

TSUNAGU – Connecting to the Future

Harmony with the Global Environment Initiatives to achieve carbon neutrality (climate change mitigation strategies)

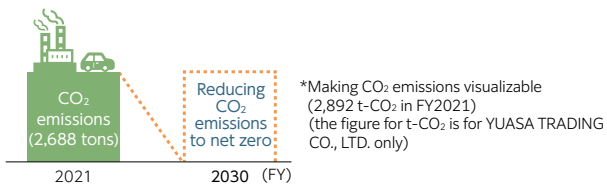
Besides promoting carbon neutrality for the YUASA TRADING Group, we will also utilize the environmental solution know-how that we have accumulated over the years to contribute toward the realization of the post-carbon society.

▶ Medium- and long-term environmental objectives

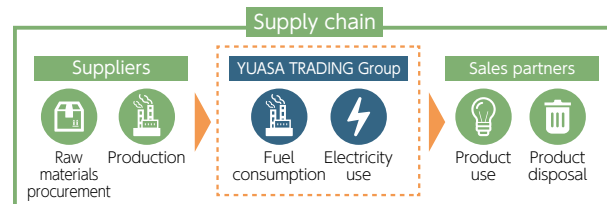
The YUASA TRADING Group recognizes that the need to respond to climate change is a pressing issue. In October 2021, we formulated a Sustainability Declaration, and we are aiming to make the Group as a whole carbon-neutral by FY2030. To work toward our goal of achieving carbon neutrality, besides making the CO₂ emissions of the entire Group visualizable from 2022 onwards, we are also implementing CO₂ reduction potential diagnostics with surveys of air conditioning and lighting facilities at each business site. Henceforth, in addition to reducing the amount of electricity purchased, through measures such as operations improvements and updating to more efficient equipment, we will also be considering the adoption of renewable energy. We will be steadily replacing company vehicles that consume substantial amounts of gasoline with more eco-friendly vehicles.

In addition, in March 2022, we announced our support for the TCFD, and we are promoting disclosure of climate change related information.

■ Pursuing carbon neutrality across the entire YUASA TRADING Group



■ Striving to reduce the burden on the environment throughout the entire supply chain

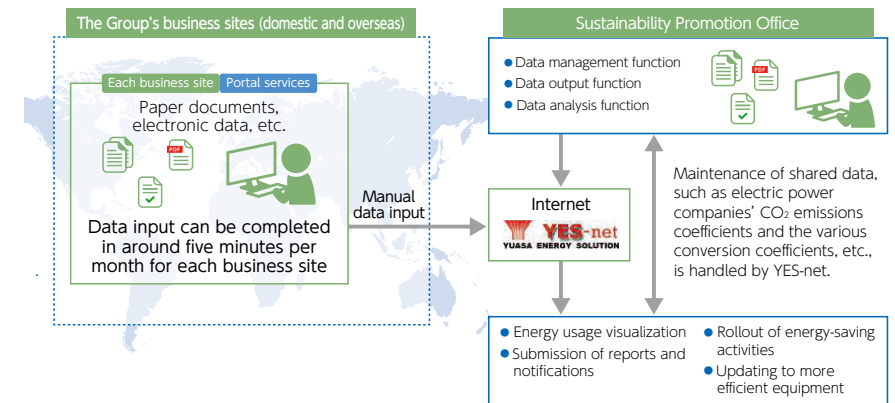


▶ Initiative to monitor the energy usage of YUASA TRADING and of our business partners (YES-net)

In 2009, YUASA TRADING led the industry in the adoption of an integrated energy management system, YES-net, which has helped our business partners to enhance their environmental performance and supported the visualization and reduction of companies' CO₂ emissions. We view the global trend toward carbon neutrality as a business opportunity for the Group, and we will be promoting this business area further in the future.

To realize the calculation of CO₂ emissions within the Group, we are using YES-net to calculate energy usage at all of the Group's business sites (a combined total of 192 sites, both domestic and overseas).

■ Usage within YUASA TRADING Group



What is YES-net?

Carbon neutrality can be achieved through the visualization of CO₂ emissions.

YES-net is a system that efficiently collects, collates and manages energy usage data for the company as a whole to enable visualization of CO₂ emissions.



Easy input

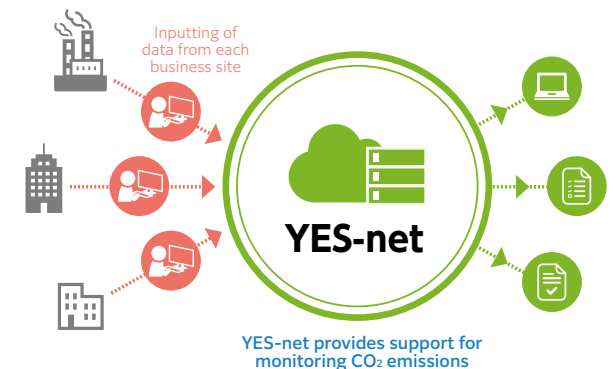
The only data that needs to be inputted is the usage figure given on the monthly bill (taking around five minutes per month to complete).

Low fees

Two payment plans are available. Monthly usage charge: Starting from 1,000 yen per site

A convenient system

Company-wide CO₂ emissions can be displayed in tabular or graphic form to view at a glance.



