

# **AISIN Sustainability Data Book 2024**

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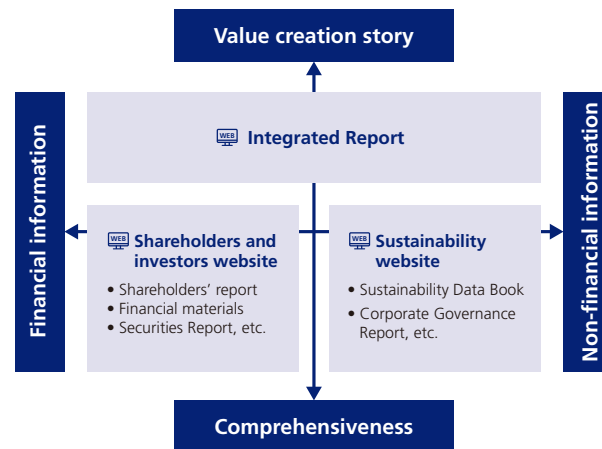


## Editorial Policy

This Sustainability Data Book reports on AISIN's approach to sustainability and its ESG (environmental, social, and governance) initiatives.

The report has been compiled in line with the Global Reporting Initiative (GRI) Standards and other applicable standards. Additionally, in this data book, disclosures related to climate change follow the Task Force on Climate-related Financial Disclosures (TCFD) Recommendations, and those related to biodiversity follow the Taskforce on Nature-related Financial Disclosures (TNFD) Recommendations.

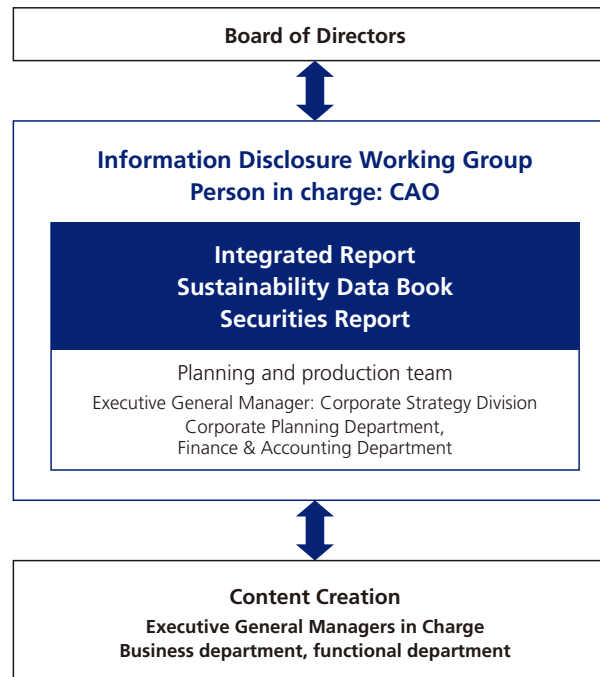
### Disclosure system



### Disclaimer on forward-looking statements

In addition to contents related to facts in the past or the present, this data book contains forward-looking statements based on future predictions and plans. These forward-looking statements are forecasts and plans based on currently available information and are subject to uncertainties and other factors. Therefore, they may differ from actual results and performance.

### Editorial system



### Period

This data book primarily covers FY2024 (April 1, 2023 to March 31, 2024), while also including information about some activities outside this period.

### Scope

In principle, this data book covers the AISIN Group (AISIN Corporation and its consolidated subsidiaries). When the scope of reporting differs concerning particular items of information, the scope is indicated using a specific description, such as "four Group companies" or "12 Group companies."

\* The scope of fiscal consolidation covers consolidated subsidiaries and equity-method affiliates.

### Four Group companies

AISIN, AISIN Takaoka, AISIN Chemical, and ADVICS

### 12 Group companies

AISIN, AISIN Takaoka, AISIN Chemical, AISIN Keikinzoku, AISIN Development, AISIN Kiko, AISIN Sin'ei, AISIN Fukui, Hosei Brake Industry, ADVICS, AISIN Shiroki, and Art Metal Mfg.

### Issued

November 2024

## Company Profile

**Company name** AISIN CORPORATION

**Capital** ¥45 billion

**Head office** 2-1 Asahi-machi, Kariya, Aichi  
448-8650 Japan  
Phone: +81-566-24-8441  
(main line)

**Representative** Moritaka Yoshida, President

**No. of employees** 35,099 (non-consolidated)  
115,140 (consolidated)  
(as of March 31, 2024)

**No. of consolidated companies** Consolidated subsidiaries: 194  
(72 in Japan and 122 overseas)  
Equity-method affiliates: 14  
(8 in Japan and 6 overseas)  
(as of March 31, 2024)

**Businesses** Manufacture and sale of  
automotive parts and energy-  
solution products

### Revenue by business category

**CSS\*<sup>1</sup> and Others**

**2.5%**

**123.4  
billion yen**



AI On-Demand Transportation  
"CHOISOKO"



Car navigation system

**Body**

**19.1%**

**939.2  
billion yen**



Power sliding door



Sunroof



Grille shutter

**Chassis and Vehicle Safety Systems**

**20.1%**

**989.1  
billion yen**



Automated parking system



Cooperative regenerative  
brake system



Disc brake

**Energy Solutions and Others**

**2.8%**

**135.0  
billion yen**



Cogeneration system  
for residential use

Gas heat pump  
air-conditioner (GHP)

**Powertrain**

**55.5%**

**2,722.7  
billion yen**



eAxe (150kw)



FWD 1-motor  
hybrid transmission



RWD 2-motor multi-stage  
hybrid transmission



Electric water pump  
for engine cooling

**Revenue**  
**4,909.5  
billion yen**

**Aftermarket\*<sup>2</sup>**



Repair and maintenance products

**Raw Materials\*<sup>2</sup>**



High-performance  
spray-type damping coat

**Electronic Parts\*<sup>2</sup>**



Electric current sensor

\*1 CSS: Connected and Sharing Solution

\*2 Revenues from these products are included in those of the relevant business categories.



## Sustainability

### Basic stance

Based on its Group Philosophy of “Inspiring ‘movement’, creating tomorrow,” AISIN’s mission is to “deliver beauty to our future earth, bringing freedom and happiness to ‘movement’.”

We will anticipate societal issues and needs through dialogue with stakeholders and strive to achieve a virtuous cycle of realizing a sustainable society and enhancing corporate value through our business activities.

### Policy

To achieve such sustainability management, we have established the AISIN Group Charter of Sustainability to serve as a guideline for our corporate activities.

 AISIN Group Charter of Sustainability

### Vision

With the aim of winning the support and trust of all stakeholders, expanding AISIN’s global presence, and contributing to the sustainable development of society, we are engaged in three key activities.

#### Key sustainability activities

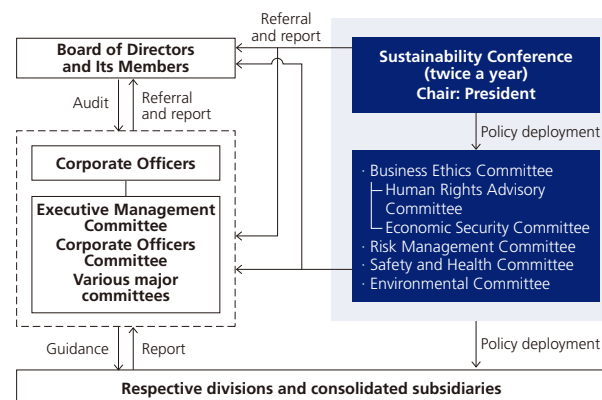
- (1) Contributing to social issues through business activities (accomplishment of the SDGs targets for FY2031)
- (2) Involving all Group employees in sustainability initiatives
- (3) Building relationships of trust (engagement) with stakeholders

### Implementation framework

The direction of sustainability-related activities is discussed and decided at the Sustainability Conference every year.

Chaired by the President, the Conference consists of Corporate Officers and the Presidents of the 11 Group companies.

The Board of Directors and the Corporate Officers Committee, among others, oversee and review the progress of the activities.



#### Sustainability Conference

<b>Frequency</b>	Twice a year as a rule
<b>Chair</b>	President
<b>Secretariat</b>	<b>Sustainability Management Section, Corporate Planning Department</b> Consists of full-time members and cross-sectional, non-full-time members chosen from departments and Group companies closely involved in sustainability initiatives
<b>Main agenda</b>	<ul style="list-style-type: none"> <li>Sharing the latest trends in sustainability</li> <li>Discussing and deciding on sustainability policies that address societal demands from a medium- to long-term perspective</li> <li>Determining, developing, and following up on SDGs targets and KPIs for FY2031</li> </ul>

## Sustainability

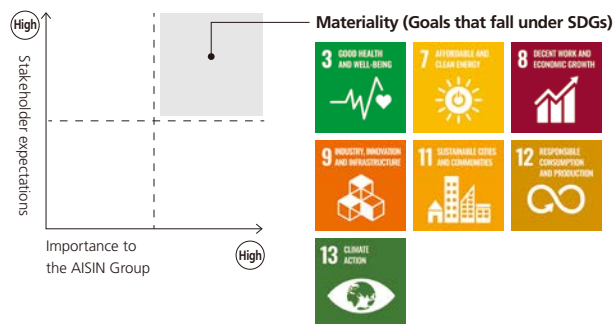
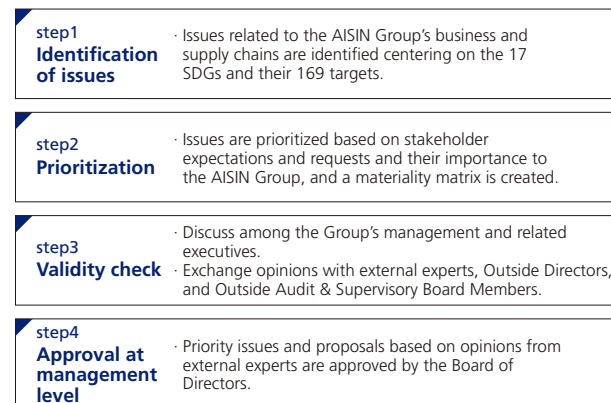
## AISIN Group's Priority Issues (Materiality)

At AISIN, we selected our priority issues (materiality) in FY2020 through the processes described below.

The issues were prioritized based on a two-pronged assessment of stakeholder expectations and requests and their importance to AISIN.

We are currently reassessing our priority issues from a double materiality perspective and in light of changes in society and our business environment.

## Priority issue (materiality) selection process



## Our vision of sustainability









- Through our business, we will strive to achieve a sustainable society and solve social issues by harnessing our outstanding technological and manufacturing capabilities.
- To achieve carbon neutrality by 2050 in response to climate change, we will clarify our path to this goal through the electrification of mobility and clean power that makes effective use of energy.



## Sustainability

## Priority Issues (Materiality), KPIs, and FY2031 Targets

We have set Key Performance Indicators (KPIs) and targets for FY2031 against the priority issues (materiality) approved by the Board of Directors and are implementing activities to achieve them. In FY2025, we revised some of the KPIs in light of changes in the business environment and the progress toward our targets for FY2031, presented the targets for FY2026, an interim milestone, and made revisions so as to make it easier for our stakeholders to understand where we are now in our current efforts. Please see the following page for our performance in FY2024.

	Priority Issue (Materiality)	Vision for FY2031	KPI	FY2026 Target	FY2031 Target	
(1) Resolution of social issues through business activities	<div></div> <ul style="list-style-type: none"><li>Global warming control</li><li>Reduction of traffic accidents</li><li>Provision of safe means of movement and transportation</li><li>Promotion of health and welfare</li></ul>	<b>Value proposition</b> <ul style="list-style-type: none"><li>Contributing to creating a mobility society that is more friendly to the environment and people by reducing energy consumption, utilizing clean energy, and providing safer and more comfortable means of transportation</li></ul>	<ul style="list-style-type: none"><li>Expand the range of products toward achieving net-zero GHG emissions by 2050.</li><li>Expand the range of products toward providing safe and comfortable means of transportation.</li><li>Expand the range of products and services toward realization of a more convenient and safer society.</li></ul>	Revenue ratio of products for growing domains that contribute to solving social issues (percentage) <sup>*1</sup> $\left( \frac{\text{Revenue in growing domains} + \text{HEV unit revenue}}{\text{Total revenue}} \right)$	47%	58%
	<div></div> <ul style="list-style-type: none"><li>Promotion of sustainable industrialization through technological innovation</li><li>Reduction of CO<sub>2</sub> emissions</li><li>Prevention of contamination</li><li>Reduction of environmentally hazardous substances</li><li>Resource recycling</li><li>Improvement of resource efficiency</li><li>Promotion of conversion to clean energy</li></ul>	<b>Value creation process</b> <ul style="list-style-type: none"><li>Contributing to building a rich and sustainable society by providing new value generated by future-oriented research and development</li><li>Contributing to the transition to a recycling-based society by promoting efforts to eliminate burdens on the global environment</li></ul>	<ul style="list-style-type: none"><li>Expand R&amp;D and tie-ups toward promotion of a sustainable society.</li><li>Reduce CO<sub>2</sub> emissions from manufacturing to use and disposal of products for a low-carbon society.</li></ul>	<ul style="list-style-type: none"><li>Ratio of R&amp;D expenses for growing domains<sup>*1</sup></li><li>Life cycle CO<sub>2</sub> emissions reduction rate</li><li>Reduction rate of CO<sub>2</sub> emissions from manufacturing (total) (compared to FY2014)</li></ul>	75%	80%
	(2) Management foundation supporting activities	<div></div> <ul style="list-style-type: none"><li>Labor safety and health</li><li>Health</li><li>Human rights</li><li>Promotion of diversity</li><li>Job satisfaction reform</li><li>Work-life balance</li><li>Compliance</li><li>Sustainable procurement</li></ul>	<b>Common to entire group</b> <ul style="list-style-type: none"><li>Promoting efforts to secure a working environment where a diverse human resources can work with motivation and peace of mind with the entire supply chain</li></ul>	<ul style="list-style-type: none"><li>Eradicate serious accidents and accidents resulting in time off from work through thorough recurrence prevention.</li></ul>	Number of serious accidents	0
				Rate of disabling injuries occurring	0.05	0.05
<ul style="list-style-type: none"><li>Realize a more comfortable and rewarding working environment for each of our diverse employees.</li></ul>				Ratio of female managers at four Group companies	4.1%	6.0%
				Job satisfaction (result of employee awareness survey; 5-point rating)	3.8 points (four Group companies)	4.0 points (entire Group)
<ul style="list-style-type: none"><li>Maintain a high level of compliance awareness and eradicate serious law violations by establishing a global Group legal and compliance framework.</li></ul>				Number of serious violations of laws and ordinances	0	0
<ul style="list-style-type: none"><li>Realize coexistence, mutual prosperity, and mutual development as a good business partner.</li></ul>				Rate of compliance with guidelines through the formulation and rollout of Group-wide global guidelines for suppliers (including FY2031 CN target of at least -25% (compared to FY2020))	100%	100%

\*1: The definition of "growing domains" is based on the Medium- to Long-term Business Strategy published in September 2023. The target products and target figures of the KPIs were revised as business growth in growing domains would lead to solving priority issues.





\*2: Since the previous KPIs had already reached their FY2031 targets in FY2024, the KPIs were revised to provide value to wider target

\*3: CO<sub>2</sub> emissions are calculated using the coefficient in the Seventh AISIN Consolidated Environmental Action Plan



## Sustainability

The following are the actual results of the KPIs disclosed in the FY2024 Integrated Report.

Priority Issue (Materiality)	Vision for FY2031	KPI	FY2024 Target	FY2024 Result	FY2031 Target	
<div></div> <div><ul style="list-style-type: none"><li>Global warming control</li><li>Reduction of traffic accidents</li><li>Provision of safe means of movement and transportation</li></ul></div>	<b>Mobility business</b> <ul style="list-style-type: none"><li>Contributing to creating a mobility society that is more friendly to the environment and people by reducing energy consumption, utilizing clean energy, and providing safer and more comfortable means of transportation</li></ul>	<ul style="list-style-type: none"><li>Expand the range of products toward achieving net-zero GHG emissions by 2050.</li></ul> $\left( \begin{array}{l} \text{Revenue ratio of} \\ \text{electric products} \end{array} = \frac{\text{Revenue of electric products}}{\text{Total revenue in related areas (powertrain, chassis and vehicle safety system)}} \right)$	23%	21%	50% or more	
	<ul style="list-style-type: none"><li>Expand the range of safety products toward the achievement of a society with zero road casualties.</li></ul>	$\left( \begin{array}{l} \text{Revenue of} \\ \text{ADAS}^{*1} + \text{Autonomous} \\ \text{driving} \\ \text{products} \end{array} = \frac{\text{Revenue of ADAS + Autonomous products}}{\text{Total revenue in related areas (chassis and vehicle safety systems)}} \right)$	47%	41%	50% or more	
<div></div> <div><ul style="list-style-type: none"><li>Promotion of health and welfare</li><li>Promotion of conversion to clean energy</li></ul></div>	<b>Energy-related products business</b> <ul style="list-style-type: none"><li>Contributing to creating a city that makes people's lives better and is more environmentally conscious by spreading clean and highly efficient energy-related products and providing comfortable housing spaces</li></ul>	<ul style="list-style-type: none"><li>Promote energy-related development toward a carbon-free, recycling society.</li></ul>	Contribution to CO <sub>2</sub> reduction by energy-related products	757,000 t-CO <sub>2</sub> per year	756,000 t-CO <sub>2</sub> per year	2,300,000 t-CO <sub>2</sub> per year
	<ul style="list-style-type: none"><li>Create products and services toward the realization of a more convenient and safer society.</li></ul>	Number of new products and services contributing to health welfare adopted by society	25	25	20	
<div></div> <div><ul style="list-style-type: none"><li>Promotion of sustainable industrialization through technological innovation</li><li>Reduction of CO<sub>2</sub> emissions</li><li>Prevention of contamination</li><li>Reduction of environmentally hazardous substances</li><li>Resource recycling</li><li>Improvement of resource efficiency</li></ul></div>	<b>Common to all businesses</b> <ul style="list-style-type: none"><li>Contributing to building a rich and sustainable society by providing new value generated by future-oriented research and development</li><li>Contributing to the transition to a recycling-based society by promoting efforts to eliminate burdens on the global environment</li></ul>	<ul style="list-style-type: none"><li>Expand R&amp;D and tie-ups toward promotion of a sustainable society.</li></ul>	Ratio of R&D expense	4.6%	4.6%	6.0%
			Ratio of development costs for CASE solutions and cutting-edge technologies	56%	63%	70%
		<ul style="list-style-type: none"><li>Reduce CO<sub>2</sub> emission from manufacturing to use and disposal of products for a low-carbon society.</li></ul>	Life cycle CO <sub>2</sub> emissions reduction rate	Promote planning for reduction in Scope 3 priority categories <ul style="list-style-type: none"><li>Supplier support WG completed by 16 companies (second year of three-year plan; 24 companies in total)</li><li>Mutual learning activities by 86 members of the AISIN Suppliers Network x 17 AISIN factories</li><li>Open campus (twice)</li></ul>	At least -25% (compared to FY2020)	
			Reduction rate of CO <sub>2</sub> emissions from manufacturing (total) [compared to FY2014]	At least -17% (2.301 million t-CO <sub>2</sub> /year) <sup>*2</sup>	-17.7% (2.280 million t-CO <sub>2</sub> /year) <sup>*2</sup>	At least -50% (1.386 million t-CO <sub>2</sub> /year) <sup>*2</sup>
<div></div> <div><ul style="list-style-type: none"><li>Labor safety and health</li><li>Health</li><li>Human rights</li><li>Promotion of diversity</li><li>Job satisfaction reform</li><li>Work-life balance</li><li>Compliance</li><li>Sustainable procurement</li></ul></div>	<b>Common to entire group</b> <ul style="list-style-type: none"><li>Promoting efforts to secure a working environment where a diverse human resources can work with motivation and peace of mind, considering the entire supply chain</li></ul>	<ul style="list-style-type: none"><li>Eradicate serious accidents and accidents resulting in time off from work through thorough recurrence prevention.</li></ul>	Number of serious accidents	0	0	0
			Rate of disabling injuries occurring	0.05	0.15 (12 Group companies in Japan)	0.05
		<ul style="list-style-type: none"><li>Realize a more comfortable and rewarding working environment for each of our diverse employees.</li></ul>	Ratio of female managers at four Group companies	2.9%	2.6%	6.0%
			Job satisfaction (result of employee awareness survey; 5-point rating)	3.5 points (four Group companies)	3.4 points (four Group companies)	4.0 points (entire Group)
		<ul style="list-style-type: none"><li>Maintain a high level of compliance awareness and eradicate serious law violations by establishing a global Group legal and compliance framework.</li></ul>	Number of serious violations of laws and ordinances	0	0	0
		<ul style="list-style-type: none"><li>Realize coexistence, mutual prosperity, and mutual development as a good business partner.</li></ul>	Rate of compliance with guidelines through the formulation and rollout of Group-wide global guidelines for suppliers (including FY2031 CN target of at least -25% (compared to FY2020))	Deployment to global suppliers (U.S., China, Australia, Asia, India, and Europe)	Deployment to global suppliers (U.S., Australia, Asia, and Europe)	100%

\*1: Advanced Driver-Assistance Systems

\*2: CO<sub>2</sub> emissions are calculated using the coefficient in the Seventh AISIN Consolidated Environmental Action Plan

## Environment

### Basic stance

AISIN believes that in order to realize a sustainable society, we can contribute to resolving global environmental issues by utilizing the Group's wide range of products from automotive components to construction, greening and energy-related products, as well as our superior technological capabilities and services, thereby bringing smiles to local communities and the future.

At AISIN, employees face environmental issues such as climate change and resource depletion seriously, and in order to pass a sustainable environment on to the future, they strive to build a society where everyone can live with peace of mind and in harmony with nature.

### Policy

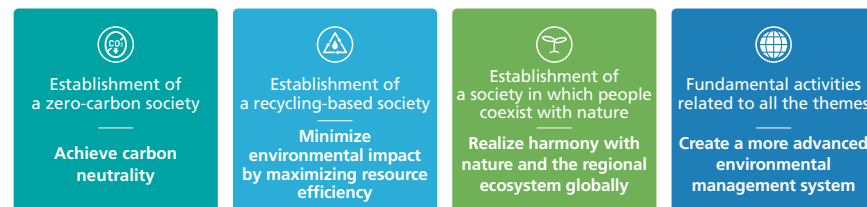
In order to realize the AISIN philosophy of "Inspiring 'movement', creating tomorrow," we will pursue the harmonious coexistence of people and the environment far into the future and strive to create a sustainable society through manufacturing and other business activities, based on the three principles of "Be proactive, make change", "Raise individuals, expand dreams", and "Advance, build the future". We will make this policy known to all the employees at our business sites around the world, set high goals, and actively disclose information on our efforts and results.

 AISIN Consolidated Environmental Policy

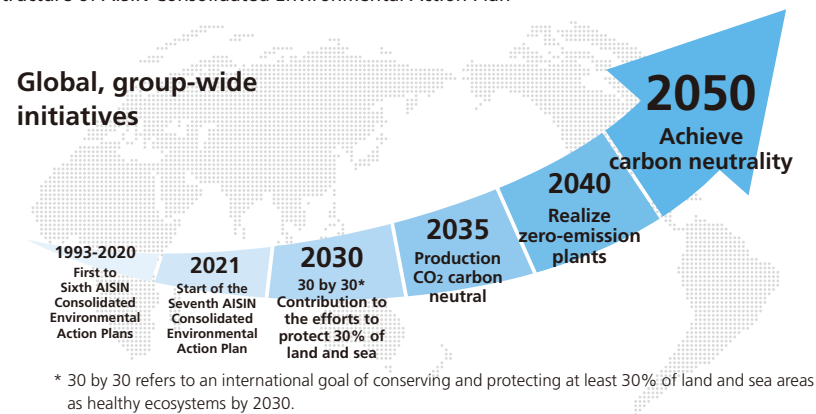
### Vision

#### Vision for 2050

AISIN has been formulating AISIN Consolidated Environmental Action Plans that indicate specific actions every five years since 1993 to promote its environmental activities. In 2020, we envisioned our ideal state or vision for 2050, and by backcasting from that vision, we formulated the Seventh AISIN Consolidated Environmental Action Plan (targeting FY2026), which sets out specific actions and targets. By taking responsibility for the targets and actions we set in the action plan, we will steadily implement the action plan in order to pass on a sustainable environment to future generations.



Structure of AISIN Consolidated Environmental Action Plan



### Implementation frameworks

Organizational diagram of Consolidated Environmental Committee



## Environment

## Seventh AISIN Consolidated Environmental Action Plan (Targeting FY2026)

Aiming to build an environmentally sustainable future and a society where everyone can live with peace of mind in harmony with nature, the AISIN Group has formulated the Seventh AISIN Consolidated Environmental Action Plan as our environmental action guidelines and plan for fiscal years 2022 to 2026. We are conscious of our responsibility to achieve the targets and initiatives in the plan, and will work steadily to achieve our targets and play our part in building an environmentally sustainable future.



## Establishment of a zero-carbon society

**2050 Vision** Aim to realize carbon neutrality

Initiatives	Implementation items and targets										
1 Reduction of life cycle CO <sub>2</sub> emissions	<ul style="list-style-type: none"><li>■ Building of a foundation to reduce life cycle CO<sub>2</sub> emissions, from purchasing materials to disposal<ul style="list-style-type: none"><li>● Setting of concrete measures for reduction of CO<sub>2</sub> emissions throughout entire supply chain</li></ul></li></ul>										
2 Reduction of CO <sub>2</sub> emissions from product design stage	<ul style="list-style-type: none"><li>■ Reduction of CO<sub>2</sub> emissions through product life cycle assessment<ul style="list-style-type: none"><li>● Development of auto parts for clean energy vehicles (PHEVs, BEVs, FCEVs)</li><li>● Development of higher performance powertrains and technologies to increase fuel efficiency by making car bodies lighter, etc.</li><li>● Development of next-generation energy system products (use of fuel cells and biofuels)</li></ul></li></ul> <table><tr><th>Target of initiative</th><th>Scope</th><th>Item</th><th>Base year</th><th>Target</th></tr><tr><td>Product</td><td>Global</td><td>Total amount</td><td>FY2014</td><td>18% reduction</td></tr></table>	Target of initiative	Scope	Item	Base year	Target	Product	Global	Total amount	FY2014	18% reduction
Target of initiative	Scope	Item	Base year	Target							
Product	Global	Total amount	FY2014	18% reduction							
3 Reduction of CO <sub>2</sub> emissions from production	<ul style="list-style-type: none"><li>■ Further promotion of daily kaizen activities</li><li>■ Active introduction of the latest energy saving technologies when a plant is newly built and equipment is updated</li><li>■ Establishment of a mechanism to share information of energy saving know-how globally</li></ul> <table><tr><th>Target of initiative</th><th>Scope</th><th>Item</th><th>Base year</th><th>Target</th></tr><tr><td>CO<sub>2</sub> emissions from production</td><td>Global</td><td>Total amount</td><td>FY2014</td><td>25% reduction</td></tr></table>	Target of initiative	Scope	Item	Base year	Target	CO <sub>2</sub> emissions from production	Global	Total amount	FY2014	25% reduction
Target of initiative	Scope	Item	Base year	Target							
CO <sub>2</sub> emissions from production	Global	Total amount	FY2014	25% reduction							
4 Introduction of renewable energy for production processes	<ul style="list-style-type: none"><li>■ Active use of renewable energy in response to regional characteristics</li><li>■ Development of a roadmap for applying the use of renewable energy to overseas plants</li><li>■ Use of renewable energy at model plants</li></ul> <table><tr><th>Target of initiative</th><th>Scope</th><th>Item</th><th>Target</th></tr><tr><td>Renewable energy</td><td>Global</td><td>Introduction rate (power ratio)</td><td>FY2026 15% or more</td></tr></table>	Target of initiative	Scope	Item	Target	Renewable energy	Global	Introduction rate (power ratio)	FY2026 15% or more		
Target of initiative	Scope	Item	Target								
Renewable energy	Global	Introduction rate (power ratio)	FY2026 15% or more								
5 Reduction of CO <sub>2</sub> emissions from distribution	<ul style="list-style-type: none"><li>■ Improvement of transportation efficiency by further expanding joint transportation among Group companies</li></ul> <table><tr><th>Target of initiative</th><th>Scope</th><th>Item</th><th>Base year</th><th>Target</th></tr><tr><td>Logistics CO<sub>2</sub></td><td>Consolidated subsidiaries in Japan</td><td>Total amount</td><td>FY2019</td><td>7% reduction</td></tr></table>	Target of initiative	Scope	Item	Base year	Target	Logistics CO <sub>2</sub>	Consolidated subsidiaries in Japan	Total amount	FY2019	7% reduction
Target of initiative	Scope	Item	Base year	Target							
Logistics CO <sub>2</sub>	Consolidated subsidiaries in Japan	Total amount	FY2019	7% reduction							



## Establishment of a recycling-based society

**2050 Vision** Aim to minimize environmental impact by maximizing resource efficiency

Initiatives	Implementation items and targets														
6 Product design and development of products and technologies that contribute to the improvement of resource efficiency	<ul style="list-style-type: none"><li>■ Promotion of eco-friendly design aimed at reuse and recycling</li><li>■ Promotion of product and technology development that contributes to minimizing natural resource input and reduction of waste</li></ul>														
7 Reduction of resource input and waste emissions in production	<ul style="list-style-type: none"><li>■ Reduction of waste in all Group companies (effective use of waste plastic, introduction of new technologies, global sharing of domestic practices, etc.)</li></ul> <table><tr><th>Target of initiative</th><th>Scope</th><th>Item</th><th>Base year</th><th>Target</th></tr><tr><td rowspan="2">Waste</td><td>Consolidated subsidiaries in Japan</td><td rowspan="2">Emissions per sales</td><td>FY2014</td><td>9% reduction</td></tr><tr><td>Overseas companies</td><td>FY2020</td><td>Actual result and under</td></tr></table>	Target of initiative	Scope	Item	Base year	Target	Waste	Consolidated subsidiaries in Japan	Emissions per sales	FY2014	9% reduction	Overseas companies	FY2020	Actual result and under	
Target of initiative	Scope	Item	Base year	Target											
Waste	Consolidated subsidiaries in Japan	Emissions per sales	FY2014	9% reduction											
	Overseas companies		FY2020	Actual result and under											
8 Contribution to the establishment of a resource recycling framework for the entire society	<ul style="list-style-type: none"><li>■ Collaboration with external partners regarding natural resource input and reduction of waste</li><li>■ Reduction of use of packaging materials<ul style="list-style-type: none"><li>● Weight reduction and simplification with material and specification change</li><li>● Reuse of returnable containers and pallets</li></ul></li></ul>														
9 Enhancement of water resource efficiency for production	<ul style="list-style-type: none"><li>■ Promotion of reduction of water resource input</li></ul> <table><tr><th>Target of initiative</th><th>Scope</th><th>Item</th><th>Base year</th><th>Target</th></tr><tr><td rowspan="2">Water intake</td><td>Global</td><td>Water intake per sales volume</td><td>FY2019</td><td>2.1% reduction</td></tr><tr><td>High-risk sites</td><td>Water intake per production volume</td><td>FY2019</td><td>12.5% reduction</td></tr></table>	Target of initiative	Scope	Item	Base year	Target	Water intake	Global	Water intake per sales volume	FY2019	2.1% reduction	High-risk sites	Water intake per production volume	FY2019	12.5% reduction
Target of initiative	Scope	Item	Base year	Target											
Water intake	Global	Water intake per sales volume	FY2019	2.1% reduction											
	High-risk sites	Water intake per production volume	FY2019	12.5% reduction											
10 Contribution to conservation of local water resources	<ul style="list-style-type: none"><li>■ Continuation and expansion of biological research regarding water around plants and cleanup activities</li><li>■ Continuation of observance of own standard for water discharge (to a higher level than the legal standards or water quality required by the region)</li></ul>														
11 Improvement of the water resource environment through cooperation with suppliers	<ul style="list-style-type: none"><li>■ Reinforcement of collaboration with suppliers in the field of water</li></ul>														



## Environment



### Establishment of a society in which people coexist with nature

**2050 Vision** Aim to realize harmony with nature and the regional ecosystem globally

Initiatives	Implementation items and targets										
12 Reduction of the impact on biodiversity	<ul style="list-style-type: none"><li>Revision of the “AISIN Group Biodiversity Guideline” in accordance with the post-Aichi Biodiversity Targets</li></ul>										
13 Conservation of biodiversity at our operating sites	<ul style="list-style-type: none"><li>Implementation of activities for biodiversity by business base based on biodiversity research</li><li>Creation of model plants based on the definition of a “plant that coexists with nature”</li></ul> <table><tr><th>Target of initiative</th><th>Scope</th><th>Item</th><th>Base year</th><th>Target</th></tr><tr><td>Plants that coexist with nature</td><td>Global</td><td>Number of certified plants</td><td>—</td><td>3 sites</td></tr></table>	Target of initiative	Scope	Item	Base year	Target	Plants that coexist with nature	Global	Number of certified plants	—	3 sites
Target of initiative	Scope	Item	Base year	Target							
Plants that coexist with nature	Global	Number of certified plants	—	3 sites							
14 Contribution to conservation and enhancement of local biodiversity	<ul style="list-style-type: none"><li>Enhancement of environmental communication through “plants that coexist with nature”</li></ul>										



### Fundamental activities related to all the themes

**2050 Vision** Aim to create a more advanced environmental management system

Initiatives	Implementation items and targets
<b>15 Reduction of substances with environmental impact in production</b>	<ul style="list-style-type: none"> <li>Reduction of chemical substances and reinforcement of management of chemical substances in anticipation of stricter laws and regulations and possibility of environmental impact</li> </ul>
<b>16 Continuance of global consolidated environmental management and consolidation of the foundation for environmental initiatives</b>	<ul style="list-style-type: none"> <li>Thorough observance of environmental compliance</li> <li>Advancement of environmental activities with information communication technology</li> <li>Continuation of training assuming the risk of environmental accidents</li> <li>Creation of foundation for integrating consolidated environmental management globally</li> <li>Reinforcement of the development of global environmental human resources</li> </ul>
<b>17 Supply chain management</b>	<ul style="list-style-type: none"> <li>Sharing of the Group environment vision and targets with suppliers, and support for the promotion of environmental actions</li> <li>Establishment of a system for gathering information of suppliers' environmental initiatives</li> <li>Evaluation of environmental risks of new supplier candidates and auditing of existing suppliers</li> </ul>
<b>18 Environmental communication and stakeholder engagement</b>	<ul style="list-style-type: none"> <li>Maintenance and expansion of environmental communication in response to various stakeholders</li> <li>Management of environmental activities in cooperation with local communities</li> </ul>

## Environment

## Seventh AISIN Consolidated Environmental Action Plan

Category	Initiatives	FY2024 targets	FY2024 results	Evaluation	Category	Initiatives	FY2024 targets	FY2024 results	Evaluation
Establishment of a zero-carbon society	① Reduction of life cycle CO <sub>2</sub> emissions	Promote planning for reduction in Scope 3 priority categories	· Obtained SBTi certification to ensure alignment with international rules · Enhanced activities of each working group (production, raw materials, supplier support, logistics, waste, CE, etc.)	○	Establishment of a recycling-based society	⑩ Contribution to conservation of local water resources	Conducting biological surveys (once a year)	Conducted hydrobiological surveys in the Chosen River in Nishio and the Aoki River in Okazaki Higashi	○
	② Reduction of CO <sub>2</sub> emissions from product design stage	Decide on actions to be taken by each Group company in response to the "Product LCA-CO <sub>2</sub> e Reduction Activity Guidelines"	Three companies with design functions decided to enact regulations in FY2025	○		⑪ Improvement of the water resource environment through cooperation with suppliers	Hold water risk study sessions (once a year)	Improved understanding of the impact of water risks on each company through study sessions for suppliers	○
	③ Reduction of CO <sub>2</sub> emissions from production	[Global] Emissions: 2,289,000 t-CO <sub>2</sub> or less (17% or more reduction from FY2014)	[Global] Achieved 2,280,000 t-CO <sub>2</sub>	○	Establishment of a society in which people coexist with nature	⑫ Reduction of the impact on biodiversity	Complete incorporation of the corporate requirements of the post-Aichi Biodiversity Targets into the AISIN Group Biodiversity Guideline	Postponed the revision of the Biodiversity Guideline until FY2025 (as it was deemed necessary to revise the Guideline in conjunction with the formulation of a medium- to long-term strategy for coexistence with nature)	—
	④ Introduction of renewable energy for production processes	Renewable energy introduction rate: 12% or more	Renewable energy introduction rate: 18.4%, achieved the target	○		⑬ Conservation of biodiversity at our operating sites	Certify one or more sites as plants that coexist with nature	Certified three additional sites as plants that coexist with nature (a total of four sites)	○
	⑤ Reduction of CO <sub>2</sub> emissions from distribution	67,500 t-CO <sub>2</sub> or less (5.3% reduction compared to FY2019)	Achieved 64,400 t-CO <sub>2</sub>	○		⑭ Contribution to conservation and enhancement of local biodiversity	Local communication events: four events at four companies	Implemented four events at four companies	○
Establishment of a recycling-based society	⑦ Reduction of resource input and waste emissions in production	[Japan] 5.29 t/100 million yen or less (7.5% reduction compared to FY2014) [Overseas] 2.35 t/100 million yen or less (Below FY2020 results)	[Japan] Achieved 3.47 t/100 million yen  [Overseas] 0.83 t/100 million yen	○	Fundamental activities related to all the themes	⑮ Reduction of substances with environmental impact in production	Switch to alternatives to comply with Chemical Substances Control Law and POPs Regulation Dechlorane Plus and UV-328	Replaced restricted substances with approved alternatives. Dechlorane Plus: 91 items, UV-328: 3 items	○
	⑧ Contribution to the establishment of a resource recycling framework for the entire society	Packaging material usage per net sales 0.317 t/100 million yen or less (1% reduction compared to FY2023)	Achieved 0.27 t/100 million yen	○		⑯ Continuance of global consolidated environmental management and consolidation of the foundation for environmental initiatives	Zero environmental abnormalities Confirm operational status of the revised consolidated EMS manual through internal audits (120 companies)	Six environmental abnormalities 116 companies completed formulation of improvement plans	×
	⑨ Enhancement of water resource efficiency for production	[Global] [Water intake] 306 m <sup>3</sup> /100 million yen or less (1.1% reduction compared to FY2019)	[Global] [Water intake] Achieved 242 m <sup>3</sup> /100 million yen	○		⑰ Supply chain management	Supplier environmental inspection Planned visit implementation rate: 100%	Completed planned visits to suppliers (completed for 8/8 companies)	○
						⑱ Environmental communication and stakeholder engagement	Conduct biodiversity activities at five locations in Japan (Hokkaido, Tohoku, Hokuriku, Mikawa, and Kyushu) Active disclosure of environmental information	Conducted environmental communication activities at five locations in Japan Obtained a CDP Climate Change Rating of A and CDP Water Rating of A-	○

## Environment



### Establishment of a Zero-carbon Society

In addition to promoting energy-saving activities, introducing renewable energy, and developing products that contribute to improved fuel/power consumption efficiency, the AISIN Group is striving to develop new technologies that are expected to reduce CO<sub>2</sub> emissions and to achieve carbon neutrality (CN) throughout the supply chain.

#### Development of the world's first bio-briquette charcoal for cupola furnaces\*<sup>1</sup>

AISIN Takaoka has developed the world's first bio-briquette charcoal made from coconut shells (PKS) generated in the palm oil production process, and has completed a demonstration evaluation with a 100% replacement of coal-derived coke with bio-briquette charcoal. The Company plans to start production of bio-briquette charcoal as a biofuel that achieves a level comparable to coal coke, at a joint venture by the summer of 2025, with the aim of selling bio-briquette charcoal to foundry companies around the world in the future.

\*1: According to AISIN's research. About production technology that achieves uniform quality, high strength and high calorific value by heating and coking in oxygen-free conditions, and enables a 100% replacement rate in production demonstration tests



Coconut shells extracted from oil palm



Bio-briquette charcoal

#### R&D status of SOFC\*<sup>2</sup> and SOEC\*<sup>3</sup>

AISIN's technological development and demonstration of SOFCs and SOECs have been adopted as technological development and demonstration projects by NEDO\*<sup>4</sup> and the Ministry of the Environment. SOFC is a system that generates electricity using fuel that does not emit CO<sub>2</sub> when burned. AISIN is working on the development of a pure hydrogen SOFC system and an ammonia SOFC system. By applying the thermal management technology and fuel utilization improvement technology cultivated through ENE-FARM that we sell, we strive to develop a SOFC system that can achieve highly efficient power generation, high durability, and long-term continuous rated operation. We aim to start demonstration experiments of the pure hydrogen SOFC system at our plants and business sites in FY2025. SOEC is a system that uses electricity derived from renewable energy sources such as solar power to produce hydrogen at high efficiency. We plan to carry out demonstration experiments of low-temperature waste heat recovery and hydrogen production.

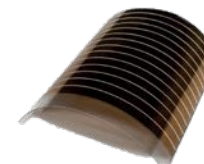
\*2 Abbreviation for Solid Oxide Fuel Cell

\*3 Abbreviation for Solid Oxide Electrolysis Cell

\*4 Abbreviation for New Energy and Industrial Technology Development Organization

#### Commencement of demonstration of perovskite solar cells

AISIN has commenced a demonstration test of perovskite solar cells, which are bendable, and lighter and less expensive than conventional silicon solar cells, by installing them on the walls of its buildings. From FY2026, AISIN plans to move to a expanded scale of production demonstration at its own plant. We will continue to strive to develop highly efficient and durable perovskite solar cells with a conversion efficiency of over 20% (30 cm×30 cm), and a mass of 1/5 (compared to general silicon solar cells).



Perovskite solar cells (developed by AISIN)



Demonstration test

#### CN initiatives with suppliers

To achieve CN throughout the supply chain, AISIN has launched three programs: CN Base Camp, a place to learn the basics of CN; CN Open Campus, a place to learn about other companies' initiatives and new information; and CN Activity Support, which aims to help participants put what they have learned into practice to achieve the desired results. In CN Activity Support, in response to comments from suppliers such as "We want information on a regular basis," and "We want to know what other companies are doing," we match up our plants and suppliers by type of business and allow them to learn from each other through genchi-genbutsu (go to the actual place and see the real situation) while sharing good practices and activities. We will continue to work together with our suppliers to achieve CN across our entire supply chain with a focus on the three programs.



CN Base Camp

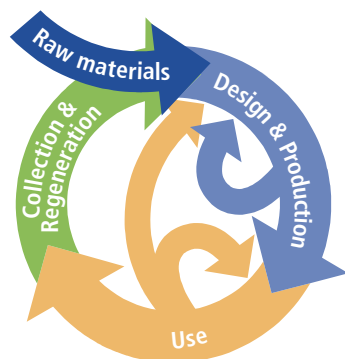


## Environment



### Establishment of a Recycling-based Society

AISIN is working on resource recycling aimed at zero waste throughout the entire supply chain, covering everything related to production including raw materials, auxiliary materials, production equipment, molds, jigs, and packaging materials.



Concept of resource recycling  
(aiming for zero waste)

#### Eco-design

- No waste, no pollution  
...Compact, lightweight,  
and less environmental impact
- Keeping materials and products in use  
...Reuse, recycling, long lifespan
- Regeneration of natural systems  
...Use of renewable resources

#### Reuse of grease for gear grinders

At the AISIN Tahara Plant, grease containing chips generated in the grinding process of gears, which are a transmission component, is compressed and solidified so that only the grease can be squeezed out and reused. As a result of the introduction of this method, the entire plant has been able to reduce the annual amount of grease it purchases by more than 60%.

#### Reuse of cutting oil (coolants)

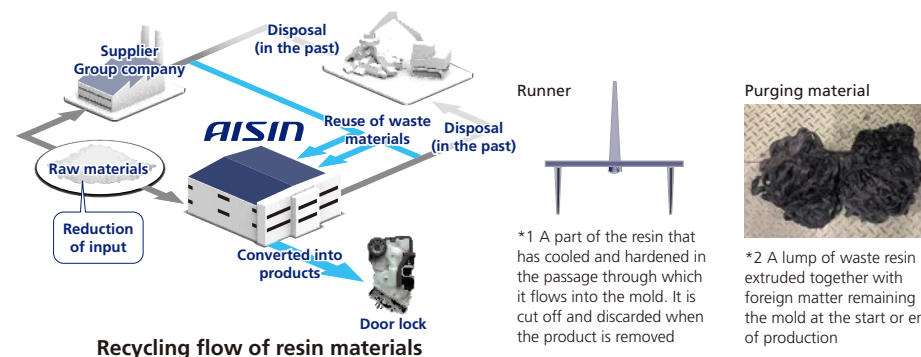
The AISIN Ogawa Plant has developed a *karakuri* mechanism that separates the cutting oil from the chips generated in the machining process of parts, and returns only the cutting oil to the equipment, thereby reusing the cutting oil. This initiative received the 2023 Minister of Education, Culture, Sports, Science and Technology Award for Creativity. In addition, the *karakuri* mechanism was exhibited at the Karakuri Kaizen Exhibition organized by the Japan Institute of Plant Maintenance.



Equipment equipped with the *karakuri*  
mechanism

#### Recycling waste resin into products

The AISIN Shinkawa Kinuura Plant has successfully transformed previously discarded resin materials into products, by collecting the waste of resin materials used in products such as door locks, not only from its own plant but also from suppliers, and then crushing and blending them with virgin materials. In addition, through mold improvements and process improvements, the Plant has reduced the generation of resin waste materials such as runners\*1 and purging materials\*2 generated in the production process. Through these activities, the Plant achieved an approximately 80% reduction in waste volume in FY2024 compared to the previous year (84 t in FY2023 → 17 t in FY2024).



## Environment



## Establishment of a Society in which People Coexist with Nature

The AISIN Group has established its own certification criteria for “plants that coexist with nature” and certified one site (AISIN Handa Plant) in FY2023, and a further three sites (AISIN Sin’ei Kota Plant, ACI: AISIN CANADA INC., and ACIN: AISIN CHEMICAL INDIANA, LLC.) in FY2024. We aim to have a total of at least five certified plants by FY2026. In addition, the Ecotope at the AISIN Handa Plant became the first in the AISIN Group to be certified as a “Shizen Kyosei Site (Site in Harmony with Nature)\*1” by the Ministry of the Environment. Furthermore, with the aim of contributing to the protection of water source areas, the AISIN Group actively engages in biodiversity conservation. As part of such efforts, we implement community-based environmental communication activities at five sites in Japan, including the Nakaikemi Wetland in the Hokuriku region and Lake Utonai in Hokkaido, which are registered under the Ramsar Convention.

## Environmental communication activities at five locations in Japan

## Hokuriku area (Nakaikemi Wetlands)



Habitat protection for a rare plant (water clovers) through Satoyama conservation

## Hokkaido (Lake Utonai)



Protecting biodiversity by removing alien species around the lake

## Plants that coexist with nature

## AISIN Handa Plant



Conservation of endangered species, the golden venus chub (Hemigrammocypis rasborella)

Certified as a “Shizen Kyosei Site (Site in Harmony with Nature)” by the Ministry of the Environment

## AISIN CANADA INC., Canada



Conservation of endangered species, the spiny softshell turtle (Apalone spinifer)

## Kyushu area (Aso Conservation Area)



Habitat protection for a rare plant (Lychnis kiusiana) by weeding reeds, etc.

## Chubu area (at the mouth of the Yahagi River)

Biological surveys, cleanup activities, and study sessions in cooperation with local residents and the Hekinan Aquarium

## Tohoku area (reservoirs in Hanamaki City)



Habitat protection for rare species (Netted bitterling) by weeding, removal of alien species, etc.

