

ENERSYS SUSTAINABILITY REPORT 2023

*POWERING THE FUTURE
EVERYWHERE FOR EVERYONE*

The EnerSys logo is located in the bottom right corner. It features the word "EnerSys" in a white, sans-serif font, with a red diagonal line element under the "y".

EnerSys

A Word From Our CEO¹



As we reflect on the past year and look ahead to the opportunities and challenges on the horizon, it is clear that the corporate sustainability landscape is rapidly evolving as companies are being called upon to help combat the effects of climate change and protect the equalities and livelihoods of all people around the globe. Not only has EnerSys begun to answer that calling, but we are also well-poised to help our customers and other stakeholders transition to a low-carbon economy through the positive impact of our products and services. Sustainability is increasingly integrated into our overall message because it is a core part of who we are and what we do.

Our commitment to sustainability is ingrained in our core values. By prioritizing continuous improvement, we seek to remain an industry leader, driving positive, sustainable and profitable change in our operations. Our increasingly energy-efficient products meet the demands of our customers' energy needs and storage challenges while concurrently reducing electricity costs and carbon emissions; they also have a net positive impact on the climate. This impact, which we now quantify at the product level and plan to detail at the enterprise level in the coming months, is a testament to our dedication to sustainable practices and integration of environmental stewardship throughout our operations.

In 2023, EnerSys reached a significant milestone. According to the preliminary findings from our 2023 Scope 1, 2 & 3 emissions inventory, the avoided emissions associated with the use of our batteries in electric forklifts (replacing diesel and propane forklifts) on average range between five to ten times the emissions from mining, manufacturing and shipping our batteries, depending on battery model and how clean the electric grid is where the forklifts are used. In some locations, the avoided emissions from using EnerSys batteries reach a 20x net benefit. As we continue to reduce our operational and supply chain emissions footprint, these values improve even more. The findings from this past year emphasize the transformative impact our products have on mitigating the carbon footprints across the various industries our 10,000+ customers represent.

At EnerSys, we are committed to improving the sustainability, resiliency, and efficiency of our products, tailoring our services to help our customers reach their sustainability goals, and reducing our operational impact on the environment. As we advance solutions that contribute to a more sustainable future, we remain steadfast in our commitment to minimizing the impact of our manufacturing, transporting, and distribution processes.

I am proud of the progress EnerSys has made in 2023. Together, we will continue to champion sustainability for the betterment of our company, our stakeholders, and the planet. Thank you for reading our 2023 Sustainability Report. I welcome your feedback and ongoing interest in EnerSys.

Sincerely,

A handwritten signature in blue ink that reads "David M. Shaffer". The signature is fluid and cursive, written over a light blue horizontal line.

David M. Shaffer
President & CEO

¹ GRI 2-22 Statement on sustainable development strategy

A Word From the Chair of the EnerSys Nominating and Corporate Governance Board Committee



In an era marked by urgent global challenges, the EnerSys Board of Directors reaffirms its unwavering commitment to sustainability. As stewards of our company's mission, this commitment is not just a part of our business strategy; it's woven into the fabric of our organizational culture and governance practices.

The Board's oversight role in environmental, social and governance matters is fundamental to our governance structure. Our Nominating and Corporate Governance Committee is fully engaged in shaping robust ESG practices, leveraging our board members' collective wisdom and experience.

In just a few short years since the inception of our sustainability department, we have witnessed remarkable growth and transformation. For instance, we have cut our Scope 1 emissions by over a quarter since 2019 and reduced our water use intensity per kWh of storage by nearly 7%. Our management team's tireless efforts have yielded these tangible results, demonstrating our commitment and capacity to positively drive demonstrable progress and meaningful impact both in our own operations, for our customers, our employees, our investors, and our communities.

What sets EnerSys apart is not only that we employ sustainability practices throughout our operations, but we also see sustainability as integral to our product offerings and our bottom line. Our products are not only solutions for customer needs, but also a testament to our commitment to creating a more sustainable future. By aligning our sustainability initiatives with our broader brand strategy, we differentiate ourselves in the market and reaffirm our role as a leader for positive change.

We firmly believe that through our actions, EnerSys can lead industry change, serve our shareholders, customers, employees and communities, while also contributing to the transformation of our energy economy.

Looking ahead, I am filled with excitement and optimism for the future of sustainability at EnerSys. Together, we have achieved remarkable progress, and we will continue to power the future – everywhere for everyone.

Sincerely,

A handwritten signature in black ink that reads "Rudolph Wynter". The signature is fluid and cursive, with a large 'W' and 'Y'.

Rudolph Wynter
*Chair of the EnerSys Nominating
& Corporate Governance Committee*

About this Report

CONTACT INFORMATION

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REPORTING PERIOD²

This Sustainability Report covers EnerSys operations from January 1, 2023, through December 31, 2023, unless otherwise noted.

SUSTAINABILITY FRAMEWORKS

The disclosures in this report are aligned to the following frameworks, with specific disclosures indicated throughout the report:



European Sustainability Reporting Standards (ESRS) as required by the Corporate Sustainability Reporting Directive (CSRD)



Global Reporting Initiative (GRI) and International Sustainability Standards Board (ISSB) disclosures



International Financial Reporting Standards Foundation (IFRS) Sustainability Accounting Standards Board (SASB) Renewable Resources and Alternative Energy (RR-FC) Fuel Cells & Industrial Batteries Sustainability Accounting Standard



United Nations Sustainable Development Goals (SDGs)

This report also addresses data and other disclosures adhering to the Greenhouse Gas Protocol, ISO 14000, and Task Force on Climate-Related Financial Disclosures (TCFD) guidance. See Appendices for details on where to find specific disclosures in this report.

² GRI 2-3 Reporting period and point of contact

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About EnerSys³

EnerSys has been a global leader in stored energy solutions for industrial applications for over 100 years. EnerSys is a publicly traded company with over 11,000 employees across four continents. Headquartered in Reading, PA, with additional regional headquarters in Europe, Middle East and Africa, and Asia, our manufacturing and operations serve over 10,000 customers worldwide and bring stored energy solutions and systems to over 100 countries.

At EnerSys, our purpose is more than simply building batteries and energy systems. We are driven by a passion to keep the world working by developing and delivering power systems and solutions that keep people connected across their communities and the globe. We are dedicated to building a world where everyone can count on reliable power to allow them to work and live better.

WE ARE CLIMATE TECHNOLOGY⁴

Our technologies play a critical role in the fight against climate change; both in mitigating climate change and helping our world become more resilient to climate impacts. EnerSys views 'climate technology' as a product that can reduce CO2 emissions more than the emissions required to produce it. Many of our products meet this definition, and we are energized by their positive worldwide impact.

Our energy storage (batteries) and energy systems allow for more effective and rapid decarbonization by bridging the gap between intermittent renewable energy generation (like wind and solar) and power demand by ensuring seamless connectivity between production and consumption periods.

Our solutions enable customers across the globe to meet their energy and carbon emission reduction goals while providing reliable and affordable energy access. In 2023, EnerSys produced around 13 gigawatt hours of energy storage capacity, which is used to ensure safe, affordable and clean power for industries and people worldwide.



Our products and services enable the widespread adoption of renewable energy, supporting global greenhouse gas emissions reduction goals and helping to slow the impacts of climate change. And, as climate impacts interrupt power supplies, our technology supports communities when they need it most by providing reliable and affordable access to energy.

We invest significant resources into research and development, testing and certification to ensure that our products remain safe for our customers and consumers. As such, we pursue quality management system certifications for the industries in which we operate, including the AS9100 for aerospace, the ISO 13485 for medical devices, the ISO 26262 for Lithium-ion Batteries (LiBs) in Motive Power applications and the TL9000 certification for telecom devices.

³ GRI 2-1 Organizational details, GRI 2-2 Entities included in reporting, GRI 2-7 Employees

⁴ GRI 2-6 Activities, value chain and other business relationships

OUR BUSINESS



1 ENERGY SYSTEMS

EnerSys delivers uninterrupted power systems applications for computer and computer-controlled systems used in data centers, as well as telecoms, switchgear and electrical control systems used in industrial facilities and electric utilities, large-scale energy storage and energy pipelines. It also includes highly integrated power solutions for broadband, telecom, renewable and industrial customers, and thermally managed enclosures for electronic equipment and batteries.



2 MOTIVE POWER

EnerSys delivers power for electric industrial forklifts used in manufacturing, warehousing, and other material handling applications, automated guided vehicles, mining equipment, diesel locomotive starting, and other rail equipment. Our technology supports pathways to lower emissions in motive power.



3 SPECIALTY ENERGY STORAGE

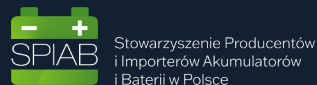
EnerSys delivers premium starting, lighting and ignition applications in transportation, energy solutions for satellites and other spacecraft, military aircraft, submarines, ships and other tactical vehicles, medical systems and security systems.



4 NEW VENTURES

New Ventures – our newest line of business – provides energy storage and management systems for various applications including demand charge reduction, utility back-up power, and dynamic fast charging for electric vehicles.

TRADE ASSOCIATIONS⁵



⁵ GRI 2-28 Membership associations

OUR MANUFACTURING LOCATIONS



Since FY'20, we reduced our global manufacturing footprint by 18.75% to optimize fixed costs.

OUR PORTFOLIO OF SOLUTIONS

ENERGY SYSTEMS



MOTIVE POWER



NEW VENTURES



SPECIALITY





EnerSys products and service solutions **ensure that modern life keeps moving**, even if the power is out.

ENERGY SYSTEMS FOR GRID RESILIENCE

Extreme storms and catastrophic fires are becoming the “new normal,” with massive impacts on power grid reliability. Our products provide our customers and the communities they serve with the means to manage power demands while providing the security and stability of a consistent power supply. EnerSys delivers dependable backup power for essential services such as cell towers, data centers, electrical grids and hospitals, ensuring power availability, especially when it’s needed most.

SPOTLIGHT

EnerSys Energy Systems play a key role in building California’s resilience to wildfires

To mitigate wildfires and protect public safety, the [California Public Utilities Commission](#) authorized electric utility providers to shut off electric power at certain times if weather and fuel conditions increase the risk of equipment failure and wildfire.

During these shutdowns, telecommunications providers are required to provide backup power for their networks and communications to remain up and running. This ensures that individuals and organizations have access to vital emergency services, 911 access, high-speed data, news and more. In recent years, the required backup power time increased

from 8 hours to 72 hours, obliging telecommunications companies to find new ways to generate power to keep communications and networks up and running when the power is shut off.

Rather than relying on diesel fuel generators, multiple telecommunications companies are utilizing custom EnerSys batteries to power over 5,000 power modules in neighborhoods across California to support communications networks regardless of if grid power goes out. EnerSys was uniquely qualified to design, build and install these integrated systems with intelligent, reliable and clean energy storage for each specific use case.

Read more [here](#) or [watch](#).





EnerSys is the **world's largest manufacturer** of industrial forklift batteries and chargers.

MOTIVE POWER FOR CLEAN MOBILITY

EnerSys propels the global economy by supplying batteries, chargers, and monitoring services, enhancing the reliability and sustainability of a variety of vehicles, including power forklifts, AGVs and trains. Our solutions ensure the timely delivery of critical materials and goods, from vaccines in cold chain trucks to groceries on forklifts. EnerSys storage solutions support decarbonization goals in warehousing and logistics sectors by eliminating the emissions produced by combustion engines, especially if the batteries are charged by renewable electric sources.

SPOTLIGHT

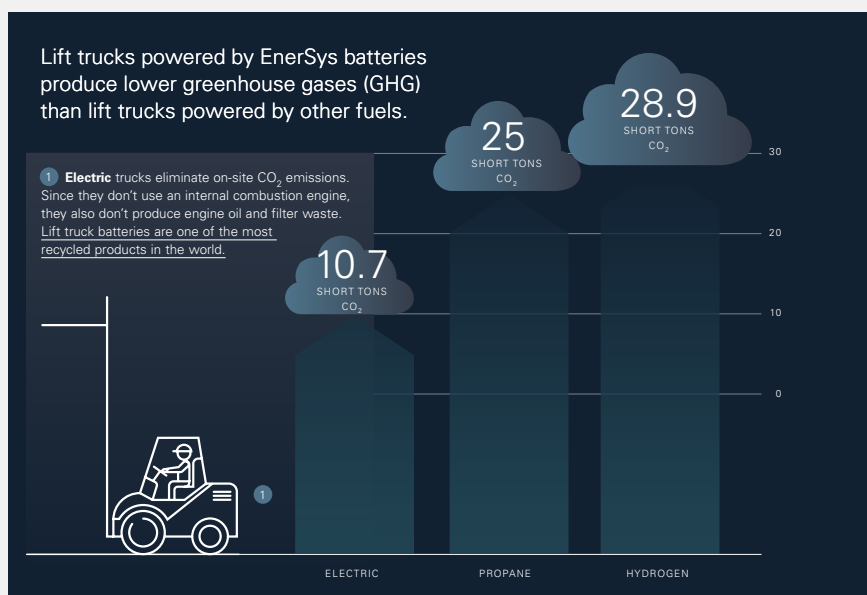
Zero-emissions forklifts save money and reduce emissions

Our batteries make electric forklifts more affordable to operate than fossil fuel alternatives.

Replacing a diesel or propane forklift with an electric one is also estimated to reduce more than 50% of the emissions (even with electricity fueled by coal).⁶

Added to the savings, some companies can even get paid to switch to electric forklifts. The California Air Resources Board (CARB) issues Low Carbon Fuel Standard credits for the use of electric forklifts. **Based on calculations provided by CARB, a large fleet with 20+ forklifts could receive an estimated \$100k in credits per year or more!**

Based on initial estimates from our 2023 Scope 1, 2, & 3 emissions inventory, the avoided emissions (i.e., the net benefit to the climate) associated with the use of our batteries in electric forklifts (replacing diesel and propane forklifts) on average range between five to ten times the emissions from mining, manufacturing and shipping our batteries, depending on battery model and how clean the electric grid is where the forklifts are used. In some locations, the avoided emissions from using EnerSys batteries reach a 20x net benefit.



"When our customers prioritize their carbon reduction goals by utilizing EnerSys products, we're also helping them realize other efficiencies and savings in many cases."

Andi Funk
CFO

⁶ California Air Resources Board. Methodology for Determining Electricity Consumption of Electric Forklifts for Reporting in the LCFS. May 28, 2021.



EnerSys batteries have accumulated **over 6.8 billion operational cell hours in space**, all without a single mission failure, proving out of this world reliability.

01

SPECIALTY SYSTEMS FOR COMPLEX CHALLENGES

When readiness and reliability are paramount, EnerSys® batteries are hard at work in the world's most critical and demanding applications. High performance, low maintenance and long life are the hallmarks of EnerSys products.

Customers worldwide rely on EnerSys batteries for specialized electronic devices, valuing their proven safety and reliability as power sources. The Specialty line of business includes specialty batteries for aerospace and defense applications, premium automotive, security systems, large over-the-road trucks, and medical applications.

Since building the first Lithium-ion (Li-ion) battery to power a satellite, technological breakthroughs from EnerSys have extended satellite operational life and have lengthened the life of space missions to benefit our scientific communities.

SPOTLIGHT

To the moon and beyond

An EnerSys battery will be trusted to power the Roman Space Telescope, poised to uncover the secrets of dark energy and dark matter when it launches in the mid-2020s. This telescope is set to follow in the footsteps of the James Webb Space Telescope and aims to measure light from a billion galaxies throughout the

mission lifetime in while also performing a microlensing survey of the inner Milky Way to find ~2,600 exoplanets – planets outside of our solar system.

EnerSys batteries powered NASA's Space Launch System on its inaugural launch of Artemis 1 in 2022 (pictured above). This is the first unmanned Crew Module

launch around the moon since the Apollo era. Artemis 1 made history when at its maximum was nearly 270,000 miles away from earth, breaking the Apollo 13 distance record. EnerSys is proud to be supporting the Artemis program and powering the critical systems enabling the U.S. to return to the moon and beyond.



By coupling fast charging with **robust battery storage**, EnerSys offers a complete energy system to power an evolving world.

NEW VENTURES SOLUTIONS FOR ENERGY MANAGEMENT

In the first quarter of fiscal year 2024, EnerSys introduced a new line of business called New Ventures, which includes energy storage and management systems for electric vehicle fast charging, utility back-up power, and demand charge reduction.

To combat climate change and achieve net-zero emissions by 2050 globally, it is crucial to make renewable energy more available and reliable. A reliable grid requires electricity from sources like wind and solar to be consistent, despite their natural variability. Our energy storage solutions ensure that power remains dependable, with batteries storing energy when there is excess and making up the difference during high demand.

More than 25 of our top customers have committed to [RE100](#), a global corporate renewable energy initiative bringing together the world's most influential businesses committed to 100% renewable energy. We are proud to support the ambitious goals of our customers. Demand for energy storage keeps growing and having a secure domestic source for batteries is critical. As such, we are looking to expand our lithium-ion cell production capacity in the United States.

"One of our top priorities, in addition to the health and safety of our people, is ensuring that our current factories are as efficient as possible. We only choose to build a new factory when it's a must; and when we do, we are making sure we are designing everything with safety and efficiency in mind."

Patrice Baumann
Chief Integrated Supply Chain Officer

SPOTLIGHT

New Lithium Gigafactory in Greenville, South Carolina

On Feb 14, 2024, EnerSys announced that it selected Greenville, South Carolina to develop a lithium-ion cell gigafactory to advance battery production in the United States. This new factory represents a long-term opportunity that will enable growth and allow EnerSys to optimize cell sizing in battery solutions for its customers, reducing reliance on non-domestic cell suppliers.

EnerSys recently secured a comprehensive incentive package through South Carolina and Greenville County valued at approximately \$200 million, which includes a combination of short-term and long-term incentives. The company intends to use a portion of these proceeds, along with the Inflation Reduction Act IRC 45X tax benefits and potential additional federal funding, to make a \$500 million investment with the potential to create 500 high-quality new jobs.

The proposed 500,000-square-foot manufacturing plant at the Augusta Grove business park on about 140 acres will focus on producing various lithium-ion cell types for commercial, industrial, and defense uses, targeting an annual output of four-gigawatt hours.

[Read press release here.](#)

Our Approach to Sustainability

Our Approach to Sustainability

OUR VALUES DRIVE OUR APPROACH

At EnerSys, sustainability, reliability, and resilience are core to our values and embodied in our daily operations. Our products address global challenges such as climate change, decarbonization, efficient goods distribution, grid reliability, telecommunications, and innovation. Our batteries and energy storage solutions contribute to a resilient, low-carbon future.

“Sustainability is part of who we are at EnerSys, it’s something that all of our stakeholders – investors, customers and employees – care about and want to see more of.”

Lisa Hartman
VP Investor Relations and
Corporate Communications

OUR POLICIES GUIDE OUR ACTIONS⁷

Our sustainability policies underscore our unwavering dedication to excellence in managing environmental, social and governance (ESG) issues, encompassing not only our internal operations but also extending throughout our supply chain. These standards apply to every employee, contractor, operating unit, vendor and supplier within the organization, and the Board and senior executive team oversee compliance.

Our policies serve as the compass for shaping our strategy and programs, ensuring a perpetual cycle of monitoring and enhancing our performance. Our policies undergo thorough annual reviews conducted by subject matter experts (SMEs), ensuring relevance and accuracy, and updates are implemented as necessary. Our sustainability policies are detailed on page 5.2 of this report and can be accessed on our website for reference.

OUR SUSTAINABILITY GOALS & COMMITMENTS

ENERGY

Reduce energy intensity per kWh of storage produced by 25% by 2030.*



WATER

Reduce water intensity per kWh of storage produced by 25% by 2030.*



WASTE

We are working to establish a measurable waste goal aligned with stakeholders expectations.



FEMALE REPRESENTATION

Improve our female representation at the leadership level from 9% to 20% by 2025.*



MULTICULTURAL TALENT

Improve our multicultural talent representation at the leadership level from 16% to 25% in the U.S. by 2025.*



EMPLOYER OF CHOICE

Become recognized by at least three global indexes as a leading employer.



⁷ GRI 2-23 Policy commitments, GRI 2-24 Embedding policy commitments

*Compared to 2020

ALIGNMENT WITH SDGS



United Nations
Global Compact

The United Nations Global Compact (UNGC) is a call to companies to align their business strategies and operations with ten universal principles on human rights, labor, the environment and more, and to take actions to advance societal goals. More than 20,000 companies in 167 countries participate in the Compact, including EnerSys. Our corporate policies adhere to the UNGC. Our corporate policies and actions adhere to the UNGC's 10 Principles.



**HUMAN RIGHTS
PRINCIPLES 1-2**



**LABOUR
PRINCIPLES 3-6**



**ENVIRONMENT
PRINCIPLES 7-9**



**ANTI-CORRUPTION
PRINCIPLE 10**

SUSTAINABLE DEVELOPMENT GOALS

The 2030 Agenda for Sustainable Development, embraced by United Nations (UN) member states in 2015, outlines a global plan for peace, prosperity, and sustainability for current and future generations. Central to this agenda are the 17 SDGs, urging global action across developed and developing nations to address climate change, eliminate poverty, enhance health and education, reduce inequalities, and promote economic growth.

EnerSys is dedicated to advancing the SDGs, aiming to make a positive impact through our products, operations, community involvement, and workplace. We are focused on contributing significantly to the top three SDGs where we believe our impact is most substantial:

SDG 7: Affordable and Clean Energy

SDG 10: Reduced Inequalities

SDG 13: Climate Action

We aim to leverage the UNGC and the SDGs to further the transition to a low-carbon, clean energy future everywhere, for everyone. Throughout this report, we have indicated where our actions and metrics align with specific SDG targets.



SUSTAINABILITY INITIATIVES



CEO Water Mandate is a CEO-led commitment platform for business leaders and learners to advance water stewardship and reduce water stress worldwide by 2050. Committed companies identify and reduce critical water risks to their businesses, seize water-related opportunities and contribute to water security and the SDGs. As of 2022, the Mandate has been endorsed by more than 200 companies from various industry sectors and regions worldwide. Endorsing companies commit to action across **six key elements** and report annually on progress:

- 1 Direct Operations
- 2 Supply Chain & Watershed Management
- 3 Collective Action
- 4 Public Policy
- 5 Community Engagement
- 6 Transparency



Founded in 1977 by two U.S. senators who recognized the enormous opportunity of energy efficiency, the Alliance to Save Energy is a bipartisan, nonprofit coalition of business, government, environmental and consumer leaders advocating to advance federal energy efficiency policy. As part of the Alliance to Save Energy, EnerSys is committed to advocating for federal policies that accelerate energy efficiency across industries and sectors.

CEO **ACT!ON** FOR DIVERSITY & INCLUSION

EnerSys is proud to be a part of the CEO Action for Diversity & Inclusion, a collaborative of nearly 2,000 Chief Executive Officers (CEO) from the world's leading companies and organizations committed to advancing diversity and inclusion within the workforce. Member companies agree to take action to create workplace environments where diverse experiences and perspectives are welcomed and where employees feel safe, comfortable and empowered to discuss diversity and inclusion. All signatories are leaders of their companies who agree to implement the pledge and support other companies in doing the same.



The U.S. Department of Energy's Better Plants Program helps leading manufacturers boost their resilience and economic competitiveness by supporting improvements in energy efficiency. As part of the program, EnerSys has committed to reducing our energy intensity by 25% over the next ten years with 2020 as our baseline year.

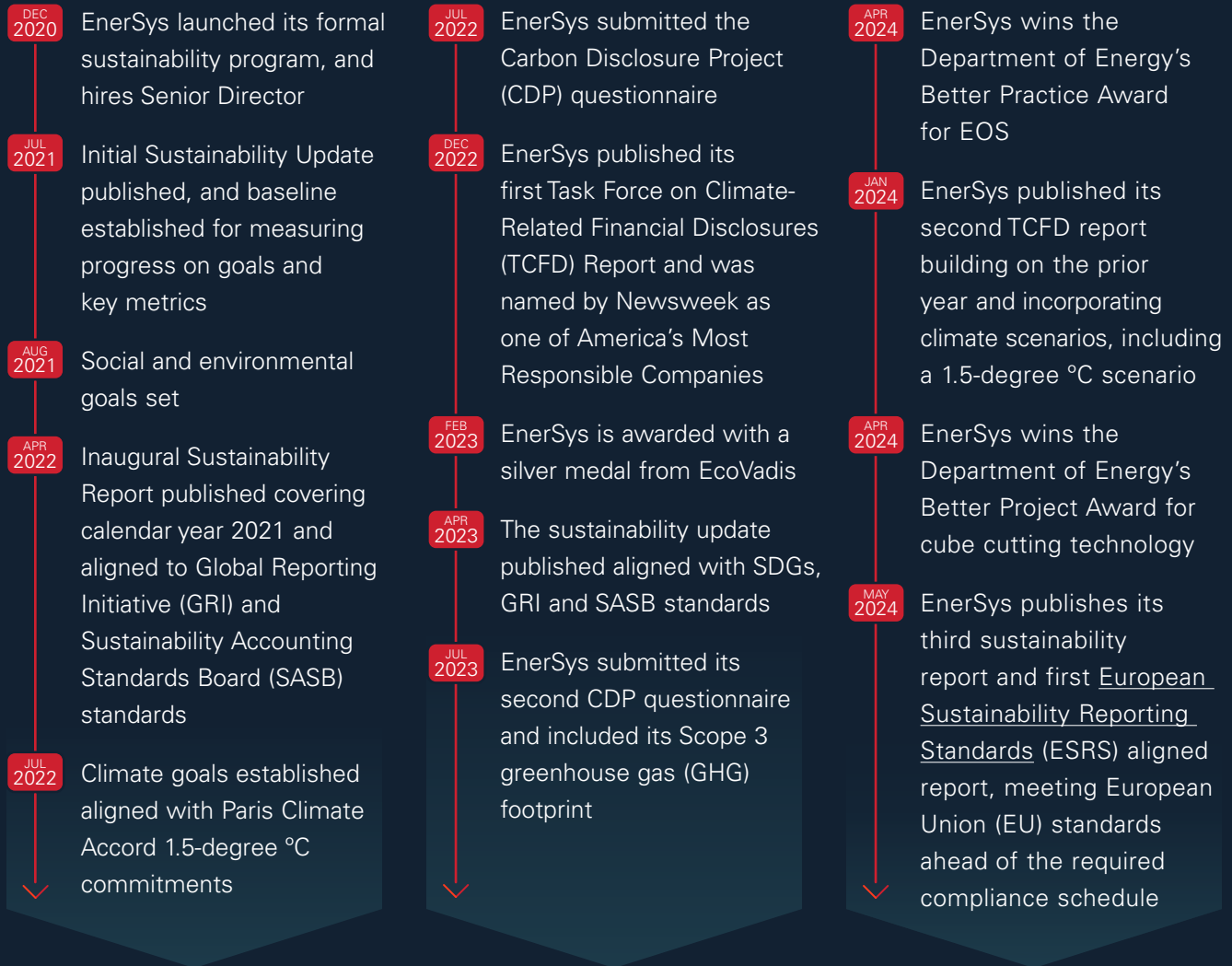
In 2023, EnerSys won the Better Practice Award for the implementation of the EnerSys Operating System (EOS). EnerSys won the Better Project Award in 2024 for implementation of the cold-cube cutting process which significantly reduces emissions and lead exposure.