/ TSUNAGU – Connecting to the Future

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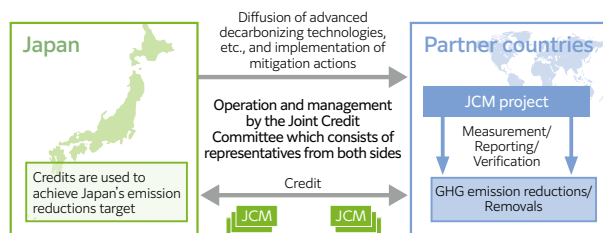
▶ Participating in the City-to-City Collaboration for Zero Carbon Society programme

The YUASA TRADING Group has been striving to improve the global environment by conducting initiatives that utilize the Joint Crediting Mechanism (JCM, a bilateral carbon credit system), which contributes to the reduction of greenhouse gases in developing countries.

We have been participating in the City-to-City Collaboration for Zero Carbon Society programme which Japan’s Ministry of the Environment developed, in order to further strengthen our overseas infrastructure presence through the JCM.

In FY2021, we took part in an online workshop with Ho Chi Minh City, and gave a talk about our initiatives in relation to the JCM system. Hereforth, we will be contributing toward helping developing countries to balance economic growth with environmental protection through the provision of support for JCM project formation.

■ Overview of JCM



■ Workshop in progress



Content of the lecture given by YUASA TRADING



The venue in Ho Chi Minh City

▶ Forests × Decarbonization Challenge 2022 (YUASA LUMBER)

Our Group company, YUASA LUMBER CO., LTD., has been conducting tree thinning and planting activities in a total of 102.26 hectares of forest in three areas that it owns in Hokkaido. In the Forestry Agency’s “Forests × Decarbonization Challenge 2022” initiative, YUASA LUMBER has been recognized as a “Green Partner 2022” that has contributed toward decarbonization through its forest improvement activities. The amount of CO₂ absorbed by the forests that YUASA LUMBER conducted improvement work on over the period between 2020 to 2021 was 22 t-CO₂ per year.

Henceforth, YUASA LUMBER will be contributing toward the industrial revitalization of the local community by promoting the utilization of timber obtained through thinning, and through forestry education* activities and workshops for educational institutions.

*Forestry education

The term “forestry education” is used to refer to activities aimed at cultivating citizens who will contribute toward strengthening ties with forestry, creating enriched lifestyles, developing society, and developing forests.



The company-owned forest in Hokkaido that tree thinning was conducted for forest restoration



The Green Partner 2022 designation that YUASA LUMBER received

▶ Promoting wooden construction

The YUASA TRADING Group is promoting medium- and large-scale wooden construction through the adoption of the “Ichu Wood Frame Structure,” a new wooden construction technique, and by strengthening coordination with YUASA LUMBER, a Group company.

Japan is a heavily forested country, with forested land accounting for around two-thirds of the country’s land area. The trend toward the adoption of wooden structures and wooden interior decoration has received highly positive evaluation, as aiming to foster the effective utilization of timber and realize forest resource circulation can help to combat global warming, safeguard national land resources, and invigorate the local economy.

Having started with the construction of a hospital using the “Ichu Wood Frame Structure” technique, going forward we will contribute toward the building of a post-carbon society and a sustainable society through the adoption of wooden structures and wooden interior decoration.

■ Adoption of wooden structures and wooden interior decoration



Hospital built using the “Ichu Wood Frame Structure” technique



Use of wood for interior decoration



/ TSUNAGU – Connecting to the Future

Harmony with the Global Environment

Initiatives aimed at realizing a resilient society

In response to the increasing severity of natural disasters, we are promoting the development of our Resilience & Security business, aiming to contribute toward the building of communities and societies characterized by safety and security.

▶ Eight consecutive years of winning the Japan Resilience Award

The Japan Resilience Awards are a system of discovering, assessing, and awarding forward-thinking initiatives across Japan for the construction of a resilient society for the next generation. The Awards were established by the Association for Resilience Japan in November 2014.

In FY2022, the YUASA TRADING Group received a total of two awards, including one award for excellence and one award for superior performance.

Henceforth, in order to respond to diverse needs relating to national resilience, we will be focusing on initiatives that effectively utilize our extensive networks, and on the development, sale and dissemination of related products and systems.



■ YUASA TRADING's performance in the Japan Resilience Awards to date

- 1st Japan Resilience Awards:
Gold Medal for "National Resilience Communication Activities in the Fields of Industry and Daily Life"
- 2nd Japan Resilience Awards:
Chairman's Award for "Initiatives Aimed at Building Resilient Distribution Platform Infrastructure"
- 3rd Japan Resilience Awards:
Award for Excellence for "Development of the Tourist Terminal Togendai Station in Hakone as a Resilient Station"
- 4th Japan Resilience Awards:
Outstanding Resilience Award for "Development and Dissemination of the City Connect 'Light Station'"
(in collaboration with KIKUKAWA KOGYO CO., LTD. and PIJIN Co., Ltd.)
- 5th Japan Resilience Awards:
Award for Excellence for "Mirainnovation Project" (in collaboration with seven other companies)
- 6th Japan Resilience Awards:
Award for Superior Performance for "Development and Dissemination of a 'Disaster-preparedness Electricity Storing Warehouse' that Combines a Disaster-resistant Warehouse with a Solar Power Electricity Storage System" (in collaboration with INABA SEISAKUSHO Co., Ltd. and San-Eisha Ltd.)
- 7th Japan Resilience Awards:
Outstanding Excellence Award for "ElepHunter Sanitation Robot"
Outstanding Excellence Award for "Infection Reduction House" (FUJI QUALITY HOUSE CO., LTD.)
Award for Excellence for "Bollard with Flooding Sensor" (in collaboration with SUNPOLE CO., LTD. and OYO Corporation)
Award for Excellence for "ITENE Reservation Management System for All Construction Types" (YUASA QUOBIS Co., Ltd. and DandoLi Works)
- 8th Japan Resilience Awards:
Award for Excellence for "YACHIBEI®" (in collaboration with Inahachi Co., Ltd. and Kankyo Exterior Co., Ltd.)
Award for Superior Performance for "Resilience, Security and ESG Initiatives Making Effective Use of the Company's Own Original Exhibition Events"

