

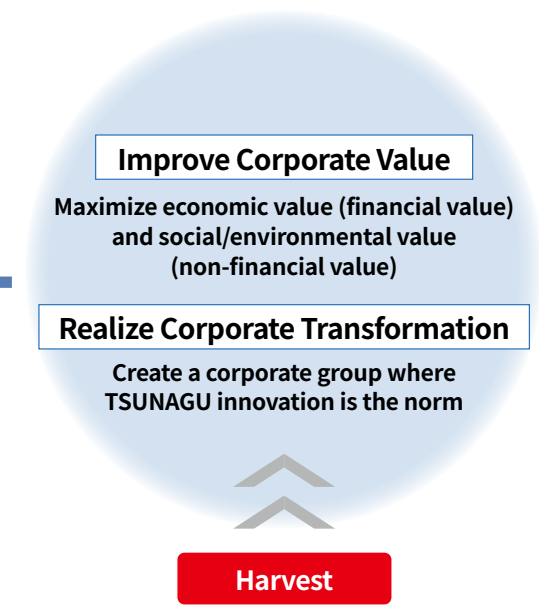
Strategies to Maximize Value Creation

Long-term Vision and Medium-term Management Plan

Positioning of Long-term Vision and Medium-term Management Plan

The YUASA TRADING is celebrating its 360th anniversary in 2026, and in 2017, the Group established the YUASA VISION 360, and summarized our efforts to enhance corporate value and achieve a corporate transformation in our three-year medium-term management plan, “Growing Together.” Growing Together 2026, which began in April 2023, represents the harvest stage for the achievement of YUASA VISION 360.

By promoting business models that aim to resolve social issues in manufacturing, home building, environment building, and town building, and becoming a company in which TSUNAGU innovation is normalized, we aim to improve corporate value both in terms of social and environmental value.



Growing Together 2026

3rd Stage (April 2023 - March 2026)

2023

Aim to improve corporate value by proposing businesses

< Core Measures >

- Business transformation P.15
 - Improving profitability through TSUNAGU innovation
 - Developing our strengths in growing markets
 - Developing our business partner network
- Strengthening management foundations P.21
 - Corporate culture reform, DX promotion, Sustainability promotion
 - Strengthening Group Governance

Cultivation

Growing Together 2023

2020

2nd Stage (April 2020 - March 2023)

Build a sustainable management foundation based on “Total Coordination Skills,” “Challenging Spirit” and “Communication”

< Core Measures Implemented >

- Rolled out TSUNAGU solutions to solve social issues
- Launched full-scale operation of carbon-neutrality promotion business in environmental area
- Established cross-departmental organization (Growing Strategy Division) to demonstrate total coordination skills
- Launched project for promotion of DX
- Started initiatives for announcing and realizing Sustainability Declaration

2021

From October 2021

Sustainability Declaration

P.23

Foundation building

Growing Together 2020

2017

1st Stage (April 2017 - March 2020)

Corporate culture reform to discover growth areas and exercise total coordination skills

< Core Measures Implemented >

- Strengthened sales to local companies in overseas business
- Concluded capital and business alliance with connectome.design inc. (AI consultant)
- Strengthened interdepartmental cooperation by implementing a regional block system
- Fostered a corporate culture of challenge (implemented internal FA system, internal recruitment system, and challenging project system)

YUASA VISION 360 Where the Group should be in March 2026

Corporate Philosophy Honesty and Trust, Enterprise and Innovation, and Regard for the Individual

Strategies to Maximize Value Creation

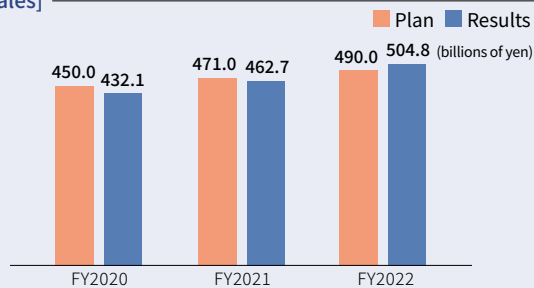
Long-term Vision and Medium-term Management Plan

Review of the Medium-term Management Plan

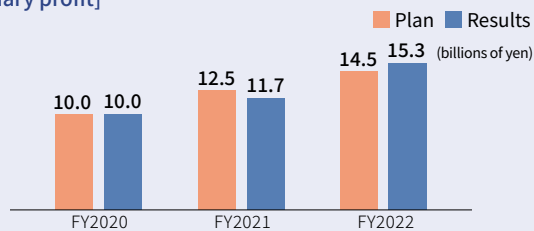
2nd Stage

Growing Together 2023

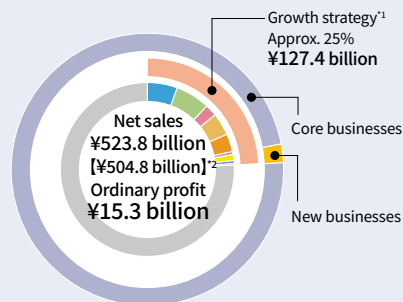
[Net sales]



[Ordinary profit]



■ FY2022



¹ The breakdown inside the graph corresponds to the color coding of the growth strategies on P.12.

² Net sales figures in brackets are after revenue recognition.

Growing Together 2023 Summary

Main Initiatives

In Growing Together 2023, the second stage of YUASA VISION 360, we aim to evolve into a “TSUNAGU” Service Integrated Shosha Group with a basic policy of strengthening our growth strategy, core business strategy, and management foundation. Specifically, we regard the resolution of social issues as a growth business, and focus on the development and commercialization of new products and services in collaboration with our own companies and other companies, and have put forward various plans for climate change measures, automation, labor saving, and the like. Based on our Sustainability Declaration, we are promoting carbon neutrality for the entire Group and also stepping up efforts to help build a sustainable society such as our domestic forest maintenance activities in Japan, which have been certified under the J-Credit Scheme.