## AISIN Sin’ei Kota Plant



Protection of endangered species, Pseudorasbora pugnax

## AISIN CHEMICAL INDIANA, LLC, U.S.A.



Eradication of alien species, Rosa multiflora

\*1 Areas with biodiversity value, where biodiversity is being conserved (regardless of the original purpose) through initiatives by businesses, private organizations/individuals, and local governments  
\*2 30 by 30: An international goal of conserving and protecting at least 30% of land and sea areas as healthy ecosystems by 2030

## Environment



### Fundamental Activities Related to all the Themes—Examples of Activities Undertaken

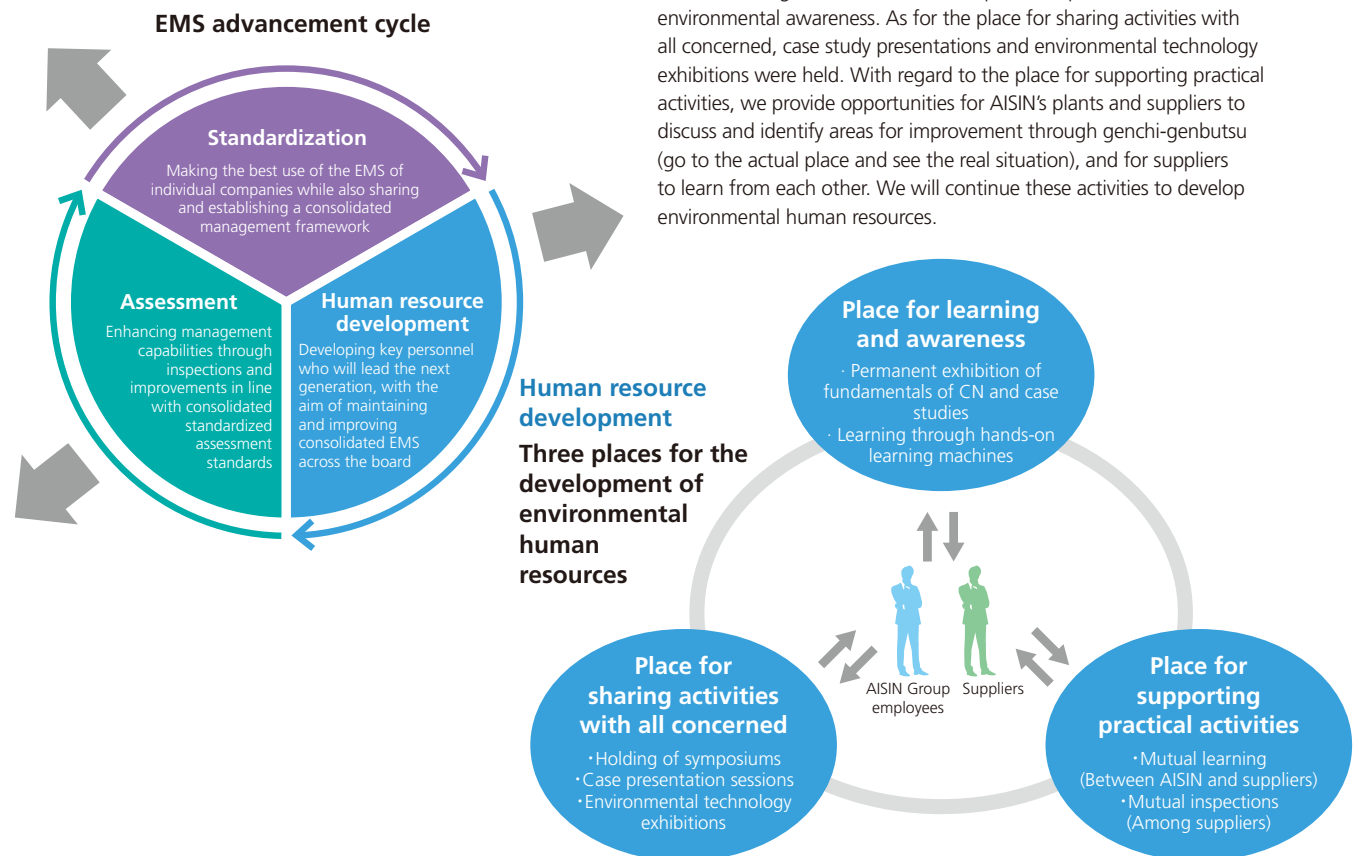
AISIN is implementing activities with a focus on the basic elements of an Environmental Management System (EMS): standardization, human resource development, and assessment. Going forward, we will link compliance with environmental laws and carbon neutrality activities to resource circulation and coexistence with nature, while also working to create a more advanced EMS by implementing the EMS cycle.

#### Standardization

In order to ensure that environmental awareness is firmly established and that activities are carried out at the same level at all sites, all companies in the AISIN Group share regulations, training and awareness-raising, audits and other activities, and review them as necessary. In FY2024, four companies revised their regulations and established management systems to raise the level of their activities. In addition, the “Seven Ironbound Rules of the Environment,” a set of rules that must be followed to protect the environment, has been created and disseminated through bulletin boards and workplace meetings to ensure that all employees are always aware of the Rules and act accordingly. In FY2024, we refined the Rules and incorporated them into educational materials to further instill environmental awareness in employees.

#### Assessment

Aiming for zero environmental abnormalities and accidents, the AISIN Group conducts environmental assessments. For affiliates in Japan (18 companies), we conduct on-site inspections based on the AISIN consolidated assessment sheet to check the status of compliance with laws, ordinances, etc., and provide feedback on the assessment results. We completed inspections of all 18 ISO-certified companies by the end of FY2024. In the future, we plan to conduct inspections of the eight companies that have not yet obtained ISO certification. For major suppliers (136 companies), we ask them to conduct self-inspections using the environmental check sheet, and conduct on-site inspections as necessary. In FY2024, we visited eight companies that have priority management facilities to confirm and improve their environmental risk management systems and operations.





# Task Force on Climate-related Financial Disclosures (TCFD)

## Support for TCFD and disclosure of information based on the TCFD recommendations

AISIN expressed its support for TCFD in November 2019. We conduct scenario analyses based on the recommendations and disclose related information.

## Items recommended for disclosure by TCFD and AISIN's response

### Governance

Recommended disclosure	Status of response
a) Describe the board's oversight of climate-related risks and opportunities.	· Positioning climate action as an important management strategy, AISIN has selected "initiatives to prevent global warming" as a priority issue (materiality).
b) Describe management's role in assessing and managing climate-related risks and opportunities.	· The Board of Directors receives reports from the Sustainability Conference, Environmental Committee, and Carbon Neutral Promotion Committee on the content of discussions, and revises business strategies and plans as needed.

### Strategy

Recommended disclosure	Status of response
a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	· Recognizing carbon neutrality as an urgent global issue, AISIN aims to contribute to realizing a carbon neutral society in 2050 through both "production" and "products".
b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	1) Reduction of energy consumption through thorough energy conservation activities and development of innovative production technologies; introduction of and switchover to clean energy sources such as renewable and new energy sources 2) Promoting further evolution of products for electric vehicles, and spread of energy and resource circulation systems, to create new value by combining technologies in the mobility and energy fields
c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	· AISIN analyzes transition and physical risks and opportunities associated with climate change based on the definitions proposed by the TCFD recommendations, and periodically makes decisions on what actions to take.

### Risk Management

Recommended disclosure	Status of response
a) Describe the organization's processes for identifying and assessing climate-related risks.	· Risks that may affect the Group are identified and extracted by the Risk Management Committee.
b) Describe the organization's processes for managing climate-related risks.	· Climate change risks that have been positioned as the highest priority are regularly monitored and managed by the Environmental Committee, etc.
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	· Countermeasures are considered and reviewed based on the laws and regulations of the respective countries, dialogue with stakeholders, external evaluations, such as the CDP, and customer trends.

### Metrics and Targets

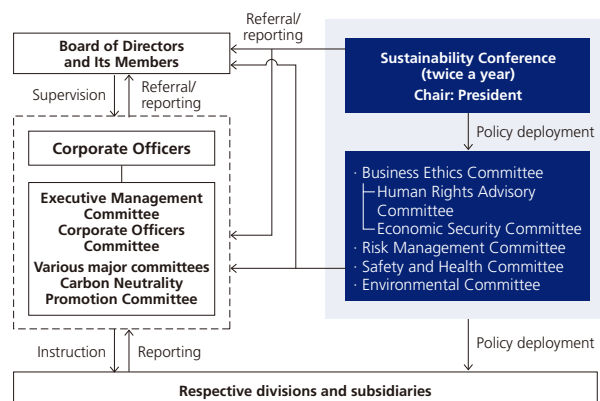
Recommended disclosure	Status of response
a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	<b>FY2031 Targets</b> <ul style="list-style-type: none"> <li>· Production CO<sub>2</sub> emissions (Scope 1 and 2): Reduction of 50% or more compared to FY2014</li> <li>· Life cycle CO<sub>2</sub> emissions: Reduction of 25% or more compared to FY2020</li> </ul>
b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	<b>Reduction targets certified by SBTi</b> <ul style="list-style-type: none"> <li>· Scope 1, 2: 46.2% reduction compared to FY2020</li> <li>· Scope 3 (Categories 1 and 11): 27.5% reduction compared to FY2020</li> </ul> <b>FY2036 Targets</b> <ul style="list-style-type: none"> <li>· Production CO<sub>2</sub> emissions (Scope 1 and 2): Carbon neutrality</li> </ul>
c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	<b>FY2051 Targets</b> <ul style="list-style-type: none"> <li>· Life Cycle CO<sub>2</sub> emissions (Scope 1, 2, and 3): Carbon neutrality</li> </ul> <b>Indicators (FY2024 results)</b> <ul style="list-style-type: none"> <li>· Production CO<sub>2</sub> emissions: 2.28 million t-CO<sub>2</sub> (17.7% reduction compared to FY2014)</li> <li>· Life Cycle CO<sub>2</sub> emissions: 25.224 million t-CO<sub>2</sub> (3.0% reduction compared to FY2020)</li> </ul>

## Task Force on Climate-related Financial Disclosures (TCFD)

### Governance

The AISIN Group views response to climate change as one of its important management strategies, and has selected “global warming prevention” as a priority issue for the Group to focus on. Furthermore, we have analyzed the impacts of climate change on AISIN, and incorporated them into our management strategies.

As for the structure, the Sustainability Conference is positioned as the highest meeting body that decides sustainability policies including responses to climate change. The Conference deliberates on matters based on the progress of initiatives and challenges. In addition, the Carbon Neutrality Promotion Committee, which determines strategies for the Group’s long-term goal for climate change mitigation (carbon neutrality by 2050) in relation to the Sustainability Conference, and the Environmental Committee, which promotes and monitors efforts to achieve short-and medium-term goals are held regularly, thereby enabling swift decision-making on climate change-related goals and the direction of activities, and flexible action. The Board of Directors also deliberates on important climate-related matters proposed and reported through the Sustainability Conference, and changes business strategies and plans as necessary.



Committee	Person in charge	Frequency	Roles
Sustainability Conference	President	Twice a year	Deliberates on and determines the sustainability policy, and promotes the policy across the Group
Environmental Committee	President	Three times a year	Formulates and rolls out basic policies to optimize the execution of environment-related business operations and minimize risks, and conducts monitoring
Carbon Neutrality Promotion Committee	CCNO*	Four times a year	Discusses and promotes strategies for carbon neutrality and climate change issues (including policy development, goal achievement scenarios, activity management, and problem solving)

\* CCNO: Chief Carbon Neutral Officer

### Strategies and risk management

#### Scenario analysis

AISIN has always responded to the diversifying needs of the automotive industry with its advanced technological capabilities, but these days we are faced with a once-in-a-century industry transformation and the risk of large-scale disasters caused by climate change. We have conducted a scenario analysis using the TCFD framework to verify whether we can overcome this period of transformation and achieve sustainable growth.

#### Target of analysis and setting of scenarios

The targets of analysis are “all global sites” and “all businesses” to examine the impact on the entire Group. In the context of assessing the impact from the short-, medium- and long-term perspectives, we have set up the following two scenarios for FY2031, which is a turning point:

- “1.5°C scenario” where impacts will become apparent on the transition side
- “4°C scenario” where impacts will come to the surface on the physical side

Scenarios	1.5°C scenario	4°C scenario
Vision for society	Bold policies and technological innovation to achieve sustainable development · Introduction of carbon tax · Shift to electrification	Society in which climate change caused by global warming affects businesses · More severe flooding from heavy rain and typhoons
Reference scenarios	· NZE (IEA WEO2050) · 30@30 (IEA EV Outlook30@30)	· RCP8.5 (IPCC AR5)

Anticipated concerns of stakeholders

Transition side:

- Low evaluation of carbon efficiency and easily affected by carbon tax
- Intensifying competition due to the shift to electrification in the automotive market

Physical side:

- Impact on continuity of production by disruption of supply chains as a result of natural disasters

## Task Force on Climate-related Financial Disclosures (TCFD)

### Identification of risks and opportunities

We have identified all anticipated risks and opportunities, then conducted a detailed analysis of risk items of particularly high concern to stakeholders.

Level	Risks and opportunities types	Stage of impact	Impact on AISIN	Time horizon	Financial impact	Response
				Short/Medium/Long	High/Medium	
Transition risks	Market	Purchasing	Rising procurement costs due to rising prices of necessary raw materials caused by increased demand for low-carbon raw materials	Medium	High	<ul style="list-style-type: none"> <li>Reduction of raw materials used by reducing weight and replacing raw materials at the product design stage</li> <li>Reduction of purchased raw materials by promoting circular economy</li> </ul>
	New regulations	Direct operations	Increased costs due to policies such as introduction of a carbon tax and renewable energy	Medium	High	<ul style="list-style-type: none"> <li>Promotion of energy-saving activities to minimize energy use</li> <li>Introduction of renewable energy that takes advantage of regional characteristics</li> </ul>
	New regulations	Demand for products	With the progress of electrification, demand for electric vehicle products increases while demand for gasoline-powered vehicle products decreases	Medium	High	<ul style="list-style-type: none"> <li>Shifting the product mix to electric vehicle products, with a view to increasing electrification rate of powertrain unit sales by 2030</li> <li>Enhancing sales of products that contribute to carbon neutrality through the electrification of mobility and energy solutions with a wide range of products, including high-efficiency/small-size electric units, cooperative regenerative brakes, thermal management systems, and aerodynamic devices</li> </ul>
Physical risks	Acute	Direct operations	Disruption of supply chains and temporary suspension of business as a result of larger and more frequent weather disasters (heavy rain, typhoons, floods, etc.)	Short	Medium	<ul style="list-style-type: none"> <li>Establishment of action guidelines and rules in the event of an extreme weather event</li> <li>Enhancement of BCP for procurement and logistics</li> <li>Identification of at-risk sites and regular monitoring</li> <li>Formulation and implementation of a flood control plan</li> </ul>
Opportunity	Demand for products	—	Increased demand for products for electric vehicles due to progress of electrification	Medium	High	<ul style="list-style-type: none"> <li>Speedy market launch of electric units with higher efficiency and smaller size, which will contribute to increased power consumption efficiency</li> <li>Cost reduction by standardizing units by vehicle model, and reducing material usage</li> <li>Improving the cruising range of electric vehicles through the evolution of cooperative regenerative brake systems</li> <li>Expansion of production capacity for related products</li> </ul>
			Creation of new businesses in response to growing demand for products and services that contribute to reducing CO <sub>2</sub> emissions	Medium	Medium	<ul style="list-style-type: none"> <li>Market launch of perovskite solar cells and securing of market share</li> <li>Sale of bio-briquette charcoal made from coconut shells</li> <li>Commercialization of technology to immobilize CO<sub>2</sub> as calcium carbonate</li> </ul>
			Increased demand for energy-saving and low-carbon emission products	Medium	Medium	<ul style="list-style-type: none"> <li>Further efficiency improvement and sales expansion of ENE-FARM household fuel cell cogeneration system, which contributes to a highly efficient and stable energy supply and to improved resilience through its independent power generation function in the event of power outages</li> <li>Promoting decarbonization projects in collaboration with local governments, contributing to urban development</li> </ul>

[Timeframe]

Short: Up to FY2026

Medium: Up to FY2031

Long: Up to FY2051

[Financial impact]

High: The business is anticipated to be suspended, significantly downsized, or expanded.

Medium: Impact on some parts of the business is expected.

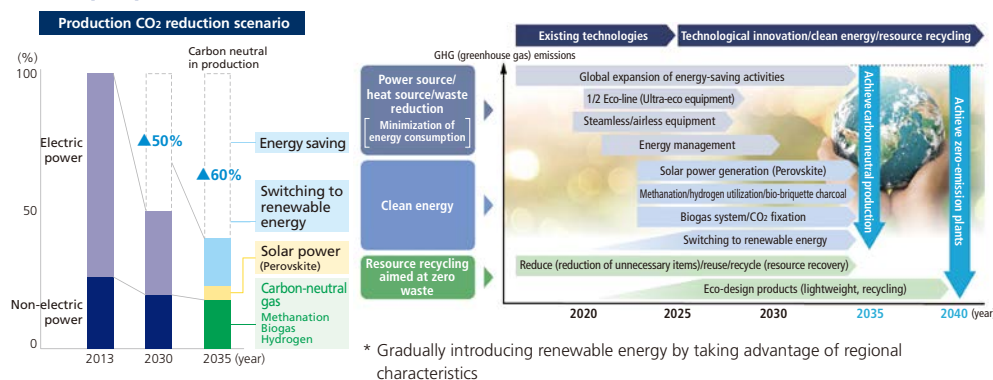
\* Items with low financial impact are excluded from disclosure.

## Task Force on Climate-related Financial Disclosures (TCFD)

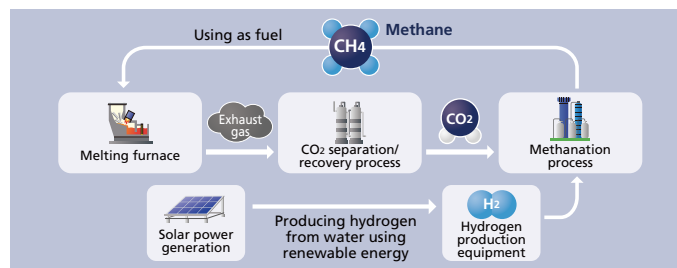
### Transition plan

AISIN has set numerical targets for both “production” and “products” in order to contribute to realize a CN society. In terms of production, we have set the goals of reducing half of our production CO<sub>2</sub> emissions against the FY2014 level by 2030, achieving carbon neutral production by 2035, and achieving zero emission plants by 2040. To achieve these goals, we are working on three key themes: (1) power source/heat source/waste reduction, (2) clean energy, and (3) resource recycling aimed at zero waste.

### Roadmap for zero-emission plants that are kind to the global environment and people



In particular, in an effort to promote the shift to clean energy, we are working on the development of perovskite solar cells, which are bendable, and thinner and lighter than silicon solar cells, which are the current mainstream for solar power generation; bio-briquette charcoal made from coconut shells as an alternative to the coal-derived coke used in cast iron melting furnaces; and a resource recycling system that separates and recovers CO<sub>2</sub> contained in exhaust gases generated by the plant's combustion equipment, and then generates methane gas from that CO<sub>2</sub> for reuse as fuel in melting furnaces.



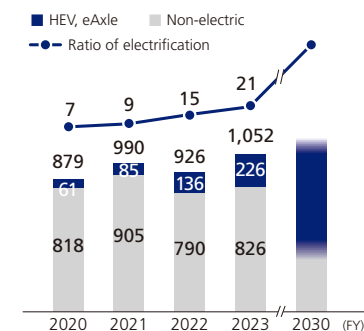
Case example: Resource recycling (methanation) system

We aim to achieve CN throughout the entire lifecycle by 2050.

In particular, in terms of products, AISIN is the only automotive parts manufacturer that offers a full lineup of drive units for HEVs, PHEVs, BEVs, and FCEVs. We will respond to the rapid shift to electrification in the automotive vehicle market by leveraging our strength of being able to meet the needs of any customer, despite the different circumstances in each country. In addition to drive units, we will also accelerate the development of electrified products such as cooperative regenerative brakes and aerodynamic devices to expand our product lineup.

In addition, under the slogan “No one is left behind,” we are promoting various activities to achieve CN throughout the supply chain. Of the CO<sub>2</sub> emissions over the entire lifecycle from resource extraction to disposal, approximately 40% originate from purchased raw materials and components. To reduce this, we must work together with companies involved in the supply chain. AISIN aims to achieve CN throughout the supply chain by providing suppliers with an opportunity to learn and raise awareness of CN, introducing AISIN's CN activities, and supporting the CN activities of its suppliers.

Sales volume of powertrain units (10,000)



Presenting AISIN's CN activities to suppliers



# Task Force on Nature-related Financial Disclosures (TNFD)

For AISIN, which has already vigorously working on climate change, biodiversity loss is another significant issue that must be tackled on a global scale. Social awareness of biodiversity is generally low due to the fact that biodiversity loss occurs at the local level as well as to a lack of clear measuring stick. Since FY2024, AISIN has evaluated risks and opportunities of its global sites based on analysis of changes in biodiversity in accordance with unified processes and evaluation procedures.

## Basic approach to the establishment of a society in which people coexist with nature

With a view to passing on a sustainable environment to the future, AISIN has set “Realize harmony with nature and the regional ecosystem globally” as a target for its Vision for 2050, and aims to establish a society in harmony with nature.

## Participation in alliances and endorsements of initiatives

AISIN participates in the Ministry of the Environment's 30 by 30 Alliance, and endorses the Keidanren Biodiversity Initiative.



## AISIN Group Biodiversity Guidelines

The AISIN Group Biodiversity Guidelines were established by the consolidated Aisin Environmental Conservation Working Group in 2017. In accordance with these guidelines, the AISIN Group companies are working to prevent abnormal environmental conditions and protect the natural environment.

Introduction: Concept of the AISIN Group Biodiversity Guidelines	Chapter 5: Preventing settlement of alien species
Chapter 1: Conducting public relations, education, and dissemination activities to raise awareness of biodiversity	Chapter 6: Conservation of protected areas
Chapter 2: Conducting activities for sustainable production and consumption	Chapter 7: Activities to prevent extinction of endangered species
Chapter 3: Preventing habitat destruction	Chapter 8: Activities for sustainable use of ecosystem services
Chapter 4: Preventing pollution due to chemical substances in wastewater, soot or smoke, and waste	Chapter 9: Protecting the ecosystem by the reduction and storage of carbon dioxide

**[Key Points]** The AISIN Group will promote activities that consider biodiversity in all stages of its operations, from site construction, product development, procurement, production, use and disposal.

## LEAP approach focusing on locations of direct operations

Recognizing that natural capital, such as biological and water resources, requires a local perspective as there are differences in impacts depending on the “region” or “location,” we will disclose corporate information in an integrated manner in accordance with the LEAP approach presented in the TNFD disclosure framework.

### LEAP approach review flow

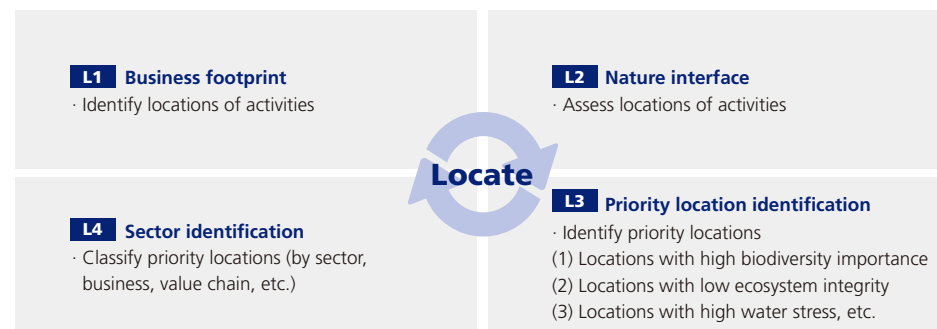
	Locate	Evaluate	Assess	Prepare
	Interface with nature	Dependencies & impacts	Material risks & opportunities	To respond and report
Target of consideration	Direct operations 71 production sites	Same as left	Same as left	Same as left
What to consider	<ul style="list-style-type: none"> <li>Assessment of locations of activities</li> <li>Identification of priority locations</li> </ul>	<ul style="list-style-type: none"> <li>Dependency and impact analysis</li> <li>Validity checks</li> <li>Identification of dependency and impact items with high priority</li> </ul>	<ul style="list-style-type: none"> <li>Creation of lists of risks and opportunities</li> <li>Qualitative materiality assessment of risks and opportunities based on scenario analysis</li> <li>Sorting out risk management approaches</li> </ul>	<ul style="list-style-type: none"> <li>Strategy and resource allocation</li> <li>Performance measurement</li> <li>Preparation of information to be disclosed</li> </ul>
Outputs	(1) Results of activity location assessment (2) Results of priority location identification	(1) Results of dependency and impact analysis (2) List of dependency and impact items with high priority	(1) Lists of risks and opportunities (2) Qualitative materiality assessment of risks and opportunities based on scenario analysis (3) List of material risks and opportunities based on scenario analysis (4) Risk management strategies and mitigation measures	Information disclosure on items listed in the TNFD recommendations

## Task Force on Nature-related Financial Disclosures (TNFD)

### L Locate the interface with nature

Businesses are connected to nature in the locations of their activities. It is therefore important to assess the locations of their activities in order to identify, evaluate, avoid, mitigate, and manage the risks they face. In the Locate phase, we assess the locations of our activities from the perspectives of ecosystem integrity, biodiversity importance, water stress, etc., to identify priority locations.

#### Perspectives for Locate



### Policy for selecting priority locations

STEP 1 Import of location information of target sites → STEP 2 Assessment by indicator → STEP 3 Selection of priority locations

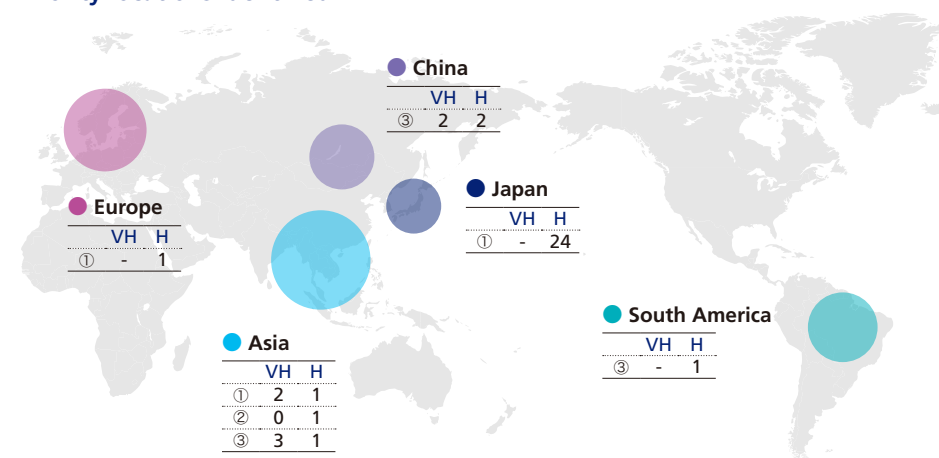
Evaluation item	Tool	Indicator
(1) Biodiversity importance	IBAT	Proximity to areas with high biodiversity importance (KBA, Natura2000, World Heritage, Ramsar, UNESCO MAB, IUCN Management Ia-IV), within a 5 km radius from the site
(2) Ecosystem integrity	WWF Biodiversity Risk Filter	Ecosystem Condition
(3) Water stress	Aqueduct	Baseline water stress

IBAT: Integrated Biodiversity Assessment Tool: A tool developed by the United Nations Environment Programme (UNEP) for assessment of biodiversity risks

WWF Biodiversity Risk Filter: A tool developed by WWF to identify biodiversity risks and opportunities in the value chain

Aqueduct: A global tool developed by the Water Resources Institute to assess water risks in the area where the operation site is located from the perspectives of water quantity, water quality, regulations, and reputation

### Priority locations identified



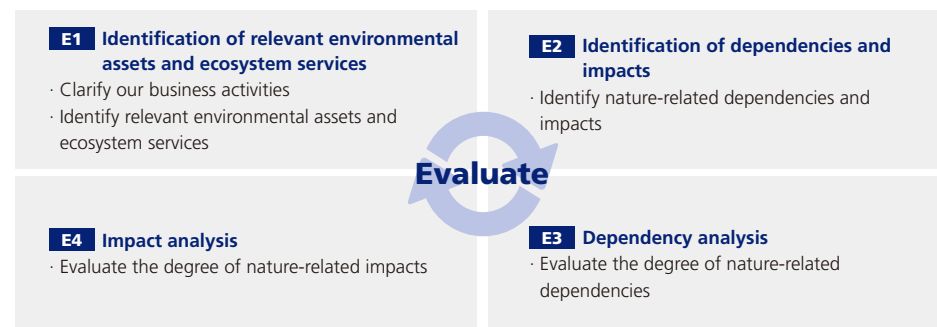
Ratings are categorized into five levels: Very High (VH), High (H), Medium (M), Low (L) and Very Low (VL) (only locations with VH and H are indicated on the map)

## Task Force on Nature-related Financial Disclosures (TNFD)

### E Evaluate dependencies & impacts

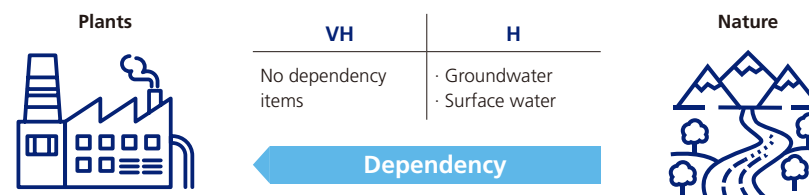
Analysis of dependencies and impacts at locations of activities is an important prerequisite to understanding risks and opportunities. In the Evaluate phase, we identify the dependencies and impacts of our business activities on nature at the priority locations identified in the Locate phase.

#### Perspectives for Evaluate



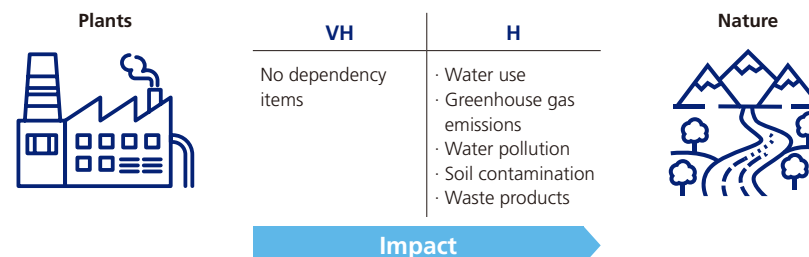
#### Dependencies at the sector level

Dependencies refer to the aspects of ecosystem services that an organization relies on to function. We evaluated our dependencies on the following four major types of ecosystem services using ENCORE: direct physical input (e.g., ground water), enabling production process (e.g., water quality), mitigating direct impacts (e.g., biological remediation), and protecting from disruption (e.g., climate regulation).



#### Impacts at the sector level

Impacts refer to changes to the state of nature resulting from an organization's activities. We evaluated our impacts associated with the following five main impact factors using ENCORE: ecosystem use and use change (e.g., land, freshwater, and marine areas), resource exploitation (e.g. freshwater area), climate change (e.g., GHG emissions), pollution (e.g., water quality), and invasive species (e.g., disturbances). These impact factors are similarly defined in the Technical Guidance for Step 1 and Step 2 of Science-Based Targets for Nature (SBTN).



## Task Force on Nature-related Financial Disclosures (TNFD)

### A Assessment of material risks & opportunities

Based on the results of the Locate and Evaluate phases, we listed risks and opportunities and assessed their qualitative materiality in the last fiscal year. This fiscal year, we will reassess materiality, taking into account the changes in the state of the world for each of the four scenarios.

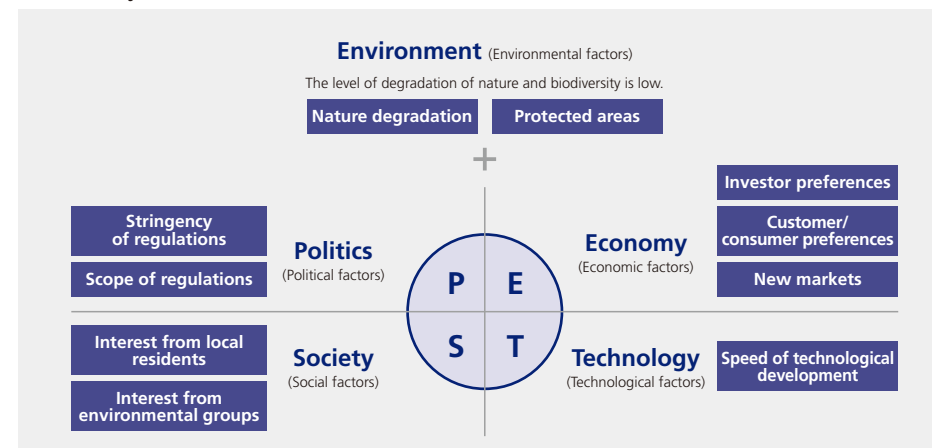
#### Perspectives for Reassessment



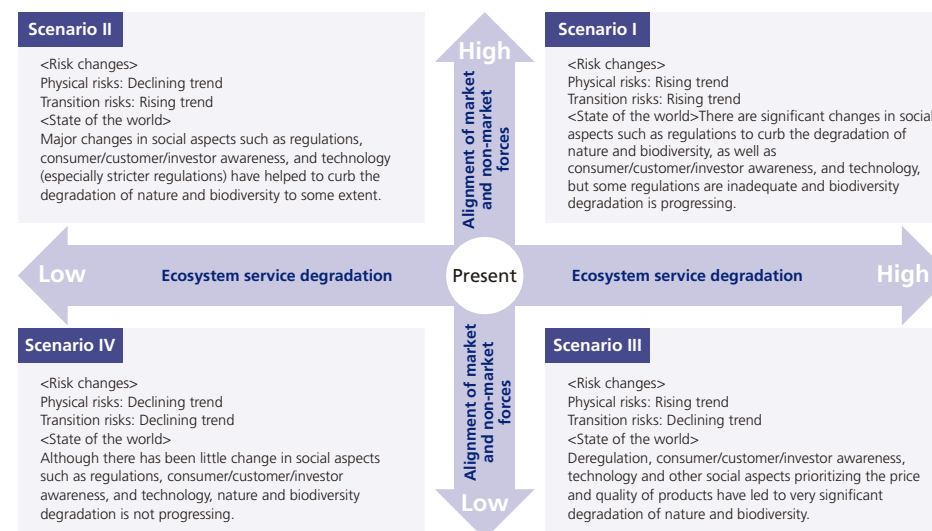
#### Our approach to scenario analysis

Based on the two critical uncertainties, “ecosystem service degradation (closely related to physical risk)” and “alignment of market and non-market forces (closely related to transition risk),” we projected future states of the world in four scenarios, using the PEST+E analysis framework, and then assessed the materiality transition status in terms of importance.

#### PEST+E Analysis



#### State of the world in each scenario, centered on the present





Task Force on Nature-related Financial Disclosures (TNFD)

A Assessment of material risks & opportunities

Defining the states of the world in four scenarios

- Scenario I: A scenario in which the degradation of ecosystem services is progressing due to the inadequacy of some regulations
- Scenario II: A scenario in which the degradation of ecosystem services is suppressed through tightening of regulations, etc.
- Scenario III: A scenario in which the degradation of ecosystem services is progressing due to the prioritization of products with high environmental impacts
- Scenario IV: A scenario in which the degradation of ecosystem services is not progressing despite little tightening of regulations
- Evaluation results for FY2024 are assumed to be in the middle of the four scenarios.

Results of PEST+E analysis for each scenario

Factor	Item	Scenario I	Scenario II	Scenario III	Scenario IV
Environmental	Nature degradation	High	Low	Very high	Low
	Protected areas	Expanding	Expanding	Stagnant	Stagnant
Political	Stringency of regulations	Strict (some are inadequate)	Very strict	Relaxed	Status quo retained
	Scope of regulations	Global	Global	Local	Local
Economic	Investor preferences	Focus on ESG investment	Focus on ESG investment	Focus on investment for economic growth	Focus on conventional investment
	Customer/consumer preferences	Emphasis on eco-friendly products	Emphasis on eco-friendly products	Emphasis on price and quality	Some customers/consumers place emphasis on eco-friendly products
	New markets	Expansion of the market for eco-friendly products	Expansion of the market for eco-friendly products	Stagnant	Stagnant
Social	Interest from local residents	High	High	Low	Low
	Interest from environmental groups	High	High	Medium	Medium
Technological	Speed of technological development	Fast	Fast	Slow	Status quo retained

■: Significantly worsened/more stringent
■: Worsened/more stringent
■: Status quo retained
■: Recovered/relaxed (including “stagnant”)



## Task Force on Nature-related Financial Disclosures (TNFD)

## A Assessment of material risks &amp; opportunities

## Relationship between risk items and PEST+E analysis factors

Risk type		Risk item	Impact item	Likelihood of occurrence (High, Medium, Low)	Magnitude of impact (High, Medium, Low)	Environment	Politics	Economy	Society	Technology
Physical risks	Acute	Reduced production due to water supply restrictions	Water	High	High	○	○			○
	Chronic									
Transition risks	Laws and regulations	Increased costs due to rising utility and processing fees	Water	High	Medium		○			○
			Disposal	High	Medium	○	○			○
			Climate	High	High		○			○
		Loss of opportunity to expand production due to an upper limit set on contract amount	Water	Low	Medium		○			○
			Climate	High	Medium		○			○
		Increased costs due to changes in manufacturing and processing processes resulting from stricter wastewater and emission standards	Water	Medium	Medium		○			○
			Pollution	Low	Medium	○	○			○
			Water	Low	High		○			○
	Market	Penalties/fines for exceeding stricter standards	Pollution	Low	Medium	○	○			○
			Disposal	Medium	High	○	○			○
		Increased burden due to carbon neutrality efforts	Climate	Low	Low		○			○
			Climate	High	High		○	○		○
	Technology	Increased burden to respond to new trends in resource recycling	Disposal	Medium	Medium	○	○	○		○
			Water	Medium	Low			○		○
		Stock price instability due to increased ESG investment	Pollution	Low	Low	○		○		○
			Disposal	Medium	Low	○		○		○
			Climate	High	Low			○		○
			Water	Medium	Medium			○		○
	Reputation	Increased burden and decreased sales due to increasing customer demands for environmental measures	Pollution	Medium	Medium	○		○		○
			Disposal	Medium	Medium	○		○		○
			Climate	High	High			○		○
			Water	Low	Medium		○	○		○
		Increased burden due to introduction of new technologies	Pollution	Low	Low	○	○	○		○
			Disposal	High	Low	○	○	○		○
			Climate	High	Low		○	○		○
			Water	Medium	Low			○		○
Transition risks	Market	Decrease in sales due to decline in brand value	Pollution	Low	Low	○		○		○
			Disposal	Medium	Low	○		○		○
			Climate	High	Low			○		○
			Water	Low	Low			○		○
	Technology	Deterioration in recruitment and employee retention rates due to decline in brand value	Pollution	Low	Low	○		○		○
			Disposal	Low	Low	○		○		○
			Climate	Low	Low			○		○
			Water	Low	High				○	
	Reputation	Decreased business continuity due to conflicts with local residents	Pollution	Low	Medium	○			○	
			Disposal	Low	High	○			○	
			Climate	Low	Low				○	
			Water	Low	Medium				○	
		Damage to reputation due to criticism from environmental organizations, etc.	Pollution	Low	Medium	○			○	
			Disposal	Low	Medium				○	
			Climate	Low	Medium				○	

## Task Force on Nature-related Financial Disclosures (TNFD)

**A Assessment of material risks & opportunities**

## Relationship between opportunity items and PEST+E analysis factors

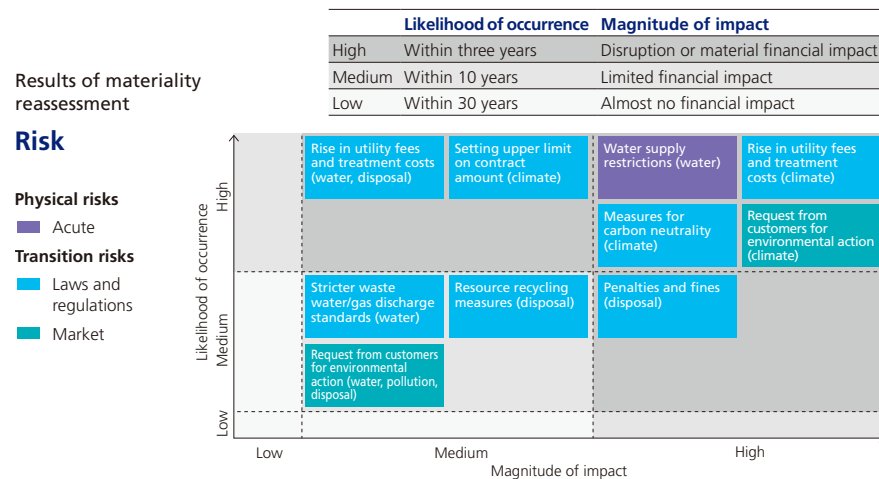
Opportunity type	Opportunity item	Impact item	Likelihood of occurrence (High, Medium, Low)	Magnitude of impact (High, Medium, Low)	Environment	Politics	Economy	Society	Technology
Business performance-related	Markets	Water	Low	Low	○		○	○	○
		Pollution	Low	Low	○		○	○	○
		Disposal	Low	Low	○		○	○	○
		Climate	Medium	Medium	○		○	○	○
		Water	Medium	Medium	○	○		○	○
		Pollution	Low	Medium	○	○		○	○
		Disposal	Medium	Medium	○	○		○	○
		Climate	High	Medium	○	○		○	○
	Capital flows and financing	Water	Low	Low	○		○		
		Pollution	Low	Low	○		○		
		Disposal	Low	Low	○		○		
		Climate	Low	Low	○		○		
	Products and services	Water	Medium	Low	○		○	○	○
		Pollution	Medium	Low	○		○	○	○
		Disposal	Medium	Low	○		○	○	○
		Climate	High	Medium	○		○	○	○
	Resource efficiency	Water	Low	Medium	○		○	○	○
		Disposal	Low	Medium	○		○	○	○
		Water	Medium	Low	○		○	○	○
		Pollution	Low	Low	○		○	○	○
	Reputation	Disposal	High	Low	○		○	○	○
		Climate	High	Low	○		○	○	○
		Water	Medium	Low	○		○	○	○
		Pollution	Low	Low	○		○	○	○
	Improved recruitment and employee retention rates through enhanced brand value	Disposal	Medium	Low	○		○	○	○
		Climate	Medium	Low	○		○	○	○
		Water	Low	Low	○			○	○
		Pollution	Low	Low	○			○	○
	Improved business continuity by building good relations with local communities	Disposal	Low	Low	○			○	
		Climate	Low	Low	○			○	
		Water	Low	Low	○				○
		Pollution	Low	Low	○				○
Sustainability performance-related	Ecosystem protection, restoration and regeneration	Disposal	Low	Low	○			○	○
		Climate	Low	Low	○			○	○
		Water	Low	Low	○				
		Pollution	Low	Low	○				

## Task Force on Nature-related Financial Disclosures (TNFD)

**P To respond and report**

AISIN has envisioned its ideal state for 2050, and by backcasting from that vision, we have defined a number of community-based activities toward establishing a society in which people coexist with nature. We have already initiated those activities, and in the future we will further strengthen our activities by setting quantitative and qualitative targets.

The assessment conducted using the TNFD's LEAP approach in FY2024 has enabled us to have a clear picture of the relationships between existing environmental activities, and priority locations, high-priority dependencies and impacts, and risks and opportunities.



Scenario III						
Risk type	Risk item	Impact item	Likelihood of occurrence	Magnitude of impact	Materiality under Scenario III	<Reference> Current level of materiality
Physical risks Acute	Reduced production due to water supply restrictions	Water	High	High	High	High

Scenario IV							
Risk type		Risk item	Impact item	Likelihood of occurrence	Magnitude of impact	Materiality under Scenario IV	<Reference> Current level of materiality
Physical risks	Laws and regulations	Increased costs due to rising utility and processing fees	Water	High	Medium	High	High
			Disposal	High	Medium	High	High
			Climate	High	High	High	High
		Increased burden due to carbon neutrality efforts	Climate	High	High	High	High
	Market	Increased burden and decreased sales due to increasing customer demands for environmental measures	Climate	High	High	High	High

Scenario I								
Risk type		Risk item	Impact item	Likelihood of occurrence	Magnitude of impact	Materiality under Scenario I	<Reference> Current level of materiality	
Transition risks	Physical risks	Acute	Reduced production due to water supply restrictions	Water	High	High	High	High
			Increased costs due to rising utility and processing fees	Water	High	Medium	High	High
				Disposal	High	Medium	High	High
	Climate			High	High	High	High	
	Laws and regulations	Loss of opportunity to expand production due to an upper limit set on contract amount	Climate	High	Medium	High	High	High
			Increased costs due to changes in manufacturing and treatment processes in response to stricter wastewater and exhaust gas emission standards	Water	Medium	Medium	High	Medium
		Penalties/fines for exceeding stricter standards		Water	Low	High	High	Medium
				Disposal	Medium	High	High	High
		Increased burden due to carbon neutrality efforts	Climate	High	High	High	High	
			Increased burden to respond to new trends in resource recycling	Disposal	Medium	Medium	High	Medium
				Water	Medium	Medium	High	Medium
	Market	Increased burden and decreased sales due to increasing customer demands for environmental measures	Pollution	Medium	Medium	High	Medium	
			Disposal	Medium	Medium	High	Medium	
			Climate	High	High	High	High	
			Technology	Increased burden due to introduction of new technologies	Disposal	High	Low	High
Climate	High	Low			High	Medium		
Reputation	Decreased business continuity due to conflicts with local residents	Water	Low	High	High	Medium		
		Disposal	Low	High	High	Medium		

Scenario II							
Risk type		Risk item	Impact item	Likelihood of occurrence	Magnitude of impact	Materiality under Scenario II	<Reference> Current level of materiality
Transition risks	Physical risks	Reduced production due to water supply restrictions	Water	High	High	High	High
		Increased costs due to rising utility and processing fees	Water	High	Medium	High	High
			Disposal	High	Medium	High	High
			Climate	High	High	High	High
		Loss of opportunity to expand production due to an upper limit set on contract amount	Climate	High	Medium	High	High
	Laws and regulations	Increased costs due to changes in manufacturing and treatment processes in response to stricter wastewater and exhaust gas emission standards	Water	Medium	Medium	High	Medium
		Penalties/fines for exceeding stricter standards	Water	Low	High	High	Medium
			Disposal	Medium	High	High	High
		Increased burden due to carbon neutrality efforts	Climate	High	High	High	High
		Increased burden to respond to new trends in resource recycling	Disposal	Medium	Medium	High	Medium
	Market	Increased burden and decreased sales due to increasing customer demands for environmental measures	Water	Medium	Medium	High	Medium
			Pollution	Medium	Medium	High	Medium
			Disposal	Medium	Medium	High	Medium
			Climate	High	High	High	High
	Technology	Increased burden due to introduction of new technologies	Disposal	High	Low	High	Medium
Climate			High	Low	High	Medium	
Reputation	Decreased business continuity due to conflicts with local residents	Water	Low	High	High	Medium	
		Disposal	Low	High	High	Medium	



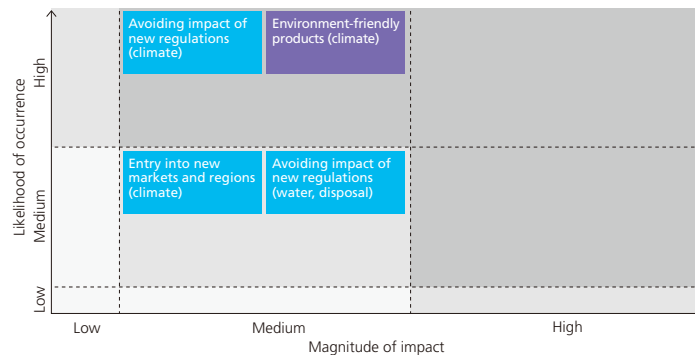
## Task Force on Nature-related Financial Disclosures (TNFD)

## P To respond and report

	Likelihood of occurrence	Magnitude of impact
High	Within three years	Disruption or material financial impact
Medium	Within 10 years	Limited financial impact
Low	Within 30 years	Almost no financial impact

## Opportunity

Markets  
Products and services



## Scenario II

Opportunity type	Opportunity item	Impact item	Likelihood of occurrence	Magnitude of impact	Materiality under Scenario II	<Reference> Current level of materiality	
Business performance-related	Markets	Increased sales through entry into new markets and regions	Climate	Medium	Medium	High	Medium
		Avoiding impact of new regulations (response capability improvement)	Water	Medium	Medium	High	Medium
			Disposal	Medium	Medium	High	Medium
	Products and services	Increased sales through increased reuse and recycling (environmentally friendly products)	Climate	High	Medium	High	High
			Climate	High	Medium	High	High
		Resource efficiency	Reduced labor costs through improved operational efficiency	Disposal	High	Low	High
	Climate			High	Low	High	Medium
	Reduced labor costs through improved operational efficiency		Disposal	High	Low	High	Medium

Scenario III No significant opportunities (applicable to Priority 1) identified in Scenario III

Scenario IV No significant opportunities (applicable to Priority 1) identified in Scenario IV

## Scenario I

Opportunity type	Opportunity item	Impact item	Likelihood of occurrence	Magnitude of impact	Materiality under Scenario I	<Reference> Current level of materiality		
Business performance-related	Markets	Increased sales through entry into new markets and regions	Climate	Medium	Medium	High	Medium	
		Avoiding impact of new regulations (response capability improvement)	Water	Medium	Medium	High	Medium	
			Disposal	Medium	Medium	High	Medium	
	Products and services	Increased sales through increased reuse and recycling (environmentally friendly products)	Climate	High	Medium	High	High	
		Resource efficiency	Reduced labor costs through improved operational efficiency	Disposal	High	Low	High	Medium
				Climate	High	Low	High	Medium

## Seventh Environmental Action Plan (FY2026 targets) and major activities

AISIN has envisioned its ideal state for 2050, and by backcasting from that vision, it has defined three pillars of activities: decarbonization, resource recycling, and foundation/coexistence with nature. We have confirmed these activities will be effective in reducing risks and creating opportunities.