▶ An aluminum privacy fence, YACHIBEI®, used for improving concrete walls

YUASA TRADING worked together with Inahachi Co., Ltd. and Kankyo Exterior Co., Ltd. to develop YACHIBEI®, an aluminum privacy fence system. Customers can use the existing pillars of concrete fencing and replace the heavy concrete panels with the light aluminum panels of YACHIBEI® in order to reduce costs, cut construction times, and limit industrial waste emissions.

Large numbers of pre-cast reinforced concrete fences were constructed in Japan from the 1950s through into the 1970s, and they are still a common sight. However, as these fences have grown older and deteriorated, the risk of them collapsing in the event of an earthquake has grown. Unfortunately, rebuilding or repairing this type of fencing can be very expensive, so many of them have been left in a dangerous condition. YACHIBEI® uses the existing foundations and pillars of concrete fencing, thereby reducing costs, cutting construction times, and limiting industrial waste emissions. In addition, the use of lightweight aluminum panels significantly reduces the risk of injury in the event of collapse. YACHIBEI® also allows more flexibility in terms of design, so fencing can be modified to suit the appearance of the particular street or site where the fencing is installed. YACHIBEI® fencing is already in use at 18 facilities, including locations belonging to a major gas company, temples and shrines, etc. The widespread adoption of this product will contribute toward urban development that is characterized by greater safety and security.



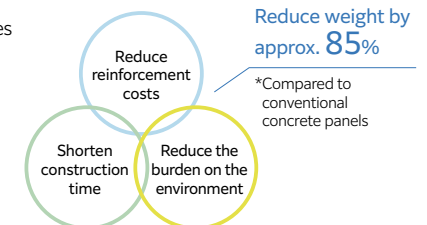
Before



After

■ Advantages of YACHIBEI®

- Mitigate the damage caused by collapsing due to earthquakes through the use of lightweight aluminum panels
- By reusing the existing pillars and foundations:
 - (1) Reduce reinforcement costs (reducing costs by approx. 35% compared to conventional repair methods)
 - (2) Shorten construction time
 - (3) Environmentally-friendly product that reduces emissions of industrial waste
- Improves design flexibility with pillar covers and top rails



/ TSUNAGU – Connecting to the Future

Harmony with the Global Environment Initiatives related to climate change (TCFD-based information disclosure)

Climate change is an issue of great importance that must be addressed on a global scale. Having decided to set ourselves the goal of making the YUASA TRADING Group as a whole carbon neutral by FY2030, in March 2022 we expressed our support for the recommendations of the TCFD. Our initiatives in this area to date are outlined below. Henceforth, we will continue to expand our information disclosure in this regard.

▶ Governance

Viewing risks, opportunities and impacts relating to climate change as important matters to do with business strategy and sustainability, the Board of Directors deliberates on these matters and decides on related strategies, etc. In October 2021, we established a new Sustainability Promotion Committee (see [P.15](#) and [P.48](#)), which meets regularly for the members—including directors and executive officers—to discuss relevant matters.

To implement monitoring of climate change related indicators, as well as target management and various types of risk management, personnel in charge of sustainability promotion has been appointed at each business site, and we are undertaking management in this area on a Group-wide basis.

▶ Strategy

As an Integrated Service Shosha Group focused on the four key areas of manufacturing, home building, environment building and town building, we handle a diverse range of products and services, and as a result the impacts of climate change and the related changes in the business environment present us with both risks and opportunities. With regard to those businesses and fields that will be affected, besides making appropriate changes and implementing risk management, we are also working proactively to exploit business opportunities during the transition period that arise from changes in government policies, regulations and the market environment, with the aim of realizing sustainable growth.

Regarding our businesses, so that we can contribute toward emissions reductions by society as a whole, it is important for us to reduce emissions during the manufacturing and use of the products and services that we handle. In addition to providing support to help our suppliers introduce renewable energy at their manufacturing facilities, etc., in order to reduce emissions deriving from product use by our sales partners and their customers, we are expanding the range of energy-saving products and products for post-carbon society that we handle.

We are also continuing to promote the growth of our Resilience business, in response to the increasing severity of natural disasters, and to the physical risks associated with climate change.

To achieve our goal of bringing CO₂ emissions for the Group as a whole down to net zero by FY2030, we are combining the adoption of renewable energy (from solar power) with a switch to more efficient equipment and the purchase of electricity generated using renewable energy.