Results

Net sales for FY2022 were ¥504.8 billion, an increase of approximately 9% over the previous year. Operating income, ordinary profit, and net income all increased, marking FY2022 as a record high. From April 2020 to March 2023, business activities overseas were largely restricted due to the impact of COVID-19. The percentage of growth strategy fields increased to around 25%, contributing to the expansion of business performance.

Ongoing Topics

The final stage of the YUASA VISION 360 is the Growing Together 2026 Medium-term Management Plan, which continues to address the following matters.

- Improving the profitability of existing businesses
- Further promoting growth strategies
- Identifying things that should be changed and things that should not be changed, and implement measures accordingly
- Strengthening Group-wide initiatives for “Total Coordination Skills,” “Challenging Spirit” and “Communication”
- Building a system that can accumulate and utilize data for strategic planning and developing DX talent
- Promoting sustainability management

Strategies to Maximize Value Creation

Long-term Vision and Medium-term Management Plan

Review of the Medium-term Management Plan

Overview of Growth Strategy

The overall growth strategy set out in the plan was not achieved, but growth of about 20% for FY2019 was achieved, serving as a driver of growth for the performance of the entire Group.

(All amounts are units of billion yen)

Growth Strategy	FY2019 Results	FY2022 Plan	FY2022 Results	Growth from FY2019	Summary
Overseas Business	36.4	74.0	29.8	-18.1%	<ul style="list-style-type: none"> ● Sales and investment activities were restricted due to impact of COVID-19 ● Launched new business expansion with focus on making Thailand local subsidiary an integrated entity
Eco & Energy Solution Business (currently Green Business)	21.9	28.0	34.0	+55.3%	<ul style="list-style-type: none"> ● Carbon-neutrality proposals through use of YES-net ● Promoted sales that combined solar power generation, storage batteries, and V2H ● Promoted JCM (Joint Crediting Mechanism) proposals
Robot (AI) & IoT Business (currently Digital Business)	6.5	17.0	11.7	+80.0%	<ul style="list-style-type: none"> ● Promoted AI solutions with connectome.design inc. ● Developed original robot products such as “Robo Combo” robot system
Resilience & Security Business	20.8	33.0	21.5	+3.4%	<ul style="list-style-type: none"> ● Promoted development of TSUNAGU solution products (e.g., aluminum privacy fence YACHIBEI®, bollard with flooding sensor “KIZUKI MIRAI”)
New Distribution Business	12.7	19.0	17.7	+39.4%	<ul style="list-style-type: none"> ● Expanded e-commerce transactions on Growing Navi site ● Enhanced products posted on Growing Navi site
Long-term Care & Medical Business	5.2	8.0	5.8	+11.5%	<ul style="list-style-type: none"> ● Promoted proposals for measures to combat infectious disease targeting long-term care and medical facilities ● Rolled out remote pre-fabricated ICU wards for developing countries
Food Equipment Business	-	8.0	2.9	-	<ul style="list-style-type: none"> ● Concentrated efforts on original products through FOOMA (Food Processing Technology EXPO), etc., but fell short of plan ● Original product development (device for detecting contaminants in beverages, rewritable laser system, etc.)
Agriculture Process Business	1.9	5.0	2.1	+10.5%	<ul style="list-style-type: none"> ● Promoted proposals for original animal feed mixing machine (Appenki) ● Promoted development of transportation system for harvesting work ● Promoted proposals for UV-B fluorescent lamps for immuno-stimulation of crops
Sharing Business	-	5.0	1.9	-	<ul style="list-style-type: none"> ● No progress in event rental business due to impact of COVID-19 ● Launched agricultural equipment and operator sharing business ● Launched online rental business “Kariru Net”
Growth Strategy—Total	105.4	197.0	127.4	+20.9%	

Strategies to Maximize Value Creation

Long-term Vision and Medium-term Management Plan

Overview of Medium-term Management Plan “Growing Together 2026”

Medium-term Management Plan “Growing Together 2026”

Basic Policy

In the fields of manufacturing, home building, environment building, town building, we will work with our business partners to solve social issues through TSUNAGU innovation to create new markets, expand domestically and internationally, to increase corporate value.

Priority Measures

Business Transformation	Toward a Highly Profitable Business Model P.16 Through TSUNAGU innovation, we will work together with our business partners to solve social issues and form highly profitable businesses.
	Deployment of Growth Strategy P.31 For the fiscal year ending March 31, 2026, we will increase the share of sales in growth strategy areas to approximately 48%.
	Domestic and Overseas Market Expansion P.18 We will expand new and growing markets created through TSUNAGU innovation by further developing our network of business partners both in Japan and overseas.
Strengthening Management Foundations	Corporate Culture Reform P.44 We will foster a corporate culture that has normalized TSUNAGU innovation through the means of personnel reforms, environment building, and strengthened governance.
	DX Promotion P.40 To promote business transformation, we will build a data utilization infrastructure, develop DX talent, reform operational processes, and create innovation.
	Sustainability Promotion P.23 In line with our Sustainability Declaration, we will contribute to a sustainable society both in terms of our Group and our businesses.