	Indicator	Activities
Foundation and nature	Number of environmentally abnormal cases ▶ Maintain zero cases by strengthening the foundation for environmental initiatives	<ul style="list-style-type: none"> <li>Continuous monitoring of wastewater standards</li> <li>Emergency training through simulating accidents</li> <li>Fostering accident prevention awareness ("Ironbound Rules of the Environment")</li> </ul>
	Plants that coexist with nature ▶ Realize at three sites	<ul style="list-style-type: none"> <li>Establishment of an evaluation system for plant certification</li> <li>Biotope within the plant</li> <li>Nature conservation activities in each region</li> </ul>
Decarbonization	CO <sub>2</sub> emissions from production ▶ 25% reduction from FY2014 level	<ul style="list-style-type: none"> <li>Global CO<sub>2</sub> emissions: 2,280,000 t-CO<sub>2</sub>; renewable energy adoption rate: 18.4%</li> <li>Development of new technologies to reduce CO<sub>2</sub> emissions</li> </ul>
	Product life cycle CO <sub>2</sub> emissions ▶ 18% reduction from FY2014 level	<ul style="list-style-type: none"> <li>Initiatives with suppliers, CN Dojo, support activities, etc.</li> </ul>
Resource recycling	Amount of waste per sales ▶ Japan: 9% reduction from FY2014 level ▶ Overseas: FY2020 result level or below	<ul style="list-style-type: none"> <li>Japan: 3.47 t/100 million yen</li> <li>Expanding dismantling and reuse with a focus on unnecessary items</li> <li>In-house recycling of wastewater from production processes</li> </ul>

In FY2025, by conducting reassessment in four scenarios against the FY2024 results, we have recognized that we need to take a realistic approach, taking into account the relationship between the company and nature. Positioning FY2025 as the midpoint of the three-year plan, we will verify the effectiveness of the assessment and clarify the ideal state we should aim for in the Eighth AISIN Consolidated Environmental Action Plan.

## Performance Data (Environmental)

### Companies in the scope of reporting and data coverage

<b>AISIN Corporation</b>	<b>50.6%</b>
<b>52 Group companies in Japan</b>	<b>64.7%</b>
<b>Consolidated (AISIN Corporation and consolidated subsidiaries)</b>	<b>100%</b>

### Coverage calculation method

$$\text{Coverage (\%)} = \frac{\text{Sales of companies in the scope of reporting}}{\text{Sales of AISIN Group (AISIN Corporation and consolidated subsidiaries)}} \times 100$$

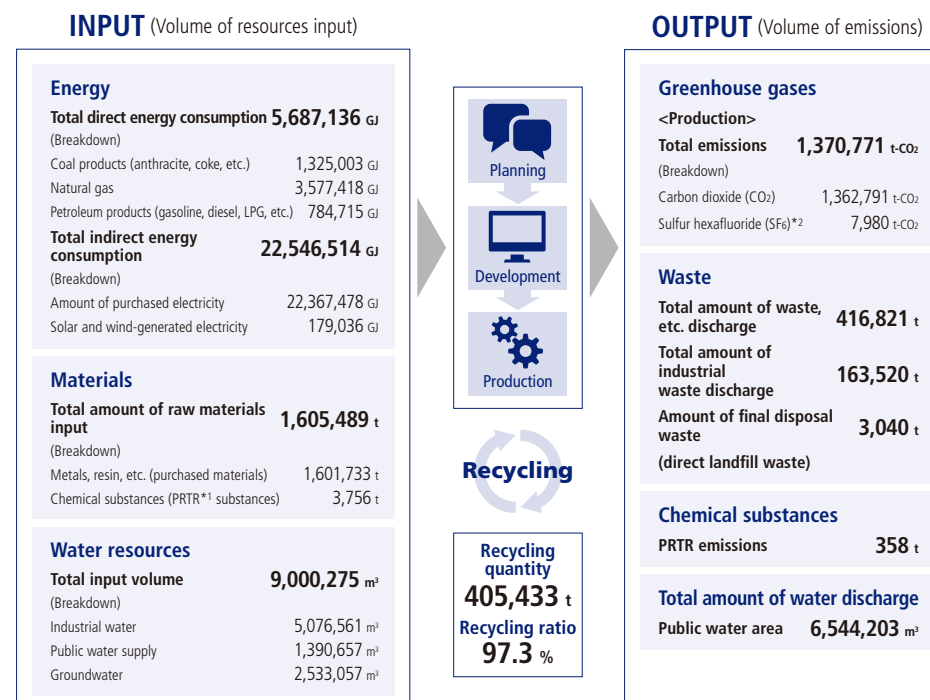
\* Past figures may have changed for reasons such as revisions of the scope or items of calculation.

\* Since the former Aisin Seiki and the former Aisin AW were integrated from FY2022 results, the figures for AISIN alone increased.

<b>AISIN Corporation</b>	Non-consolidated
<b>52 Group companies in Japan</b>	AISIN, AISIN Takaoka, AISIN Chemical, AISIN Keikinzoku, AISIN Kiko, AISIN Sin'ei, AISIN Fukui, Hosei Brake Industry, ADVICS, AISIN Shiroki, ART Metal Mfg., AISIN Development, AISIN Tohoku, AISIN Kyushu, AISIN Kyushu Casting, AISIN Hokkaido, Aichigiken, Saitama Kogyo, Kotobuki Industry, Yamagata Clutch, Sinsan, Konan Kogyo, Hekinan Unso, Sanetsu Unyu, Technova, AISIN Collabo, AISIN Software, FT Techno, IMRA Japan, CVTEC, CVTEC Hokkaido, CVTEC Kyushu, AISIN Mizunami, AISIN Metaltech, AISIN Digital Engineering, AISIN Logitech Service, AISIN Machinetech, Awqius Japan, AISIN Sinwa, Shinwa Kogyo, AT Kyusyu, AISIN Takaoka Tohoku, Hirabayashi Industry, AISIN Takaoka Engineering, Inatec, Shinko Seiki, TECHNO-METAL, Tonamino Kogyo, AS Brake Systems, Kyushu Shiroki, Matsumi Corporation, Suncircle (52 companies)
<b>31 Group companies in Japan</b>	31 companies excluding affiliates of AISIN Takaoka, AISIN Keikinzoku, ADVICS, and AISIN Shiroki from the 52 Group companies in Japan
<b>50 Group companies in Japan</b>	50 companies excluding the former IMRA Materials R&D and the former AISIN Cosmos R&D from the 52 Group companies in Japan
<b>56 Group companies in Japan</b>	52 Group companies in Japan, plus affiliates of AISIN Infotex and AISIN Shiroki

### Environmental management

#### Volume of resource input and emissions (FY2024) <sup>52</sup> Group companies in Japan



\*1 Pollutant Release and Transfer Register, a system requiring businesses to identify the amount of various hazardous chemical substances released from business sites into the environment (air, water, and soil) and the amount transferred outside as waste, as well as reporting the data to the national government. The national government estimates the amounts released and transferred, and announces them to the public based on the data submitted.

\*2 Sulfur hexafluoride: A greenhouse gas with a global warming potential estimated at 22,800 times that of CO<sub>2</sub>.

## Performance Data (Environmental)

## Number of companies with ISO 14001 certification / acquisition rate

Consolidated						
Item	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Number of manufacturing companies*	Companies	124	134	130	129	130
Number of companies with certification*		113	120	118	115	119
Percentage of certified companies	%	91	90	91	89	92

\* Excluding companies that have been operating for less than three years

## Number of environmental accidents and incidents exceeding agreed-upon values

AISIN						
Item	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Exceeding legal standards or values set out in various agreements	Cases	0	1*2	0	0	0
Environmental accidents		1*1	0	1*3	0	0

Consolidated						
Item	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Exceeding legal standards or values set out in various agreements	Cases	0	2*2*5	2*6*7	1*9	3*10*11*12
Environmental accidents		2*1*4	0	2*3*8	0	3*13*14*15

\*1: AISIN (canteen wastewater)

\*2: AISIN (dioxins standard value exceeded)

\*3: AISIN (ATF spill)

\*4: Aichigiken (filtrate discharged)

\*5: AISIN Mizunami (BOD standard value exceeded)

\*6: Shiroki Corporation (agreed-upon value for Zinc exceeded)

\*7: Anqing Art Tp Pistons (COD standard value exceeded)

\*8: Konan Kogyo (light oil spill)

\*9: Aichigiken (BOD standard value exceeded)

\*10: Guangzhou Shiroki Corp. (phosphorus standard value exceeded)

\*11: AISIN Kyushu Casting (NOx standard value exceeded)

\*12: AISIN Shiroki (standard value for normal-hexane extracts exceeded)

\*13: AISIN Shiroki (heavy oil spill)

\*14: AISIN Autoparts (Thailand) (oil-containing wastewater discharged)

\*15: AISIN Metaltech (bonding wastewater spill)

## Environmental audits (conducted by departments in charge of environmental management)

AISIN						
Item	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Number of audited sites	Locations	20	20	37	37	37
Number of items indicated needing improvement	Cases	22	5	2	0	3
Number of internal auditors	Persons	379	478	1,385	1,132	1,412
Number of auditor training sessions	Times	9	4	4	11	10

**52 Group companies in Japan** (31 companies in FY2020, 52 companies in FY2021, 50 companies in FY2022, and 56 companies in FY2023)

Item	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Number of audited sites	Locations	124	140	158	146	169
Number of items indicated needing improvement	Cases	405	390	418	313	369
Number of internal auditors	Persons	2,589	3,018	3,265	3,034	3,510
Number of auditor training sessions	Times	32	29	28	34	42

## Number of employees receiving environmental education

AISIN						
Item	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Education for environmental management departments	Persons	2,415	1,640	3,029	8,861	3,295
Education for general departments		16,893	14,140	27,590	26,924	25,891

**52 Group companies in Japan** (31 companies in FY2020, 52 companies in FY2021, 50 companies in FY2022, and 56 companies in FY2023)

Item	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Education for environmental management departments	Persons	2,858	2,024	3,518	9,379	3,718
Education for general departments		25,012	18,968	30,976	33,263	32,441

## Performance Data (Environmental)

### Greenhouse gases (consolidated)

#### Greenhouse gas emissions (Scope 1 and 2)

##### ■ Calculation method

Total CO<sub>2</sub> emissions =  $\sum$  (fuel consumption × CO<sub>2</sub> emission factor) +  $\sum$  (purchased electricity consumption × CO<sub>2</sub> emission factor)

CO<sub>2</sub> emission factor

[Emissions from FY2020 to FY2024]

##### Japan

Fuel	Emission factor set in accordance with the 2006 IPCC Guidelines for National Greenhouse Gas Inventories (IPCC2006)
Purchased electricity	Adjusted emission factor set in accordance with the Emission Factor by Electric Power Company published by the Ministry of the Environment and the Ministry of Economy, Trade and Industry (2019, 2020: FY2020, 2021: FY2021, 2022: FY2022, 2023: FY2023)

##### Overseas

Fuel	Emission factor set in accordance with the 2006 IPCC Guidelines for National Greenhouse Gas Inventories (IPCC2006)
Purchased electricity	Emissions factor set in accordance with IEA (CO <sub>2</sub> Emissions from Fuel Combustion (2019/2020: IEA2017, 2019 edition, 2021: IEA2019, 2021 edition, 2022: IEA2020, 2022 edition, 2023: IEA2021, 2023 edition)

For conversion of SF<sub>6</sub> to CO<sub>2</sub>, the global warming potential stipulated in the Enforcement Order of the Act on Promotion of Global Warming Countermeasures is used.

#### Scope 1, 2, 3 total

Unit: t-CO<sub>2</sub>e

FY2020	FY2021	FY2022	FY2023	FY2024
26,016,371	24,515,960	25,530,744	24,088,622	25,224,731

#### CO<sub>2</sub> emissions from production

Unit: t-CO<sub>2</sub>e

Item	FY2020	FY2021	FY2022	FY2023	FY2024
Scope1	630,904	577,100	602,011	533,137	525,133
Scope2	2,080,878	1,907,664	1,963,240	1,745,595	1,755,040
Total	2,711,782	2,484,764	2,565,251	2,278,732	2,280,173

#### Supply chain emissions (Scope 3)

Unit: t-CO<sub>2</sub>e

Item	FY2020	FY2021	FY2022	FY2023	FY2024
1. Purchased goods and services	10,905,462	10,666,463	11,373,619	10,736,420	11,177,441
2. Capital goods	999,649	654,409	752,442	761,807	791,314
3. Fuel- and energy-related activities not included in Scope 1 or 2	438,413	398,144	409,028	361,030	348,710
4. Upstream transportation and distribution	578,235	525,970	608,026	669,230	689,386
5. Waste generated in operations	73,710	70,085	54,752	53,040	58,472
6. Business travel	19,218	9,348	11,552	13,814	16,149
7. Employee commuting	60,852	40,701	37,080	32,963	36,868
8. Upstream leased assets	—	—	—	—	—
9. Downstream transportation and distribution	160,454	155,584	158,884	168,284	175,895
10. Processing of sold products	488,317	505,268	492,297	517,713	379,242
11. Use of sold products	9,309,776	8,742,538	8,814,825	8,230,378	9,042,565
12. End-of-life treatment of sold products	29,414	28,068	29,558	29,261	29,789
13. Leased assets (downstream)	—	—	—	—	—
14. Franchises	—	—	—	—	—
15. Investments	173,679	167,025	150,733	167,752	127,995
Total	23,237,179	21,963,602	22,892,795	21,741,694	22,873,825

\* Past figures have been revised following the revision of the calculation conditions for Scope 3.

#### ■ GHG emission reduction targets certified by SBTi

Target scope	FY2031 target (compared to FY2020)
Scope1、2	46.2% reduction
Scope 3 (Categories 1 and 11)	27.5% reduction

#### ■ Progress against targets

In November 2023, AISIN's emission reduction targets for Scope 1 and 2 were certified by SBTi as meeting its 1.5°C criteria. In addition to this certification, AISIN's emission intensity targets for Scope 3 Categories 1 and 11 were also certified as meeting its Well Below 2°C criteria. Reduction rate against base year (%)

Target of initiative	FY2021	FY2022	FY2023	FY2024
Scope1、2	8.2	5.1	15.6	15.4
Scope 3 (Categories 1 and 11)	4.0	0.1	6.2	0.0



## Performance Data (Environmental)

### Energy

For calorific value conversion of each type of energy, the conversion factors specified in the Enforcement Regulations of the Law Concerning the Rational Use of Energy are used.

#### Direct energy consumption

AISIN						
Item	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Total direct energy consumption		1,266,353	1,121,852	2,507,628	2,062,463	1,840,192
Breakdown by type	Coal products (anthracite, coke, etc.)	0	0	0	0	0
	Natural gas	1,201,953	1,086,427	2,242,153	1,793,935	1,564,475
	Petroleum products (gasoline, diesel, LPG, etc.)	64,400	35,425	265,474	268,528	275,717
52 Group companies in Japan (31 companies in FY2020, 52 companies in FY2021, 50 companies in FY2022, and 56 companies in FY2023)						
Item	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Total direct energy consumption		6,266,688	6,383,778	6,481,096	5,610,682	5,687,136
Breakdown by type	Coal products (anthracite, coke, etc.)	1,215,999	1,315,547	1,320,790	1,182,273	1,325,003
	Natural gas	4,247,265	4,211,756	4,306,635	3,652,490	3,577,418
	Petroleum products (gasoline, diesel, LPG, etc.)	803,424	856,475	853,671	775,918	784,715

#### Indirect energy consumption

AISIN						
Item	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Total indirect energy consumption		3,231,362	2,875,362	9,374,243	8,126,463	9,145,897
Breakdown by type	Amount of purchased electricity	3,220,497	2,863,857	9,351,110	8,078,720	9,112,293
	Solar and wind-generated electricity	10,865	11,505	23,133	47,743	33,604
52 Group companies in Japan (31 companies in FY2020, 52 companies in FY2021, 50 companies in FY2022, and 56 companies in FY2023)						
Item	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Total indirect energy consumption		18,840,372	20,752,442	22,539,761	20,496,867	22,546,514
Breakdown by type	Amount of purchased electricity	18,771,491	20,710,226	22,509,267	20,380,915	22,367,478
	Solar and wind-generated electricity	68,881	42,216	30,494	115,952	179,036

### Chemical substances

AISIN						
Item	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
PRTR emissions	t	314	227	391	239	204
52 Group companies in Japan (31 companies in FY2020, 52 companies in FY2021, 50 companies in FY2022, and 56 companies in FY2023)						
Item	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
PRTR emissions	t	425	405	537	343	358

## Performance Data (Environmental)

## Input raw materials

AISIN (From FY2021, the sum of former AISIN Seiki and former AISIN AW)							
Item		Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Total input raw materials			479,463	774,565	798,729	741,301	924,037
Breakdown by type	Metals, resin, etc. (purchased materials)	t	479,149	774,338	798,338	741,075	923,686
	Chemical substances (PRTR substances)		314	227	391	226	351
52 Group companies in Japan (31 companies in FY2020, 52 companies in FY2021, 50 companies in FY2022, and 56 companies in FY2023)							
Item		Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Total input raw materials			1,478,060	1,538,268	1,504,520	1,424,355	1,605,489
Breakdown by type	Metals, resin, etc. (purchased materials)	t	1,476,410	1,536,897	1,503,174	1,423,623	1,601,733
	Chemical substances (PRTR substances)		1,650	1,372	1,346	733	3,756

## Waste and recycling

AISIN							
Item		Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Waste and valuables	Total amount of waste, etc. discharge	t	51,231	47,881	54,521	52,601	54,871
	Amount of recycled waste resources		50,977	47,555	54,117	52,060	52,348
	Recycling ratio	%	99.5	99.3	99.3	99.0	95.4
	Final waste disposal volume	t	0.0	0.0	0.0	0.2	0.4
Industrial waste	Total amount of waste, etc. discharge	t	3,381	2,910	9,940	9,303	9,191
	Amount of recycled waste resources		3,127	2,584	9,536	8,762	6,668
	Recycling ratio	%	92.5	88.8	95.9	94.2	72.5
	Final waste disposal volume	t	0.0	0.0	0.0	0.2	0.4
52 Group companies in Japan (31 companies in FY2020, 52 companies in FY2021, 50 companies in FY2022, and 56 companies in FY2023)							
Item		Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Waste and valuables	Total amount of waste, etc. discharge	t	388,537	309,854	370,984	342,584	416,821
	Amount of recycled waste resources		382,370	305,700	360,228	333,958	405,433
	Recycling ratio	%	98.4	98.7	97.1	97.5	97.3
	Final waste disposal volume	t	3,714.6	3,064.9	2,663.3	2,322.9	3039.6
Industrial waste	Total amount of waste, etc. discharge	t	126,287	153,976	160,314	144,912	163,520
	Amount of recycled waste resources		120,119	128,606	149,557	136,286	152,132
	Recycling ratio	%	95.1	83.5	93.3	94.0	93.0
	Final waste disposal volume	t	3,714.6	3,064.9	2,663.3	2,322.9	3039.6

## Performance Data (Environmental)

## Water

## Amount of water resources input

AISIN						
Item	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Total input amount		2,736,620	2,382,017	3,759,825	3,179,841	3,337,982
Breakdown by type	Public water supply	498,164	458,510	863,809	634,353	597,423
	Industrial water	2,100,223	1,882,233	2,350,054	1,944,084	1,938,072
	Groundwater	138,233	41,274	545,962	601,404	802,487

52 Group companies in Japan (31 companies in FY2020, 52 companies in FY2021, 50 companies in FY2022, and 56 companies in FY2023)						
Item	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Total input amount		9,218,456	10,185,890	9,737,650	8,770,224	9,000,275
Breakdown by type	Public water supply	2,137,121	2,002,959	1,815,976	1,487,796	1,390,657
	Industrial water	5,815,312	5,562,766	5,425,748	4,851,682	5,076,561
	Groundwater	1,266,024	2,620,165	2,495,927	2,430,746	2,533,057

## Total amount of water discharge

AISIN						
Item	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Public water area	m <sup>3</sup>	2,690,794	2,348,615	3,353,633	2,941,031	2,848,780

52 Group companies in Japan (31 companies in FY2020, 52 companies in FY2021, 50 companies in FY2022, and 56 companies in FY2023)						
Item	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Public water area	m <sup>3</sup>	7,346,337	7,807,464	7,208,541	6,579,416	6,544,203

## Transportation

CO<sub>2</sub> emissions are calculated using the calculation method stipulated in the Law Concerning the Rational Use of Energy and related guidelines.

CO<sub>2</sub> emissions from transportation

AISIN						
Item	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Total emissions	t-CO <sub>2</sub>	13,671	12,541	26,909	26,483	26,143

52 Group companies in Japan (31 companies in FY2020, 52 companies in FY2021, 50 companies in FY2022, and 56 companies in FY2023)						
Item	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Total emissions	t-CO <sub>2</sub>	86,063	84,569	89,691	86,823	86,077

## Performance Data (Environmental)

### Environmental accounting

Our environmental accounting is conducted in accordance with the Environmental Accounting Guidelines 2005, issued by Japan's Ministry of the Environment.

(100 million yen)

		AISIN				
Item		FY2020	FY2021	FY2022	FY2023	FY2024
Environmental conservation cost	Business area cost	24.3	18.1	41.4	68.1	67.6
	Administration cost	7.4	4.4	5.8	6.0	8.4
	Upstream/downstream cost	7.5	6.7	25.4	8.4	6.1
	Research and development cost	51.7	39.7	50.2	57.8	71.4
	Social activity cost	0.1	0.1	0.2	0.1	0.1
	Environmental remediation cost	0.0	0.0	0.5	1.2	1.9
	Total	91.0	69.0	123.4	141.6	155.6
Environmental conservation benefit	Benefit from energy conservation	1.0	0.3	0.3	1.2	1.0
	Benefit from resource conservation	4.6	2.7	7.0	3.4	4.5
	Benefit from waste reduction	0.0	0.0	0.0	0.0	0.0
	Revenue from sale of valuables	23.5	15.5	63.0	72.2	67.1
	Total	29.1	18.5	70.3	76.8	72.6

(100 million yen)

		52 Group companies in Japan (31 companies in FY2020, 52 companies in FY2021, 50 companies in FY2022, and 56 companies in FY2023)				
Item		FY2020	FY2021	FY2022	FY2023	FY2024
Environmental conservation cost	Business area cost	113.0	103.4	118.1	130.4	163.0
	Administration cost	13.9	11.4	13.6	11.8	14.4
	Upstream/downstream cost	41.9	25.8	31.1	14.5	13.6
	Research and development cost	181.3	122.7	97.0	70.8	88.8
	Social activity cost	2.0	1.0	0.5	0.5	0.5
	Environmental remediation cost	0.3	0.2	0.7	0.2	2.1
	Total	352.4	264.5	261.0	228.2	282.4
Environmental conservation benefit	Benefit from energy conservation	16.7	15.0	7.8	8.8	9.7
	Benefit from resource conservation	4.6	2.8	7.1	3.4	4.5
	Benefit from waste reduction	0.7	2.6	1.8	0.7	0.5
	Revenue from sale of valuables	67.4	63.1	133.8	140.5	125.7
	Total	89.4	83.5	150.5	153.4	140.4

## Performance Data (Environmental)

### Emissions data for each plant

#### ■ Water quality

Units: PH...none, E. coli...units/cc, Dioxins...pgTEQ/L, Other...mg/L, { }...daily average value, -...not specified, ND...below detection limit

Regulatory values: The strictest values specified in environmental laws/regulations, ordinances, and agreements

\* When measurement is conducted only once, the value is entered in the "Maximum" column

\* For the following regulated items, values were below the limit of quantification (not detected) at all plants

Phenols, all chromes, all cyanides, hexavalent chromium, cadmium, lead, all mercuries, alkyl mercury, arsenic, organic phosphorus, PCB, trichloroethylene, tetrachloroethylene, dichloromethane, carbon tetrachloride, 1,2-dichloroethane, 1,1-dichloroethylene, cis-1,2-dichloroethylene, 1,1,1-trichloroethane, 1,1,2-trichloroethane, 1,3-dichloropropene, thiuram, simazine, thiobencarb, benzene, selenium

#### ■ Air

Units: Dust (g/Nm<sup>3</sup>), NOx (ppm), SOx (K value), hydrogen chloride (mg/Nm<sup>3</sup>), dioxin (ng-TEQ/Nm<sup>3</sup>)

Regulatory values: The strictest values specified in the environmental laws/regulations, ordinances and agreements.

Measurement value: The maximum value is presented (if there are multiple pieces of the same equipment, the value of the equipment with the strictest regulatory value is presented)

\* If a notification has been made in accordance with local ordinances, some items may not be measured

#### ■ Amount of PRTR substances handled, released and transferred

Unit: kg/year, except for dioxins (mg-TEQ/year)

Amount handled: excluding less than 1000 kg/year (500 kg/year for Specific Class I Designated Chemical Substances)

### Kariya Area

#### Water Quality (R&D Center, Lab)

Item	Regulatory value	AISIN's standard	Measured value		
			Minimum	Average	Maximum
pH	5.8~8.6	5.8~8.6	6.8	7.2	7.6
COD	25{20}	20	1.8	2.7	4.0
BOD	25{20}	20	ND	1.1	3.9
SS	30{20}	20	ND	0.3	1.1
Oil	5	2	ND	0.1	0.9
E. coli	3,000	1,000	0	23	250
Total Nitrogen (N)	120{60}	15	4.8	5.3	8.1
Total Phosphorus (P)	16{8}	1	0.01	0.04	0.07
Iron (Fe)	5	2	ND	ND	ND
Manganese (Mn)	10	2	ND	ND	0.06
Zinc (Zn)	2	1	ND	0.07	0.12
Copper (Cu)	1	0.5	ND	ND	ND
1,4-Dioxane	0.5	ND	ND	ND	ND
Fluorine (F)	8	5	ND	0.06	0.2
Boron (B)	10	8	ND	ND	ND

#### Air (excluding facilities owned by ADVICS)

Item	Equipment	Regulatory value	AISIN's standard	Measured value
Dust	Boiler	0.2	0.1	<0.002
	Gas turbine	0.05	0.04	<0.005
	Water heater/cooler	0.1	0.08	<0.003
SOx	Boiler	1.75	1.4	<0.05
	Gas turbine	1.75	1.4	<0.2
	Water heater/cooler	1.75	1.4	<0.008
NOx	Boiler	-	150	29
	Gas turbine	200	180	180
	Water heater/cooler	150	120	34



## Performance Data (Environmental)

### Handa Area (Handa Plant, Handa Electronics Plant)

#### Water quality

Item	Regulatory value	AISIN's standard	Measured value		
			Minimum	Average	Maximum
pH	5.0~9.0	6.0~8.0	6.3	7.1	7.8
COD	15	10	1.5	3.9	6.7
BOD	15	10	ND	1.9	5.2
SS	15	10	ND	0.4	1.1
Oil	2	2	ND	0.1	0.6
E. coli	3,000	1,000	6	37	94
Total Nitrogen (N)	120{60}	15	2.2	2.9	3.8
Total Phosphorus (P)	16{8}	2	0.04	0.13	0.25
Iron (Fe)	0.5	0.5	ND	0.2	0.24
Manganese (Mn)	10	0.5	ND	ND	ND
Zinc (Zn)	2	1	ND	0.04	0.05
Copper (Cu)	1	0.5	ND	ND	ND
1,4-Dioxane	0.5	ND	ND	ND	ND
Fluorine (F)	8	2	ND	ND	ND
Boron (B)	10	8	ND	ND	ND

#### Air

Item	Equipment	Regulatory value	AISIN's standard	Measured value
Dust	Water heater/cooler	0.1	0.08	<0.003
	Boiler	0.1	0.08	<0.002
	Generator	0.05	0.04	<0.005
SOx	Water heater/cooler	1.75	1.5	<0.2
	Boiler	1.75	1.5	<0.005
	Generator	1.5	1.5	<0.02
NOx	Water heater/cooler	150	120	23
	Boiler	150	120	40
	Generator	200	160	150

#### Amount of PRTR substances handled, released and transferred

Chemical substance	Amount handled	Amount released		Amount transferred	
		Released to air	Released to public water area	Amount transferred to sewers	Other transfers
Methylenebis (4,1-phenylene) diisocyanate	1,900	0	0	0	0
Lead and its compounds	600	0	0	0	0

### Anjo Plant

#### Water quality

Item	Regulatory value	AISIN's standard	Measured value		
			Minimum	Average	Maximum
pH	6.5~8.5	6.5~8.5	6.9	7.3	7.9
COD	25{20}	10	0.4	0.8	1.4
BOD	20	10	ND	0.2	1.6
SS	20	10	0.1	0.7	1.5
Oil	2	1.6	ND	0.1	0.5
E. coli	1,000	300	0	11	42
Total Nitrogen (N)	25	10	0.4	0.5	0.8
Total Phosphorus (P)	2	2	ND	ND	ND
Iron (Fe)	2	2	ND	0.01	0.12
Manganese (Mn)	2	2	ND	ND	ND
Zinc (Zn)	2	2	ND	0.04	0.39
Copper (Cu)	0.2	0.2	ND	ND	ND
1,4-Dioxane	0.5	ND	ND	ND	ND
Fluorine (F)	2	1.5	ND	ND	ND
Boron (B)	10	8	ND	ND	ND

#### Amount of PRTR substances handled, released and transferred

Chemical substance	Amount handled	Amount released		Amount transferred	
		Released to air	Released to public water area	Amount transferred to sewers	Other transfers
Antimony and its compounds	1,300	0	0	0	0
Chromium and trivalent chromium compounds	2,400	0	0	0	0
Nickel	1,600	0	0	0	0
Manganese and its compounds	1,600	0	0	0	0

## Performance Data (Environmental)

## Shinkawa Plant

## Water quality

Item	Regulatory value	AISIN's standard	Measured value		
			Minimum	Average	Maximum
pH	-	5.8~8.6	7.0	7.4	8.0
COD	-	20	ND	0.2	0.7
BOD	-	20	ND	0.3	1.1
SS	-	20	ND	0.1	1.3
Oil	-	3	ND	0.1	0.7
E. coli	-	1,000	0	0	0
Total Nitrogen (N)	-	30	0.2	0.6	1.2
Total Phosphorus (P)	-	3	ND	ND	ND
Iron (Fe)	-	2	ND	ND	ND
Manganese (Mn)	-	2	ND	ND	ND
Zinc (Zn)	-	1	ND	ND	ND
Copper (Cu)	-	0.5	ND	ND	ND
1,4-Dioxane	0.5	ND	ND	ND	ND
Fluorine (F)	8	2	ND	ND	ND
Boron (B)	10	8	ND	ND	ND

## Shintoyo Plant

## Water quality

Item	Regulatory value	AISIN's standard	Measured value		
			Minimum	Average	Maximum
pH					
COD					
BOD					
SS					
Oil					
E. coli					
Total Nitrogen (N)					
Total Phosphorus (P)					
Iron (Fe)					
Zinc (Zn)					
Copper (Cu)					
Fluorine (F)					
Boron (B)					

All wastewater is treated at the wastewater treatment facility at AISIN Takaoka, and therefore excluded.

## Air

Item	Equipment	Regulatory value	AISIN's standard	Measured value
Dust	Boiler	0.1	0.08	<0.002
	Gas carburizing furnace	0.25	0.2	0.011
	Drying furnace	0.4	0.32	<0.002
SOx	Boiler	9	7	<0.07
	Gas carburizing furnace	9	7	<0.003
	Drying furnace	9	7	<0.009
NOx	Boiler	-	150	30
	Gas carburizing furnace	200	160	<3
	Drying furnace	-	180	<3

## Amount of PRTR substances handled, released and transferred

Chemical substance	Amount handled	Amount released		Amount transferred	
		Released to air	Released to public water area	Amount transferred to sewers	Other transfers
Manganese and its compounds	3,500	0	0	0	0
Di-2-ethylhexyl adipate	2,300	0	0	0	0
Diethanolamine	1,000	0	0	0	210
Sulfide (2,4,4-trimethylpentene)	14,000	0	0	0	0

## Performance Data (Environmental)

## Ogawa Plant

## Water quality

Item	Regulatory value	AISIN's standard	Measured value		
			Minimum	Average	Maximum
pH	6.5~8.5	6.5~8.5	7.0	7.5	7.8
COD	25{20}	10	0.4	1.0	2.1
BOD	10	10	ND	0.5	3.4
SS	10	10	ND	0.2	0.7
Oil	2	2	ND	0.2	0.9
E. coli	300	300	0	15	40
Total Nitrogen (N)	120{60}	30	2.5	4.6	8.7
Total Phosphorus (P)	16{8}	3	0.1	0.3	0.7
Iron (Fe)	2	2	ND	0.2	0.24
Manganese (Mn)	2	2	ND	ND	ND
Zinc (Zn)	2	1	ND	0.07	0.09
Copper (Cu)	0.2	0.2	ND	ND	ND
1,4-Dioxane	0.5	ND	ND	ND	ND
Fluorine (F)	2	2	ND	ND	ND
Boron (B)	10	8	ND	0.2	0.2

## Air

Item	Equipment	Regulatory value	AISIN's standard	Measured value
Dust	Boiler	0.1	0.08	<0.002
	Heating furnace	0.2	0.16	0.0027
SOx	Boiler	3	2.4	<0.008
	Heating furnace	3	2.4	<0.02
NOx	Boiler	150	120	26

## Amount of PRTR substances handled, released and transferred

Chemical substance	Amount handled	Amount released		Amount transferred	
		Released to air	Released to public water area	Amount transferred to sewers	Other transfers
Water-soluble compounds of zinc	2,300	0	0.0	0	2,200
Nickel compounds	13,000	0	0.1	0	800
Boron compounds	5,500	0	0	0	5,500
Diethanolamine	1,300	0	0	0	0
Cyclohexane	1,200	1,200	0	0	0
Heptane	2,700	2,700	0	0	0
Sulfide (2,4,4-trimethylpentene)	5,300	0	0	0	0

## Nishio Area (Nishio Die Casting Plant, Nishio Engine Component Plant, Machinery &amp; Equipment Plant)

## Water quality

Item	Regulatory value	AISIN's standard	Measured value		
			Minimum	Average	Maximum
pH	5.8~8.6	5.8~8.6	6.6	6.9	7.7
COD	10	10	1.5	2.2	3.1
BOD	10	10	ND	0.6	1.6
SS	10	10	ND	0.2	1.4
Oil	2{1}	2	ND	0.2	0.9
E. coli	300	300	0	6	16
Total Nitrogen (N)	10	10	ND	1.6	2.3
Total Phosphorus (P)	1	1	ND	0.0	0.03
Iron (Fe)	3	3	ND	ND	ND
Manganese (Mn)	3	3	ND	0.02	0.08
Zinc (Zn)	1	1	ND	0.01	0.02
Copper (Cu)	0.5	0.5	ND	ND	ND
1,4-Dioxane	0.5	ND	ND	ND	ND
Fluorine (F)	5	2	ND	0.1	0.1
Boron (B)	10	8	ND	ND	ND

## Air

Item	Equipment	Regulatory value	AISIN's standard	Measured value
Dust	Boiler	-	0.1	<0.002
	Incinerator	0.05	0.04	<0.003
	Melting furnace	0.2	0.16	0.27
SOx	Boiler	3	3	<0.07
	Incinerator	3	3	0.71
	Melting furnace	3	3	<0.2
NOx	Boiler	-	150	51
	Incinerator	150	120	64
	Melting furnace	180	140	80
HCl	Incinerator	150	120	12
Total mercury	Incinerator	50	40	1.0

## Amount of PRTR substances handled, released and transferred

Chemical substance	Amount handled	Amount released		Amount transferred	
		Released to air	Released to public water area	Amount transferred to sewers	Other transfers
Diethanolamine	2,000	0	0	0	0
Mercury	-	0	0	0	0
Dioxin	-	100	-	-	0

## Performance Data (Environmental)

## Kinuura Plant

## Water quality

Item	Regulatory value	AISIN's standard	Measured value		
			Minimum	Average	Maximum
pH	5.8~8.6	6.0~8.6	6.8	7.1	7.4
COD	20{15}	10	1.5	2.3	4.5
BOD	20{15}	10	ND	0.1	0.8
SS	25{20}	10	ND	0.03	0.2
Oil	10{5}	5	ND	0.1	0.6
E. coli	3,000	300	0	0	0
Total Nitrogen (N)	120{60}	20	3.4	5.2	7.3
Total Phosphorus (P)	16{8}	1	0.03	0.07	0.11
Iron (Fe)					
Zinc (Zn)					
Copper (Cu)					
Fluorine (F)					
Boron (B)					

All wastewater is treated at the wastewater treatment facility at AISIN Sin'ei, and therefore excluded.

## Air

Item	Equipment	Regulatory value	AISIN's standard	Measured value
Dust	Boiler	-	0.04	<0.003
SOx		1.17	0.9	<0.005
NOx		-	150	36

## Amount of PRTR substances handled, released and transferred

Chemical substance	Amount handled	Amount released		Amount transferred	
		Released to air	Released to public water area	Amount transferred to sewers	Other transfers
Ethylbenzene	19,000	12,000	0	0	0
Xylene	19,000	13,000	0	0	0
Toluene	65,000	34,000	0	0	0
Methylenebis (4,1-phenylene) diisocyanate	1,200	0	0	0	0
Ethylene glycol monobutyl ether	1,000	1,000	0	0	0
Trimethylbenzene	14,000	14,000	0	0	0
Methyl isobutyl ketone	2,300	2,300	0	0	0

## Anjo Area (Anjo 1st Plant, Anjo 2nd Plant, Anjo Motor Plant)

## Water quality

Item	Regulatory value	AISIN's standard	Measured value		
			Minimum	Average	Maximum
pH	6.0~8.0	6.1~7.9	7.1	7.4	7.7
COD	10	9	ND	3.2	4.6
BOD	10	9	0.5	0.9	2.3
SS	10	9	ND	0.2	2.9
Oil	2	1.8	ND	ND	ND
E. coli	200	180	ND	ND	ND
Total Nitrogen (N)	10	9	0.2	0.9	1.6
Total Phosphorus (P)	1	0.9	0.07	0.14	0.31
Iron (Fe)	3	2.7	ND	ND	ND
Manganese (Mn)	3	2.7	ND	ND	ND
Zinc (Zn)	1	0.9	0.02	0.03	0.03
Copper (Cu)	0.5	0.45	ND	ND	ND
1,4-Dioxane	0.5	0.3	ND	ND	ND
Fluorine (F)	5	3	ND	ND	ND
Boron (B)	10	6	ND	ND	ND

## Air

Item	Equipment	Regulatory value	AISIN's standard	Measured value
Dust	Boiler	0.3	0.24	<0.002
	Hot and chilled water generator	0.1	0.08	<0.002
	Heating furnace	0.2	0.16	0.003
SOx	Boiler	15	3	-
	Hot and chilled water generator	15	3	-
	Heating furnace	15	3	-
NOx	Boiler	-	-	-
	Hot and chilled water generator	150	96	37
	Heating furnace	150	96	43

## Amount of PRTR substances handled, released and transferred

Chemical substance	Amount handled	Amount released		Amount transferred	
		Released to air	Released to public water area	Amount transferred to sewers	Other transfers
Ethylbenzene	1,700	0.1	0	0	0
Xylene	6,900	0.3	0	0	0
N,N-Dicyclohexylamine	4,700	0	0	0	4,700
Toluene	25,000	4.0	0	0	0
Hexane	1,800	2	0	0	0
Benzene	800	0	0	0	0
Chlorinated normal paraffins (limited to those with carbon numbers from 14 to 17 and mixtures thereof)	1,000	0	0	0	1,000
Diethanolamine	6,300	0	0	0	6,300
Trimethylbenzene	7,500	0.1	0	0	0
Heptane	18,000	18,000	0	0	0
Sulfide (2,4,4-trimethylpentene)	2,900	0.7	0	0	0

## Performance Data (Environmental)

## Okazaki Area (Okazaki Plant, Okazaki Electronics Plant)

## Water quality

Item	Regulatory value	AISIN's standard	Measured value		
			Minimum	Average	Maximum
pH	5.8~8.6	5.9~8.5	7.4	7.6	7.9
COD	10	9	2.2	3.2	4.7
BOD	10	9	0.5	0.6	1.1
SS	10	9	ND	0.1	6
Oil	2	1.8	ND	ND	ND
E. coli	300	270	ND	ND	ND
Total Nitrogen (N)	10	9	0.4	0.8	2
Total Phosphorus (P)	1	0.9	0.2	0.31	0.44
Iron (Fe)	3	2.7	ND	ND	ND
Manganese (Mn)	3	2.7	ND	ND	ND
Zinc (Zn)	1	0.9	0.01	0.11	0.13
Copper (Cu)	0.5	0.45	ND	ND	0.01
1,4-Dioxane	0.25	0.15	ND	ND	ND
Fluorine (F)	1	0.6	ND	ND	ND
Boron (B)	10	6	ND	ND	ND

## Air

Item	Equipment	Regulatory value	AISIN's standard	Measured value
Dust	Boiler	0.1	0.09	<0.003
	Heating furnace	0.1	0.09	<0.002
SOx	Boiler	7.59	6.83	-
	Heating furnace	7.59	6.83	<0.03
NOx	Boiler	-	-	-
	Heating furnace	-	-	-

## Amount of PRTR substances handled, released and transferred

Chemical substance	Amount handled	Amount released		Amount transferred	
		Released to air	Released to public water area	Amount transferred to sewers	Other transfers
N,N-Dicyclohexylamine	4,800	0	0	0	4,800
Diethanolamine	1,600	0	0	0	1,600
Heptane	10,000	0	0	0	10,000
Sulfide (2,4,4-trimethylpentene)	1,500	0	0	0	1,500

## Okazaki East Plant

## Water quality

Item	Regulatory value	AISIN's standard	Measured value		
			Minimum	Average	Maximum
pH	5.8~8.6	5.9~8.5	7.0	7.2	7.7
COD	10	9	ND	0.4	2.1
BOD	10	9	2.6	3.7	4.9
SS	10	9	ND	0.02	1.0
Oil	2	1.8	ND	ND	ND
E. coli	300	270	ND	ND	ND
Total Nitrogen (N)	10	9	0.7	1.5	3.7
Total Phosphorus (P)	1	0.9	ND	0.02	0.04
Iron (Fe)	5	2.7	ND	ND	ND
Manganese (Mn)	3	2.7	ND	ND	ND
Zinc (Zn)	1	0.9	0.04	0.05	0.07
Copper (Cu)	0.5	0.45	ND	ND	ND
1,4-Dioxane	0.25	0.15	ND	0.0005	0.001
Fluorine (F)	1	0.6	ND	ND	ND
Boron (B)	10	6	ND	ND	ND

## Air

Item	Equipment	Regulatory value	AISIN's standard	Measured value
Dust	Boiler	0.1	0.08	<0.002
	Heating furnace	0.1	0.08	<0.002
SOx	Boiler	7.59	6.1	-
	Heating furnace	7.59	6.1	<0.02
NOx	Boiler	-	-	-
	Heating furnace	-	-	-

## Amount of PRTR substances handled, released and transferred

Chemical substance	Amount handled	Amount released		Amount transferred	
		Released to air	Released to public water area	Amount transferred to sewers	Other transfers
N,N-Dicyclohexylamine	3,300	0	0	0	3,300
Styrene	4,800	3,600	0	0	1,200
Diethanolamine	2,100	0	0	0	2,100
Heptane	15,000	15,000	0	0	0
Sulfide (2,4,4-trimethylpentene)	1,600	4,500	0	0	1,200



## Performance Data (Environmental)

## Gamagori Plant

## Water quality

Item	Regulatory value	AISIN's standard	Measured value		
			Minimum	Average	Maximum
pH	5.0~9.0	5.2~8.8	6.8	7.1	7.7
COD	25{20}	22.5{18}	0.9	2.1	3.3
BOD	-	-	ND	0.8	2.9
SS	30{20}	27{18}	ND	ND	ND
Oil	2	1.8	ND	ND	ND
E. coli	3,000	2,700	ND	ND	ND
Total Nitrogen (N)	120{60}	108{54}	1.2	2.6	4.5
Total Phosphorus (P)	16{8}	14.4{7.2}	ND	0.01	0.08
Iron (Fe)	10	9	ND	ND	ND
Manganese (Mn)	10	9	ND	ND	ND
Zinc (Zn)	2	1.8	0.03	0.06	0.09
Copper (Cu)	1	0.9	ND	ND	ND
1,4-Dioxane	0.5	0.3	ND	ND	ND
Fluorine (F)	15	9	ND	ND	ND
Boron (B)	230	138	ND	ND	ND

## Air

Item	Equipment	Regulatory value	AISIN's standard	Measured value
Dust	Boiler	0.3	0.24	0.007
SOx		8.76	3	-
NOx		144	130	67

## Amount of PRTR substances handled, released and transferred

Chemical substance	Amount handled	Amount released		Amount transferred	
		Released to air	Released to public water area	Amount transferred to sewers	Other transfers
Methylnaphthalene	3,100	0	0	0	1,300
Diethanolamine	1,100	0	0	0	1,100
Triisopropanolamine	1,300	0	0	0	0

## Kira Plant

## Water quality

Item	Regulatory value	AISIN's standard	Measured value		
			Minimum	Average	Maximum
pH	5.8~8.6	5.9~8.5	6.9	7.4	8.0
COD	10	9	ND	1.4	3
BOD	10	9	ND	1.1	3.9
SS	10	9	ND	ND	ND
Oil	2	1.8	ND	ND	ND
E. coli	300	270	ND	ND	ND
Total Nitrogen (N)	10	9	1.3	2.4	3.8
Total Phosphorus (P)	1	0.9	0.01	0.03	0.07
Iron (Fe)	3	2.7	ND	ND	ND
Manganese (Mn)	3	2.7	ND	ND	ND
Zinc (Zn)	1	0.9	ND	ND	ND
Copper (Cu)	0.5	0.45	ND	ND	ND
1,4-Dioxane	0.5	0.3	ND	ND	ND
Fluorine (F)	5	3	ND	ND	ND
Boron (B)	10	6	ND	ND	ND

## Air

Item	Equipment	Regulatory value	AISIN's standard	Measured value
Dust	Boiler	-	-	-
SOx		3	2.4	0.043
NOx		-	-	-

## Amount of PRTR substances handled, released and transferred

Chemical substance	Amount handled	Amount released		Amount transferred	
		Released to air	Released to public water area	Amount transferred to sewers	Other transfers
Triisopropanolamine	2,600	0	0	0	2,600
Heptane	1,000	1,000	0	0	0

## Performance Data (Environmental)

## Shiroyama Plant

## Water quality

Item	Regulatory value	AISIN's standard	Measured value		
			Minimum	Average	Maximum
pH	5.8~8.6	5.9~8.5	6.6	7.0	7.3
COD	10	9	ND	1.6	3.3
BOD	10	9	ND	0.4	2.3
SS	10	9	ND	ND	ND
Oil	2	1.8	ND	ND	ND
E. coli	300	270	ND	0.5	2
Total Nitrogen (N)	10	9	0.9	1.7	2.4
Total Phosphorus (P)	1	0.9	ND	0.02	0.04
Iron (Fe)	3	2.7	ND	ND	ND
Manganese (Mn)	3	2.7	ND	0.1	0.5
Zinc (Zn)	1	0.9	ND	0.02	0.1
Copper (Cu)	0.5	0.45	ND	ND	ND
1,4-Dioxane	0.5	0.3	ND	ND	ND
Fluorine (F)	5	3	ND	ND	ND
Boron (B)	10	6	ND	ND	ND

## Air

Item	Equipment	Regulatory value	AISIN's standard	Measured value
Dust	Boiler	-	0.24	0.005
	Heating furnace	0.2	0.15	<0.002
SOx	Boiler	3	2.4	0.098
	Heating furnace	3	2.4	<0.03
NOx	Boiler	-	200	96
	Heating furnace	180	145	74

## Amount of PRTR substances handled, released and transferred

Chemical substance	Amount handled	Amount released		Amount transferred	
		Released to air	Released to public water area	Amount transferred to sewers	Other transfers
Methylnaphthalene	5,000	0	0	0	0
Diethanolamine	1,400	0	0	0	1,400
Heptane	1,400	1,400	0	0	0

## Tahara Plant

## Water quality

Item	Regulatory value	AISIN's standard	Measured value		
			Minimum	Average	Maximum
pH	6.0~8.5	6.1~8.4	6.5	7.2	7.4
COD	20{15}	18{13.5}	0.9	2.6	5.1
BOD	20	18	ND	0.1	1.3
SS	20{15}	18{13.5}	ND	ND	ND
Oil	1	0.9	ND	ND	ND
E. coli	1,500	1,350	ND	4.5	220
Total Nitrogen (N)	120{60}	108{54}	0.4	1.1	2.2
Total Phosphorus (P)	16{8}	14.4{7.2}	0.02	0.11	0.3
Iron (Fe)	5	4.5	ND	ND	ND
Manganese (Mn)	5	4.5	ND	ND	ND
Zinc (Zn)	1	0.9	0.02	0.06	0.11
Copper (Cu)	0.5	0.45	ND	0	0.03
1,4-Dioxane	0.5	0.3	ND	0.0005	0.001
Fluorine (F)	7	4.2	ND	ND	ND
Boron (B)	230	138	0.1	0.3	0.7

## Air

Item	Equipment	Regulatory value	AISIN's standard	Measured value
Dust	Boiler	0.2	0.16	<0.001
	Melting furnace	0.2	0.16	0.0055
	Heating furnace	0.2	0.6	0.001
SOx	Boiler	8.76	7	<0.01
	Melting furnace	8.76	7	<0.03
	Heating furnace	8.76	7	<0.6
NOx	Boiler	160	120	27
	Melting furnace	144	115	31
	Heating furnace	104	83.2	78

## Amount of PRTR substances handled, released and transferred

Chemical substance	Amount handled	Amount released		Amount transferred	
		Released to air	Released to public water area	Amount transferred to sewers	Other transfers
N,N-Dicyclohexylamine	4,000	0	0	0	4,000
Styrene	13,000	13,000	0	0	0
Heptane	9,900	9,900	0	0	0
Sulfide (2,4,4-trimethylpentene)	1,300	0	0	0	1,300
Dioxins	-	2.2	0	0	0

## Environment

### Third Party Verification

#### Verification Opinion



August 29, 2024  
Opinion No: SGS24/066

AISIN CORPORATION  
2-1 Asahi-machi, Kariya, Aichi  
President  
Mr. Moritaka Yoshida

#### Objective

SGS Japan Inc. (hereinafter referred to as "SGS") was commissioned by AISIN CORPORATION (hereinafter referred to as "the Organization") to conduct independent verification based on Criteria of Verification (ISO14064-3: 2019 and the SGS verification protocol) regarding the data prepared by the Organization on the scope of verification (hereinafter referred to as "the Statement"). The objective of this verification is to confirm that the Statement in the Organization's applicable scope has been correctly calculated and reported in the Statement in conformance with the criteria, and to express our views as a third party. The Organization is responsible for the preparation and fair presentation of the Statement.

