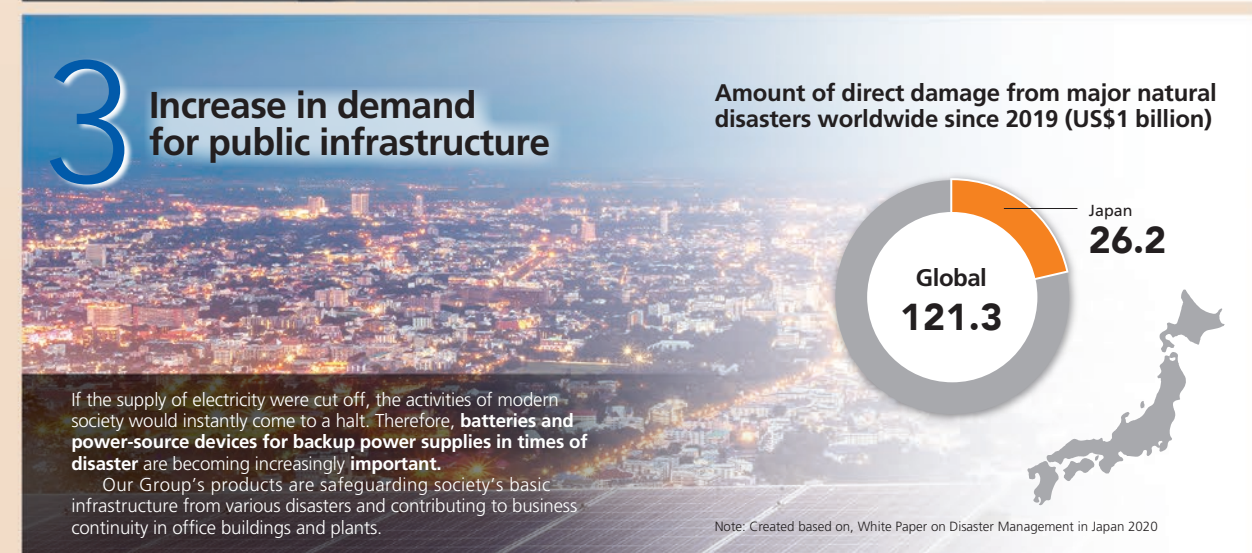
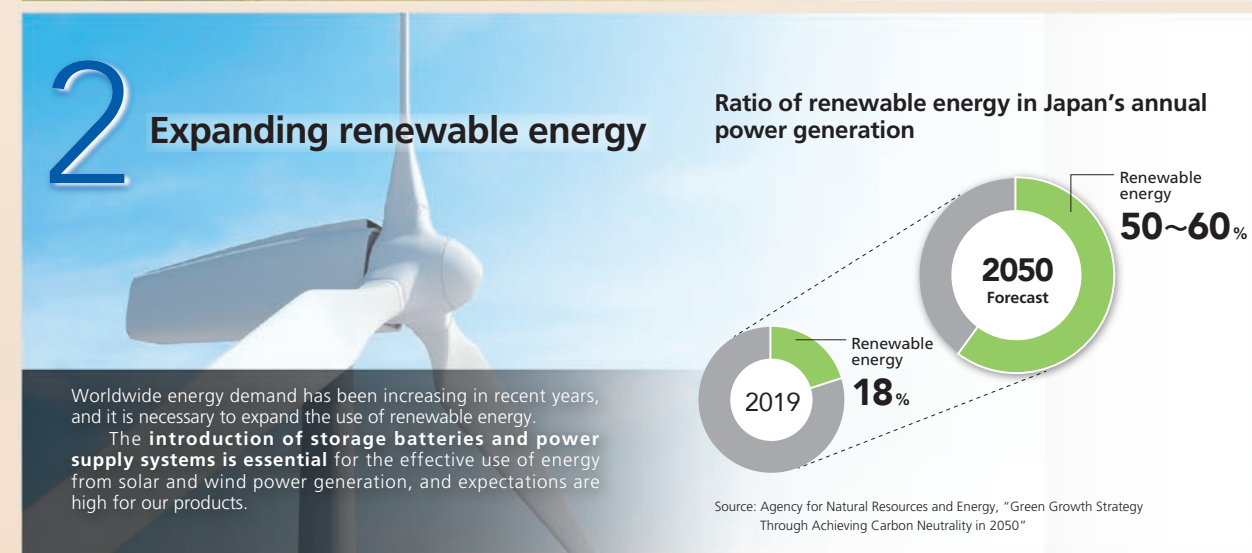
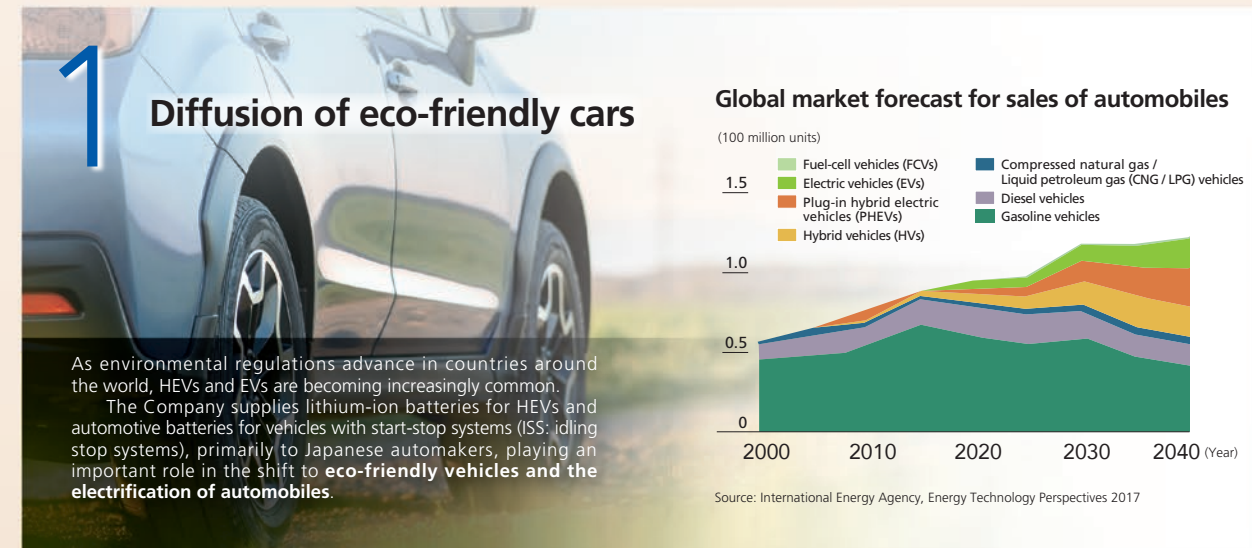


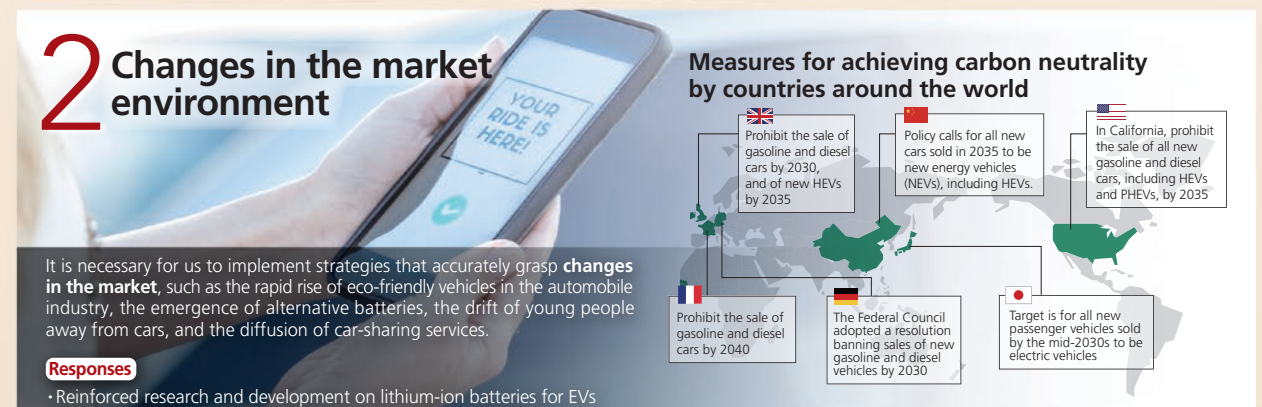
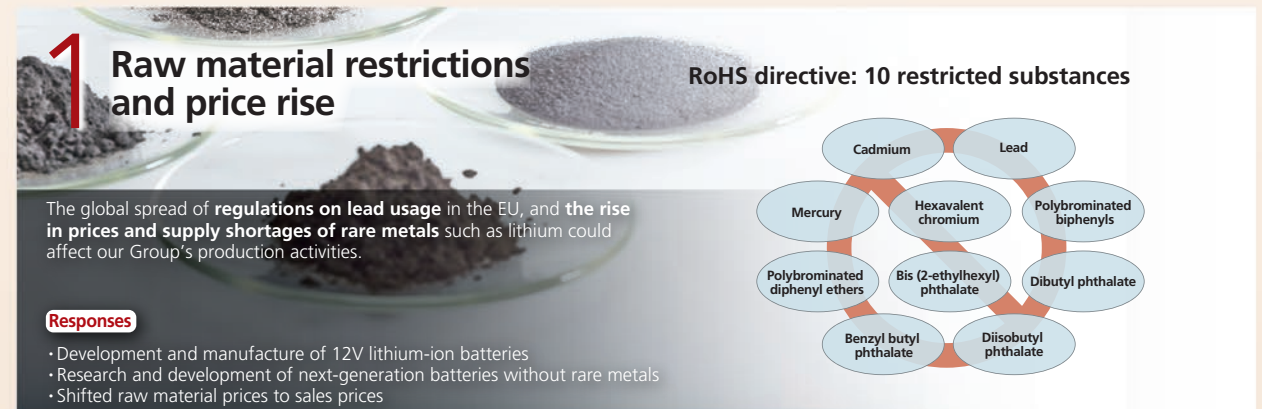
Opportunities and Risks

By accurately reading social and market trends and at the same time identifying the various risks associated with our business and their degree of importance, we will continue to conduct sound and positive management from a medium- to long-term perspective.

Opportunities



Risks



Underpinnings of Value Creation

The Group has continued to polish our development capabilities and production technologies and meet people's expectations through sincere business activities that create original value in the market. Taking full advantage of the strengths we have cultivated, we will put our philosophy of "Innovation and Growth" into practice for our employees and business entities and contribute to people, society, and the global environment.

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

Our wide range of lead-acid batteries for starting automobiles support the Group's financial foundation. In addition to those for new automobiles, **profit is obtained continuously through demand for replacement** with vehicle maintenance and inspections as the focus. In addition, stable earnings can also be expected for lead-acid batteries for industrial use and for forklifts, which support public infrastructure.

- Sales of lead-acid batteries

Increased about **1.5 times** in 10 years

2012 2021 (FY)

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

By using the relationships we have developed with Japanese automakers, we have established a global network of business sites. We continue to conduct development and production in demand areas as a partner to our customers.

Going forward, we will use our site in Turkey, which became a consolidated subsidiary in 2022, to reinforce sales to the Middle and Near East, Europe, northern Africa, and other regions. We will also **develop products and markets according to local needs** including GS Yuasa Asia Technical Center Ltd. in Thailand.

- Number of global sites (As of July 2022)

19 countries **37 sites**

3 Advanced technological capabilities bolstering the lithium-ion batteries business

As a pioneering manufacturer of automotive lithium-ion batteries that supplied the **lithium-ion batteries for the world's first mass-produced EVs and HEVs**, we focus on cutting-edge technology and product development, and our products are used in the models of many Japanese automakers.

We are maintaining our competitiveness in global markets while making efforts toward a full-scale entry into the BEV market by reinforcing partnerships with Japanese automakers.

- Toyota Motor Corporation Technology & Development Award* received (2021)
Lithium-ion battery for hybrid vehicles "EHW4S"
- *Received jointly by GS Yuasa International Ltd. and Blue Energy Co., Ltd.
- Patents registered in Japan (As of March 31, 2022)

1,945

"Harrier" Toyota Motor Corporation

4 Strong brand power and competitiveness supported by business partnerships

The Group's lead-acid batteries maintain a **high market share in both the automobile and motorcycle battery markets**. Since every vehicle including electric vehicles contains a lead acid battery, we believe that demand for automobile and motorcycle lead acid batteries will be maintained. We are also maintaining our leading share of the domestic market for backup applications and forklifts.

- Global market share (FY2021)

No.2 Market Share (Automobiles) **No.1 Market Share** (Motorcycles)

- Domestic market share (FY2021)

No.1 Market Share (Automobiles) **No.1 Market Share** (Motorcycles)

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

We promote integrated management as a Group and implement **"Innovation and Growth"** imbued with our inventor and challenge spirit **on a daily basis**. The Group's manufacturing technologies are upheld and passed down through various activities including "Monozukuri (product creation) expert" education workshops and case presentations of team activities to drive kaizen (improvement).

- Number of Group employees (As of March 31, 2022)

13,571

6 CSR ingrained in the corporate culture

Workplace meetings on CSR in each workplace have been held every year since fiscal 2012 with the aim of embedding an awareness of CSR and spreading awareness of compliance in our business activities.

- Ratio of implementation of workplace meetings on CSR (FY2021)
- Ratio of workplaces where employees felt that workplace meetings on CSR are meaningful (FY2021)

100% **96%**

Target All GS Yuasa workplaces: 380 / Group companies in Japan: 21

Growth Driven by Solving Social Issues

The Group has achieved steady results solving social issues.

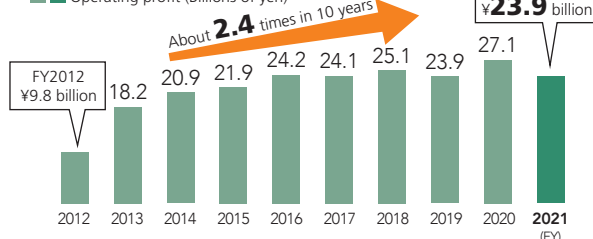
We will continue growing in the future so we can contribute to people, society, and the global environment.

1 Maximization of profits

Operating profit has increased by about 2.4 times compared to 10 years ago.

● Changes in operating profit in 10 years

■ Operating profit (Billions of yen)

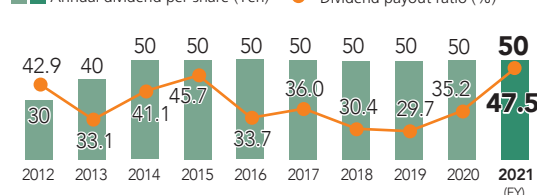


2 Maximization of returns to shareholders through efficient use of assets

We have positioned the return of profits to shareholders as an important management issue. In fiscal 2021, dividends were 50 yen per share for a payout ratio of 47.5%.

● Changes in annual dividend per share and payout ratio in 10 years

■ Annual dividend per share (Yen) — Dividend payout ratio (%)



3 Innovation and new business creation supported by enhanced technological capabilities

Contributing to the spread of eco-friendly vehicles

The Group's automotive lithium-ion batteries have been adopted by numerous Japanese automakers, contributing to the spread of hybrid electric vehicles (HEVs) and other eco-friendly vehicles.



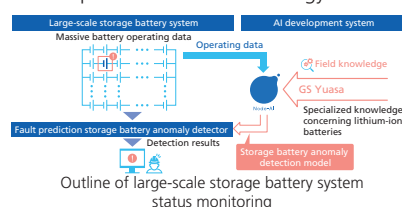
"Harrier"
Toyota Motor Corporation



Lithium-ion batteries and modules for HEVs

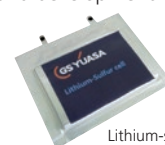
Utilizing AI and IoT technology

By developing AI that can forecast failures in large-scale storage battery systems and through other measures, we are contributing to the spread of renewable energy.



Developing next-generation batteries

In order to achieve the early practical application of next-generation batteries such as all-solid-state batteries, we have established a specialized division at the R&D Center and are engaged in our own research and development.



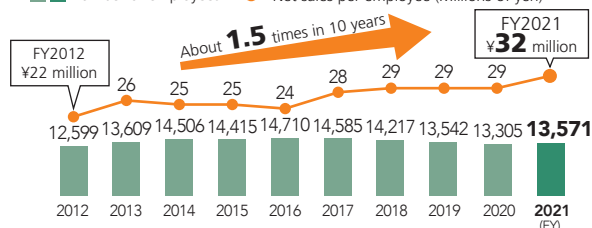
Lithium-sulfur battery

4 Growth of employees, maintaining and expansion of employment

Net sales by per employee has increased by about 1.5 times compared to 10 years ago.

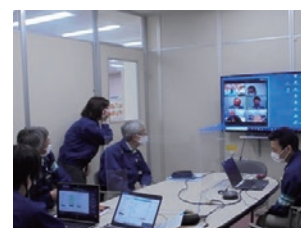
● Changes in the number of employees and net sales per employee in 10 years

■ Number of employees — Net sales per employee (Millions of yen)



5 Building stable supply systems through strengthened bonds with suppliers

The Group sees all suppliers as important business partners. We take various measures to reinforce our business foundations including providing support for improvement to achieve mutual development with suppliers, supporting quality control and health and safety management, and providing training and guidance on compliance and CSR.



A quality improvement course for suppliers

Note: 1 Operating profit ratio refers to operating profit before amortization of goodwill after fiscal 2016.

2 The Company implemented a five-to-one consolidation of ordinary shares on October 1, 2018, and consequently, per-share indicators from prior to the consolidation have been calculated as if the share consolidation were implemented.