Recognition of Issues

Ongoing Issues from the Previous Medium-term Management Plan	Business Transformation to a Market Out Approach
<ul style="list-style-type: none"> Improving the profitability of existing businesses Further promoting growth strategies Identifying things that should be changed and things that should not be changed, and implement measures accordingly Strengthening Group-wide initiatives for “Total Coordination Skills,” “Challenging Spirit,” and “Communication” Building a system that can accumulate and utilize data for strategic planning, and developing DX talent Promoting sustainability management 	<ul style="list-style-type: none"> Improving profitability by promoting TSUNAGU solution proposals that solve social issues Creating new markets and promoting growth strategies Market creation and deployment through existing trading networks Strengthening the management foundation, reforming the corporate culture, and promoting sustainability to realize transformation

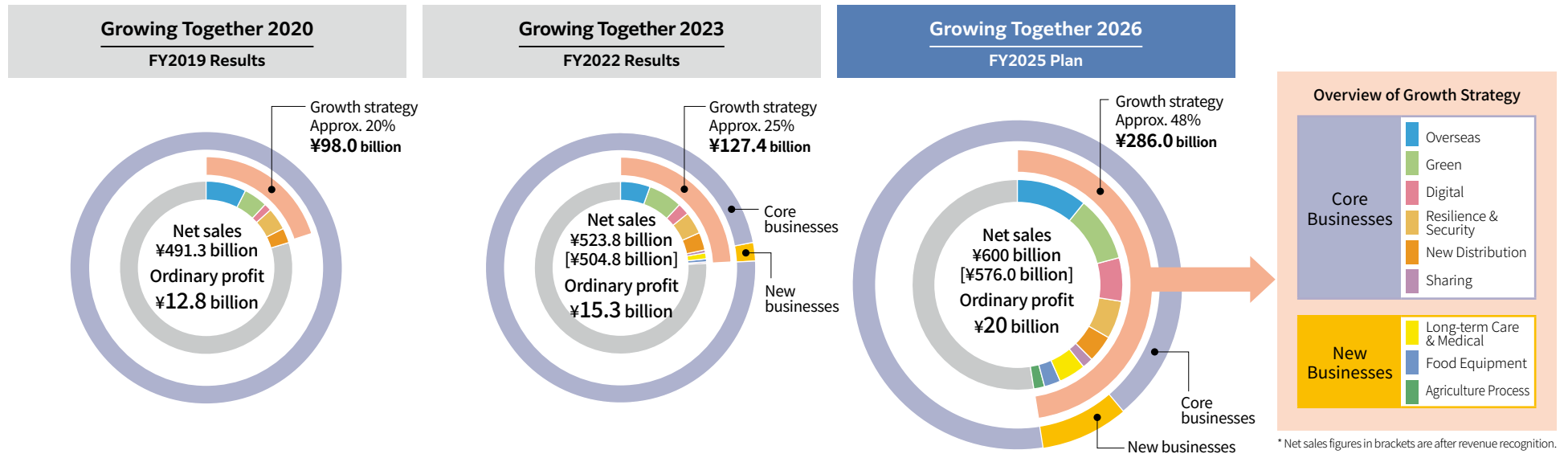
Strategies to Maximize Value Creation

Long-term Vision and Medium-term Management Plan

Overview of Medium-term Management Plan “Growing Together 2026”

Scale of YUASA VISION 360 and Transitioning Our Growth Strategy

For the third stage of YUASA VISION 360, we aim to achieve consolidated net sales of ¥600 billion and consolidated ordinary profit of ¥20 billion.



Financial KPIs

Item	FY2022 Results	FY2025 Plan
Net sales* ¹	504.8	576.0
Operating profit	14.5	19.0
Ordinary profit	15.3	20.0
Ordinary profit to net sales ratio	3.0%	3.4%
Adjusted net income before tax	10.0	13.2
Return on equity (ROE)	10.8%	11.8%
Total payout ratio* ²	67.0%	At least 33%
Dividend on equity (DOE)	3.4%	At least 3.5%

*¹ Net sales after revenue recognition.

*² Total payout ratio results for FY2022 include ¥3.7 billion used for purchase of treasury shares.

Non-financial KPIs*³

Item	FY2022 Results	FY2025 Plan
CO ₂ emissions (Scope 1&2)	6,682t-CO ₂	30% reduction (compared with FY2022)
Percentage of female managers	1.9%	3.0%
Percentage of female employees in comprehensive work position	4.2%	6.0%
Percentage of employed females in comprehensive work position	10.3%	12.0%
Percentage of male employee taking childcare leave and leave for the purpose of childcare	78.1%	90.0%
Percentage of taking paid leave	62.8%	70.0%
Average hours of labor	1,955 hours	1,920 hours
Managerial talent cultivation (number of training program participants: total)	84 persons	370 persons
Digital talent cultivation (successful candidates from our original program)	-	IT talent* ⁴ : 600 persons DX talent* ⁵ : 40 persons

*³ Of the non-financial KPIs, all indicators except CO₂ emissions are for YUASA TRADING (non-consolidated).

*⁴ Personnel who can utilize IT tools and digital technologies in their own work and carry out digital measures.

*⁵ Personnel who utilize the results of data analysis and formulate and promote new plans based on specialized knowledge of marketing and management strategies.