The Award-winning EnerSys Operating System: In 2023, EnerSys won the distinguished Energy Efficiency Initiative of the Year award as part of Environmental Finance's Sustainable Company Awards. The recognition was given specifically for the implementation of the EOS, a lean management program designed to identify, reduce, or eliminate excess waste and associated costs across its operations. [View our press release to learn more.](#)

OUR SUSTAINABILITY JOURNEY

This report builds on our commitment to labor and human rights, sound governance and accountability, environmental stewardship, and social responsibility. The timeline below illustrates the steps we have taken since the launch of our sustainability program, and our adherence to internationally recognized frameworks, and demonstrates our commitment to rigorous and transparent disclosures.



OUR STAKEHOLDERS⁸



CUSTOMERS & PARTNERS

As our customers and partners heighten their focus on sustainability, they are expressing a clear desire for their suppliers to follow suit. We understand that our products and services play a crucial role in helping our customers achieve their sustainability objectives, and we are committed to ensuring that our own operations reflect and support these goals.



EMPLOYEES

Employees are also deeply invested in the practices of their employers. Attracting and retaining top talent necessitates aligning with employees' values and addressing their concerns regarding ESG matters. Similarly, we must extend the same consideration to the families, friends and neighbors within the communities where we operate and reside.



INVESTORS

Investors increasingly recognize companies that excel in ESG metrics as effectively managed and better equipped to navigate future operational, financial and regulatory landscapes. This includes addressing both short and long-term challenges related to climate change and the global shift towards a low-carbon economy.



SUPPLIERS

EnerSys works with more than seven thousand suppliers, sourcing goods and services from all over the world. In 2023, we sent out our first supplier ESG survey, working with our supply chain to begin the process of measuring and reporting on supply chain ESG topics.



REGULATORS

Regulators worldwide are also looking at new corporate requirements around ESG. As a New York Stock Exchange (NYSE) listed company, EnerSys complies with all corresponding U.S. Securities and Exchange Commission (SEC) requirements. [The SEC announced its "Enhancement and Standardization of Climate-Related Disclosures for Investors" plan in 2022.](#) While still a few years from required compliance for EnerSys, we are already preparing for this new regulation by aligning a portion of this 2023 Sustainability report with the [EU Corporate Sustainability Reporting Directive \(CSRD\)](#) and [ESRS](#).

MATERIALITY ASSESSMENT

In alignment with the EnerSys corporate sustainability strategy, we updated our materiality assessment in 2023 to meet double materiality standards, in which we identify and prioritize material risks, opportunities and potential external impacts. The assessment informs our sustainability reporting and disclosure efforts, ensuring that EnerSys reports on the issues most relevant to our stakeholders and the business. EnerSys designed the 2023 assessment to engage the company’s internal subject matter experts (SMEs) and delve into the environmental, social and governance topics that have the most significant bearing on our operations, stakeholders and the world.

MATERIAL TOPICS

As a result of our assessment, we identified 11 recurring themes related to impacts, risks and opportunities. The themes fall under multiple materiality topics. If new themes emerged, we incorporated them into the materiality topics covered in our [2021 Sustainability Report](#).⁹ We employed the following three-part process below.¹⁰

1 INPUT

In addition to meetings with external SMEs and researching industry issues trends, we interviewed fifteen internal stakeholders in leadership positions including the Chief Executive Officer and Presidents and individuals from Finance, Legal and Investor Relations, and Operations and Engineering.

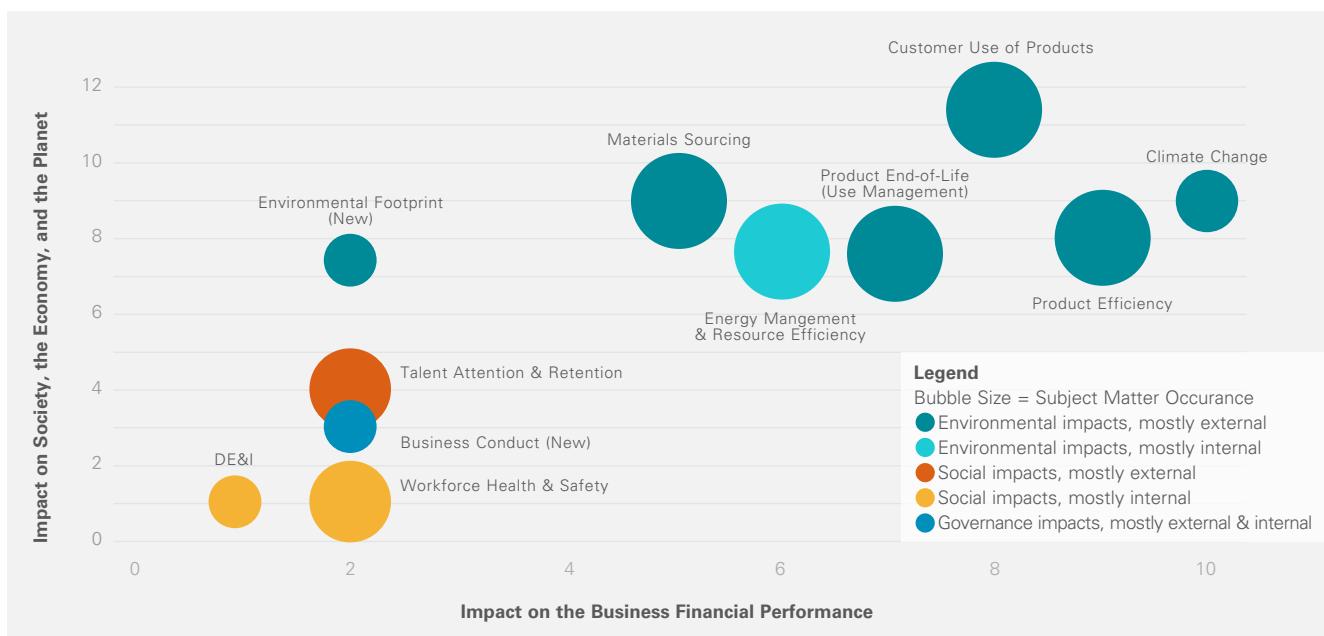
2 ANALYSIS

We aggregated the interview data and sorted it into themes, analyzed the theme frequency* and then narrowed them into key topics. These topics were then cross-referenced against topics identified as material by key sustainability reporting frameworks such as ESRS, GRI, and SASB.

3 ASSESSMENT

A comprehensive assessment of each topic’s relative impact on our financial performance, including potential financial implications, was conducted, utilizing a scoring system that categorized impacts.* A similar scoring system was employed to assess the relative impacts on society, the economy and the environment.*

EnerSys Materiality Matrix



⁹ GRI 3-2 List of material topics

¹⁰ GRI 3-1 Process to determine material topics

*See Appendix A for how we define and score these topics.

Environment
Stewardship of Planet & Resources

03

Environment: *Stewardship of Planet & Resources*

As a top energy storage manufacturer, we understand our operational impact on the environment and climate. We take our responsibility seriously, striving to minimize our ecological footprint while assisting our customers in reaching their climate objectives through high-quality energy storage products and services. To that end, we are committed to improving the efficiency of our operations, reducing waste, managing water responsibly, and investigating the use of renewable energy as we strive to reduce our environmental impact and protect valuable natural resources.

CLIMATE & GREENHOUSE GAS EMISSIONS¹¹

We are actively seeking to reduce our direct and indirect GHG emissions by increasing the efficiency of our operations and exploring renewable energy sources for our facilities. In 2023, we continued to measure and report our energy consumption and the associated Scope 1 & 2 emissions.

In 2023, we decreased our Scope 1 emissions 4.2% from 2022, showing a 25% reduction since 2019. Our Scope 2 emissions increased by 2.1% from 2022 to 2023, as a result of increased electrification. Nevertheless, we expect a long term decrease as


the grid decarbonizes with support from renewables and energy storage – in part, produced by EnerSys. Additionally, we completed our first Scope 3 emissions inventory, providing insights into our supply chain and overall carbon footprint.

03


GOALS & PROGRESS

GHG EMISSIONS SCOPE 1 
CO2 neutral by 2040

Emissions down 4.2% since 2022, and down 25% since 2019.

GHG EMISSIONS SCOPE 2 
CO2 neutral by 2050

Emissions up 2.1% since 2022, and down 3.4% since 2021. We expect a long term decrease as the grid decarbonizes.

GHG EMISSIONS SCOPE 3 
Develop full scope 3 GHG inventory.
Disclose CDP and TCFD.

We have disclosed Scope 3 emissions for 2022 and 2023.

“All of us want to leave behind a world for our children and grandchildren that is better than the one we inherited.”

Troy Baxter
VP of Operations, Global Motive Power

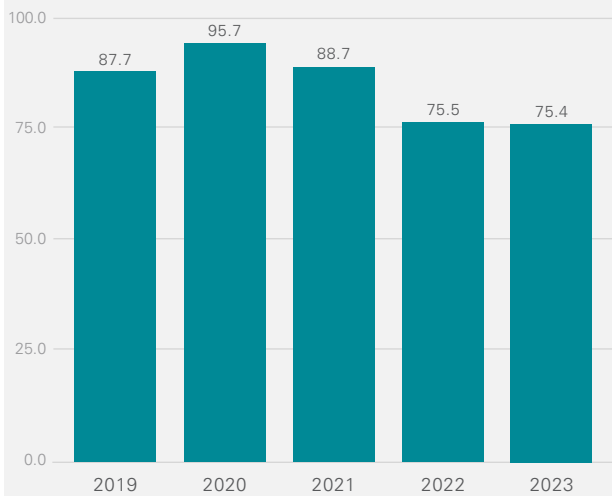
¹¹ GRI 305-1 Direct (Scope 1) GHG emissions, GRI 305-2 Energy indirect (Scope 2) GHG emissions, GRI 305-3 Other indirect (Scope 3) GHG emissions, GRI 305-4 GHG emissions intensity, GRI 305-5 Reduction of GHG emissions

Employee-powered Sustainability Improvements in Newport, United Kingdom

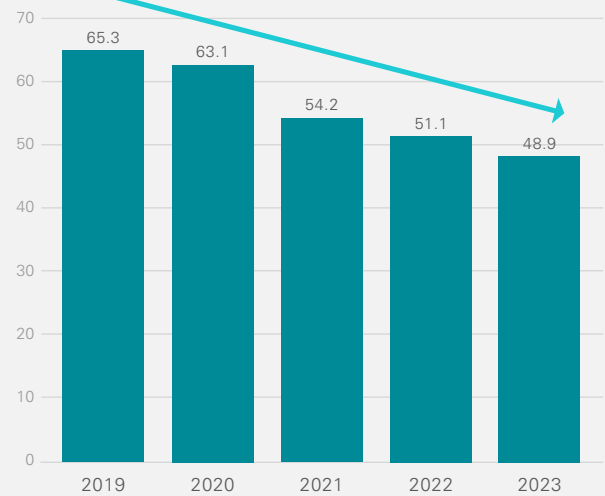
Through the award-winning EOS lean management program, EnerSys employees across the globe are implementing sustainability improvements at our manufacturing facilities. At the Newport, United Kingdom (UK) plant, small improvements add up to create a significant impact with lighting upgrades, equipment optimization and solar, saving EnerSys an estimated \$17k (USD) annually. [Read more about our Newport, UK plant.](#)



TOTAL SCOPE 1 & 2 GHG EMISSIONS (TONS) PER MILLION USD REVENUE*



SCOPE 1 GHG EMISSIONS (THOUSAND TONS)*



“CO2 is a leading indicator for operational performance and cost. Lower emissions equals higher operational efficiency, and ultimately lower costs.”

Sean Hendrix
VP Lithium Technology

* Please note: Our reported numbers have been updated to reflect more complete and accurate data than disclosed in prior years.

Supply Chain GHG Reduction Commitment with FRET 21

EnerSys joined an innovative French initiative called FRET 21, which is working to encourage companies to better integrate the impact of transport into their sustainable development strategy. Over 300 companies have signed this voluntary pledge to reduce transport emissions. EnerSys has committed to reducing the GHG emissions of its French supply chain operations by 12.5% by 2025 with a 2022 baseline as part of the initiative. [Read more here.](#)



In 2023 EnerSys took the next step in our sustainability journey by quantifying Scope 3 emissions associated with our upstream and downstream activities, establishing 2022 as the baseline year. Scope 3 GHG emissions account for the footprint from activities associated with our business, but over which we don't have direct control, such as sourcing materials, product shipping, business travel, employee commute, and the emissions associated

with the use of our products – which vary greatly depending on how clean the electricity is where a battery gets used. Like many manufacturing companies, Scope 3 emissions far surpass our direct Scope 1 and Scope 2 emissions. Between 2022 and 2023 our total Scope 3 emissions decreased by 2.5%. Over the next few years, we will continue to explore strategic and cost-effective ways to reduce emissions throughout our supply chain.



2023 TCFD REPORT WITH QUANTITATIVE CLIMATE SCENARIO ANALYSIS

In January 2024, EnerSys published its second Task Force on Climate-related Financial Disclosures (TCFD) report, building on our first set of climate risk disclosures and adding quantitative climate scenario analysis. [Read more about this report here.](#)

* Please note: Our reported numbers have been updated to reflect more complete and accurate data than disclosed in prior years.

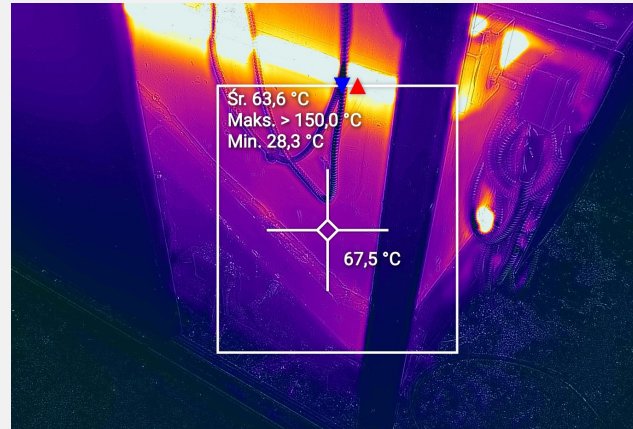
ENERGY¹²

While energy is a fundamental input for our products, we are constantly evaluating ways to make our operations more efficient and reduce our energy usage. By maximizing the efficiency of our operations, we not only reduce our environmental footprint but also enhance our bottom line. We prioritize energy-efficient technologies and processes throughout our manufacturing facilities and supply chain, continually seeking innovative solutions to minimize energy consumption.

SPOTLIGHT

New Technologies Improve Energy Efficiency in Bielsko, Poland¹³

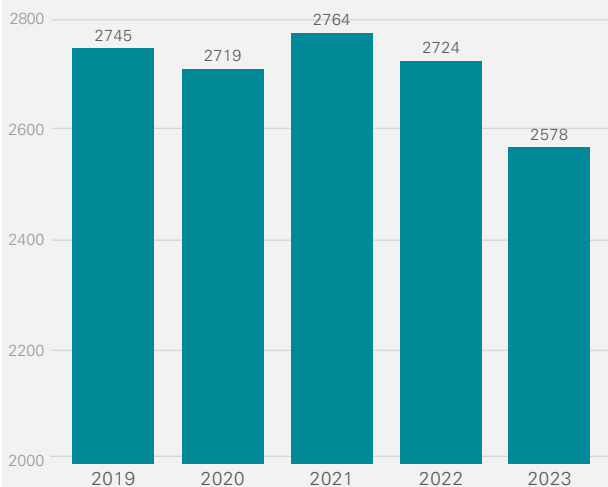
The EnerSys Bielsko-Biala factory is one of Europe's largest traction battery plants producing over 2.2 million 2V cells per year for the European, Asian and Australian markets. Capitalizing on the emergence of new technologies, the operations team in Bielsko-Biala upgraded the insulation in lead pots in the manufacturing process, saving the factory an estimated 367 megawatt hours (MWh) per year. The savings from this efficiency upgrade is roughly equivalent to running an average American home for over 36 years. Teams across all EnerSys facilities are consistently looking to make improvements and find efficiency opportunities. [Read more here.](#)



Thermal camera captures and measures heat loss reductions after insulation replacement.

03

ANNUAL ENERGY CONSUMPTION (THOUSAND GJ)*



2030 ENERGY GOAL & PROGRESS

We are committed to reducing our energy intensity per kWh produced by 25% by 2030 compared to 2020. **

We have achieved a 15% improvement since 2020.



**Per U.S. Department of Energy guidelines, this goal is focused on 5 U.S. plants: Richmond, Warrensburg, Hays, Springfield 1 and Springfield 2. It does not include all EnerSys sites.

* Please note: Our reported numbers have been updated to reflect more complete and accurate data than disclosed in prior years.

¹² GRI 302-1 Energy consumption within the organization, GRI 302-4 Reduction of energy consumption

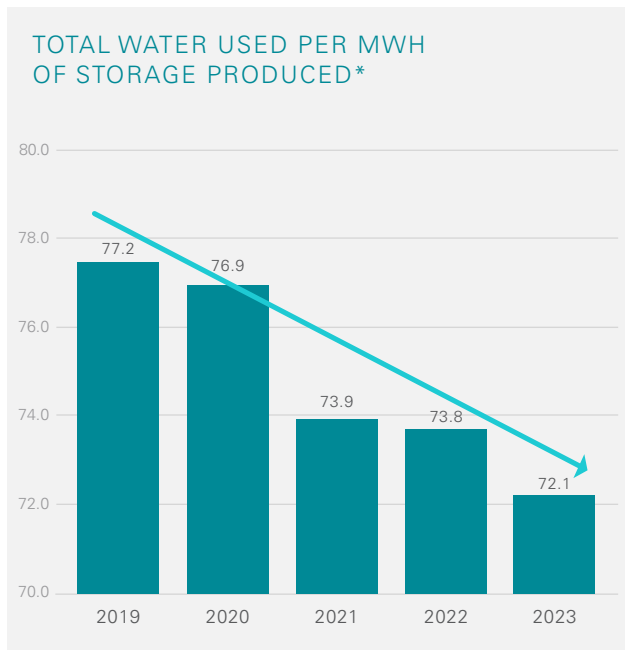
¹³ GRI 302-5 Reductions of products and services

WATER¹⁴

Water is a vital resource to all life, and EnerSys is committed to being a good water steward everywhere we do business. Water plays a crucial role in our manufacturing operations and is used for multiple processes, including preparing electrolytes, plate manufacturing, battery formation and washing finished production equipment and manufacturing areas. It is imperative that we drive efficiency in our operations, reduce our freshwater usage and reuse water wherever possible to minimize our impact on the environment.

In 2023, we continued to monitor and disclose the quantity of water withdrawn from our manufacturing facilities. In 2023, our operations utilized 892 megaliters, marking an absolute reduction of 9.7% from 2022. We prioritize using recycled water over fresh water whenever feasible, with our recycled water usage

at 12% in 2023. Furthermore, we are committed to minimizing wastewater discharge from our operations, and we consistently maintain chemical and total dissolved solids levels well below regulatory requirements.



2030 WATER GOAL & PROGRESS

We are committed to reducing our water intensity per kWh of storage produced by 25% by 2030.

We have achieved a 6% improvement since 2020.

* Please note: Our reported numbers have been updated to reflect more complete and accurate data than disclosed in prior years.

¹⁴ GRI 303-1 Interactions with water as a shared resource, GRI 303-3 Water withdrawal, GRI 303-4 Water discharge, GRI 303-5 Water consumption

Tijuana Mexico Plant

As part of our commitment to the UN CEO Water Mandate, EnerSys is engaging in water reduction and reuse projects in water-stressed regions, like in Tijuana, and we are logging our progress in the UNGC's [Water Action Hub](#). Tijuana is a state where water resources are often strained as water shutoffs are increasingly common and key reservoirs are nearing all-time lows.¹⁵ The team in Tijuana implemented a water reuse project at the plant which is estimated to have reduced the plant's city water usage by about 4,400 gallons of water per day. That's enough water to provide more than 5,200 people with the recommended amount of daily drinking water, 3.2 Liters per day. [Read more here](#).



"This is an important and impactful initiative in a water-stressed state like Tijuana. We're taking necessary actions to address water scarcity in the communities we operate in and make progress towards our company-wide water intensity goal."

German Fernandez
Environmental Health and Safety Manager, Tijuana Plant

¹⁵ In Mexico's dry north, Colorado River adds to uncertainty ([sltrib.com](#))

WASTE¹⁶

As a global leader in manufacturing energy storage and energy systems, we have an obligation to manage and reduce the waste materials we produce responsibly. Non-hazardous and hazardous waste must be handled carefully across our products' value chain to promote safe operations and protect human health and the environment. This focus on reducing and eliminating waste also makes good business sense, as it allows us to identify opportunities for reusing products and reducing waste disposal costs.

Waste generation, handling and disposal are managed at the facility levels based on the type of operation and applicable regulatory requirements. We track all waste materials with the documentation required by regulation to appropriately account for our impact. Where appropriate, we employ expert third-party contractors to manage our waste responsibly.

In 2023, we began the process of performing waste characterization analysis at a select number of facilities. This analysis will allow us to better understand the waste we produce and how it is managed. We will set a waste reduction target when these studies are complete and we have sufficient data to set an appropriate and achievable target.

SPOTLIGHT

Plants use EOS (Energy Operating System) to Reduce Waste

In our Brazil factory, wooden boxes used to transport larger batteries were swapped for wooden crates, which use **32% less wood and are 26% less expensive to produce**. This lighter weight has reduced shipping costs and lowered the firm's carbon footprint.

"EOS is a process that has helped create a culture of efficiency throughout the entire company," said Clovis Tanganelli, plant manager of Guarulhos, São Paulo, Brazil. "When employees feel empowered to suggest and implement changes, there are endless opportunities to seize." [See details here.](#)

The EOS process has also led to additional waste reduction projects, such as a cardboard reuse initiative in [Richmond](#), and a packaging reuse project in [Tijuana](#).



¹⁶ GRI 306-1 Waste generation and significant waste-related impacts, GRI 306-2 Management and significant waste-related impacts



LEAD BATTERIES

99% RECYCLING RATE

Lead batteries are the most recycled consumer product in industrialized countries, with a recycling rate of over 99%

95% OF PARTS RECYCLABLE

More than 95% of lead battery parts are recyclable – most frequently back into a lead battery

85% WORLD'S LEAD

More than 85% of the world's lead is used in the production of lead batteries

50% OF LEAD RECYCLED

More than 50% of lead used in the production of new lead products around the world is sourced from recycled lead

75% LESS ENERGY

Recycled lead uses 75% less energy than new lead

END OF USE MANAGEMENT

We do not view end-of-life batteries as waste but as future inputs for our products. Our recycling initiatives aim to recover every single battery we sell and return their materials to the battery supply chain, contributing to the circular economy. EnerSys is committed to providing the resources needed to operate a worldwide recycling collection program. Our program reduces the environmental impact of improper disposal and the need for new raw materials.

Recycling is not just for industrial batteries. We also aim to educate consumers on consumer battery recyclability. Our rechargeable batteries have a [Call2Recycle](#) certification label, showcasing how to safely recycle them at the end of their useful cycle.



BIODIVERSITY

EnerSys recognizes the role of biodiversity,¹⁷ High Conservation Value areas, and critical habitats in maintaining the health of local ecosystems. After a comprehensive analysis, we have concluded that our direct operations have minimal effects on critical habitats or areas with high biodiversity value. Although we have no plans to extend our physical operations into areas of concern, we are committed to thoroughly evaluating the impact of any new construction or projects on biodiversity. We will implement necessary measures to mitigate these impacts and engage with stakeholders throughout the process. Our commitment to safeguarding land and biodiversity is outlined in our [Biodiversity and Critical Habitats Policy](#).



¹⁷ GRI 304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas, GRI 304-2 Significant impacts of activities, products and services on biodiversity.

Social
Our People Our Communities

04

Social: *Our People Our Communities*

Our employees are the cornerstone of our organization. Their unwavering dedication, expertise, and commitment enable us to produce thousands of premium, dependable energy storage products daily. We value each team member and actively promote their personal and professional growth within a supportive and collaborative team environment.

DIVERSITY, EQUITY & INCLUSION¹⁸

At EnerSys, we value our employees' varied talents and ideas. Whether that is identified by their background, culture, perspective or skill set, we strive to foster a workplace where everyone can bring their whole selves to work. Diverse organizations are more successful and diversity is key to our long term success for access to top talent, fostering creative solutions and building strong customer relationships. We believe everyone should be empowered to be their authentic selves at work and are energized by the excitement our employees have for diversity, equity and inclusion (DEI). We are determined to cultivate a DEI journey at EnerSys that is both authentic and sustainable.



TOGETHER, WE ARE COMMITTED TO POWERING AN ORGANIZATION WHERE DEI IS EMBEDDED IN OUR BUSINESS STRATEGY AND WHERE:

- Talented people of all backgrounds are welcome, and differences embraced
- Everyone has an equal opportunity to progress and develop
- Our working environment supports people bringing their whole selves to work and performing at their best

04

DEI GOVERNANCE

Our commitment to DEI extends to all layers of our organization, starting with our Board of Directors and leadership team. Our DEI Steering Committee is comprised of our most senior business and functional leaders, as well as a mix of diverse influential colleagues from around our business. The committee meets semi-annually to remain informed of the needs, progress and impact of our DEI strategies that are centered on four pillars of Commerce, Community, Culture and Talent.

Our dedication to diversity, equity, and inclusion has grown considerably in recent years, driven by the unwavering commitment and passion of our senior

leadership team. This accountability extends beyond just senior leaders to all levels of our organization, who are tasked with shaping the future of our company and implementing our DEI initiatives. Our employees play a critical role in this journey by promoting inclusion, asking questions, and continuously learning and growing in their understanding of diversity and inclusion. Our aim is to foster a genuine and sustainable DEI culture at EnerSys.

In our 2021 report, we recorded aspirational targets aimed at fostering an inclusive and diverse workplace.

¹⁸ GRI 405-1 Diversity of governance bodies and employees

FEMALE REPRESENTATION



Improve our female representation at the leadership level from 9% to 20%.*

We continue to trend positively toward our aspirations, increasing to 15% for female representation at the leadership level. We are also focused on ensuring a solid pipeline of gender-diverse talent at all levels of our organization.

*Compared to 2020

MULTICULTURAL TALENT



Improve our multicultural talent representation at the leadership level from 16% to 25% in the U.S. by 2025.*

In 2023 we implemented several measures to attract and retain talent. A diverse employee base is a key part of our success. However, our multicultural talent representation declined by 2%.

EMPLOYER OF CHOICE



Become recognized by at least three global indexes as a leading employer.

In 2023, we achieved additional certifications as a Great Place to Work, totaling 18 country recognitions for the year. Our locations in Poland were awarded a Top Employer certification for 2023-2024. Additionally, EnerSys earned the 2024 Military Friendly Employer Designation for our comprehensive and impactful military initiatives.

EMPLOYEE ENGAGEMENT

We recognize that employee engagement is critical to our success as a business. In 2021 and 2022, we measured employee engagement with the Net Promoter Score,¹⁹ with 45% employee participation and a score of +4 in 2021 and then increased participation to 51% with a score of +14 in 2022. In 2023, EnerSys implemented a new survey platform using the Great Place to Work® Trust Index Model to survey our entire employee population. Employees were given a platform to voice their opinions, concerns, and suggestions, empowering them to actively participate in shaping the company's culture and practices.

Our first-year survey results showed a 65% participation rate and 66% positive feedback, with high scores in Justice and Personal Job satisfaction, but noted opportunities for improvement in Collaboration and Impartiality. These insights have allowed EnerSys leaders to pinpoint improvement areas and strategize for better employee satisfaction and engagement. Consequently, EnerSys is reinforcing

its status as an employer of choice, dedicated to fostering a supportive and inclusive workplace where employees feel valued and inspired to excel.

As we continue to emphasize the importance of our employee experience, we anticipate an increase in survey participation rates over time.



SURVEY HIGHLIGHTS

65%

65% of our employees worldwide participated; we will aim for higher participation in future surveys.

66%

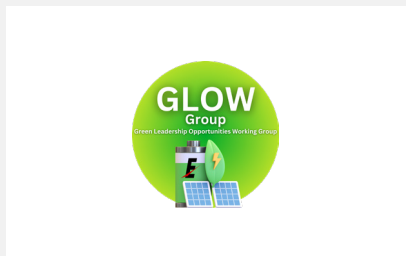
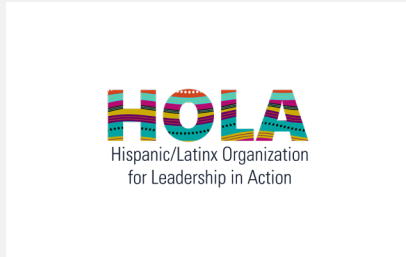
Our scores were positive overall (66% or higher).

¹⁹ An NPS score measures the likelihood that someone would recommend a company, product, or a service to a friend or colleague.

ENERSYS DEI BUSINESS RESOURCE GROUPS

Our Business Resource Groups (BRGs) are voluntary and employee-led. They aim to unite our teams and give employees a voice and a sense of belonging. Each BRG has an executive sponsor that provides guidance, advice and support to group members. We are very proud of our BRGs' success in shaping the culture at EnerSys. These networks all share a similar mission: alignment to our DEI initiatives and fostering a sense of community and belonging.

In 2023, we expanded our commitment to diversity and inclusion by launching three new BRGs — joining our existing Women in Leadership, Hispanic/Latinx Organization for Leadership in Action, and Asian Heritage Associate groups. These BRGs foster cross-collaboration, allowing members to utilize their diverse perspectives to address challenges, exchange best practices, and enact significant change. This initiative enhances our culture, ensuring a workplace where everyone's voice is valued and employees are empowered to excel both professionally and personally.



Black Unity in Leadership Development (BUiLD):

Introduced in early 2023, BUiLD aims to cultivate a community of Black leadership at EnerSys through coaching, development, empowerment, and advocacy. It is vital in promoting inclusivity and equity, supporting our diverse workforce, and organizing cultural awareness events, professional development opportunities, and community engagement.

Green Leadership Opportunities Working Group (GLOW Group):

Focused on advancing the sustainability efforts of EnerSys, the GLOW Group was established to promote environmental awareness, education, and action. This group encourages sustainable practices across the company, spearheading green initiatives and contributing to a culture of environmental responsibility and innovation for a sustainable future.

PRIDE: Launched in late 2023, the PRIDE BRG emphasizes respect, inclusivity, and equity for all, specifically advocating for the LGBTQ+ community and its allies. This group is dedicated to creating a welcoming environment that fosters acceptance and understanding, ensuring every individual is heard and contributing to a more inclusive workforce.

MILITARY VETERANS PROGRAM

EnerSys proudly honors veterans and service members by creating a path to leverage their valuable skills. We participate in the U.S. Department of Defense Skillbridge Program, connecting transitioning service members with civilian work experience through internships, apprenticeships, and industry training. Our commitment to this community extends beyond recruitment. We actively support them through affirmative action efforts and our multinational Military Veteran Ambassador Network, which engages new veteran hires during their first 90 days.



EnerSys is also a proud recipient of the **Military Friendly Employer Award 2024**, which is the standard that measures an organization's commitment, effort and success in creating sustainable and meaningful benefits for the military community.



EnerSys has recently signed the **Armed Forces Covenant**, a pledge ensuring those who serve or have served in the British Armed Forces, and their families, are treated fairly and with respect throughout society.



To further express our gratitude for our service members, we developed our own token of recognition called the **Veterans Salute Coin**. The Veterans Salute Coin recognizes employees currently serving in the military or veterans of military service in any of the global markets we serve.

SAFETY & HEALTH²⁰

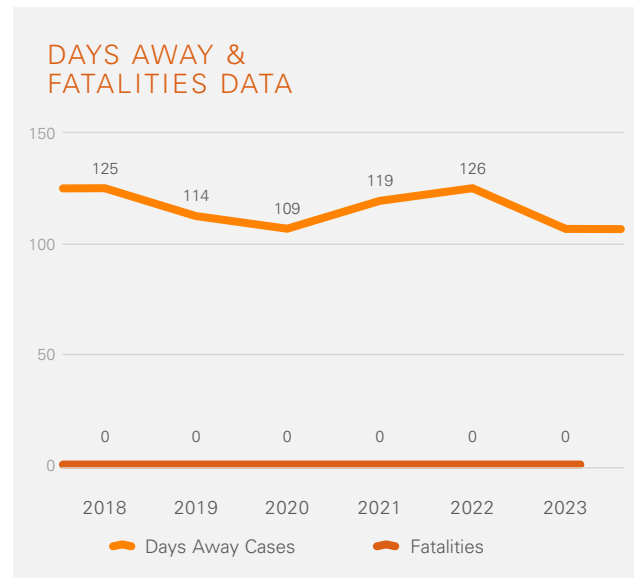
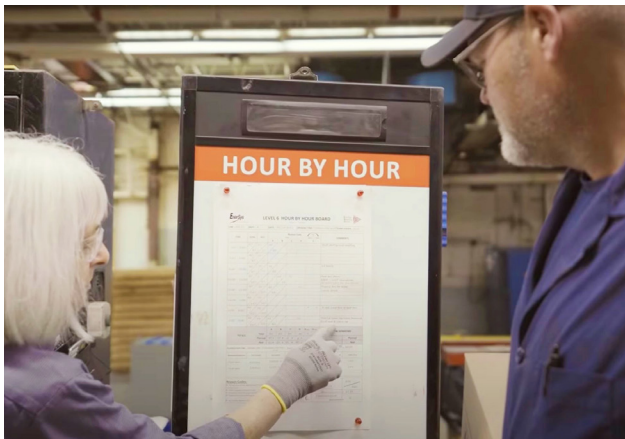
The health of our employees is our highest priority, and our management of safety risks includes efforts to monitor and reduce acute and chronic exposures in the workplace. This involves conducting routine risk assessments, engaging in long-term health studies, ensuring workers have access to necessary personal protective equipment, and exploring alternative materials whenever feasible.

We are dedicated to prioritizing the safety of all our employees by adhering to and often surpassing, relevant safety and health regulations across our organization. Mandatory safety and health training sessions are regularly conducted for all employees, tailored to their specific location and job responsibilities. We provide ample resources to prevent on-the-job injuries and illnesses, conduct frequent safety assessments, implement safeguards for our manufacturing processes, and ensure comprehensive training for all staff members.

Our management team oversees the implementation of all necessary safety measures to safeguard

the well-being of our employees. Each facility is accountable for ensuring the deployment of these measures and collaborates with employees to mitigate risks of injury and illness. Additionally, our corporate Environmental, Health and Safety team offers guidance and support to management in establishing and auditing safety and health initiatives.

Our dedication to protecting our workers is also exhibited through our [Safety and Health Policy](#). In 2023, we reduced our Days Away Cases, despite an increase in the number of total hours worked. We maintained our record of zero fatal injuries as the safety of our people is a paramount consideration.



²⁰ GRI 403-1 Occupational health and safety management system, GRI 403-2 Hazard identification, risk assessment, and incident investigation, GRI 403-3 Occupational health services, GRI 403-4 Worker participation, consultation, and communication on occupational health

TRAINING & DEVELOPMENT²¹

EnerSys prioritizes employee training and development as essential to our success, offering both mandatory health and safety training and a mix of formal and informal learning opportunities. Beyond obligatory courses like Anti-Bribery, Safety, and General Data Protection Regulation, we support continuous development with over 4,000 courses on our internal platform, covering diverse topics in multiple languages, and accessible to all employees. EnerSys employees are assigned compliance, regulatory and safety training, with most courses recurring on an annual, every other year, or every third-year basis. Training is assigned based on position title/category – some courses are specific to the job role. Another key consideration in allocating training is the employee's pay grade. Supervisors and managers typically receive specialized assignments designed to address their managerial duties.

The EnerSys Academy has developed training programs aimed at enhancing leadership skills, fostering a sense of purpose, and building internal relationships among employees. The EnerSys Leadership Program, a comprehensive year-long initiative, offers graduate-level courses, leadership training, an introduction to EnerSys products and processes, and business acumen development. The 2023 cohort of the flagship Leadership Development Program had twenty global participants, maintaining the size of the 2022 group.

In collaboration with the Operations Team, the Global Academy continued the Operations Leadership Development Program, aimed at equipping high-potential manufacturing employees with the skills to progress their careers at EnerSys. The first cohort, comprising eleven employees from Europe, Middle East and Africa and Asia, completed their training and moved on to project work applying their new skills.

Furthermore, the Global Academy expanded its training to manufacturing plants with the Managing for Modern Manufacturing (M3) program in 2023. A train-the-trainer event in Missouri prepared trainers to conduct M3 sessions in Mexico, Poland, the UK, and the USA, with plans to reach more locations in 2024.



EMPLOYEE TRAINING

- Antitrust and Fair Competition Training
- Bribery and Corruption Red Flags Training
- Management Information System / Legal Information Security Breach Training
- Health and Safety
- Code of Business Conduct and Ethics Training
- Discrimination, Diversity and Harassment Training
- Intro to Sustainability Training
- Climate Risk Training

²¹ GRI 404-2 Programs for upgrading employee skills and transition assistance programs

COMMUNITY ENGAGEMENT²³

EnerSys understands we are part of a global community wherever we do business. Our commitment to being good neighbors and nurturing local relationships is at the heart of our culture and sustainability ethos. We empower our employees to contribute to their communities through volunteerism, further reinforcing our dedication to making a positive impact beyond our business operations.

Engaging stakeholders, including indigenous peoples and those from other at-risk populations, is a foundational element of our respect for human rights. Where practical, we are committed to dialogue and our goal is to listen, learn and consider the diverse views and local issues that affect the

communities in which we operate. This includes a commitment to free, prior and informed consent with regard to indigenous peoples' inherent and prior rights to their lands and resources, as defined and recognized by the United Nations Department of Economic and Social Affairs.

SPOTLIGHT

United Way & Big Brothers Big Sisters

EnerSys proudly supports the United Way of Berks County, and at the start of 2024 received the Top Ten Company award, recognizing our steadfast commitment to United Way's mission to inspire collaboration, volunteerism and financial support to build a stronger community.

In 2023, EnerSys continued its partnership with Big Brothers Big Sisters (BBBS) through their SMART program, which stands for "Students & Mentors Achieving Results Together." The SMART program is the BBBS school-based program at Glenside Elementary, which matches EnerSys employee mentors with children to help with schoolwork and do fun activities that enhance self-esteem, socialization skills, and more.

Additionally, with EnerSys support in these programs, BBBS is able to bring needed resources to six different school districts in Berks County. [Read more about this program here.](#)



"It's incredibly meaningful and important to me to work for a company that gives back to the communities where we operate."

Joe Lewis
Chief Legal and Compliance Officer

04

²² GRI 413-1 Operations with local community engagement, impact assessments, and development programs

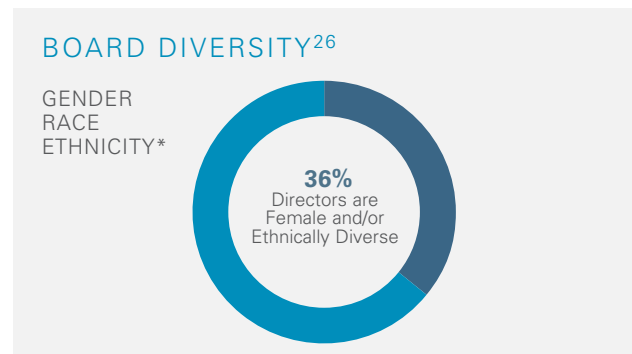
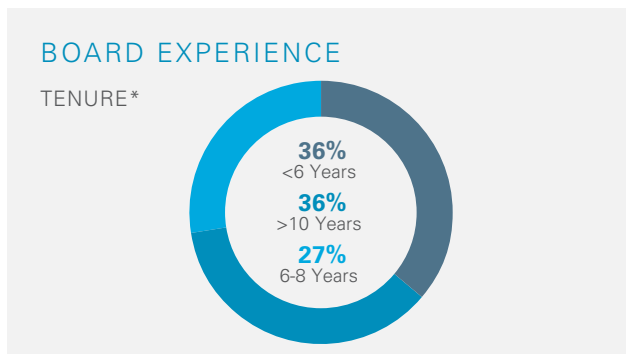
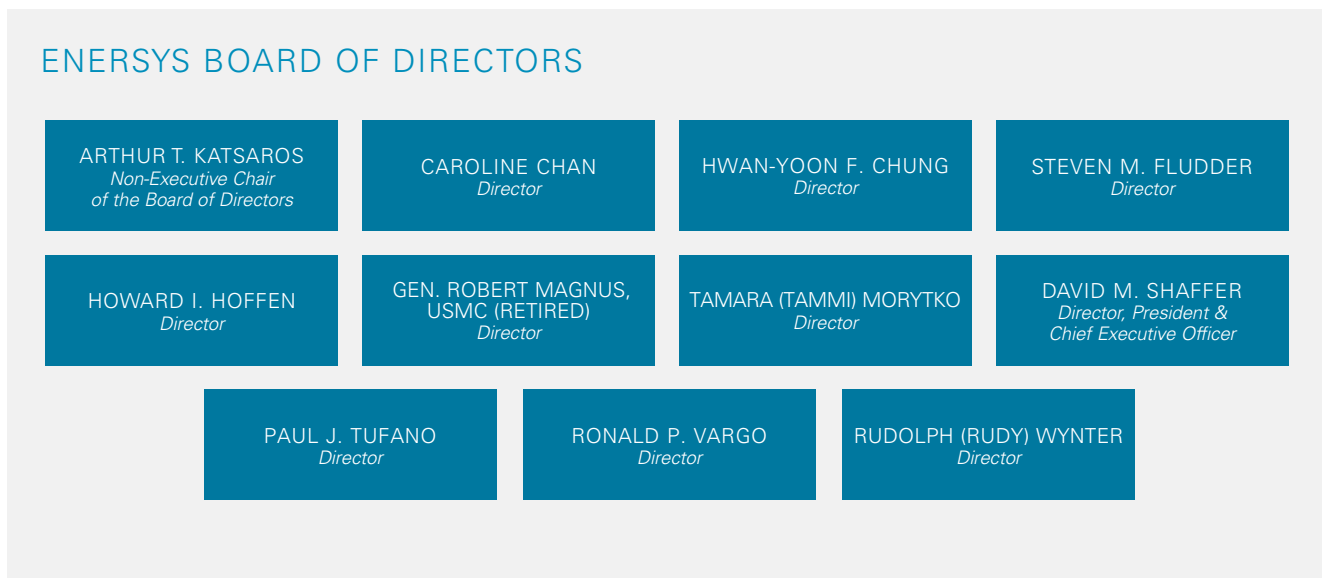
Governance
Leadership

05

Governance: *Leadership*

EnerSys has been a leader in manufacturing energy storage and energy systems for over 100 years. Our reputation for building reliable products and solutions is rooted in our strong corporate governance. Board members are selected based on their integrity and character, sound and independent judgment, breadth of experience, business acumen, leadership skills, scientific or technology expertise, familiarity with issues affecting global business in diverse industries, and diversity of backgrounds and experience.

Our Board of Directors (Board) oversees EnerSys company performance at the highest level. All directors except for our President and Chief Executive Officers (CEO) are deemed independent, and an independent non-executive serves as the Chair of the Board. The Corporate Governance Guidelines serve as an important framework for EnerSys and its Board and are designed to assist the Board in carrying out its responsibilities effectively.

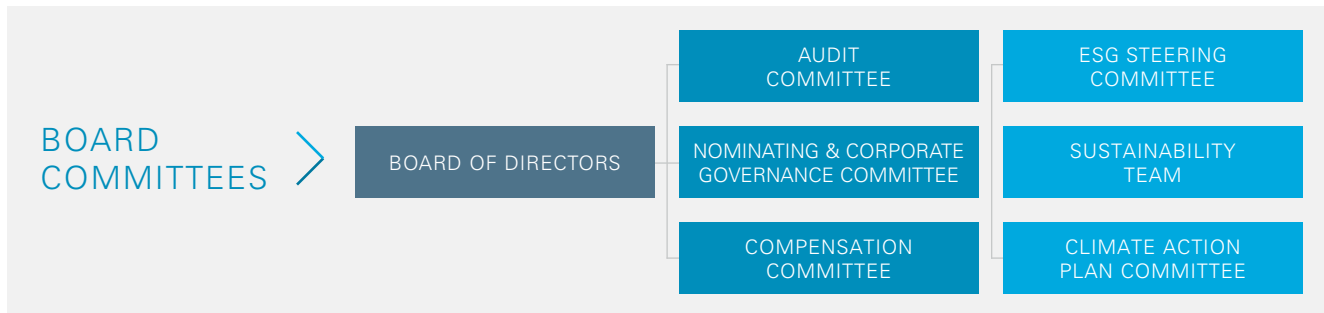


* Data sourced from 2023 Proxy Statement (filed June, 2023) with adjustments for 2023 appointments

²³ GRI 2-9 Governance structure and composition
²⁴ GRI 2-10 Nomination and selection of the highest governance body
²⁵ GRI 2-11 Chair of the highest governance body
²⁶ GRI 405-1 Diversity of governance bodies and employees

SUSTAINABILITY OVERSIGHT²⁷

At EnerSys, sustainability is paramount, beginning with our top leadership. Our Board, under the guidance of our CEO, oversees our comprehensive sustainability program. Every quarter, the full Board assesses sustainability issues, demonstrating our ongoing commitment to environmental stewardship and corporate responsibility. Three committees of the EnerSys Board support this management function – Audit, Compensation, and Nominating and Corporate Governance. All are governed by committee charters, which outline duties and responsibilities.



Through Board committees, the EnerSys Board communicates and monitors policy compliance. These policies include sustainability, conflict minerals, environmental responsibility and engagement,

employee and supplier diversity, anti-slavery and human trafficking, battery recycling programs, and environmental and sustainability issues related to the production and life cycle of our products.

BOARD COMMITTEE	AUDIT COMMITTEE	NOMINATING & CORPORATE GOVERNANCE COMMITTEE	COMPENSATION COMMITTEE
Environmental, Social and Governance Responsibilities	Risks related to: <ul style="list-style-type: none"> • Climate • Legal • Ethics • Compliance • Environmental • Health & Safety • Cyber Security 	Oversees ESG Sustainability strategy, initiatives and policies. Reviews DEI efforts and human capital management.	<ul style="list-style-type: none"> • Compensation • Management succession • Talent development • Diversity, Equity & Inclusion efforts

²⁷ GRI 2-12 Role of the highest governance body in overseeing the management of impacts

We have developed supplemental committees dedicated to bolstering our company’s commitment to sustainability²⁸. In conjunction with the EnerSys sustainability department, these committees play a vital role in fostering a culture of environmental responsibility,

social awareness, and ethical business practices within our organization. The collaborative efforts of these committees, working in tandem with the sustainability department, create a powerful synergy that supports and enhances our company’s sustainability goals.

ESG OVERSIGHT	ESG STEERING COMMITTEE	SUSTAINABILITY TEAM	CLIMATE ACTION PLAN COMMITTEE
Engagement	Senior management and subject matter experts	Sustainability professionals and partnerships with consultants	Senior management and subject matter experts
ESG Responsibilities	Risks related to: <ul style="list-style-type: none"> • Climate • Legal • Ethics • Compliance • Environmental • Health & Safety • Cyber Security 	<ul style="list-style-type: none"> • Climate change management • Product sustainability Sustainable operations: <ul style="list-style-type: none"> • Supply chain management • Workforce health and safety • Diversity, equity, inclusion • Community engagement 	Develops the plan to achieve our publicly announced climate goals

RISK OVERSIGHT

Our risk management program is crucial for our ongoing business success. It is structured to incorporate the identification, assessment and management of risks across EnerSys, involving input from every business unit and function. EnerSys also has an Executive Risk Management Committee composed of senior managers across the organization – including the sustainability lead – that meets quarterly to identify significant risks, facilitate information sharing and coordinate mitigation efforts for all types of risks. Material risks identified and prioritized by management and the risk committee are reported regularly to the Audit Committee.

Each prioritized risk is referred to the appropriate committee of the Board or the full Board for oversight. The Board members routinely assess information pertaining to our credit, liquidity, market dynamics, legal and regulatory landscape, sustainability initiatives, compliance measures, operational efficiency,

technology and cybersecurity risks, and the strategic and financial implications associated with each aspect. For more information on our risk management and risk factors, please refer to our [Annual Report on Form 10-K](#) and the European Sustainability Reporting Standard (ESRS) Governance Section in this report.

²⁸ GRI 2-13 Delegation of responsibility for managing impacts

BUSINESS ETHICS²⁹

EnerSys has long upheld the belief that business should be conducted consistent with the highest standards of corporate governance and ethical behavior. This belief governs our interaction with our customers, suppliers, employees and investors. The EnerSys Code of Business Conduct and Ethics (Code of Conduct) serves as the guide to carrying out business with the highest integrity and ethical standards and in compliance with all international, national and local laws.

The EnerSys Code of Conduct is the cornerstone for guiding our daily actions and applies universally to all EnerSys employees, officers and directors across the globe. Within its provisions lie essential policies that establish a robust framework for ethical conduct, particularly pertinent to our ESG endeavors.

By adhering to the principles outlined in our Code of Conduct, we demonstrate our unwavering commitment to ethical conduct and responsible business practices, thus contributing to the long-term sustainability and success of our organization.

CODE OF CONDUCT			
<p>WORKPLACE SAFETY</p> <p>Ensuring the well-being and security of our employees in all operational environments.</p>	<p>DIVERSITY, EQUITY & INCLUSION</p> <p>Promoting a workplace culture that values and embraces diversity, equity and inclusion.</p>	<p>ENVIRONMENTAL SUSTAINABILITY</p> <p>Committing to responsible environmental stewardship and sustainable practices.</p>	<p>REPORTING & COMPLIANCE PROCEDURES</p> <p>Establishing clear channels for reporting unethical behavior and ensuring adherence to all applicable laws and regulations.</p>
<p>ACCURATE BOOKS & RECORDS</p> <p>Upholding integrity and transparency in financial reporting and record-keeping practices.</p>	<p>ANTI-BRIBERY & ANTI-CORRUPTION</p> <p>Prohibiting any form of bribery, corruption or unethical influence in business dealings.</p>	<p>HUMAN RIGHTS & FAIR LABOR</p> <p>Respecting and upholding the fundamental rights and dignity of all individuals within our sphere of influence.</p>	

²⁹ GRI 2-27 Compliance with laws and regulations

SUPPLY CHAIN MANAGEMENT³⁰

As one of the leading manufacturers of energy storage and energy systems, we work with more than seven thousand active suppliers to procure the necessary materials and services required to build our products. Our relationships with our suppliers are crucial to the long-term success of our organization. During the initial evaluation phase and on an ongoing basis, we consider suppliers' sustainability records and goals when evaluating supplier relationships. Our suppliers must align with our Code of Conduct and relevant Policies, including commitments to our suppliers' environmental stewardship, workplace labor rights and diversity. It is our policy to provide minority and woman-owned business enterprises an equal opportunity to participate in all aspects of our supplier contractual opportunities. In 2023, we issued our first supplier sustainability survey to begin the process of engaging our supply chain partners in better understanding sustainability risks and opportunities.

CONFLICT MINERALS

Section 1502 of the Dodd-Frank Act requires U.S. publicly traded companies to assess their supply chain and report on products where tin, gold, tantalum or tungsten are necessary to the functionality or production of a product that they manufacture or contract to be manufactured. EnerSys publicly reports our findings regarding conflict minerals. [Click here](#) to view our official statement filed with the U.S. Securities and Exchange Commission.

To supplement our upstream program, we also take part in a [Responsible Minerals Initiative](#) program which EnerSys encourages non-RMAP conformant smelters to obtain audit certification.

COBALT

To ensure that our supply chain for cobalt and mica is operating in compliance with environmental and human rights best practices, we continually examine our upstream channels to be sure our suppliers are in line with the [Organisation for Economic Co-operation and Development Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas](#).

³⁰ GRI 414-1 New suppliers that were screened using social criteria

³¹ Gulley, Andrew L. China, the Democratic Republic of the Congo, and artisanal cobalt mining from 2000 through 2020. USGS Publications Warehouse. June 20, 2023. Sourced on Feb 17, 2024.

DIVERSE SUPPLIER COMMITMENT

EnerSys has provided minority and woman-owned business enterprises (MWBE) an equal opportunity to participate in all aspects of our business. Our focus on DEI and commerce helps foster diversity, equity, and inclusion into its supply chain for partnership with new diverse and small business suppliers. Since 2021, EnerSys has attributed over \$730M to small and diverse businesses through our Supplier Diversity Program (U.S.).

EnerSys was ranked in the Top 10 Military Friendly® Supplier Diversity Programs in the \$1B-\$5B category. Military Friendly® is the standard that measures an organization's commitment, effort, and success in creating sustainable and meaningful benefits for the military community.

Not only are we continuing to increase the value of our small and diverse supplier portfolio, we are fostering ongoing collaboration and capacity building with existing diverse suppliers – helping to bring their valuable perspectives to benefit our customers, our communities, and company.

SPOTLIGHT

Warm Springs Consulting LLC

To support our sustainability initiatives, we engaged Warm Springs Consulting (WSC), a sustainability consulting firm headquartered in Boise, Idaho. WSC is a woman-owned Disadvantaged Business Enterprise and certified B Corp with deep expertise in sustainability and ESG for the mining and minerals industry and decades of experience in government and decarbonization work. WSC's innovative interdisciplinary team of scientists, engineers, economists,

and legal experts has been supporting our sustainability team with several key sustainability initiatives, including our 2022 and 2023 value chain (Scope 3) greenhouse gas inventories, our 2023 TCFD Report with climate scenario analysis, this 2023 Sustainability Report with ESRS compliance, our product avoided emissions calculations as well as our waste analysis and goals setting.



European Sustainability
Reporting Standards *(ESRS)*

ESRS General Sustainability Disclosures

1.1 ESRS 2 BASIS FOR PREPARATION (BP)

ESRS 2 BP-1: BASIS FOR PREPARATION OF THE SUSTAINABILITY STATEMENTS

- 3-5(a-b) The sustainability statements in this document have been prepared as a consolidated document. All subsidiaries are included in the consolidated annual sustainability reporting.
- 5(c) EnerSys reports sustainability information according to a calendar year schedule and financial statements are on an April 1-March 31 Fiscal year. Over the coming year, EnerSys will begin reporting sustainability disclosures aligned with the fiscal calendar.
- 5(e) EnerSys reports sustainability information related to the entire upstream and downstream value chain.

ESRS 2 BP-2: DISCLOSURE IN RELATION TO SPECIFIC CIRCUMSTANCES

Disclosure Time Frames

	TIME HORIZON	TIME FRAME	REASON
9(a)	Short-term	1-2 years	Acute next fiscal cycle impacts
	Medium-term	3-5 years	Typical financial evaluation modeling
	Long-term	More than 5 years	Part of long-term strategy and thinking

- 11(a-b) **Estimations & Outcome Uncertainty:** For some EnerSys data, such as facilities, estimations of electric, gas, district heat, and water usage were used. These values are only estimated when actual natural gas, water, district heat, and electricity use data are unavailable, often for small office sites. Estimates comprise approximately <3% of water and gas district heat and electric usage. Estimates of electricity use, natural gas use, and district heat use were made using data from the 2018 Commercial Buildings Energy Consumption Survey provided by the Energy Information Administration (EIA).

Water use estimations were made using data from the 2012 Commercial Buildings Energy Consumption Survey provided by the EIA. All greenhouse gas (GHG) estimations were made in alignment with the GHG protocol and ISO 14000.
- 12(a-c) **Changes to Data:** Minor changes in our historical data are related to a change in reporting systems. The new system allows for calculations with the most recent emissions factors, which accounts for the changes in our historical data.
- 13(a-c) We also included historical data previously unreported, such as our European maintenance fleet fuel usage.

1.2. ESRS 2 GOVERNANCE (GOV)

ESRS 2 GOV-1: THE ROLE OF THE ADMINISTRATIVE, SUPERVISORY AND MANAGEMENT BODIES

- 19(a) Defining “executive” as our L0 and L1 or Chief Executive Officer (CEO) and his direct reports – 100% white, 83.33% male (2 of 12 female).
- 19(c) Our directors and director nominees collectively possess the expertise, leadership skills, and diversity of experiences and backgrounds to oversee the execution of the company’s growth strategy and protect long-term stockholder value, which qualifications are summarized in Table ESRS 2 GOV-1.1 below. More detailed information, including the experience relevant to our operations’ sectors, products, and geographic locations, can be found under each director and director nominees’ respective biographies in our [2023 Proxy Statement](#).

ESRS 2 GOV-1.1 Summary of Board Expertise

NAME	Executive Leadership	Character / Integrity	Industry / Manufacturing	Scientific / Technology	Global / International	Accounting / Financial	Environmental
Arthur T. Katsaros	x	x	x		x		x
Caroline Chan	x	x		x			
Hwan-yoon F. Chung	x	x	x		x	x	x
Steven M. Fludder	x	x	x	x	x	x	x
Howard I. Hoffen	x	x				x	
Gen. Robert Magnus	x	x	x		x		x
Tamara Morytko	x	x	x		x	x	
David M. Shaffer	x	x	x	x	x		
Paul J. Tufano	x	x	x	x	x	x	
Ronald P. Vargo	x	x	x	x	x	x	
Rudolph Wynter	x	x	x		x	x	x

ESRS 2 GOV-1.2 Paragraph 19(d) Board Diversity

BOARD DIVERSITY MATRIX	# FEMALE	# MALE
Gender Identity	18%	82%
Demographic Background		
African American or Black	0%	9%
Alaskan Native or American Indian	0%	0%
Asian	9%	9%
Hispanic or Latinx	0%	0%
Native Hawaiian or Pacific Islander	0%	0%
White	9%	64%
Two or More Races or Ethnicities	0%	0%
LGBTQ+	0%	

19(d) The diversity of the Board of Directors (Board) as represented through an average ratio of female to male board members is 2:9.

19(c) Our Board is 91% independent.

20(a) The Committees and individuals below are responsible for oversight of impacts, risks and opportunities associated with EnerSys operations.

ESRS 2 GOV-1.2 Paragraph 20(a)

AUDIT COMMITTEE	COMPENSATION COMMITTEE	NOMINATING & CORPORATE GOVERNANCE COMMITTEE	TECHNOLOGY ADVISORY COMMITTEE
Steven M. Fludder	Caroline Chan	Caroline Chan	Caroline Chan
Tamara Morytko	Gen. Robert Magnus	Steven M. Fludder	Steven M. Fludder
Paul J. Tufano	Paul Tufano (Chair)	Howard I. Hoffen	David M. Shaffer
Ronald P. Vargo (Chair)	Ronald P. Vargo	Gen. Robert Magnus	Rudolph Wynter
Rudolph Wynter		Rudolph Wynter (Chair)	

20(b) The Audit Committee, Compensation Committee, and Nominating and Corporate Governance Committee (NCGC) each adhere to a written charter approved by the Board. These charters delineate the duties and responsibilities of each Committee, clarifying the areas of impact, risks, and opportunities for which they are accountable.

20(c) The Board oversees various risks potentially affecting EnerSys both directly and indirectly through its independent Committees (Audit, Compensation, and NCGC). EnerSys has a risk management program that, among other things, is designed to identify risks across EnerSys with input from each business unit and function.

The Executive Risk Management Committee is composed of senior managers across the organization and meets quarterly to identify significant risks, coordinate information sharing, and coordinate mitigation efforts for all types of risk. Management personnel from all EnerSys business units and functions have input into our enterprise risk management program and are responsible for identifying and prioritizing risks.

Material risks are identified and prioritized by management and its Risk Committee, which reports to the Audit Committee, and each prioritized risk is referred to the appropriate Committee of the Board or the full Board for oversight.

ESRS 2 GOV-1.3 Paragraph 20(c)

PARTIES RESPONSIBLE FOR OVERSIGHT	KEY LEADERSHIP
ESG Steering Committee	CEO
Executive Risk Management Committee	Chief Legal and Compliance Officer
Sustainability Department	Senior Director of Sustainability

On a minimum of a quarterly basis, information regarding risks, including climate-related risks, flows from Senior Management to the Board as follows:

ESRS 2 GOV-1.4 Paragraph 20(c)

BOARD OF DIRECTORS	AUDIT COMMITTEE	ESG STEERING COMMITTEE
	NOMINATING & CORPORATE GOVERNANCE COMMITTEE	EXECUTIVE RISK MANAGEMENT COMMITTEE
Strategic decision and policy	Reviewing and discussing policies with respect to risk assessment and risk management	Employee feedback Location based assessment of risk Materiality of risk

20(d) Robust sustainability disclosure and targets are essential for ensuring accountability and maintaining and reinforcing our corporate reputation.

Each quarter throughout the year, the Board and each Committee spend a portion of their time reviewing and discussing specific risk topics. The Board is kept informed of each Committee's risk oversight and related activities through regular attendance by all directors at all Committee meetings. Strategic, operational and competitive risks also are presented and discussed at the Board's quarterly meetings and more often as needed.

On at least an annual basis, the Board reviews our long-term strategic plans and members of senior management report on our top risks and the steps management has taken or will take to mitigate these risks. At each quarterly meeting, or more often as necessary, our senior management team and the CEO provide written and/or oral reports to the Board on the critical issues we face, and each officer reports on recent developments in their respective reporting area. These reports include a discussion of business risks as well as a discussion regarding enterprise risk. In addition, at each quarterly meeting, or more often as necessary, the Chief Legal & Compliance Officer and Secretary (CLO) updates the Board on material legal, risk, regulatory and sustainability matters.

This governance structure ensures that targets related to material impacts, risks, and opportunities are carefully considered, monitored, and adjusted as needed to drive progress and uphold accountability.

21(a) Our ESG Steering Committee (ESG Committee) consists of senior management and subject matter experts (SMEs) and meets quarterly. We also maintain a talented sustainability team, which leads our significant efforts concerning climate change management, product sustainability, operations, supply chain management, workforce health and safety, diversity, equity, inclusion, and community engagement.

The EnerSys Sustainability Department leads our significant efforts concerning important topics such as climate change management, product sustainability, operations, and supply chain management.

The Sustainability team reports quarterly to the ESG Committee which consists of the CEO, Chief Financial Officer, other C-Suite members, as well as subject matter experts (SMEs). The ESG Committee reports to the NCGC, which is responsible for environmental, social and governance (ESG) issues.

- 21(b) The Board, including our CEO, oversees the administration of our sustainability program and considers sustainability issues quarterly. The NCGC has specific responsibilities to assist the Board in fulfilling its oversight responsibilities relating to the company's policies and practices regarding sustainability matters – including climate change – that are significant to the company.

The Audit Committee and the entire Board are also directly engaged with ESG risk areas through our comprehensive enterprise risk management program. The Board and our CEO administer our ESG program, through which EnerSys communicates and monitors our information regarding compliance with our various policies, including those for climate change.

The Corporate Risk Committee meets quarterly and assesses all material risk to the company, including short, medium and long-term climate risk.

ESRS 2 GOV-1: G1 THE ROLE OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

- 5(a) All team members adhere to and promote the highest ethical principles through honest, fair and transparent behavior. We demonstrate our integrity daily by being personally accountable for our actions. Complying with all legal and company policies and procedures is non-negotiable. Our leaders promote integrity, trust and respect among team members by encouraging honesty and transparency.
- 5(b) Employees in administrative, management, or supervisory positions possess expertise based on their respective duties. Required expertise is outlined in position descriptions and evaluated throughout the hiring process.

ESRS 2 GOV-2: INFORMATION PROVIDED TO, AND SUSTAINABILITY MATTERS ADDRESSED, BY THE UNDERTAKING'S ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

- 24(a) The Board of Directors (Board), including our Chief Executive Officer (CEO), oversees the administration of our Sustainability Program and considers sustainability issues quarterly. The NCGC has specific responsibilities to assist the Board in fulfilling its oversight responsibilities relating to sustainability. The Audit Committee and the entire Board are also directly engaged with ESG risk areas through our comprehensive enterprise risk management program. The Board and our CEO administer our ESG program by which EnerSys communicates and monitors our information regarding compliance with our various policies, including those for sustainability, conflict minerals, environmental responsibility and engagement, employee and supplier diversity, anti-slavery and human trafficking, battery recycling programs and environment and sustainability issues concerning the production and life cycle of our products.

The Chief Legal & Compliance Officer and Secretary (CLO) of the company reports to the Audit Committee of the Board on legal, ethics and compliance matters, and environmental, health and safety matters at each Audit Committee Meeting.

Our head of sustainability is responsible for the execution of the sustainability strategy, leading the Climate Action Plan and ESG Committees and reporting to the NCGC Committee on at least a quarterly basis.

The Executive Risk Management Committee meets quarterly and assesses all material risk to the company, including short, medium and long-term climate risk.

Our ESG Committee consists of senior management and SMEs and meets quarterly. We also maintain a talented sustainability team, which leads our significant efforts concerning climate change management, product sustainability, operations, supply chain management, workforce health and safety, diversity, equity, inclusion, and community engagement.

In 2022 we established a Climate Action Plan Committee consisting of senior leaders and subject-matter experts from across the company to develop the plan to achieve our publicly announced climate goals. The Climate Action Plan Committee meets on an ongoing basis and provides quarterly updates to the ESG Committee and NCGC.

- 24(b) Material risks identified and prioritized by management and the Risk Committee are reported regularly to the Audit Committee. Each prioritized risk is referred to the appropriate committee of the Board or the full Board for oversight. Members of the Board regularly review information regarding our credit, liquidity, markets, legal, regulatory, sustainability, compliance and operations, including technology and cyber security risk, as well as the strategic and financial considerations associated with each.

ESRS 2 GOV-3: INTEGRATION OF SUSTAINABILITY-RELATED PERFORMANCE IN INCENTIVE SCHEMES

- 12 The company incentive plan includes a goal directly related to GHG emission reduction targets.
- 27(a) The company incentive plan includes a goal directly related to reducing Scope 1 emissions.
- All bonus-eligible employees are impacted. The incentive is based on the intensity of Scope 1 GHG per unit of energy storage produced. While an absolute reduction in emissions may be achieved (as it was in 2022 vs 2021) – and is part of the overall 2040 goal in which we are electrifying processes – this incentive recognizes that not all electrification is immediate and that in the immediate term intensity related efficiencies are also highly beneficial.
- 27(b) The Compensation Committee considers several factors to determine the compensation for executive officers and to ensure that our executive compensation program is achieving its objectives. Executive compensation and incentives are set based on eight categories. Sustainability-related performance is one of these categories, ultimately affecting 10% of compensation.
- 27(c) The Compensation Committee reviews and approves each executive officer’s base pay, bonus, and equity incentive compensation annually, with input and guidance from the Compensation Committee’s independent compensation consultant, Frederic W Cook Company Inc. The Committee consists of at least three directors, all of which are independent, and reports to the Board, ultimately responsible for setting the annual incentive program and determining if all requirements are met.

ESRS 2 GOV-5: RISK MANAGEMENT AND INTERNAL CONTROLS OVER SUSTAINABILITY REPORTING

- 34(a) Our risk management program is designed to identify risks across EnerSys with input from each business unit and function. The initial process for identifying the size and scope of climate risks is integrated into our climate risk reporting process and outlined in the methodology section of this report. Risks are initially assessed through both the timeframe and the materiality threshold.
- Our risk management program is critical to our continued business success and resilience against climate change impacts. Identification, assessment, and management of climate-related risks are built into our risk management program. Our risk management program is designed to identify risks across EnerSys with input from each business unit and function.
- Climate risk determination is made through the lens of potential financial impacts that are material. We take a conservative approach and evaluate all potential risks; only if deemed potentially material do we quantify that risk. Throughout this process, existing and emerging regulatory requirements related to climate change, such as reporting for Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB) and ESRS frameworks, are reviewed and considered to manage risks.
- EnerSys has an Executive Risk Management Committee of senior managers across the organization – including the sustainability lead – that meets quarterly to identify significant risks, coordinate information sharing, and coordinate mitigation efforts for all types of risks. The Board oversees various risks potentially affecting EnerSys directly and indirectly through its independent Committees (Audit, Compensation, and NCGC).
- The Board regularly reviews information regarding our credit, liquidity, markets, legal, regulatory, compliance, and operations, including technology, cybersecurity, sustainability, and diversity, equity and inclusion (DEI), as well as the associated strategic and financial considerations. For more information on our risk management program, please refer to our most recently filed Proxy Statement.
- 34(b) Material risks are identified and prioritized by management and the Risk Committee and reported regularly to the Audit Committee. Each prioritized risk is referred to the appropriate Committee of the Board or the full Board for oversight.
- On at least an annual basis, the Board conducts a review of our long-term strategic plans and members of senior management report on our top risks and the steps management has taken or will take to mitigate these risks. At each quarterly meeting, or more often as necessary, our senior management team, along with the CEO, provide written and/or oral reports to the Board on the critical issues we face, and each officer reports on recent developments in their respective reporting area. These reports include a discussion of business risks as well as a discussion regarding enterprise risk. In addition, at each quarterly meeting, or more often as necessary, the Chief Legal & Compliance Officer and Secretary (CLO) updates the Board on material legal, risk, regulatory and sustainability matters.
- 34(c) The [2023 Task Force on Climate-Related Financial Disclosures \(TCFD\)](#) Report identifies main risks, actual and potential, and their mitigation strategies. Within the document, Appendix A summarizes risks and impact; Appendix B summarizes transition risks and opportunities quantified impacts; and Appendix C summarizes strategic responses.
- 34(d) The Executive Risk Management Committee and the EnerSys sustainability department utilize findings from risk assessments related to sustainability to make recommendations for internal function and process improvement.
- 34(e) The Executive Risk Management Committee meets quarterly to identify significant risks, coordinate information sharing, and coordinate mitigation efforts for all types of risks throughout the global organization.

1.3. ESRS 2 STRATEGY & BUSINESS MODEL (SBM)

ESRS 2 SBM-1: MARKET POSITION, STRATEGY, BUSINESS MODEL(S) AND VALUE CHAIN

- 38(a)i We design, manufacture and distribute energy systems solutions and motive power batteries, specialty batteries, battery chargers, power equipment, battery accessories, and outdoor equipment enclosure solutions to customers worldwide. Our energy storage solutions deliver clean and reliable energy where it is most needed: moving products, grid reliability, telecommunications, medical safety, and helping to solve climate change. Our energy storage and energy systems also enable customers across the globe to meet their energy and carbon emission reduction goals while providing reliable and affordable energy access.
- No significant product groups were introduced or discontinued throughout this reporting year.
- 38(a)iii Full-time employees by region: North, Central, and South America: 6752; Asia–Pacific: 868; Europe, the Middle East, and Africa: 2825
- 38(a)iv As a company committed to sustainability, we ensure that our products and services comply with all relevant regulations and initiatives. None of our products or services are currently subject to bans in any markets.
- 38(e) In 2021, we conducted a materiality analysis and began developing forward-looking sustainability goals. We analyze our operations, governance, customer expectations and supply chain performance to better understand our sustainability impacts and opportunities. Sustainability-related goals specific to products include:
- Reduce energy intensity per kilowatt-hour (kWh) of storage produced by 25% by 2030 compared to 2020.
 - Reduce water intensity per kWh of storage produced by 25% by 2030 compared to 2020.
 - EnerSys GHG emissions targets are net zero for Scope 1 by 2040 and net zero for Scope 2 by 2050.
 - We have yet to set specific targets related to circular economy and waste. We aim to work toward this in 2024 and 2025.
- These goals are company-wide goals and do not apply to a specific customer category, geographic area or stakeholder relationship.
- 38(g) As a forward-thinking company committed to sustainability, our strategy is focused on continuous improvement and innovation to address current and future challenges. Our primary goal is to integrate sustainability principles into every aspect of our operations, from product design to supply chain management and beyond.
- Main challenges ahead:
- Reducing our carbon footprint: We recognize the urgent need to mitigate climate change and are actively working to reduce GHG emissions across our operations.
 - Enhancing resource efficiency: We aim to optimize resource usage and minimize waste generation to promote a circular economy.
 - Ensuring ethical sourcing: We are committed to upholding ethical standards in our supply chain and addressing any potential risks related to human rights, labor practices, and environmental impacts.
- Critical solutions are focused on product innovation. We are developing environmentally friendly products and exploring innovative technologies to minimize environmental impacts throughout the product life cycle.
- 39(a) We design, manufacture, and distribute energy systems solutions and motive power batteries, specialty batteries, battery chargers, power equipment, battery accessories, and outdoor equipment enclosure solutions to customers worldwide.
- Our approach to gathering, developing, and securing inputs involves establishing strong relationships with suppliers while ensuring ethical and environmentally responsible sourcing practices. This includes thorough due diligence, collaboration with suppliers to optimize efficiency and mitigate risks, and promoting responsible mining and labor standards. Investment in research and development drives innovation to reduce reliance on scarce resources, while supply chain transparency and risk management strategies ensure resilience to disruptions. Our continuous improvement efforts aim to optimize performance and drive sustainability across the supply chain.
- 39(b) Customers benefit from access to reliable, sustainable battery products produced through ethical sourcing and advanced technology. Investors can gain confidence through transparent practices, leading to positive returns and increased value. Continuous innovation improves product performance and efficiency. Supply chain management enhances resilience, while optimization efforts drive efficiency and cost reduction, and boost profitability. Ultimately, these initiatives help foster customer satisfaction, investor trust, and stakeholder engagement, positioning the company as a market leader with a competitive edge and positive environmental and social impact.

ESRS 2 SBM-2: INTERESTS AND VIEWS OF STAKEHOLDERS

41-43 (a-d) As a climate tech company, sustainability is core to meeting stakeholder expectations and securing our ability to deliver vital climate technology for decades ahead. The interests of our stakeholders are core to our business strategy and we have multiple mechanisms to both engage and listen to stakeholders, including this report.

EnerSys utilizes a materiality assessment to identify, prioritize, and assess the significance of sustainability issues and opportunities relevant to their operations and stakeholders. The goal of a materiality assessment is to determine which ESG factors have the greatest impact on the organization's ability to create value, manage risks, and meet stakeholder expectations. Results from the materiality assessment are shared with EnerSys leadership and reported in documents such as the annual sustainability report and the 2023 TCFD Report.

Our list of stakeholders is below and detailed on page 20 earlier in this report.

Customers, Vendors and Partners: Our efforts include accurately disclosing our impacts, implementing ongoing measures to mitigate them and positioning EnerSys as a sustainability partner for all with whom we do business.

Investors: To meet the rising demand for corporate climate action includes addressing both short and long-term challenges and opportunities related to climate change and the global shift towards a low-carbon economy.

Regulators: As a New York Stock Exchange (NYSE)- listed company, EnerSys complies with all corresponding requirements of the United States Securities and Exchange Commission (SEC). This 2023 report furthers our efforts through its direction in aligning with the Corporate Sustainability Reporting Directive (CSRD) and ESRS.

Employees & Communities: Employees are also deeply invested in the practices of their employers. Attracting and retaining top talent necessitates aligning with their values and addressing their concerns regarding ESG matters. Similarly, we must extend the same consideration to the families, friends and neighbors within the communities where we operate and reside.

1.4. ESRS 2 IMPACT, RISK & OPPORTUNITY MANAGEMENT (IRO)

ESRS 2 IRO-1: DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

49-50 The process to identify and assess material impacts, risks, and opportunities incorporates a comprehensive approach that considers various factors. We conduct a thorough analysis of our geographical footprint, recognizing that different regions may be exposed to unique environmental, social, and regulatory challenges. This assessment helps us understand the localized impacts of our operations and informs our risk management strategies accordingly. We also evaluate our activities across the value chain, from procurement to production, distribution, and beyond. By examining each stage of our operations, we identify areas where we can mitigate risks, enhance sustainability, and capitalize on opportunities for innovation and efficiency. Additionally, we assess specific transactions and investments to ensure alignment with our sustainability goals and principles.

51(a) As defined by ESRS, "Double Materiality" has two dimensions: impact materiality and financial materiality. A sustainability matter meets the criterion of double materiality if it is material from the impact perspective or the financial perspective or both.

Our materiality assessment process and material topics are described in the Materiality section of this report on Page 2.6. This assessment follows the double materiality framework as defined by ESRS and integrates both internal and external impacts. The methodologies and assumptions applied in the EnerSys materiality assessment process are designed to meet double materiality standards.

51(b) Impact materiality is evaluated based on EnerSys' actual or potential positive or negative impacts on people or the environment over short-, medium-, and long-term time horizons. Internal SMEs identified significant external impacts directly linked to the company's operations, products, and services detailed on Page 2.6. Although external stakeholder interviews were not conducted in 2023, EnerSys plans to engage external stakeholders in future assessments.

52(a) The decision-making process and related internal control procedures at EnerSys are governed by a robust corporate governance structure overseen by the Board. Composed of eleven directors, including ten independent members, and led by a non-executive Chair, the Board provides strategic guidance and oversight at the highest level. The Board operates through three key committees – Audit, Compensation, and NCGC – each responsible for specific areas of governance and oversight. The responsibilities of each committee are as follows in Table ESRS 2 IRO-1 Paragraph 52(a):

AUDIT COMMITTEE	NOMINATING & CORPORATE GOVERNANCE COMMITTEE	COMPENSATION COMMITTEE
<ul style="list-style-type: none"> • Appointing, compensating, and overseeing our independent registered public accounting firm; • Overseeing management’s fulfillment of its responsibilities for financial reporting and internal control over financial reporting; • Overseeing the activities of our internal audit function; • Reviewing and discussing policies and procedures with respect to risk assessment and overall enterprise risk management; and • Reviewing, discussing and overseeing policies relating to our hedging, swaps and other derivative transactions. 	<ul style="list-style-type: none"> • Identifying, reviewing the qualifications of, and recruiting qualified candidates for Board membership; • Reviewing the continuation of each director being considered for re-election; • Considering the contingent resignations of directors who do not receive a majority vote in connection with their respective election and recommend to the Board the action to be taken; • Making recommendations to the Board concerning the structure, composition and function of the Board and its Committees; • Executive succession planning; • Overseeing the company’s ESG, DEI, and sustainability strategies, initiatives, policies and progress; and • Reviewing and assessing the adequacy of the company’s corporate governance documents. 	<ul style="list-style-type: none"> • Reviewing and approving the compensation of our Chief Executive Officer (CEO) and the other Executive Officers; • Reviewing and recommending to the Board the adoption of non-employee director compensation programs; • Administering our equity plan(s) and other certain incentive compensation plans; and in partnership with the Nominating and Corporate Governance Committee (NCGC), overseeing Diversity, Equity and Inclusion (DEI) efforts.

A full list of duties, responsibilities and internal control procedures are outlined within each of the [Committee Charters](#).

While not a Committee of the Board, the Technology Advisory Committee acts as an advisory Committee composed of both members of the Board and senior management concerning matters of technology, research and development in support of the overall business strategy of the company.

Internal control procedures are outlined within Committee charters.

52(c) In alignment with EnerSys’ corporate sustainability strategy, we updated our materiality assessment in 2023 to meet double materiality standards, in which we identify and prioritize material risks and opportunities and potential external impacts. The assessment informs our sustainability reporting and disclosure efforts, ensuring that EnerSys reports on the issues most relevant to stakeholders and the business.

EnerSys designed the 2023 assessment to engage the company’s internal SMEs and delve into ESG sustainability topics that have the most significant bearing on EnerSys operations, stakeholders and the world at large.

ESRS 2 IRO-1: DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

61 The following are summaries of policies referenced throughout this report, including the highest level of management responsible for implementing the policy and, if applicable, which third-party standards or initiatives the policy is aligned with. The listed policies are available on our website [via our sustainability webpage](#).

EnerSys Code of Business Conduct and Ethics:

The [EnerSys Code of Business Conduct and Ethics](#) (Code of Conduct) focuses on areas of ethical risk, providing guidance to help recognize and deal with ethical issues, establish mechanisms to report unethical conduct and help foster the company’s values. The Code of Conduct sets forth legal and ethical standards of conduct for all directors, officers, employees, consultants, vendors, agents and other third parties acting on behalf of EnerSys. This Code of Conduct applies to the company and all of its subsidiaries and other business partners worldwide.

The Code of Conduct describes our core values and commitments. It also includes details for reporting potential violations of our policies and the Code of Conduct. The Code of Conduct is categorized by our commitments to employees, stockholders, customers and products, upholding the law, and our communities.

- **Commitment to employees:** This section outlines our commitments to workplace safety, diversity, equity and inclusion, privacy and data protection, and a harassment-free workplace.
- **Commitment to stockholders:** This section details our proper use of assets, accurate books and record keeping, public reporting and communication standards, conflicts of interest, what is considered confidential information and how to protect it, and guidance on appropriate handling of gifts.
- **Commitment to customers and products:** This section discusses our business ethics and product expectations.
- **Commitment to uphold the law:** This section provides guidance on adhering to laws and regulations regarding anti-bribery and anti-corruption, insider trading, and international trade laws.
- **Commitment to communities:** This section outlines our commitments to environmental sustainability, human rights and fair labor, and ethical political contributions and lobbying.

The final section of the Code of Conduct provides reporting and compliance procedures and contact information for reporting potential violations.

Responsible for Implementation: EnerSys Board of Directors

Relevant third-party standards/initiatives: United Nations (UN) Guiding Principles on Business and Human Rights, aims to be inclusive of all rights outlined in the Universal Declaration of Human Rights to the extent those rights apply to business operations and aims to respect the labor rights enshrined in the International Labor Organization conventions.

EnerSys Corporate Social Responsibility & Human Rights Policy:

The Corporate Social Responsibility & Human Rights Policy outlines our commitment to conducting business in a manner that protects human rights while conserving and sustaining our environment. Our social responsibility extends to all our stakeholders, including employees, customers, shareholders and the communities in which we operate.

Responsible for Implementation: administered and governed by the EnerSys Board and our CEO.