#### Scope

The scope of verification is Scope 1, 2 and 3 emissions, energy consumption, water usage, and industrial waste generated. The period subject to reporting is from 1 April 2023 to 31 March 2024. Refer to the attached sheet for the detailed scope of verification.

#### Procedure of Verification

The Statement was verified in accordance with Criteria of Verification, and the following processes were implemented at a limited level of assurance:

- Verification of the calculation system: Interviews on the measurement, tabulation, calculation, and reporting methods employed by the Organization as well as review of related documents and records
- Verification of the Statement: On-site verification and voucher review conducted at Okazaki Plant and Okazaki Electronics Plant, and AISIN Fukui Corporation Main Plant, and analytical procedures and interviews for the other sites in the scope of verification carried out at the head office

The criteria for this review are based on GHG Emissions Calculation and Reporting Manual Ver. 4.9; 2006 IPCC Guidelines for National Greenhouse Gas Inventories; Basic Guidelines on Accounting for Greenhouse Gas Emissions throughout the Supply Chain Ver. 2.5; Emission Factor Database on the same Accounting Ver. 3.3; IDEA ver.2.3 and the protocol specified by the Organization.

#### Conclusion

Within the scope of the verification activities employing the methodologies mentioned above, nothing has come to our attention that caused us to believe that the Organization's Statement was not calculated and reported in conformance with the criteria. SGS Japan Inc. affirms our independence from the Organization, being free from bias and conflicts of interest with the Organization.

For and on behalf of SGS Japan Inc.  
134 Godo-cho, Hodogaya-ku, Yokohama, Kanagawa  
Yokohama business Park North Square I  
Business Assurance  
Head of Certification/Accreditation

Yuji Takeuchi

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Attached file

August 29, 2024  
Opinion No: SGS24/066

#### The details of the scope of verification

The Scope	The Boundary	The Statement
1 Scope 1 and 2 (energy related carbon dioxide emissions) and energy consumption * Excluding the vehicles which run outside of the sites	The Organization and the consolidated companies Total 133 companies	Scope1: Scope2: 525,133 t-CO <sub>2</sub> 1,755,040 t-CO <sub>2</sub>
2 Scope 3 (category 1)	Raw materials, parts, and sub-materials in the scope of consolidation of the Organization	11,177,441 t-CO <sub>2</sub>
3 Scope 3 (category 2)	The Organization and the consolidated companies	791,314 t-CO <sub>2</sub>
4 Scope 3 (Category 11)	Energy solution products (GHP, cogeneration system, shower-toilet seat) and powertrain units (eAxe, hybrid transmission, automatic transmission, manual transmission, CVT, transfer) sold by the Organization and the consolidated companies	9,042,565 t-CO <sub>2</sub> *1
5 Water usage	The Organization and the consolidated companies Total 132 companies	14,123,136 m <sup>3</sup>
6 Amount of industrial waste generated	The Organization and the domestic consolidated companies Total 48 companies	141,128 t

\*1 For energy solution products, emissions are calculated with product lifespan as design lifespan.  
For powertrain units, emissions are calculated with a lifetime mileage of 100,000 km for a vehicle equipped with the unit.

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# Human Resources

## AISIN's human resources philosophy

The AISIN Group believes that each of our co-workers is a key player and the strength of our Group. Based on this belief, we have placed "co-workers" at the top of the value we provide in our Group Philosophy. Through the implementation of our human resources management goals, we plan to create new value and provide our colleagues with job satisfaction and happiness in life.

## Vision for people and organizations for 2030

During the period of rapid quantitative expansion in the past, it was important to achieve the themes given, where "the ability of people and organizations to continue to efficiently produce results as a homogeneous group" was cultivated. In order to strengthen our management foundation and expand our growth areas in the future, we must anticipate needs and changes and supply products that are not extensions of existing products. However, traditional AISIN features contain aspects that do not necessarily suit the current environment.

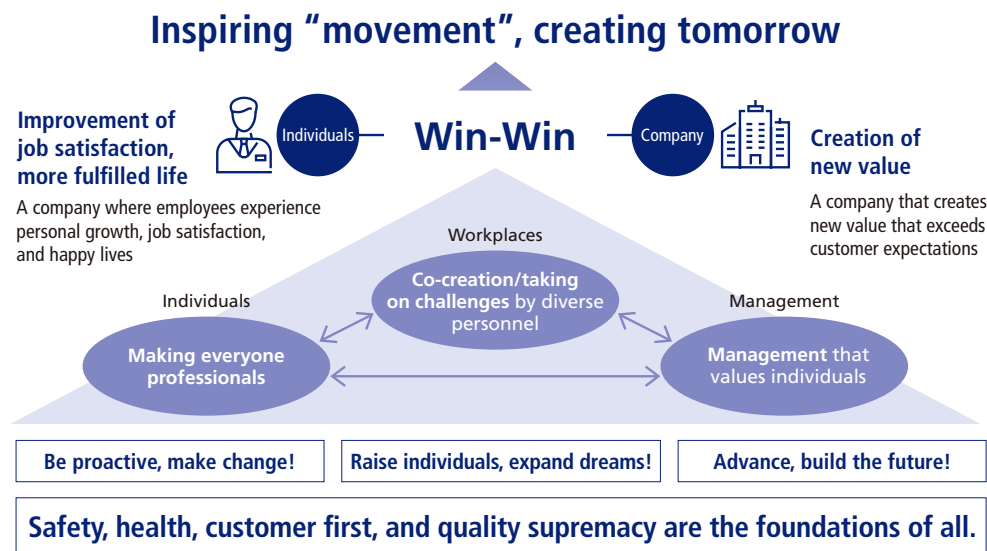
We recognize the urgent need to develop human resources and support their activities more consciously and systematically than ever before, in order for us to become people and organizations that can respond in an agile and optimal way with value proposals, while taking advantage of the unique

characteristics of AISIN that have been cultivated so far.

In our vision for people and organizations for 2030, we envision a state in which we "take on challenges on a global and group-wide consolidated basis" and "people grow more than anywhere else and all employees are active." As initiatives to fill the gap between our vision and the current situation, we have identified the following: ① Activities and growth of professional human resources, ② Encouraging personnel to take on challenges, and ③ Strengthening Comprehensive Strength as a Group. We also work to develop an open workplace culture as the basis for all of our activities.

We believe that providing job satisfaction and happy lives to our employees and creating new value through our initiatives will lead to the achievement of our business strategies and the realization of our Group Philosophy, which lies ahead.

### Human resources management we aim for



### Vision and initiatives based on business strategies



## Human Resources

### Developing an open workplace culture

#### Promoting honest dialogue and actions where everyone is an involved party

As the basis for all activities, we promote initiatives aimed at developing an open organizational and workplace culture. Under the President's message that "the most important factors to realize a full model change of AISIN are first of all human resources and then the workplace culture," round-table conferences between employees and management are held at each level of the company to provide a forum for active dialogue between labor and management. At the same time, through our efforts to increase transparency, such as making videos of these conferences available to the employees, we are working to develop an open workplace culture. We are also actively engaged in sharing management case studies by providing



Main efforts	Description
Meeting between employees and management Round-table conference between employees and management	Leaders of labor and management companywide and for each in-house company and headquarters hold discussions to develop people and workplaces that pursue challenges. 41 times
Departments and plants labor-management meeting	Promote workplace problem solving for challenges 776 times
Town-hall meeting	Dialogue sessions for management and employees to reach a mutual understanding 20 times
Management study session/Case study session	General managers and general managers at plants hold discussions on workplace issues and implement mutual improvements. Since July 2023, one case study per month has been shared among all general managers and general managers at plant.
AISIN Team Building Activity (ATBA)	Around 1,500 groups hold regular all-member meetings and 1-on-1 sessions. It is an activity to establish psychological safety and enhance productivity and job satisfaction by improving the quality of relationships.

opportunities for information dissemination and mutual improvement.

#### ATBA activities: Building workplaces full of vitality, the AISIN way

We are promoting AISIN Team Building Activities (ATBA), a unique team-building initiative for building workplaces full of vitality, based on our mindset that every workplace and employee is a star.

At the Kaeru Meeting, which serves as the cornerstone of this initiative, all the members, including management staff, assess the current situation of the workplace based on the results of the employee awareness surveys to implement various ideas that will make their operations more efficient and improve their job satisfaction.

As support for each individual, we ensure that 1-on-1 meetings are held between supervisors and subordinates to enhance the quality of their relationships.

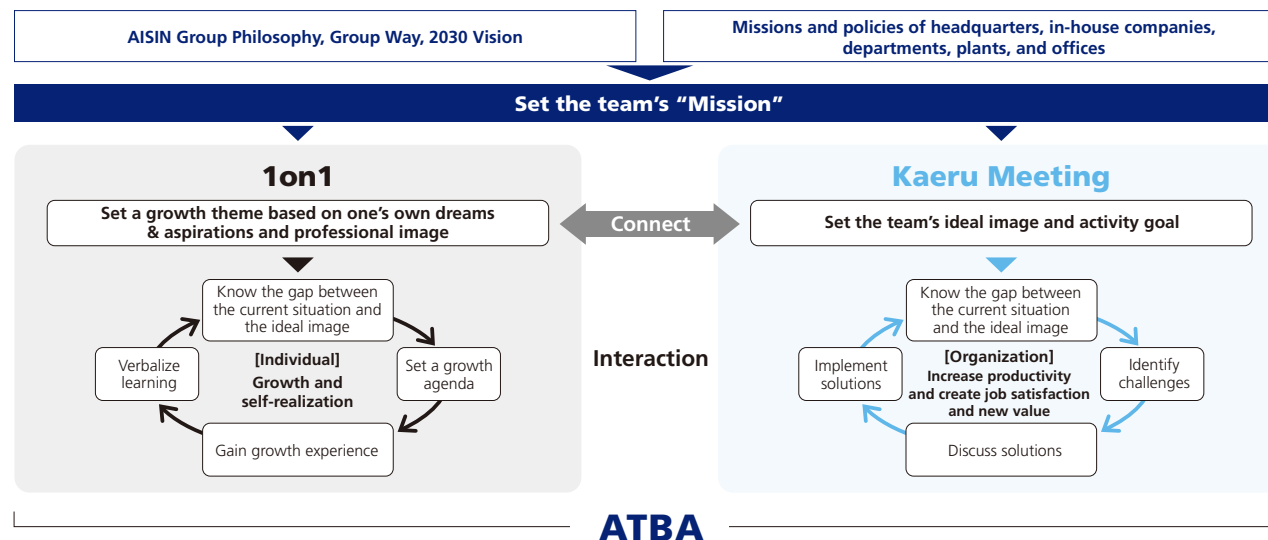
These activities have led to an increase in communication with supervisors and colleagues, establishing psychological safety and ensuring a good cycle of success in the organization.

#### Assessment of the current situation and improvement for Quality Supremacy that has penetrated into workplaces

In 2023, we conducted a comprehensive inspection of certified parts and took countermeasures to address all the 262 problems identified in interviews with related workplaces.

We believe that problems on site are the root cause of quality misconduct. As such, with the message "If you have a problem, raise your hand and discuss it right away," we encourage problem-solving through interviews to continuously review and improve our corporate culture. In FY2025, our activities are focused on the plants, which are the back end of the quality process.

ATBA flowchart





## Human Resources

### Activities and growth of professional human resources

In order to transform into a value-creating company, it is essential that all of our diverse professionals are actively engaged in shaping issues from the broad perspective of society and customers and are able to act voluntarily in a holistic and optimal manner. AISIN defines the human resources it seeks as “professional” human resources to promote a variety of measures for their success and growth by organizing their basic capabilities.

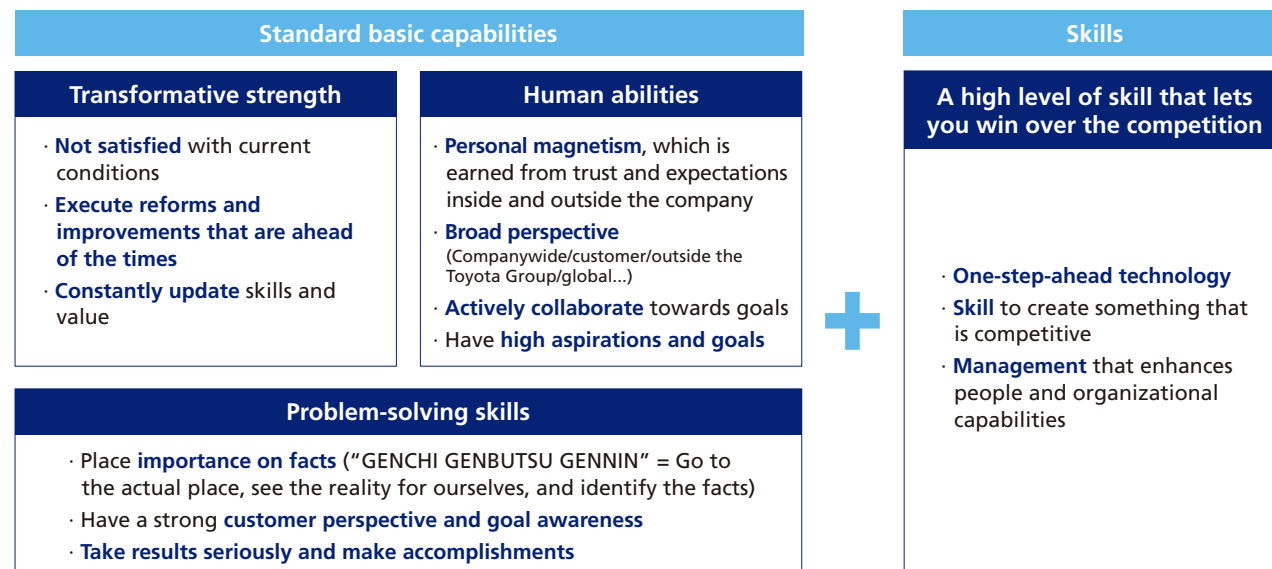
#### Appropriate evaluation of challenges, well-balanced compensation

We are gradually revising our HR system with the aim of

promoting professional human resources and their success, from the Executive Management level to each individual employee. The revision is centered on a point-addition system that evaluates challenges taken up and what is learned from failure; the market value principle for rewarding current responsibilities and achievements; and acceleration of liquidity and a shift outward, which breaks the inward trend and realizes the concept of right person, right place and right time. We will assign roles and themes for professional human resources to demonstrate their abilities and achieve growth and reward their responsibilities and achievements in a timely manner. By this, we will expand the abilities of each individual and encourage everyone to play an active role.

Definition and components that make up “professional” human resources

**“Professional” human resources** = **People who voluntarily think and take action to perform well in each place and position with overall optimization**



Main efforts	Description
Revisions to the remuneration system for Executive Management Revised in FY2024	<ul style="list-style-type: none"> <li>· Expand the reflection of individual assessments in addition to performance-linked remuneration. Adopt remuneration that is based on each individual's performance.</li> <li>· Introduce the 360° performance evaluation system as an opportunity to gain awareness</li> <li>· Increase the ratio of performance-linked remuneration to annual income and strengthen incentives to improve business performance and corporate value</li> <li>· Reflect changes in non-financial indicators from a long-term perspective related to various stakeholders in the calculation of performance-linked remuneration</li> </ul>
Revisions to the HR system for management staff Revised in FY2024	<ul style="list-style-type: none"> <li>· Reform the system into a mechanism that deepens role recognition and maximizes role performance and exercise of abilities through assignments that are linked to the magnitude of each role and the individual's abilities</li> <li>· Encourage taking on more challenges by rewarding current responsibilities, achievements and performance on an individual basis</li> </ul>
Revisions to the HR system for general employees To be revised in FY2026	<ul style="list-style-type: none"> <li>· Consider revising the system to reward growth and challenges taken up in a more balanced way and with a point-addition system</li> </ul>
Revisions to the HR system for rehired employees Revised in FY2025 for former management staff	<ul style="list-style-type: none"> <li>· Promote the activities of human resources that maintain and improve their abilities and assume roles regardless of age under the slogan “Anyone, Anytime, Forever”</li> <li>· Move away from a system that uniformly controls the place of activity and remuneration based on age, and flexibly respond to individual differences in motivation, abilities, and preferred working style to encourage maximum activity appropriate to each individual</li> </ul>
Full-fledged evaluation interviews with all employees	<ul style="list-style-type: none"> <li>· Fully align the dreams and aspirations of the individual with the problems and endeavors of the organization in evaluation interviews to autonomously create new value</li> <li>· Implemented a system presentation 85 times to review, gain understanding of and instill evaluation operations</li> <li>· Continue to deploy best case scenarios and implement individual support</li> </ul>

## Human Resources

### Strengthening standard basic capabilities

To promote autonomous growth of all employees, we have converted the training system from a “uniform hierarchy and giving” approach to a “diversity and thinking and learning for one’s self” approach.

Based on on-the-job training in the workplace, we will develop training programs that focus on strengthening the problem-solving skills, transformative strength, and human abilities required of professional human resources, with the goal of becoming a company where people grow more than anywhere else.

### Strengthening problem-solving skills

We believe that strengthening problem-solving skills, the core of our work, is an important issue at all levels. In particular, we view both the ability of general employees to practice problem-solving working styles and the ability of supervisors to lead from a problem-solving perspective as challenges.

As such, we offer problem-solving training for general employees and intermediate and advanced MAST training for management staff to acquire the ability to solve workplace issues at different levels. In addition, to further improve practical skills in the workplaces, we have released problem-solving videos and engaged workplaces in these activities. Through the training, employees build processes to identify and solve problems and issues in their own work, and they learn problem-solving techniques to put them into practice and apply them.

	FY2022	FY2023	FY2024
Number of training participants	1,498	1,633	2,260

\* 35 Group companies in Japan (data coverage rate: 48%)

### Fostering transformative strength

We offer a cross-bordering program with a focus on the next generation of leaders. It is designed to enable participants to develop new value, which is difficult to recognize only through internal experience, by working with people outside the company to solve social problems.

The program provides an opportunity to experience outside viewpoints and perspectives, discover what they can do to solve problems for which there are no right answers, and gain experience in accomplishing these tasks despite repeated failures.

Participants and their supervisors in their workplaces are increasingly expressing that the awareness and learning gained from the training are leading to a change in their awareness. We expect to see even greater changes in behavior in the future.

	FY2022	FY2023	FY2024
Number of training participants	—	30	155

\* Implemented at AISIN (on a non-consolidated basis) from FY2023

### Fostering human abilities

Amidst a drastically changing business environment, we believe it is important to create a relationship and organizational culture that is open, honest, and supportive of each other in order to accelerate the implementation of unprecedented initiatives. We have introduced OMOIYARI training, designed for Executive Management and other management staff who have a significant impact on workplace culture, to improve their human abilities and communication skills. By this, we aim to promote psychological safety in the workplace and a sense of well-being among employees.

	FY2022	FY2023	FY2024
Number of training participants	—	—	4,826

\* Implemented at AISIN (on a non-consolidated basis) from FY2024 with a view to expanding to Group companies in Japan

We expect core personnel, who are leaders in the workplace, not only to take action to solve problems themselves but also to speak their thoughts in their own words, maximizing the power and performance of the organization while gaining the empathy and cooperation of those around them. We have introduced a new “communication for individuals” training program for newly appointed core personnel, which aims to provide the fundamentals of leadership and communication skills to make the most of and develop individuals. It helps them to improve their own human abilities and maximize the performance of the organization.

	FY2022	FY2023	FY2024
Number of training participants	—	—	296

\* Implemented at AISIN (on a non-consolidated basis) from FY2024 with a view to expanding to Group companies in Japan

## Human Resources

Based on the belief that leaders who have their own aspirations and create new challenges and changes are indispensable to achieving corporate culture reform, we provide a training program for senior core personnel to foster aspirations, with the goal of reaching 50% (589 employees) by 2025.

We focus on developing attractive leaders who can create empathy among different people, with the expectation that each individual will develop their own aspirations about “what they want to achieve through corporate life” and undergo behavioral change while seriously addressing their own values and sense of identity.

	FY2022	FY2023	FY2024
Number of training participants	—	—	40

\* Implemented at AISIN (on a non-consolidated basis) from FY2024 with a view to expanding to Group companies in Japan

### Improving skills

For engineers engaged in production, we have a system (Career Way) that enables them to realize more keenly that they are growing by clarifying the knowledge, skills, and techniques to be obtained according to their ability-based grade so that each individual can work on self-growth (career development) in a more autonomous and motivated manner. In addition, to stimulate employees’ motivation for pursuing new endeavors, we support them in taking skill examinations (national and in-house).

We also run the AISIN Academy, an internal training facility for personnel being appointed as leaders at manufacturing sites. Aimed at new employees, including those of domestic Group companies, and trainees dispatched from overseas bases, the year-long training program equips participants with practical technical skills as well as the mental and

physical qualities required of leaders. With our eyes toward the future, we have added a Computer Control Course to the academy’s curriculums so that employees can obtain digital skills. This course enables trainees to learn about the basics of AI and IoT and acquire skills for collecting and utilizing data that are used at production sites. Such trainees are expected to make an immediate contribution to their worksites. We help individuals acquire specialized knowledge and skills by, for example, offering training toward competing in the World Skills Competition. At the same time, we foster human resources who can “think and act autonomously,” while demonstrating excellent manufacturing ability, patience, and even an inquiring mind, to identify the essence of each issue. We aim to improve on-site capabilities and revitalize the workplace by having trainees take advantage of not only the knowledge and skills they have acquired in training but also the human qualities they have cultivated in the training process to become future leaders of the workplace.

Main efforts	Description
<b>Manufacturing leader education at AISIN Academy</b>	<ul style="list-style-type: none"> <li>As an internal training facility, we provide education on practical technical skills and mental and physical training necessary for leaders. Continue to accept trainees from overseas bases (cumulative total of 457 people from 36 sites in 12 countries).</li> <li>Set up a course for overseas managers and supervisors in FY2024. Strengthen training of floor leaders (cumulative total of approximately 40 people).</li> <li>Also establish the AISIN Academy at sites overseas. China (cumulative total of 317 people), Thailand (cumulative total of 60 people)</li> </ul>

### Resource shift and re-skilling of personnel for key areas

To facilitate the speedy implementation of a resource shift and re-skilling of personnel required for key areas, we plan to promote the systematic training and shift of human resources on a group basis for the establishment and fulfilling of requirements for workload and necessary personnel by function.

Main efforts	Description
<b>Shift to electrification</b>	<ul style="list-style-type: none"> <li>Completed the shift of 1,500 development and production technology personnel by the end of FY2024 to a production system that will output 4.5 million Electric Units by 2025</li> </ul>
<b>Electrification engineer training</b>	<ul style="list-style-type: none"> <li>Immersive training for 1-3 months on motors and thermal management technology to shift personnel to the area of electrification (820 employees took the training by the end of FY2024.)</li> <li>Provided specialized training for some of the employees who had undergone skill changes by the previous fiscal year, with the goal of further improving their skill levels</li> </ul>
<b>Electrification line worker training</b>	<ul style="list-style-type: none"> <li>Revamped the education system for skilled workplaces to focus on electrification (1,820 employees took the training by the end of FY2024.)</li> </ul>
<b>DX and AI personnel training</b>	<ul style="list-style-type: none"> <li>AI digital education to strengthen the use of generative AI and data (1,100 employees took the training by the end of FY2024.)</li> <li>Workshops in collaboration with academia to develop innovative human resources</li> </ul>
<b>Software personnel training</b>	<ul style="list-style-type: none"> <li>Revamped the training system which targets an improvement in product functions by introducing the basic concept of software human resources (660 employees took the training by the end of FY2024.)</li> <li>Shift 30% of existing personnel to upstream development processes by FY2026</li> </ul>

## Human Resources

### Encouraging the pursuit of challenges

In order for the company and organizations to “change step by step by imagining what it should be at an era when there is no right answer” (i.e., to create challenges), we are working on reforming the corporate culture itself with the key phrase of “Developing people and workplaces that pursue challenges.”

Furthermore, based on our past efforts to promote the taking of challenges, we recognize that in order to further increase proactive actions, it is necessary to practice management that captures the characteristics and motivation of each individual and draws out the will and initiative of the individual.

#### Activities in the workplace to encourage the pursuit of challenges

In our employee awareness survey, we designated job satisfaction (fulfillment and adaptation) as a priority KPI and aim to achieve a score of 4.0 points (5-tier evaluation) for job satisfaction for all our employees on a global basis by 2030. Recognizing that improving job satisfaction in skilled workplaces is a particular challenge, we conducted an analysis of the employee awareness survey. As a result, we identified two main factors that increase job satisfaction in skilled workplaces: a sense of meaning in one's own work and a sense of growth. In each workplace, we emphasize these factors and promote activities that encourage each individual to take on new challenges.

Job satisfaction	FY2022	FY2023	FY2024
Administrative workplaces	3.5	3.6	3.6
Skilled workplaces	3.2	3.3	3.3
Whole	3.4	3.4	3.4

#### Create “a plant where the strengths of each individual are used” by praising and encouraging employees to say what they want to say

The entire Kira Plant shares the vision of the plant it is striving to become. There, we carefully draw out what each individual wants to do and what challenges they want to take on to achieve that vision, using 1-on-1 sessions. On-site workers are also working on their own challenge goals with an awareness of the connection to the SDGs and higher-level policies, using a form called “My challenge management chart” to visualize the plans and status of their efforts. When the efforts are going well, supervisors actively praise them. When progress is slow, supervisors listen to the problems in dialogues. Supervisors and subordinates work together to achieve the goals of the challenge. The activities not only create an open workplace environment in which employees can express their problems and concerns to their supervisors but also help them accumulate job skills and gain confidence, thereby improving their job satisfaction.



#### ADVICS: Initiatives to promote “intrinsic motivation for growth”

ADVICS Co., Ltd. is working to improve the corporate culture to encourage employees to take on challenges under the theme of “learning and growing independently.” It is done by shifting the mindset from the traditional idea that careers are created by the company to one in which each employee thinks and creates his or her own career autonomously.

With an emphasis on intrinsic motivation for growth, the five “growth motivation switches” are organized to identify what motivates employees. Labor and management exchange opinions on measures and initiatives to address them. For example, career interviews are held to give each employee an opportunity to think about his or her career, and a new transfer system (internal open recruitment system and open rotation system) has been introduced to encourage employees who wish to pursue new endeavors. Thus, we are working to create an environment that facilitates taking on challenges.

Types of “growth motivation switches”	Examples provided during branch free talks and workplace visits
<b>Discretion</b>	Encouraged a young employee who had the courage to take the QC certification test despite the unspoken rules [Kariya Maintenance]
<b>Self-utility</b>	An evaluation staff member directly gave a customer report, which is usually given only by design team members. The thoroughly prepared report received compliments directly from the customer. [Head Office TEX]
<b>Goals and standards</b>	Radar charting of skill maps makes it easy to see where I am and what issues I need to work on. [Kariya Construction]
<b>Comparison</b>	As a graduate of the Academy, I was a year behind my peers in the field. I felt a gap in ability and experience between myself and my peers in the workplace, and I worked hard with a competitive spirit. [Handa Maintenance]
<b>Public interest</b>	I was able to experience the functions of the products I was responsible for in a real vehicle. I felt that as an engineer I was contributing to the creation of safe vehicles. [Head Office Software Engineering]

## Human Resources

### Enhancing Comprehensive Strength as Group

To expand our global business and reorganize our domestic business, we will optimize our organization with agility from a cross-organizational perspective and maximize the value of our diverse human resources. It is done by re-skilling engineers, shifting resources among plants and companies in Japan, and optimally allocating human resources overseas to drive our global business.

#### Nurturing leaders on a group and global consolidated basis

Senior management directly identifies potential leaders and actively involves them in important management issues and appoints them to posts in Japan and overseas. In addition, in order to hone their sense of values and help them gain a high level of human abilities and perspective, we provide individualized coaching by experts, management knowledge, and opportunities to interact with outside personnel, based on each person's unique characteristics.

Important overseas posts are identified using AG2 (AISIN Global Grading), a common global index, and systematic human resource development is conducted based on a succession plan to promote the appointment of local human resources and local independence.

In North America, we are promoting human resource development by visualizing talented personnel at each base

Target values for promotion to core roles (AISIN only)

	FY2024	FY2031 targets
Ratio of mid-career employees in managerial positions	23.6%	Equivalent to the ratio of those employed as new graduates
Percentage of local employees among executives (Executive Vice President level and above) at overseas subsidiaries*	34.4%	40%

\* Target: 115 overseas companies. Presidents, Executive Vice Presidents and Members of the Board of Directors

and transferring them between bases within the region, among other measures. In 2024, we started transferring executives between the regional headquarters and production entities.

#### Establishment of a talent management system that balances business and career

We are building a common database of human resource information to optimize the assignments of the Group's human resources. Going forward, we will establish a talent management system that enables the timely alignment of each individual's career with strategic human resources assignments.

#### Promotion of diversity and inclusion

##### Promotion of the active participation of female and senior employees

Over the years, we have expanded various programs to help employees, especially women, balance their careers and family life. We are also actively working to make our programs easier to use and achieved a 100% take-up of parental leave by men. In recognition of these efforts, we have been recognized as a Nadeshiko Brand for four consecutive years.



Our recent issues include the advancement of women and senior employees in skilled workplaces. To address the issue of balancing work and childcare, we are promoting the development of lines with cycle times and process innovations to support the activities of employees who work shorter hours. In addition, for all employees, regardless of gender or age, to continue to contribute and be satisfied in

the workplace, we promote the creation of processes that "ensure the same results no matter who does the job." We focus on gender- and age-related differences in physical and muscle strength, eyesight, and mental acuity and memories, and we lighten the workload in each process, adjust the size of displayed letters, and simplify operations.



#### Targets for women in the workplace

	FY2024 results	FY2031 targets
Ratio of female managers*1	2.6%	6.0%
Women in Executive Management*2	3	At least 3
Women Administrative	39.5%	40%
Women Technical	13.5%	20%

\*1 AISIN, AISIN Takaoka, AISIN Chemical, and ADVICS

\*2 Members of the Board of Directors and Audit & Supervisory Board Members (AISIN only, as of June 2024)

\*3 New hires in April 2024, AISIN only

#### Strengthening mid-career hiring

To promote diversity in knowledge and experience, we are strengthening our mid-career hiring. Referral hiring and other measures are in place starting in 2021 to improve our recruiting capabilities.



## Human Resources

### Employment and participation of people with disabilities

AISIN Wellsmile Co., Ltd. (a special subsidiary) provides cleaning and document digitization services as well as support for employees to continue working at Group companies. Through regular interviews, training, job coaching, and collaboration with social service agencies, the entire Group is working to create workplaces where people with disabilities can maximize their strengths, viewing their disabilities not as a disadvantage but as an individuality.

### LGBTQ (sexual diversity)

We are working on education for all management staff, case studies at workplace meetings and other activities to promote understanding, and the installation of all-gender restrooms.

## Human Resources

### Various systems and measures to support diverse human resources and working styles

Category	Measures	Description
Flexible working styles	Flextime system without core time	Sets one hour as the minimum daily working hours with no core time so as to flexibly respond to business fluctuations
	3 months' flextime	Flexibly adjusts working hours within three months for seasonal business fluctuations that last more than a month, thereby encouraging efficient work execution
	Discretionary work system	Allows employees to have discretion over work time allocation and methods so as to create an environment where they can devote themselves to work without being bound by time constraints, which is expected to encourage them to take on challenges and lead to achievements
	Teleworking system	Allows employees to work from home or another outside place for part or the whole of a day Expanded to a long-term teleworking system that allows teleworking as a basic requirement for specific reasons, such as childcare or nursing care, from FY2025
	Satellite offices	Facilities outside the company are made available, with the aim of creating innovations and improving productivity by allowing employees to change their place of work.
	Outside employment system	Helps employees improve the quality of their work and achieve increased motivation for work by working outside of their core business (Requested introduction in January 2022, cumulative total of approx. 200 employees)
	Casual attire	Fosters a free and vibrant culture and encourages new ideas and flexible initiatives
Promotion of leave taking	Activities to promote taking paid leave	Promotes systematic use of vacation by "Minimum 14 days," which encourages employees to use at least 14 days of paid leave per year in addition to the legally required 5 days of annual paid leave, and "Zero cutting of annual paid vacation," which aims to eliminate unused annual vacation
	Anshin (secured) holidays	Employees can carry over up to 20 days of unused annual paid leave to cover personal illness, nursing or care of a family member, childbirth of a spouse, or childcare.
Support for work-life balance (childcare)	Parental leave	Allows employees to take a leave of absence for a requested period until the child reaches the age of two
	Short-working-hour system for childcare	Allows employees who have a child up to the sixth grade to work reduced hours in accordance with the age of the child
	Child nursing care leave	Allows employees to take five days of leave per year to care for each child under elementary school age, or 10 days for two or more children
	Special leave for fathers (to attend their wife's childbirth and/or take care of their children)	Allows fathers of children below two years of age to take five days of leave per child to attend their wife's childbirth and/or take care of their children
	Company Day Care	We have two company day care facilities. The Toyota Group's nurseries are also available.
	Mama, Papa, Ikubosu Guide	We issue this guidebook to help employees balance work with childcare.
	Pre-maternity/parental leave and after-return meetings	The AISIN Group conducts after-return meetings not only to comply with the law but also to help those on maternity leave or parental leave to return to their work smoothly and build their careers.

Category	Measures	Description
Support for work-life balance (other than childcare)	Family-care leave	Allows employees to take a leave of absence for a requested period to care for a family member. Maximum of three years in total per family member.
	Short-working-hour system for family care	Allows employees who have a family member requiring care to work reduced hours
	Short-term family-care leave	Allows employees to take leave of 10 days a year for one family member requiring nursing care or leave of 20 days if there are two or more family members requiring nursing care
	Guidebook on balancing work and care	We issue this guidebook to help employees balance work with caring for a family member.
	Leave and shortened working hours for infertility treatment (Family Plan Support System)	Allows employees to take a leave of absence or shorten their working hours (shorter working hours) for a total of 12 months for infertility treatment
	Launch of a communication site	To allow employees on leave to obtain information about the company, we have launched a communication site that can be accessed by all the employees and their families.
	Family allowances	The AISIN Group pays allowances for employees with children and family members requiring nursing care, disability assistance, or other support.
Career development and continuity support	Trailing Spouse Leave System	A leave system for employees who cannot continue to work because they accompany their spouse who is transferred to a new position
	Career Comeback System	A re-entry system for employees who leave their company for unavoidable reasons, such as raising children or caring for a family member
	Awareness-raising Talks and Networking Events	Periodic talks and networking events to raise awareness among employees and supervisors about various topics
	Career Mentor System (for management staff and general qualified personnel)	A system whereby employees who are concerned about how to balance their careers and home life can receive advice from a more experienced employee (Registered by 18 department heads and 55 women who are core personnel)
	Career Declaration System	A career development system whereby employees create a medium- to long-term career and life plan for themselves and have meetings with their supervisors
	Career consultation service	A system to promote autonomous career development by incorporating the opinion of an external career specialist (360 quota for FY2024)
	Career design training according to age group	The program helps employees overcome career concerns that arise from differences in age group, experience, position, value, etc., reflect on their own strengths and values, create their own career vision, and strive for continued growth.
Health support	Life Design Seminar	Provided for employees in their 30s and 50s by the Group's four companies to promote their understanding of the reemployment system, the importance of health management, and the pension and retirement allowance system
	Position Change System	Allows for a change in job title at the time of employment, enabling a variety of career choices
	Femtech program	A program that uses technology to address women's health issues (menstruation, fertility, menopause), such as online consultations and prescriptions

# DX

## Basic stance

With a sense of mission and passion, we are committed to creating value-added R&D and manufacturing processes and solving social issues, centered on our location information utilization technology, software and system development technology, and analysis technology cultivated through our business characteristic of developing various automobile parts.

## Policy

### Platform construction

We will build a platform that enables rapid delivery of software, services, and solutions and create and deliver continuous improvement and added value by leveraging the latest technologies, such as artificial intelligence (AI).

### Full participation of DX

Our basic policy is "Full participation of DX" in order for AISIN to overcome challenges as a united force toward the transformation of the automotive industry.

We aim to develop human resources with the mindset to proactively take on the challenge of DX by transforming business processes, organizations, and the business itself by using digital as their "own thing," with the person in charge taking the lead role based on a deep understanding of organizational and work issues.

## Vision

We will accelerate initiatives for electrification and shift to growing domains by promoting DX.

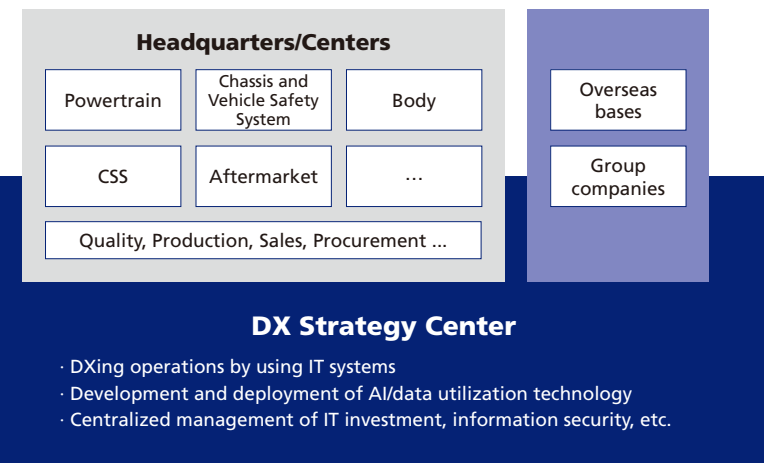
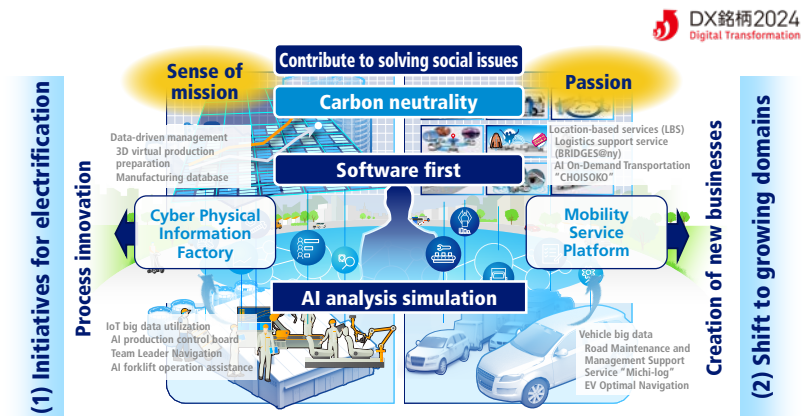
In the initiatives for electrification, we will strategically promote process innovation in order to provide a variety of products and systems to the market as quickly as possible.

In the shift to growing domains, we will hone our technological capabilities, such as software development and AI, and create new businesses to facilitate the creation of new value and the resolution of social issues.

## Implementation framework

To strongly promote DX at AISIN, we have established a system in which each department works together around the DX Strategy Center. It is a cross-company organization responsible for the horizontal development of DX topics and digital governance, such as IT investment and information security. In actual DX promotion activities, teams are formed for each topic with members from each department, and the DX Strategy Center and manufacturing sites work together to carry out activities that combine their respective strengths and knowledge. Thus, we have been selected as one of the DX Stocks 2024.

Overall concept of AISIN's DX

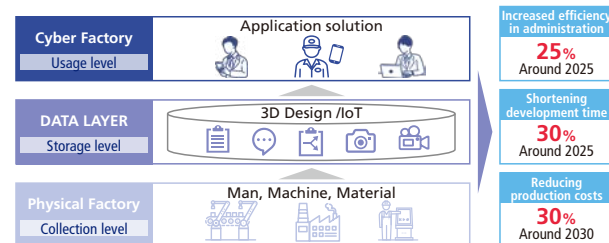


## DX

## Business process innovation to achieve sophistication of “manufacturing capability”

We have built an IT platform based on the Cyber Physical Information Factory (CPIF) concept to innovate production costs by increasing production efficiency and sophistication while promoting continuous improvement activities.

Cyber Physical Information Factory concept diagram



### Increased efficiency in administration

Interconnection with platforms in business management, production management, sales, and other areas enables the capturing of supply-demand and market changes, company-wide optimization, and quick management decisions.

### Shortening development time

Using 3D simulation for product and process design on CPIF enables a simultaneous development process without prototyping and shortens lead times.

### Reducing production costs

AI solutions with high data analysis and learning capabilities enable automation of product inspection processes and labor savings in equipment abnormality detection. Our goal is not only to improve efficiency but also to create plants that are

easy to work in based on production data and behavioral analysis.

## Creation of new businesses that support the transformation of the mobility society and lead to solving social issues

By providing the means and purpose of mobility and supporting the communication associated with mobility, we aim to provide solutions that will bring smiles to people's faces in the future. We will accelerate these efforts with digital technologies and contribute to solving social issues related to mobility.

### Provision of mobility solutions

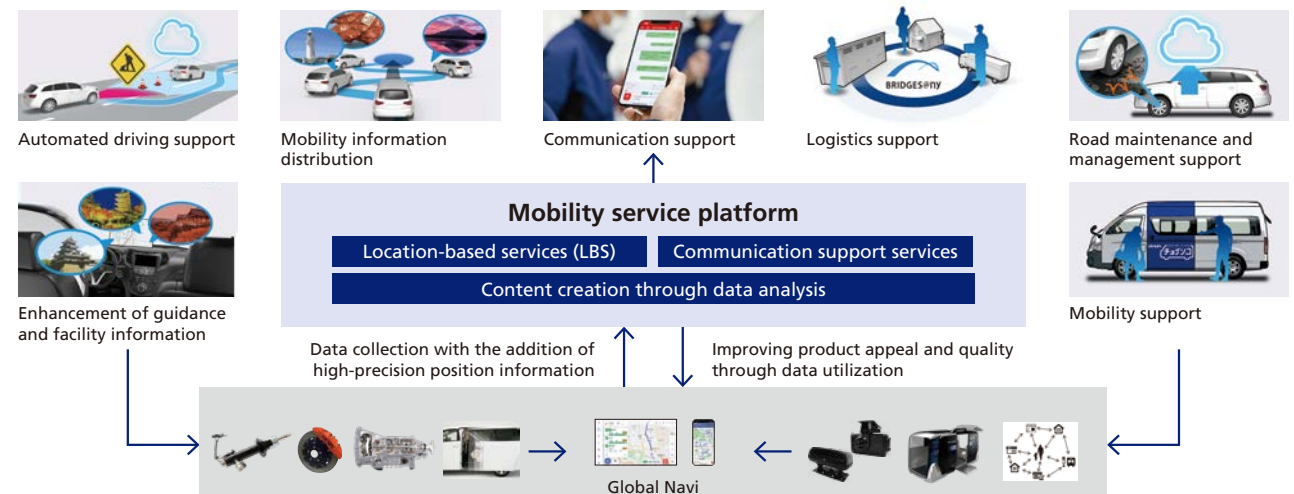
The Mobility Service Platform (MSPF), which is the foundation of mobility services, collects and accumulates

vehicle information, location information, and image data from moving vehicles, and it uses AI and other analysis technologies. By combining different functions, we are creating new services such as logistics solutions and ride-sharing.

### Communication support that leaves no one behind

Starting with communication support in noisy environments such as plants, AISIN has developed its own communication support tool “YYSystem” using its proprietary algorithms and generative AI. By visualizing conversations in daily life situations, including in places of travel, we will support the creation of an inclusive environment through natural communication that does not separate people with hearing disabilities, the elderly, and foreigners who do not speak Japanese.

Mobility services at AISIN



## DX

## Organizational and human resource development for the future

### Toward organizational culture change

AISIN hopes to foster a mindset of taking on challenges and create new businesses one after another. To this end, we are working to extract ideas based on the design foresight approach, maximize business value, and bring the innovation process in-house by connecting internal and external parties. Through these initiatives, we hope to foster an organizational culture that is generous in its contributions and cooperation, which in turn will lead to the resolution of major social issues.

### Fostering a culture of challenging new technologies

To compete in the markets of electrification, carbon neutrality, and intelligence, we must actively utilize new technologies such as generative AI. We are promoting the creation of mechanisms and the development of human resources for this purpose.

Notably, we have launched a ChatGPT for internal use (AISIN Support Chat), which can be accessed by any employee and used in a secure environment. We support new endeavors through cafeteria-style e-learning and a generative AI community to help employees understand the characteristics and risks of generative AI and apply it to their own work, such as software development and patent search work.

# Intellectual Property

## Basic stance

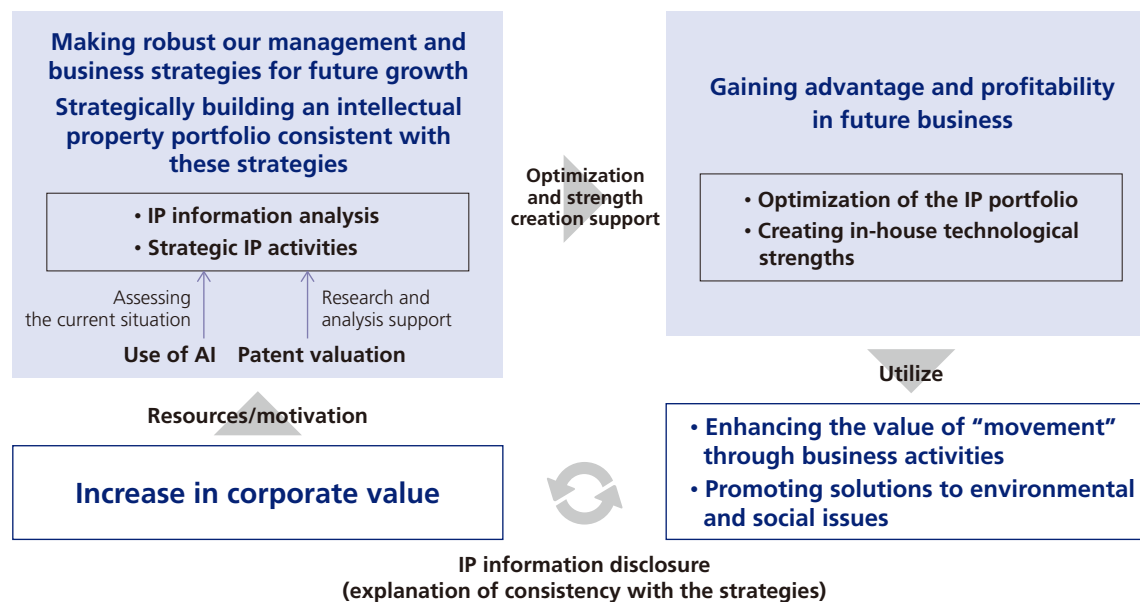
To enhance our corporate value, we assess the value of our intellectual property and promote intellectual property activities by confirming their connection to management and business strategies and social issues.