Strategies to Maximize Value Creation

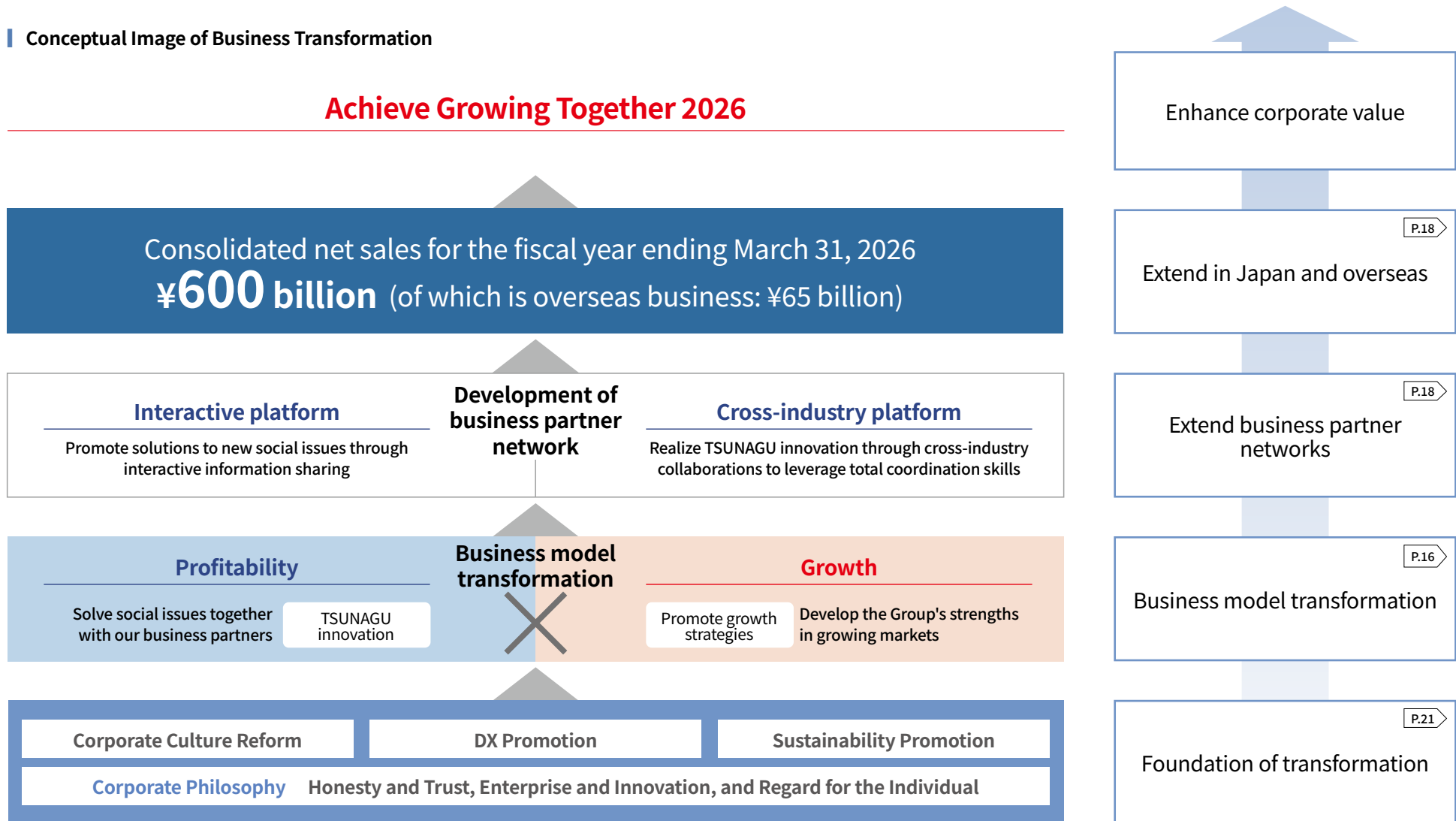
Business Transformation

Overview of Business Transformation

The Group will expand existing business and implement growth strategies domestically and internationally by transforming business models and developing existing business partner networks.

Conceptual Image of Business Transformation

Achieve Growing Together 2026



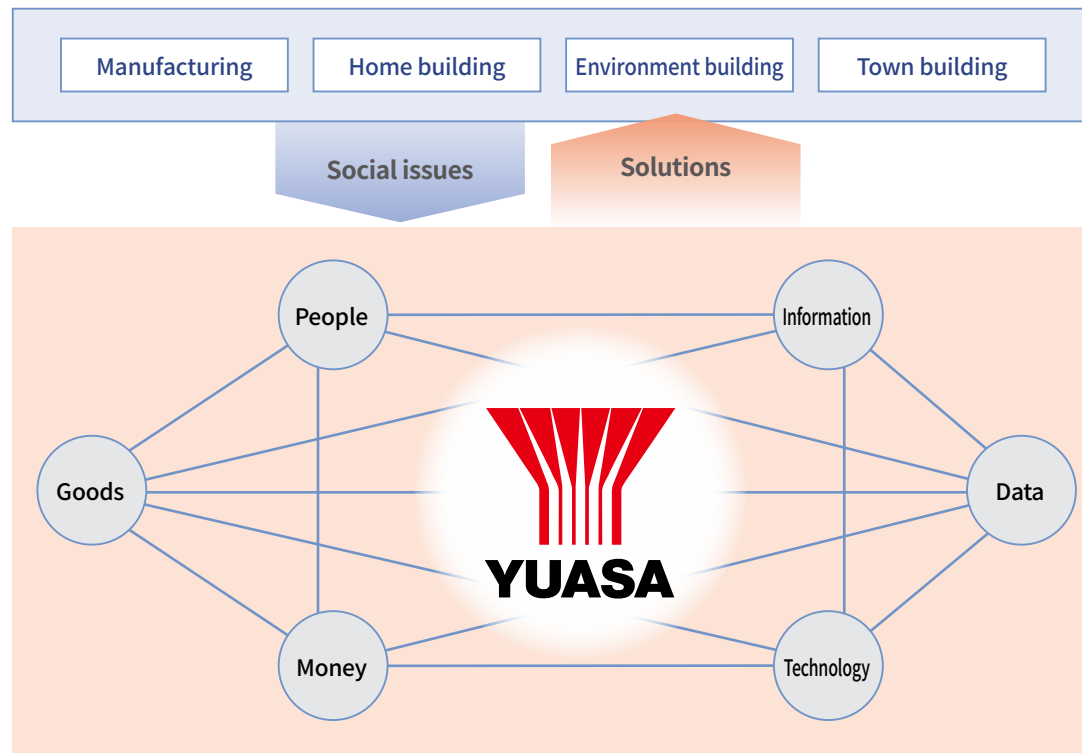
Strategies to Maximize Value Creation

Business Transformation

Business Model Transformation: Shift to More Profitable Business Model

We are creating a high valued-added business model that accurately grasps market needs with a market out approach and also connects information, data, and technologies in addition to the conventional aspects of people, goods, and money. We aim to improve profitability by positioning this market out business model as TSUNAGU innovation and promoting it throughout the Group.

