

# Corporate Social Responsibility

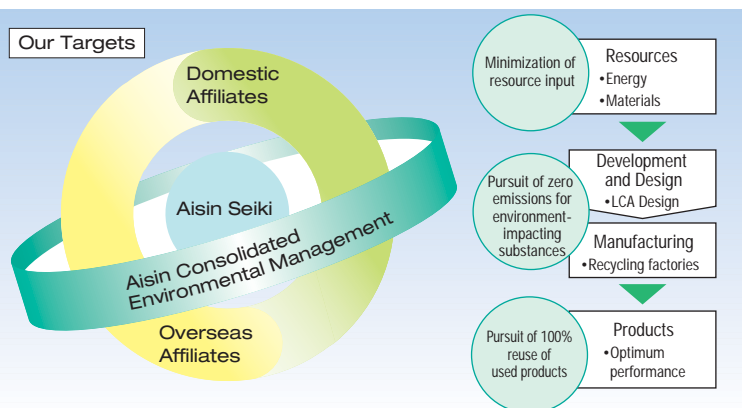
## —Environmental and Corporate Citizenship Activities—

One of Aisin Seiki's corporate principles is to maintain "harmony with society and nature," and management works to undertake its fundamental role of ensuring the continued growth of the Company while simultaneously fulfilling its social responsibilities as a member of society.

Based on this role, AISIN carries out aggressive environmental and philanthropic activities as a respected corporate citizen in order to realize a sustainable society in which ongoing development is possible.

### Environmental Activities

One of AISIN's prime missions is to pass down a pristine environment to future generations. In the midst of daily operations, the Group abides by environmental regulations and pollution control agreements. While pursuing Groupwide environmental preservation activities centered on energy conservation, recycling and reduction of environmental load, AISIN concurrently develops future technologies and products that will have less impact on the earth.



### Environmental Accounting

Aisin Seiki's environmental accounting displays the environmental preservation costs associated with reducing the environmental impact of our operations and the benefits achieved through environmental preservation activities. Accounting data is partly based on guidelines from the Ministry of the Environment regarding preservation efforts.

Environmental preservation costs declined 15% in fiscal 2004 to ¥5,800 million. The decrease was attributed to investment during the previous fiscal year in such large-scale facilities as an energy laboratory.

The economic benefit achieved through environmental preservation activities decreased 34% to ¥250 million. Despite the cumulative effects of energy preservation activities, economic benefit declined because waste treatment facilities were introduced in the middle of fiscal 2004, leaving insufficient time for benefits to be seen.

### Improving the Environmental Friendliness of Products during Development and Design and Reducing the Environmental Load

In addition to management and reduction of environmental load, Aisin Seiki is developing environmentally friendly products such as "clean energy-powered" equipment.

In the Automobile Parts and Systems Business, AISIN developed automated manual transmissions and engine front modules in order to realize refined environmental functionality through such means as improving transmission and engine efficiency, and reducing weight through modification of design and materials. In the Life Related and Other Business,

AISIN undertook product development in an environmentally friendly manner ensuring energy conservation and reduction of air and water pollution, and released such products as the gas engine cogeneration system.



Engine front module integrating the functional components such as water and oil pumps

### Environmental Activities during Production

Aisin Seiki strives to reduce environmental load within all processes from materials procurement to production and distribution.

To contribute to the prevention of further global warming, Aisin Seiki managed to curb CO<sub>2</sub> emissions to 188,000 t CO<sub>2</sub> per year, just ahead of its goal of 191,000 t CO<sub>2</sub> per year. This was accomplished through the use of state-of-the-art 6,200 kW gas turbine cogeneration systems installed at the Nishio Plant.

With regard to waste-reduction activities, Aisin Seiki was able to reduce the external industrial-waste emissions by roughly half, from 233 t to 127 t, through the recycling of electroplating solution.

Additionally, to prevent air pollution, Aisin Seiki installed a



This waste incineration facility aids in the reduction of dioxin emissions

new waste incineration facility at the Nishio Plant—in use since June 2003—that has dramatically reduced dioxin emissions to well below existing standards.

### ■ Consolidated Environmental Management Activities

AISIN is pursuing consolidated environmental management activities within both Japanese and overseas consolidated production companies, while reducing the environmental load in a wide range of business activities throughout the Group from product development to production and distribution.

In Japan, activities were undertaken to build a system that compiles environmental data and to augment consolidated environmental management.

Overseas, AISIN is monitoring and guiding environmental preservation activities at 11 consolidated production companies in North America and, based on those results, promoting the planning and development of mutually supportive structures.

### Corporate Citizenship Activities

In striving to become a company that is kind to people, society and nature, AISIN is aggressively pursuing activities in close connection with communities so that each employee can fulfill their social responsibilities as respected corporate citizens.

In particular, a wide range of activities are being undertaken within the three spheres of “community and urban development,” “preserving the natural environment” and “cultivating youth.”

### ■ Community and Urban Development

To deepen relations with the community, Aisin Seiki invites citizens and the handicapped to various volunteer events, including the *Aisin Sawayaka* (“refreshing”) concert and *ichigo-gari* (“strawberry picking”). Moreover, Aisin Seiki remodeled a corner of its corporate housing into a daycare room that is free for citizens of Kariya to use, thereby assisting child rearing in the community.

Overseas, subsidiaries are pursuing such volunteer activities as the renovation of local retirement homes in disrepair and



*Aisin Sawayaka* (“refreshing”) concert



Japanese *taiko* (“drum”) performances

promoting relations with communities through the hosting of such Japanese cultural events as *sumo* competitions and Japanese *taiko* (“drum”) performances.

### ■ Preserving the Natural Environment

Aisin Seiki hosts the *Nobikko Shinrin-tai* (Sapling Forest Team Event), during which people can learn about the current state of forests through a hands-on tree thinning experience, and conducts tree-planting activities on Mount Fuji. Moreover, efforts are also directed toward global environmental preservation activities through such measures as promotion of roof gardens at the AISIN com-center (Communications Hall) and at Aisin Seiki’s Kariya Plant.



Mount Fuji tree-planting tour

### ■ Cultivating Youth

AISIN encourages children to learn about the fun and wonder of creation, or *mono-zukuri* through the *Aisin Mono-zukuri Hiroba* (“Making Things Plaza”) and by supporting such organizations as the Boys and Girls Invention Club in the Nishio region.



*Aisin Mono-zukuri Hiroba* (“Making Things Plaza”)

### External Feedback on the Success of Corporate Social Responsibilities

Aisin Seiki’s efforts in corporate governance, environmental sustainability and social responsibility activities were rated by and subsequently listed on the FTSE4 Good Global Index, which is an index of social responsibility investment (SRI) undertaken by companies around the world.

The FTSE4 Good Global Index is one of the indexes in the FTSE4 Good Index Series started in 2001 by the FTSE Group, which is the leading index company of the United Kingdom jointly owned by The Financial Times Limited and the London Stock Exchange.

While pursuing sustainable development for society and for the Group, as well as conducting environmental management, AISIN aims to raise corporate value.