Name of division / business	Main products and services that can contribute toward saving energy and reducing emissions
Industrial Equipment & Tools	Compressors, motors, electric cylinders, etc.
Machine Tools	Various types of energy-saving machine tools, etc.
Housing, Air & Fluidic Control Systems	High-performance air-conditioning equipment, photovoltaic systems, storage batteries, etc.
Building Supplies & Exterior	LED lighting, roof greening, etc.
Construction Machines	Compressors, motors, etc.
Eco & Energy	Support for renewable energy adoption, software sales, etc.
Resilience & Security	Flooding detection transmission systems, warehouses with emergency power supply, etc.

▶ Risk management

YUASA TRADING’s businesses are mainly built on transactions with large companies, larger medium-sized companies and SMEs across a wide range of industries in Japan. We are thus exposed to a wide variety of risks in relation to climate change, including regulatory and policy changes, changing customer needs, and the changing economic and social environment.

Regarding the response to the risks that relate to our businesses, each division undertakes an assessment of changes in relevant regulations and in the market environment, and responds appropriately. In addition, in order to implement risk management for the supply chain as a whole, we have formulated a transaction policy, and we are spreading awareness of this strategy both inside and outside the company.

As regards physical risk relating to climate change, we have performed surveys of flooding and landslide risk for each business site in Japan (a total of around 150 sites). In the case of sites located in areas where there is particularly high risk, we are proceeding with risk management to reconfirm that these sites are effectively integrated into the Group’s business continuity planning (BCP).

Henceforth, we will be confirming the climate change related risk for each business site, both domestic and overseas, and for our key suppliers, and we will be implementing integrated management of this risk in conjunction with our internal risk response measures, etc.

▶ Indicators and targets

Besides aiming to make the YUASA TRADING Group as a whole carbon neutral by FY2030, we will also be striving to reduce the environmental burden throughout the supply chain.

Starting from FY2021, we have been calculating emissions for each Group company, both domestic and overseas, and we have begun implementing various measures aimed at reducing emissions. Furthermore, in order to drive a reduction in overall emissions in the entire supply chain through our business, we have also begun to calculate the emissions associated with manufacturing the products that we handle.

■ YUASA TRADING Group’s emissions (FY2021)

	Scope1	Scope2	Scope3
YUASA TRADING CO., LTD. (non-consolidated)	Approx. 2,900 t-CO ₂		Under calculation
Domestic and overseas Group companies	Under calculation		

/ TSUNAGU – Connecting to the Future

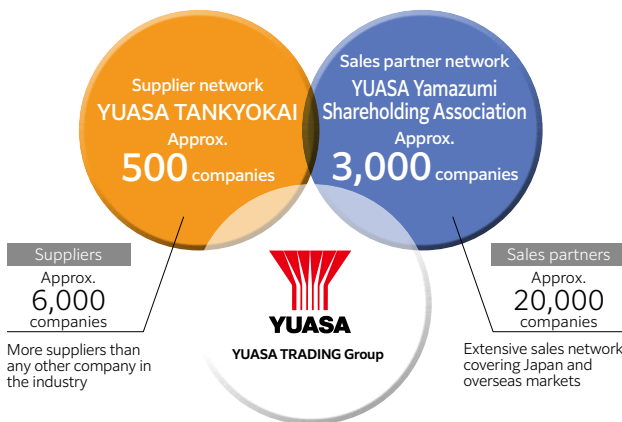
Business Activities for Service with Good Products

 Relationship with business partners

By maintaining a strong relationship with sales partners and suppliers, we realize fair, true and transparent transactions.

▶ Integrated business model

We promote our Core businesses and Growth businesses through an integrated network connecting our sales partner group called the “YUASA Yamazumi Shareholding Association,” a supplier group called the “YUASA TANKYOKAI,” and the YUASA TRADING Group.



▶ Formulation of the transaction policy

Based on the mindset of “service with good products” that has been passed down from the founding of the Group, we conduct fair, honest, and reliable commercial transactions.

We have formulated the YUASA TRADING Group Transaction Policy to promote management that emphasizes sustainability, including the maintenance of harmony with the global environment, together with our various stakeholders.



Transaction Policy

▶ YUASA TANKYOKAI

The YUASA TANKYOKAI is a supplier group that was founded in 1977, with approximately 500 member companies throughout Japan. Through the YUASA Tankyo Shareholding Association, YUASA TRADING receives various forms of support from the group and its members, not only as business partners but also as shareholders.

▶ YUASA Yamazumi Shareholding Association

The YUASA Yamazumi Shareholding Association is a sales partner group founded in 1969, which has around 3,000 member companies. Through the East YUASA Yamazumi Shareholding Association and the West YUASA Yamazumi Shareholding Association, YUASA TRADING receives various forms of support from the group and its members, not only as business partners but also as shareholders. The group holds activities such as study sessions, seminars and site visits, tailored to current needs, and works together with YUASA TRADING to expand sales.

▶ YUASA Growing Association

The YUASA Growing Association is a sales partner group founded in 2020, with around 250 member companies throughout Japan, with a focus on “next-generation executives.” The group works together with YUASA TRADING on the cultivation of next-generation managers, through activities such as a range of training programs and events for the exchange of information among members from different industries.