■ TSUNAGU Innovation Business Model



- By connecting (TSUNAGU) various things such as people, goods, money, information, data, and technology, solve social issues and expand both “single item business” and “integrated product-service” businesses
- Establish a business model with a market out approach
- Maximize synergies among divisions and Group companies to create new value
- Take on the challenge of subscription and sharing services

Topics

Examples of TSUNAGU solutions

The KIZUKI MIRAI Bollard with flood sensor can be delivered quickly to locations with frequent flood damage



冠水検知通信システム
KIZUKI MIRAI ボラード
キヅキミライ ボラード

The KIZUKI MIRAI Bollard at Izu-Kogen in Ito City, Shizuoka Prefecture (installed August 2022)

The KIZUKI MIRAI Bollard serves as a countermeasure against flood damage from typhoons and torrential rains. Installed beside roads and other familiar places in low-lying areas, these bollards can quickly detect flooding.

This product was developed in cooperation with exterior manufacturer Sunpole Co., Ltd. (Hiroshima Prefecture) and OYO Corporation, a geological survey company headquartered in Tokyo. As Japan experiences frequent natural disasters, flood damage is a pressing issue that requires countermeasures. However, the high number of rivers throughout the country makes developing a monitoring system a burden in terms of time and costs.

To solve this issue, it is possible to build a wide-area and precise flood monitoring network by installing flood sensors on bollards, which are already well established as part of the infrastructure in Japan.

Strategies to Maximize Value Creation

Business Transformation

Business Transformation: Develop into a Growth Strategy

Promoting Growth Strategy

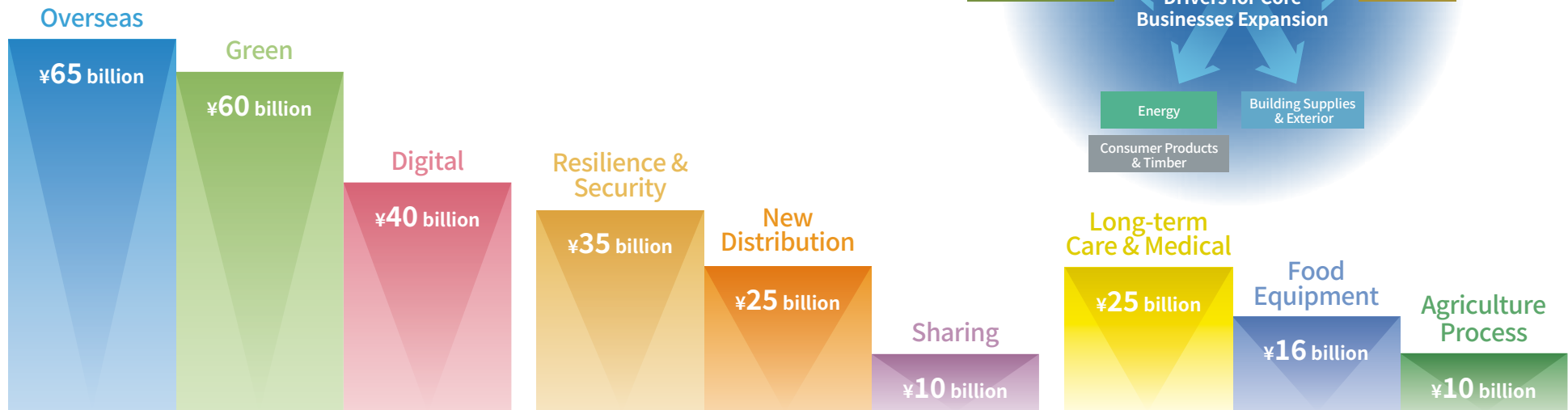
This growth strategy consists of projects to expand core businesses and developing new businesses for growth in new markets, aiming to achieve sales of ¥286 billion, or approximately 48% of total sales, by FY2025.

We will promote our growth strategy by deploying the strengths we have cultivated in our core businesses and aggressively investing.

Positioning of Growth Strategy and Core Businesses



Sales Targets by Growth Strategy for FY 2025



Businesses promoted by whole company **Target markets and challenge areas promoted on an area or organizational basis**

Projects to expand core businesses: ¥235 billion

New businesses: ¥51 billion

Growth strategy total: ¥286 billion for FY2025

Strategies to Maximize Value Creation

Business Transformation

Business Partner Network Development

Platforms for a market out approach

Business Partner Network

Work to solve social issues with one of the industry's largest networks of business partners

Integrated Network



“Grand Fair” promotion event held at five locations across Japan

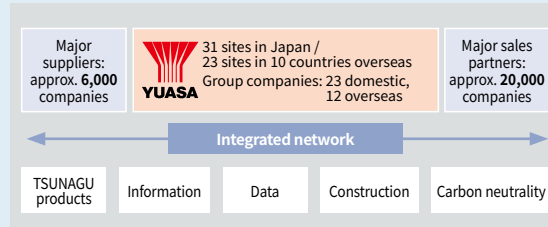


With a 45-year history, our “Grand Fair” is the Group’s largest promotional event for leveraging our integrated network. Grand Fairs are held annually in five regions (Kanto, Kansai, Chubu, Tohoku, and Kyushu). These events serve not only as a venue to secure sales but also to create new business opportunities. In 2023 Grand Fairs are scheduled from July to September, with an expected 50,000 visitors.

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Interactive Platforms

Create new business by capturing market needs and sharing information and knowhow with customers



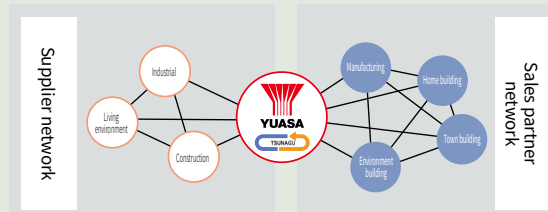
Solution for utilization of idle facilities development and deployment of the Garage Golf system

Garage Golf combines the products, technologies, and ideas of YUASA TRADING and manufacturers to address the phenomenon of idle/unused facilities through the enjoyment of simulated golf.