## Policy

AISIN promotes intellectual property activities based on the basic policy of “strengthening dissemination of intellectual property information that contributes to the creation of new value and strategically protecting and promoting the use of intellectual property to expand business and ensure competitiveness.”

## Vision

By considering internal and external social, environmental and technological trends, including intellectual property information, we will make robust our management and business strategies for future growth and strategically build an intellectual property portfolio consistent with these strategies to maintain and enhance our strengths. In addition, by practicing assurance activities, we will gain advantage and profitability in our future business. We will enhance corporate value through intellectual property that supports the enhancement of the value of “movement” through our business activities and the promotion of solutions to environmental and social issues.



## Implementation framework

The Intellectual Property Department plays a cross-functional role, working with development departments throughout the company to formulate intellectual property strategies; discover, protect, exploit and maintain inventions; and manage intellectual property assurance. Each development department has a liaison responsible for coordinating intellectual property activities. The Intellectual Property Department also collaborates with global R&D bases to support intellectual property activities. It also educates employees about the importance of intellectual property and its operations and activities.



## Intellectual Property

### AISIN's intellectual property

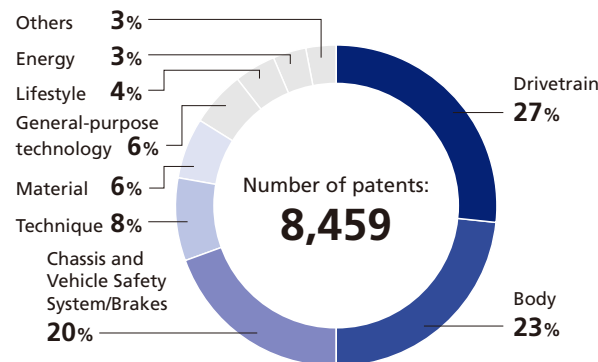
To contribute to the value of the entire vehicle, we are accumulating a variety of intellectual capital and establishing basic technologies that can be used in an integrated manner. In addition to the Drivetrain, Body, Brakes, and Chassis and Vehicle Safety Systems of vehicles, the scope covers energy and lifestyle-related

areas.

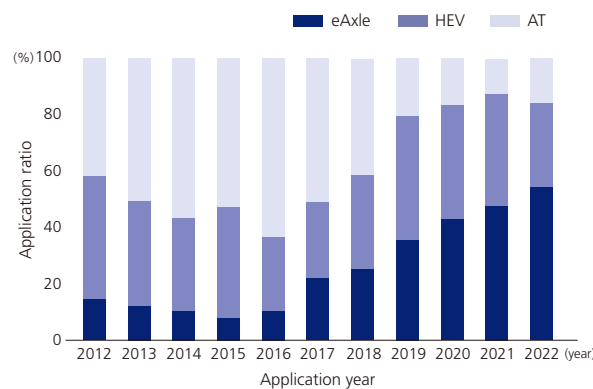
For example, in drivetrain products, we have been changing the focus areas of our patent applications in order to strengthen our response to carbon neutrality. We have applied for many patents related to HEVs. Furthermore, in response to the recent trend toward

BEVs, the percentage of eAxe applications is increasing. We have filed various applications to create value through software, including vehicle communication technologies that enhance the value of “movement” and information utilization technologies such as location information.

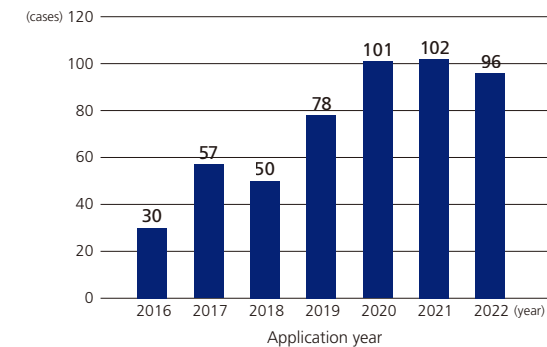
Patent portfolio for FY2024



Drivetrain technology application ratio



Number of applications for information utilization technology



## TOPICS

### Road maintenance and management support service “Michi-log”

We are helping to solve social problems in road maintenance and management by local governments by leveraging our intellectual property for road abnormality detection methods.



<https://www.aisin.com/jp/news/2023/005858.html>




# Human Rights


## Basic stance

The AISIN Group aims to become a corporate group that encourages taking on challenges through the Group's global consolidation and empowers all employees so as to develop people who are better than anywhere else. To achieve these goals, the key is to respect the human rights of all people together with our employees, as well as our internal and external stakeholders. In addition, respect for human rights is foundational in all of our business activities. We are keenly aware of the need to more thoroughly understand the various human rights issues associated with the activities we carry out in each country and area of business and to take appropriate measures.

## Policy

In 2021, The AISIN Group Human Rights Policy was formulated by the Human Rights Advisory Committee. As a pledge that the AISIN Group will fulfill its responsibility to respect human rights, the policy has been incorporated into each function's important regulations, including those of the Group companies and the supply chain.

 [AISIN Group Human Rights Policy](#)

 [Fiscal 2024 AISIN Group Statement on Modern Slavery Act](#)

## Vision

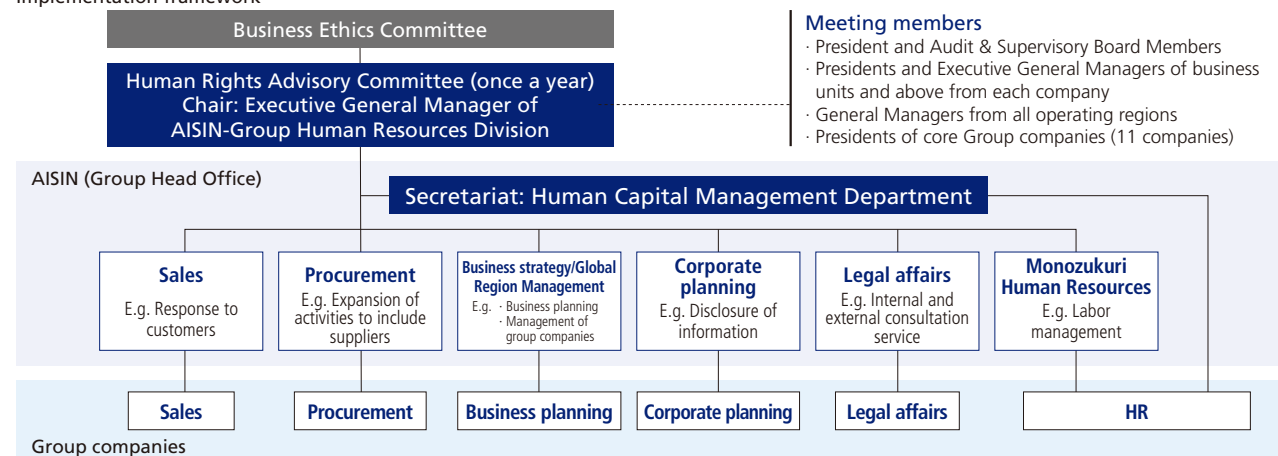
The AISIN Group aims to settle the due diligence process regarding human rights throughout the Group, including the supply chain. To achieve this target, it is important to clarify the human rights risks and the status of countermeasures taken. While continuing to achieve a 100% implementation rate for a survey to identify human rights risks, we will advance steps toward the target and details of the survey through a cycle of due diligence regarding human rights, including internal and external education, and talks and negotiations with stakeholders.

## Scheme and framework

We have established a program in line with the UN Guiding Principles on Business and Human Rights to promote human rights activities. In addition, in order to increase the commitment by management, we hold a Human Rights Advisory Committee meeting each fiscal year to deliberate and decide on policies and plans.



## Implementation framework



## Human Rights

### Due diligence regarding human rights

AISIN defines critical risks in terms of severity (level of impact) and potential (frequency of occurrence) of the risk, based on the level of social concern and internal conditions. We consider migrant workers, including those under the Technical Intern Training for Foreign Nationals program, to be a top priority due to the high level of public concern about the potential for forced labor and other rights violations, as well as the large number of Group companies and suppliers that host them. We also check the status of each company's efforts in other major human rights areas (discrimination, harassment, etc.).

#### Initiatives regarding the Technical Intern Training for Foreign Nationals program

We conduct inspections on a regular basis on the reality of how we use the program (via supervising organizations) in Japan and found that as of the end of December 2023, 18 Group companies had accepted 367 trainees. In addition, our Group companies and major suppliers that have accepted trainees conducted self-checks to confirm the details of their training, treatment, document management, protective measures, etc. Furthermore, as a follow-up survey, we have conducted on-site inspections and interviews with the trainees in accordance with the manual for proper operation published by the Organization for Technical Intern Training, and we confirmed that no human rights violations were found. We are also sharing awareness through opinion exchange with each supervising organization and are also working with Toyota Group companies on fee correction initiatives for trainees from Vietnam. From FY2025, the scope has been expanded to include all foreign workers to check the situation.

#### Collaboration with external stakeholders

We collaborate with external stakeholders in promoting initiatives through participating in the Japan Platform for Migrant Workers toward a Responsible and Inclusive Society (JP-MIRAI) and working on joint programs.



### Assessment on areas of major human rights

To identify and improve the initiatives on major human rights areas (discrimination, harassment, forced labor, child labor, working hours, wages, dialogue with employees, safety and health, and supply chain), we had all AISIN Group companies and 163 major suppliers perform self-checks. As a result, while there was an overall improvement compared to the previous year, especially in Japan (5-point scale, average +0.2 points), there was still room for improvement in understanding and raising awareness of laws and regulations. Therefore, we implemented measures, in Japan to start with, including (1) appointing persons in charge of promoting human rights activities at all companies and holding study meetings, (2) distributing checklists on human rights-related laws and regulations, and (3) sharing and communicating educational content. We will continue surveys and on-site dialogue to confirm the status of improvement.

### Training and enlightenment activities

Target	Description
Executive Management	Focusing on a human rights program in the training for newly appointed executives
Human rights-related departments (HR, Procurement, etc.)	Holding study sessions with Group companies both in Japan and overseas to share understanding and each department's role
Recruitment Section	Ensuring opportunities for job interviewers to learn from the Aichi Labor Bureau about points to note
Related to discrimination	Holding membership in the Industrial Federation for Human Rights, Aichi, and also working with the Corporate Federation for Dowa and Human Rights Issues in proceeding with awareness-raising activities
Newly joined or promoted employees	Holding CSR training seminars covering the area of human rights
All employees	Japan: Raising employees' awareness through case studies that they can work on easily Overseas: Incorporating human rights programs in the compliance training in each region
Suppliers	We issued the AISIN Group Supplier Sustainability Guidelines and organized an explanatory session to ask for their support. We held study sessions with 163 major suppliers and shared our initiatives and feedback on activities.

### Establishment and reinforcement of consultation services

In addition to internal consultation services, we have the AISIN Global Hotline, which receives consultation requests from outside the company. For foreign technical intern trainees, we have established a dedicated consultation system using JP-MIRAI Assist Services.

### Policy on responsible mineral procurement and activities

#### Policy

To promote global mineral procurement that takes into account the impact on social issues, such as human rights and the environment, we carry out activities to avoid the use of minerals that are defined as an issue under the laws and regulations of each country (Dodd-Frank Wall Street Reform and Consumer Protection Act in the USA, Conflict Minerals Regulation in the EU, etc.). We ask that our suppliers understand our stance on this issue and work with us on responsible procurement of minerals.

#### Activities

In FY2025 again, we asked our suppliers for cooperation in checking whether conflict minerals were used and reported the results to our customers. By participating in an industrial organization, we are striving to establish an effective inspection method. We will continue responsible procurement of minerals in line with the policy.

## Human Rights

### Employee-employer communications at AISIN Group

At the AISIN Group, to maintain sound relationships between employees and management, we emphasize the concepts of “Respect each member,” “Mutual trust between employees and management,” and “Acknowledgement of employees and management as the two wheels for moving the organization forward (i.e., mutual cooperation).” We periodically organize round-table conferences between employees and management to share the policies and problems of each other, toward establishing an environment where employees can feel job satisfaction. When implementation of HR measures will affect employees greatly, we inform employees of such measures well in advance.

### Lessons learned from labor dispute in India

#### (1) Overview of the AHL labor dispute

In May 2017, AISIN Automotive Haryana Pvt. Ltd. (AHL), a consolidated subsidiary located in India, experienced a strike by its employees demanding the establishment of a worker's union at AHL. The local government announced a strike ban one month later, and the strike came to an end with the arrests of 288 employees who used force to blockade the company gate in protest against the ban. Furthermore, AHL dismissed 175 employees who continued to practice absenteeism after the strike, despite having been called to come back to work many times by AHL. AISIN believes that it was an unavoidable response to protect the lives and safety of employees not involved in the dispute. However, this incident was the largest labor dispute in the history of the AISIN Group, leaving a major scar on both employees and management at AHL. AISIN regrets that this incident caused great concern to our stakeholders, including the local community and business partners.

#### (2) Measures to prevent recurrence

##### In the AISIN Group

Based on the lessons learned from having overcome several difficulties between employees and management in the past, the AISIN Group believes that “in order for a company to grow, it is essential for both employees and management to listen to each other, trust each other, and build a cooperative relationship.” However, taking this AHL labor dispute as an opportunity to reaffirm and reinforce the idea that “it is essential for both employees and management to trust each other and build a cooperative relationship,” even overseas, where labor practices may differ from Japan, we wrote down AISIN's Stance on Employees-Management Relations, which summarizes the abovementioned ideas that should be valued in employee-management relations, and communicated it to all AISIN Group companies in the name of the AISIN President. In addition, we reviewed the AISIN Group Principles of Corporate Behavior, a code of conduct used to fulfill social responsibility as members of the AISIN Group, based on the Group Philosophy, and strengthened our perspectives of “Respect for Human Rights” and “Promotion of Diversified Work Styles and Upgrading the Work Environment” more than ever before. We are thoroughly implementing it as the AISIN Group's common action guidelines. Furthermore, we have developed an assessment tool to confirm that human resource operations are conducted appropriately and in line with AISIN's Stance on Employees-Management Relations, and we are continuously checking it globally. We have also established a system in which any problems found in the inspection results can be immediately improved based on predetermined rules.

##### At AHL

On August 4, 2017, President Ihara (then president of AISIN Seiki) directly explained to employees at AHL AISIN's employees-management standpoint, as well as his reflection as part of management, and declared a new start. Since then, AHL has been restructuring the systems and measures for communication between employees and management, such as by improving the forum for the exchange of opinions between employees and management, building a highly transparent and fair HR system, and holding various informal events, to improve employee-management relations. The positive opinion rate in the employee satisfaction survey, which was initially 40%, reached 90% in the survey in January 2019. Aiming for 100%, we will enhance the measures for further improvement.

#### (3) Declaration for the future

Using the AHL labor dispute as a lesson, the AISIN Group aims to build a company that all employees can be proud of, with the goal of avoiding any similar issues at any AISIN Group company in the future.

## Human Rights

### Working hours

We comply with the Labor Standards Act. If it is necessary to have employees work beyond the statutory working hours, we complete the statutory procedures and ensure close communication with the worker's union while taking account of the members' health and safety. We are working to reduce total working hours by introducing flexible working styles and setting a goal of 100% take-up of annual paid leave. We are also reviewing and taking steps to improve the working styles of our overseas employees.

### Wages

In addition to complying with the minimum wage and other laws and regulations in each country and region, the AISIN Group strives to ensure a standard that guarantees a certain level of livelihood for employees and their families, while respecting the idea of equal pay for equal work, through discussions between labor and management.

#### Starting wages at AISIN (on a non-consolidated basis)

	Starting wage (April 2023 results)	Vs. Minimum wage of Aichi Prefecture	Vs. Minimum wage of Tokyo
Technical college graduate (regular course)	202,000 yen	121%	112%
Technical college graduate (specialized course)	228,000 yen	137%	126%
University graduate	228,000 yen	137%	126%
Master's degree holder	253,000 yen	152%	140%
Doctoral degree holder	284,000 yen	170%	157%

The minimum wages have been calculated using the monthly average of 20.3 days and eight hours per day, with reference to those of Tokyo (1,113 yen) and Aichi Prefecture (1,027 yen) as of FY2024. There is no gender or regional gap within the same qualification grade.

### Employment stability

We believe that in order to ensure employment stability, it is important to standardize HR and labor concepts and frameworks throughout the Group. We implement various measures based on this belief and in accordance with the law, resulting in the turnover for FY2024 of four Group companies\*<sup>1</sup> being 1.8%. \*<sup>2</sup>

\*<sup>1</sup> AISIN, AISIN Takaoka, AISIN Chemical, and ADVICS

\*<sup>2</sup> Number of those leaving their company (for personal reasons) from April 1, 2023 to March 31, 2024 / number of employees enrolled as of April 1, 2023

### Prevention and mitigation of other human rights risks

With regard to other human rights risks, the AISIN Group respects internationally accepted rules in accordance with the AISIN Group Human Rights Policy and ensures compliance with the relevant laws and regulations of the countries where it operates, thereby working to prevent and mitigate human rights risks. Examples of the specific initiatives we have gradually been implementing are as follows.

#### Examples

- At the time of recruitment, we verify the ages of new hires using public documents to prevent child labor.
- The company bears the fees associated with acceptance of temporary workers.
- To prevent forced labor, passports and other important documents are kept by the employees themselves.
- We will not treat employees who submit a request for retirement disadvantageously.


# Supply Chain


## Basic stance

As part of our manufacturing activities, we procure a wide variety of items, including parts and materials, from numerous suppliers around the world. In each of these transactions, the AISIN Group works to increase collaboration and establish trust relationships with our suppliers based on our basic philosophy of seeking growth and prosperity as good business partners.

## Policy

To promote sustainable procurement activities throughout the supply chain under the basic principles of “Coexist harmoniously and share prosperity with suppliers with a view to stability in our trades in the long term” and “Carry out open and fair trade,” we have rolled out the Basic Purchasing Policies globally.

 [Basic policy](#)

 [AISIN Group Supplier Sustainability Guidelines](#)

 [AISIN Group Green Procurement Guidelines](#)

 [Declaration of Partnership Building](#)

## Vision

### Promoting the Basic Purchasing Policies at Group companies in Japan and overseas

We are committed to mutual development based on the idea of coexistence and co-prosperity with our suppliers. Based on this basic policy, we have established the Group Purchasing Policies for our procurement activities. In FY2024, we held a briefing on our purchasing policies\* in each of our main global operating regions of Japan, North America, China, ASEAN, and India. We share information on current trends in our business environment and roll out our Group Purchasing Policies.

\* For the briefings, we invited suppliers with a high degree of transaction dependency in each region (788 Japanese companies and 1,007 overseas companies).

## Implementation framework

The AISIN-Group Purchasing Division participates in the Sustainability Conference and various other internal committees. In cooperation with the departments in charge of these committees, it promotes various measures while serving as the point of contact for suppliers.

The Division is also advancing the integration of functions in phases with the Group companies in Japan while it keeps close contact with the procurement function of the management site of each overseas region in order to deploy integrated purchasing policies to suppliers and identify and solve their problems.

## AISIN Group's supply chain

The AISIN Group companies deal directly with 4,514 primary suppliers in total, 2,695 of which are parts suppliers.

(Companies)

	Parts	Raw materials and others	Total
Japan	1,018	1,380	2,398
Overseas	1,677	439	2,116
Total	2,695	1,819	4,514





## Supply Chain

### Open and fair procurement activities

Before trading with a new supplier, AISIN carries out verifications based on accreditation, such as ISO9001, IATF16949, and ISO14001, along with a quality audit. While trading, we continue to work with the relevant departments to carry out inspections from the perspectives of quality, safety, the environment, and earthquake-proofing. With suppliers, we promote fair procurement activities based on a spirit of openness and fairness and mutually conclude basic transaction agreements focused on safety and health and pollution prevention, in addition to complying with the laws of competition, bribery prevention, and elimination of antisocial forces.

We released our Declaration of Partnership Building in June 2020, which declares our intention to ensure harmonious coexistence and sharing of prosperity throughout the entire supply chain and to observe desirable trading practices. As one of its specific initiatives, in FY2024, we established a specialized organization to promote appropriate transactions. In particular, we are carefully communicating with all of our suppliers, one by one, to ensure that we appropriately pass on the rising costs of labor, raw materials, logistics and energy.



Furthermore, given that suppliers are in a position where it is difficult to consult or make requests, we conduct periodic surveys of major suppliers to ascertain the actual status of AISIN's compliance issues and the problems each company faces. Based on the survey results, we have established a system that enables honest communication and proactive support, such as direct visits by procurement staff to suppliers to hear their real opinions.

### Understanding risks and enhancing countermeasures in collaboration with suppliers

AISIN conducts quality audits to improve the quality of its suppliers. In Japan, we conduct an audit at least every three years of 432 suppliers and check their quality management frameworks and compliance with the quality standards. The target group includes suppliers of safety and other high quality parts, suppliers who are not IATF16949 certified, and suppliers selected on the basis of risk analysis, such as the actual occurrence of quality defects. In FY2024, we audited 66 suppliers. These audits are intended to confirm the suppliers' compliance with the relevant quality standards. If any problem is found, we ensure that its cause and corrective measures are incorporated in the relevant supplier's improvement plan, confirm each step according to the schedule, and continue to provide advice until the problem is solved. In order to maintain and improve the quality of the secondary and subsequent suppliers, we clarify in the quality assurance implementation standard for purchased parts suppliers that the primary suppliers are required to support quality performance audits and corrective actions.

For risks that threaten the stability of our supply chain (natural disasters, fires, geopolitical risks, etc.), we have established a specialized organization and a system to obtain timely and regular information. We register and utilize information on the production process of purchased parts and raw materials provided by suppliers in a dedicated system to visualize the supply chain, and in the event of an emergency, we quickly take initial and recovery actions. For parts identified as posing a particularly high risk, we are reviewing our internal inventory standards and working with design departments to adopt more versatile parts in the early stages of development.

**Please see below for our initiatives with suppliers regarding the environment (Scope 3) and human rights.**

- **Environment (P7-)**
- **Human rights (P58-)**

## Supply Chain

### Supplier Sustainability Guidelines

We have issued the Supplier Sustainability Guidelines, which present our requests to suppliers so that we can enhance our commitment to ESG particularly toward realizing a sustainable society. The guidelines consist of the basic articles that we would like to work on together with suppliers through our transactions. We have been seeking suppliers' understanding of the guidelines by holding explanatory sessions for our main suppliers. We work to build consensus by having suppliers sign a written confirmation that states they will comply with these guidelines. Since FY2024, we have also focused on reaching out to overseas Group companies and their suppliers.

We also call for suppliers through the AISIN Group Green Procurement Guidelines to reduce their greenhouse gas emissions, including CO<sub>2</sub>, recycle waste materials and resources, conserve water, and preserve biodiversity.

### Mutual improvement with suppliers

AISIN provides its main suppliers with training support to improve their technical skills and strengthen their corporate framework. We have established an apprenticeship program in Japan whereby future managers from our main suppliers work in the division of their choice, usually for two years. Through this and other programs, we accept employees from suppliers based on their needs. We also provide indirect support for an organization formed to enable our suppliers to learn from each other's best practices and help each other to improve. We offer advice through the organization on various activities for ensuring safety, conserving the environment, and improving productivity and quality. In FY2024, we carried out initiatives, such as mutual-study workshops on the prevention of occupational accidents and fires and the reinforcement of cybersecurity, and organized a study session toward achieving carbon neutrality throughout the supply chain.

### Employee training

To ensure that each employee involved in procurement activities conducts fair, good-faith procurement activities, the AISIN Group has formulated the AISIN Group Principles of Purchasing Behavior and Guidelines for Purchasing Practices, presenting specific actions to ensure compliance with various laws and regulations, such as prohibitions of bribery. We train all procurement employees so that they will obtain the necessary knowledge to implement the principles and guidelines, understand related laws and regulations, and learn about how to manage confidential information.

# Safety and Health Promotion

## Basic stance


### Safety and Health are above everything else.


As a corporate group conducting global business, the AISIN Group considers it an important management issue that should be achieved at all of its sites to create and maintain safe, healthy workplaces for all personnel working on its premises.

Based on the core principle that Safety and Health are above everything else as the foundation of value creation in a company, AISIN continually strives to enhance the health and safety of all employees.

## Policy

Based on the core principle of Safety and Health are above everything else, we have formulated the AISIN Consolidated Safety and Health Policy and the AISIN Group Health Declaration, and we carry out our activities based on this policy and declaration.

 [AISIN Consolidated Safety and Health Policy](#)

 [AISIN Group Health Declaration](#)

## Vision

### Group Safety Vision for 2030

Toward the goal of eradicating serious accidents and accidents that require time off from work, we are conducting thorough recurrence prevention activities and promoting various measures to raise employee health awareness and make healthy behavior their daily routine. We have set KPIs in the Group Safety Vision for 2030 and are working to create a workplace environment in which employees can work with peace of mind, stay healthy both mentally and physically, and continue to play active roles.

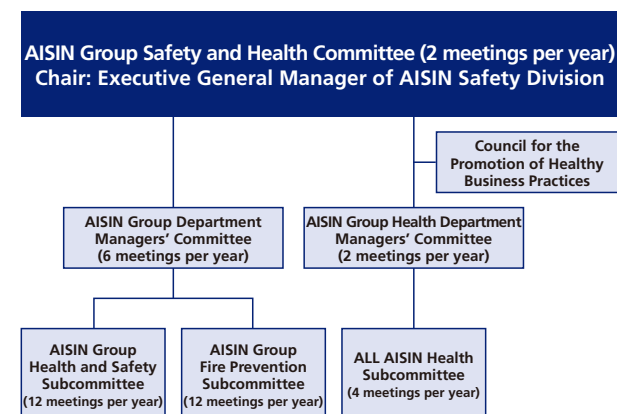
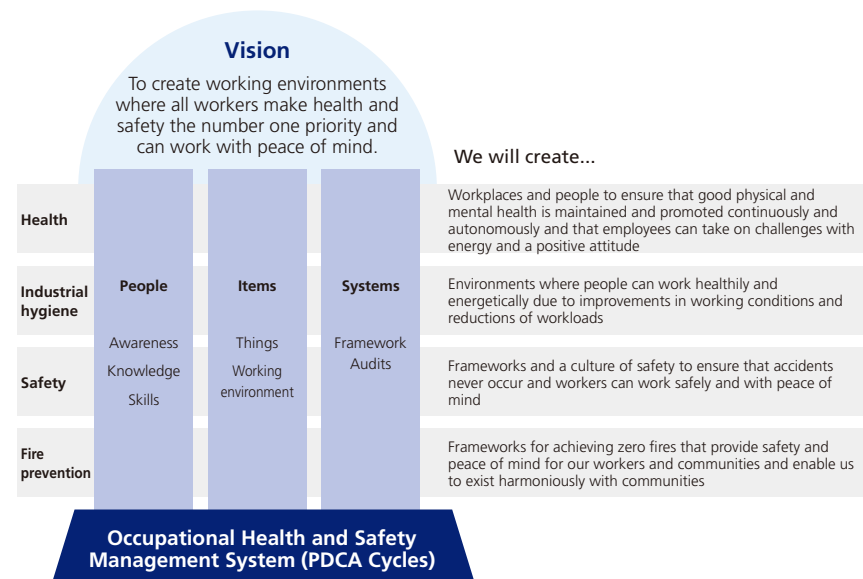
## Implementation framework

### Safety, health, and fire prevention framework

To ensure that everyone who works on our premises is protected from occupational accidents, we have established the Safety and Health Committee, comprising the presidents of every company in the AISIN Group and promoting activities to unify policies and standards.

### Health promotion framework

We have organized the Council for the Promotion of Healthy Business Practices, which consists of health promotion departments, human resources management departments, the Workers' Union, and the Health Insurance Society, to discuss health issues and measures to resolve them. After reported and approved by the Safety and Health Committee, measures discussed at the Council are rolled out to each workplace through its Safety and Health Committee members. In addition, we roll out measures to Group companies through the ALL AISIN Health Subcommittee and provide support for their health promotion activities based on the needs of each company.



## Safety and Health Promotion

### Occupational Health and Safety Management System

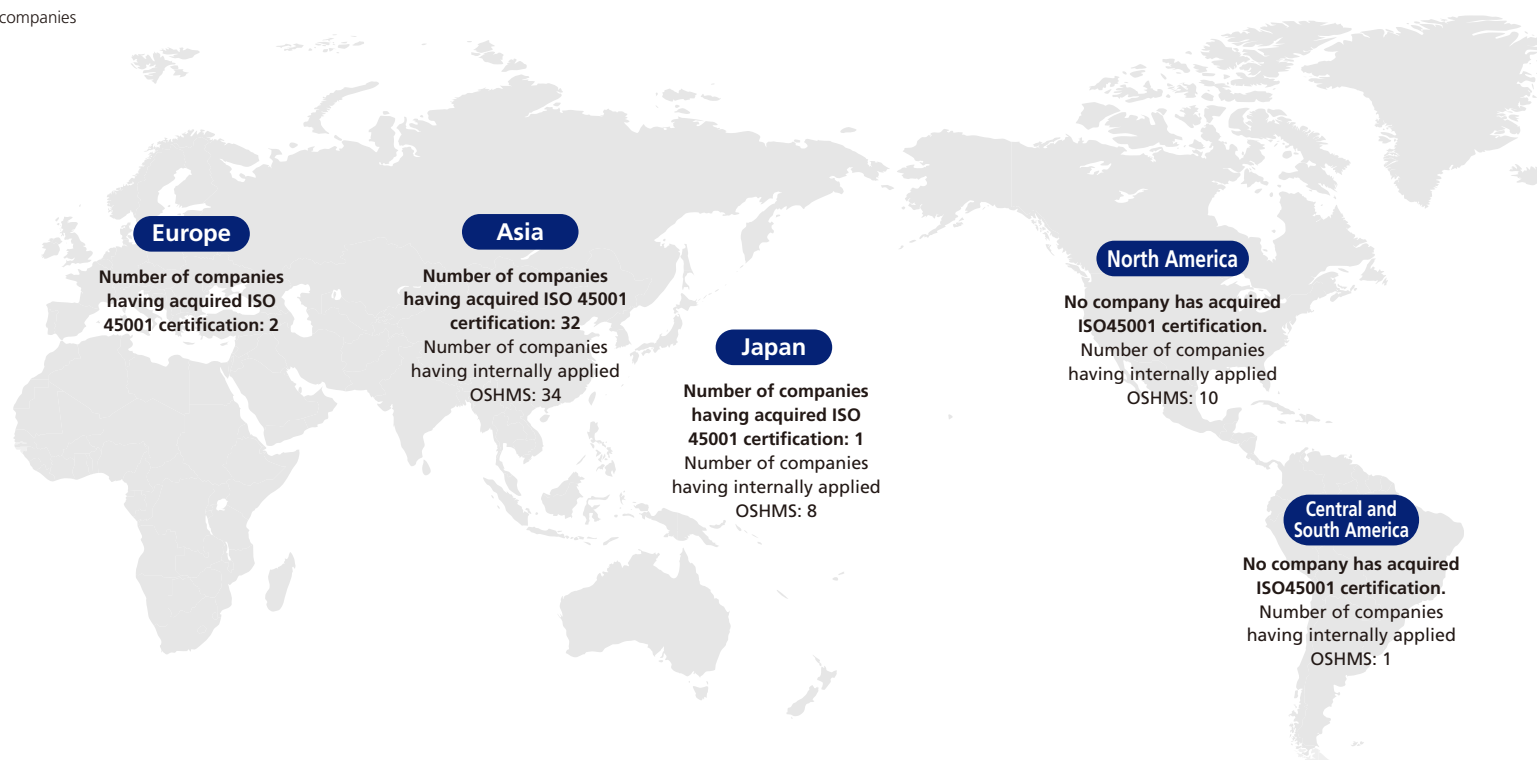
In fiscal 2021, AISIN Group companies and subcontractors on their premises introduced a Occupational Health and Safety Management System that enables risk management and performance improvement.

By fiscal 2024, 35 Group companies, including AISIN, have acquired ISO 45001 certification, an international standard. While taking account of external and internal issues, as well as requests from workers and other stakeholders, we identify risks and opportunities once a year. Based on the results, we prioritize the issues that need to be addressed, reflect them in the following fiscal year's health and safety plan, and promote activities aimed at achieving goals. Furthermore, based on the activity results and other changing factors, we perform a management review to clarify the direction to take in the following fiscal year, thereby striving to enhance the quality of our activities.

#### Acquisition status of ISO 45001 certification (as of March 2024)

ISO 45001 certification acquisition rate\* 26%

\* Among production companies



## Safety and Health Promotion

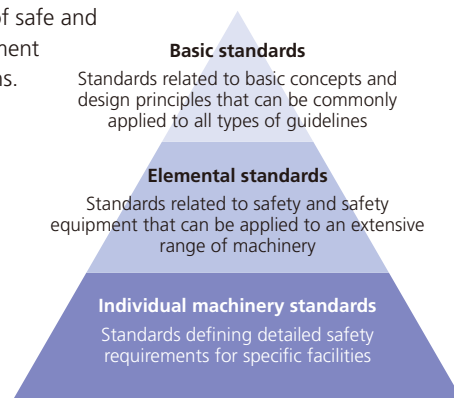
### Safety

#### Initiatives to prevent anticipated occupational accidents and prevent reoccurrence of past accidents

Based on the basic principle of "Safety and Health are above everything else," we engage in activities to prevent the anticipated occupational accidents and prevent reoccurrence of past accidents while improving safety awareness through safety inspection through "GENCHI GENNIN" (going to the actual place and identifying the facts) and risk assessment of equipment and tasks. By ensuring that top management of each company in the AISIN Group actively listens to the opinions of employees on the floor and works closely with employees toward achieving the target of "zero accidents," we will promote our safety initiatives. To achieve safe and healthy working environments, we will continue to thoroughly promote effective safety measures, with safety and health as our top priorities.

#### AISIN Global Safety Standard (AIGSS)

With reference to international standards and our knowhow accumulated through past accidents, we have established the AISIN Global Safety Standard (AIGSS) as an equipment safety standard to be observed throughout the AISIN Group. Based on this standard, our process design departments, manufacturing departments, and safety departments identify equipment risks and implement countermeasures to promote the creation of safe and secure equipment and operations.

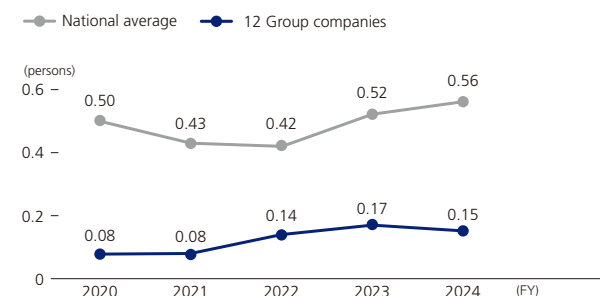


#### AISIN Group meeting to prevent similar accidents

When an accident that is likely to lead to a serious accident (STOP6 accident) occurs, AISIN and AISIN Group companies hold a group-wide meeting to prevent similar accidents. To prevent similar accidents from occurring, the company (plant or division) where the accident occurred conducts on-site inspections and discussions to thoroughly investigate the cause and implement countermeasures. Through this activity, we are working to strengthen the creation of frameworks to ensure that serious accidents never occur at the AISIN Group.



Rate of disabling injuries occurring in the workplace (12 Group companies)

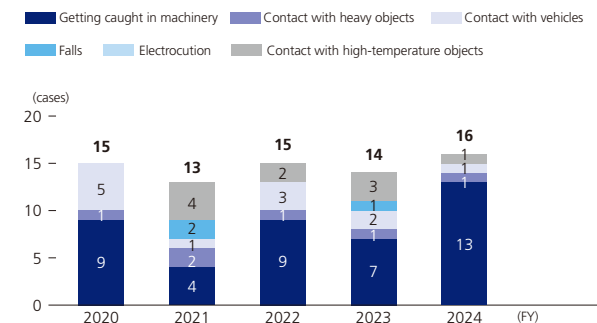


#### Safety awareness improvement activities

We have introduced the "18 Iron Rules for Preventing STOP6 Accidents" to strengthen accident prevention activities based on lessons learned from past accidents. Based on the lessons learned from past accidents, the entire Group is promoting activities to increase understanding of the "18 Iron Rules for Preventing STOP6 Accidents." By ensuring that all employees are conscious of safety in their daily work, pay attention to abnormalities, and observe the basic "Iron Rules," we are preventing accidents and raising safety awareness.



Number of STOP6 accidents resulting in lost work (AISIN Group)





## Safety and Health Promotion

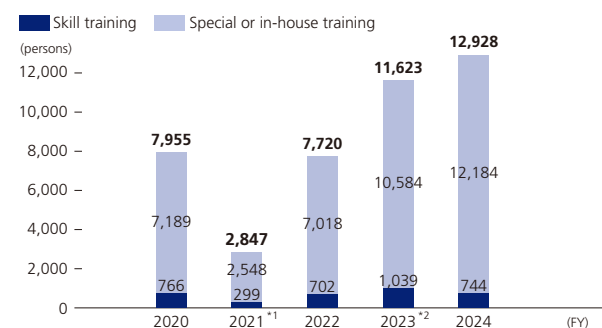
### Safety (education)

#### Safety and health education

AISIN has established a Safety and Sanitation Education Center for human resources education to provide and promote 21 types of on-site education (special and in-house training) based on laws and regulations and AIGSS,\* as well as skill training courses approved by the Labor Bureau and training for national examinations and other qualifications. Through these efforts, we aim to provide high-quality safety and health education and efficient training of qualified personnel to improve employee skills and ensure safety.

\* AISIN Global Safety Standard

Trend in the number of participants in programs at the education center (AISIN)



\*1 The COVID-19 pandemic resulted in  
 · a reduced number of participants per session and  
 · postponed or cancelled training events and sessions (for reasons such as the declaration of a state of emergency).

\*2 Events and sessions were held as planned with anti-virus measures continuously in place.

#### Global safety education

In the AISIN Group, its approach to equipment safety is shared and safety education to ensure safety is provided on a global basis.

At the study sessions, we convey information on the approach to people, items and systems for ensuring safety,

an overview of the safety standards, and the flow of equipment production, using the safety standards, etc., and foster communication with each site through their concerns and problems, thereby promoting the development of key personnel at each site in safety education.

#### AISIN Densho-kan (Educational Center)

The Densho-kan was set up with the hope that all employees in the AISIN Group would learn from the disasters and fires that the Group has experienced before, never forget them, and never repeat the same mistakes.

In the safety area, the necessity of safety is conveyed to visitors by using basic principles, disaster timelines, disaster statistics, etc., and details of disasters, from the causes to results, are reproduced in detail using disaster case introduction panels and Computer Graphics.

In the fire prevention area, the main focus is on remembering the fire that occurred at the Kariya Plant on February 1, 1997, and the actual equipment at the time of that fire and the lessons learned from the fire are displayed. We aim to raise

awareness of safety by making visitors realize the horror of disasters and fires and to foster human resources who can protect themselves and their colleagues.

#### Safety Instructors

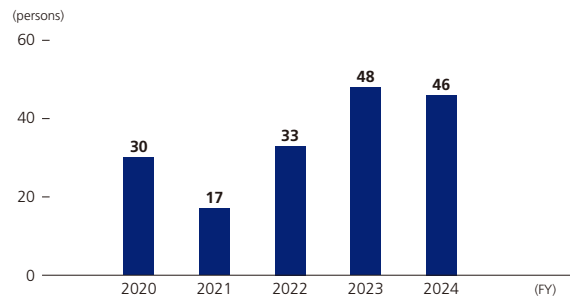
AISIN has introduced a Safety Instructor System with the aim of providing safety instructions through "GENCHI GENBUTSU GENNIN" (go to the actual place, see the reality for ourselves and identify the facts). Safety Instructors are safety experts (watchdogs) who have completed 35 courses (107 hours) of safety and health education, and they provide support for safety and health and safety and health management operations in all workplaces at the business site. They work closely with workplaces to identify and eliminate hazards at an early stage, thereby preventing disasters from occurring. Safety Instructors carry out their duties to prevent their colleagues and their families and loved ones from being saddened, and they promote activities to eliminate unsafe conditions and unsafe behavior.





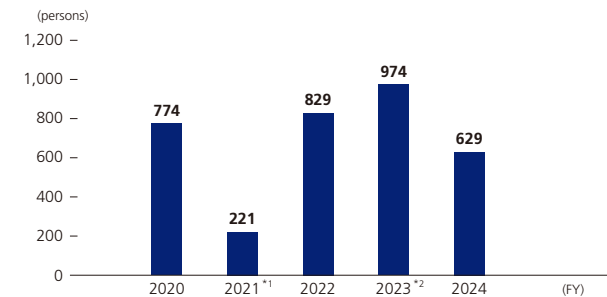
## Safety and Health Promotion

Number of participants in the Safety Instructor programs (AISIN)



Patrol of construction work by external contractors

Change in number of persons completing step-up training (AISIN)



\*1 The COVID-19 pandemic resulted in  
 · a reduced number of participants per session and  
 · postponed or cancelled training events and sessions (for reasons such as the declaration of a state of emergency).

\*2 Events and sessions were held as planned with anti-virus measures continuously in place.

### Safety (external construction contractors)

As a result of our efforts, we have maintained a record of zero serious accidents involving construction contractors and delivery vendors since fiscal 2021.

#### Safety, health, and fire prevention activities for external construction contractors

We are working to create an environment where external construction contractors working on our premises can work safely and with peace of mind.

##### (1) AISIN Group seminars on a safe environment for construction work by external contractors

We hold seminars before (spring, summer, and winter) holiday periods for external construction contractors and those who place orders with external construction contractors so that they can learn more about safety, the environment, and fire prevention.

##### (2) Step-up training and safety patrols

AISIN has introduced step-up training, which is mandatory training for construction supervisors. It has been in place since 2011 and was formalized in 2019.

This training is being conducted to improve safety management of construction work and prevent work-related accidents. It is designed for participants to identify the causes of potential accidents in advance and take safety measures by learning about laws and management forms. We promote a safe and secure construction work environment by providing participants with an opportunity to learn about everything, from planning to protective measures, in a practical, hands-on format. We also work with external organizations to monitor the safety of sites of construction work by external contractors and the people who work there.

#### Safety and environmental activities for subcontractors and vendors delivering or carrying out goods

Since the serious accident that occurred in July 2015, AISIN has committed itself to ensuring the prevention of recurrence of a serious accident and creating a work environment where everyone can work safely and with peace of mind.

##### (1) Safety exchange meetings for on-site loading and unloading, and subcontract work

We hold exchange meetings twice a year (in July and December) for vendors that perform loading and unloading, or subcontract work, and for employees who place orders for such work.

##### (2) Improvement and other activities

We work to develop safe tasks by improving difficult and/or dangerous areas related to work.

## Safety and Health Promotion

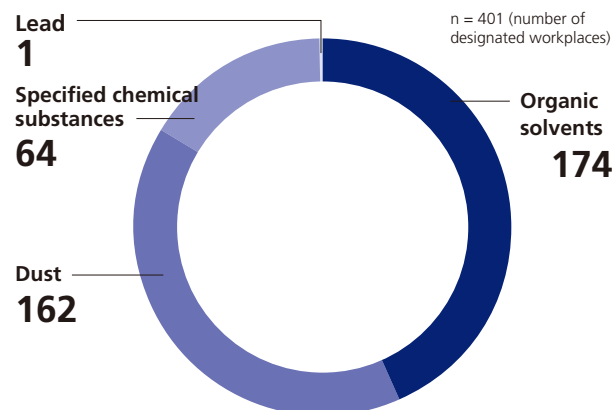
### Industrial hygiene

#### Enhancement of the industrial health management framework and prevention of health issues

Aiming to create a workplace environment that enables all employees to work in a healthy and lively manner, AISIN is reorganizing its frameworks and is providing training to relevant employees to ensure the sustainable maintenance and management of the occupational health management frameworks at each business site, including the management of chemical substances, in a disciplined manner.

In promoting occupational health activities, we engage in initiatives to protect those working on our premises from occupational diseases, with internal regulations and standards in place as well as management and operation methods clearly defined along with education and training. Specifically, to prevent damage to employees' health, we properly manage hazardous materials, such as organic solvents and dust, and measure the sources of discomfort, such as heat and noise, in working environments, and then we make improvements based on the results to create environments with good working conditions.

#### Hazardous substances



#### Evaluation by Control Class (measurement results)

##### Organic solvents

	I	II	III
Number of "unit work areas"	173	1	0

##### Dust

	I	II	III
Number of "unit work areas"	161	1	0

##### Specified chemical substances

	I	II	III
Number of "unit work areas"	64	0	0

##### Lead

	I	II	III
Number of "unit work areas"	1	0	0

Control Class I: A state in which the work environment is being managed appropriately

Control Class II: A state in which there is room for improvement in work environment management

Control Class III: A state in which the work environment is not being managed appropriately

#### Control Class II workplaces

##### Organic solvents

Factors: Decreased capacity of local exhaust systems

Temporary measure: Wearing gas masks

Permanent measure: Completed installation of push-pull ventilation equipment

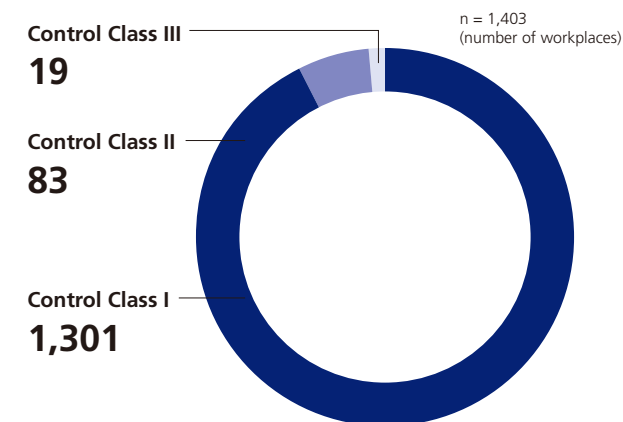
##### Dust

Factor: Insufficient management of dust collectors, decreased capacity of local exhaust systems

Temporary measure: Wearing dust masks

Permanent measure: Review of daily inspection and cleaning, improvement of the capacity of local exhaust systems (planned)

#### Workplace noise



Control Class I: Equivalent sound level of less than 85 dB

Control Class II: Equivalent sound level of 85 dB or more and less than 90 dB

Control Class III: Equivalent sound level of more than 90 dB

#### Main causes of exceeding standards:

Control Class II

· Sound of hammers, pressing, etc.

Control Class III

· Sound of blowing air, falling workpieces, etc.

#### Preventive measures:

· Control measures based on our internal standards were provided to workers in areas designated as Control Class I or II, including wearing ear plugs and taking special health examinations.

· Equipment measures are being taken sequentially based on the plan.

## Safety and Health Promotion

### Industrial hygiene

#### Activities to promote heatstroke prevention

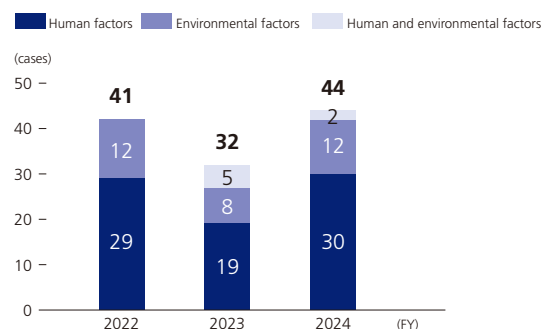
Based on the Cool Work Campaign released by the Ministry of Health, Labour and Welfare, AISIN is carrying out activities to promote heatstroke prevention with a Heatstroke Prevention Promoter selected at each business site.

##### Annual plan

May	Briefing and study sessions for Heatstroke Prevention Promoters
June	Heatstroke prevention education with the participation of all employees (video streaming and meetings)
July to September	Call-out activities by managers and supervisors Raising awareness after the rainy season and consecutive holidays
November	Activity review meetings (including reporting on the current fiscal year's status, requests for the next fiscal year, and exchange of opinions)

In fiscal 2024, the number of heatstroke cases increased nationwide due to the record-breaking heat wave. The most common cause was human factors (individuals not taking care of their health); however, due to educational activities, early detection and early treatment, there were no cases of employees taking time off work.

Number of heatstroke cases by cause (AISIN)



#### Workplace meeting sheet for heatstroke prevention



#### Measures to prevent heatstroke for those performing transporting work

Since transporting tasks are high in WBGT values and work intensity, spot coolers were installed on forklifts as a measure against heat during transportation work.



### Fire Prevention

#### Initiatives to prevent the reoccurrence of fires and minimize possible damage

Twenty-seven years have passed since the fire at the Kariya Plant on February 1, 1997, and while there are employees

who joined the company after that time or through the mergers, only approximately 20 to 30% of the current workforce experienced what happened at the time. Meanwhile, the number of fires at the AISIN Group, including minor ones, has been on the rise, and top management is concerned that the memory of that fire may fade away with time.

To avoid repeating the same mistakes as in the past, top management is communicating the lessons learned from past mistakes and hardships, as well as what they want their employees to understand and feel, and they are continuing activities that will lead to improvements in the awareness and actions of each individual.