■ YUASA TRADING Group Transaction Policy

1. Compliance with relevant laws and regulations, and fair, equitable transactions
2. Respect for human rights and improvement of the working environment
3. Environmental protection
4. Ensuring the quality and safety of products and services
5. Preventing the leaking of confidential information, realizing effective data management, and protecting intellectual property rights
6. Relationship with the local community and with the international community
7. Internal reporting system
8. Business continuity strategy
9. Regular confirmation and information management

/ TSUNAGU – Connecting to the Future

Business Activities for Service with Good Products

Relationship with business partners

▶ Activity content (holding of the annual meeting, and implementation of training activities)

Annual meeting of the headquarters of the YUASA TANKYOKAI

The annual meeting of the headquarters of the YUASA TANKYOKAI, a group composed of suppliers, is held in May each year. Besides reports on YUASA TRADING’s performance and explanations of its policies, there are also lectures given by external experts on topics of current importance.



YUASA Growing Association

The YUASA Growing Association holds training events in eight locations throughout Japan.



▶ Publication of the “Machinery and Housing” in-house magazine

“Machinery and Housing” is an in-house magazine, of which the target readership is the managers of YUASA Yamazumi Shareholding Association and YUASA TANKYOKAI member companies. Contents include special reports on topics of current interest, as well as original information provided by YUASA TRADING which it is felt will be useful for these companies’ businesses.

The first issue of “Machinery and Housing” was published in 1969, with the aim of disseminating information to members of the YUASA Yamazumi Shareholding Association. The magazine is now published on a quarterly basis; the most recent issue, Volume 44 (No. 350), was published in May 2022. Henceforth, we will continue to disseminate information to our business partners and to strengthen our network of sales partners and suppliers.

■ The front cover design from the early days of publication, and the current front cover design



The front cover design from the early days of publication



The current front cover design



Page presenting information about subsidies and grants

The magazine includes special reports on topics related to current market needs.

▶ Exhibitions with business partners

■ “TSUNAGU” Grand Fair

The Grand Fair is an exhibition that is organized by the YUASA Yamazumi Shareholding Association (YUASA TRADING’s sales partner group) and co-sponsored by the YUASA TANKYOKAI (YUASA TRADING’s supplier group), with support from YUASA TRADING. It was held for the first time in 1978. Although the nationwide events have been put on hold for a few years in order to help combat the COVID-19 pandemic, regional events have continued to be held every year in five regions: Kanto, Kansai, Chubu, Tohoku and Kyushu.

At the Grand Fair, we showcase the latest products, technologies and information, with a focus on practical demonstrations of actual products. We also propose products that can help to solve social issues by making effective use of integrated capabilities.

Information about visitors to the Grand Fair is converted into digital data, which helps us to strengthen post-show follow-up service.



■ Resilience & Security Fair

In December 2021, we held the “Kita-Kanto and Shin’etsu Resilience & Security ESG Fair,” an exhibition focused on resilience and security, and on environmental measures, in collaboration with the Kita-Kanto YUASA Yamazumi Association, the Nagano YUASA Yamazumi Association, and the Niigata YUASA Yamazumi Association, which are all our sales partner groups.



/ TSUNAGU – Connecting to the Future

Business Activities for Service with Good Products Contribution activities through our business

By effectively utilizing the Group’s combined capabilities and our network of business partners, we are contributing toward solving a wide range of social issues.

▶ “TSUNAGU” value creation

The YUASA TRADING Group is taking on the challenge of realizing “TSUNAGU” value creation to help solve social issues in various fields, including manufacturing, home building, environment building and town building. An example of these initiatives is outlined below.



Processing environment solutions “Bub Power”
(see [P.40](#))
We have developed a system that realizes optimization of equipment and tools by giving processing fluids and cleaning agents a longer lifespan, and by improving processing conditions and efficiency.



“Robo Combo”
Developed jointly with the YUASA TRADING Group companies, our “Robo Combo” automation system makes it possible to implement automation easily in the locations (or processes) where it is wanted at a reasonable price.



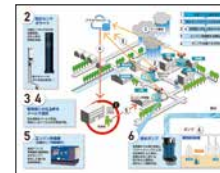
“Rewritable Laser System”
We have developed an original printing device for printing reusable shipping cartons, for use in laser printer + system integrator applications.
This device uses laser light to print and remove shipping information text and barcodes from reusable shipping cartons such as plastic containers using a non-contact method.

Labor-saving in manufacturing sites

Disaster prevention and mitigation



“YACHIBEI®” (see [P.35](#))
Developed by YUASA TRADING in collaboration with a supplier and a sales partner, YACHIBEI® allows dangerous concrete walls to be replaced with aluminum fencing, which can be used safely and with peace of mind.



“TSUNAGU BCP Package”
We have developed the new “TSUNAGU BCP Package” water expulsion system as a countermeasure for unexpected rainstorms, which have become increasingly frequent in recent years in Japan.
By providing a comprehensive package that includes everything from water level detection through to generator activation and automated water expulsion, we can protect precious lives, facilities and equipment from flood damage resulting from increasingly frequent typhoons and unexpected rainstorms.

Making construction inspection operations more efficient



“ITENE”
ITENE was developed through collaboration with an apartment building management company and a system vendor.
It provides a reservation management system for multi-unit housing.

Healthcare support for developing nations



Remote ICU prefabricated hospital building installation business (see [P.29](#))
The YUASA TRADING Group provides a total solution that includes hospital building design and prefabricated building construction, as well as assembly of machinery such as air conditioning equipment.

Enhancing the efficiency of logistics facilities



“Yuasa LDX Team Project”
Working together with six other companies, we established a joint project team, which has delivered a solution for optimizing every aspect of logistics.