Cross-Industry Platforms

New innovation to address social issues in the market through a network that transcends industry boundaries



Development and deployment of gateposts with V2H device and delivery boxes P.35



Strategies to Maximize Value Creation

Interview with Outside Directors

We spoke with the YUASA TRADING Group outside directors about the Growing Together 2026 Medium-term Management Plan.



Investing in business resources cultivated in our core businesses and applying them overseas as well as TSUNAGU innovation

Shinzo Maeda
Outside Director

I believe this plan is well-anchored in changes to social conditions and the market environment. A good point about the plan is the aggressive investment of business resources into our core businesses and leveraging our strengths to expand areas of business growth. Among these growth strategies, the one that most draws my attention is overseas business development, which I believe is very important.

Japan's future population decline will create a tendency toward shrinking markets. As such, it will be very important to build a strong and stable presence in overseas markets. We will make the "mini-YUASA" we have established in Thailand succeed as a way of demonstrating the total coordination skills of the Group. I believe this initiative will determine the success or failure of our future overseas expansion. The key to overseas success will be the people; those engaged in management and sales overseas need to understand the YUASA TRADING Group corporate philosophy and management strategies. I believe the "Grand Fair" exhibition in Japan is a unique business development method, and I would very much like to see business development in Thailand lead to a successful Grand Fair there. If the percentage of overseas sales can exceed 30%, then employee awareness will change and a culture of thinking about business from a global perspective will be created. As is true in Japan, global expansion is not possible without diversity. It is necessary to consider cultures, religions, legal systems and the like when developing our business overseas.

The promotion of TSUNAGU innovation is also a strategy that demonstrates the strength of a well-developed business partner network for our core businesses. However, the axis of assessment for the products and solutions developed by companies has shifted in recent years. Simply contributing to the sales and profits of certain customers is not enough; customers have started to select products and solutions in line from various perspectives such as product background and processes, degree of social contribution and consideration for the environment. Through the TSUNAGU innovation, I hope the Group continues providing value to society, which makes us the reason to be chosen by people.



Measures to increase the value we provide and expand the markets we supply

Kyosuke Kimura
Outside Director

Taking into account the current and future business environment, it can be assessed that the measures taken by the YUASA TRADING Group to improve its corporate value are comprehensive. Of these various measures, the most commendable is that the Group is increasing the value it provides and expanding the markets it supplies.

I believe that many stakeholders were under the impression that we are an industrial machinery trading company focused on the domestic market. As such, it would be difficult for stakeholders to fully assess the existing value and growth potential of the Group. No matter how stable the operating cash flow is, the image of business development in a limited market would seem somewhat unattractive.

Today, we are gradually breaking away from such pre-conception. I feel that our stakeholders have come to recognize the value that results from the connecting (TSUNAGU) that leverages the Group's network-building over more than 350 years of doing business. The Medium-term Management Plan calls for a business transformation from a product out to a market out approach, and the promotion of TSUNAGU innovation and growth strategies; I believe this approach will increase the value provided by the YUASA TRADING Group and expand markets that demand such value.

This promotion of TSUNAGU innovation is a continuation from the previous Medium-term Management Plan, and I hope to see it further accelerated. It doesn't matter how niche an innovation is—if stakeholders recognize that we are deeply involved in such matters, and if they understand the value we provide and the breadth of the market, then I believe that profitability will follow.

Also, it is human resources that drive these changes. I believe that if YUASA TRADING Group employees hone their sense of integrated product-services and effectively utilize the intellectual property that has been created, it will lead to an increase in corporate value. In promoting overseas strategies, it will be necessary to instill the corporate philosophy and Medium-term Management Plan among locally hired human resources. I hope the Group will continue to place importance on investing in human resources.

Strategies to Maximize Value Creation

Interview with Outside Directors

Having welcomed two new outside directors, we spoke with them about the Group's Medium-term Management Plan, Growing Together 2026.



Strengthening human resources development and environment building that leverages our business partner network

Yoshiro Hirai

Outside Director

Newly appointed

It is my great pleasure to join the Board of Directors.

For more than 350 years, the YUASA TRADING Group has been in tune with changes in the world, but in recent years the pace of change has rapidly accelerated. While it is of course important to preserve good and necessary traditions, I believe it is also essential to be able to respond quickly and flexibly to drastic changes. I hope to contribute to a strong foundation that can support pioneering for a new future and an environment in which employees can work with vigor and vitality.

In terms of the Medium-term Management Plan and recognizing the issues to be addressed to improve corporate value, I believe that the YUASA TRADING Group's focus on a business transformation from a product out to a market out approach is appropriate in light of the times and changes in the market. I believe the Group's greatest asset and strength is its network of business partners. How we choose to leverage this extensive network will be vital, but it is none other than employees who can make this a success. To this end, the question then becomes how actively employees can approach their own work—it is important to not just passively do one's work but to also take an interest in it.

Creating new value by associating various events is much more difficult than one might imagine. Making connections among unlimited possibilities and solving the issues of business partners and the market will require an even greater ability to imagine and implement than before. The key here is to develop human resources and build an environment that allows them to flourish. To do all of this, it is therefore vital to reform the corporate culture, including the fostering of human resources.

YUASA values include having a "Challenging Spirit," and I believe it is important for management-level and higher employees to first change their own behaviors. If upper levels set a good example of a challenging spirit in action, that attitude will spread throughout the company.



Sustainability and competitiveness through enhanced risk management

Miki Mitsunari

Outside Director

Newly appointed

I am very pleased and humbled to be appointed to the Board of Directors.

I have been associated with the YUASA TRADING Group since its Sustainability Declaration announcement in October 2021, and I find it to be a very dynamic organization. With a diverse range of business partners, products, and services, there are many areas with growth potential. I believe that in order to create new innovation, it is important to have a vibrant and enjoyable workplace. In the future, I will fully support the moves toward being a company that is not only carbon neutral but also one where employees find it a joy to work, where business partners are happy, and where innovation happens.

In terms of the Medium-term Management Plan, I think that an overall good balance has been achieved with the strategy of further expanding existing business and working in new fields that are less susceptible to economic circumstances. Without solid profits generated from existing businesses, we cannot invest in new solutions. Moreover, enhancing profitability with TSUNAGU innovation requires abilities and knowledge to coordinate both sides of the TSUNAGU equation. For this reason, I can greatly appreciate the measures everyone is taking to improve the internal environment so employees can demonstrate their total coordination skills. In the future, I hope to see the employees working on these efforts set goals and have a sense of accomplishment when they achieve those goals, and I look forward to a corporate culture in which employees can feel even more fulfilled in their work.

From the perspective of sustainability promotion, it has become very important to further enhance risk management infrastructure to ensure transaction security. In particular, there is a need to increase transparency throughout the value chain. Since the Group will handle a great amount of data, I would like to see the YUASA TRADING Group improve its competitiveness by properly and appropriately disclosing business transaction information through means such as digital transformation (DX).

Strategies to Maximize Value Creation

Message from the Supervisory Manager of Management Administration

Aiming for Sustainable Growth Based on Our Corporate Philosophy



Haruo Sanoki

Representative Director, Senior Managing Director
Supervisory Manager of Management Administration

Strengthening Our Management Foundations for Sustainable Growth

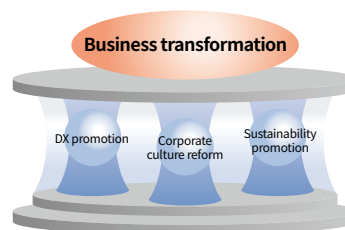
I believe that the role of management administration is to build systems and foundations for maximizing corporate value. For sustainable business development, it is essential to strengthen the management foundations for human resources, infrastructure, compliance, and governance. Each one of the three-year medium-term management plans under the 2017 YUASA VISION 360 has set strengthening our management foundations as a priority matter. The environment in which our company operates is changing greatly against a backdrop of technology development and increasing social uncertainty. I believe that adapting to these changes will support sustainable development.

The current and third Medium-term Management Plan, Growing Together 2026, represents the harvesting stage, and we will strengthen our initiatives for corporate culture reform, DX promotion, and promotion of sustainability to serve as the foundations for accelerating our business transformation.

Three Measures to Support Our Business Transformation

We set our first and foremost pillar as corporate reform. In terms of strengthened corporate governance, we added another outside director to the board from FY2023.

Three Measures to Support Our Business Transformation (Overview)



Corporate Culture Reform

We will foster a corporate culture that has normalized TSUNAGU innovation through the means of personnel reforms, environment-building, and strengthened governance.

P.44

DX Promotion

To promote business transformation, we will build a data utilization infrastructure, develop DX talent, reform business processes, and create innovation.

P.40

Sustainability Promotion

We aim to make the Group as a whole carbon-neutral, and accelerate the carbon neutrality promotion business.

P.23

With the aim of enhancing the Group's quality of management, we continue to strengthen governance, compliance, and risk management. In terms of personnel reforms and environment building, we are promoting projects that involve the participation of all employees, which is driven by the keywords of "Total Coordination Skills," "Challenging Spirit," and "Communication" in order to foster a corporate culture in which TSUNAGU innovation has become the norm.

For the second pillar, DX promotion, we aim to establish a competitive advantage by not only introducing systems but by also using those systems to transform our business and enhance our operations. In moving toward data-driven management, we will focus on developing DX talent cultivation across the company, including management, and strive to transform ourselves into a data-based specialized trading company.

The third pillar is the promotion of sustainability in line with our 2021 Sustainability Declaration, with a focus on harmony with the global environment, business activities for service with good products, and management that respects humanity. As the first step toward carbon neutrality for the Group, we aim to reduce CO₂ emissions by 30% by March 2026 (compared with FY2022). Leveraging our Group's efforts and knowledge, we will also accelerate our social problem-solving businesses, including promoting carbon neutrality for our business partners.

Strategies to Maximize Value Creation

Message from the Supervisory Manager of Management Administration

Maximize Corporate Value

To embody one of our core corporate philosophies, Enterprise and Innovation, the YUASA TRADING Group undertakes industry-leading initiatives—for example, our goal of making the Group as whole carbon neutral by FY2030 is 20 years earlier than what the Japanese government is calling for.

From the perspective of sustainability and human capital management, we have increased the number of non-financial KPI items in the current Medium-term Management Plan. We believe that achieving these KPIs will be the result of strengthened management foundations.

By promoting both financial and non-financial KPIs, we aim to maximize the corporate value of the Group by enhancing both economic value (financial value) and social and environmental value (non-financial value), aiming to maximize the corporate value of our Group.



Investment Policy for Strengthening Growth Strategies

In terms of our cash flow allocation policy, we are investing ¥21.2 billion, or slightly over half of our total operating cash flow for the past three years, into growth areas and DX.

Additionally, in our growth strategy investment, we have established an investment framework for integrating our bases in Thailand to enhance overseas business and creating TSUNAGU innovations, allocating investments to each of the following areas: businesses promoted company-wide (Overseas, Green, Digital), businesses promoted according to area and organization (Resilience & Security, New Distribution, Sharing, Long-term Care & Medical, Food Equipment, Agriculture Processes), and core businesses.

DX IT digital investment has been allocated ¥11.2 billion for the purpose of developing the necessary infrastructure and cultivating and strengthening talent to transform the company into a data-based specialized trading company.

