

GS YUASA Responsible Mineral Procurement Policy

GS YUASA shall, recognizing the risks of significant adverse impacts^(Note) which may arise in the supply chain of the minerals used in the products, parts, and materials handled by our company, promote responsible mineral procurement while respecting the internationally recognized framework through the following initiatives, to fulfill the responsibilities to respect human rights and avoid contributing to conflicts.

1. GS YUASA will investigate whether its group companies or their suppliers procure or use the minerals that may contribute to human rights violations or armed conflicts^(Note).
2. GS YUASA will, if it was revealed that anyone of its group companies or their suppliers has procured or used minerals that have a high risk of contributing to human rights violations or armed conflicts, work on activities to avoid the procurement or use of such minerals, in collaboration with related companies.

(Refer to the attachment for details of the notes.)

GS YUASA: a brand of the GS Yuasa group, indicating a corporate entity.

April 7, 2020

Osamu Murao, President

GS Yuasa Corporation

Attachment

(1) Risks covered by this policy:

All risks presented in Annex II of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected Areas and High-Risk Areas.

The following table lists the risks covered by Annex II of this Guidance

Classification		Details
Risks of human rights violations in extraction, transport or trade of minerals		<ul style="list-style-type: none"> ● Any forms of torture, cruel, inhuman and degrading treatment ● Any forms of forced or compulsory labor ● The worst forms of child labor ● Other gross human rights violations and abuses (such as widespread sexual violence) ● War crimes or other serious violations of international humanitarian law, crimes against humanity or genocide
Risks associated with supporting conflict organizations through the extraction, transport, handling, trade, shipment, or export of minerals	Risks associated with direct/indirect support for conflict organizations	<ul style="list-style-type: none"> ● Illegal control of mine sites, transportation routes, points where minerals are traded, and upstream actors in the supply chain ● Illegal taxation or extortion for money or minerals at points of access to mine sites, along the transportation routes, or at points where minerals are traded, etc. ● Illegal taxation or extortion against intermediaries, export companies, and international traders
	Risks associated with direct/indirect support for public/private security forces	<ul style="list-style-type: none"> ● Illegal control of mining sites, transportation routes, and upstream actors in the supply chain ● Illegal taxation or extortion for money or minerals at points of access to mine sites, along the transportation routes, or at points where minerals are traded, etc. ● Illegal taxation or extortion against intermediaries, export companies, and international traders
	Risks related to misrepresentation for taxes, fees, and royalties on extraction, trade, transport and export of minerals	<ul style="list-style-type: none"> ● Offer, promise, give, or demand of bribes ● Solicitation of bribes to conceal or disguise the origin of minerals
	Risks related to extraction, trade, handling, transport, and export of minerals	<ul style="list-style-type: none"> ● Money laundering (funds from illegal taxation or extortion of minerals at points of access to extraction sites, along transportation routes, and points where minerals are traded by upstream suppliers)
	Risks related to extraction, trade, and export of minerals	<ul style="list-style-type: none"> ● Unpaid taxes, fees, and royalties on extraction

(2) Minerals that may contribute to human rights violations, armed conflicts, etc.

Among minerals that may be included in the products, parts, and materials handled by our company group, we identified the following minerals, considering laws and regulations, stakeholders’ needs, impact on our businesses, and impact on society.

- Tin ore
- Columbite-tantalite (tantalum)
- Wolframite (tungsten)
- Gold
- Cobalt mineral