/ TSUNAGU - Connecting to the Future

Business Activities for Service with Good Products

Contribution activities through our business

▶ Processing environment solution - "Bub Power"

What is a processing environment solution?

While the machinery and tools used in processing procedures in manufacturing are constantly evolving, it is difficult to improve the overall processing environment through the adoption of individual technologies, and this has become an obstacle to enhancing productivity. YUASA TRADING, which is able to link together a wide range of technologies, has developed a system that realizes optimization of equipment and tools by giving processing fluids and cleaning agents a longer lifespan, and by improving processing conditions and efficiency. Taking "Bub Power," an original YUASA TRADING microfine bubble product, as the starting point, we coordinated the development of a total solution by integrating this product with high-performance filtering, utilization of sensing technology to visualize effectiveness, and artificial intelligence (AI) based analysis.

What is "Bub Power"?

"Bub Power" is a device for generating microfine bubbles (MFBs) for use with machinery that utilizes water-soluble coolant (cutting fluid). The device uses the cavitation method; when cutting fluid passes through the interior of the MFB generating device at a specified water pressure, this causes a rotational flow, and approximately 2% of the oxygen contained in the fluid is transformed into MFBs. Generating MFBs without using external air prevents oxidation of the fluid. The sterilizing function provided by the active oxygen generated when the MFBs dissipate helps to prevent degradation of the coolant. One cc of coolant contains around 140 million MFBs with an average diameter of 100 nm (one nm is one billionth of a meter). When machining or cleaning components, the presence of bubbles in gaps reduces the resistance at the contact surface, so this product is expected to be effective in increasing tool lifespan and raising cutting speed.

■ YUASA TRADING wins the "Monozukuri Award" at the 64th "10 Best New Products Awards"

YUASA TRADING does business with large numbers of manufacturing companies, and our familiarity with manufacturing facilities has enabled us to make useful discoveries. The result of one such discovery, "Bub Power," won the "Monozukuri Award" at the 64th "10 Best New Products Awards" organized by The Nikkan Kogyo Shimbun, Ltd. Henceforth, we will continue working to enhance the productivity and competitiveness of Japan's manufacturing sector.

この一滴が、ニッポン製造業変革の呼び水になる。

SMK

マイクロファインバブル

高性能ろ過

AI (解析・診断)

測定

センシング (検知・監視)

加工液洗浄機

高性能ツール

高品質なモノづくりを実現するためのソリューション

2021年(第64回)日刊工業新聞 十大新製品賞 モノづくり賞 受賞

マイクロファインバブル バブパワー

「Bub Power」UFB

YUASA 株式会社

〒101-8560 東京都千代田区千代田1-1-1

TEL: 03-5561-1111

http://www.yuasa.co.jp/



"Bub Power" UFB



Introduction to processing environment solutions



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Management that Respects Humanity Initiatives to increase employee work satisfaction

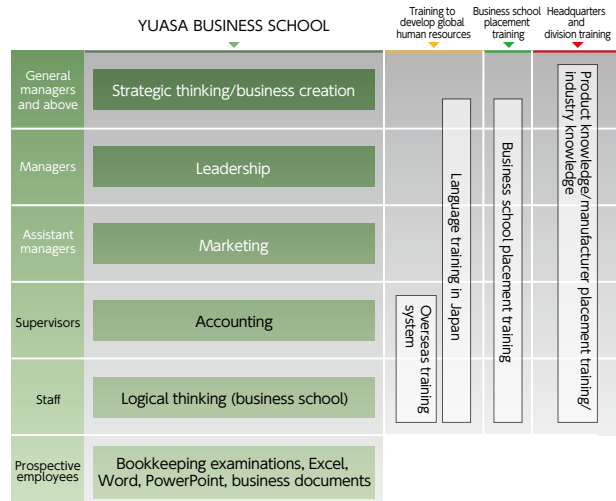
The YUASA TRADING Group promotes the reform of corporate culture based on the keywords of “Challenge Spirit,” “Total Coordination Skills,” and “Communication” in order to maintain sustainable growth. So that each and every employee is able to achieve work satisfaction and growth, we make sure that we share the gains related to the results of activities to respond to the contributions of our employees.

▶ Training system

We provide regular joint training according to the skills required for each level.

- **Joint training based on level**
(Training contents)
Logical thinking, sales capabilities, accounting, marketing, strategy construction, etc.
- **Next generation management human resource training**
- **Off-site training for business school**
- **Language training**
To strengthen the language skills of employees and develop global human resources, we offer employees private lessons with English conversation teachers and individual distance learning.
- **Overseas training system**

■ Training system diagram



▶ Challenge evaluation system

We have implemented a system of evaluations for various challenges in order to foster a corporate culture of taking on challenges.

Challenge points

A system that adds points based on HR evaluation for new initiatives that aim to expand profits, reduce costs, and produce unprecedented schemes, systems, and functions.

Challenge career system

In order to foster a culture of taking on challenges in new areas, this system allows employees select their careers.

- **Internal FA system**
System for employees to submit requests for voluntary transfers across headquarters
- **Internal recruiting system**
A system in which the company publishes open positions, and employees who want to be assigned apply for them
- **Career pass system**
A system in which the company transfers high achievers across headquarters
- **Overseas assignment system**
A system for employees to request an overseas transfer

■ Comments from employees who used the internal recruitment system

- I feel it is very rewarding that I can increase the value added in the work of my own department taking advantage of work experience from other departments.
- I felt that being involved in work with a fresh perspective and viewpoint will be essential in the future.

