

STRATEGIC REPORT *(continued)*

ENVIRONMENT

GS Yuasa Battery Europe Limited recognises the importance of its environmental responsibilities, monitors its impact on the environment, and implements policies to reduce any damage that might be caused by its activities. Initiatives designed to minimise the company's impact on the environment include safe disposal of manufacturing waste, recycling and reducing energy consumption.

STREAMLINED ENERGY & CARBON REPORTING (SECR)

The UK-based companies within the group that qualify for SECR reporting are GS Yuasa Battery Manufacturing UK Ltd and GS Yuasa Battery Sales UK Ltd. For the year to 31 March 2021 the consumption of reportable energy for these companies was as follows:

- Electricity 21,249,933 kWh (2020: 22,273,359 kWh)
- Gas 6,926,249 kWh and (2020: 7,711,746 kWh)
- 225,424 miles (2020: 430,341 miles) of travel mileage incurred by employees paid for by the company.

This equates to 6,661,644 kgCO₂ (2020: 7,167,598 kgCO₂) for the financial reporting year.

Energy efficiency within the manufacturing plant in GYMUK, the freehold of which is owned by the Group, is constantly monitored and many energy saving initiatives are continually being implemented. Subsequent to the year end the company has installed PV cells on the roofs of the buildings as part of a wider initiative to reduce the carbon footprint of the business.

The companies use on average 1 kgCO₂ for every £52.75 of turnover (2020: £45.26).

Our energy usage is invoiced directly from our energy suppliers, and we have taken the usage directly from the supplier invoices.

COVID-19 PANDEMIC

The Group experienced an initial downturn in orders as a result of the COVID-19 pandemic, firstly from customers based in mainland Europe and then from the UK. Subsequently, each of the Business Units have been impacted differently. The Industrial Business Unit continued to supply batteries for use in critical infrastructures such as data centres along with other fire, security and emergency lighting applications and also supplied the new temporary hospitals that were being constructed and planned in the UK. Orders returned to pre-COVID levels from Q2 onwards. The Automotive Business Unit experienced a sharp increase in demand from May 2020 due to the volume of cars throughout the country that were idle during lockdown. The Motorcycle Business Unit experienced a recovery from June onwards. There are many uncertainties that exist for the remainder of the financial year, however all aspects of the business remained operational throughout the first lockdown period with volumes returning to normal levels. As such, the directors feel the business is suitably prepared and structured to continue trading profitably.