Investment Policy for Growing Together 2026

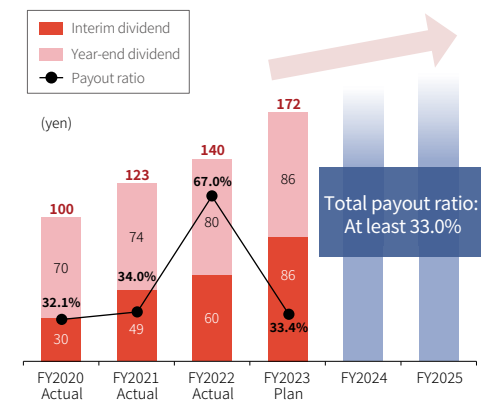
		Growing Together 2026	
Investment		Plan	Details
Growth Strategy Investment	Overseas Business	¥6.0 bn	<ul style="list-style-type: none"> M&A investment Thailand reinforcement investments Product and service development investments <ul style="list-style-type: none"> TSUNAGU innovation development Function strengthening investments <ul style="list-style-type: none"> Human resource development Strengthened sales promotion Development of logistics infrastructure
	Green Business (Eco & Energy Solution)		
	Digital Business (Robot [AI] & IoT)		
	Resilience & Security Business	¥4.0 bn	
	New Distribution Business		
	Sharing Business		
	Long-term Care & Medical Business		
Food Equipment Business	Core businesses		
Agriculture Process Business			
DX and IT digital investments	¥11.2 bn	● DX and IT digital investments	
Total	¥21.2 bn		

Total Payout Ratio to Shareholders

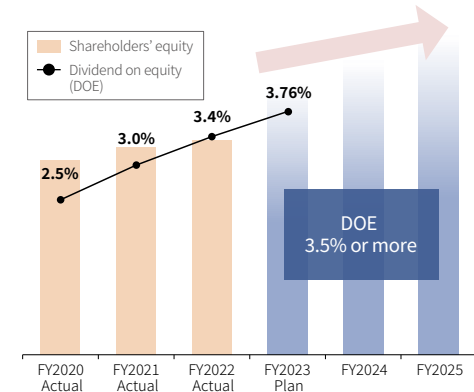
As to our shareholder payout policy, we have set a new KPI for a dividend on equity (DOE) of 3.5% or higher, while maintaining a shareholder payout ratio of 33% or higher based on stable dividend payments, as in the past.

We will continue to strive to enhance corporate value through proactive IR activities, appropriate information disclosure, and the provision of stable shareholder returns.

Trends in Dividend Per Share and Payout Ratio



Trend in Dividend on Equity (DOE)



Strategies to Maximize Value Creation

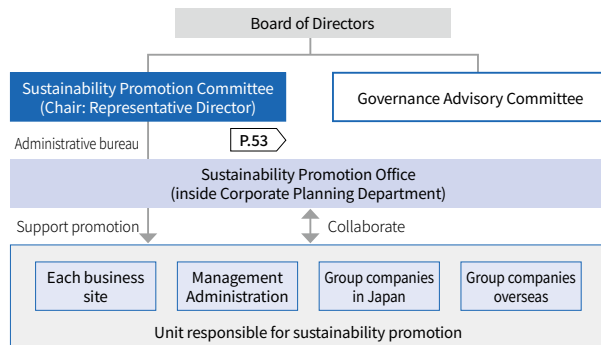
Promoting Sustainability Management

We will actively contribute to the establishment of a sustainable society through our business activities.

Governance

The YUASA TRADING Group has established the Sustainability Promotion Committee in order to promote management that contributes to sustainability. The committee deliberates on the overall risks, opportunities, and impacts of sustainability, including climate change, periodically reviews the policy for countermeasures to reduce risks, and advises the Board of Directors. The Board of Directors discusses these issues as important matters related to business strategy and sustainability and determines policy.

Sustainability Management Promotion System



Strategy

Based on our corporate philosophy of “Honesty and Trust,” “Enterprise and Innovation” and “Regard for the Individual,” we published our Sustainability Declaration in October 2021 to further evolve the management foundation which has been passed down for over 350 years. We will continue to actively contribute to the further development of prosperous, humanitarian societies and creation of sustainable societies through our corporate activities by valuing mutually beneficial, symbiotic relationships in all countries and regions of the world, with a focus on maintaining harmony with the global environment.

Risk Management

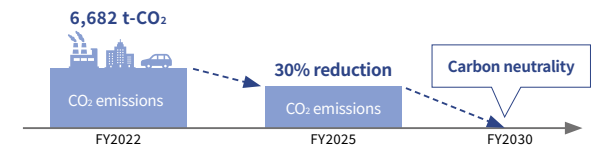
With regard to overall risk management for sustainability, including climate change, the Risk Management Supervisory Manager, each of the committees (Ethics and Compliance Committee, Internal Control Committee, Environmental and Resilience Committee, etc.), and the Sustainability Promotion Committee collaborate to identify, assess, and manage risks. We also manage risks across the Group based on relevant internal rules and notices, including the identification of various risks in the Group’s business activities, collection of information, planning of preventive measures, and the provision of training.

Sustainability Declaration and Materiality

Sustainability Declaration	Harmony with the Global Environment	Business Activities for Service with Good Products	Management that Respects Humanity
Materiality	Respond to climate change (realize a resilient society)	Realize a safe and secure society through service with good products	Promote health management and comfortable working environments for the 400th anniversary of the founding of the company
	Contribute to decarbonization of society through energy creation and saving know-how	Support sustainable manufacturing, home building, environment building, and town building	Promote diversity (women, foreign nationals, experienced mid-career hires)
	Support cyclical society (rental and sharing)	Create co-creation value – “TSUNAGU”	Enhance education and training (strengthen human resource capabilities)
	Lower environmental impact through company activities	Promote Digital Business	
			Strengthen relationship with business partners (strengthen DX and logistics promotion in and outside the company)

Main Initiatives in Growing Together 2026

- We will **reduce CO₂ emissions 30%** by March 2026 (compared with FY2022) *Target for Scope 1 and 2 emissions of the Group



- Initiatives to reduce Scope 3 CO₂ emissions
- Promotion of businesses that solve social issues (e.g., carbon-neutral promotion business, Resilience & Security business)
- Inform stakeholders of our transaction policy and human rights policy
- Promotion of corporate culture reform projects (YUASA PRIDE project, office environment building)