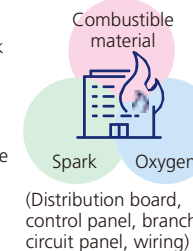
#### AISIN Group Unified Fire Prevention Priority 6 Items

Beginning in fiscal 2024, we have analyzed past fires afresh and summarized management of fire sources and combustibles that became the main causes of the fires, electrical equipment management, duct management, etc. into six fire prevention priority items, and we mapped the fire prevention management status.

Through this activity, we are working to make levels of management status transparent and promote improvement activities in an AISIN Group-wide effort.

##### <Fire Prevention Priority 6 Items>

1. Management of fire sources and combustibles (Identifying risks and clarifying management items)
2. Hazardous materials management (Implementing maintenance, management and inspection based on laws and regulations)
3. Ensuring compliance with rules on work using fire within the premises
4. Electrical fire prevention measures
5. Duct management (clarifying inspection and cleaning rules) A fire occurs if the three elements of a spark, a combustible material, and oxygen are present
6. Initial fire extinguishing to minimize damage (Four basic actions in the event of a fire)



## Safety and Health Promotion

### Reinforcement of fire prevention management

We are reinforcing our fire prevention management by registering facilities in which sparks are generated as fire prevention priority management facilities (Fire Component Facilities\*). They are defined as high fire-risk facilities in which sparks are generated and combustible/flammable items are present and as facilities that might generate great damage in the case of a fire. We aim to prevent fires by clarifying management items to prevent fires and maintaining and managing such facilities.

\* Fire Component Facility: a facility with fire components (sparks, combustible materials, and firefighting tools) to be managed

#### Example of management points

<b>Sparks</b>	<ul style="list-style-type: none"> <li>Installing spark prevention covers</li> <li>Protecting electric wiring from short-circuiting</li> <li>Preventing heaters from becoming abnormally hot</li> <li>Preventing static electricity from accumulating (installing an earth grounding system)</li> </ul>
<b>Combustible materials</b>	<ul style="list-style-type: none"> <li>Eliminating oil leakage</li> <li>Ensuring that wiping rags are removed after use</li> <li>Removing combustible waste</li> <li>Removing unnecessary wiring</li> <li>Collecting accumulated dust</li> </ul>
<b>Firefighting tools</b>	<ul style="list-style-type: none"> <li>Maintaining and managing fire extinguishers</li> <li>Maintaining and managing automatic fire extinguishing equipment</li> <li>Conducting periodic inspections of fire dampers for exhaust ducts</li> <li>Providing training for emergency treatment</li> </ul>

#### Fire Component Facility



### Four basic actions in the event of a fire

The AISIN Group has established four standardized actions (basic actions) to ensure that swift initial firefighting action is taken in the event of a fire to save lives and minimize damage.

We are holding workplace meetings and have created a training DVD with actual footage so that employees understand the purpose of everything that they are being asked to do. We also provide education on a continual basis.

#### Holding workplace meetings

Four basic actions in the event of a fire



#### Ten Iron Rules to prevent fires



### Development of fire prevention instructors

AISIN strives to develop human resources who can serve as guardians against fires by appointing instructors at each business site, providing them with education and sharing information on various activities so that they can mutually expand their knowledge and insights.

### Fire prevention surveillance

AISIN has introduced fire prevention surveillance based on third-party inspection and evaluation to maintain an appropriate fire prevention management framework and raise its quality. The surveillance includes not only assessment of employees' awareness of fire prevention at their workplaces but also assessment of heat and gas leakage through use of the latest measurement instruments. The surveillance contributes to our daily improvements.

#### FY2024 surveillance:

**4** business sites at AISIN and **18** business sites at Group companies



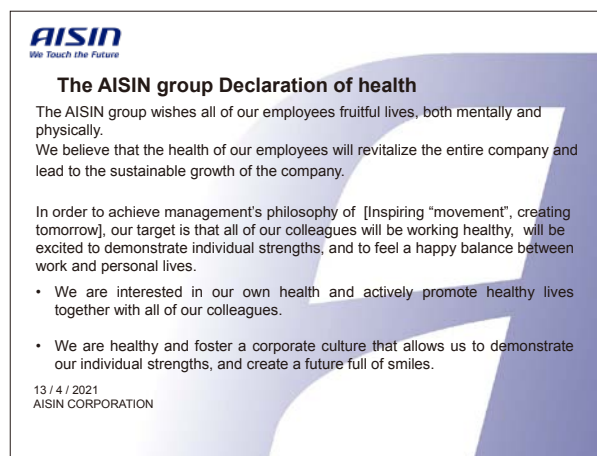


# Healthy Business Practices

## Basic stance

AISIN places its first priority on the safety and health of its employees.

Positioning the promotion of employee health as a management issue, we formulated the AISIN Group Health Declaration in April 2021. We are promoting healthy business practices to improve the health awareness of all employees in the Group and help them to make healthy behavior a habit.



## Initiatives for healthy business practices

Viewing the serious labor shortage due to the declining birthrate and aging population as a priority issue, AISIN is creating an environment that enables senior and female employees to continue working from the perspective of securing workforce, has incorporated this issue into its strategic map, and is working on activities so that everyone can demonstrate their abilities in good health both mentally and physically.

As our current priority issue, we are working to take measures to tackle lifestyle-related diseases and mental health due to the lifestyle changes caused by the COVID-19 pandemic. In particular, the percentage of employees with a BMI of 25 or more has been on the rise in recent years. To reduce future health risks of employees, we are working on initiatives that will lead to changes in individual behavior, which are centered on diet and exercise, with the target of decreasing the percentage of employees with a BMI of 25 or more to 23% by 2025.

### Framework diagram



## Framework for the promotion of healthy business practice

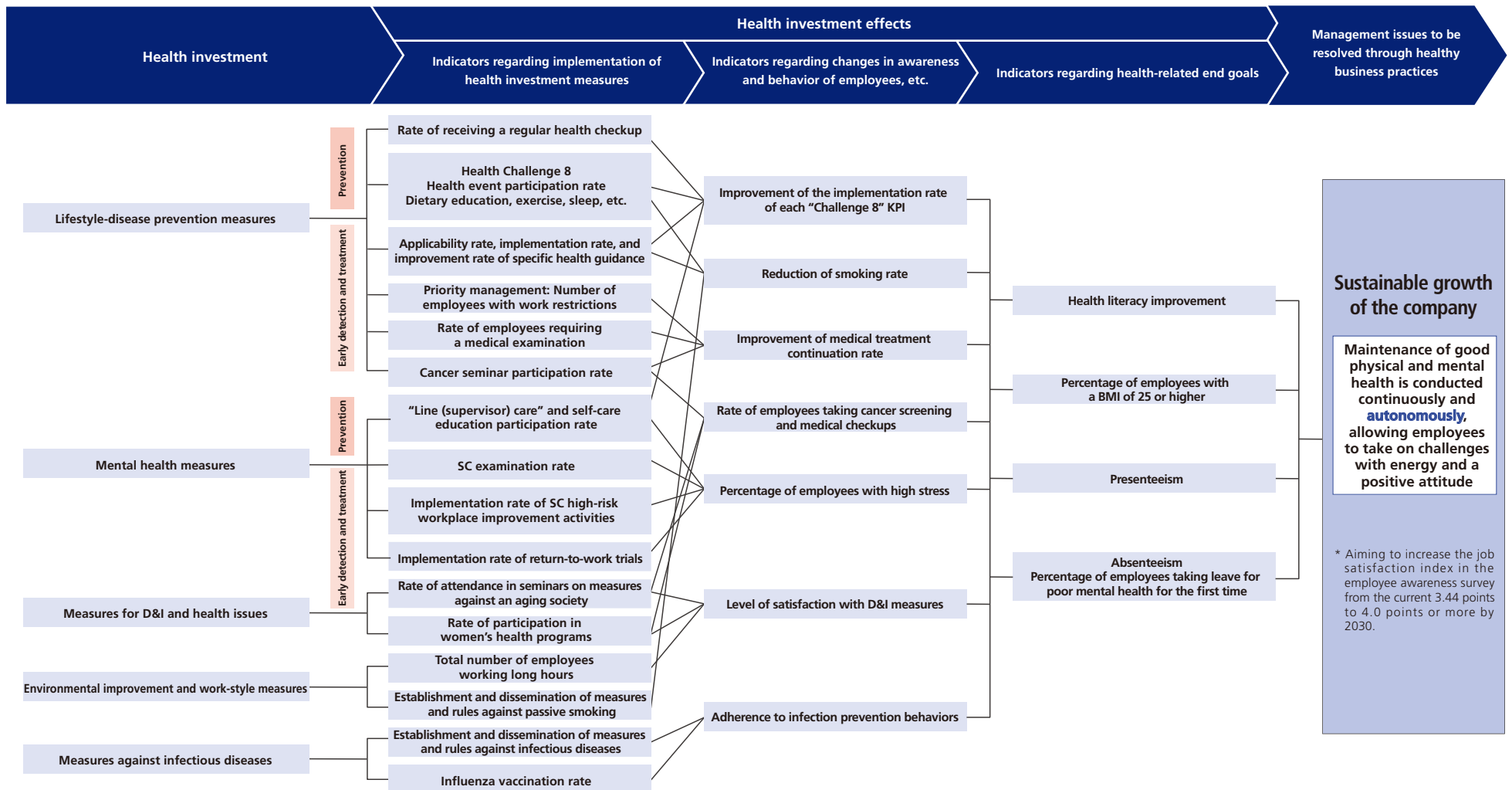
The direction of health-related activities is discussed and decided by the AISIN Group Consolidated Safety and Health Committee each year and is then rolled out to the Workplace Safety and Health Committees at each company.

In response to the policies of the AISIN Group Consolidated Safety and Health Committee, at the Council for the Promotion of Healthy Business Practices, a subordinate organization that is made up of medical staff and other members from the Safety and Health Promotion Department, the departments involved in human affairs, the Worker's Union and the Health Insurance Society, information on company-wide issues are shared and countermeasures are discussed.

In addition, the ALL AISIN Health Subcommittee is working to improve the health of employees at Group companies by taking into account the needs of each Group company and sharing best practices from Group companies.

## Healthy Business Practices

## Healthy business practices strategy map (AISIN)





## Healthy Business Practices

### Lifestyle-disease prevention measures

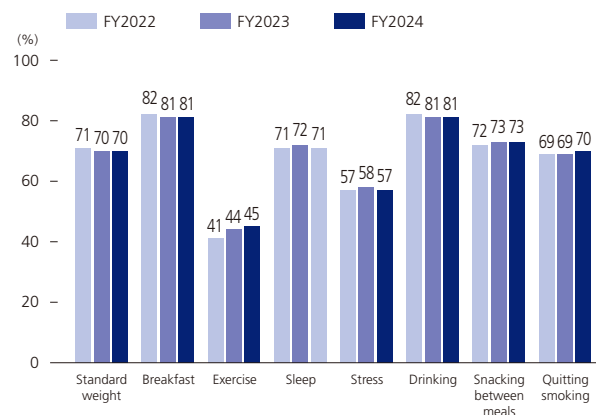
#### Initiatives to improve health awareness and develop behavioral habits

We are engaged in the Challenge 8 program, aimed at raising awareness of healthy lifestyles and developing healthy lifestyle habits. In this program, eight items related to lifestyle habits are quantified, and the rate of implementation is evaluated over time. The target values have been set for each year up to FY2026.

In addition to individuals, we are also promoting health in the workplace, led by the managers and promoters selected from respective workplaces.

We provide health information, videos, event information, etc. once a month on eight themes, including diet, exercise, sleep, drinking, and smoking, so that employees can see health promotion as something that concerns them personally.

Implementation rate of Challenge 8



#### Introduction of the health app “PepUP”

As a tool to support the health management and promotion of our employees, we introduced “PepUp” in fiscal 2022 in collaboration with the Health Insurance Society.

The app allows employees to check their health status based on their health checkup results, giving them an opportunity to raise their awareness about health. Also, the app encourages employees to participate in various events, helping them improve their eating habits and make healthy behaviors a habit.

As of the end of March 2024, 39.8% of employees are using the app to engage in healthy behaviors. In fiscal 2025, we will strengthen our efforts to raise interest in health, such as by introducing events that allow healthy people and people who have become healthy to earn points.

#### Health checkups

We follow up with each workplace and employee to ensure that all of our employees receive regular health checkups, with the annual checkup rate continuing to be 100%.

To implement follow-up measures after health checkups, we have developed a proprietary system for identifying individuals who have a high risk of brain and heart diseases, based on up to 10 years of past checkup results for each employee. Based on their risk level, we provide safety consideration through meetings with and guidance by our industrial physicians and work restrictions. While doing so, we raise employees’ awareness of the importance of self management and provide support to prevent them from developing serious diseases.

#### Measures against cancer

We ensure that employees receive not only a regular health checkup but also various cancer screening tests, with financial support from the Health Insurance Society, the Worker’s Union, and the company, in order to reduce cancer risks to health through early detection.

A colorectal screening test is available at the time of a regular checkup for all employees aged 35 or over.

We also encourage female employees aged 20 and over to have gynecological screening tests (for cervical and breast cancer). We are creating an environment where our employees can more easily receive health checkups by increasing the number of medical institutions where health checkups are available, and we are also conducting monthly education on thorough medical checkups and cancer screening.

Health information (AISIN)

	FY2022	FY2023	FY2024
Rate of receiving a regular health checkup	100%	100%	100%
Rate of receiving a detailed examination	53.6%	70.3%	70.3%
Number of employees who underwent cancer screening tests	Colorectal cancer screening	18,701	18,375
	Gynecological screening	914	894
Number of employees who underwent a thorough medical checkup	2,527	2,692	2,621
Number of employees who underwent a brain checkup	420	464	468
Rate of deciding on restrictions on the nature of work	100%	100%	100%
Rate of conducting meetings	100%	100%	100%
Rate of providing health guidance	60.2%	66.1%	73.0%

## Healthy Business Practices

### Lifestyle-disease prevention measures

#### Dietary initiatives

After the category of COVID-19 was changed to Class 5, employees began to return to lifestyles before the COVID-19 pandemic and became more physically active. As a result, the percentage of employees with a BMI of 25 or higher decreased slightly.

In fiscal 2024, we worked on activities with the theme of eating a well-balanced diet. Continuing from last fiscal year, we collaborated with the social contribution activity called TABLE FOR TWO (TFT) and offered lunches with different healthy menu items each day at our cafeterias, while also holding nutrition education seminars, so as to help our employees eat meals with a good balance of nutrients. The seminar was attended by 303 employees, and it received high praise from participants for helping them to become aware of their own eating habits and to reconsider how they choose their meals.

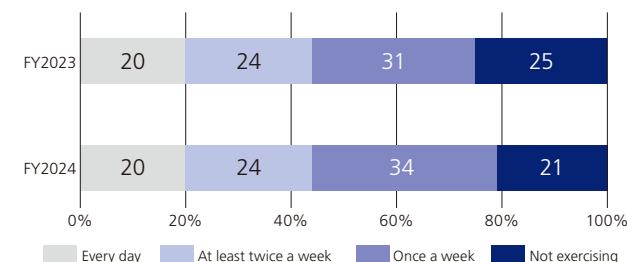
#### How to choose a meal



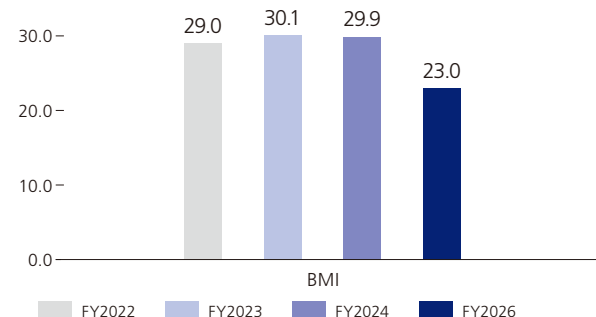
#### Initiatives related to exercise habits

As a way of encouraging employees to make exercise a regular habit, we hold a walking competition twice a year in collaboration with the Health Insurance Society. An event was held for employees to compete over the total number of steps they walk in a one-month period individually or by workplace, with the participation of 295 teams and 4,466 people last year. In November, we also held a walking event at Denpark (Anjo City, Aichi Prefecture), which was attended by 1,648 people, including employees and their families. As health awareness has gradually increased, the percentage of employees who exercise regularly has increased.

Percentage of employees who exercise regularly (AISIN)



Percentage of employees with a BMI of 25 or higher

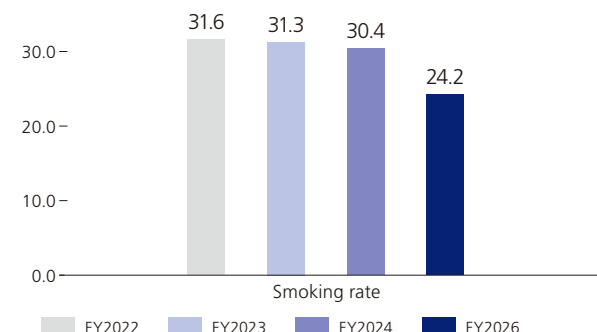


#### No-smoking initiatives

To reduce health risks associated with smoking and health problems caused by passive smoking, we imposed a complete ban on smoking on the premises in April 2024. In preparation for the start of the complete ban on smoking on the premises, we strengthened our efforts to raise awareness by sharing information at the Safety and Health Committee meetings and conducting regular awareness-raising activities, using posters and videos.

At the same time, we are also promoting initiatives to help our employees quit smoking, and we distributed nicotine patches to them to raise awareness of the dangers of smoking. In addition, in order to promote treatment at medical institutions, we have introduced various cost subsidies that can be used by many smokers.

Change in smoking rate (AISIN)



## Healthy Business Practices

### Mental health measures

#### Prevention and early detection of mental health disorders

##### (1) Individual response

AISIN is working to minimize labor losses due to mental health disorders, with a focus on prevention and early detection.

To ensure that managers and supervisors do not overlook the signs of their subordinates having mental health disorders and are able to connect them with occupational physicians and external organizations at an early stage, in FY2024 we expanded the scope of line care education and devised ways to allow managers and supervisors to experience various cases in simulation so that they can understand the importance of mental health activities and to put them into practice.

In addition to stress checks that allow employees to recognize their own stress and promote self-care, we also provide self-care education, distribute video content, set up health consultation services, and arrange for high-stress employees to meet with occupational physicians.

##### (2) Workplace response

For workplaces, we provide feedback on the results of workplace stress check diagnoses and provide individual support for workplaces with high risk, thereby improving the workplace environment to prevent employees from having mental health problems. We have prepared videos that include an improvement implementation flow, improvement case studies by factor, etc. as tools that are useful for workplace-based improvement activities.

In addition, in fiscal 2024, we set up a system that will lead to effective improvements in the workplace environment by comparing the results of workplace stress check diagnoses with the results of questionnaires for employees conducted by related departments and by analyzing them from multiple perspectives, and we started support activities.

Stress check results (AISIN)

	FY2022	FY2023	FY2024
Rate of employees receiving stress checks	86.1%	94.4%	92.3%
Percentage of employees with high stress	4.5%	3.7%	3.9%

### Preventing the recurrence of mental health disorders after returning to work

#### Support for those returning from leave through return-to-work trial

To ensure that employees can return to work from leave without undue stress, we have a program in which clinical psychologists and public health nurses support their return to work.

The return-to-work trial is a process in which employees who have started the return-to-work procedure come to the company's return-to-work support office, and, while performing tasks that are not directly related to their work during their working hours, their recovery in terms of physical strength, concentration, and work execution ability is checked.

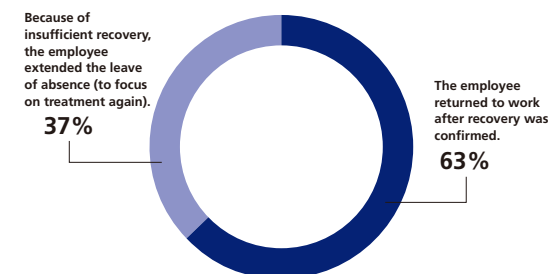
We are working to prevent recurrence of mental disorders after returning to work by confirming the degree of recovery of employees returning to work, ensuring thorough safety considerations based on the health conditions of employees returning to work, and providing line care by workplace supervisors.

High-risk workplace improvement activity results (AISIN)

	FY2022	FY2023
Number of high-risk workplaces	3	3
Improvement support rate	100%	100%
Improvement rate	100%	100%

\* The improvement rate is determined by evaluating whether the results for the following fiscal year show an improvement from the high-stress state.

Result of evaluation of recovery through return-to-work trial (AISIN) (FY2024)



### D&I health support

#### Health support for female employees

To allow female employees to continue to work actively, we started a women's health program for female employees in 2021 as an initiative to address health issues specific to women. Also, we included explanation on correct knowledge and consideration of women's health issues in the training programs for managers and supervisors, promoting the creation of comfortable workplaces.

In addition to the existing support systems for female employees, we introduced a femtech program in 2022 to help solve health issues specific to women, such as menstruation and menopause, thereby supporting female employees in balancing work and life events.

## Education program participation results (AISIN)

Program name	FY2022			FY2023			FY2024		
	Number of target employees	Number of participants	Participation rate	Number of target employees	Number of participants	Participation rate	Number of target employees	Number of participants	Participation rate
Life design seminar (30)	1,300	183	14.1%	1,087	445	41%	1,072	469	44%
Life design seminar (31)	1,080	207	19.2%	1,657	792	48%	703	406	58%
Women's health seminar	181	180	99.4%	84	84	100%	153	153	100%
Self-care training	12,537	12,124	96.7%	963	945	98%	375	375	100%
Training in line care	368	364	98.9%	2,095	2,095	100%	3,318	3,318	100%

## Support for senior employees

To ensure that our employees can continue to work actively in good health for many years to come, we carry out educational activities on the need of healthy lifestyles and stress management by holding life design seminars for employees aged 33 and 53. In addition, with the increase in the number of senior employees, we are preparing to start initiatives to address health issues specific to the elderly in 2025, based on the results of trials of physical fitness tests and health guidance after the tests, in order to prevent physical function decline, injuries, and accidents due to aging.

## Protection of employees from infectious diseases

AISIN has created guidelines for infection prevention and disseminated them to its Group companies and suppliers both inside and outside Japan so as to be able to protect the lives of all the people related to the AISIN Group in the event of an outbreak of an infectious disease.

## Initiatives for employees traveling overseas for work

For employees posted overseas and their families, as well as employees on overseas business trips, not only do we

issue a heads-up and make decisions to bring them to their home countries, but we also provide training programs and appropriate information so that they can keep themselves safe, with reference to information provided by the Quarantine Information Office of the Ministry of Health, Labour and Welfare regarding infectious diseases and immunization and the safety guidelines set by each country's embassy and consulates.

By concluding a contract with an institution specializing in medical security, we also provide an assistance service to protect employees from different medical and safety risks in the countries and regions that we operate in.

## Results and future initiatives

As a result of the initiatives for the year, improvement is seen in employees' health literacy (ability to find and utilize information related to health and medical care), indicating that the awareness building has been gradually advancing. Going forward, we will further enhance the initiatives for health promotion to reduce presenteeism (the state of working while having health problems) and absenteeism (the state of being absent from work), thereby improving productivity.

In 2024, we were certified as a "White 500" Outstanding Health and Productivity Management Organization under the program jointly promoted by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi. Our various health investment measures and initiatives related to exercise habits have received high praise.

## Business performance indicators (AISIN)

	FY2022	FY2023	FY2024
Percentage of employees with high health literacy	48.0%	53.1%	56.0%
Presenteeism	—	84.0%	83.1%
Absenteeism	1.8%	2.0%	1.9%

	Presenteeism	Absenteeism
Measuring method	Calculated using the Single-Item Presenteeism Question (SPQ by the University of Tokyo). Percentage of employees who rate their job performance during the past month as 80% or higher on a scale where 100% is the best job performance they could deliver in a healthy state.	Percentage of employees who take 30 or more calendar days off due to illness besides paid leave, after the start of sick leave for the fiscal year (Number of employees on leave in the relevant fiscal year / Number of permanent employees × 100)
Number of employees measured	40,814	36,733
Response rate	85.90%	100%



# Quality

## Basic stance

Upholding “To our customers, inspiration and trust” in the Group Philosophy, the AISIN Group is committed to improving quality and creating new value that exceeds our customers’ expectations.

In addition, AISIN has placed “Quality Supremacy” at the foundation of its corporate behavior guidelines “Charter of Sustainability” and its individual behavior guidelines “AISIN Group Way.” We are promoting TQM,\* an activity for improving the corporate culture in which all employees cooperate with each other to improve the quality of their work, not just products and services, based on the principle of “Customer First.”

\*Total Quality Management

## Policy

We have defined the system of our quality assurance activities in the Quality Manual and have established quality policies, based on which we promote our quality activities.

### Quality policies

We pursue the quality demanded by our customers throughout the product lifecycle by paying attention to safety and the global environment. By doing so, we provide products and services that give excitement and smiles to customers in a timely manner and contribute to creating a safe and comfortable society.

## Vision

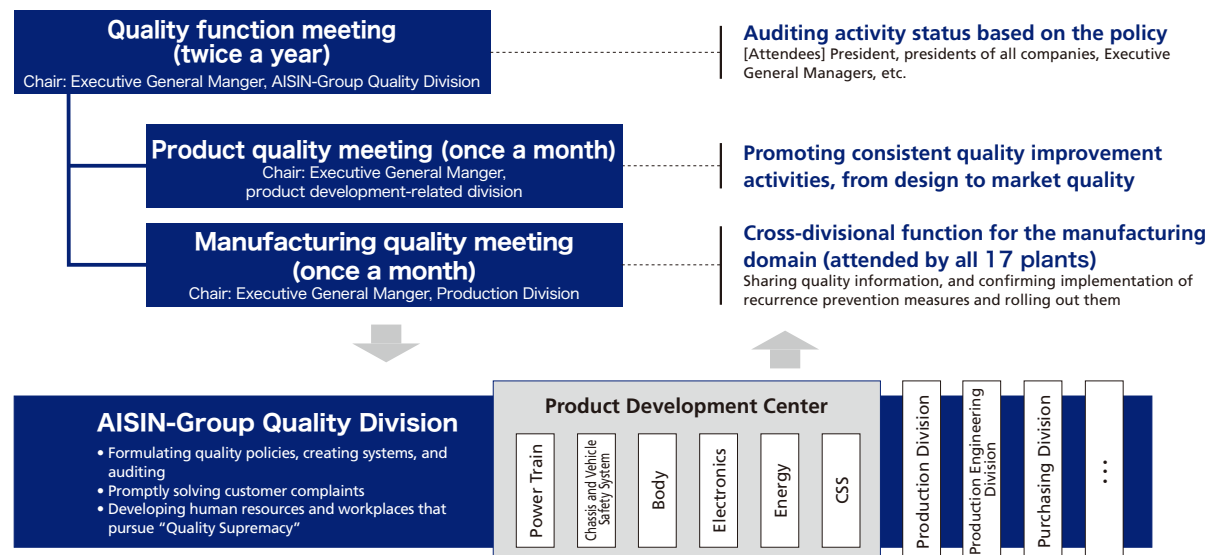
### Establish a global system to achieve the best quality, and deliver safety and relief to our customers

- ▶ Establish a globally acceptable quality assurance system by considering the next-generation product and service quality and enhancing governance, and audit and modify the system
- ▶ For the DX society, build a management system that is always capable of responding to the progress in electrification, growth fields, and carbon neutrality, and develop human resources capable of creating new value

## Implementation frameworks

The AISIN-Group Quality Division has responsibility for and authority over the quality of the entire Group, and it is in charge of assuring quality for customers. In light of the quality issues that have occurred recently, we are returning to the basics of “Quality Supremacy” and driving forward a change in awareness, such as re-establishing a “customer first” mindset and the creation of an organizational culture based on honest dialogue.

To provide satisfaction and reassurance to our customers around the world, we are rolling out quality policies to each product development-related division and functional division, with the quality function meeting at its core. While monitoring quality improvement activities based on the quality policies, we always listen to our customers’ feedback and provide it to the entire company, aiming to create better products by conducting auditing activities and quality education.



## Quality

### Developing human resources and a workplace culture that pursue “Quality Supremacy”

In order to regain the value of “Quality Supremacy”, which is the starting point for AISIN, we approach employees from three perspectives: knowledge, mind, and environment. We are working to disseminate knowledge through the publication of educational tools that explain “Quality Supremacy” in a modern context, to appeal to employees’ mind through the Densho-kan, which displays vivid examples of past failures, and quality exhibitions that focus on displaying actual products, and to create an environment, or workplace culture, where the value of “Quality Supremacy” is the norm by holding quality lectures, quality dialogues between employees and top management, and quality meetings at the workplace level. We are also working on improvements every day by conducting QC circle activities as a foundation for developing people and a workplace culture.

Three elements for “Quality Supremacy” practice



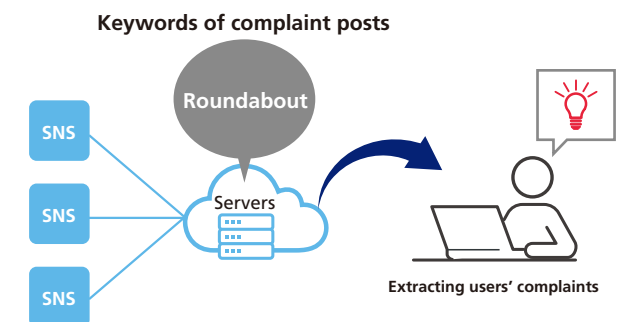
### Medium- to long-term initiatives for key areas and growth areas

As initiatives for electrification, a key area, we are working to shorten the development period through the innovation of development processes using DX, with the design departments, production engineering departments, and specialized departments at plants working together from the product design stage. In launching new products, we establish detailed implementation guidelines in our quality assurance system and rigorously assess quality at each process milestone. During the development stage, we work to improve design quality by re-examining safety and legal compliance from the customers’ perspective and consolidating the technology and knowledge of each product group to incorporate lessons learned from past failures. Regarding quality evaluation, we use our own test courses and facilities to recreate unique environments around the world, including high- and low-temperature conditions, rough, icy and various other road surface conditions, and conditions affected by electromagnetic waves, thereby comprehensively evaluating the functions and performance required of automobiles from the customers’ perspective. Regarding the growth areas, as part of our efforts to address social issues, we are operating the voice recognition system “YYSystem”, the AI On-Demand Transportation “CHOISOKO” and other services. By constantly collecting and analyzing information about customer usage and SNS data using AI and other tools, we are working to make daily improvements and speed up our responses in order to ensure continued customer satisfaction.

### Emphasis on the first customer complaint and efforts to prevent complaints using big data

For each initial report of customer complaints, including those about newly launched products and existing products, we roll out information to the relevant departments, including overseas sites, and make Group-wide efforts to minimize any inconvenience to customers. We thoroughly investigate the cause of each incident and implement measures to prevent recurrence, which include not only actions for the relevant product but also improvements in the work procedures, striving to produce better products using the lessons learned. To reduce and eliminate customer complaints, we have recently been promoting the use of big data obtained from vehicles and products to detect signs of failure before it occurs, and we take diagnostic and predictive actions. Furthermore, with the target of achieving quality that exceeds customer expectations and “products that make users excited,” we identify potential complaints from customers’ voices (social media data), make them visible, and reflect them in our activities to improve product quality.

Extracting users’ complaints from social media





## Quality

### Quality management system

AISIN has established a quality management system that conforms to IATF 16949,\* and all employees are working together to promote quality assurance activities so that we can provide satisfaction and reassurance to our customers. As of May 2024, 50 of the 55 production sites in the scope for certification acquisition have acquired the certification (acquisition rate: 91%).

\*IATF 16949: Automotive Quality Management Systems

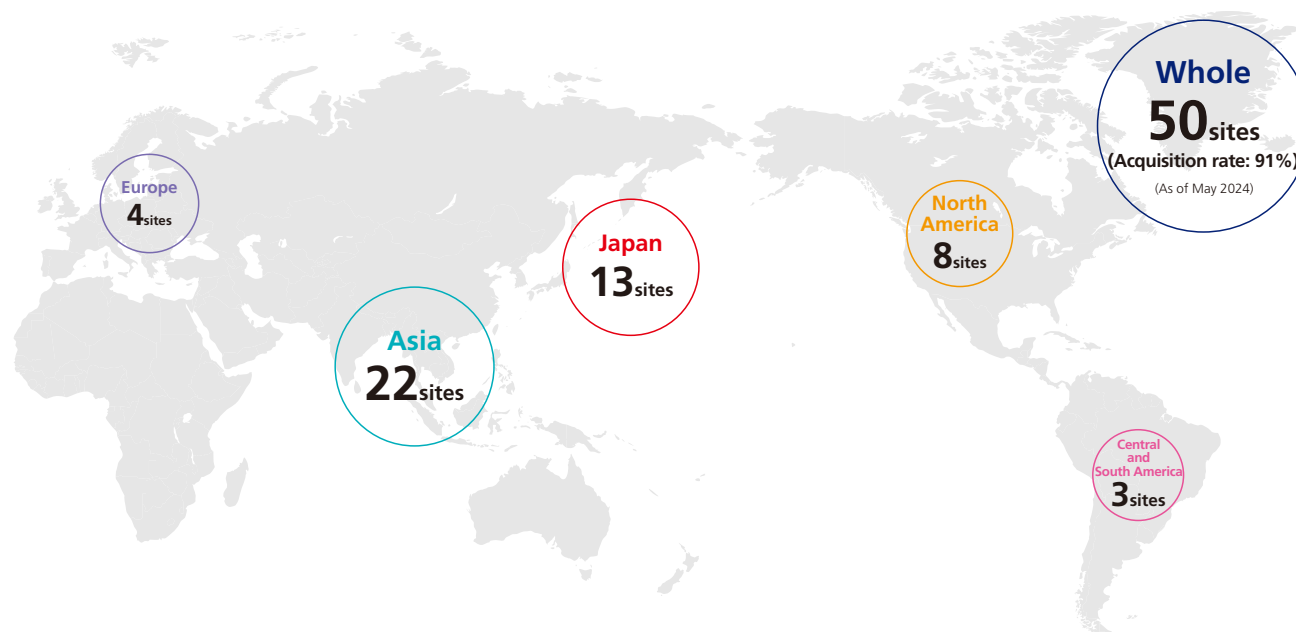
### Quality education

We are conducting quality-related education activities for all employees in the Group, based on the principle of “Quality Supremacy” as the foundation for all of our behavior guidelines. We pass on the value of “Quality Supremacy” and the importance of quality to newly hired employees through tours of the quality learning zone at the AISIN Densho-kan. We also provide level-specific education on quality knowledge—QC and quality control training for newly hired employees, problem-solving training for newly appointed

team heads, and management training for newly appointed section heads.

In addition, we have made our quality training (40 courses) on QC, reliability, data analysis, etc. available through e-learning so that it can be taken anytime, anywhere, and we hold theme consultation meetings so that employees can hone their practical skills after completing the courses. Based on these training programs, we are developing human resources throughout the Group.

IATF 16949 certification acquisition status



## Quality

### Reliability evaluation in product development

#### Comprehensive evaluation of the functions and performance required of automobiles

AISIN was one of the first automotive parts manufacturers to build a comprehensive proving ground with a circuit track as early as 1970, and we continue to verify and pursue the performance and durability of our products, using test courses that recreate road conditions from around the world and state-of-the-art facilities.

#### Evaluations by recreating unique environments from around the world

To provide high-quality products to our customers with confidence, we conduct evaluations in-house by recreating unique environments from around the world. By conducting tests from all angles from the users' perspective and providing immediate feedback on the results to product development departments, we are reliably meeting the growing need to ensure reliability.

#### Comprehensive proving grounds



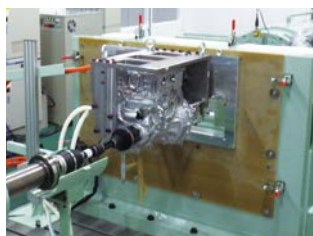
**Fujioka Proving Ground**  
With low-temperature and high-temperature chambers, an anechoic chamber, and engine assessment equipment, comprehensive evaluations of wide-ranging vehicles and products are conducted.



**Toyokoro Proving Ground**  
Evaluations are conducted using a full range of test tracks, including simulated icy surfaces and various road conditions from around the world.



**Fowlerville Proving Ground**  
This is the first proving ground established in North America by a Japanese automobile parts manufacturer.



eAxle performance and durability evaluation on a test bench



Evaluation of the effects of electromagnetic waves on electronic devices



Evaluation in high-temperature environments



Evaluation of vehicle stability on an artificial icy road



Evaluation under various road surface conditions



Evaluation of automated braking

## Social Contribution Activities


### Basic stance

AISIN contributes to sustainable development of society through active engagement in society based on the awareness that companies are members of society. Furthermore, in response to various social issues, we support our employees with voluntary social participation and aim to create value and achieve sound development for society as a whole in collaboration with our stakeholders.

### Policy

Guidelines on Compliance with Social Responsibility  
Social Engagement and Contribution to Development

- 1) We respect the cultures, traditions and the like of countries and local communities around the world and strive to establish mutual trust with local communities and stakeholders.
- 2) We actively make efforts to solve social issues by investing our human resources, expertise and other management resources.
- 3) We make efforts to help realize a sustainable society in cooperation with various stakeholders, including NPOs, local communities and administrative organs.
- 4) To help realize a sustainable society and solve various social issues, we support our employees with various forms of voluntary social participation, including volunteer activities.

 Guidelines on Compliance with Social Responsibility

### Vision

We carry out various social contribution activities with our focus on the three categories of protection of nature and the environment, nurturing youth, and community building and development. Through these activities, we are working proactively to contribute to the achievement of the Sustainable Development Goals (SDGs), a set of common goals for international society to achieve by 2030.

#### Protection of nature and the environment:

We aim to realize a sustainable global environment by proactively conducting environmental conservation activities in order to pass on a better natural environment to the next generations.

#### Nurturing youth:

We aim to foster people who can contribute to society in the future by providing support for the healthy growth of children, who will play key roles in the next generation.

#### Community building and development:

We aim to develop society as a whole by promoting building and development of a vibrant community where all people can live safely, securely, and comfortably.



### Implementation frameworks

The AISIN Group is promoting social contribution activities globally through various initiatives, with each of its sites in 22 countries and regions across the world working in partnership with local communities, NPOs, NGOs, and other organizations.



## Social Contribution Activities

### Protection of nature and the environment

With the aim of achieving carbon neutrality and protecting the environment, which are issues common to the world, we are carrying out tree planting and other activities in areas around our offices in each country. We also clean up nearby beaches and rivers, thereby working on environmental conservation.

#### GREEN & BLUE Project to nurture forests and oceans

Activities aimed at contributing to the realization of a carbon-neutral society by harnessing the CO<sub>2</sub> absorption capacity of terrestrial and marine plants

AISIN Group sites throughout the world are engaged in tree planting, forest thinning, and other forest maintenance activities, as well as the cultivation and regeneration of mangrove forests. The goal is to plant 800,000 trees between 2023 and 2030.

Major tree planting results in FY2024

Location	Number of trees planted
Asia (Japan and China)	63,000
ASEAN countries (Thailand, India and Indonesia)	86,000
Americas and Europe	9,900
<b>Total</b>	<b>158,900</b>



Mangrove tree planting activity (Thailand)



Mt. Fuji tree planting activity (Japan)

#### Forestry foster parent agreement with Nagano Prefecture

AISIN is supporting the Forestry Foster Parent Promotion Project in Neba Village, located in the area of the headwaters of the Yahagi River, which AISIN is using for its industrial water, and carried out forest development activities that connect people with forests with the cooperation of nearby universities. We are working to protect the natural environment through environmental learning, tree planting, lawn laying and other activities.



Lawn laying activity in Neba Village

### Nurturing youth

We are providing various kinds of educational support to children in the areas where our sites are located, including holding of manufacturing courses that make use of AISIN's technology. We are also working to revitalize local communities and nurture young people through sports.

#### AISIN environmental learning program

In collaboration with the local governments and NPOs, we are providing learning opportunities throughout the year by offering on-site classes for elementary school students that lead to the practice of eco-activities in daily life and the improvement of environmental awareness.



Observing the creatures in the school biotope

Location	Number of schools	Number of participants
<b>FY2024 results</b>	<b>22</b>	<b>1,602</b>
<b>Total number since 2006</b>	<b>438</b>	<b>35,915</b>

#### Sports clinics held by athletes

We provide opportunities to experience sports, including basketball schools for elementary and junior high school students held by the "SeaHorses Mikawa," belonging to the B.LEAGUE, and "Wings," belonging to the WJBL, and volleyball classes for elementary school students held by the volleyball club "Tealmare."



Basketball school held by Wings members

### Community building and development

We are working to communicate with local residents near our sites, NPOs, and NGOs and are engaged in activities in a wide range of fields, including traffic safety, health and welfare, community support, and contributions to creating a recycling-oriented society.

#### Traffic safety activities at sites throughout the world

As a member of the automobile industry, we promote traffic safety education and awareness activities for local communities at all of our sites around the world, aiming to realize a society with zero traffic accident casualties.

\* FY2024 result: 239 activities from 180 companies



Traffic safety class (China)

#### Donations in a wide range of categories throughout the world

We donate a portion of sales from vending machines with a donation function to external organizations for the support of children with intractable diseases and water aid for developing countries, and we also donate school bags, stationery, toys, second-hand clothes, etc. to local people. We have been running the TABLE FOR TWO program, which provides school meals to developing countries, since 2009.



Donation of second-hand clothes (India)

\* FY2024 result: 200,000 meals provided per year

### Spending on social contribution activities

Our spending on social contribution activities is classified into the three categories shown on the right, with reference to the framework of the international guidelines Business for Societal Impact (B4SI).

	(Million yen)
<b>Charitable donations</b>	<b>90</b>
<b>Community investment</b>	<b>885</b>
<b>Commercial initiative</b>	<b>1,433</b>
<b>Total</b>	<b>2,408</b>

## Performance Data (Social)

### Companies in the scope of reporting and data coverage

<b>AISIN</b>	<b>30.5%</b>	<b>Coverage calculation method</b>  Coverage (%) = $\frac{\text{Number of permanent employees of companies in the scope of reporting}}{\text{Number of permanent employees of AISIN Group (AISIN Corporation and its consolidated subsidiaries)}} \times 100$
<b>4 Group companies</b>	<b>37.4%</b>	
<b>12 Group companies</b>	<b>46.5%</b>	
<b>Consolidated companies</b>	<b>100%</b>	

<b>4 Group companies</b>	AISIN, AISIN Takaoka, AISIN Chemical, and ADVICS
<b>12 Group companies</b>	AISIN, AISIN Takaoka, AISIN Chemical, AISIN Keikinzoku, AISIN Development, AISIN Kiko, AISIN Sin'ei, AISIN Fukui, Hosei Brake Industry, ADVICS, AISIN Shiroki, and Art Metal Mfg.

Figures as of March 31 in each fiscal year

Item		Unit	FY2020	FY2021	FY2022	FY2023	FY2024
<b>Number of employees</b> *1	AISIN	persons	14,986	15,493	36,489	35,610	35,099
	Consolidated		119,535	118,359	117,177	116,649	115,140
		Male	13,356	13,418	33,467	32,677	32,351
		Female	1,987	2,073	4,377	4,331	4,383
		Percentage of female employees	13.0	13.4	11.6	11.7	11.9
	Consolidated	Male	-	-	97,754	97,445	97,278
		Female	-	-	19,989	20,216	21,033
		Percentage of female employees	-	-	17.1	17.2	17.8
		Under 30	-	-	23.6	21.5	19.6
		30 to under 50	-	-	59.3	60.1	60.3
<b>Number of permanent employees</b>		50 or older	-	-	17.1	18.4	20.1
		Under 30	-	-	23.7	22.4	20.9
		30 to under 50	-	-	56.9	58.9	58.8
		50 or older	-	-	17.5	19.0	20.3
		Male	2,809	2,948	10,826	10,624	10,810
		Female	618	673	1,258	1,262	1,344
		Percentage of mid-career employees	22.3	23.4	31.9	32.1	33.1
		Male	-	-	11,907	11,614	11,838
		Female	-	-	1,355	1,357	1,468
		Percentage of mid-career employees	-	-	28.7	28.6	29.4

(Note) 4 companies from FY2022 onwards = AISIN, AISIN Takaoka, AISIN Chemical, and ADVICS 5 companies in and before FY2021 = AISIN Seiki, AISIN Takaoka, AISIN Chemical, AISIN AW, and ADVICS

\*1 Number of employees: The number of employees refers to the number of people working at AISIN (excluding employees on secondment from AISIN to other companies, and including employees on secondment from other companies to AISIN. The information is disclosed in our Securities Reports.)



## Performance Data (Social)

Item			Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Number of employees through regular recruitment	General administrative positions	Male	persons	16	19	8	15	19
		Female	persons	7	10	8	8	11
		Percentage of female employees	%	30.4	34.5	50.0	34.8	36.7
	General technical positions	Male	persons	135	106	114	107	146
		Female	persons	12	14	15	26	25
		Percentage of female employees	%	8.2	11.7	11.6	19.5	14.6
	Skilled positions	Male	persons	326	250	151	141	138
		Female	persons	69	54	32	40	41
		Percentage of female employees	%	17.5	17.8	17.5	22.1	22.9
	General office work	Male	persons	0	0	0	1	0
		Female	persons	13	13	1	0	7
		Percentage of female employees	%	100.0	100.0	100.0	0.0	100.0
	General administrative positions	Male	persons	57	40	16	24	29
		Female	persons	29	20	12	15	23
		Percentage of female employees	%	33.7	33.3	42.9	38.5	44.2
	General technical positions	Male	persons	404	251	153	167	203
		Female	persons	39	27	24	32	31
		Percentage of female employees	%	8.8	9.7	13.6	16.1	13.2
	Skilled positions	Male	persons	1,382	754	304	304	289
		Female	persons	356	146	72	78	76
		Percentage of female employees	%	20.5	16.2	19.1	20.4	20.8
	General office work	Male	persons	0	0	2	2	1
		Female	persons	26	17	1	0	7
		Percentage of female employees	%	100.0	100.0	33.3	0.0	87.5
Number of employees through mid-career recruitment	Percentage of mid-career recruitment among total recruitment	Male	persons	127	138	79	111	97
		Female	persons	31	49	14	28	12
		Percentage of female employees	%	19.6	26.2	15.1	20.1	11.0
		Percentage of mid-career recruitment	%	21.5	28.6	22.0	29.1	22.0
	Percentage of mid-career recruitment	Male	persons	160	168	114	156	238
		Female	persons	38	54	18	36	67
		Percentage of female employees	%	19.2	24.3	13.6	18.8	22.0
		Percentage of mid-career recruitment	%	7.9	15.0	18.4	23.6	31.6
Investment in human resources	Annual training hours per employee	AISIN	hours	40.9	56.3	39.7	46.0	48.3
		4 companies	hours	31.3	38.8	38.5	43.9	45.5
	Total hours of employee training	AISIN	hours	627,637	872,787	1,503,028	1,701,289	1,721,060
		4 companies	hours	1,399,237	1,784,911	1,750,754	1,961,521	1,987,271
	Annual training days per employee	AISIN	days	5.1	7.0	5.0	5.8	6.0
		4 companies	days	3.9	4.8	4.8	5.5	5.7
Job satisfaction (engagement)	Total training cost	AISIN	yen	368,450,000	418,649,000	720,087,000	760,482,000	742,274,500
		4 companies	yen	-	-	977,405,174	1,009,454,417	1,055,929,916
	Job satisfaction (according to results of employee awareness survey)*2	AISIN	Average	3.5	3.5	3.4	3.4	3.4
		4 companies	Average	3.4	3.4	3.4	3.4	3.4
		12 companies	Average	-	-	3.4	3.4	3.4
	Turnover (voluntary resignation)	AISIN	%	1.3	1.3	1.8	1.9	1.9
		4 companies	%	1.8	1.6	1.8	1.8	2.0

\*2 Job satisfaction (according to results of an employee awareness survey): Evaluated on a 5-point scale. Job satisfaction is measured by questions about "job fulfillment" and "job adaptability."



## Performance Data (Social)

Item				Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Diversity and inclusion	Percentage of female Executive Management* <sup>3</sup>	Executive Management	Male	persons	13	10	9	9	9
			Female	persons	1	3	3	3	3
			Percentage of female employees	%	7.1	23.1	25.0	25.0	25.0
	Percentage of female managers	Department heads	Male	persons	539	546	1,157	1,161	1,129
			Female	persons	13	17	25	27	28
			Percentage of female employees	%	2.36	3.02	2.12	2.27	2.42
	Percentage of female team heads	Section heads	Male	persons	1,639	1,710	3,314	3,458	3,655
			Female	persons	56	59	95	103	111
			Percentage of female employees	%	3.30	3.34	2.79	2.89	2.95
	Percentage of female Executive Management* <sup>4</sup>	Management staff	Male	persons	2,178	2,256	4,471	4,619	4,784
			Female	persons	69	76	120	130	139
			Percentage of female employees	%	3.07	3.26	2.61	2.74	2.82
	Percentage of female managers	Team heads	Male	persons	3,641	3,807	5,712	5,800	5,818
			Female	persons	175	200	229	292	322
			Percentage of female employees	%	4.59	4.99	3.85	4.79	5.24
	Percentage of female team heads	Department heads	Male	persons	1,378	1,409	1,440	1,466	1,416
			Female	persons	13	21	27	29	30
			Percentage of female employees	%	0.93	1.47	1.84	1.94	2.07
	Percentage of female Executive Management* <sup>4</sup>	Section heads	Male	persons	3,467	3,654	3,718	4,029	4,247
			Female	persons	74	83	104	112	123
			Percentage of female employees	%	2.09	2.22	2.72	2.70	2.81
	Percentage of female managers	Management staff	Male	persons	4,845	5,063	5,158	5,495	5,663
			Female	persons	87	104	131	141	153
			Percentage of female employees	%	1.76	2.01	2.48	2.50	2.63
	Percentage of female team heads	Team heads	Male	persons	-	-	6,786	6,930	6,994
			Female	persons	-	-	255	333	371
			Percentage of female employees	%	-	-	3.62	4.58	5.04
	Percentage of female Executive Management* <sup>4</sup>	Executive Management	Male	persons	-	-	529	527	485
			Female	persons	-	-	10	12	10
			Percentage of female employees	%	-	-	1.9	2.2	2.0
	Percentage of female managers	Department heads	Male	persons	-	-	2,917	2,969	2,809
			Female	persons	-	-	148	155	151
			Percentage of female employees	%	-	-	4.8	5.0	5.1
	Percentage of female team heads	Section heads	Male	persons	-	-	6,241	6,559	6,540
			Female	persons	-	-	459	509	473
			Percentage of female employees	%	-	-	6.9	7.2	6.7
	Percentage of female Executive Management* <sup>4</sup>	Management staff	Male	persons	-	-	9,158	9,528	9,349
			Female	persons	-	-	607	664	624
			Percentage of female employees	%	-	-	6.2	6.5	6.3

\*3 Percentage of female Executive Management (non-consolidated): Members of the Board of Directors and Audit & Supervisory Board Members. The information is disclosed in our Securities Reports.

\*4 Percentage of female Executive Management (consolidated): Number of domestic companies in the scope: 73, number of overseas companies in the scope: 115. Presidents, Executive Vice Presidents and Members of the Board of Directors.

## Performance Data (Social)

Item			Unit	FY2020	FY2021	FY2022	FY2023	FY2024	
Diversity and inclusion	Number of newly appointed managers	AISIN	Male	persons	-	-	361	380	443
			Female		-	-	29	13	15
			Percentage of female employees	%	-	-	7.4	3.3	3.28
		4 companies	Male	persons	-	-	408	442	510
			Female		-	-	31	13	19
			Percentage of female employees	%	-	-	7.1	2.9	3.59
	Percentage of mid-career employees in management positions	AISIN	Number of male mid-career managers	persons	558	596	1,027	1,083	1,130
			Number of female mid-career managers		18	21	28	31	32
			Percentage of mid-career employees in management positions	%	25.6	26.5	23.0	23.5	23.6
		4 companies	Number of male mid-career managers	persons	-	-	1,140	1,206	1,271
			Number of female mid-career managers		-	-	31	34	35
			Percentage of mid-career employees in management positions	%	-	-	22.1	22.0	22.5
	Difference in wages between male and female workers <sup>*5</sup>	AISIN	All employees		-	-	-	74.9	68.6
			Of which, regular workers	%	-	-	-	76.2	68.8
			Of which, part-time and fixed-term employees		-	-	-	80.1	82.3
	Percentage of local employees among executives (Executive Vice President level and above) at overseas subsidiaries <sup>*6</sup>	AISIN <sup>*7</sup>	Local employees	persons	73	87	71	75	74
			Number of posts	posts	222	243	208	217	219
			Percentage of local employees	%	32.9	35.8	34.1	34.6	33.8
		Consolidated	Local employees	persons	112	122	106	110	109
			Number of posts	posts	337	337	304	318	317
			Percentage of local employees	%	33.2	36.2	34.9	34.6	34.4
	Percentage of union membership in AISIN Group companies operating in countries that have AISIN Group companies with worker's unions	Countries where AISIN Group companies with worker's unions are located among the countries where AISIN Group companies are located (12/21)	%	-	92.2	94.9	97.6	93.7	
	Re-employment rate	AISIN	Employees with advanced qualifications		73.3	75.3	82.9	78.7	81.6
			Employees with general qualifications		83.2	75.8	85.4	78.3	84.0
			Whole	%	79.4	75.6	84.6	78.5	83.1
		4 companies	Employees with advanced qualifications		76.5	83.0	84.3	80.9	80.7
			Employees with general qualifications		89.5	80.6	84.3	78.2	84.7
			Whole		85.5	81.5	84.3	79.4	83.3
Hiring of employees with disabilities	AISIN		persons	244	296	687	702	713	
			%	2.16	2.37	2.41	2.49	2.57	
	4 companies		persons	780	857	855	872	893	
			%	2.16	2.32	2.42	2.48	2.55	
	Employment rate at "Special Subsidiaries" (a system in Japan to provide special accommodations for people with disabilities) <sup>*8</sup>			%	-	2.37	2.50	2.61	2.71
	(Reference: Statutory employment rates)			%	2.2	2.2	2.3	2.3	2.3

\*<sup>5</sup> Difference in wages between male and female workers: Calculated based on the provisions of the Japanese law "Act on the Promotion of Women's Active Engagement in Professional Life" (Act No. 64 of 2015). The main reason for the wage disparity among regular workers is the difference in the composition ratio by occupational qualification. There is no difference in standard wages by occupational qualification. However, a disparity exists in the average wage of all regular employees since more women join us, which has lowered the average age.

\*<sup>6</sup> Percentage of local employees among executives (Executive Vice President level and above) at overseas subsidiaries: Number of overseas companies in the scope: 115. Presidents, Executive Vice Presidents and Members of the Board of Directors.

\*<sup>7</sup> Non-consolidated: 73 AISIN overseas subsidiaries

\*<sup>8</sup> Employment rate at "Special Subsidiaries": Companies in the scope of "Special Subsidiaries" are shown below: Companies in the scope from FY2021 to FY2022: AISIN Wellsmile, AISIN, and AISIN Collabo Companies in the scope in FY2023: AISIN Wellsmile, AISIN, AISIN Collabo, AISIN Takaoka, AISIN Chemical, and ADVICS.

## Performance Data (Social)

Item			Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Work-life balance	Total working hours	AISIN	hours	2,061	1,930	1,990	1,984	2,033
		4 companies		2,071	1,941	1,998	1,990	2,035
	Percentage of paid leave taken* <sup>9</sup>	AISIN	%	98.7	98.0	95.4	101.0	94.0
		4 companies		95.9	95.6	95.3	100.7	93.8
	Average number of years worked	AISIN	Male	16.2	16.5	16.2	16.2	16.7
			Female	12.9	13.1	12.7	12.7	13.4
			Whole	15.8	16.0	15.8	15.8	16.4
		4 companies	Male	15.3	15.6	16.3	16.4	16.6
			Female	10.4	10.8	11.6	12.0	13.0
			Whole	14.8	15.0	15.8	15.9	16.2
	Average non-statutory working hours per month* <sup>10</sup>		hours	25.0	16.2	21.0	21.3	24.3
	Percentage of male employees taking childcare leave* <sup>11</sup>			8.7	12.2	17.2	34.0	50.4
	Percentage of male employees taking childcare leave and holidays for childcare purposes* <sup>12</sup>	AISIN	%	-	-	-	95.7	95.8
	Achievement rate of the target of ensuring that all male employees with a baby take paternity leave* <sup>13</sup>			-	100.0	100.0	100.0	100.0
	Percentage of male employees taking childcare leave			-	21.1	17.9	33.2	49.7
	Percentage of male employees taking childcare leave and holidays for childcare purposes	4 companies	%	-	-	-	95.5	95.7
	Ratio of achievement of the target of ensuring that all male employees with a baby take paternity leave			-	-	100.0	99.6	98.3
	Number of employees working reduced hours to accommodate childcare	AISIN	Male	153	118	427	412	437
			Female	409	409	837	874	978
			Total	562	527	1,264	1,286	1,415
		4 companies	Male	190	162	453	480	512
			Female	848	907	974	1,012	1,139
			Total	1,038	1,069	1,427	1,492	1,651
	Number of employees using family-care leave support systems	AISIN	Male	1	2	10	4	12
			Female	5	4	3	9	4
			Total	6	6	13	13	16
		4 companies	Male	11	6	12	8	14
			Female	16	12	4	9	6
			Total	27	18	16	17	20

\*<sup>9</sup> Percentage of paid leave taken: The denominator is the number of days granted in a single year. In addition to the number of days of paid leave taken, the numerator also includes the number of days taken for Anshin (secured) holidays (a system that allows an employee to accumulate up to 20 days of expiring paid leave and use them for personal injury or illness, nursing care, or childbirth and childcare).

\*<sup>10</sup> Average non-statutory working hours per month: The average for union members

\*<sup>11</sup> Percentage of male employees taking childcare leave: From FY2019 to FY2022, those who took childcare leave in the relevant fiscal year were counted. Starting in FY2023, based on the provisions of the Japanese law "Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members" (Act No. 76 of 1991), the rate of childcare leave, etc. taken is calculated under Article 71-4, Item 1 of the "Ordinance for Enforcement of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members" (Ordinance of the Ministry of Labour No. 25 of 1991).

\*<sup>12</sup> Percentage of male employees taking childcare leave and holidays for childcare purposes: The percentage of male employees taking childcare leave and holidays for childcare purposes is calculated under Article 71-4, Item 2 of the "Ordinance for Enforcement of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members" (Ordinance of the Ministry of Labour No. 25 of 1991), based on the provisions of the Japanese law "Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members" (Act No. 76 of 1991). The percentage may exceed 100% if there are male workers who took childcare leave or holidays for childcare purposes in a different year from the year in which their spouses gave birth. Holidays for childcare purposes include special leave (a system that allows a father of children below two years of age to take five days of leave per child to attend his wife's childbirth and/or take care of their children) and Anshin (secured) holidays.

\*<sup>13</sup> Achievement rate of the target of ensuring that all male employees with a baby take paternity leave: Paternity leave means childcare leave and holidays for childcare purposes (special leave and Anshin (secured) holidays).

## Performance Data (Social)

Item			Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Social dialogues	Number of labor-management meetings with Worker’s Union	AISIN	times	19	35	43	48	41
Employee stock ownership plan status	Percentage of employees eligible to join the employee stock ownership plan*14	Consolidated	%	-	-	-	-	56.3
	Number of employees who are members of the employee stock ownership plan		persons	-	-	-	-	18,832
	Occupational health and safety management system introduction rate	AISIN	%	-	-	100	100	100
Occupational health and safety	ISO 45001 certification acquisition rate*15			-	-	-	26.5	26.5
	Number of serious accidents involving workers (including temporary employees)	Consolidated		0	0	0	0	0
	Number of serious accidents involving partner companies and external construction contractors		cases	1	0	0	0	0
	Number of STOP6 accidents resulting in lost work*16		cases	15	13	15	14	16
	Frequency rate of disabling injuries involving workers (including temporary employees)*17	12 companies	%	0.08	0.07	0.14	0.17	0.15
	Number of accidents resulting in lost work involving workers (including temporary employees)		cases	11	10	18	22	20
	Severity ratio of accidents involving workers (including temporary employees)*18	AISIN	%	-	0	0.01	0.01	0
	Number of fires			44	48	46	64	63
	Number of sick leave cases	Consolidated	cases	-	4 (AISIN)*19	3 (AISIN)*19	3 (Domestic companies)*19	3 (Domestic companies)*19
	Number of participants in safety and sanitation education*20	AISIN	persons	7,955	2,847	7,720	11,623	12,928

\*14 Calculation method of the percentage of employees eligible to join the employee stock ownership plan

$$\text{Percentage of employees eligible to join the employee stock ownership plan (\%)} = \frac{\text{Number of permanent employees eligible to join the employee stock ownership plan}}{\text{Number of permanent employees of AISIN Group (AISIN Corporation and its consolidated subsidiaries)}} \times 100$$

\*15 Among production companies

\*16 Accidents that may lead to serious accidents (Getting caught in machinery, contact with heavy objects, contact with vehicles, falls, electrocution, and burns)

\*17 Frequency rate of disabling injuries = (number of deaths and injuries / Total number of actual working hours) x 1,000,000

\*18 Severity ratio of accidents = (Total number of work days lost / Total number of actual working hours) x 1,000

\*19 The companies in parentheses indicate the scope for the relevant fiscal year.

\*20 Number of participants in education provided at the AISIN Safety and Sanitation Education Center

# Corporate Governance

## Basic stance

Under its Group Philosophy, AISIN builds strong relationships with all of its stakeholders and achieves steady long-term growth and expansion to maximize corporate value. In order to accomplish this, we believe that it is important to conduct our business activities in a fair and transparent way in order to be a trusted corporate citizen in the international community. We strive to enhance corporate governance based on the following basic policy.

## Policy

1. The AISIN Group respects the rights of shareholders, ensures shareholder equality, and endeavors to create a suitable environment for ensuring the appropriate exercise and protection of rights.
2. The AISIN Group endeavors to cooperate with other stakeholders aside from shareholders (customers, suppliers, employees, and members of local communities, etc.) with sincerity and integrity, based on common sense and social values.
3. The AISIN Group discloses information appropriately in accordance with applicable laws and endeavors to proactively communicate information other than that disclosed in accordance with such laws and to ensure transparency in its activities.
4. In order to ensure transparency, fairness, and agility in its decision making, the AISIN Group endeavors to ensure appropriate execution of the roles and responsibilities of its Board of Directors.
5. The AISIN Group endeavors to hold constructive dialogues with its shareholders, based on a shared directionality for stable long-term growth.

 Corporate Governance Report

## Initiatives to enhance corporate governance

AISIN has been advancing initiatives to further enhance its corporate governance in view of changes in its business and management environment and other factors.

In April 2022, with the aim of expediting and improving our management decision-making and execution of business operations, the responsibilities of the Executive Vice President class were abolished, and their authority were transferred to Presidents and Executive General Managers, thereby reducing the decision-making steps in the executive structure. Furthermore, appointed from among Corporate Officers, CxOs have been established as chief executives responsible for driving key management issues across the entire company and assisting the president from a bird's-eye view of the entire group. At present, five CxOs have been appointed.

In June 2022, we reduced the number of Internal Directors by one, leaving a total of eight Directors (including three Independent Outside Directors), with a view to improve objectivity and transparency in management decision-making.

We will continue to strive to improve the efficiency of our corporate governance structure to enhance our value as a company.

### Reform of corporate governance structure

FY	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Number of Executives (persons)	53	50	51	50	32	29	31	26	23	<b>22</b>
Number of Directors (persons)	14	13	14	14	9	9	9	8	8	<b>8</b>
Portion of Outside Directors (persons)	2	3	3	3	3	3	4	4	4	<b>4</b>
Portion of Women (persons)		1	1	1	1	1	1	1	1	<b>1</b>
Number of Audit & Supervisory Board Members (persons)	5	5	5	5	5	5	4	4	4	<b>4</b>
Portion of Outside Audit & Supervisory Board Members (persons)	3	3	3	3	3	3	2	2	2	<b>2</b>
Portion of Women (persons)							2	2	2	<b>2</b>
Separation of management and execution	June 2005	- Directors (responsible for decision-making and management supervision) and Corporate Officers (responsible for execution of business operations) were separated to clarify their roles.								
	June 2014	- Outside Directors were appointed.								
	January and March 2016	- The Executive Personnel Committee and the Compensation Committee were established.								
	June 2023	- The Chair of the Executive Nomination & Compensation Committee was selected from among Independent Outside Directors.								
	April 2022	- Responsibilities of the Executive Vice President class were abolished and transferred to Executive General Managers. - CxOs were newly established.								

## Corporate Governance

### Corporate governance structure

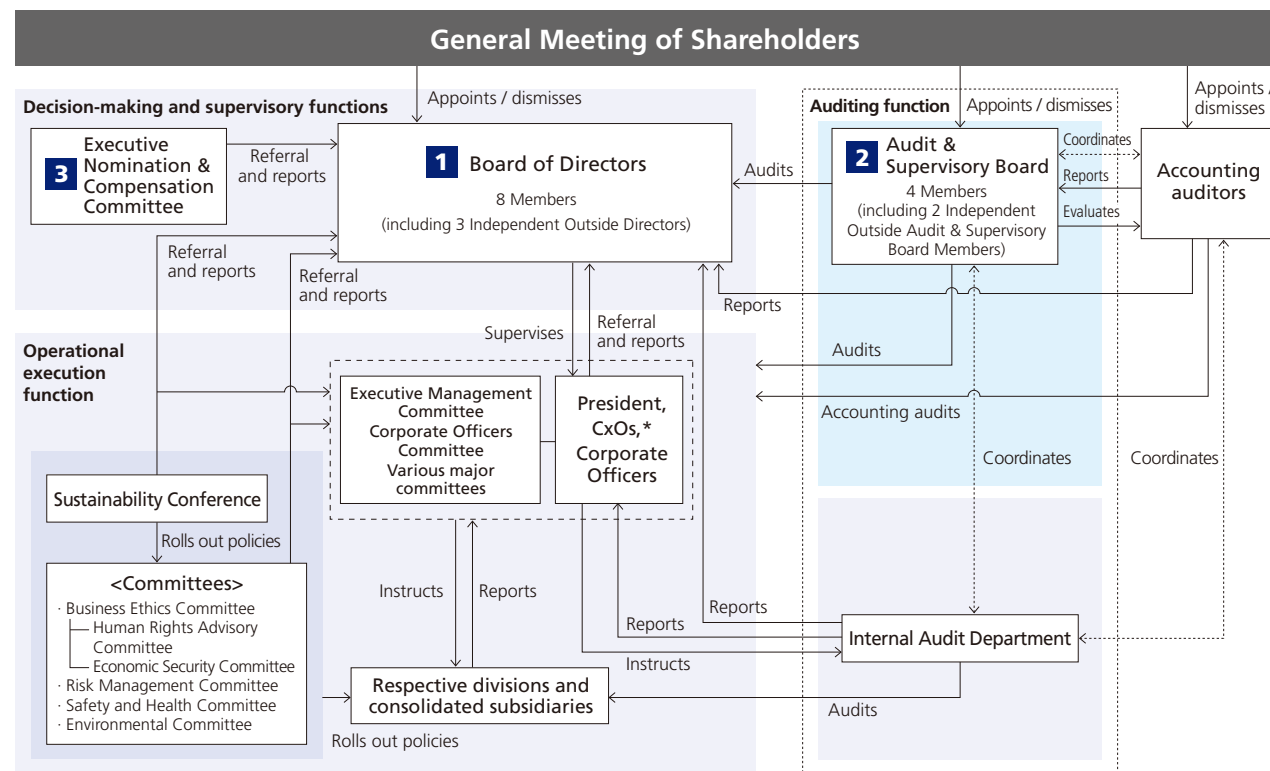
Under our Audit & Supervisory Board Member system, we are working to strengthen the supervision of Directors and Corporate Officers in their execution of their duties. While taking advantage of the strengths of the Audit & Supervisory Board Member structure, including supervision by the Board of Directors, at least one-third of which is composed of Independent Outside Directors, the independence and independent appointment of Audit & Supervisory Board

Members, and the appointment of full-time Audit & Supervisory Board Members, the Audit & Supervisory Board, half of which is composed of Independent Outside Audit & Supervisory Board Members, conducts audits. Furthermore, independence and objectivity in the nomination and compensation of Directors and Corporate Officers is enhanced by review and deliberation by the Executive Nomination & Compensation Committee, which is chaired by an Independent Outside Director and in

which Independent Outside Directors account for the majority, prior to submission to the Board of Directors.

In addition to making timely and appropriate management decisions based on business characteristics and on-site situations, AISIN believes that it is important to build a structure that continuously checks whether the management decisions are supported by various stakeholders and meet their expectations.

### Corporate governance structure



\*CxOs: Appointed from among Corporate Officers, CxOs are the chief executives responsible for promoting key management issues across the entire company and assisting the President from a bird's-eye view of the entire group.

#### 1 Board of Directors

The Board of Directors is responsible for deciding on important management matters of AISIN and the AISIN Group and overseeing the execution of business operations.

Number of meetings: 13 per year

#### 2 Audit & Supervisory Board

In addition to auditing Directors' execution of duties, the Audit & Supervisory Board conducts hearings on the state of affairs in business divisions to examine whether business management and operations are being conducted properly.

Number of meetings: 14 per year

#### 3 Executive Nomination & Compensation Committee

This committee considers and establishes basic policies on our executive management system and framework in accordance with our vision and management policies. Proposed appointments and dismissals of Directors and Audit & Supervisory Board Members are deliberated in accordance with the basic policies. Based on a review of the compensation system and the policy for determining the individual compensation for Directors established by the Board, the Committee determines the amount of individual compensation in light of factors such as the Company's performance, job responsibilities and achievements.

Number of meetings: 4 per year



## Corporate Governance

### Members who attended meetings of the Board of Directors, Audit & Supervisory Board, and Executive Nomination & Compensation Committee

◎ Chair ○ Member in attendance

				Board of Directors	Audit & Supervisory Board	Executive Nomination & Compensation Committee
Members of the Board of Directors	President	Moritaka Yoshida		◎		○
	Director	Shintaro Ito		○		○
	Director	Yoshihisa Yamamoto		○		
	Director	Masahiro Nishikawa		○		
	Director	Michiyo Hamada	Outside Independent Female	○		◎
	Director	Seiichi Shin	Outside Independent	○		○
	Director	Koji Kobayashi	Outside	○		
	Director	Tsuguhiko Hoshino	Outside Independent	○		○
Audit & Supervisory Board Members	Audit & Supervisory Board Member	Makoto Mitsuya		○	◎	
	Audit & Supervisory Board Member	Kiyomi Kato	Female	○	○	
	Audit & Supervisory Board Members	Junko Ueda	Outside Independent Female	○	○	
	Audit & Supervisory Board Members	Katsuhiro Kashiwagi	Outside Independent	○	○	

Board of Directors: 8 members



Audit & Supervisory Board: 4 members



Executive Nomination & Compensation Committee: 5 members



### Expertise and experience of Directors and Audit & Supervisory Board Members (skills matrix)

	Corporate management	Environment and carbon neutrality	Human resources development	DX	Manufacturing (technology, production, quality)	Sales and procurement	Finance and accounting	Compliance and risk management	Global
Members of the Board of Directors	Moritaka Yoshida	○			○				○
	Shintaro Ito	○	○				○	○	○
	Yoshihisa Yamamoto	○	○		○				○
	Masahiro Nishikawa	○	○		○				○
	Michiyo Hamada							○	○
	Seiichi Shin			○	○				
	Koji Kobayashi	○				○	○	○	
	Tsuguhiko Hoshino						○	○	○
Audit & Supervisory Board Members	Makoto Mitsuya	○	○				○	○	○
	Kiyomi Kato						○	○	
	Junko Ueda							○	○
	Katsuhiro Kashiwagi						○		

## Corporate Governance

### Board of Directors and Audit & Supervisory Board Members

#### Policies and procedures for appointment and dismissal of Board of Directors and Audit & Supervisory Board Members

In order to achieve sustainable growth and medium- to long-term enhancement in corporate value and to ensure accurate, prompt and fair decision-making and appropriate supervision of management, AISIN's Board of Directors comprehensively considers various measures when deciding on the appointment and dismissal of Directors. These measures aim to optimize the balance of knowledge, experience and skills and include the appointment of several highly specialized Outside Directors from within and outside the industry and the appointment of Directors with a view to Group management by selecting those with extensive experience and broad insight at our domestic and overseas subsidiaries.

The procedure for nomination and appointment/dismissal entails the selection of candidates for Directors and Audit & Supervisory Board Members after review and deliberation by the Executive Nomination & Compensation Committee, which is chaired by an Independent Outside Director and in which Independent Outside Directors account for the majority, and subsequent submission to the Board of Directors. Decisions for Directors are made after deliberation at the General Meeting of Shareholders on the basis of an informal decision by the Board of Directors. Decisions for Audit & Supervisory Board Members are made after approval by the Audit & Supervisory Board and following deliberation at the General Meeting of Shareholders on the basis of an informal decision by the Board of Directors.

#### Expectations and roles of Independent Outside Directors

All Independent Outside Directors appointed by AISIN are expected to fulfill the following roles and responsibilities.

1. Supervise the management of our business from a standpoint independent from the management team by sounding the alarm and advising on risks at key decision-making meetings, such as Board meetings, and through deliberations on the nomination, reappointment and compensation of senior management.
  2. Apply specialized knowledge, extensive experience and other assets gained from previous careers to the management of our business.
  3. Oversee conflicts of interest between the company and parties such as its management team and controlling shareholders.
  4. Appropriately reflect the views of various stakeholders, such as shareholders, on the Board of Directors.
- In addition to the requirements for Outside Directors set forth in the Companies Act and the independence requirements set forth in the Financial Instruments and Exchange Act, when selecting Outside Director candidates, we place emphasis on a high level of expertise and breadth of experience that will enable the candidates to provide candid and constructive advice on the management of our business.

#### Support for outside executives

Based on the belief that the effective performance of the roles and responsibilities of Outside Directors and Outside Audit & Supervisory Board Members from an independent and objective standpoint is key to the management of our business, we take the following actions:

1. The criteria for submission to the Board of Directors are reviewed as necessary to narrow down the matters to be discussed in order to secure sufficient time for deliberation at Board meetings;
2. Matters to be submitted to the Board of Directors are individually briefed in advance by executives to Outside Directors and Outside Audit & Supervisory Board Members, and details of discussions at key internal meetings are shared to facilitate meaningful discussion at Board meetings;
3. We provide opportunities for Outside Directors and Outside Audit & Supervisory Board Members to learn about AISIN's business and visit our major business locations upon assuming office, as well as briefings and discussions on AISIN's business strategies, management environment and business risks both during and outside of Board meetings, on-site tours of plants and test courses, and meetings with Corporate Officers each year to promote understanding of our businesses and share issues.
4. We assign certain staff members to the Corporate Planning Department and Audit & Supervisory Board Office to communicate and coordinate with Outside Directors and Outside Audit & Supervisory Board Members in order to provide them with the necessary information.

## Corporate Governance

### Board of Directors

#### Evaluation of effectiveness of the Board of Directors

In order to improve the effectiveness of the Board of Directors, AISIN conducts an analysis and evaluation of the effectiveness of the Board of Directors every year. A summary of the effectiveness evaluation and results for FY2024 is as follows. In FY2024, in addition to interviews as in previous years, we conducted a third-party evaluation using a questionnaire.

Subject persons: All eight Board of Directors and four Audit & Supervisory Board Members

Evaluation method: 1. Third-party evaluation using a questionnaire  
2. Interview based on questionnaire results (Group interviews are conducted for Independent Outside Directors and Audit & Supervisory Board Members at the Independent Executives Meeting.)  
3. Based on the analysis results, the Board of Directors discusses issues and future measures.

Items evaluated: Size, composition and operation of the Board of Directors, support system for outside executives, composition and operation of the Executive Nomination & Compensation Committee, the improvement status of issues identified in the previous fiscal year's evaluation, etc.

Issues identified in the FY2023 evaluation of effectiveness	Initiatives implemented in FY2024
Securing more time for strategic discussions from a broader perspective.	▶ Discussions were carried out by systematically incorporating discussions on the future direction of the entire Group and each business, medium- to long-term strategies, risk management, etc.
Understanding the business and recognizing issues through broader on-site and hands-on opportunities.	▶ On-site, hands-on and on-the-spot opportunities were provided, such as visiting factories and business locations and Audit & Supervisory Board Members attending audits of subsidiaries.
Strengthening relationships and sharing recognition through dialogue and exchange among outside executives. Understanding the business and recognizing issues through dialogue and exchange between outside executives and executive staff.	▶ Established regular opportunities for opinion exchange among outside executives and between outside executives and Corporate Officers.

#### Overall evaluation for FY2024

The Board's effectiveness has improved from before, but the following issues were identified. Going forward, we will strive for effective governance by enhancing discussions at Board meetings and strengthening the Board's supervisory function.

Issues identified in FY2024	Future initiatives
Enhancing discussions at Board meetings.	▶ Discuss sustainability issues at Board meetings alongside discussions on the future direction of the entire Group and each business and medium- to long-term strategies.
Strengthening the Board of Directors' supervisory function.	▶ Regularize reporting by committees to the Board of Directors and reporting on internal audit results.
Discussions on AISIN's governance with an eye to the future.	▶ Regularize discussions by top management and Audit & Supervisory Board Members and consider succession plans using the Board of Directors' monitoring function and the skills matrix to create a clearer picture of the ideal Board of Directors.

#### Main agenda of Board meetings in FY2024 (Matters resolved and reported)

<b>Management strategy</b>	- Medium- and long-term strategy - Group management policy - Profit and investment plans - Balance sheet reform based on cost of capital and share price analyses - Reduction of cross-shareholdings
<b>Review of business strategies and portfolio</b>	- Progress of new businesses - Business strategies, alliances, joint development
<b>Sustainability, ESG</b>	- Status of internal control and compliance - The state of the personnel system and measures and issues for the future - Results and issues of the effectiveness evaluation of the Board of Directors - Appointment and remuneration of executives (sustainability KPI determined as a calculation indicator)
<b>Others</b>	- Reporting on matters deliberated at the Executive Management Committee

## Corporate Governance

### Internal Control

#### Initiatives to strengthen internal control

We strive to strengthen internal control based on our Basic Policy on Internal Control, which was approved by the Board of Directors.

Specifically, the Business Ethics Committee and the Risk Management Committee, in which major Group companies participate, formulate and implement action policies and ensure their dissemination through various kinds of guidance and training, while the internal audit departments conduct on-site and hands-on verification of their effectiveness through audit activities.

#### Internal auditing department

To ensure the independence of internal audits, AISIN's Internal Audit Department reports directly to the Executive Vice President.

The Internal Audit Department conducts on-site audits of the overall status of the development and operation of the internal control system, including the legal compliance of the operations of AISIN and its domestic and overseas subsidiaries and the adequacy of business management and procedures. The audit results are reported to top management, which is the President and Executive Vice President, as well as to the Board of Directors and the Audit & Supervisory Board, which have oversight responsibilities.

In addition, the department shares information and cooperates with Audit & Supervisory Board Members and accounting auditors to improve the quality and effectiveness of the audits.

In addition to periodic audits in accordance with Group-wide audit standards, internal audits are performed on key themes selected on a risk-based approach in accordance with the Internal Audit Rules and the annual audit plan.

The Internal Audit Department not only points out deficiencies in its audit results but also makes suggestions for improvement from a fair and objective standpoint, based on the audit results, and monitors the status of improvement. It also shares its audit results and risk assessment with internal control departments, such as Legal, Accounting, Human Resources and Procurement, to support improvement activities in the departments and Group companies. Through internal audit activities, we aim to strengthen internal control by encouraging departments and Group companies to voluntarily implement the PDCA cycle for improvement.

#### Major internal auditing initiatives

##### Thematic audits, affiliate audits

Based on audit themes selected on a risk-based approach, audits of certain control platforms (thematic audits) are performed, targeting AISIN and AISIN Group companies. For Group companies, audits of their control platforms for overall operations are performed on a four-year rotation cycle (affiliate audits). Suggestions for improvement are made to the audited companies based on the audit results, and improvement plans and status are reviewed to increase the effectiveness of the audits (implemented on 74 companies in FY2024).

##### Audits based on the internal control reporting system

In accordance with the "Practice Standards for Management Assessment and Audit concerning Internal Control Over Financial Reporting" issued by the Financial Services Agency, internal audits are conducted on the status of the development and operation of internal controls. The target companies are selected from among AISIN Group companies in consultation with the audit firm, taking into account their importance for the reliability of financial reporting. Deeming the internal controls over financial reporting of the AISIN Group to be effective as of the fiscal year ended March 2024, we filed an internal control report in June 2024. The audit firm has filed an audit report stating that the results of the internal auditor's audit were adequate.

## Corporate Governance

## Audit &amp; Supervisory Board Members

## Responsibilities of Audit &amp; Supervisory Board Members

As an independent organ authorized by shareholders, the Audit & Supervisory Board audits the execution of duties by Directors, thereby aiming to help establish a good corporate governance structure that ensures the sound and sustainable growth of the company and responds to the trust of society. Audit & Supervisory Board Members take necessary action, such as expressing opinions, including advice and recommendations, to Directors, etc. in a timely manner, endeavor to maintain an independent stance, always maintain a fair and unbiased attitude, and conduct audits in an on-site, hands-on approach based on their own principles.

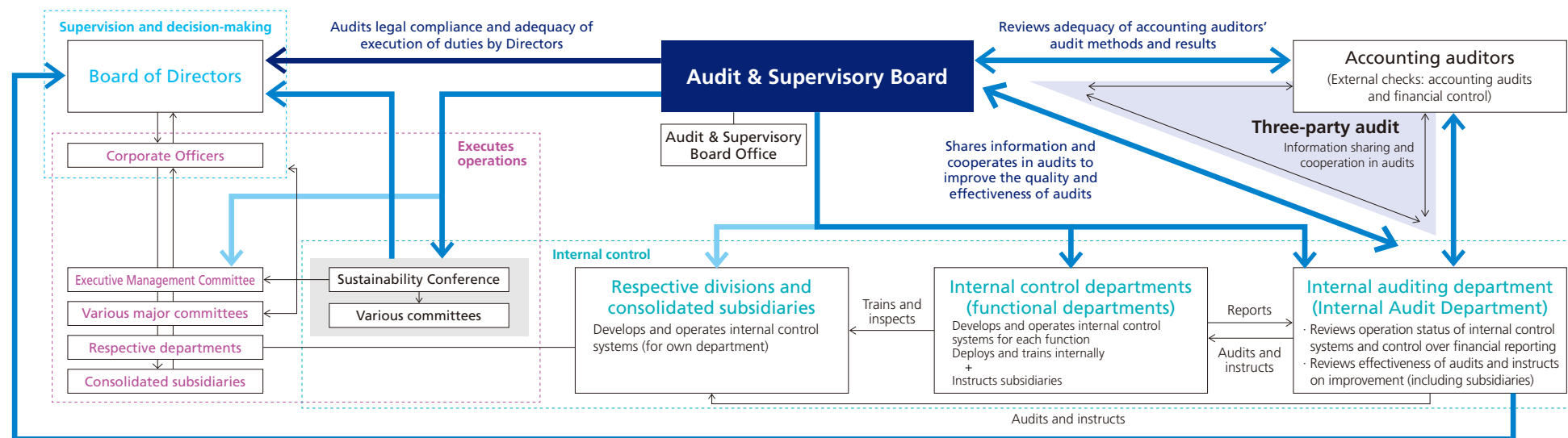
## Activities of the Audit &amp; Supervisory Board and its members

The Audit & Supervisory Board is composed of four members, two Audit & Supervisory Board Members and two Independent Outside Audit & Supervisory Board Members, who meet once a month in principle. Based on auditing policies and audit plans established at Audit & Supervisory Board Meetings, Audit & Supervisory Board Members audit the work of Directors and the operations of AISIN and its subsidiaries to verify legal compliance and adequacy and the reliability of our financial reports by attending Board meetings and other key meetings, interviewing Directors and departments, and visiting domestic and overseas subsidiaries. The Audit & Supervisory Board Office is placed under the direct control of the Audit & Supervisory Board, to which dedicated staff are assigned to

support the work of Audit & Supervisory Board Members.

As for the status of operation of internal control systems, the internal control departments (functional departments) are audited on the basis of management indicators pre-formulated by the Audit & Supervisory Board Members. Audit & Supervisory Board Members share information with the internal auditing department (Internal Audit Department) through regular monthly opinion exchanges and, as necessary, cooperate with them in audits with the aim of improving the quality and effectiveness of the audits. Similarly, they regularly exchange information with accounting auditors while checking the adequacy of the methods and results of audits by accounting auditors.

## Structure of auditing by Audit &amp; Supervisory Board Members



**Companies Act/Financial Instruments and Exchange Act (J-SOX)**  
**Corporate Governance Code**

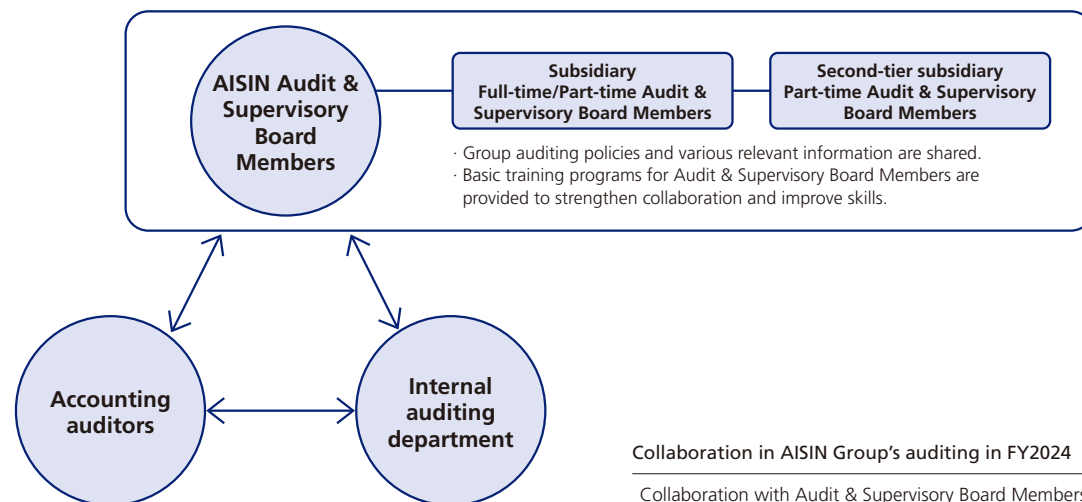
Risk management by ensuring the implementation of internal controls based on the law

A code of conduct to accelerate and increase the transparency of decision-making of a company, thereby increasing corporate value in the medium to long term

## Corporate Governance

### Audit & Supervisory Board Members

#### Collaboration in AISIN Group's auditing



The AISIN Group consists of as many as 73 companies in Japan and 122 overseas. To ensure full audit coverage throughout the Group, Audit & Supervisory Board Members are appointed at large subsidiaries, while at smaller subsidiaries, executives or employees of their parent companies are appointed as part-time Audit & Supervisory Board Members to ensure collaboration within the Group. Moreover, the internal auditing department, accounting auditors, and AISIN Group Audit & Supervisory Board Members work in collaboration through the following:

- aligning the understanding of audit plans (clarifying role-sharing, reviewing the efficiency and complementarity of audits);
- conducting audits and sharing information (audit results, risk information, etc.);
- checking improvement statuses; and
- reflecting feedback in audit policies and plans for the following year.

#### Collaboration in AISIN Group's auditing in FY2024

Collaboration with Audit & Supervisory Board Members of subsidiaries (AISIN Group Audit & Supervisory Board Members meetings, etc.)	9 times
Collaboration with the internal auditing department (regular opinion exchanges, reporting on subsidiary, J-SOX, thematic audits, etc.)	20 times
Collaboration with accounting auditors (regular opinion exchanges, reporting on plans and progress at Audit & Supervisory Board meetings, etc.)	23 times

#### Activities of the Audit & Supervisory Board and its members in FY2024

Attendance at Board meetings and other important meetings (meetings of the Board of Directors, Executive Management Committee, Sustainability Conference, etc.)	262 times
Meetings and interviews with executives and departments (President, Directors, CxOs, Corporate Officers, department heads, etc.)	182 times
Visits to domestic and overseas subsidiaries (14 overseas, 13 domestic)	27 companies



Visit to an overseas subsidiary

#### Priority initiatives implemented in FY2024

##### Strengthening sustainability and ESG audits

In recent years, stakeholders' expectations of companies have changed significantly, for example, companies are expected to comply with the Corporate Governance Code and to make efforts in the areas of sustainability and ESG (Environment, Society and Governance). In FY2024, the Audit & Supervisory Board Members set efforts in these areas as important matters to be reviewed and conducted audit activities. Through meetings with Directors and related departments and attendance at Sustainability Conference and Risk Management Committee meetings, the Audit & Supervisory Board Members proactively raise questions, make recommendations, and request improvements on the issues and concerns that have emerged from the Audit & Supervisory Board Members' perspective, such as meeting increasingly sophisticated sustainability disclosure demands, ensuring consistency with the company's growth strategy, and the status of achievement of priority issues (materiality), KPIs and targets for FY2031.



## Corporate Governance

### Audit & Supervisory Board Members

#### Collaboration between Audit & Supervisory Board Members, Outside Audit & Supervisory Board Members and Outside Directors

In FY2024, joint on-site audits of subsidiaries were conducted by Audit & Supervisory Board Members and Outside Directors. Through on-site and hands-on audits, efforts are made to encourage Audit & Supervisory Board Members, Outside Audit & Supervisory Board Members and Outside Directors to exchange opinions from their respective viewpoints and knowledge so that each can deepen their understanding of the business. Meanwhile, the further improvement of corporate governance of the entire AISIN Group is being pursued not only by strengthening mutual collaboration but also by mutual checks, including Audit & Supervisory Board Members checking whether Outside Directors perform their duties properly and Outside Directors checking whether Audit & Supervisory Board Members perform their audit work properly.



Joint on-site audit of a domestic subsidiary

#### COLUMN



**Katsuhiko Kashiwagi**

Outside Audit &  
Supervisory Board Member

For many years, I have worked for an audit firm where I have been involved in accounting audits and consulting as well as maintaining and improving audit quality and preventing, detecting and responding to accounting fraud. I believe that the area where I can make the greatest contribution as an Audit & Supervisory Board Member, using my knowledge and experience, is in the area of “defensive governance.” While I do my best to prevent fraud, it is difficult to eradicate it completely. It is important to detect and extinguish fires while they are still small. We work to achieve this through vigorous information gathering by Audit & Supervisory Board Members and through Outside Audit & Supervisory Board Members’ “realization” that is not bound by the company’s norms.

There is a famous line in a detective drama series that goes, “The incident takes place at the site of the crime.” A company’s growth and compliance issues take place at the site indeed. The desire of an outside executive is to listen as much as possible to the voices of those at the sites. In response, the opportunities for interaction with the sites have increased year after year. When we see employees in charge of the sites explain their targets and performance with sparkling eyes, we get a glimpse of the company’s culture and an impression that motivation at the sites is supporting the company’s growth. Inevitably, discussions at Board meetings about how to develop electrification in the future and how to take risks in new growth domains will be more heated than before. I will push the company from behind to enhance corporate value and strive to contribute to proactive corporate governance.

## Corporate Governance

### Executive Remuneration

#### Basic stance on executive remuneration

Our executive remuneration system is designed according to the following principles:

1. Remuneration shall motivate executives to work toward achieving our Group Philosophy and management policies.
2. Remuneration shall reflect the responsibilities, achievements, etc. of each executive.
3. Remuneration shall reflect the business environment and short-term and medium- to long-term performance of the AISIN Group and encourage executives to enhance corporate value and manage business from the same perspective as shareholders.

#### Executive remuneration structure

As Directors (other than Outside Directors) are in charge of executing the operations of the company, their remuneration comprises a fixed monthly remuneration along with performance-linked bonuses and share-based remuneration. Specifically, the percentages of monthly remuneration, bonus, and share-based remuneration to the base amount for Directors are set at roughly 40%, 30% and 30%, respectively. Higher percentages for performance-linked remuneration are set, depending on the Director's title.

As Outside Directors and Audit & Supervisory Board Members are responsible for providing supervision and advice on business management or auditing the performance of business from an independent standpoint, they receive only a monthly remuneration with no bonus or share-based remuneration.

##### Remuneration structure for Members of the Board of Directors (other than Outside Directors)

	Fixed remuneration	Performance-linked remuneration	
		Short-term	Long-term
Remuneration structure	Monthly remuneration 40%	Bonus 30%	Share-based remuneration 30%
Form of payment	Cash		Shares

Actual remuneration may differ from the above depending on the profit situation.

##### Policy of remuneration by type

##### Fixed remuneration (monthly remuneration)

- Remuneration for Directors reflects their responsibilities and achievements. Remuneration for Audit & Supervisory Board Members reflects their responsibilities.
- Monthly remuneration is paid regularly every month during the executive's tenure.

##### Performance-linked remuneration (bonus, share-based remuneration)

- To ensure a link with the company's performance and to stimulate motivation to increase corporate value over the medium to long term, consolidated operating profit and sustainability KPI are set as the calculation benchmarks.
- The evaluation weight and evaluation method of each benchmark are as follows. The payout ratio of performance-linked remuneration varies within a range of 0% to 150% depending on the evaluation result.

Benchmark	Evaluation weight	Evaluation method
Consolidated operating profit	90%	Evaluated on the basis of the degree of achievement in each fiscal year of the standard profit set for the sustainable growth of the company.
Sustainability KPI	10%	Evaluated on the basis of the degree of achievement of each fiscal year's targets for the calculation benchmarks selected from among the major KPIs that are widely related to society and employees as defined by the AISIN Group. *Benchmarks selected for FY2024: Reduction rate of production CO <sub>2</sub> emissions, job satisfaction

- The amount paid to each individual is determined on the basis of the company's performance in the fiscal year and the execution of duties by each executive.
- Performance-linked remuneration is paid once a year after the Annual General Meeting of Shareholders each fiscal year.
- Restricted stock remuneration is provided as an incentive to promote further sharing of value with shareholders and to sustainably enhance corporate value. For details of the system, see p. 53 of the [WEB](#) Securities Report.

## Corporate Governance

### Executive Remuneration

#### Executive remuneration levels

In order to verify objectivity and validity, the levels of total remuneration for Directors by position are determined each year by reference to levels at manufacturers similar in size, industry and business format to the company, through executive compensation surveys conducted by external research organizations.

#### Method of determining executive remuneration, etc.

To ensure objectivity and transparency in determining the amount and system of remuneration for Directors, we have established the Executive Nomination & Compensation Committee, which is chaired by an Independent Outside Director and in which Independent Outside Directors account for the majority.

The Board of Directors has approved the policy for determining individual Director remuneration and the total amount of remuneration for the fiscal year under review, as well as resolved to entrust the determination of individual remuneration amounts to the Executive Nomination &

Compensation Committee.

The Executive Nomination & Compensation Committee determines the individual remuneration amounts based on a review of the executive remuneration system and the policy for determining the remuneration for each Director established by the Board of Directors, taking into account factors such as company performance, job responsibilities and achievements.

The monthly remuneration for each Audit & Supervisory Board Member is decided upon discussion between Audit & Supervisory Board Members within the remuneration range determined at the General Meeting of Shareholders.

#### Remuneration amount for Members of the Board of Directors and Audit & Supervisory Board Members

Executive category	Total amount of remuneration, etc. (Million yen)	Totals for each type of remuneration (Million yen)			Number of recipients (persons)
		Fixed remuneration	Performance-linked remuneration		
		Monthly remuneration	Bonus	Share-based remuneration	
Members of the Board of Directors (portion of Outside Directors)	444 (57)	252 (57)	113 (-)	77 (-)	9 (5)
Audit & Supervisory Board Members (portion of Outside Members)	116 (24)	116 (24)	- (-)	- (-)	4 (2)
Total	560	369	113	77	13

- Notes: 1. The above figures include one Director (including one Outside Director) who retired at the conclusion of the 100th Annual General Meeting of Shareholders held on June 16, 2023.
2. Performance-linked remuneration indicates the amount resolved at the Board of Directors meeting held on May 27, 2024.
3. It was decided at the 96th Annual General Meeting of Shareholders held on June 18, 2019 that the total monthly remuneration and bonuses for Directors must be no greater than 600 million yen per year (with no more than 75 million yen paid to Outside Directors). The total amount of share-based remuneration was decided at the 101st Annual General Meeting of Shareholders held on June 19, 2024 to be no greater than 500 million yen per year.
4. It was decided at the 87th Annual General Meeting of Shareholders held on June 23, 2010 that the monthly remuneration for Audit & Supervisory Board Members must be no greater than 15 million yen per month.

## Corporate Governance

### Executive Management

#### Members of the Board of Directors

##### Moritaka Yoshida

Male  
President,  
Member of the Board  
of Directors



April 1980      Joined Toyota Motor Corporation  
June 2009      Managing Officer of Toyota Motor Corporation  
April 2014      Senior Managing Officer of Toyota Motor Corporation  
January 2018    Executive Vice President of Toyota Motor Corporation  
June 2020      Chairman of Toyota Central R&D Labs, Inc.  
June 2021      President & Member of the Board of Directors of AISIN Corporation (current role)

##### Reason for appointment

Mr. Yoshida has an extensive career that includes serving as President of the MSV Company and the Vehicle Development Center president, while also serving as Executive Vice President at Toyota Motor Corporation, and has experience as a management executive at Toyota Central R&D Labs, Inc. He has been serving as President of the Company since 2021 and brings a wealth of experience and wide-ranging insights in all areas of management.

Number of Board of Directors meetings attended	13/13 (100%)
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##### Shintaro Ito

Male  
Member of the Board  
of Directors



April 1983      Joined AISIN Seiki Co., Ltd.  
June 2010      Managing Officer of AISIN Seiki Co., Ltd.  
April 2017      Senior Managing Officer of AISIN Seiki Co., Ltd.  
April 2019      Senior Executive Officer of AISIN Seiki Co., Ltd.  
April 2021      Executive Vice President of AISIN Corporation  
June 2021      Member of the Board of Directors of AISIN Corporation (current role)  
April 2022      Senior Executive Officer of AISIN Corporation (current role)

##### Reason for appointment

Mr. Ito has worked primarily in the managerial administration sector of the Company and has management experience serving as top management of our overseas management company. He became Director and Executive Vice President in 2021 and currently serves as Director, Senior Executive Officer, Chief Administrative Officer and Executive Vice President. He brings a wealth of experience and wide-ranging insights in all areas of management.

Number of Board of Directors meetings attended	13/13 (100%)
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##### Yoshihisa Yamamoto

Male  
Member of the Board  
of Directors



April 1989      Joined AISIN AW Co., Ltd.  
April 2015      Officer of AISIN AW Co., Ltd.  
April 2020      Senior Managing Officer of AISIN AW Co., Ltd.  
April 2021      Executive Vice President of AISIN Corporation  
April 2022      Senior Executive Officer of AISIN Corporation (current role)  
June 2022      Member of the Board of Directors of AISIN Corporation (current role)

##### Reason for appointment

Mr. Yamamoto has worked primarily in the technology development field of Powertrain at the Company. He became Executive Vice President in 2021 and currently serves as Director, Senior Executive Officer and Chief Technology Strategy Officer. He brings a wealth of experience and wide-ranging insights in all areas of management and the technology development strategy of the Group.

Number of Board of Directors meetings attended	13/13 (100%)
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##### Masahiro Nishikawa

Male  
Member of the Board  
of Directors



April 1984      Joined AISIN Seiki Co., Ltd.  
June 2011      Managing Officer of AISIN Seiki Co., Ltd.  
April 2014      Senior Managing Officer of AISIN Seiki Co., Ltd.  
June 2017      Member of the Board of Directors of AISIN Seiki Co., Ltd.  
April 2019      Senior Executive Officer of AISIN Seiki Co., Ltd.  
April 2021      Senior Executive Officer of AISIN Corporation (current role)  
June 2024      Member of the Board of Directors of AISIN Corporation (current role)

##### Reason for appointment

Mr. Nishikawa has worked primarily in the production technology field for Body products at the Company. He became Senior Executive Officer in 2019 and currently serves as Director, Senior Executive Officer and Chief Carbon Neutral Officer. He brings a wealth of experience and wide-ranging insights in all areas of management as well as in *monozukuri* in Japan and overseas.

Number of Board of Directors meetings attended	—
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## Corporate Governance

## Executive Management

## Members of the Board of Directors



April 1974	Assistant Professor at Nagoya University's School of Law
April 1985	Professor at Nagoya University's School of Law
June 2004	Audit & Supervisory Board Member of AISIN Seiki Co., Ltd.
April 2008	Dean of Nagoya University's Graduate School of Law
April 2009	Member of the Japan Fair Trade Commission Professor Emeritus of Nagoya University (current role)
June 2014	Outside Auditor of Toho Gas Co., Ltd. Outside Auditor of Metropolitan Expressway Company Limited
June 2015	Outside Director of Sangetsu Corporation (current role)
June 2016	Member of the Board of Directors of AISIN Seiki Co., Ltd.
June 2020	Outside Director of Toho Gas Co., Ltd. (current role)
June 2021	Member of the Board of Directors of AISIN Corporation (current role)

**Reason for appointment**

Ms. Hamada has served as Professor at Nagoya University Faculty of Law, Commissioner of the Japan Fair Trade Commission, and outside officers of other companies. She brings a high level of expertise in the Companies Act and antitrust laws, as well as a wealth of experience and wide-ranging insights in corporate governance gained throughout her career.

Number of Board of Directors meetings attended	13/13 (100%)
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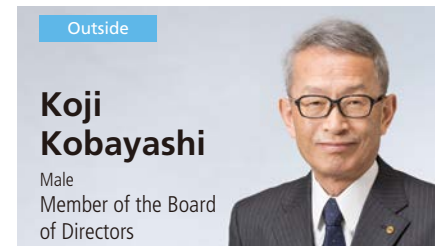


May 1988	Assistant Professor at the Institute of Information Sciences and Electronics of the University of Tsukuba
April 1992	Assistant Professor at the Faculty of Engineering of the University of Tokyo
April 1995	Assistant Professor at the Graduate School of Engineering of the University of Tokyo
April 1998	Assistant Professor at the affiliated Engineering Research Institute, School of Engineering, the University of Tokyo
March 2001	Director of the Society of Instrument and Control Engineers (SICE)
April 2006	Professor at the Faculty of Electro-Communications of the University of Electro-Communications
March 2012	Director and Vice-President of the Society of Instrument and Control Engineers (SICE)
March 2013	Chief Director of the Control System Security Center
April 2015	Director and President of the Society of Instrument and Control Engineers (SICE)
April 2015	Professor at the University of Electro-Communications Graduate School of Informatics and Engineering
April 2018	Dean of Informatics and Engineering at the University of Electro-Communications
April 2020	Emeritus Professor of the University of Electro-Communications (current role)
October 2020	Director of Canon Medical Systems Corporation Advanced Research Institute (current role)
June 2021	Member of the Board of Directors of AISIN Corporation (current role)

**Reason for appointment**

Mr. Shin has held positions including Professor at the University of Electro-Communications Graduate School of Informatics and Engineering. He brings a high level of expertise centered on metrology and control engineering as well as wide-ranging insights gained throughout his career.

Number of Board of Directors meetings attended	13/13 (100%)
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April 1972	Joined Toyota Motor Corporation
June 2004	Executive Director of DENSO Corporation
June 2015	Vice Chairman of DENSO Corporation
February 2016	Advisor of Toyota Motor Corporation
January 2018	Executive Vice President of Toyota Motor Corporation Director of DENSO Corporation
June 2018	Director and Executive Vice President of Toyota Motor Corporation
June 2021	Member of the Board of Directors of AISIN Corporation (current role)
April 2023	"Banto" and Executive Fellow of Toyota Motor Corporation (current role)

**Reason for appointment**

Mr. Kobayashi has many years of management experience at companies in the automotive industry, such as Toyota Motor Corporation, and brings a wealth of experience and wide-ranging insights as a manager.

Number of Board of Directors meetings attended	13/13 (100%)
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April 1983	Joined Ministry of Finance
July 2011	Deputy Director-General of the Minister's Secretariat, Ministry of Finance
July 2015	First Deputy Commissioner of the National Tax Agency
June 2016	Director General of the Tax Bureau, Ministry of Finance
July 2019	Commissioner of the National Tax Agency
June 2021	Outside Director of Tokyu Fudosan Holdings Corporation (current role) Board Member (Vice Chairman) of the General Insurance Association of Japan (current role)
June 2023	Member of the Board of Directors of AISIN Corporation (current role)

**Reason for appointment**

Mr. Hoshino has served as Director-General of the Ministry of Finance's Tax Bureau and Commissioner of the National Tax Agency. He brings a high level of expertise in finance, monetary policy, legal affairs and compliance, which he gained throughout his career, as well as a wealth of experience and wide-ranging insights gained from his public duties at a diplomatic establishment abroad and supervisory experience as an outside director at companies in other industries.

Number of Board of Directors meetings attended	11/11 (100%)
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## Corporate Governance

## Executive Management

## Audit &amp; Supervisory Board Members

**Makoto Mitsuya**

Male  
Audit & Supervisory  
Board Member



April 1981      Joined AISIN Seiki Co., Ltd.  
June 2005      Managing Officer of AISIN Seiki Co., Ltd.  
June 2009      Senior Managing Director of AISIN Seiki Co., Ltd.  
June 2012      Director and Senior Managing Officer of AISIN Seiki Co., Ltd.  
June 2013      Executive Vice President, Member of the Board of Directors of AISIN Seiki Co., Ltd.  
April 2020      Executive Vice President of AISIN Seiki Co., Ltd.  
June 2020      Member of the Board of Directors of AISIN Seiki Co., Ltd.  
June 2021      Audit & Supervisory Board Member of AISIN Corporation (current role)

**Reason for appointment**

Mr. Mitsuya has worked primarily in the managerial administration sector of the Company and also served as Director and Executive Vice President. He brings knowledge in finance and accounting and a wealth of experience and wide-ranging insights as a manager.

Number of Board of Directors meetings attended	13/13 (100%)
Number of Audit & Supervisory Board meetings attended	14/14 (100%)

**Kiyomi Kato**

Female  
Audit & Supervisory  
Board Member



March 2008      Joined AISIN Seiki Co., Ltd.  
January 2017      Project General Manager of Finance & Accounting Department of AISIN Seiki Co., Ltd.  
January 2020      General Manager of Audit & Supervisory Board Office of AISIN Seiki Co., Ltd.  
June 2021      Audit & Supervisory Board Member of AISIN Corporation (current role)

**Reason for appointment**

Ms. Kato has worked primarily in the accounting and audit sectors of the Company and is well-versed in the Companies Act, finance and accounting. She brings a wealth of experience and wide-ranging insights gained throughout her career.

Number of Board of Directors meetings attended	13/13 (100%)
Number of Audit & Supervisory Board meetings attended	14/14 (100%)

Outside  
Independent

**Junko Ueda**

Female  
Audit & Supervisory  
Board Member



April 2003      Professor at Sugiyama Jogakuen University's School of Modern Management  
April 2007      Professor at Shizuoka University Graduate School of Law  
May 2008      Outside Auditor of Okaya & Co., Ltd.  
April 2010      Professor at Kyushu University's Graduate School Faculty of Law  
April 2017      Professor at Aichi University's Graduate School of Law (current role)  
April 2021      Dean of Aichi University's Graduate School of Law (current role)  
June 2021      Audit & Supervisory Board Member of AISIN Corporation (current role)

**Reason for appointment**

Ms. Ueda has served as Professor at Aichi University Graduate School Department of Law and outside officer of another company. She brings a high level of expertise in the Companies Act as well as a wealth of experience and wide-ranging insights in corporate governance gained throughout her career.

Number of Board of Directors meetings attended	13/13 (100%)
Number of Audit & Supervisory Board meetings attended	14/14 (100%)

Outside  
Independent

**Katsuhiro Kashiwagi**

Male  
Audit & Supervisory  
Board Member



April 1982      Joined Nagoya City Hall  
January 1986      Joined Ito Accounting Office, an auditing company  
March 1989      Registered as a Certified Public Accountant  
May 1995      Director of Ito Management Consultant Co., Ltd.  
July 2005      Representative Partner at Chuo Aoyama Audit Corporation  
August 2007      Representative Partner at Azusa Audit Corporation  
July 2010      Partner at KPMG AZSA LLC  
June 2022      Audit & Supervisory Board Member of AISIN Corporation (current role)  
July 2022      Opened Katsuhiro Kashiwagi Certified Public Accountant Office (current)  
August 2022      Opened Katsuhiro Kashiwagi Tax Accountant Office (current)

**Reason for appointment**

Mr. Kashiwagi has many years of experience as a certified public accountant and brings a wealth of experience and high level of expertise in corporate accounting and auditing as well as wide-ranging insights in company management.

Number of Board of Directors meetings attended	13/13 (100%)
Number of Audit & Supervisory Board meetings attended	14/14 (100%)



## Corporate Governance

### Shareholdings

#### Basic policy on cross-shareholdings

From the perspective of improving capital efficiency, reducing assets and improving governance, our policy is not to engage in cross-shareholdings as a general rule unless such shareholding is deemed essential to enhancing corporate value. In order to survive the current state of fierce competition and continue sustainable growth, we recognize the need to promote joint technology development and business alliances through shareholdings. On the other hand, we examine the significance of shareholdings from the perspective of whether we can maintain business relationships without shareholdings while maintaining a policy of cross-shareholding only when such shareholdings are deemed essential to enhancing corporate value.

#### Verifying whether to hold shares

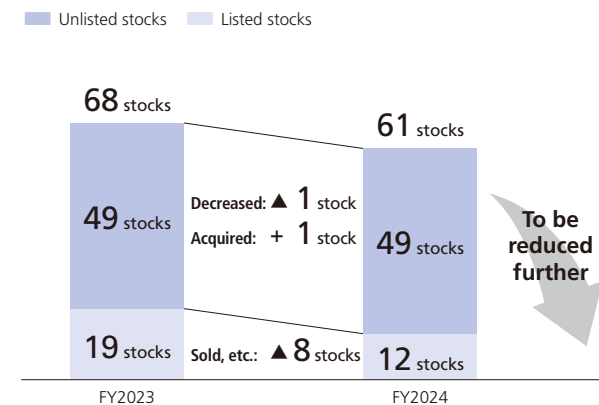
The significance of cross-shareholdings is verified from the perspective of whether we can maintain and expand business relationships without the cross-shareholdings, and the details, track record of reductions, and policy for future reductions are examined at the Board of Directors meeting each fiscal year.

#### Criteria for exercising voting rights

The company does not uniformly determine to approve or disapprove the exercise of voting rights based on standardized, short-term criteria, but rather formulates decisions from the perspective of whether or not medium- and long-term corporate value and shareholder returns are maintained and enhanced while fully respecting the management policies and strategies of the investee companies. When exercising voting rights, we confirm each proposal by paying attention to whether the investee companies are managed in a way that emphasizes the development of the company and the interests of shareholders. We scrutinize each proposal in accordance with internal rules and decide to approve or disapprove the proposal, taking into account factors such as the results of dialogue with the company in question.

#### Initiatives to reduce shareholdings

If we deem that a shareholding is not essential to enhancing corporate value, we reduce the shareholding through dialogue with our business partners. During the fiscal year under review, we sold 8 of the 19 listed stocks (including partial sales).



#### Shareholdings (as of the end of the fiscal year under review)

	Balance sheet amount (March 31, 2024)	Stocks with increased share numbers in FY2024	Stocks with decreased share numbers in FY2024
Unlisted stocks	49 stocks 17,823 million yen	1 stock 167 million yen	1 stock — million yen
Listed stocks	12 stocks 120,789 million yen	—	8 stocks 111,729 million yen


# Compliance

## Basic stance

The AISIN Group believes that compliance is not only about following laws and regulations but also about meeting people's expectations and earning their trust as a good corporate citizen in the spirit of our Group Philosophy, "Inspiring 'movement', creating tomorrow."

## Policy


Under the Charter of Sustainability and the Guidelines on Compliance with Social Responsibility as basic policies, we have formulated the Antitrust Compliance Policy and the Anti-Corruption Policy as policies common to the entire AISIN Group with regard to antitrust laws and anti-corruption, along with guidelines which serve as a specific code of conduct.

 **Guidelines on Compliance with Social Responsibility**

 **Antitrust Compliance Policy**

Violations in FY2024

0

 **Anti-Corruption Policy**

Violations in FY2024

0

## Vision

We carry out extensive Group-wide initiatives around the world to ensure that everyone in the AISIN Group shares the same strong sense of ethics, such as acting honestly, fairly, and in good faith, and that compliance is their default state of mind. Our goal is to maintain a high level of compliance awareness and to eradicate serious violations of the law by establishing a global Group legal and compliance system.

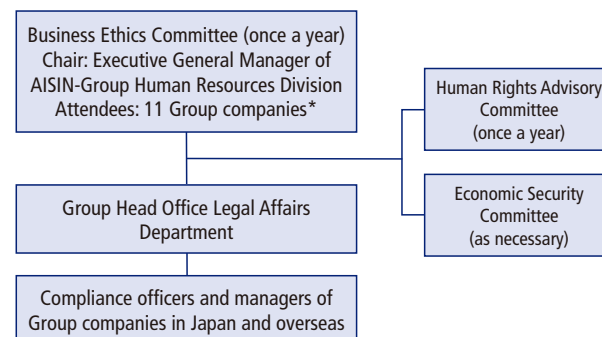
The AISIN Group believes that an open workplace culture where employees can freely exchange opinions is the foundation of compliance. Based on this belief, we strive to create an environment where employees can first consult their supervisors and others when in doubt and ensure that employees are aware of the use of the whistleblower hotline while listening to the real voices of employees through compliance awareness surveys and workplace visits by the Group Head Office Legal Affairs Department. Through these initiatives, we are working to create a workplace culture where employees can respect and care for each other by sharing their joys and concerns.

## Implementation framework

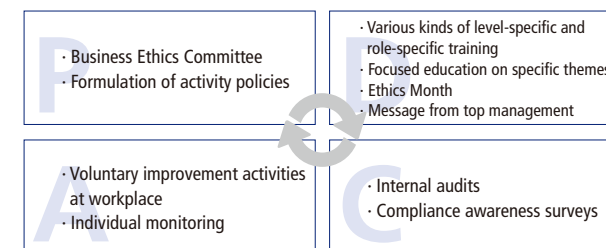
The AISIN Group has established the Business Ethics Committee, which is chaired by the Executive General Manager of the AISIN-Group Human Resources Division, as a meeting body to decide important policies and frameworks regarding compliance. The presidents, Executive Managements and Audit & Supervisory Board Members of the 11 Group companies\* attend the committee meetings to review the status of compliance activities and issues and approve the activity policies and actions to be taken for the next fiscal year.

In January 2018, we consolidated the legal departments of each Group company to establish the Group Head Office Legal Affairs Department to ensure a compliance level above a certain standard for the entire Group. As the Group's sole legal affairs department, it plans and promotes the compliance activities of Group companies in Japan and overseas. In addition, we appoint compliance officers and managers in each Group company, thereby establishing a framework for promoting compliance globally.

### Structure of the Business Ethics Committee



### PDCA for compliance activities



\*Among the 12 Group companies, Hosei Brake Industry Co., Ltd. is considered a subsidiary of ADVICS Co., Ltd.

## Compliance

### Creating an open workplace culture

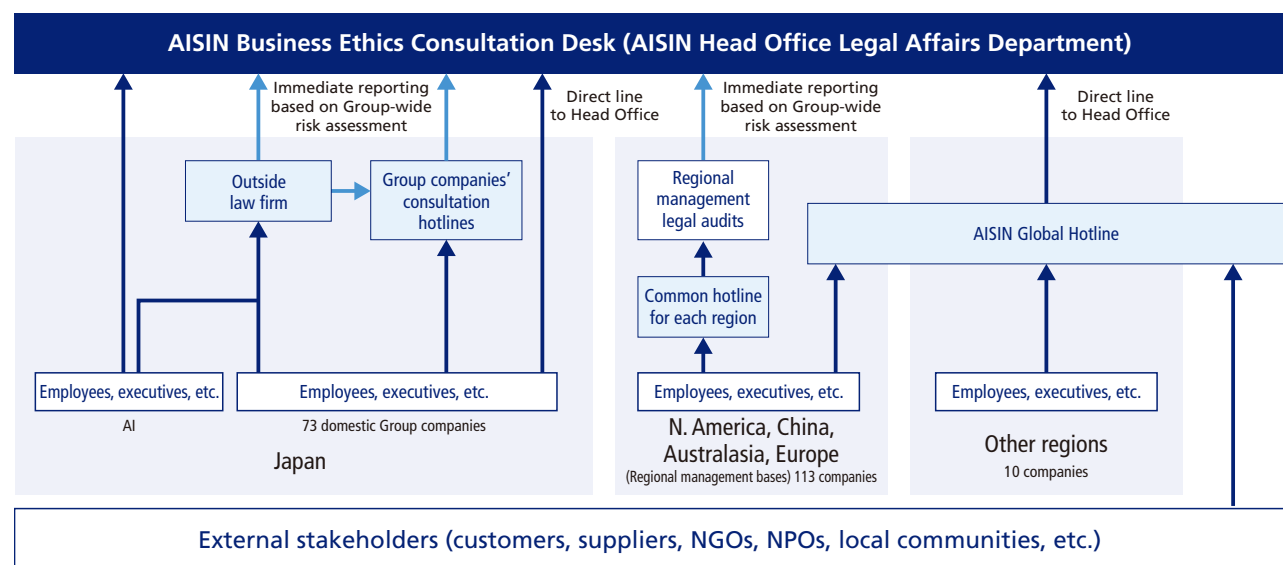
The AISIN Group has been promoting the creation of an open workplace culture for the purpose of early detection of, response to, and prevention of problems. The President visits the sites to listen to and respond to the real voices (problems and concerns) of the employees. In the workplace, employees are encouraged to have frank discussions based on the results of various awareness surveys.

### Early detection and correction of issues through whistleblowing system

The AISIN Group has established a compliance whistleblowing and consulting hotline that is available to executives, employees, retirees, their family members, and stakeholders such as business partners both in Japan and overseas. In responding to reports and inquiries, we strive to identify and correct fraudulent activity as quickly as possible while thoroughly paying attention to privacy protection and the prevention of disadvantage to the whistleblower. With regard to whistleblowing and consulting hotlines, we have established an internal hotline, a Group-wide external hotline handled by lawyers, and a hotline handled by the Group Head Office Legal Affairs Department to enable whistleblowers to use the contact point that best suits their situation. We also accept whistleblowing and consultations from external stakeholders via the AISIN Global Hotline, a web-based system. Whistleblowing reports are consolidated at the Group Head Office Legal Affairs Department, which takes the initiative in responding to critical cases, thus creating a system for early detection and correction of problems. Furthermore, the operation of the system is monitored through regular reporting to AISIN's Audit & Supervisory Board Members. We also bring in outside counsel to swiftly respond to important cases with their objective and specialized knowledge.

### Framework of the whistleblowing system

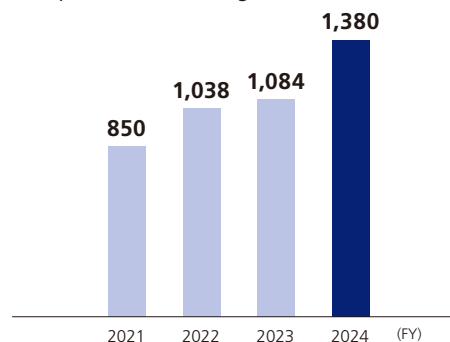
Whistleblowing routes at the AISIN Group



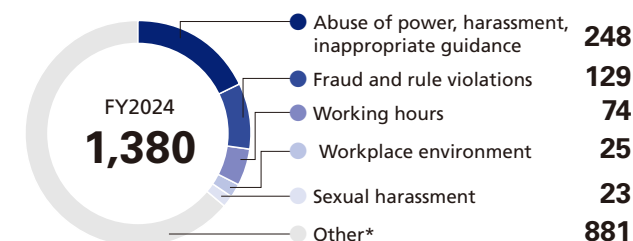
**Established multiple channels to facilitate whistleblowing and collect voices globally**

### Status of use of the whistleblowing system

Number of reports received through the whistleblower hotline



Number of domestic and overseas reports and consultations



\* "Other" mainly includes inquiries about internal rules and procedures and concerns about human relationships at work. While these are not reports concerning compliance or fraud, we work with the relevant departments to resolve these issues so that we can eliminate employees' concerns and enable them to work in better conditions.

## Compliance

### Compliance awareness surveys

The AISIN Group conducts a unified compliance awareness survey of all employees in Japan and overseas. Through the survey, we investigate the degree of penetration of compliance activities, the presence of potential compliance risks, the level of awareness of the whistleblowing hotline, etc. The results are reported to the Business Ethics Committee and fed back to AISIN's internal departments and Group companies in Japan and overseas. They are also analyzed and narrowed down to facilitate improvement initiatives at Group companies that require priority support.

#### Compliance awareness survey results (Japan)

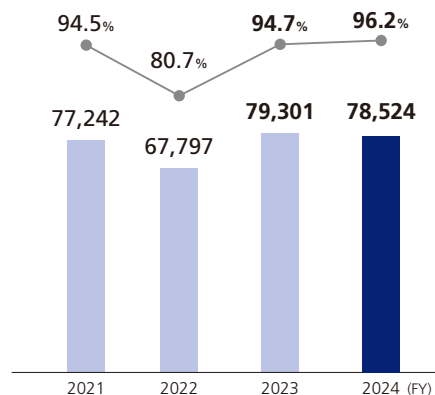
Compliance awareness level (out of 5 points)

FY	2021	2022	2023	2024
	—*	4.22	4.24	4.24

\* Not asked in FY2021

#### Compliance awareness survey Respondents and response rate

■ Respondents ● Response rate



### Training and awareness-raising activities

The AISIN Group carries out various kinds of training and awareness-raising activities to ensure that compliance is the default state of mind for every employee. In FY2024, 93% of our employees both in Japan and overseas participated in training or awareness-raising activities related to compliance. Training takes the form of group training and e-learning specific to levels, roles, and job duties, both in Japan and overseas. Our internal portal site includes on-demand training videos and animated videos that summarize key harassment prevention points. We strive to familiarize employees with compliance by allowing them to attend training sessions and

view videos at their own convenience.

Regarding awareness-raising activities, we issue “Legal News” and case studies on a monthly basis. We strive to raise awareness about viewing compliance as a personal issue by providing the latest information and distributing discussion sheets concerning mistakes and other various cases. Each year, October is designated as Business Ethics Month. In addition to displaying posters, in FY2024 we brought the voice of the Chair directly to employees through video streaming to raise employee awareness.

#### List of major training and awareness-raising activities

Category	Training title/tool	Executives	Managers	Employees	Main description	Frequency
Training	Compliance seminars for executives	○			Latest compliance topics	Once a year
	Training for new executives	○			Responsibilities and key themes for executives	Upon appointment
	CSR management training		○		The importance of compliance	Upon promotion to manager position
	Training for new hires		○	○	Compliance fundamentals, charter, codes of conduct	When joining the company
	Compliance manager training	○	○		Roles and key themes for managers	Once a year
	Training for export control managers		○		Laws and company rules	Once a year
	Training prior to overseas assignment	○	○	○	The importance of compliance and key themes	Upon assignment
	Training for top management overseas	○	○		Responsibility for compliance as an officer	Upon appointment
	Training for whistleblowing service personnel		○	○	Investigation methods and points of caution	Once a year
	Anti-trust compliance training		○	○	Laws, company policies, guidelines	As necessary
Awareness-raising	Anti-corruption training		○	○	Laws, company policies, guidelines	As necessary
	Training on prevention of insider trading	○	○	○	Laws and company rules	As necessary
	Economic Security Assurance Information	○	○	○	Laws and regulations and latest trends	Once a month
	Articles				Laws and regulations, common compliance cases, initiatives by the Legal Affairs Department	Once a month
	Legal News from Group Head Office	○	○	○	Laws and regulations, common compliance cases, initiatives by the Legal Affairs Department	Once a month
	Cartoons				Theme-specific explanations and points of caution	Once a month
	Workplace discussion sheets	○	○	○	Theme-specific explanations and points of caution	Once a month
	Awareness-raising posters	○	○	○	Theme-specific explanations and points of caution	As necessary
	Video				Explanation of key points to prevent harassment, etc.	As necessary
	Video explaining key points	○	○	○	Explanation of key points to prevent harassment, etc.	As necessary

#### Main themes of on-demand training

· The Antimonopoly Act  
 · Harassment  
 · Insider trading restrictions  
 · Clear communication  
 · Act against Delay in Payment, etc. to Subcontractors  
 · Fake subcontracting practices  
 · Product liability  
 · Labor affairs  
 · Prevention of bribery and corruption  
 · Copyright  
 · Export trade control  
 · Contracts, etc.

## Compliance

### Responding to business changes

The AISIN Group is not only engaged in existing businesses but also in various new businesses. In order to preemptively respond to potential compliance risks arising from the diversification of business formats, the Group Head Office Legal Affairs Department provides consultation on important cases at an early stage. We have also set up a chatbot, FAQs and a legal consultation hotline to provide consultation on contract screening, thereby enhancing collaboration with each business.

### Prevention of bribery and corruption

In 2020, we formulated and rolled out the AISIN Group Anti-corruption Policy, which applies to all Group companies, and established the AISIN Group Anti-bribery Guidelines, which serve as a specific code of conduct to ensure the prevention of bribery and corrupt practices. Additionally, to prevent the offering of benefits that are inappropriate according to social norms, we have issued the Guidelines for Meals, Entertainment and Gifts (Entertainment Expenses), which apply to all Group companies, and established procedures for prior request and approval in our internal regulations as we implement our anti-bribery system.

We address the importance of compliance with anti-corruption policies in various training programs to ensure thorough awareness, conduct compliance awareness surveys to identify the risk of corrupt practices, and take preventive and remedial actions.

We also take steps to strengthen internal controls, including internal audits, and to strengthen the management of receiving entertainment to prevent and control corrupt practices.

### Antitrust compliance

The AISIN Group is continuously working to comply with antitrust laws so that the lessons learned from the 2014 violation of U.S. antitrust laws will not be forgotten. In 2020, we formulated and rolled out the AISIN Group Antitrust Compliance Policy, which applies to all Group companies, and established the AISIN Group Antitrust Compliance Guidelines, which serve as a specific code of conduct to ensure legal compliance.

Regarding the importance of antitrust compliance, we conduct training tailored to the risks of each region at Group companies in Japan and overseas, as well as providing education on the topic in various training programs. Before interacting with competitors, the Group Head Office Legal Affairs Department conducts a preliminary review to ensure that there is no illegality. Furthermore, the risk of antitrust law violations is investigated through compliance awareness surveys to prevent violations and make improvements.

# Risk Management

## Basic stance

We believe that the AISIN Group's risk management and business activities are the two wheels of a vehicle for corporate management. As we implement various management strategies, the risk of impacting business management due to sudden changes in the external environment is increasing. We will work to understand and control such risks that may hinder our growth, as well as to strengthen our capabilities to continue our businesses.

## Policy

We will live up to the expectations of our stakeholders by preventing and mitigating various risks that may have a significant impact on our activities to achieve our objectives and if such risks occur, by minimizing the impact on business management and guaranteeing our sustainability as a company.

## Vision

### Sophisticated risk management

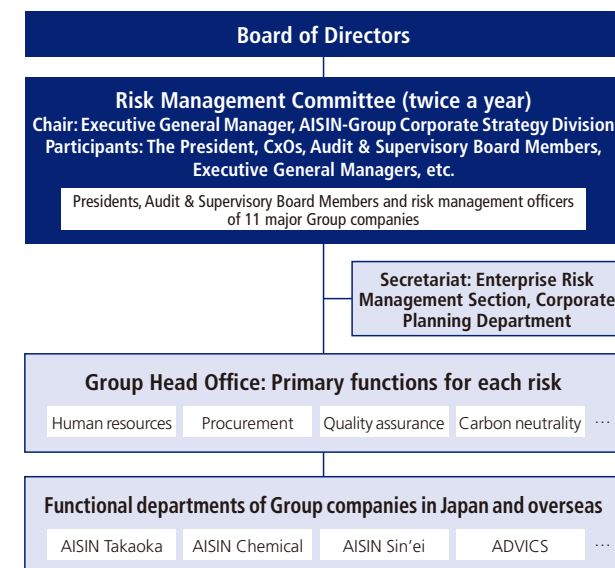
The AISIN Group apologizes for the inconvenience and concern caused by the 1997 Kariya Plant fire. Taking this opportunity, we have introduced Enterprise Risk Management (ERM) and worked on Group-wide risk management to avoid repeating the same mistake. In recent years, the risks surrounding business management have become increasingly complex and diverse, such as natural disasters, including the Noto Peninsula Earthquake and the frequent occurrence of "linear" torrential rain, parts supply issues, and geopolitical and economic security risks.

Against this backdrop, we aim to "make our risk management more sophisticated, which means a state where we have successfully minimized all kinds of risks." To achieve this, we introduced a new risk management process in FY2023 for the integrated management of risks, including those related to management strategies. We will preemptively manage risks by identifying signs of risks and appropriately analyzing and evaluating the significance of their impact, from the perspective of "risks to our business strategies" that may impede us from implementing these strategies and "operational risks" that may hinder smooth business operations.

## Implementation framework

As a framework for promoting risk management, we have established the Risk Management Committee, which consists of the President, CxOs, Audit & Supervisory Board Members, presidents of 11 Group companies, and others. The Committee promotes risk management by deliberating and deciding the direction for priority risks that need to be addressed in light of the status of risk occurrence at AISIN and the environment and trends within and outside the Group. The Group Head Office designates the department in charge of each priority risk that has been determined and appoints response officers and managers in each domestic and overseas Group company to make Group-wide efforts to strengthen our risk response. Regular reporting to the Board of Directors provides oversight on risk management, which we use to refine our management strategies.

### Risk management framework



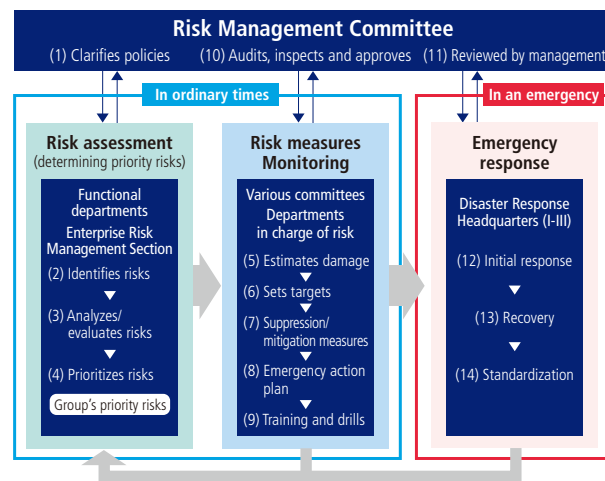


## Risk Management

### Basic initiatives

Under its Risk Management Process, the AISIN Group works to prevent and control damage in ordinary times and to quickly restore operations and minimize damage in the event of an emergency. Furthermore, we evaluate the effectiveness of these countermeasures and improve and standardize them to strengthen their effectiveness against risks through the implementation of a risk management cycle.

#### Risk management process



### In ordinary times

#### Risk assessment (determining priority risks)

The AISIN Group conducts risk assessment on a semi-annual basis to identify risks anticipated from the professional perspective of internal functional departments, the perspective based on the business characteristics of Group companies and the geographical perspective of overseas

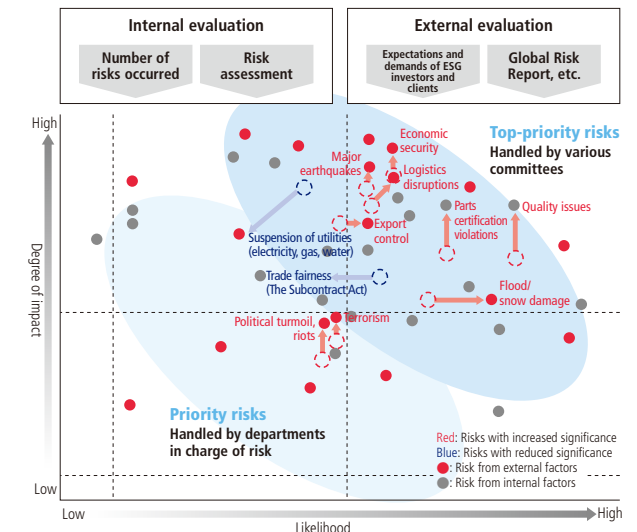
offices. Risks are evaluated based on analysis results centered on the degree of impact and likelihood. The assessment also takes into account the extent to which these risks are mitigated or reduced by the risk measures that we have in place.

With the addition of an external perspective to this internal risk assessment in 2021, the Risk Management Committee determines top-priority risks and priority risks while taking into account the risks that stakeholders, including clients and investors, consider important, as well as risk ratings from the Global Risk Report and other specialized organizations.

### Risk measures, monitoring

The various committees and departments in charge of risk take measures to prevent, suppress and mitigate the risks determined by the Risk Management Committee as top-priority and priority risks. The Risk Management Committee and the Enterprise Risk Management Section monitor and work to continuously improve the top-priority risks and priority risks, respectively. For information on our risk initiatives, please see "Response to priority risks" below.

#### Key priority risks



### In an emergency

#### Emergency response

Our basic policy for emergency response is to prioritize in the following order: (1) protecting human life; (2) contributing to the community; and (3) restoring production. Based on this basic policy, we have formulated a business continuity plan (BCP) in preparation for emergencies.

In the initial response to an emergency situation, a Risk Report that promptly informs top management and the departments in charge of risk is used as a trigger to set up a disaster response headquarters (I-III) according to the crisis level. The head of the disaster response headquarters is appointed by the Chair of the Risk Management Committee, with the Enterprise Risk Management Section, the department in charge of risk management, serving as the secretariat of response headquarters I and the departments in charge of risk management for response headquarters II and III, putting the safety of people first and working to minimize damage.

## Risk Management

In the recovery response, we prioritize the restoration of operations that have been previously identified as critical based on the damage situation. If the damage is severe, we will switch to alternative operations or alternative production to continue business. In preparation for emergencies, the departments in charge of risk systematically implement risk control and mitigation measures and conduct training and drills in accordance with our emergency action plans. In the event of a major earthquake, where damage is expected to be particularly severe, the initial response is key to minimizing damage. Therefore, we regularly conduct Disaster Response Headquarters Initial Response Drills under the direction of the head of the response headquarters.

In addition to improving the effectiveness of risk management by formulating a BCP and conducting drills, we train employees to be resilient in the face of emergencies in order to create organizations, workplaces and human resources that are crisis resilient.

## Education and awareness raising

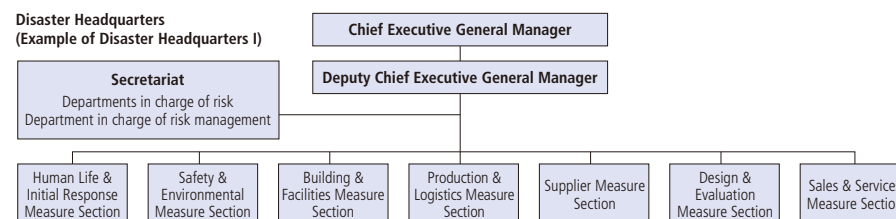
We conduct education and awareness-raising activities to enhance the risk management skills of all employees. We have issued a Risk Management Guide that stipulates risk management measures for ordinary times (suppression/mitigation measures) and practical guidelines for emergencies. We also conduct level-specific risk management training and issue the Risk Management Bulletin to all employees to educate and raise awareness so that each employee considers risk as a personal matter and countermeasures are enforced thoroughly. Furthermore, the AISIN Group has established the Kumamoto Earthquake Learning Zone at AISIN Densho-kan to prevent the same significant damage caused by major earthquakes in the past. The Learning Zone uses panels and videos to

### Emergency response



### Criteria for establishing Disaster Response Headquarters in emergencies

Danger level	<I> May have a significant negative impact on the overall management of the Group	<II> May have a significant negative impact on the overall management or several departments of the company	<III> May have a significant negative impact on some departments of the company
Responding organization	Disaster Headquarters I	Disaster Headquarters II	Disaster Headquarters III
Chief Executive General Manager	Executive nominated by Risk Management Committee Chair	Executive nominated by Risk Management Committee Chair	Head of department in charge of risk
Secretariat	Department in charge of risk, department in charge of risk management	Departments in charge of risk	Departments in charge of risk



convey the lessons and realizations we gained from the 2016 Kumamoto Earthquake disaster and recovery efforts and share the necessary preparations for natural disasters. We are also passing on to future generations the effects of the measures for suspension devices during the Noto Peninsula Earthquake that occurred on New Year's Day of 2024, which

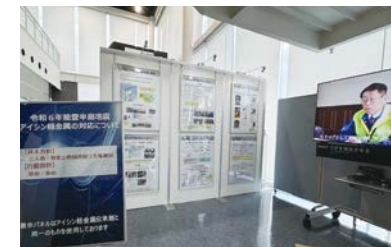
reflect the lessons we learned from past earthquakes, as well as new issues raised by the earthquake, as further lessons and realizations.



Initial response drill at the Disaster Response Headquarters



Kumamoto Earthquake Learning Zone



Noto Peninsula Earthquake Learning Zone

## Risk Management

### Response to priority risks

The priority risks that have changed in significance following a comprehensive assessment of impact and likelihood are as follows.

#### Risks with increased significance

##### <Major earthquakes, flood/snow damage>

For natural disasters that are expected to cause severe damage, we make Group-wide efforts to prevent and minimize damage based on the Risk Management Guide, which summarizes necessary preparations in ordinary times and practical guidelines for emergency response, and “Lessons and Realizations,” a guide that standardizes past damage experience. A Group company suffered damage from the Noto Peninsula Earthquake in January 2024, but the damage was minimized, and the impact on production and delivery was limited. This was the result of Group-wide efforts, including countermeasures for suspended devices, based on lessons learned from earthquakes since the 2016 Kumamoto Earthquake.

On the other hand, new issues include liquefaction, from which we suffered greatly in the latest earthquake, and worse-than-expected rain damage from the recent “linear” torrential rains. We will continue to work on countermeasures across the Group.

##### <Quality issues>

The AISIN Group apologizes for the inconvenience caused by the quality issue that occurred in December 2023 at a Group company in North America. To prevent similar problems from occurring in the future, we are strengthening the following to further improve quality in order to produce safe products and

deliver quality that meets our customers’ expectations.

- Deliberations on the elemental technology of high-risk products and manufacturing methods
- Evaluation of suppliers, including overseas suppliers, and improvement of their corporate structure
- Improvement in development accuracy through digital transformation compatible with electrification, our key domains

##### <Parts certification violations>

Due to the shift of our clients’ needs to electric/electronic parts in association with electrification, we are required to address different laws and regulations from those that covered traditional parts. In addition, due to the intensifying market competition in the electric vehicle domain, automakers are demanding shorter delivery times, which leads to an increasing possibility that it will affect certification operations by reducing the time for regulatory compliance, etc.

The AISIN Group established a Group Regulatory Certification Committee in 2023 and since then has been strengthening its regulatory compliance efforts to ensure that regulatory information is reflected in products by working on the following three matters.

- (1) Early acquisition of regulatory modification methodologies and development of a mechanism to reflect the latest laws/regulations in drawings
- (2) Introduction of a system for global integrated management of information on parts subject to certification, and efficient acquisition of certification without omissions or oversights using the system

- (3) Implementation of a program at major overseas production sites to train specialists in parts certification

##### <Logistics disruptions>

In Japan, there is concern that the so-called 2024 problem, caused by the imposition of a cap on drivers’ working hours, will lead to reduced sales in the logistics and transportation industry and a shortage of drivers, which may also affect AISIN.

In support of suppliers and transportation operators, the AISIN Group is working to address issues such as the shortage of logistics personnel. Specifically, we are reducing driver workload and hours by reducing handling time, including time spent loading, unloading, transporting and sorting cargo, and increasing transportation fees to attract drivers. In overseas logistics, there is a growing risk in sea transportation that uses the Suez and Panama canals. The AISIN Group is responding to this risk by diverting shipping routes to prevent damage, switching to air transportation to resolve long lead times, and working with local offices to consider increasing inventory.

##### <Terrorism, political turmoil, riots>

Security risks have increased globally in recent years, including the conflict in Ukraine and the major terrorist attack in Israel.

The AISIN Group is working to prevent harm and raise the level of vigilance of employees currently or soon to be deployed overseas by educating them through the viewing of videos created by an overseas risk consultant. We also hold workshops for Group personnel on political unrest

## Risk Management

and riots with experts to discuss how to respond to the hypothetical events. At the same time, we are participating in the Resilience Working Group of Japan Auto Parts Industries Association to improve the industry's response capabilities, and we are also involved in the formulation of an overseas evacuation manual.

### <Economic security, export control>

Due to geopolitical effects such as tensions and conflicts between nations, countries are more actively tightening regulations on the import and export of products and technology. This may have an impact on AISIN as imports and exports are restricted due to trade friction and tariff increases. At the AISIN Group, we have established the Economic Security Committee and created a framework to address economic security risks that require advanced judgment, primarily by top management. We have also established and implemented security export control rules applicable to all Group companies in Japan and overseas to educate and raise awareness among employees to ensure compliance with export control laws of countries around the world.

### Risks with reduced significance

#### <Trade fairness>

With regard to passing on the rising costs of resources, energy, logistics and labor to suppliers, the AISIN Group engages in appropriate trade with each supplier by proactively communicating with them to create an environment that makes it easier for suppliers to consult with us. For details, please refer to "Supply chain."

#### <Suspension of utilities>

During the 2018 Hokkaido Eastern Iburi Earthquake, we experienced a power outage for more than two days, which led us to scramble to procure temporary emergency power supply from around the country to avoid the risk of serious malfunctions caused by the sticking of aluminum holding furnaces.

The AISIN Group has been working to secure a minimum level of power supply assuming power outages due to problems at power companies in the event of a disaster. We have formulated Group-wide guidelines for securing emergency power supply in the event of a major power outage and have completed the deployment of generators and their fuel supply (for three days) by FY2024.

# Information Security

## Basic stance


As companies are accelerating their digital transformation (DX) strategies, more and more things and types of information are being connected to each other, bringing new value to society. Unfortunately, threats such as cyber attacks are being carried out more skillfully each day, and there is an ever-present threat that company information, customer and business partners details, and other private information will be leaked. It is critical that these risks are managed for the sustainable growth of companies.

## Policy

We have established the AISIN Group Information Security Basic Policy, under which we carry out systematic and continual information security measures.

### AISIN Group Information Security Basic Policy

- (1) Legal compliance
- (2) Maintenance of stable financial and managerial base
- (3) Provision of safe products and services
- (4) Contribution to building secure cyberspace
- (5) Information security management

 AISIN Group Information Security Basic Policy

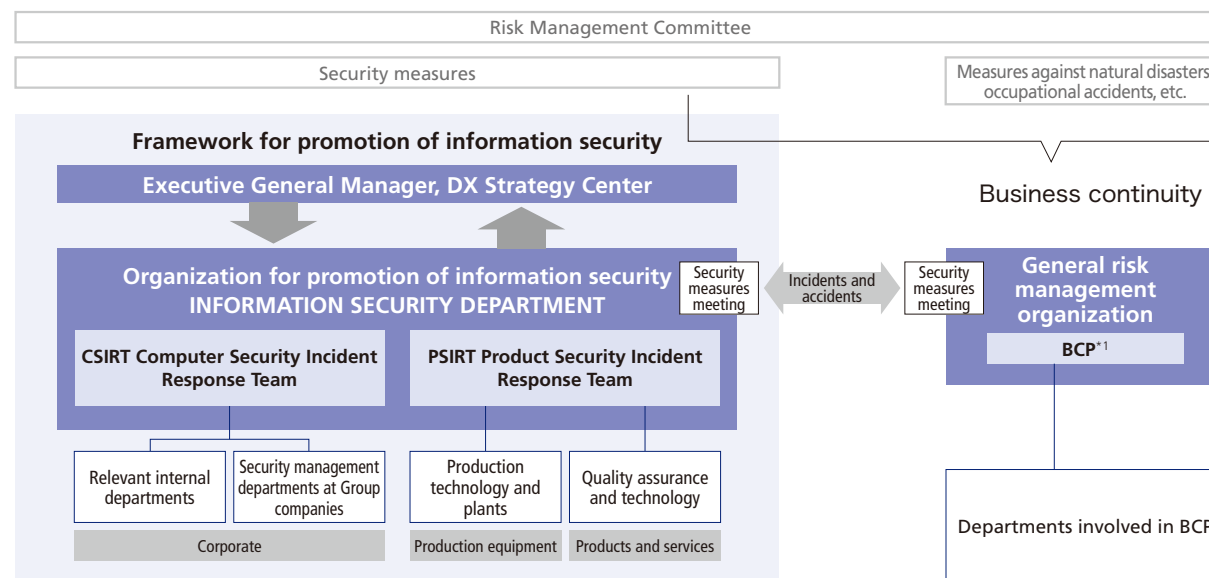
## Vision

Based on the belief that information entrusted to us by customers and business partners and information related to our business activities are important assets, we will appropriately respond to the changing threats to corporate management activities and the advancement of technology, and implement comprehensive countermeasures across the entire Group.

## Implementation framework

The Executive General Manager of the DX Strategy Center is responsible for establishing information strategies and IT investment plans in line with our business strategies and has responsibility and authority for information security and the implementation and operation of personal information protection. Under the Executive General Manager of the DX Strategy Center, we have established the INFORMATION SECURITY DEPARTMENT as a specialized security organization to protect the company from risks, such as cyber attacks and internal fraud, and carry out security activities throughout the Group. Information security policies and measures are proposed by the Risk Management Committee and are shared across the Group for common understanding to improve the level of security and ensure that measures are implemented.

### Information security framework



\*1 BCP: Business Continuity Planning

## Information Security

### Information security initiatives

The AISIN Group consolidates the Group's security measures at the Group Head Office to respond to increasingly agile and advanced cyber attacks and leaks of internal information, as well as to comply with laws and regulations of countries around the world. