

AISIN is positively involved in environmental preservation activities based on "harmony with society and nature," our Corporate Principles, in consideration of environmental preservation in all our business activities from product development, production to distribution.

With the start of Aisin Seiki's Third Environmental Action Plan in fiscal year 2002, we are actively promoting environmental activities, toward achieving the targets by fiscal year 2006. We have set concrete target plans and goals for 15 environmental objectives and have made solid efforts. We have consequently achieved satisfactory results in all goals in fiscal year 2003.

We made efforts toward the prevention of global warming arising from production activities, the reduction of wastes and the effective use of resources, as an objective in fiscal year 2003. Towards the objective of preventing global warming, we have reduced CO₂ emissions to 194,000 tons per year. AISIN is making efforts to reach 5 percent reduction of CO₂ emissions by fiscal year 2006 compared with fiscal year 1991. We have performed waste reduction activities as a measure for effective use of resources aiming zero emission and have succeeded in reducing external disposal wastes by around 60 percent compared with fiscal year 2002.

We have reduced environmentally hazardous substances in the product design stage and manufacturing processes. In the design stage, we have eliminated lead and hexavalent chromium, and have successfully reduced these pollutants by 0.15 tons per year and 6 kg

per year respectively. In manufacturing processes, we alternatively used coating solvents as materials listed in the PRTR law * and have achieved the emission reduction of these materials, moving ahead of the target for fiscal year 2006. We have also improved a high-precision tallying system on control of chemical substances, which we started to operate in August 2002 to further reduce and effectively control chemical substances.

In addition, we have developed products which are effective in the reduction of fuel consumption and air pollution to contribute to environmental protection. We have promoted weight reduction in each product and material during fiscal year 2003, and will continue to make efforts in the development of technologies and products for an environmental load reduction.

We have held local meetings inviting neighbors and administrative officers in our plants to communicate with communities and explain our environmental activities. We are also involved in beautifying activities around our plants.

AISIN is also involved in AISIN Group's consolidated environment management activities. We are making efforts to reduce the environmental load in entire business operations of the AISIN Group through product development, production and distribution.

* PRTR law (Pollutant Release and Transfer Register) is a law concerning a grasp and reduction promotion of emission of hazardous chemical substances.

Third Environmental Action Plan

Aisin Seiki Environmental Committee

1. Developing environmentally friendly products and technologies
2. Saving resources and enhancing recycling activities based on the spirit, "effective utilization of limited resources"
3. Minimizing environmental impact wastes in manufacturing and implementing stringent environmental management
4. Promoting environmental preservation through close information sharing with the government and customers and through cooperation and support with suppliers and overseas manufacturing companies
5. Intensifying public relations, education, and corporate citizenship activities

The AISIN Group Environmental Management: The AISIN Group Environmental Committee