Relevant third-party standards/initiatives: the UN Guiding Principles on Business and Human Rights, which includes an undertaking to respect the human rights reflected in the International Bill of Human Rights, the Universal Declaration of Human Rights and the Declaration on Fundamental Principles and Rights at Work; Organisation for Economic Co-operation and Development Guidelines for Multinational Enterprises; and the UN Sustainable Development Goals, including specific principles aligned with goals 5, 8, and 10, or Gender Equality, Decent Work and Economic Growth, and Reduced Inequalities, respectively.

EnerSys Anti-Slavery & Human Trafficking Statement:

The Anti-Slavery and Human Trafficking Statement is for the most recent fiscal year and applies to EnerSys, its global subsidiaries and suppliers. This Anti-Slavery and Human Trafficking Statement addresses our adherence and expectation of business partners to adhere to all applicable laws, rules and regulations pertaining to issues of slavery and human trafficking, and our commitment to the prohibition of slavery and human trafficking in our supply chain.

Responsible for Implementation: Our Vice President, Global Procurement and Procurement Compliance Manager lead the development and implementation of the company's efforts and work collaboratively with outside groups to promote responsible sourcing practices, including practices designed to prevent slavery and human trafficking. We also proactively communicate with external stakeholders and monitor trends and best practices in this area.

Relevant third-party standards/initiatives: EnerSys acts in accordance with multiple laws and regulations concerning slavery and human trafficking. The California Transparency in Supply Chains Act of 2010 and the United Kingdom Modern Slavery Act of 2015 both require certain businesses to provide disclosures and take other actions regarding their efforts to address the issues of slavery and human trafficking in their supply chains. The Federal Acquisition Regulation provisions 52.222-50 and 52.222-56, aim at removing slavery and human trafficking from the United States Federal Government contracting supply chain.

With our commitment to sound governance and accountability, EnerSys incorporates practices that provide transparency and promote ethical conduct and effective decision-making. Ensuring employees are aware of our policies and encouraging them to report any potential violations are important pieces of these practices. The EnerSys Hotline is open to any individual who wishes to report any information relating to a crime, an offence, a threat or harm to the general interest, a violation or an attempt to conceal a violation of an international commitment duly ratified or approved by France, of a unilateral act of an international organization taken on the basis of such a commitment, of European Union law, or of a law or regulation. Employee training provides details of our policies and information on contacts within EnerSys for employee questions or concerns and reporting potential violations. Contact references are found in our Corporate Social Responsibility and Human Rights Policy as well as our Code of Conduct.

ESRS Environment

EnerSys follows strict policies to ensure the company complies with international environmental regulations, such as the [European Union's Battery Directive](#) and the [U.S. Environmental Protection Agency's universal waste regulations](#). We aim to ensure that our operations and products meet or exceed all regulatory requirements. EnerSys commits to four specific principles for our environment: 1) developing and improving products, 2) battery recycling, 3) complying with conflict mineral regulations, and 4) continually monitoring our performance.

We work to develop products that use resources efficiently and to safely and responsibly dispose of our waste where it can't be eliminated. A conflict minerals report pursuant to [Rule 13p-1](#) under the Securities Exchange Act of 1934 is filed annually and publicly available on our website under [Investor Relations](#).

Our operations monitoring, including regular reviews of business activities and stakeholder engagement, informs our targets and objectives set to control and, where possible, eliminate environmental emissions, discharges and waste generated. These efforts help address environmental degradation and are supported by collaborating with suppliers to mitigate our indirect environmental impacts. Employees remain engaged through environmental programs, education and training.

More information regarding our environmental policies, standards and goals can be found in sections E1, E2 and E5.

E1 CLIMATE CHANGE

EnerSys and its global subsidiaries are committed to mitigating climate change impacts and conducting business sustainably. Recognizing the critical role of the battery industry in addressing climate challenges, the company works towards innovative solutions and advancing technologies.

EnerSys is dedicated to reducing its own energy intensity and greenhouse gas emissions, implementing environmentally responsible practices, and collaborating with suppliers to limit environmental effects throughout the supply chain. In accordance with the company's [Environmental Policy](#), EnerSys will use a systematic approach to drive energy efficiency, promote recycling of our products, and integrate renewable energy technologies. We strive to minimize waste, decrease our environmental footprint, reduce water usage, and eliminate emissions and waste produced by our operations.

Overseen by the Board and CEO, the sustainability program at EnerSys includes governance over the Climate Policy. Responsibility for the success of the program belongs to every employee at EnerSys. Risk management processes, led by the Risk Committee, evaluate climate change risks, ensuring oversight by the Executive Leadership Team and relevant Board Committees. EnerSys continually sets and evolves meaningful goals to measure and improve its environmental impact, demonstrating a commitment to energy efficiency, greenhouse gas reduction and overall sustainability.

E1-1: TRANSITION PLAN FOR CLIMATE CHANGE MITIGATION

- 13-15(a) EnerSys greenhouse gas (GHG) emissions targets are [net-zero for Scope 1 by 2040 and net-zero for Scope 2 by 2050](#). Our goals align with the Paris Agreement of limiting warming to 1.5 degrees C by the end of the century.
- 15(b) To achieve our 2040 Scope 1 net-zero goal, EnerSys is transitioning to electricity to power our manufacturing operations. Simultaneously, we are working to decarbonize our Scope 2 emissions by seeking out alternative power sources, such as but not limited to renewables.
- 15(c) In the short- and medium-term, EnerSys has committed at least \$20 million in capital expenditure (CapEx) through 2027 to decarbonization initiatives.
- 15(f) EnerSys is not excluded from the European Union Paris-aligned Benchmarks per the exclusion criteria stated in [Articles 12.1 \(d\) to \(g\)17 and 12.2 of the Climate Benchmark Standards Regulation](#).
- 15(g) EnerSys' transition plan is embedded and aligned with the company's overall business strategy. As a stored energy / battery technology company, our products help enable the global transition to a net zero carbon economy. We are walking the talk in delivering a key part of the solution. Emissions targets have been approved by management and are integrated into bonus structures.
- 15(e) Our process in implementing this transition plan focuses on the highest value locations where the operational transitions to electrification also improve manufacturing efficiency and cost.

ESRS 2 SBM-3: MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

- 17(a) Through our sustainability goals, relationships with suppliers and customers, and continuous investment in research and development, EnerSys is well-positioned to address both climate risks and opportunities – seeking opportunities that outweigh the risks. In facing the warmer road ahead, we have taken a proactive approach to sustainability reporting, GHG emissions targets, water and waste management, and maximizing energy efficiencies. Our commitment and strategic response to climate risk help us prioritize and realize the opportunities. As part of the [EnerSys 2023 TCFD Report](#), we conducted a comprehensive resilience analysis, evaluating and quantifying risks and opportunities. We have quantified material impacts and measured both the negative and positive impacts.

- 17(a) Through our sustainability goals, relationships with suppliers and customers, and continuous investment in research and development, EnerSys is well-positioned to address both climate risks and opportunities – seeking opportunities that outweigh the risks. In facing the warmer road ahead, we have taken a proactive approach to sustainability reporting, GHG emissions targets, water and waste management, and maximizing energy efficiencies. Our commitment and strategic response to climate risk help us prioritize and realize the opportunities. As part of the [EnerSys 2023 TCFD Report](#), we conducted a comprehensive resilience analysis, evaluating and quantifying risks and opportunities. We have quantified material impacts and measured both the negative and positive impacts.
- 17(b) In the [EnerSys 2023 TCFD Report](#), EnerSys evaluated three climate change scenarios related to temperature increase of 1.5°C, 2°C, and ~3°C over short- (1-2 years), medium- (3-5 years) and long-term (5+ years) time horizons. For each scenario (where applicable), we evaluated the risks, opportunities and impacts relevant to our overall operations and specific geographic locations.

2 SBM-2-S1 Paragraph 17(b)

WARMING SCENARIO	SSP SCENARIO	RANGE*
~3°C Current Climate Policies	RCP 6.0	~3° to ~3.5° C
2°C Beyond National Pledges	RCP 3.4	~2° to ~2.4°C
1.5°C Net Zero	RCP 1.9	~1° to ~1.5°C

*Range of Global Mean Temperature Increase (Celsius) – 2100 from pre-industrial baseline

- 17(c) It was determined that EnerSys is highly resilient to climate change overall and that climate transition risk is an opportunity. For EnerSys, the opportunities are greater than the risks.
- Acute Physical Risk:** Less than 8% of our facilities are located in countries that are “high risk” per the Country Risk Index. Per the U.S. Federal Emergency Management Agency (FEMA) Risk Index, 15 EnerSys service and distribution facilities and two production facilities are located in counties categorized as “High Risk” or “Very High Risk.” A total of 17 U.S. facilities are located in “High” or “Very High Risk” areas. With global infrastructure and inventory asset values estimated at more than \$1.3 Billion, a 1% chance of riverine flooding meets the materiality threshold. We have yet to evaluate the flood risk for all our facilities but have done so for those in the U.S., representing approximately 46% of all facilities. Per FEMA flood risk data, five EnerSys locations (a production facility and four service and distribution facilities), representing 119,800 square feet, have a 1% risk of flooding by 2030.
- Chronic Physical Risk:** Chronic risk only had measurable differences for each scenario on the long-term time horizon, where temperatures start to deviate per scenario. The total energy consumption difference between the 2°C Scenario and the ~3°C Base Case (from 2024-2040) is around 80 gigajoules (GJ), approximately equal to powering 350 average homes in the U.S. The difference between the 3°C Scenario and the 1.5°C Scenario over the same period is 160 GJ, approximately the same amount of energy used to power 700 average homes in the U.S. When the pricing models from the electricity price charts above are applied, the 2°C Scenario long-term costs are 16% lower, and the 1.5°C Scenario long-term costs are 11% lower than the ~3°C Scenario Base Case.
- Transition Risk:** The current (short-term) opportunity related to the transition to a low-carbon economy is \$360 million U.S. from incentives for renewable energy technology, \$342 million greater than the maximum long-term risk related to a carbon tax (total of \$18 million).

For more details, download the [EnerSys 2023 TCFD Report](#).

ESRS 2 IRO-1 E1: THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL CLIMATE-RELATED IMPACTS, RISKS AND OPPORTUNITIES

- 18(a) & 19 As described in the [EnerSys 2023 TCFD Report](#), we measure risks with consequences greater than 1% of revenue – our threshold for materiality related to climate risk. These include both physical and transition risks associated with climate change, as summarized in Appendix A. While EnerSys faces risks in the transition to a low-carbon economy, such as increased energy costs and carbon prices, there are also substantial opportunities. These opportunities include increased demand for our existing products, new markets and customers, increased innovation, and increased access to capital.
- 18(b) & 19 In our ongoing evaluation of transition risks along the value chain, EnerSys evaluates possible risks related to interruptions in the supply chain and increased costs related to energy prices and carbon. We have evaluated these risks using carbon and energy pricing scenarios as described above and in the [EnerSys 2023 TCFD Report](#).
- EnerSys verifies product supply chains through multiple methods, including site evaluations, questionnaires, discussions, verification of government debarments, and denied parties lists. We participate and encourage active involvement in external organizations that assist with supply chain diligence, management and verification processes.
- As a contractual condition, we require all suppliers to comply with all applicable laws and regulations. Suppliers outside the U.S. are required to comply with their local laws and the applicable laws of the U.S. We hold our suppliers to specific environmental, social, health and safety, and product safety standards and other policies that aim to ensure their operations are safe and sustainable and align with our [Code of Business Conduct and Ethics](#), [Anti-Slavery and Human Trafficking Statement](#), [Corporate Social Responsibility and Human Rights Policy](#), [Workplace Labor Rights Policy](#), [Environmental Policy](#), and [Climate Change Policy](#). These relationships with a diverse set of suppliers whose values align with ours and support our climate initiatives help reduce risk.

E1-2: POLICIES RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION

- 20-22 EnerSys' Climate Change Policy outlines our processes, commitments and goals to manage risks and opportunities related to climate change mitigation and adaptation.
- We have set absolute net zero targets of 2040 for Scope 1 and 2050 for Scope 2. To lower our energy prices and hedge against future price escalation, we have been working to develop onsite renewable energy projects to power our facilities. We also leverage our battery technology to increase our renewable capacity, improve resilience and reduce peak power costs. EnerSys batteries and storage solutions improve the resiliency of communities, our customers and the electrical grid by providing reliable power in unpredictable conditions. A more stable infrastructure provides consistency for our manufacturing facilities, positively impacting our operations.
- 23(a-e) Our Climate Change Policy includes the commitments listed below:
- **Climate Mitigation:** Support our customers' emission reduction efforts through the adoption of Thin Plate Pure Lead technology and zero-emission electric lift trucks, forklifts, and other industrial battery-powered or hybrid vehicles.
 - **Climate Mitigation Policy:** Reach out to organizations, governments, customers, suppliers and other interested partners and stakeholders to promote climate change policies, address the issues, and collaborate on meaningful solutions.
 - **Climate Adaptation:** Create products and services that use resources productively and enable our customers to better manage climate change risks.
 - **Energy Efficiency:** Utilize a systematic approach to drive energy efficiency within our operations.
 - **Renewable Energy:** Implement alternative or renewable energy technologies, where practical, to provide added renewable energy sources for our facilities and our customers.
 - **Climate Risk Management:** Include in our new project development initiatives, due diligence and risk management processes that address climate change risks and opportunities.
 - **Climate Disclosure Transparency:** Increase transparency to key stakeholders through detailed reporting and climate-related goal setting.
-

E1-3: ACTIONS AND RESOURCES IN RELATION TO CLIMATE CHANGE POLICIES

- 24-27(a) In alignment with our Climate Change Policy and commitments, we have taken specific actions and dedicated resources to fulfill our climate commitments. These include:
- 1. Electrification:** We are working to reduce GHG emissions by converting our facilities to be powered by electric energy, replacing direct fossil fuel power sources.
 - 2. Efficiency (Energy):** In 2022, we set a goal to reduce our energy intensity per kilowatt-hour (kWh) of storage produced by 25% by 2030 compared to 2020 as part of our U.S. Department of Energy Better Plants Program partnership.
 - 3. Renewable Energy Deployment & EnerSys Batteries at Our Facilities:** To lower our energy prices and hedge against future price escalation, we have been working to develop onsite renewable energy projects to power our facilities. We also leverage our battery technology to increase our renewable capacity, improve resilience, and reduce peak power costs.
 - 4. Nature-Based Solutions:** EnerSys does not currently lever nature-based solutions in meeting emissions reduction targets but considers all appropriate options in executing our long-term decarbonization strategies.
- 27(b) As a result of the above efforts, we have decreased our energy intensity per kWh of storage produced 12.8% compared to 2020.
- 27(c) **CapEx:** EnerSys has committed at least \$20 million in CapEx through 2027 to achieve the Scope 1 net zero by 2040 and Scope 2 net zero by 2050 goals.
-

E1-4: TARGETS RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION

- 28-29 EnerSys GHG emissions targets are net zero for Scope 1 by 2040 and net zero for Scope 2 by 2050. Our goals are in line with the Paris Agreement of limiting warming to 1.5 degrees C by the end of the century.
- 30 To track progress towards our Scope 1 net zero by 2040 goal and Scope 2 net zero by 2050 goal, we measure our energy usage on an annual basis using a third-party software. Larger sites that make up >80% of the company's energy usage are monitored and tracked on a month-by-month basis by the same third-party software. Executive incentive compensation has been tied to the progress of our energy intensity goals.
- 31 Our Scope 1 net zero by 2040 and Scope 2 net zero by 2050 goals were set based on industry best practices and what we deemed technically achievable, with a prioritization on electrification. These goals were set to be in alignment with the Paris Agreement of limiting warming to 1.5 degrees C prior to the end of the century and a recognition that the products we produce (energy storage) are key components of integrating zero-carbon renewable energy into various energy systems.

- 32(a) EnerSys' GHG emissions targets are set in absolute values, and progress is measured in tons of carbon dioxide equivalent (CO2e) annually. Intensity metrics are disclosed as well.
- 32(b) EnerSys adheres to the standards as defined by the GHG protocol and ISO 14064-1:2018 for measuring Scope 1, 2 & 3 greenhouse gas emissions. EnerSys does not include GHG removals, carbon credits or avoided emissions in our aims to achieve our climate targets.
- 32(c) EnerSys' baseline year is 2019 for Scopes 1 and 2 and 2022 for Scope 3.
- 32(d) We aim to achieve Scope 1 absolute net zero by 2040 and Scope 2 absolute net zero by 2050. Our intermediate goal is to reduce energy intensity per kWh of storage produced by 25% by 2030 compared to 2020. We have established a Climate Action Plan Committee to draft and publish our decarbonization plan, including interim milestones, by August 2024.
- 32(e) The GHG emissions reduction targets do not currently align to interim targets per the Science Based Targets initiative methodology but are compatible with limiting global warming to 1.5°C. However, as stated above, we intend to publish interim targets in alignment with our decarbonization plan.
- 32(f) Our decarbonization levers include: **1) Overall operational efficiency:** We continuously work to find energy and resource efficiency in all our facilities. Our efficiency evaluations expand beyond energy to include water and waste as well. **2) Electrification & Renewable Energy:** We are electrifying the heating, melting and drying processes at our plants. This improves efficiency, reduces GHG emissions (especially as the electric grid decarbonizes), and makes our operations safer for our employees. **3) Innovation:** Part of our innovation strategy is to ensure we stay current with the latest technologies, such as information technology (IT), that support our operations. New IT energy efficiencies, for example, could significantly reduce the power needed to run our computers and servers. This reduces our company-wide electricity costs.

1-5: ENERGY CONSUMPTION AND MIX

E1-5.1 Energy consumption and mix

	METRIC	BASE YEAR (2020)	2023
35(a)i	(1) Fuel consumption from coal and coal products (MWh)	24	24
35(a)ii	(2) Fuel consumption from crude oil and petroleum products (MWh)	44,170	55,583
35(a)iii	(3) Fuel consumption from natural gas (MWh)	268,341	198,461
35(a)iv	(4) Fuel consumption from other non-renewable sources (MWh)		7,599
35(a)v	(5) Consumption from nuclear products (MWh)		
35(a)vi	(6) Consumption of purchased or acquired electricity, heat, steam, and cooling from non-renewable sources (MWh)	442,780	454,579
36	(7) Total non-renewable energy consumption (MWh) (calculated as the sum of lines 1 to 6)	755,316	716,246
	Share of non-renewable sources in total energy consumption (%)	100%	99%
35(b)i	(8) Fuel consumption for renewable sources (including biomass, biogas, non-fossil fuel waste, renewable hydrogen, etc.) (MWh)		222
35(b)ii	(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)		784
35(b)iii	(10) The consumption of self-generated non-fuel renewable energy (MWh)		3106
36	(11) Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)	0	4112
	Share of renewable sources in total energy consumption (%)	0%	
	Total energy consumption (MWh) (calculated as the sum of lines 7 and 11)		720,538
	Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors (MWh/Monetary unit) (MWh/Million USD)	25	20

E1-5.2 Energy intensity per net revenue

ENERGY INTENSITY PER NET REVENUE		2022	2023	%N/N-1
37-39	Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors (MWh/Monetary unit)	0.20	0.19	-3%
40	Net revenue from activities in high climate impact sectors used to calculate energy intensity (Million USD)			3661
	Net revenue (other)			
	Total net revenue (Financial statements) (Million USD)			3661

E1-6: GROSS SCOPES 1, 2, 3 AND TOTAL GHG EMISSIONS

E1-6.1 Gross Scopes 1, 2, 3 and Total GHG emissions

		2019	2020	2021	2022	2023	%*
41(a)	Scope 1 GHG emissions						
	Gross Scope 1 GHG emissions (tCO ₂ eq)	65,300	63,100	54,200	51,100	48,900	-4%
	Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)						
41(b)	Scope 2 GHG emissions						
	Gross location-based Scope 2 GHG emissions (tCO ₂ eq)	206,800	218,900	235,300	222,600	227,300	2%
	Gross market-based Scope 2 GHG emissions (tCO ₂ eq)						
41(c)	Significant Scope 3 GHG emissions						
	Total Gross indirect (Scope 3) GHG emissions (tCO ₂ eq)				1,694,800	1,652,209	-3%
	Purchased goods and services				395,500	325,685	-18%
	Capital goods				33,400	55,891	67%
	Fuel and energy-related activities				70,500	59,800	-15%
	Upstream leased assets				0	0	
	Waste generated in operations				6,200	6,850	10%
	Processing of sold products				0	0	
	Use of sold products				1,095,227	1,103,021	1%
	End-of-life treatment of sold products				66	45	-32%
	Downstream leased assets				0	0	
	Franchises				0	0	
	Upstream transportation and distribution				30,670	12,329	-60%
	Downstream transportation and distribution				42,148	66,088	57%
	Business travels				2,100	2,300	10%
	Employee commuting				19,000	20,200	6%
	Financial investments				0	0	

*% Percent change between 2022 and 2023

E1-6.1 Gross Scopes 1, 2, 3 and Total GHG emissions continued

	2019	2020	2021	2022	2023	%*	
41(d)	Total GHG emissions	272,100	282,100	289,500	1,968,496	1,928,407	-2%
	Total GHG emissions (location-based) (tCO ₂ eq)						
	Total GHG emissions (market-based) (tCO ₂ eq)						
51	Total GHG emissions in metric tons of CO ₂ eq per net revenue (million USD)	87.7	95.7	88.7	543	527	-3%

*% Percent change between 2022 and 2023

E1-6.2 GHG intensity per net revenue

	GHG INTENSITY PER NET REVENUE	2022	2023	%N/N-1
51	Total GHG emissions (location-based) per net revenue (tCO ₂ eq/million USD)	543	527	-3%
	Total GHG emissions (market-based) per net revenue (tCO ₂ eq/million USD)			

44(a-c) EnerSys does not have operational control of associates or joint ventures that are not included in the above greenhouse gas inventory.

E1-7: GHG REMOVALS AND GHG MITIGATION PROJECTS FINANCED THROUGH CARBON CREDITS

55(a) EnerSys does not currently engage in GHG storage or removals nor do we plan to.

56(b) EnerSys does not currently purchase carbon credits nor do we plan to.

E2 POLLUTION

E2-1: POLICIES RELATED TO POLLUTION

11- 13 The EnerSys Environmental Policy states that EnerSys is committed to monitoring, controlling and eliminating, where possible, environmental emissions, discharges, local and accidental pollution, and wastes generated by our operations.

14(a) Per our Environmental Policy, we are committed to acting as a responsible industry leader in environmental management systems. All EnerSys employees are expected to take appropriate measures to protect the environment and comply with all EnerSys legal requirements and all applicable laws, rules, and regulations.

Specifically, EnerSys is committed to monitoring, controlling and eliminating, where possible, environmental emissions, discharges, local and accidental pollution, and wastes generated by our operations. To that end, we develop new and strategic ways to reduce water usage and recycle where possible to minimize our burden on the local supply. We also establish achievable goals, controls, and where possible, eliminate environmental emissions, discharges and waste generated by our operations.

14(b) We constantly endeavor to reduce the impact from the materials used in our products. Manufacturing energy storage systems require the use of potentially hazardous substances. That is why we enforce strict measures to reduce, mitigate or eliminate hazards and exposure to our employees and surrounding communities. We actively assess and monitor the level of exposure our workers have to chemicals used in the manufacturing environment, including corrosives and lead and its compounds. We meet or exceed all required testing frequencies established by applicable regulatory agencies, such as the U.S. Occupational Safety and Health Administration.

The health of our employees is our highest priority, and our management of safety risks includes efforts to monitor and reduce acute and chronic exposures in the workplace. We conduct regular risk assessments, participate in long-term health studies, provide workers with essential personal protective equipment, and consider alternative materials wherever possible. When lead is present, we have a stringent program to monitor our employees' lead exposure levels and take immediate action if they ever exceed our internal policy, which is much more stringent than regulatory requirements at our facilities globally.

14(c) EnerSys has an Environmental Health and Safety Global Unusual Event Policy, intended to address incidents and emergency situations if and when they occur. This policy outlines the necessary procedures to ensure EnerSys addresses all regulatory requirements related to Unusual Events in a safe and timely manner. EnerSys also has an Unusual Events Hotline.

E2-4: POLLUTION OF AIR, WATER AND SOIL

E2-4 Pollution of air, water and soil

		UNIT	2019	2020	2021	2022	2023
27(a)	Emissions of air pollutants*	Tons	1.38	0.939	0.917	0.942	0.825
27(b)	Emissions to water**	Megaliters	n/a	299.5	283.8	262.2	224.3
27(c)	Emissions of inorganic pollutants***						
27(d)	Emissions of ozone-depleting substances***						
27(d)	Microplastics generated***						

*Pb emitted to the atmosphere.

**Refers to monitored wastewater discharge. EnerSys does not currently track the priority substances as defined by Annex I to Directive 2013/39/EU of the European Parliament and of the Council.

***EnerSys does not currently track ozone-depleting substances or microplastics generated.

- 28(a) **Emissions of air pollutants:** In alignment with our 2030 goal to reduce our energy intensity by 25% compared to 2020, EnerSys has been electrifying our operations where possible. This includes replacing gas-fired melting pots with electric-powered alternatives. Additionally, we have utilized computers and services with more efficient systems. As a result of these efforts, we have also reduced our air pollutant emissions year-over-year since 2019.
- Emissions to water:** Since 2021, EnerSys has committed to monitoring and disclosing the amount of water withdrawal and wastewater discharge from our operations, as well as joining the UN CEO Water Mandate. Our actions have resulted in a decrease in wastewater discharge of 25% in 2023 compared to 2020.
- 28(b) Our calculation methods are in accordance with the IPCC Fifth Assessment Report and the World Resources Institute's Greenhouse Gas Protocol.
- 28(c) The data informing these emissions estimates had been collected through direct monitoring of the consumption of fossil fuels and water withdrawal and discharge and calculated with the appropriate associated emissions factors provided by the IPCC Fifth Assessment Report.

E2-5: SUBSTANCES OF CONCERN AND SUBSTANCES OF VERY HIGH CONCERN

- 30-33 Our primary substance of concern is lead, listed in the table above under "hazardous waste." We are working on a program with our supply chain to track and document all chemicals or substances of concern and will report when the data is available.

E3 WATER & MARINE RESOURCES

E3-1: POLICIES RELATED TO WATER AND MARINE RESOURCES

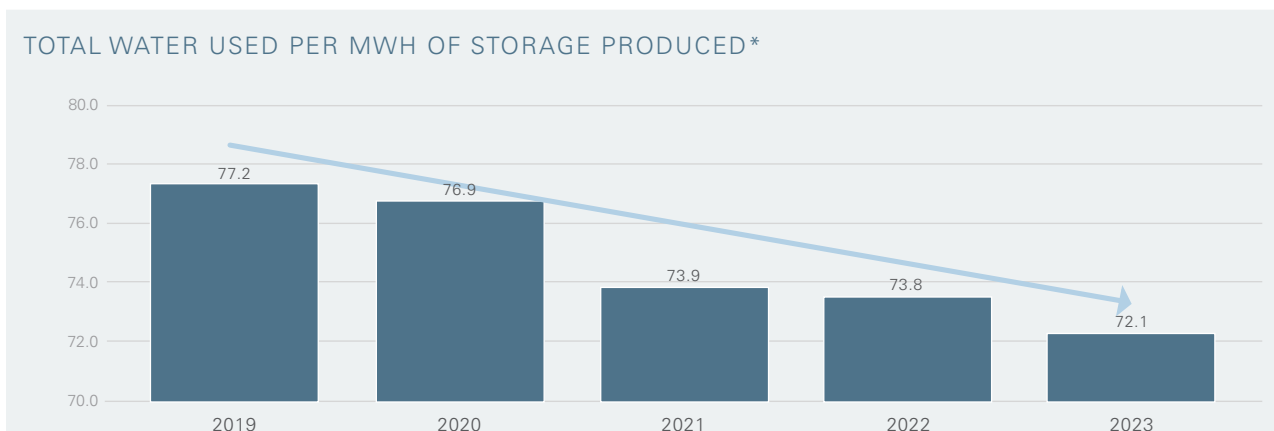
- 8-12 The EnerSys Climate Change Policy states that EnerSys will develop new and strategic ways to reduce water usage and recycle where possible to minimize our burden on the local supply. This covers all our sites, including those in water-stressed areas. The EnerSys TCFD Report also specifically identifies those locations where EnerSys currently or may experience water stress based on several climate scenarios.
- The EnerSys Biodiversity Policy states that the company is committed to evaluating the impact of any new construction and expansion projects on biodiversity, with a specific focus on identifying critical habitats or areas with a recognized high biodiversity value, including those related to water and marine resources.
- 13 In our Climate Change Policy we state we strive to "improve our operations and processes to streamline, reduce waste and decrease our environmental footprint," this includes practices related to ensuring healthy oceans and seas.

E3-2: ACTIONS AND RESOURCES RELATED TO WATER AND MARINE RESOURCES

- 14-18 When it comes to water, we look to recycle and reuse as much as possible. In 2021, EnerSys joined the United Nations CEO Water Mandate, a CEO-led commitment platform for business leaders and learners to advance water stewardship and reduce water stress worldwide by 2050.
- While water is a necessary input for the production of many of our batteries, we were able to reduce our water intensity by 6% in 2023 compared to 2020.

E3-3: TARGETS RELATED TO WATER AND MARINE RESOURCES

19-24 EnerSys has set a target to reduce our water intensity per kWh of storage produced by 25% by 2030 from a 2019 base year.



* Please note: Our reported numbers have been updated to reflect more complete and accurate data than disclosed in prior years.

E3-4 WATER CONSUMPTION

E3-4 Water Consumption

27(a)	892,380 m ³
27(b)	31.9 Megaliters (Includes usage from our Monterrey, Mexico; Tijuana, Mexico; Yangzhou, China; Chongqing, China facilities).
28(a)	108,834 m ³ recycled in CY23
28(c)	We prioritize using recycled water over fresh water wherever possible. In 2023, our percentage of water recycled increased to 406%
29	244 m ³ / Million USD

E3-5: POTENTIAL FINANCIAL EFFECTS FROM WATER AND MARINE RESOURCES-RELATED IMPACTS, RISKS AND OPPORTUNITIES

32(b-c) We use water as an input to many of our battery production processes. Increased water scarcity due to extended drought and increased water demand can impact our production capabilities, our revenues and the livelihoods of people across the globe. Water is an essential input in our manufacturing operations and is used for multiple processes, including preparing electrolytes, plate manufacturing, battery formation, and washing finished production equipment and manufacturing areas. We work to increase water recycling in our process to reduce the impact of water stress in our operations. However, as water stress becomes more prevalent, costs associated with updating the equipment to recycle water and potential increases in the cost of water could lead to increased capital expenditures and operating costs for EnerSys.

Water stress and scarcity caused by climate change pose an operational risk for our business and a health and safety risk for our employees. A decrease in water supply could negatively impact our manufacturing processes and reduce our production capacity, likely resulting in lost revenue. Our manufacturing facilities in coastal areas could face challenges to facilities and infrastructure as sea levels rise and the frequency of tropical storms increases. This could affect our ability to continue operations in those locations, increase our capital cost due to damages, or reduce our revenue due to decreased production capabilities. Insurance premiums in these areas are expected to increase, which may also impact our net revenue.

According to our analysis of various coastal flood scenarios, eight of our locations are within a coastal area that could be subject to coastal flooding associated with sea level rise. However, sea level rise that could impact our facilities is not forecasted to occur until the end of the 21st century and, thus, has not been deemed sufficiently material to warrant a quantitative analysis.

E4 BIODIVERSITY & ECOSYSTEMS

E4-1: TRANSITION PLAN ON BIODIVERSITY AND ECOSYSTEMS

- 13-16 (ai & aii) EnerSys remains dedicated to minimizing any negative impact and supports the Convention on Biological Diversity (CBD) and the Strategic Plan for Biodiversity 2011-2020 including the associated Aichi targets. EnerSys will adjust its strategy and business model to ensure we are compatible with respecting planetary boundaries on the biosphere integrity and land-system change by committing to:
- Evaluate the impact of any new construction and expansion projects on biodiversity, with a specific focus on identifying critical habitats or areas with a recognized high biodiversity value.
 - Periodically undertake surveys of our direct operations as necessary to determine and assess any impacts on critical habitats, High Conservation Values (HCVs) or other areas with high diversity value.
 - Comply with all relevant host country laws and regulations and/or international best practices.
 - Not operate in declared natural World Heritage Sites.
 - Apply a mitigation hierarchy to manage and offset any biodiversity impacts that may arise.
 - Adhere to the International Union for Conservation of Nature (IUCN) Guidelines, including the Species Conservation Planning Principles and Steps (Ver. 1.0, 2020, IUCN Species Survival Commission Conservation Planning Specialist Group).
 - Consider red flags, including areas known to be the habitat of IUCN Red List of Threatened Species™ or the location of land within or adjacent to legally protected areas.
 - Apply the Forest Stewardship Council Principles and Criteria of Forest Stewardship for any HCV forest areas impacted by our operations. Develop site-specific Biodiversity Action Plans based on the CBD guidelines.
 - Engage communities and affected stakeholders in assessing and appreciating biodiversity value.
 - Work in partnership with environmental groups and local authorities to share knowledge and resources.
 - Where practicably possible, seek to achieve a net neutral biodiversity impact for any ecologically sensitive environments we affect.
-

E4-2: POLICIES RELATED TO BIODIVERSITY AND ECOSYSTEMS

- 23-25 The [EnerSys Biodiversity and Critical Habitats Policy](#) states that the company will operate in a manner that aims to minimize our environmental impacts and promote sustainable land use. We understand the importance of biodiversity, HCV areas and critical habitats. EnerSys remains dedicated to minimizing any negative impact and supports the CBD and the Strategic Plan for Biodiversity 2011-2020 including the associated Aichi targets. EnerSys has adopted this Biodiversity and Critical Habitats Policy to underscore our commitment and set forth the guidelines for our biodiversity program.
- 26(e) The EnerSys Biodiversity and Critical Habitats Policy states that the company will evaluate the impact of any new construction and expansion projects on biodiversity, with a specific focus on identifying critical habitats or areas with a recognized high biodiversity value.
- 26(f) The EnerSys Biodiversity and Critical Habitats Policy states that the company will periodically undertake surveys of our direct operations as necessary to determine and assess any impacts on critical habitats, HCVs or other areas with high diversity value.
- 26(g) The EnerSys Biodiversity and Critical Habitats Policy states that the company will engage communities and affected stakeholders in assessing and appreciating biodiversity value and work in partnership with environmental groups and local authorities to share knowledge and resources.

E5 RESOURCE USE & CIRCULAR ECONOMY

E5-1: POLICIES RELATED TO RESOURCE USE AND CIRCULAR ECONOMY

- 12-14 We view end-of-life batteries not as waste but as future product inputs. Our recycling initiatives aim to recover every single battery we sell and return their materials to the battery supply chain, contributing to the circular economy. EnerSys is committed to providing the resources needed to operate a worldwide recycling collection program. Our program reduces the environmental impact of improper disposal and the need for new raw materials. According to EnerSys' Environmental Policy, we commit to:
- **Waste Reduction:** Improve our operations and processes to streamline, reduce waste, and decrease our environmental footprint.
 - **Recycling:** Aim to develop and participate in programs to ensure that our batteries, chargers and all other products are recycled in an environmentally safe manner.

E5-2: ACTIONS AND RESOURCES RELATED TO RESOURCE USE AND CIRCULAR ECONOMY

- 17-19 Our approach to resource use and circular economy actions includes a strong focus on reuse and recycling. For lead batteries, recoverable scrap does not go to waste, but rather is reintegrated into our processes to ensure that it becomes a battery. Lead batteries themselves enjoy a recycling rate at the end of life that exceeds 99%.
- 20(a) All “waste” from EnerSys flows through the waste hierarchy before arriving at its terminal point. From first principles, we see nothing as waste but as a material input for another process. However, all waste goes through the process of: a) prevention; (b) preparing for re-use; (c) recycling; (d) other recovery, e.g., energy recovery; and eventually (e) disposal.
- 20(b) Waste generation, handling and disposal are managed at the facility levels based on the type of operations and applicable regulatory requirements. We track all waste materials with the paperwork required by regulation to account for our impact appropriately.
- & 21 Where appropriate, we employ expert third-party contractors to manage our waste responsibly. Our lead battery manufacturing facilities produce the largest volume of waste materials in our operations, such as scrap and off-specification parts and hazardous materials.
- However, most of these materials are recovered through recycling and reused in our products as recycled raw materials at a later time. For example, we utilize filter presses in our pasting operations to remove lead at the source. This process collects excess lead in reusable water and recovers it to be safely recycled for battery manufacturing. The process reduces the amount of lead being processed in our wastewater treatment plant, which helps to ensure compliance with our permit discharge limits and reduces the amount of hazardous waste generated by the location.

E5-3: TARGETS RELATED TO RESOURCE USE AND CIRCULAR ECONOMY

- 22- 25(a) We have yet to set specific targets related to circular economy and waste. We aim to work toward this in 2024 and 2025. In the interim, we are working to educate consumers on consumer battery recyclability. Our rechargeable batteries have a Call2Recycle certification label, showcasing how to safely recycle them at the end of their useful life.
- 25(e) We view end-of-life batteries not as waste but as future product inputs. Our recycling initiatives aim to recover every single battery we sell and return their materials to the battery supply chain, contributing to the circular economy. EnerSys is committed to providing the resources needed to operate a worldwide recycling collection program. Our program reduces the environmental impact of improper disposal and the need for new raw materials.
- <https://www.enersys.com/en/about-us/sustainability/sustainability-report/products-services/end-of-use-management/>

E5-5: RESOURCE OUTFLOWS

- 36 **Lead Batteries:** Lead batteries have been critical to powering our economy for over a century. In that time, they have achieved significant safety, reliability and recyclability achievements. Lead battery technology is both incredibly reliable and, when responsibly manufactured, used and recycled, very environmentally friendly. This well-established, economically self-sustaining, closed-loop, “cradle-to-cradle” life cycle means lead batteries have been and will continue to be an incredibly advantageous technology component of the transition to a low-carbon, circular economy.
- Lead battery recycling services are key to supporting our customers’ sustainability efforts and contributing to the circular economy. Circularity is embedded in the battery value chain, and EnerSys is committed to advancing battery recycling throughout the industry. Our products, specifically lead batteries, can have negative environmental impacts if mismanaged.
- <https://www.enersys.com/en/about-us/sustainability/sustainability-report/products-services/end-of-use-management/>
- Thanks to decades of work by EnerSys and the industry as a whole, lead batteries are now one of the most recycled products in the world, with more than 95% of the lead, plastic and other materials in each battery being recoverable. Once reclaimed, they can account for up to 80% of the lead and plastic in a new battery.
- Lithium (Li-ion) Batteries:** We are working in partnership with trade associations and industry experts to develop a circular Li-ion battery recycling process similar to what is already in place for lead-acid batteries. We know that Li-ion batteries bring different challenges at end-of-use, and we aim to ensure that solutions are developed to recover, recycle and re-use those batteries, just as we have done for lead batteries.
- We support the development of new technologies for recovering Li-ion battery parts for recycling. We are especially interested in new processes less impactful on the environment, whether through a lower carbon footprint or producing less per- and poly-fluoroalkyl substances. We will continue working with our industry associations to seek partners to advance the recycling of our Li-ion battery products.

ESRS Social

S1 OWN WORKFORCE

S1-1: POLICIES RELATED TO OWN WORKFORCE

- 21 Our efforts toward managing our workplace and workforce in an open, respectful, and dignified manner align with the United Nations Guiding Principles on Business and Human Rights. Our policies aim to be inclusive of all rights outlined in the Universal Declaration of Human Rights, to the extent those rights apply to business operations, and respect the labor rights enshrined in the International Labor Organization conventions. EnerSys policies apply to all its global subsidiaries, suppliers and business partners.
- 22(a) The Code of Business Conduct and Ethics (Code of Conduct) sets out the legal and ethical standards of conduct with which EnerSys requires its personnel to comply. Amongst other things, it sets out our commitment to honest, ethical and fair working practices.
- The Corporate Social Responsibility and Human Rights Policy states that all EnerSys business partners, including suppliers, are expected to comply with the principles described therein, including upholding human rights, supporting the elimination of slavery, and working against corruption in all its forms. This policy adheres to the United Nations (UN) Guiding Principles on Business and Human Rights, which includes an undertaking to respect the human rights reflected in the International Bill of Human Rights, the Universal Declaration of Human Rights and the Declaration on Fundamental Principles and Rights at Work; Organisation for Economic Co-operation and Development Guidelines for Multinational Enterprises; and the UN Sustainable Development Goals (SDGs), including specific principles aligned with goals 5, 8, and 10, or Gender Equality, Decent Work and Economic Growth, and Reduced Inequalities, respectively.
- Our Workplace Labor Rights Policy demonstrates our commitment to maintaining safe and inclusive workplaces based on recognized human rights, including the UN Guiding Principles on Business and Human Rights and Universal Declaration of Human Rights.
- 22(b) EnerSys is committed to conducting business in a socially responsible manner that benefits our stakeholders and the communities in which we operate. The Corporate Social Responsibility and Human Rights Policy outlines specific principles of our commitment to human rights.
- Our Code of Supplier Conduct reflects our commitment to our values and our expectation that all of our suppliers will adhere and embrace such values. It includes a commitment that all suppliers should ensure that all forms of modern slavery, including forced, compulsory labor and human trafficking, are prohibited and that they maintain safe and inclusive workplaces based on recognized human rights. EnerSys further requires that suppliers act with reasonable diligence to ensure that any of their contractors, subcontractors, manufacturing facilities, labor providers, agents, partners, or subsidiaries also comply with the principals, policies, and requirements expected of our suppliers.
- 22(c) EnerSys takes measures to provide and enable remedy for any potential human rights impacts or violations of our employees. Our primary measure for enabling remedy is our Ethics and Compliance Hotline. This Hotline is found on our website and within our Code of Conduct.
- Anyone who knows or believes that any other person has engaged or is engaging in company-related conduct that violates applicable law, Company policy, or our Code of Conduct shall report such information to the Business Ethics Oversight Committee, the Ethics and Compliance Hotline, or to their respective manager or any member of the Human Resources or Legal Department. Reports to the Hotline are anonymous and there is no retaliation for reporting.
- Any investigation will be conducted in accordance with the EnerSys Policy Guide for Business Conduct and Ethics Workplace Investigations. The CLO shall determine whether a violation of our Code of Conduct has occurred. No less than quarterly, Internal Audit reports Ethics and Compliance Hotline activities, and the results of any inquiry or investigation and the disposition of the matter to the Audit Committee.
- 23 The Workplace Labor Rights Policy and Corporate Social Responsibility and Human Rights Policy are based on the UN Guiding Principles on Business and Human Rights, which includes an undertaking to respect the human rights reflected in the International Bill of Human Rights, the Universal Declaration of Human Rights and the Declaration on Fundamental Principles and Rights at Work, and aim to respect the labor rights enshrined in the International Labor Organization conventions, inclusive of conventions C087 and C098.
- Our Corporate Social Responsibility and Human Rights Policy also adheres to the Organisation for Economic Co-operation and Development Guidelines for Multinational Enterprises and the UN SDGs, including specific principles aligned with SDGs 5, 8, and 10, or Gender Equality, Decent Work and Economic Growth, and Reduced Inequalities, respectively.

24 EnerSys prohibits the use of all forced labor, including indentured labor, bonded labor, modern forms of slavery and any form of human trafficking, as well as the exploitation of children, their engagement in hazardous work, and any physical punishment or abuse. Our Anti-Slavery and Human Trafficking Policy details this commitment. This policy also extends to our suppliers, as EnerSys is committed to the prohibition of slavery and human trafficking in our supply chain. The policy applies to EnerSys, its global subsidiaries and suppliers.

Slavery and human trafficking can occur in many forms, including forced labor, child labor, domestic and indentured servitude, sex trafficking, and workplace abuse. Therefore, the terms “slavery and human trafficking” as used in this report and our [Anti-Slavery and Human Trafficking Policy](#) includes these various forms of coerced labor.

In order to prevent slavery and human trafficking in our business and supply chain, we have implemented internal accountability standards and procedures. These standards and procedures address prevention and management regarding the trafficking in human beings, forced or compulsory labor and child labor.

- **Internal Leadership.** Our Vice President of Global Strategic Sourcing leads the development and implementation of the company’s efforts and works collaboratively with outside groups to promote responsible sourcing practices, including practices designed to prevent slavery and human trafficking. We also proactively communicate with external stakeholders and monitor trends and best practices in this area.
- **Risk Assessment.** We undertake a periodic risk assessment of our supply chain to better understand the potential risks related to slavery and human trafficking. These assessments help us understand where human rights and labor issues may exist within our global supply chain so that we can prioritize and focus our responsible sourcing efforts.
- **Employee Reporting.** EnerSys maintains whistleblowing procedures and anti-retaliation policies in order to empower and encourage employees to raise any concerns regarding compliance with our Anti-Slavery and Human Trafficking Statement, or any other concerns, without fear of retaliation. EnerSys provides access to an external and independent Ethics and Compliance Hotline. If the violation involves suppliers, appropriate action, up to and including termination of contracts, will be undertaken.

EnerSys also evaluates slavery and human trafficking risks as part of some of our audits conducted by our quality team.

EnerSys acts in accordance with multiple laws and regulations concerning slavery and human trafficking. The California Transparency in Supply Chains Act of 2010 and the United Kingdom Modern Slavery Act of 2015 both require certain businesses to provide disclosures and take other actions regarding their efforts to address the issues of slavery and human trafficking in their supply chains. The Federal Acquisition Regulation provisions 52.222-50 and 52.222-56, aim at removing slavery and human trafficking from the United States Federal Government contracting supply chain.

25(a) Our Corporate Social Responsibility and Human Rights Policy and Code of Conduct provide guiding principles on diversity, equity, and inclusion at EnerSys. These policies, as well as the Workforce Labor Rights Policy, aim to eliminate discrimination, including harassment, and promote equal opportunities to all applicants and employees without regard to sex, race, color, religion, national origin, age, disability, covered veteran status or any other characteristic protected by law.

25(b) Our Code of Conduct upholds that EnerSys is committed to maintaining workplaces that are free from discrimination or physical or verbal harassment on the basis of race, sex, gender identity or gender expression, color, national or social origin, religion, age, disability, sexual orientation, political opinion or any other status protected by applicable law. Our Workforce Labor Rights Policy includes more information about our guiding principles and the actions we take to ensure an inclusive working environment.

25(c) At EnerSys, we believe that everyone should be empowered to be their authentic selves at work. In our policies, EnerSys commits to upholding a discrimination-free workplace and ensuring inclusivity. We seek to attract, retain and engage talent and diverse professionals. We strive to maintain a workplace that is free from discrimination, harassment, or hostility on the basis of race, sex, color, national or social origin, ethnicity, religion, age, disability, sexual orientation, political opinion or any other status protected in accordance with federal regulations and local employment rules and regulations, supporting SDG 5 (gender equality) and SDG 10 (reduced inequalities).

EnerSys also promotes diversity, equity and inclusion (DEI) in the workplace through our business resource groups, which are networks of employees who create a community based on shared identity, backgrounds, characteristics or life experiences. Greater detail of these groups can be found in the DEI section of the beginning of this report on page 4.1.

25(d) To ensure discrimination is prevented, mitigated, and addressed effectively, in addition to advancing diversity and inclusion across our organization, EnerSys has implemented specific procedures that extend accountability not only to senior leaders but also to leaders at all levels and every employee. Our commitment to fostering an inclusive culture encourages employees to engage in courageous conversations, ask questions, and continuously educate themselves on diversity and inclusion through daily interactions and self-reflection.

Employee training sessions provide comprehensive details on our policies, including avenues for reporting potential violations. Our Ethics and Compliance Hotline serves as the primary channel for internal and external individuals to anonymously raise concerns related to discrimination or any other ethical breaches. Individuals may do this without risk of retaliation as stated in our Code of Conduct.

Anyone who knows or believes that any other person has engaged or is engaging in company-related conduct that violates applicable law, Company policy, or this Code of Conduct shall report such information to the Business Ethics Oversight Committee, the Ethics and Compliance Hotline, or to their respective manager or any member of the Human Resources or Legal Department.

Any investigation shall be conducted in accordance with the EnerSys Policy Guide for Business Conduct and Ethics Workplace Investigations. The General Counsel shall determine whether a violation of this Code has occurred. Internal Audit shall report the results of any inquiry or investigation and the disposition of the matter to the Audit Committee.

Refer to page 4.1. for further details on EnerSys' initiatives to promote diversity and inclusion across the company.

S1-2: PROCESSES FOR ENGAGING WITH OWN WORKERS AND WORKERS' REPRESENTATIVES ABOUT IMPACTS

28(a-c) At EnerSys, we prioritize the inclusion of our employees' perspectives in decision-making processes concerning the management of material impacts on our workforce. Our approach involves direct engagement with our employees and their representatives. We actively seek input through various channels, including regular meetings, surveys, and feedback sessions, ensuring a comprehensive understanding of their perspectives. We monitor employee satisfaction and engagement on at least an annual basis as part of our commitment to our policies and good business practices. This engagement facilitates a two-way communication flow and enables EnerSys to address concerns and incorporate valuable insights into our decision-making processes.

Employees may also anonymously report their concerns by calling or e-mailing the EnerSys Ethics hotline (applicable country phone numbers and e-mail addresses are found in Attachment A to the Code of Conduct).

S1-3: PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR OWN WORKERS TO RAISE CONCERNS

33(b) The employee hotline is available as a primary channel for employees or any other individual to anonymously raise concerns related to their needs, as well as other issues such as ethics violations.

33(c) There is no lack of grievance mechanism because the employee hotline serves this purpose.

33(d) The Ethics and Compliance Hotline is advertised in a variety of internal documents and channels.

33(e) When we receive information regarding an alleged violation of the Code of Conduct, we work diligently to uncover the facts and will determine, in consultation with the CLO, whether it is necessary to conduct an informal inquiry or a formal investigation. If necessary to conduct an informal inquiry or a formal investigation, we will determine who should initiate such inquiry or investigation and report the results of any such inquiry or investigation, together with a recommendation as to disposition of the matter to the Audit Committee. Any investigation shall be conducted in accordance with the EnerSys Policy Guide for Business Conduct and Ethics Workplace Investigations. The CLO shall determine whether a violation of this Code of Conduct has occurred. Internal Audit shall report the results of any inquiry or investigation and the disposition of the matter to the Audit Committee.

34 Employees participate in annual training that outlines the existing structures and processes designed to report violations and address concerns.

Those reporting to the Ethics and Compliance Hotline may do so openly or anonymously without fear of retaliation. Within the Code of Conduct lies a Commitment to Non-retaliation. The commitment states that EnerSys will not discipline, discriminate against or retaliate against anyone for reporting concerns. It also states that anyone who retaliates against an individual who raised a concern or participated with an investigation in good faith will be subject to disciplinary action, up to and including termination.

35 EnerSys has adopted a channel for our workforce to raise concerns and has a mechanism in place to investigate and remediate issues.

S1-6: CHARACTERISTICS OF THE UNDERTAKING'S EMPLOYEES

51(a) Table S1-6.1 Employee Headcount by Gender
Table S1-6.2 Employee Headcount in Countries with 50+ Employees

51(b) Table S1-6.3 Employees by Contract Type, Broken Down by Gender
Table S1-6.4 Full Time Employees, Broken Down by Region

51(c) The employee turnover rate for 2023 was 22.8%

51(d)i Those on the company payroll and temporary employees with a direct contract with EnerSys are counted as one headcount (regardless of working hours). Excluded from the headcount are contingent and contracted employees.

- 51(d)ii The methodology used to compile employee data at the end of the reporting period used the following process:
- Run a report with active and inactive employees
 - Calculate the number of employees active on January 1, 2023: remove new hires on and after January 1, 2023 and delete the terminated employees before January 1, 2023.
 - Calculate the number of employees active on December, 31 2023 : remove the new hires on and after January 1, 2023 and delete the terminated employees before December 31, 2023.
 - Calculate the average number of employees throughout 2023
 - Calculate the number of terminated employees during 2023
 - Calculate the turnover rate for 2023

52(a) Table S1-6.3 Employees by Contract Type, Broken Down by Gender
Table S1-6.4 Full Time Employees, Broken Down by Region

52(b) Table S1-6.3 Employees by Contract Type, Broken Down by Gender
Part-time employee breakdown by region data is not disclosed at this time.

S1-6.1 Employee Headcount by Gender

GENDER	# EMPLOYEES
Female	2,368
Male	8,310
Total Employees	10,678

S1-6.2 Employee Headcount in Countries with 50+ Employees

COUNTRY	# EMPLOYEES	COUNTRY	# EMPLOYEES	COUNTRY	# EMPLOYEES
United States	5,059	China	498	Czech Republic	134
Mexico	1,000	Canada	449	Malaysia	66
Poland	939	Brazil	278	Argentina	63
France	738	Australia	209	Italy	56
United Kingdom	612	Germany	169	Singapore	57

S1-6.3 Employees by Contract Type, Broken Down by Gender

GENDER	# EMPLOYEES	# EMP FULL-TIME	# EMPLOYEES PART-TIME
Female	2,368	2,286	82
Male	8,310	8,159	151
Other (self-identified)			
Not Disclosed			
Total Employees	10,678	10,445	233

S1-6.4 Full Time Employees, Broken Down by Region

REGION	# EMPLOYEES
AMER	6,752
ASIA	868
EMEA	2,825
Total Employees (FTE)	10,445

S1-8: COLLECTIVE BARGAINING COVERAGE AND SOCIAL DIALOGUE

- 60(a) The percentage of total employees covered by collective bargaining agreements in FY 2024 was 28% (data as of April 2024. Please see additional details on page 9 of the [Form 10-K](#) for fiscal year 2024).
- 60(b) As an organization, we prioritize fair and equitable treatment for all our employees. While some of our employees are covered by collective bargaining agreements, those not covered are still ensured fair working conditions and terms of employment. These conditions are determined through internal policies, which are developed with consideration to industry standards, legal requirements, and input from our employees. We strive to maintain consistency and fairness across all aspects of employment, regardless of bargaining agreements, ensuring that each employee is valued and respected within our organization.
- 62 We have established a European Works Council Agreement in Europe to facilitate communication and consultation with our employees across different European countries. Additionally, we have Collective Agreements in place in Mexico to address the needs and concerns of our employees in that region.

S1-9: DIVERSITY INDICATORS

- 65(a) For top management (EnerSys grade 19 and above), the gender distribution is as follows for the reporting year:

# FEMALE	# MALE
40 Female (15%)	220 Male (85%)

- 65(b) S1-9.1 Employee Distribution by Age Range

AGE RANGE	# OF EMPLOYEES
Under 30 years old	1,791
31-50 years old	5,510
Over 50 years old	3,375

S1-10: ADEQUATE WAGES

- 68 EnerSys ensures a fair wage for all employees, complying with all applicable wage laws of the country where they are employed.

S1-11: SOCIAL PROTECTION

- 72(a-e) Social protections are in place for sickness, unemployment, employment injury and acquired disability, maternity leave, and retirement at EnerSys and its subsidiaries either through public programs or company benefits. Programs and policies vary by country.

S1-13: TRAINING AND SKILLS DEVELOPMENT INDICATORS

- 80(a) For the talent (performance) review process, EnerSys reviews all graded employees, despite gender or categories. This information is not tracked by employee category or gender at this time. Total graded employees receiving talent reviews was 53%.

- 80(b) Table S1-13.1 Annual Average Training Hours per Employee Category

EMPLOYEE TYPE	# TRAINING COURSES REQ	# OF HOURS /YEAR
US Employee	56	12.26
US Manager	61	18.28
US Plant Management	75	20.85
VP HQ	43	11.5
Canadian Employee	16	7.36
Canadian Manager	25	11.86
Global Employee/Manager	20	5.95

S1-14: HEALTH AND SAFETY INDICATORS

- 84(a) 100% of employees are covered by our health and safety management system.
- 84(b) There were no fatalities as a result of work-related injuries and work-related ill health in this past reporting year.
- 84(c) There were 211 recordable work-related accidents. A rate is not reported at this time.
- 84(e) The number of days lost to work-related ill health were 108 days.
- 85 100% of our employees are covered by a health and safety management system that is based on legal requirements and/or recognized standards or guidelines and which has been internally audited and/or audited or certified by an external party.
- We certify our facilities and corresponding management systems to international standards where appropriate. There are seven EnerSys facilities certified to the ISO 45001 occupational health and safety standard. In our Shenzhen, China facility, we received the SA8000 Standard accreditation, recognizing our management system for social and labor standards.

S1-16: COMPENSATION INDICATORS

- 92(a) The average gross hourly earnings of male employees is 10% higher than female employees globally (FY23).
- 92(b) The data for this disclosure (S1-16) was compiled utilizing the unadjusted gender pay gap of our top 16 countries, making up more than 97% of our global population (FY23).
- For full understanding of how 92(a), 92(b), 92(c) are derived, please refer to the [2023 Proxy](#).*

S1-17: INCIDENTS, COMPLAINTS AND SEVERE HUMAN RIGHTS IMPACTS AND INCIDENTS

- 99(a) EnerSys reports no occurrences of severe human rights issues and incidents connected to our employees in the reporting period.
- 99(b) There were no fines, penalties or compensation damages related to human rights issues or incidents incurred in the reporting period.

S2 WORKERS IN THE VALUE CHAIN

ESRS 2 SBM-3: S2

- 11(b) Our Code of Supplier Conduct reflects our commitment to our values and our expectation that all of our suppliers will adhere and embrace such values. It includes a commitment that all suppliers should ensure that all forms of modern slavery, including forced, compulsory labor and human trafficking, are prohibited and that they maintain safe and inclusive workplaces, based on recognized human rights. EnerSys further requires that suppliers act with reasonable diligence to ensure that any of their contractors, subcontractors, manufacturing facilities, labor providers, agents, partners, or subsidiaries, also comply with the principals, policies, and requirements expected of our suppliers.

S2-1: WORKERS IN THE VALUE CHAIN

- 17(a) Our Workforce Labor Rights Policy and Corporate Social Responsibility and Human Rights Policy outline our commitments to engaging with suppliers who uphold human rights protections, including the prevention of modern slavery and child labor and maintaining a discrimination-free workplace in line with global principles. It is expected that all suppliers adhere to our policies, which we measure through our supplier assessment survey.
- 17(c) In the event of a reported or suspected human rights violation, we undertake an investigation with due diligence. Investigations are conducted in a thorough, thoughtful manner. Upon concluding the investigation, EnerSys will determine the appropriate course of action moving forward.
- 18 Our Anti-Slavery & Human Trafficking Statement explicitly addresses trafficking in human beings, forced or compulsory labor and child labor within our supply chain. We also have a supplier code of conduct, which can be found on our website.
- 19 The Workplace Labor Rights Policy and Corporate Social Responsibility, along with the Human Rights Policy, are based on the UN Guiding Principles on Business and Human Rights, which includes an undertaking to respect the human rights reflected in the International Bill of Human Rights, the Universal Declaration of Human Rights and the Declaration on Fundamental Principles and Rights at Work.

S2-2: PROCESSES FOR ENGAGING WITH VALUE CHAIN WORKERS ABOUT IMPACTS

- 24 EnerSys does not directly engage with value chain workers about impacts. Value chain workers and other stakeholders can access our confidential, 24/7 Ethics and Compliance Hotline to anonymously report violations or suspected out-of-compliance activity.
-

S2-3: PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR VALUE CHAIN WORKERS TO RAISE CONCERNS

- 27(b) Value chain workers and other stakeholders have access to our confidential, 24/7 Ethics and Compliance Hotline to anonymously report violations or suspected out-of-compliance activity.
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S2-4: TAKING ACTION ON MATERIAL IMPACTS, AND APPROACHES TO MITIGATING MATERIAL RISKS AND PURSUING MATERIAL OPPORTUNITIES RELATED TO VALUE CHAIN WORKERS, AND EFFECTIVENESS OF THOSE ACTIONS AND APPROACHES

- 32(a) While EnerSys does not engage with the employees of our suppliers directly, as part of our risk management process we have a supplier assessment survey that is intended to inform EnerSys of potential risks of new suppliers and monitor existing suppliers. It includes questions covering each environmental, social and governance topic and allows EnerSys to measure potential impacts on its supply chain.
- 32(c) EnerSys utilizes a supplier assessment survey to mitigate potential material risks within our supply chain. The survey is intended to track and assess partnerships within our supply chain.
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S3 AFFECTED COMMUNITIES

S3-1: POLICIES RELATED TO AFFECTED COMMUNITIES

- 14 EnerSys policies adopted to manage material matters related to all affected communities include:
- [Code of Conduct](#)
 - [Conflict Minerals Policy](#)
 - [Environmental Policy](#)
 - [Anti-Slavery and Human Trafficking Statement](#)
 - [Corporate Social Responsibility and Human Rights Policy](#)
- 14 The Corporate Social Responsibility and Human Rights Policy states that we are fully committed and aligned with the global consensus that respect for all minority rights, including indigenous peoples' and women's rights, is essential in observance of human rights.
- 16(b) Engaging stakeholders, including indigenous peoples and those from other at-risk populations, is a foundational element of our respect for human rights. Where practical, we are committed to dialogue and our goal is to listen, learn and consider the diverse views and local issues that affect the communities in which we operate. This includes a commitment to free, prior and informed consent with regard to indigenous peoples' inherent and prior rights to their lands and resources, as defined and recognized by the UN Department of Economic and Social Affairs.
- 17 Our Corporate Social Responsibility and Human Rights Policy is based on the UN Guiding Principles on Business and Human Rights, which includes an undertaking to respect the human rights reflected in the International Bill of Human Rights, the Universal Declaration of Human Rights and the Declaration on Fundamental Principles and Rights at Work.
-

S4 CONSUMERS AND END-USERS

S4-2: PROCESSES FOR ENGAGING WITH CONSUMERS AND END-USERS ABOUT IMPACTS

- 21 EnerSys has not yet adopted a general process to engage with consumers and/or end-users.
-

S4-3: PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR CONSUMERS AND END-USERS TO RAISE CONCERNS

- 24(b) The Ethics and Compliance Hotline is a channel for consumers and/or end-users to raise their concerns or needs directly with EnerSys and have them addressed.

ESRS Governance

G1 BUSINESS CONDUCT

G1-1: CORPORATE CULTURE AND BUSINESS CONDUCT POLICIES

- 9 Our company leaders lead by example and promote an inclusive working culture, fostering an environment of collaboration and mutual respect. Leaders promote and cultivate individual knowledge, creativity, skills and growth.
- Business resource groups (BRGs) are also an important element of our successful corporate culture at EnerSys. By providing employees with a safe space to connect, BRGs promote diversity, equity, and inclusion initiatives meaningfully. For many, these BRGs can provide invaluable support when navigating their careers and achieving leadership. The BRGs at EnerSys include Women in Leadership, Asian Heritage Association, Black Unity in Leadership Development, Green Leadership Opportunities Working Group, PRIDE, Hispanic/Latinx Organization for Leadership in Action, and others.
- To monitor and manage culture, we conduct a diversity engagement survey each year to determine our employees' sense of belonging and to understand EnerSys as a workplace.
- 10(a) The EnerSys Code of Business Conduct and Ethics (Code of Conduct) provides guidance to help recognize and deal with ethical issues, establish mechanisms to report unethical conduct, and help foster the company's values. A list of questions is provided to support individuals in identifying concerns regarding unlawful behavior or behavior that contradicts the Code of Conduct. A web intake form and phone number is provided for individuals who know or believe that someone has engaged or is engaging in company-related conduct that violates applicable law, company policy, or the Code of Conduct. Country-specific phone numbers, a translatable web intake form, and an interpreter are available. Reports may be submitted anonymously. Concerns may also be addressed to the Business Ethics Oversight Committee, a manager, or any member of the Human Resources or Legal Department.
- Any investigation shall be conducted in accordance with the EnerSys Policy Guide for Business Conduct and Ethics Workplace Investigations. The General Counsel shall determine whether a violation of this Code of Conduct has occurred. Internal Audit shall report the results of any inquiry or investigation and the disposition of the matter to the Audit Committee.
- The reporting mechanism is available for internal and external stakeholders, including all employees, temporary workers, senior management, officers, directors, agents, representatives, distributors, business partners, contractors, consultants, vendors, and suppliers.
-

G1-2: MANAGEMENT OF RELATIONSHIPS WITH SUPPLIERS

- 14(a) We recognize the importance of transparency and accountability in managing our supplier relationships and mitigating supply chain risks. As such, we remain committed to a strategy that focuses on ongoing improvement and dialogue with our suppliers to foster sustainable practices and ensure the resilience and integrity of our supply chain.
- We highly value suppliers who share our dedication to sustainability. To ensure alignment with our standards, we conduct supplier audits and monitoring, which encompass various aspects related to supply chain risk, including environmental compliance, health and safety, product safety, conflict minerals, workplace labor rights, and corporate social responsibility. These audits are conducted either by our internal team or accredited third parties and may take the form of questionnaires, site evaluations, discussions, or the utilization of third-party databases. Non-compliance with our standards may result in the discontinuance of existing
- 14(b) The EnerSys strategic sourcing group is responsible for supplier selection, contract negotiations, and supplier performance monitoring. From the outset of our supplier selection process, we prioritize suppliers who demonstrate a commitment to social and environmental objectives. During this process, sustainability criteria are evaluated, such as: environmental compliance, health and safety, product safety, conflict minerals, workplace labor rights, and corporate social responsibility. Supplier operations must align with our Code of Conduct, Anti-Slavery and Human Trafficking Statement, Corporate Social Responsibility and Human Rights Policy, Workplace Labor Rights Policy, Environmental Policy, and Climate Change Policy.

G1-3: PREVENTION AND DETECTION OF CORRUPTION OR BRIBERY

- 17(a) The Anti-bribery and Anti-Corruption Policy is embedded within the Code of Conduct. EnerSys has also developed a Bribery and Corruption Red Flags Policy based on the United States (U.S.) Foreign Corrupt Practices Act of 1977, as amended, and the United Kingdom Bribery Act of 2010. These policies prohibit anyone acting on the company's behalf from using bribes, kickbacks or other illegal or corrupt practices in conducting our business. The Code of Conduct Policy outlines a policy related to Gifts, Sensitive Transactions and Prohibited Payments, Accurate Books and Records, along with an overview explaining the use of good judgment and common sense. These policies and procedures support prevention of corruption and bribery. The company has created a comprehensive training program for employees covering our commitment to preventing bribery and corruption in all forms within our business or from those with whom we do business.
- The procedure to report allegations or incidents of corruption/bribery are outlined within the Reporting and Compliance Procedures section of the Code of Conduct. Anyone who knows or believes that any other person has engaged or is engaging in company-related conduct that violates applicable law and/or Anti-bribery and Anti-Corruption Policy shall report such information to the Business Ethics Oversight Committee, the Ethics and Compliance Hotline, to a manager or any member of the Human Resources or Legal Department.
- Detecting incidents of corruption and bribery is a multifaceted process that hinges on accurate financial records. Our organization's Accurate Books and Records Policy establishes stringent accounting standards that must be followed to ensure transparency and compliance. Given the inherent connection between bribery and financial transactions, our primary focus for detection lies in auditing our books and records for accuracy. This involves both internal and external auditors who diligently comb through financial data to identify any irregularities or suspicious activities indicative of corrupt practices. Additionally, our approach incorporates a risk-based methodology, wherein we conduct annual risk assessments to pinpoint areas vulnerable to corruption. This risk assessment plan, coupled with a comprehensive checklist for our internal audit team, enables us to proactively address potential threats.
- In the event of reported or suspected misconduct, we undertake investigations with due diligence, treating bribery and corruption like any other alleged offense. Any investigation to address allegations or incidents of corruption/bribery shall be conducted in accordance with the EnerSys Policy Guide for Business Conduct and Ethics Workplace Investigations. This policy outlines specific investigative time parameters, investigative workflow, communication and notice procedures, and a summary regarding remedies. Depending on the circumstances, we enlist the expertise of outside counsel to ensure a thorough and impartial investigative process. Through these measures, we strive to uphold the integrity of our organization and foster a culture of transparency and compliance with our policies.
- 17(b) EnerSys is committed to ensuring that all EnerSys-initiated investigations are conducted in a fair, impartial, thorough, thoughtful manner and in compliance with all applicable laws within the U.S. or other jurisdictions. The Policy Guide for Business Conduct and Ethics Workplace Investigations outlines responsibilities to ensure this commitment is upheld.
- The Business Ethics Oversight Committee (which consists of the CLO, Chief Human Resources Officer, and Senior Director of Internal Audit) is responsible for conducting an investigation relating to the complaint, making a determination as to the allegation, and making any necessary and prompt reporting of the findings.
- EnerSys' CLO, as a member of the Business Ethics Oversight Committee, will have primary responsibility for the review, oversight, assignment and/or investigation of any and all complaints.
- Any employee responsible for conducting EnerSys-initiated investigations will be required to complete an EnerSys-sponsored training program on workplace investigations or receive special training from an accredited professional association (e.g., Society of Human Resource Management, Association of Fraud Examiners, ASIS International, American Bar Association, Association of Corporate Counsel) in conducting workplace investigations.
- The investigators or the investigating Committee will be separate from the chain of management involved in the reported allegation or incident. Within the Code of Conduct, specific procedures are outlined for alleged violations involving an executive officer, director or Chief Executive Officer.
- 17(c) The Policy Guide for Business Conduct and Ethics Workplace Investigations outlines the process to report investigative outcomes. EnerSys' CLO, as a member of the Business Ethics Oversight Committee, will have primary responsibility for the review, oversight, assignment and/or investigation of any and all complaints. If an investigation is warranted, the CLO will direct the EnerSys-initiated investigation. However, the CLO and/or his designee may assume responsibility for certain investigations and instruct other EnerSys personnel to act as an agent in gathering information.
- Based on the investigation, the EnerSys fact-finder must determine whether the allegation(s) were founded, unfounded or inconclusive. This determination shall be documented in writing and made part of the investigative report. The investigative report is submitted to the Business Ethics Oversight Committee, which is responsible for making a determination as to the allegation. If an investigation involves the CEO, the Audit Committee shall determine whether a violation of this Code has occurred. If through an investigation, an allegation has been validated and determined that there was a violation of the Code of Conduct and/or any other EnerSys policies, rules, standards of conduct and/or applicable laws that the investigation is properly documented and the findings promptly reported to the Audit Committee.
- Prior to notification to any government agencies concerning the EnerSys-initiated investigation, there will be a full review by the CLO and/or his designee. Furthermore, the CLO and/or his designee will direct what information, including documents, shall be released to the government agencies.

- 18 Procedures to prevent and detect, investigate, and respond to allegations or incidents relating to corruption and bribery are in place and disclosed herein.
- 19 The Code of Conduct, which addresses prevention and detection of corruption or bribery, applies globally to all EnerSys employees, directors, agents, representatives, distributors or business partners, contractors and consultants, vendors and suppliers. This policy is accessible at enersys.com, as well as the company's internal platform. The Bribery and Corruption Red Flags policy is accessible by employees on the internal platform.
- The company provides comprehensive training to all employees to ensure they understand the bribery and anti-corruption policies and relevant implications.
- Suppliers are furnished with the Code of Conduct during the procurement and contractual process.
- 20(a) All employees at EnerSys are required to participate in Code of Conduct training, which includes a dedicated segment on anti-corruption and anti-bribery measures. This internal training is conducted as a part of the employee onboarding process and is reinforced annually. Delivered through our Human Resources system, LiNK, the training is interactive and incorporates comprehension-checking questions to ensure understanding among participants.
- 20(b) Functions-at-risk are those business operations deemed to be at risk of corruption and bribery as a result of their tasks and responsibilities. All employees at EnerSys are required to complete the employee training program, which includes 100% comprehension of our anti-corruption and anti-bribery policies.
- 20(c) While all employees are required to take the Code of Conduct training, some leaders in management and administrative roles are expected to maintain a high level of understanding related to anti-corruption and anti-bribery standards. For example, those in the financial department are trained to recognize potential signs of corruption or bribery within their areas of responsibility, including irregular financial transactions, conflicts of interest, or suspicious behavior, while those in the legal department are trained to understand relevant laws, regulations, and international standards related to anti-corruption and anti-bribery, such as the U.S. Foreign Corrupt Practices Act or the United Kingdom Bribery Act.

Materiality Assessment

In alignment with EnerSys' corporate sustainability strategy, we updated our materiality assessment in 2023 to meet double materiality standards, in which we identify and prioritize material risks and opportunities and potential external impacts. The assessment informs EnerSys' sustainability reporting and disclosure efforts, ensuring that EnerSys reports on the issues most relevant to stakeholders and the business.

EnerSys designed the 2023 assessment to engage the company's internal subject matter experts (SMEs) and delve into environmental, social and governance (ESG) sustainability topics that have the most significant bearing on EnerSys operations, stakeholders and the world at large. Fifteen internal stakeholders were interviewed, including the Chief Executive Officer and Presidents, as well as individuals from Finance, Legal & Investor Relations, and Operations & Engineering.

MATERIAL TOPICS

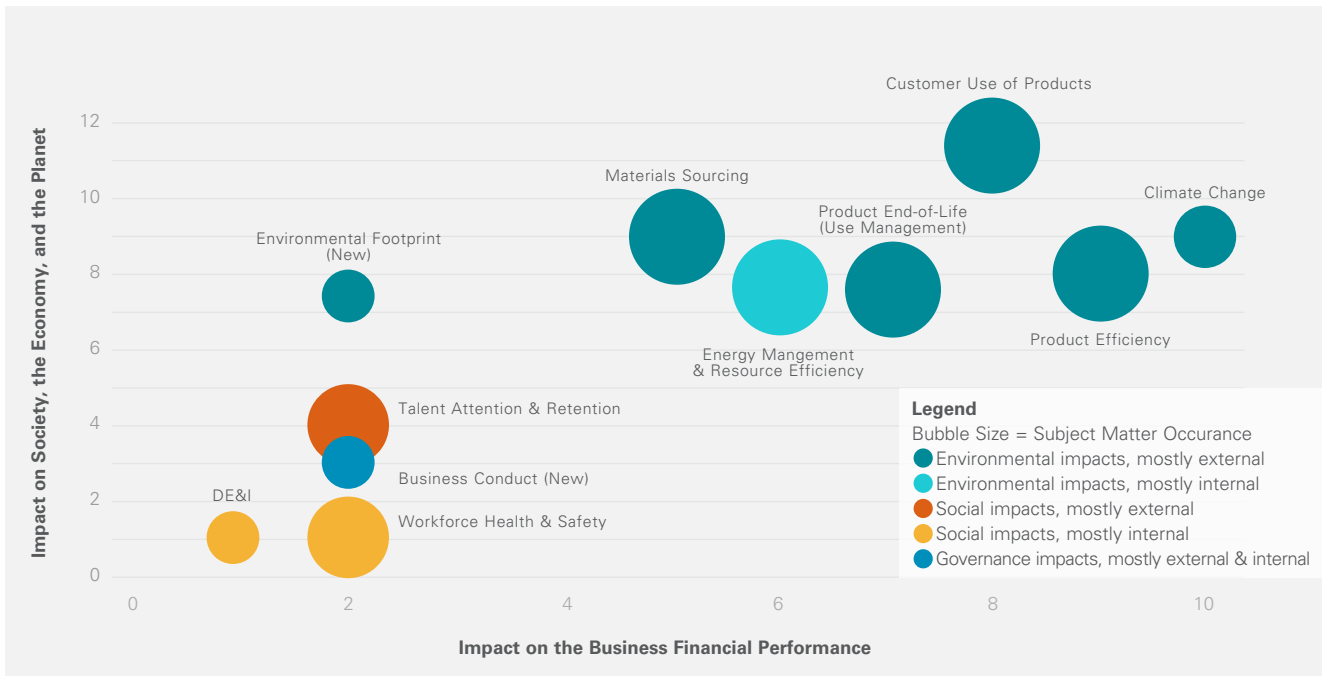
As a result of our assessment, we identified 11 recurring themes related to ESG impacts, risks and opportunities. The themes fall under multiple materiality topics. In cases where new themes arose, we incorporated them into our existing 2021 Sustainability Report materiality topics.

The frequency in which the topics were discussed during the interviews influenced their importance level, as denoted by the size of the bubbles. The larger the bubble, the more often the topic was discussed. Additionally, a comprehensive assessment of each topic's relative impact on EnerSys' financial performance, including potential financial implications,

was conducted, utilizing a scoring system that categorized impacts as low- affecting <1% of revenue (1), medium- affecting 5% of revenue (5), or high- affecting >10% of revenue (10).

A similar scoring system was employed to assess the relative impacts on society, the economy and the environment, taking into account factors like scale, scope, likelihood and the permanence of consequences. These impacts were categorized as low- short duration, reversible, negligible harm (1), medium- noticeable effects, partially reversible or mitigatable (5), or high- long-lasting or permanent (10).

EnerSys Materiality Matrix



DEFINITION OF MATERIAL TOPICS

Business Conduct: Describes how a business conducts their operations in relation to a set of ethical standards, values, and legal and regulatory requirements.

Customer Use of Products: Describes the impact generated, either positive or negative, that occurs when customers engage with the product. This is heavily influenced by what, if any, additional resources are needed for the customer to use the product and the longevity of use of the product (i.e., does it need to be replaced frequently).

Climate Change: Refers to the long-term change in average temperatures and weather patterns, driven either by natural causes or human activities. Climate change can both generate potential negative impacts on a business, and can be impacted, positively or negatively, by business operations.

Diversity, Equity & Inclusion: Diversity, Equity and Inclusion practices are meant to ensure the fair treatment of employees, improve workplace engagement and enable the full contribution of all employees. Ultimately, these practices can improve the products and services that a business provides to its customers.

Energy Management and Resource Efficiency: The efficient use of energy and other natural resources can lead to reduced environmental impacts and an improvement in operational efficiency and profitability.

Environmental Footprint: Refers to the impact on the environment as a result of business operations, which includes raw material extraction, production, transportation, product use and product end-of-life management.

Materials Sourcing: The manufacturing of batteries requires the mining of critical raw materials such as lithium, platinum, cobalt and nickel. These critical raw materials may be limited in global supply and are concentrated in countries subject to geopolitical risk, which has the potential to expose businesses reliant on these materials to price volatility, supply chain disruptions, and possible human rights or environmental risks.

Product Efficiency: Energy- and thermal-efficient products may generate lower environmental impacts and reduce overall costs for the operation and their customers.

Product End-of-Life (Use) Management: Relates to the impacts created when a product reaches the end of its useful life. Batteries in particular must be properly disposed of at end of life to reduce or avoid risks to human and environmental health. Batteries that are designed for disassembly and reuse will reduce the overall life cycle impacts and provide opportunities for the business to reduce risks related to raw material sourcing.

Talent Attraction & Retention: Business success relies on the ability to recruit and retain talented and diverse workers. Retention can be improved through competitive pay and benefits, equitable development opportunities, and a safe, engaging workplace.

Workforce Health & Safety: The manufacturing of batteries may expose workers to hazardous substances or accidents in the workplace, which could lead to increased risk of litigation for the business and can impact the long-term health of their workers. These risks can be mitigated through robust safety protocols and internal controls.

Environmental Data

In May of 2024, EnerSys published its 2023 Sustainability Report. Aligned with internationally recognized reporting standards noted in the Sustainability Report, Appendix B is intended to provide quantitative information covering the calendar years, 2019, 2020, 2021, 2022 and 2023. The table below presents key environmental data covering EnerSys globally. The scope includes manufacturing, warehouse, service and distribution centers, offices and other facilities, both owned and leased, totaling around 180 locations.

The data was gathered by the EnerSys Sustainability Team utilizing the ESG Flo platform. Greenhouse gas data covers Scope 1, 2 and 3 emissions. Data is based on utility data with measurements. Global warming potential and emissions factor conversions are based on the latest guidance from:

- International Energy Agency (IEA)
- The Climate Registry-DEFRA
- IPCC Fourth Assessment Report (AR4-100 year)

When utility data were not available, estimates were made in alignment with the Greenhouse Gas Protocol guidance.

Aligned with our vision: “Powering the Future – Everywhere for Everyone,” EnerSys intends to provide ongoing updates and increasingly comprehensive sustainability reporting and disclosure aligned with the expectations of our stakeholders.

EnerSys Environmental Data

METRIC ¹	UNIT	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023
Total Energy Consumed ²	Thousand GJ	2,779	2,719	2,764	2,724	2,578
Non-renewable energy consumed	Thousand GJ	2,763	2,661	2,747	2,706	2,564
% of total non-renewable energy ³	%	99.4%	99.5%	99.4%	99.3%	99.40%
Renewable energy consumed ⁴	GJ	15,660	14,723	16,826	18,158	14,800
% of energy from the grid	%	>99.9%	>99.9%	>99.9%	>99.9%	>99.9%
% of total renewable energy	%	0.6%	0.5%	0.6%	0.7%	0.60%
Solar	GJ	543	675	894	174	425
Wind	GJ	9,031	9,063	10,305	n/a	2398
Biofuel/Biomass	GJ	3,252	2,947	2,857	n/a	799
Other ⁵	GJ	2,942	2,694	2,767	18,141	11,182
Electric power consumed (non-renewable)	Thousand GJ	1,571	1,592	1,773	1,731	1,635
Scope 1 (Direct)	Thousand Tons CO ₂ e	65.2	63.1	54.2	51.1	48.9

EnerSys Environmental Data continued

METRIC ¹	UNIT	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023
Scope 2 (Indirect)	Thousand Tons CO2e	206.8	218.9	235.3	222.6	227.3
Scope 3 (Value Chain) ⁶	Tons CO2e	n/a	n/a	n/a	1,694,800	1,652,209
Total GHG Scope 1 & 2	Thousand Tons CO2e	272	282	289.5	273.7	276.2
GHG Scope 1 & 2 Emissions per Million USD\$ Revenue	Tons CO2e	88.5	96.7	88.7	75.5	75.5
GHG Scope 1 & 2 Emissions per MWh of Energy Storage Produced	Tons CO2e	22.9	24.9	22.3	20.4	22.3
Hazardous air pollutant (HAP) emission ⁷	Tons	1.38	0.939	0.917	0.942	0.825
Hazardous waste generated ⁸	Tons	3886	3370	5013	2386	2473
Water use	Megaliters	855.6	843.73	960.74	988.26	892.38
Wastewater discharge ⁹⁻¹⁰	Megaliters	n/a	299.5	283.8	262.2	224.3
Water Reuse Total ¹⁰	Megaliters	n/a	n/a	25.59	849.69	802.74
Water Recycled Total ¹⁰	Megaliters	n/a	n/a	n/a	130.94	108.82
Water Reuse / Recycled Total ¹⁰	Megaliters	n/a	633.8	1071.6	980.63	911.56
Water Reuse / Recycled Percentage ¹⁰	%	n/a	211.6%	377.6%	374%	406%

¹ Figures in the table below have been rounded and may therefore not fully align

² Includes electricity, natural gas, propane, coal and other petroleum fuels.

³ Whereas EnerSys does not specifically contract renewable electricity, this figure does not account for the percentage of renewable electricity that is de facto part of the total electricity consumed across various geographies as part of the grid. It is, however, accounted for in the total Scope 2 greenhouse gas emissions.

⁴ Reduction is due to solar array coming offline in Bellingham and now 100% of Brazil being Hydroelectric

⁵ Certified as Hydroelectric power in Brazil

⁶ We began calculating our Scope 3 emissions in 2022.

⁷ Pb emitted to the atmosphere per year

⁸ Shipped for disposal

⁹ Water is consumed in products as well as through evaporation.

¹⁰ As a percentage of discharged water. Note that a significant percentage of water recycling takes place in our Chongqing, China plant which includes cycling water in cooling towers. Like for like data not available for some values for 2019-2021.

SASB Disclosure Index

FUEL CELLS AND INDUSTRIAL BATTERIES SUSTAINABILITY ACCOUNTING STANDARD

	CODE	TOPIC	2023 DATA
SASB ACTIVITY METRICS	RR-FC-000.A	Number of units sold	5,050,327
	RR-FC-000.B	Total storage capacity of batteries sold	12,377 MWh
	RR-FC-000.C	Total energy production capacity of fuel cells sold	
ENERGY MANAGEMENT	RR-FC-130a.1	(1) Total energy consumed	2,580,800 GJ
		(2) Percentage grid electricity	63%
		(3) Percentage renewable	0.6%
WORKFORCE HEALTH & SAFETY	RR-FC-320a.1	(1) Total recordable incident rate (TRIR)	We do not currently report this as a rate, however, EnerSys reports 211 recordable work-related accidents in CY23.
		(2) Fatality rate for: (a) direct employees	0%
		(2) Fatality rate for: (b) contract employees	0%
	RR-FC-320 a.2	Description of efforts to assess, monitor, and reduce exposure of workforce to human health hazards	<p>Efforts to assess, monitor and reduce exposure: Our workforce health and safety management system is embedded in the EnerSys Operating System, and especially in the Managing for Daily Improvement process. All employees are required to take safety and health training regularly based on their location and job function. We provide the necessary resources to prevent injuries and illness on the job, conduct regular safety evaluations and develop safeguards for our manufacturing processes. Our management team oversees the implementation of all necessary safeguards to protect the safety and health of our employees. Each location is responsible for ensuring these safeguards are in place and for working with employees to protect them from injury and illness. Our corporate Environmental, Health and Safety team is responsible for providing counsel and guidance to management in establishing and auditing their safety and health programs.</p> <p>Management approach: Our management approach to short-term (acute) and long-term (chronic) risks is detailed in our 2023 TCFD Report.</p> <p>Exposure safety practices: The health of our employees is our highest priority, and our management of safety risks includes efforts to monitor and reduce acute and chronic exposures in the workplace. We conduct regular risk assessments, participate in long-term health studies, provide workers with essential personal protective equipment, and consider alternative materials wherever possible.</p> <p>Risk-monitoring policies: EnerSys has an internal Blood Lead Reporting & Compliance Policy that is the responsibility of our Environmental Health and Safety team. When lead is present, we have a stringent program to monitor our employees' lead exposure levels and take immediate action if they ever exceed our internal policy, which is much more stringent than regulatory requirements at our facilities globally. This program involves blood lead tests for employees and is required to be updated quarterly with data reflecting the recent blood lead data for employees who were tested in the month for the quarter being audited. This is reported globally, and it uses individual numbers, not employees' names, to track blood lead levels across the business. We also employ medical staff to monitor our health program.</p> <p>Scope of workforce: The Contractor Environmental, Health & Safety Policy is intended to ensure that all contractors and subcontractors that are engaged by the company are operating in a manner that is compliant with all federal, state, and local laws and is consistent with EnerSys policies and procedures aimed at maintaining a safe, secure and hygienic facility. Contractors are covered by the Contractor Environmental Health & Safety Policy. All regions and/or locations covered under that policy are required to develop a written policy relating to contractor safety. In some regions of the world, EnerSys has existing regional level contractor safety policies. If there are no regulatory requirements regarding contractor safety, it is the local management's responsibility to develop and institute a local policy that will achieve this policy's objective. Plant management is responsible for ensuring that they comply with all local, regional and country specific regulations in addition to this global Contractor Environmental, Health & Safety Policy.</p> <p>Policies regarding maximum workforce BLL: When lead is present, we have a stringent program to monitor our employees' lead exposure levels and take immediate action if they ever exceed our internal policies (including our Contractor Policy, Baghouse Policy and Workers Compensation Policy), which are much more stringent than regulatory requirements at our facilities globally. Our health policies differ throughout our regions globally, but our requirements meet or exceed global regulation.</p> <p>EnerSys has no violations of our blood lead level thresholds.</p>

PRODUCT EFFICIENCY	RR-FC-410a.0	Average storage capacity of batteries, by product application and technology Average battery efficiency as coulombic efficiency, by product application and type	
	RR-FC-410a.2	Average energy efficiency of fuel cells as (1) electrical efficiency and (2) thermal efficiency, by product application and technology type	%
	RR-FC-410a.3	Technology type	
	RR-FC-410a.4	Average operating lifetime of fuel cells, by product application and technology type	Hours
	RR-FC-410a.5	Average operating lifetime of batteries, by product application and technology type	
PRODUCT END-OF-LIFE MANAGEMENT	RR-FC-410b.1	Percentage of products sold that are recyclable or reusable	
	RR-FC-410b.2	(1) Weight of end-of-life material recovered, (2) percentage recycled	
	RR-FC-410B.3	Description of approach to manage use, reclamation, and disposal of hazardous materials	<p>Regulatory Compliance: We adhere to all applicable regulatory requirements for waste generation, handling, and disposal at our facilities. This includes tracking waste materials with the necessary paperwork to ensure proper accounting of our environmental impact.</p> <p>Third-Party Expertise: Where appropriate, we engage expert third-party contractors to manage our waste responsibly, ensuring compliance and effective waste management practices.</p> <p>Lead Battery Manufacturing: Our lead battery manufacturing facilities produce a significant volume of waste materials, including scrap and hazardous materials. However, we prioritize recycling and reuse initiatives, with most materials being recovered and reused in our products as recycled raw materials. For instance, we utilize filter presses to collect excess lead, which is then recycled for battery manufacturing, reducing the amount of hazardous waste generated.</p> <p>Circular Economy Actions: Our approach emphasizes resource efficiency and circular economy principles. Recoverable scrap materials are reintegrated into our processes to minimize waste, contributing to a recycling rate for lead batteries that exceeds 99%.</p>
MATERIALS SOURCING	RR-FC-440A.1	Description of the management of risks associated with the use of critical materials	Approximately 10% of global cobalt supplies (a mineral used in lithium-ion batteries) come from artisanal mining practices in the Democratic Republic of Congo, which pose serious human rights and environmental concerns. To ensure we are sourcing from suppliers with good environmental and human rights practices, we only source cobalt from suppliers committed to adopting the Organisation for Economic Co-operation and Development Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. Our strategy to reduce supply risks to our value chain from critical minerals, like cobalt, is to invest in recycling and the realization of a circular economy.

GRI Disclosure Index

		CODE	DISCLOSURE	REPORT SECTION OR RESPONSE	PG #
GRI 2: GENERAL DISCLOSURES	The Organization and Its Updating Practices	2-1	Organizational details	About EnerSys	1.1
		2-2	Entities included	About EnerSys	1.1
		2-3	Updating period, frequency and contact point	About this Report: Reporting Period	III
		2-4	Restatements of information	1. ESRS General Sustainability Disclosures: ESRS 2 BP-1 Basis for Preparation of the Sustainability Statements	6.1
	Activities and Workers	2-6	Activities, value chain and other business relationships	We are Climate Technology	1.1
		2-7	Employees	About EnerSys: 3. ESRS Social: S1-6 Characteristics of the undertaking's employees	1.1
	Governance	2-9	Governance structure and composition	Governance: Leadership 1. ESRS General Sustainability Disclosures: ESRS 2 GOV-1 The role of the administrative, supervisory and management bodies	6.1
		2-10	Nomination and selection of the highest governance body	Governance: Leadership	5.1
		2-11	Chair of the highest governance body	Governance: Leadership	5.1
		2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability Oversight 1. ESRS General Sustainability Disclosures: ESRS 2 GOV-1 The role of the administrative, supervisory and management bodies 1. ESRS General Sustainability Disclosures: ESRS 2 IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities	6.1 & 6.7
		2-13	Delegation of responsibility for managing impacts	1. ESRS General Sustainability Disclosures: ESRS 2 GOV-1 The role of the administrative, supervisory and management bodies 1. ESRS General Sustainability Disclosures: ESRS 2 IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities	6.1 & 6.7
		2-14	Role of the highest governance body in sustainability updating	1. ESRS General Sustainability Disclosures: ESRS 2 GOV-5 Risk management and internal controls over sustainability	6.5
		2-15	Conflicts of interest	EnerSys Corporate Governance Guidelines (page 3)	n/a

GRI 2: GENERAL DISCLOSURES	Governance	2-16	Communication of critical concerns	4. ESRS Governance: G1-1 Corporate culture and business conduct policies	6.27
		2-17	Collective knowledge of the highest governance body	EnerSys Corporate Governance Guidelines (page 4)	n/a
		2-18	Evaluation of the performance of the highest governance body	EnerSys Corporate Governance Guidelines (page 5)	n/a
		2-19	Remuneration policies	Proxy Statement 2023 (pg. 40-49)	n/a
		2-20	Process to determine remuneration	3. ESRS Social: S1-16 Compensation indicators	6.25
		2-21	Annual total compensation ratio	3. ESRS Social: S1-16 Compensation indicators	6.25
	Strategies, Policies and Practices	2-22	Statement on sustainable development strategy	CEO Letter	I
		2-23	Policy commitments	Our approach to sustainability	2.1
		2-24	Embedding policy commitments	Our approach to sustainability	2.1
		2-26	Mechanisms for seeking advice and raising concerns	3. ESRS Social: S1-3 Processes to remediate negative impacts and channels for own workers to raise concerns	6.22
		2-28	Membership associations	Trade Associations	1.2
Stakeholder Engagement	2-29	Approach to stakeholder engagement	Our Stakeholders	2.5	
GRI 3: MATERIAL TOPICS	Material Topics	3-1	Process to determine material topics	Materiality Assessment	2.6
		3-2	List of material topics	Materiality Assessment	2.6
		3-3	Management of material topics	European Sustainability Reporting Standard (ESRS)	6.1

GRI 200: ECONOMIC	Economic Performance	201-2	Financial implications and other risks and opportunities due to climate change	2. ESRS Environment: ESRS 2 SBM-3 Material impacts, risks and opportunities 2. ESRS Environment: ESRS 2 IRO-1 E1 The processes to identify and assess material climate-related impacts, risks and opportunities	6.11
	Anti-corruption	205-2	Communication and training about anti-corruption policies and procedures	4. ESRS Governance: G1-3 Prevention and detection of corruption or bribery	6.28
GRI 300: ENVIRONMENT	Energy	302-1	Energy consumption within the organization	Energy 2. ESRS Environment: E1-5 Energy consumption and mix	6.13
		302-3	Energy intensity	2. ESRS Environment: E1-5 Energy consumption and mix	6.14
		302-4	Reduction of energy consumption	Energy	3.4
		302-5	Reductions in energy requirements of products and services	Energy	3.4
	Water and Effluents	303-1	Interactions with water as a shared resource	Water	2.5
		303-2	Management of water discharge-related impacts	2. ESRS Environment: E3 Water & Marine Resources	6.16
		303-3	Water withdrawal	Water	3.5
		303-4	Water discharge	Water	3.5
		303-5	Water consumption	Water	3.5
	Biodiversity	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Waste: Biodiversity	3.9
		304-2	Significant impacts of activities, products and services on biodiversity	Waste: Biodiversity	3.9
	Emissions	305-1	Direct (Scope 1) GHG emissions	Climate and Greenhouse Gas Emissions 2. ESRS Environment: E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions	6.14
		305-2	Energy indirect (Scope 2) GHG emissions	Climate and Greenhouse Gas Emissions 2. ESRS Environment: E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions	6.14

GRI 300: ENVIRONMENT	Emissions	305-3	Other indirect (Scope 3) GHG emissions	Climate and Greenhouse Gas Emissions 2. ESRS Environment: E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions	6.14
		305-4	GHG emissions intensity	Climate and Greenhouse Gas Emissions 2. ESRS Environment: E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions	6.14
		305-5	Reduction of GHG emissions	Climate and Greenhouse Gas Emissions 2. ESRS Environment: E1-4 Targets related to climate change mitigation and adaptation	6.12
		305-6	Emissions of ozone-depleting substances (ODS)	EnerSys facilities do not emit ozone-depleting substances (ODS)	n/a
		305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	EnerSys facilities do not emit a significant amount of nitrogen oxides (NOx), sulfur oxides (Sox), or other significant air emissions	n/a
	Waste	306-1	Waste generation and significant waste-related impacts	Waste 2. ESRS Environment: E5-Resource Use & Circular Economy	6.18
		306-2	Management of significant waste-related impacts	Waste 2. ESRS Environment: E5-Resource Use & Circular Economy	6.18
Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	4. ESRS Governance: G1-2 Management of relationships with suppliers	6.27	
GRI 400: SOCIAL	Employment	401-1	New employee hires and employee turnover	3. ESRS Social S1-6 Characteristics of the undertaking's employees	6.22
	Occupational Health and Safety	403-1	Occupational health and safety management system	Health and safety 3. ESRS Social: S1-14 Health and safety indicators	4.5
		403-2	Hazard identification, risk assessment, and incident investigation	Health and safety	4.5
		403-3	Occupational health services	Health and safety	4.5
		403-4	Worker participation, consultation, and communication on occupational health and safety	Health and safety	4.5

Occupational Health and Safety	403-5	Worker training on occupational health and safety	Health and safety	4.5
	403-8	Workers covered by an occupational health and safety management system	3. ESRS Social S1-14 Health and safety indicators	6.25
	403-9	Work-related injuries	Safety and health 3. ESRS Social S1-14 Health and safety indicators	6.25
	403-10	Work-related ill health	3. ESRS Social S1-14 Health and safety indicators	6.25
Training and Education	404-1	Average hours of training per year per employee	3. ESRS Social S1-13 Training and skills development indicators	6.25
	404-2	Programs for upgrading employee skills and transition assistance programs	Training and development	4.6
	404-3	Percentage of employees receiving regular performance and career development reviews	3. ESRS Social S1-13 Training and skills development indicators	4.6
Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	Diversity, Equity and Inclusion Governance: Leadership 3. ESRS Social S1-9 Diversity indicators	6.24
Freedom of Association and Collective	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Our Workforce Labor Rights Policy applies to all our operations across geographic locations, including suppliers, and supports principle CO87 of the ILO conventions, "Freedom of Association and Protection of the Right to Organise Convention."	n/a
Child Labor	408-1	Operations and suppliers at significant risk for incidents of child labor	3. ESRS Social S1-1 Policies Related to own workforce 3. ESRS Social S2	6.20
Forced or Compulsory Labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	3. ESRS Social S1-1 Policies Related to own workforce 3. ESRS Social S2	6.20
Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	Community Engagement	4.7
Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	Supply Chain Management 4. ESRS Governance: G1-2 Management of relationships with suppliers	6.27

ESRS Disclosure Index

TOPIC	% *	DISCLOSURE TOPIC	CODE	REPORT SECTION OR RESPONSE	PG #
GENERAL General Sustainability Disclosures ESRS 2	37%	ESRS 2 BP-1: Basis for Preparation of the Sustainability Statements	ESRS 2 BP-1	1. ESRS General Sustainability Disclosures	6.1
		ESRS 2 BP-2: Disclosure in relation to specific circumstances	ESRS 2 BP-2	1. ESRS General Sustainability Disclosures	6.1
		ESRS 2 GOV-1: The role of the administrative, supervisory and management bodies	ESRS 2 GOV-1	1. ESRS General Sustainability Disclosures: 1.2. ESRS 2 Governance (Gov)	6.1 6.2 6.3 6.4
		ESRS 2 GOV-1: G1 The role of the administrative, management and supervisory bodies	ESRS 2 GOV-1 -G1	1. ESRS General Sustainability Disclosures: 1.2. ESRS 2 Governance (Gov)	6.4
		ESRS 2 GOV-2: Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	ESRS S GOV-2	1. ESRS General Sustainability Disclosures: 1.2. ESRS 2 Governance (Gov)	6.4
		ESRS 2 GOV-3: Integration of sustainability-related performance in incentive schemes	ESRS S GOV-3	1. ESRS General Sustainability Disclosures: 1.2. ESRS 2 Governance (Gov)	6.5
		ESRS 2 GOV-5 Risk management and internal controls over sustainability reporting	ESRS S GOV-5	1. ESRS General Sustainability Disclosures: 1.2. ESRS 2 Governance (Gov)	6.5
		ESRS 2 SBM-1 Market position, strategy, business model(s) and value chain	ESRS 2 SBM-1	11. ESRS General Sustainability Disclosures: 1.3. ESRS 2 Strategy (SBM)	6.6
		ESRS 2 SBM 2: Interests and views of stakeholders	ESRS 2 SBM-2	11. ESRS General Sustainability Disclosures: 1.3. ESRS 2 Strategy (SBM)	6.7
		ESRS 2 IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities	ESRS 2 IRO-1	ESRS 2 IRO-1 1. ESRS General Sustainability Disclosures: 1.4. ESRS 2 Impact, Risk and Opportunity Management (IRO)	6.7
ESRS 2: Disclosure Content Policies DC-P Policies Adopted to Manage Material Sustainability Matters	ESRS 2 DC-P	1. ESRS General Sustainability Disclosures: 1.4. ESRS 2 Impact, Risk and Opportunity Management (IRO)	6.8		

* Percent of Topic Disclosed

Environment	33%	E1: Climate Change	E1-1	2. ESRS Environment: E1-1 Transition plan for climate change mitigation	6.10
			ESRS 2 SBM-3	2. ESRS Environment: E1 Climate Change: ESRS 2 SBM-3 Material impacts, risks and opportunities	6.10 6.11
			ESRS 2 IRO-1 E1	2. ESRS Environment: E1 Climate Change: ESRS 2 IRO-1 E1 The processes to identify and assess material climate-related impacts, risks and opportunities	6.11
			E1-2	2. ESRS Environment: E1-2 Policies related to climate change mitigation and adaptation	6.12
			E1-3	2. ESRS Environment: E1-3 Actions and resources in relation to climate change policies	6.12
			E1-4	2. ESRS Environment: E1-4 Targets related to climate change mitigation and adaptation	6.12
			E1-5	2. ESRS Environment: E1-5 Energy consumption and mix	6.13 6.14
			E1-6	2. ESRS Environment: E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions	6.14 6.15
			E1-7	2. ESRS Environment: E1-7 GHG removals and GHG mitigation projects financed through carbon credits	6.15
			E1-8	Not disclosed	n/a
		E1-9	Not disclosed	n/a	
		E2 Pollution	E2-1	2. ESRS Environment: E2-1 Policies related to pollution	6.15
			E2-2	Not disclosed	0.0
			E2-3	Not disclosed	0.0
			E2-4	2. ESRS Environment: E2-4 Pollution of air, water and soil	6.16
			E2-5	2. ESRS Environment: E2-5 Substances of concern and substances of very high concern	6.16

Environment	33%	E3 Water & Marine Resources	E3-1	2. ESRS Environment: E3-1 Policies related to water and marine resources	6.16
			E3-2	2. ESRS Environment: E3-2 Actions and resources related to water and marine resources	6.16
			E3-3	2. ESRS Environment: E3-3 Targets related to water and marine resources	6.17
			E3-4	2. ESRS Environment: E3-4 Water consumption	6.17
			E3-5	2. ESRS Environment: E3-5 Potential financial effects from water and marine resources-related impacts, risks and opportunities	6.17
		E4 Biodiversity & Ecosystems	E4-1	2. ESRS Environment: E4-1 Transition plan on biodiversity and ecosystems	6.18
			E4-2	2. ESRS Environment: E4-2 Policies related to biodiversity and ecosystems	6.18
			E4-3	Not disclosed	n/a
			E4-4	Not disclosed	n/a
			E4-5	Not disclosed	n/a
		E5 Resource Use & Circular Economy	E5-1	2. ESRS Environment: E5-1 Policies related to resource use and circular economy	6.18
			E5-2	2. ESRS Environment: E5-2 Actions and resources related to resource use and circular economy	6.19
			E5-3	2. ESRS Environment: E5-3 Targets related to resource use and circular economy	6.19
			E5-4	Not disclosed	n/a
			E5-5	2. ESRS Environment: E5-5 Resource outflows	6.19

Social	25%	S1 Own Workforce	S1-1	3. ESRS Social: S1-1 Policies Related to own workforce	6.20 6.21 6.22
			S1-2	3. ESRS Social: S1-2 Processes for engaging with own workers and workers' representatives about impacts	6.22
			S1-3	3. ESRS Social: S1-3 Processes to remediate negative impacts and channels for own workers to raise concerns	6.22
			S1-4	Not disclosed	n/a
			S1-5	Not disclosed	n/a
			S1-6	3. ESRS Social: S1-6 Characteristics of the undertaking's employees	6.22 6.23
			S1-7	Not disclosed	n/a
			S1-8	3. ESRS Social: S1-8 Collective bargaining coverage and social dialogue	6.24
			S1-9	3. ESRS Social: S1-9 Diversity indicators	6.24
			S1-10	3. ESRS Social: S1-10 Adequate wages	6.24
			S1-11	3. ESRS Social: S1-11 Social protection	6.24
			S1-12	Not disclosed	n/a
			S1-13	3. ESRS Social: S1-13 Training and skills development indicators	6.24
			S1-14	3. ESRS Social: S1-14 Health and safety indicators	6.25
			S1-15	Not disclosed	n/a
			S1-16	3. ESRS Social: S1-16 Compensation indicators	6.25
			S1-17	3. ESRS Social: S1-17 Incidents, complaints and severe human rights impacts and incidents	6.25

SOCIAL	Social	25%	S2 Workers in the value chain	ESRS 2 SBM-3 -S2	3. ESRS Social: S2 Workers in the value chain: ESRS 2 SBM-3- S2	6.25		
				S2-1	3. ESRS Social: S2-1 Workers in the Value Chain	6.25		
				S2-2	3. ESRS Social: S2-2 Processes for engaging with value chain workers about impacts	6.26		
				S2-3	3. ESRS Social: S2-3 Processes to remediate negative impacts and channels for value chain workers to raise concerns	6.26		
				S2-4	3. ESRS Social: S2-4 Taking action on material impacts, and approaches to mitigating material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions and approaches	6.26		
				S2-5	Not disclosed	n/a		
			S3 Affected Communities	S3-1	3. ESRS Social: S3-1 Policies related to affected communities	6.26		
				S3-2	Not disclosed	n/a		
				S3-3	Not disclosed	n/a		
				S3-4	Not disclosed	n/a		
		S3-5		Not disclosed	n/a			
		S4 Consumers and end-users	S4-1	Not disclosed	n/a			
			S4-2	3. ESRS Social: S4-2 Processes for engaging with consumers and end-users about impacts	6.26			
			S4-3	3. ESRS Social: S4-3 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	6.26			
			S4-4	Not disclosed	n/a			
			S4-5	Not disclosed	n/a			
		GOVERNANCE	Governance	33%	G1 Business Conduct	G1-1	4. ESRS Governance: G1-1 Corporate culture and business conduct policies	6.27
						G1-2	4. ESRS Governance: G1-2 Management of relationships with suppliers	6.27
						G1-3	4. ESRS Governance: G1-3 Prevention and detection of corruption or bribery	6.28 6.29
						G1-4	Not disclosed	n/a
G1-5	Not disclosed					n/a		
G1-6	Not disclosed					n/a		

CAUTION CONCERNING FORWARD LOOKING STATEMENTS

Important Notes: This document includes non-financial metrics that are subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary. The information set forth herein is expressed as of the date hereof and EnerSys reserves the right to update its measurement techniques and methodologies in the future. The information provided herein is based in part on information from third-party sources that EnerSys believes to be reliable, but which has not been independently verified. EnerSys does not represent that the information is accurate or complete. The inclusion of information contained in this report should not be construed as a characterization regarding the materiality or financial impact of that information.

This report, and oral statements made regarding the subjects of this report, contains forward-looking statements, within the meaning of the Private Securities Litigation Reform Act of 1995, or the Reform Act, which may include, but are not limited to, statements regarding EnerSys' projections, plans, objectives, expectations and intentions to reduce emissions and emissions intensity, ability to influence, control and change the environmental impact of its business activities, the development of future technologies, business plans, and other statements contained in this report that are not historical facts, including statements identified by words such as "believe," "plan," "seek," "expect," "intend," "estimate," "anticipate," "will," and similar expressions. All statements addressing operating performance, events, or developments that EnerSys expects or anticipates will occur in the future, including statements relating to the Company's goals of achieving Scope 1 greenhouse gas neutrality by 2040 and Scope 2 neutrality by 2050 and ability to influence emissions related to its activities, as well as statements expressing optimism or pessimism about such plans are forward-looking statements within the meaning of the Reform Act. The forward-looking statements are based on management's current views and assumptions regarding future events and operating performance, and are inherently subject to significant business, economic, and competitive uncertainties and contingencies and changes in circumstances, many of which are beyond the Company's control. The statements in this report are made as of the date of this report, even if subsequently made available by EnerSys on its website or otherwise. EnerSys does not undertake any obligation to update or revise these statements to reflect events or circumstances occurring after the date of this report.

Although EnerSys does not make forward-looking statements unless it believes it has a reasonable basis for doing so, EnerSys cannot guarantee their accuracy. The foregoing factors, among others, could cause actual results to differ materially from those described in these forward-looking statements. For a list of other factors which could affect EnerSys' results, including earnings estimates, see EnerSys' filings with the Securities and Exchange Commission, including "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations," and "Forward-Looking Statements," set forth in EnerSys' Annual Report on Form 10-K for the fiscal year ended March 31, 2023. No undue reliance should be placed on any forward-looking statements.

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