New business proposal system

Employees who have made a new business proposal receive points on their HR evaluations to provide motivation for new business proposals from employees.

Applications are open to all Group employees in the categories of “new business,” “new function,” and “new product/new market.”

■ Number of proposals in the new business proposal system

FY2018	50
FY2019	60
FY2020	70
FY2021	51

■ Commercialization of most outstanding proposal from April 2022!

FY2021 New Business Proposal Grand Prize



“Kariuru Net,” an online rental business for industry and daily life

● “Kariuru Net” Overview

YUASA TRADING partnered with a rental company to create an e-commerce rental business for other industries. It is possible to rent using electronic payments, just like shopping online.

■ Comment from staff member in charge of commercialization

We formed a project team with each section leader and succeeded in commercialization of the business by working together as a team to repeat the cycle of sharing, analysis, review, and action.

/ TSUNAGU – Connecting to the Future

Management that Respects Humanity

Initiatives to increase employee work satisfaction

▶ Displaying an open corporate culture

In order to bring out our collective strength, we have established “points for contributions from other departments” for adding points in HR evaluations, as a system to further stimulate cross-departmental communication and enable each employee to demonstrate their individual knowledge and experience.

Points for contributions from other departments

This is a system which adds points in HR evaluations based on the results of contributions from other departments for the purpose of fostering a corporate culture with active cross-departmental contributions.

● Mastery points

Points are added for internally announcing (registering) areas of expertise

● Incentive points

Points are added for cross-departmental contributions

● Success points

Points are added for success based on cross-departmental cooperation

■ Incentive points results

April 2021 – March 2022

Incentive points applicants: Total of 768 persons

■ Introduction of Group incentive points and Group success points systems

To upgrade the collective strength of the Group, we introduced the incentive points and success points systems at all Group companies in October 2022.

▶ Stimulating internal communication

In order to revitalize our organization and foster an open corporate culture, we promote information sharing among employees and we are using IT tools to strengthen communication and streamline operations.

Round table meetings with the President

The President attends these meetings himself to communicate directly with employees, including those from the Group companies, and discuss the direction the Group should aim to take face-to-face.

There have been some lively exchanges of views, with comments from employees leading to actual reform of company systems.



A round table meeting with the President at the Group company, TAKACHIHO CORP.

Group newsletter “Yamazumi”

The Group publishes “Yamazumi,” the Group newsletter, four times a year. It is used as a form of internal communication and has a wide range of content, including messages from top management as well as introductions to the Group’s business and officers.



“Yamazumi,” the Group newsletter

Operational improvements using “AI chatbot”

With the aim of promoting workstyle reform, we have introduced the “AI chatbot” communication tool to reduce the workload for both making and responding to day-to-day routine inquiries. It is used as a tool that can allow the content of inquiries to be easily confirmed using chat even outside of business hours or when the contact person is not available.

Group employee only website Growing Strategy Division website

The Growing Strategy Division, which is the central organization in promoting the YUASA TRADING’s growth strategy, has established a website for employees only to share information about growth strategy business across the Group. The site is used internally and allows the latest information to be checked at any time.

TSUNAGU – Connecting to the Future

Management that Respects Humanity Initiatives to improve the ease of employee work

The YUASA TRADING Group has respect for the individuality and rights of employees and practices diversity management. Based on an organization and rules that are founded on a spirit of mutual trust and cooperation, we focus on creating a workplace environment that enables the pursuit and practice of entrepreneurship and innovative ideas.

▶ Aiming to promote diversity

Based on a spirit of “regard for the individual,” we have respect for the individuality and rights of employees, and we have continued to engage in business activities while putting value on entrepreneurship and innovative ideas.

Henceforth, employees with more diverse backgrounds than ever before in terms of gender, age, nationality, disability, and various lifestyles and values will foster an environment of respect for each other’s values and cooperation.

We will also seek to enhance corporate value by encouraging a transformation in the mindset and behavior of each and every employee, creating an employee-friendly environment, and implementing diversity management throughout the Group,

YUASA TRADING Group Diversity Policy

1. Establishment of base environment
2. Hiring and promotion of diverse human resources
3. Expansion of female managers and career diversification
4. Work facilitation for employees with disabilities
5. Active participation by middle-aged and older employees
6. Support for balancing parenting and work
7. Support for balancing nursing care and work



Diversity Policy

■ Trends

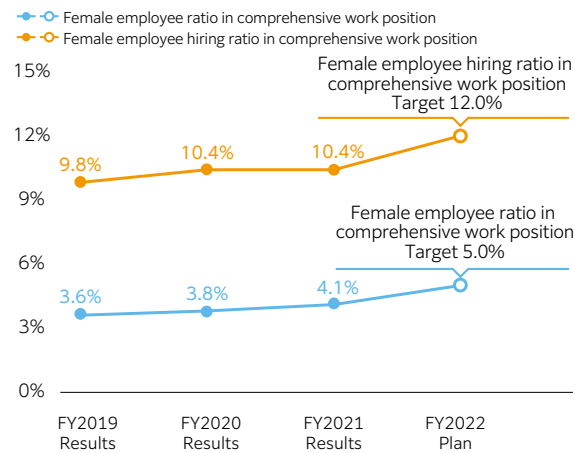
	FY2019	FY2020	FY2021
Rate of female employees*1	40.1%	40.3%	40.0%
Number of employees with disabilities*2	15	16	19
Rate of female managers*3	1.2%	1.2%	1.5%

*1 Non-consolidated

*2 Number of employees with disabilities is directly employed, non-consolidated

*3 Rate of female managers is directly employed, non-consolidated, including contract and temporary employees

■ KPI for Medium-term Management Plan “Growing Together 2023”



Diversity training

In order to address promotion of diversity and women’s empowerment as an organization, we held training by outside instructors for general managers to learn about management that supports active participation by subordinates regardless of gender and approaches to supporting career development.

■ FY2021 program



Number of general managers who participated: Total of 19 persons

Career track transfer system

In order to promote women’s empowerment, we have implemented a system for employees to transfer their career track from general office work positions to comprehensive work positions.

■ Trend (non-consolidated)

	(persons)		
	March 2021	March 2022	March 2023 Plan
Special service positions (in transfer trial period)	4	3	7
Comprehensive work position transfers	0	1	2

*There is a two-year trial period for a career track transfer from general office work positions to comprehensive work positions (position = special service position).

Acquired Kurumin certification

As a company that supports childcare, YUASA TRADING received certification from the Minister of Health, Labour and Welfare (Kurumin certification) from 2019.

We will continue to take initiatives for all employees to be able to balance a fulfilling work and home life so that they can execute their abilities by constructing a workplace environment in which employees can work with a sense of ease.



■ Initiatives to support raising the next generation (non-consolidated, directly employed)

	(persons)			
	Employees who have taken childcare leave	Male employees who have taken childcare leave	Employees working shortened hours	Female employees balancing work and raising of children
FY2020	Total of 100	2	31	69
FY2021	Total of 117	2	35	81

/ TSUNAGU – Connecting to the Future

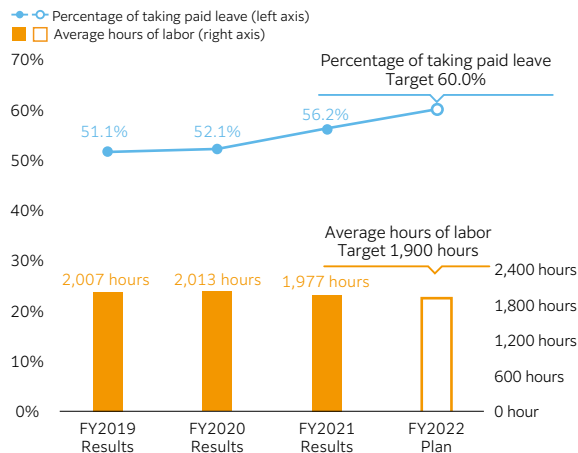
Management that Respects Humanity Initiatives to improve the ease of employee work

▶ In health and productivity management

In health and productivity management, maintaining and promoting the safety and mental and physical health of employees is very important for each and every employee to maximize his or her individual skills. We have made a commitment to health and productivity management in order to realize the sustainable enhancement of corporate value.

■ Average hours of labor / Percentage of taking paid leave (non-consolidated)

	Average hours of labor	Percentage of taking paid leave
FY2021 Results	1,977 hours	56.2%



Realize productivity improvements and promote workstyle reforms

- Reducing average hours of labor
- Trends in hours spent in office by non-management employees

■ Average time of arrival / Departure (non-consolidated)

	FY2019	FY2020	FY2021
Average time of arrival	8:25	8:26	8:26
Average time of departure	18:34	18:25	18:29
Average time spent in office	9:08	8:58	9:02

Recognized as the “2022 Certified Health & Productivity Management Outstanding Organization”

Continuing from last year, YUASA TRADING was recognized for the fourth time as a “Certified Health & Productivity Management Outstanding Organization” in a system that awards major companies who execute excellent health and productivity management. This is awarded by the Ministry of Economy, Trade and Industry of Japan to promote the spread of health and productivity management.



■ Health and productivity initiatives (FY2021)

Regular health checkup rate	100%
Rate of registration on health and productivity management app	95.4%
Stress check rate	100%

Health and productivity management app —health points program

The Group employees who join the YUASA Health Insurance Association can use the health and productivity management app.

Employees accumulate points through daily health and productivity management, and accumulated points can be exchanged for the products they want.

■ Actions for which points are granted

- Reaching 6,000 steps a day
- Recording weight
- Having a health checkup
- Not smoking for at least a year
- Lifestyle habit challenges, etc.

■ Walking event

Held: May 2021 (5th time)
Participants: 82 teams (502 persons)



▶ Respect for human rights

Human rights policy

Respect for human rights is one of the important elements in the Group’s business activities. Based on the Sustainability Declaration we announced in October 2021, we formulated the YUASA TRADING Group Human Rights Policy.

All officers and employees of the Group companies practice the human rights policy throughout our business activities. We also require our business partners, including suppliers, to respect and not violate human rights.

YUASA TRADING Group Human Rights Policy

1. Implementation of human rights due diligence
2. Remedial action
3. Education
4. Disclosure of information
5. Dialogue with stakeholders
6. Promotion system



Human Rights Policy

■ Ethics and Compliance Handbook

We distribute the handbook to all employees.



YUASA Labor Union

YUASA TRADING and the YUASA Labor Union stand on an equal footing with each other and have entered into a labor agreement based on impartial understanding and trust. The aim is to promote sound corporate development and improvement of the working conditions and environment of employees.