

Social

Social — Social Initiatives

Message from Director in Charge of Human Resources

Maximizing the value of human capital to continue "Innovation and Growth"

To continue practicing our philosophy of "Innovation and Growth" and realizing Vision 2035 to solve social issues, it is essential to harness the abilities of people who can create a future equipped with flexibility and resilience to tackle changes in the environment and business structure and technological transformations aimed at providing new value. To strengthen such human resources, developing autonomous-minded human resources who can autonomously generate ideas that lead to innovation and competitiveness, make quick decisions, and act in response to environmental changes is necessary. Strengthening systems for rapidly assigning personnel in accordance with changes in the business structure and creating an environment where diverse talents can demonstrate their abilities are also necessary.

In the Sixth Mid-Term Management Plan, we focus on promoting diversity, equity, and inclusion (DE&I) and linkage with management strategies as major pillars of our human capital strategy. We are actively investing in human capital to develop "autonomous-minded human resources" and create systems where individual abilities can be fully utilized through the following initiatives.

- Establishing an education system and introducing an internal recruitment system where everyone can proactively obtain opportunities for self-innovation
- Introducing a personnel system that makes it easier to take on more challenging roles and tasks than before
- Strengthening talent management to achieve the centralized management of personnel information and appropriate placement of personnel aimed at improving personnel mobility between businesses
- Creating an environment that supports flexible work styles tailored to each individual's personality, abilities, and life stage

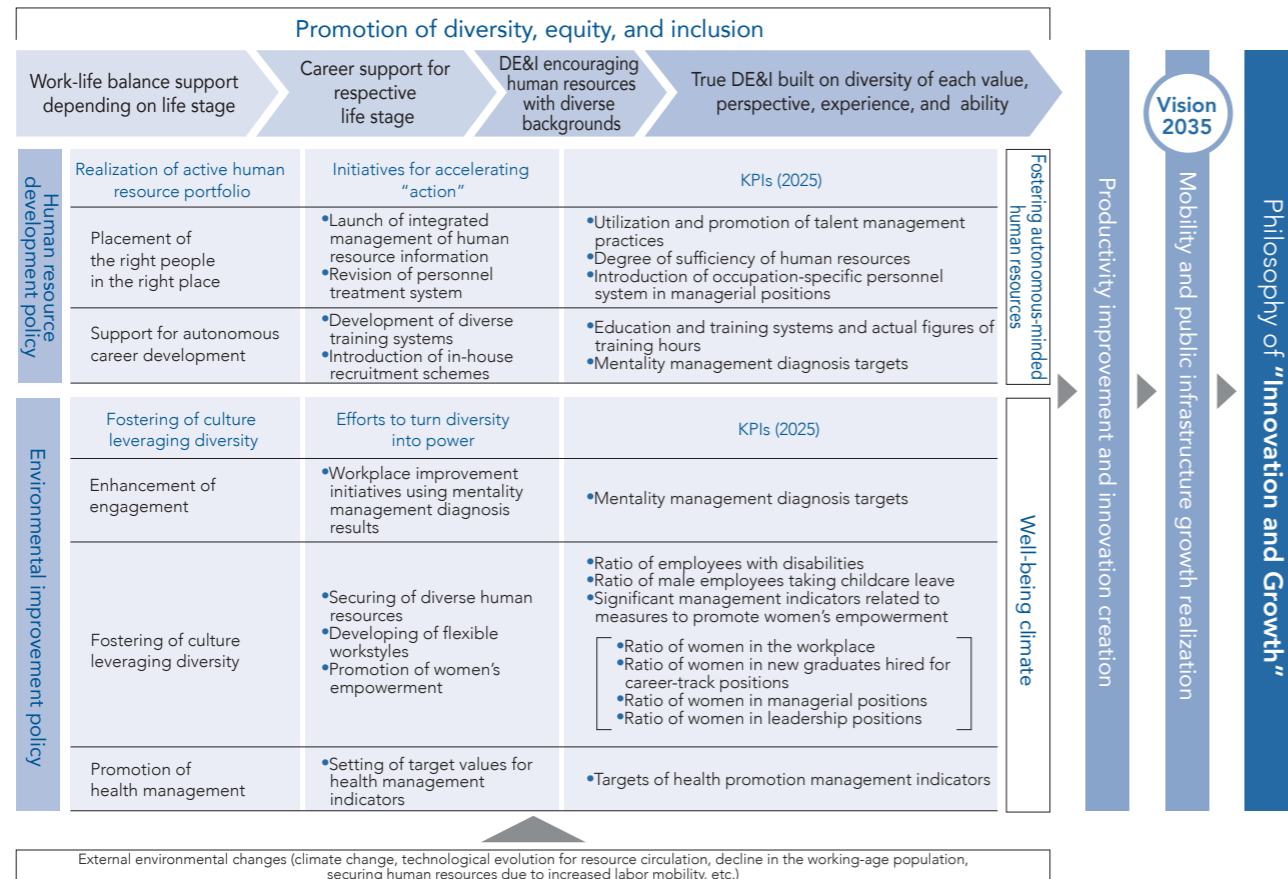
We will continue to achieve speedy responses to environmental changes and improve engagement simultaneously, accelerating the creation of new value by fostering a sense of well-being where employees and the Company feel they are growing together.



Kazuhiro Fukuoka
Director and General Manager,
Human Resources Division,
GS Yuasa International Ltd.

Diagram of human resource strategy

Human resource strategy linked with management strategy



Respect for Human Rights

The GS Yuasa Group is aware that respect for human rights is at the foundation of business activities and that preventing the occurrence of human rights violations through the Group's decision-making and activities is a key element of management. Furthermore, since the Group engages in business on a global scale, we believe that appropriate management of human rights issues not only within GS Yuasa and its Group companies, but also in our transactional relationships with business partners including domestic and overseas suppliers is essential.

Identifying and addressing human rights risks

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 by 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.

Priority human rights issues (GS Yuasa International Ltd.)

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

Promoting human rights education

Informative and educational 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 worksite training implementation rate (FY2023)

100%

Average implementation time of human rights worksite training (FY2023)

3.0 hours

Scope: 378 GS Yuasa worksites and 166 domestic Group companies

Education on respect for human rights

- Workplace education (meetings, discussions) on the themes of respect for human rights and harassment
- Distribution of booklets and internal email newsletters created for the purpose of raising awareness of respect for human rights
- Distribution of manuals explaining the Group's CSR Policy
- Holding briefing sessions on human rights risks for overseas site managers

Management of human rights risks involving foreign workers

The Group has created guidelines to appropriately manage human rights risks related to the employment of foreign workers based on international guidelines on responsible employment management for foreign workers. These guidelines set out management principles for human rights risks that should be considered throughout the employment process, from recruitment to retirement. They are being rolled out to domestic and overseas Group companies. We confirm compliance with these guidelines for Group companies employing foreign workers and make operational improvements where necessary.

In addition, in the supply chain, we have established and require suppliers to adhere to the Responsible Procurement Guidelines, which set forth management guidelines for responsible corporate behavior, including addressing human rights issues unique to foreign workers. We regularly verify suppliers' compliance with the Responsible Procurement Guidelines and request improvements where necessary.

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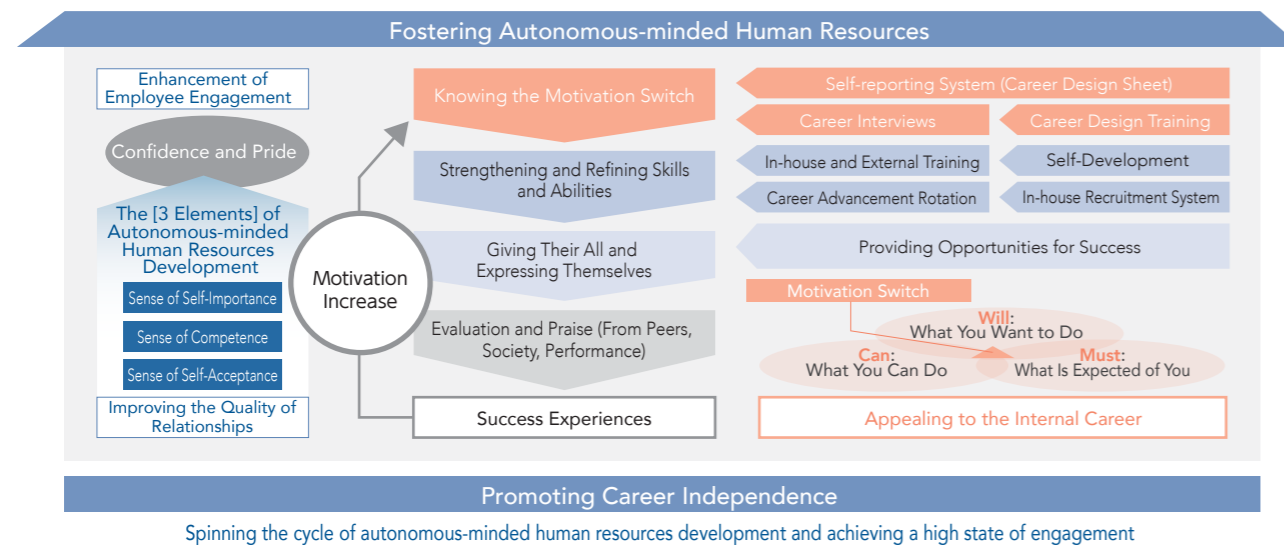
Human Resource Development / Respect for Diversity

At the Group, we believe that front-line workplaces are the engines that generate corporate value, and the lead players in those workplaces are employees. Thus, we encourage the development of "autonomous-minded human resources" who can think independently, work proactively, and generate results at their day-to-day work sites, which are the best places for developing human resources. In addition, in order to nurture a culture in which diverse human resources can grow together and play an active role, we undertake diversity management so that we can fully utilize the diverse individuality of employees and strengthen organizational capabilities.

Fostering autonomous-minded human resources

The Group focuses on fostering and supporting the success of autonomous-minded human resources through on-the-job training (OJT) centered around the task management system. Autonomous-minded human resources are those with a strong desire for self-growth and self-management skills, who can act proactively. As they are key individuals for the future, we are actively investing in the development of autonomous-minded human resources.

We are currently developing an educational system that provides learning opportunities for all employees to promote self-innovation. We are also considering introducing a personnel system that allows employees to participate in important roles and tasks, regardless of age or experience, and to receive evaluations commensurate with their achievements. We plan to systematically promote education and talent management to develop the next generation of leaders while fostering mobility between businesses.



Enhancement of employee engagement

The Group is working to enhance corporate competitiveness by securing human resources with excellent talent and improving labor productivity through enhancing employee engagement initiatives.

Since FY2021, we have conducted an annual Mentality Management Diagnosis that combines engagement and mental health to regularly monitor the status of employees and the organization. Based on the diagnostic results, we conduct group analysis, develop organizational improvement activities, and promote the creation of a Vibrant Organization. We also use this analysis, which comprehensively covers various factors such as individual career autonomy, trust relationships, and psychological safety, to verify and improve the effectiveness of human resource measures.

Important management indexes of mentality management diagnosis (deviation value)*1

	FY2021 actual	FY2022 actual	FY2023 actual	FY2025 target figures	
KGI	Work engagement	50.7	50.0	50.3	Maintain at 50 or more
	Stress response	50.5	49.7	49.5	50 or more
KPI	Mental toughness level*2	50.9	50.4	50.4	Maintain at 50 or more

*1 Results for GS Yuasa International Ltd., including employees seconded to other companies and excluding employees seconded from other companies.
*2 This index correlates both stress response and engagement.

Career development support initiatives

The Group promotes initiatives that balance the career visions employees envision with creating new corporate value. To bolster our efforts for diverse career development by employees, we introduced rank-based training and age-based career design training that promote career autonomy to supplement existing rank-based career development training. We have created a career interview support handbook for managers and employees and introduced support training for managers to assist employees in their career autonomy.



Career Interview Support Handbook (For Employees)

Fostering a culture that leverages diversity

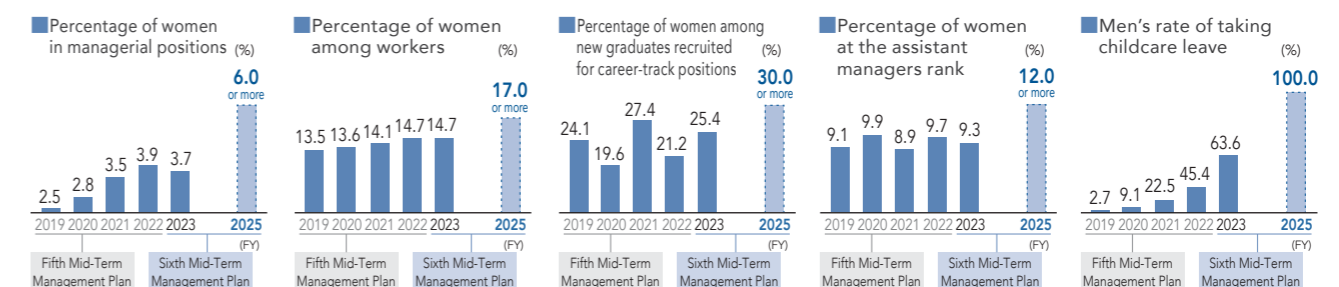
To continue the proactive recruitment of diverse talent and create an environment where each individual can fully utilize their unique personality and abilities, we launched the GY Mirai Project in 2018. We are working to create a workplace where everyone can work with enthusiasm and fulfillment.

Additionally, discussions on DE&I (Diversity, Equity & Inclusion) are held in executive meetings and reported regularly to the Board of Directors. DE&I-related topics are set as critical issues for directors, incorporating DE&I initiatives into management objectives.

Roadmap for promoting DE&I

	2015	2016	2017	2018	2019	2020	2021	2022	2023 (FY)	
			★Kurumin certification	★Launch of the GY Mirai Project		★Platinum Kurumin certification		★Nadeshiko Brand certification		
	Work-life balance support according to life stage			Career support based on life stage		DE&I, where diverse attributes can thrive		True DE&I, where the diversity of each individual's values, thinking, experience, and abilities becomes a strength		
	● Start of internal report series	● Announcement of KPI for female new graduate recruitment rate	● Publication of Message from the President "Three Ls"			● Announcement of KPIs for promoting women's empowerment	● Launch of "GS Yuasa's Diversity" Special Website		● Establishment of Diversity Consultation Desk	
Main initiatives	Career development	Hosting of "Women's Shine Gathering" Participation in "Team spring!" - a platform for information and opinion exchange among Kyoto-based companies	First training for women hosting of "Women's Shine Training" Development and announcement of Action Plan for Promoting Women's Empowerment	Hosting of Women's Future Lecture Hosting of Women's Future Career Design Training and Management Training for Supervisors with Female Subordinates	Abolition of mandatory business attire for women through the introduction of a work dress code Hosting of Women's Health Care Seminar	Introduction of Career Development & Framework into third-year training	Sending employees to an on-site "Management Candidate Training" program Conducting "Awareness Survey on Promoting Women's Participation in the Workforce"	Hosting of opinion exchange meetings with female directors and female managers Introduction of diversity management video education for newly appointed managers	Conducting Career Advancement Training for female assistant managers	Introduction of career interview support training Systematization of career design training for various levels and ages (42, 50, and 57 years old)
	Support for work-life balance	Development and announcement of an Action Plan for Next-Generation Development Support	Creation of handbook on supporting work-life balance		Establishment of consultation desk for pregnancy and childcare leave returnees Extension of flexible working hours and shortened working hours for childcare of those with children up to 6th grade	Hosting of "Thinking about a Workplace Friendly to Both Men and Women (Men's Studies)"		Conducting Awareness Survey on Balancing Work and Caregiving	Publication of articles on women's health issues in the Company's quarterly magazine Babysitter fee subsidy program	Setting of 100% KPI for men's rate of taking childcare leave
	Work style reform	10 days of mandatory annual leave (for general employees)		Encouragement of consecutive vacation Introduction of hourly leave		Introduction of a work-from-home system for childcare and caregiving needs and a re-entry system		Establishment of work-life synergy leave (5 consecutive days of leave)	Introduction of work-from-home system for all employees	

Achievements and KPI (2025) related to respect for diversity



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TOPICS / Conduct information exchange meetings for work-childcare balance

As part of our efforts to create a workplace where both men and women can balance work and life events, we held an information exchange meeting in March 2024 with 48 participants, including employees on childcare leave and managers. In the panel discussion, two pairs consisting of male employees who had taken childcare leave and their supervisors participated as panelists. They explained the circumstances of taking leave, reporting it to their supervisors, life during leave, and their impressions afterward. The external lecturer discussed the steps such as the benefits of childcare leave, the timing of reporting childbirth, and deciding when to take leave. We aim to create an environment and atmosphere where men and women can naturally take childcare leave and develop a workplace where work and childcare can be balanced.

Promoting employment of persons with disabilities

GS Yuasa Socie Ltd., a special subsidiary of GS Yuasa, actively employs persons with disabilities. Since 2016, the company has introduced a system to ensure safe and stable employment by designating all employees as regular employees with indefinite-term employment regardless of whether they have a disability or not. We will continue to work to maintain and improve a work environment that is inclusive of the abilities and characteristics of disabled employees.

Employment rate of people with disabilities (as of April 2024)
2.64%

TOPICS / Initiatives to support employment of people with disabilities

At GS Yuasa Socie, we provide nine types of work at the Kyoto headquarters, four types at the Osadano office, and two types at the Shizuoka office, in line with the type and characteristics of the disabilities, ensuring the right person is in the right job. As part of our internal support system, we have four mental health social workers, two certified social workers, one accredited psychologist working full-time, and, two job coaches. Additionally, 18 vocational life counselors for persons with disabilities are assigned to each workplace, creating a detailed support system.



Enhancement of Work Environments and Occupational Health and Safety

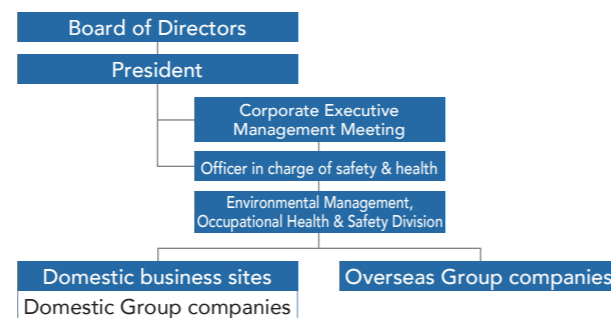
We consider creating a workplace where employees can work comfortably as a critical issue and actively work to improve labor conditions and occupational health and safety. We strive to prevent workplace accidents by identifying safety risks in advance and implementing appropriate measures. We also continuously work on improving the work environment to ensure a healthy and comfortable workplace.

Promoting occupational health and safety

The GS Yuasa Group believes that securing the health and safety of its workers is the paramount priority in doing business and has established the Group Policy (The Fundamental Health and Safety Policy) for the promotion of company-wide endeavors to build a corporate culture of safety.

Toward realizing that Group Policy, domestic business sites have obtained the certification of their occupational health and safety management systems in compliance with the international standard (ISO 45001), and a majority of the production companies of overseas Group companies have also obtained ISO 45001 certification. 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.

Health and safety organizational structure overview



Our Fundamental Health and Safety Policy is available on our website.
▶ https://www.gs-yuasa.com/en/csr/working_env.php

Health and safety

Reducing occupational accident risk

At domestic business sites and domestic Group companies, we use risk assessment techniques to identify potential hazard sources by conducting general inspections and take mitigation measures according to the scale of the risk. Similar measures are also taken concerning safety patrol activities conducted under the leadership of the safety and health officer.

If a workplace accident occurs, we share the information with everyone working at our domestic business locations in real time, investigate the cause, and implement measures to prevent recurrence. In workplaces handling hazardous substances, we implement risk reduction measures using chemical risk assessments and regularly monitor the work environment and workers' health as required by law. We are also promoting efforts to reduce the risk of workplace accidents at overseas Group companies through regular safety audits conducted by the Company's safety and health promotion members.

TOPICS / Efforts to raise workers' safety awareness

The GS Yuasa Group conducts activities intended to raise the awareness of safety among all employees who work for the Group directly or indirectly including subcontractors and temp workers 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. From FY 2023, we have also introduced virtual reality (VR) experience-based training devices as part of our educational initiatives on hazard simulation which allow trainees to actually experience and understand workplace hazards. We are committed to continued efforts to promote health and safety education through hands-on training for hazards (such as falls from working at heights, contact with forklifts, and electric shocks), that could not be experienced in the past with conventional devices.



VR experience-based risk training (Kyoto Plant)

Work environment

Work style reform

The Group is striving to ensure the most appropriate work hours through cooperation between labor and management. GS Yuasa has introduced and managed systems to accurately understand and manage work hours (attendance management system and access control system). Based on this data, an expert committee combining labor and management is held monthly, and we check the condition of employees working long hours. Education at the workplace sites to improve awareness of employees and managers also addresses the theme of appropriate management of working hours. In addition, as initiatives aimed at creating a balanced working style, we are promoting improvement activities that contribute to the enhancement of work efficiency and creativity and the optimization of work allocation and taking other measures.

Health management

The Group considers it essential to create an environment where all employees can perform their duties in a healthy physical and mental state and achieve their maximum performance. We are promoting company-wide health management for all employees and their families based on the health management policy established by our president, who is at the top of our management.

In coordination with initiatives such as workstyle reforms and the promotion of women's success, we analyze data from health checkups and stress checks to identify employee health issues as part of our health-building efforts. 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.

Wage disparity between male and female workers Period: April 2023 – March 2024

The wage disparity between male and female employees indicates the ratio of women's wages to men's wages. There is no difference in wages between men and women in our personnel system for the same qualifications, rank, or position, and any disparity is due to differences in personnel composition across qualifications, rank, or positions. We will continue to promote efforts to increase the ratio of female managers.

	All workers	Regular workers	Fixed-term workers
GS Yuasa	73.7%	72.7%	78.9%
GS Yuasa Fieldings Ltd.	74.9%	76.1%	104.2%

Note: GS Yuasa wages include base pay, overtime wages, and bonuses; commuting allowances and severance pay are not included.
GS Yuasa Fieldings wages include base pay, overtime wages, bonuses, and commuting allowances; severance pay is not included.
Regular workers include employees seconded to other companies and exclude employees seconded from other companies.
Fixed-term workers include contract employees, re-hired employees, and part-time employees and do not include dispatch (temporary) employees.

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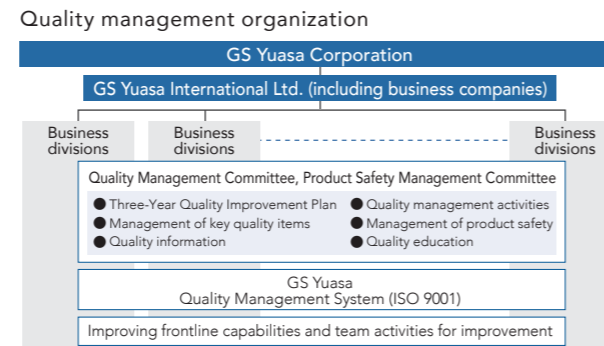
Provision of High-quality Products

The GS Yuasa Group believes that it is important that we approach manufacturing activities and strive to enhance quality of products and services from the customer's perspective so that we can remain a manufacturer trusted by customers at all times. We are aware that since the Group's products store, control, and convert electrical energy, product safety is of paramount importance.

Implementation of quality management system

We undertake group-wide activities aimed at improving the quality of products and services provided to customers based on our Quality Policy. To this end, the Group has formulated, the GS Yuasa Quality Management System based on the ISO 9001 standard, under the leadership of top management. The aim is to promote a quality management system that crosses business divisions. The quality of our products and services is discussed every month by the Quality Management Committee, which is chaired by the executive officer in charge of quality, to enable us to enhance quality on an ongoing basis.

We are also making utmost efforts to bolster the awareness of quality among employees and to boost their understanding and skills related to quality management through quality-related education courses to all employees and team activities for improvement company-wide, thereby enhancing the quality of our products and services.



Our Quality Policy is available on our website. [▶ https://www.gs-yuasa.com/en/csr/quality_index.php](https://www.gs-yuasa.com/en/csr/quality_index.php)

TOPICS / Quality Management Initiatives

Developing human resources in quality management

Since 2017, we have been holding the "Mono-zukuri (product creation) expert" education workshops with the aim of developing continuous human resources who can "study Mono-zukuri 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 experts after a one-year training period and act as core members for quality improvement in the workplace by utilizing his/her knowledge and experience.

Rounds of plant inspections by top management

We are systematically conducting top management inspections, in which executives visit our domestic factories and branches. The purpose of these inspections is for executives to observe the workplace as it is and engage in dialogue with frontline employees. By focusing on the quality of work, we share activities and challenges related to safety, quality, and the environment, facilitating communication between management and employees. Frontline employees and young managers report on workplace challenges and activities, creating opportunities for exchanging opinions with executives.



Scenes from inspections by top management

Initiatives for product safety

We created a company-wide organization centered on the Product Safety Management Committee to undertake measures for ensuring product safety. We promote developments in business divisions after assessing conformity with product safety standards as well as the safety of products as they are used, age and deteriorate. For this reason, we use results of product safety risk assessments and utilize know-how gained from case studies of failures and so on. In addition, we make note of product unsafe events on a daily basis, and provide our customers with appropriate product safety information. In the unlikely event that a product accident which may harm the customer occurs, we implement a system in which we immediately confirm the facts and investigate the cause, and respond to emergencies (prompt and appropriate information provision, first aid measures to prevent the occurrence and spread of harm, measures to prevent recurrence, and so on), as necessary.

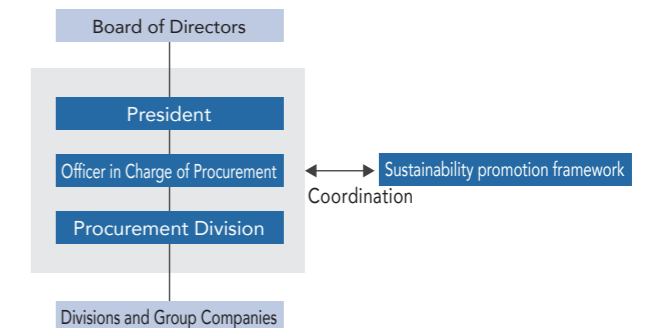
Responsible Procurement Promotion

The 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 essential to promote procurement activities with the highest priority on CSR elements (including human rights, working conditions, and the global environment). For this, rather than engaging only in in-house CSR activities, we aim to continue implementing responsible procurement that responds to social issues in cooperation with suppliers. We believe that engaging in responsible procurement will enhance the corporate value of both the Group and our suppliers, and enable the realization of mutual prosperity throughout the entire supply chain.

Implementation of responsible procurement

The Group issued the Responsible Procurement Guidelines in FY2018, which require suppliers to engage with CSR issues. These guidelines aim to reduce risks affecting mutual performance improvement and business continuity by contributing to a sustainable society based on a supplier partnership. We are also working to enforce these guidelines across the global supply chain, raising awareness of CSR issues (such as workers' rights) among suppliers. In new transactions, we select suppliers that agree to the guidelines and conclude contracts that include social standards such as environmental protection, legal compliance, respect for human rights, fair trade, and the exclusion of anti-social forces.

Responsible procurement promotion framework



Responsible procurement survey of suppliers

To realize a sustainable supply chain, we periodically survey our major suppliers concerning their compliance with the requirements in the Responsible Procurement Guidelines. We are working in collaboration with our suppliers to resolve the CSR issues in the supply chain in order to strengthen our business foundation.

Improvement measure completion rate based on supplier CSR surveys (FY2023)

Suppliers of domestic business sites
100%

Suppliers of overseas business sites
100%

Supplier CSR survey items

Classification	Example question items
Labor	Forced labor, child labor, working hours, wages, inhumane behavior, discrimination, etc.
Health and safety	Occupational safety management, preparedness for emergency situations, industrial health, machinery and equipment, etc.
Environment	Environmental permits, pollution control, hazardous substances, waste, atmospheric emissions, wastewater, etc.
Corporate ethics	Legal compliance, bribery, intellectual property, unfair trade, internal whistleblower systems, information security, etc.
Product safety	Ensuring product safety

Responsible mineral procurement

The 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. In our promotion of responsible mineral procurement, we have established a policy that sets out our basic approach based on the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, an international framework for ensuring the responsible procurement of minerals throughout the supply chain.

The responsible mineral procurement policy is published on our website. [▶ https://www.gs-yuasa.com/en/csr/pdf/rmpp_200407e.pdf](https://www.gs-yuasa.com/en/csr/pdf/rmpp_200407e.pdf)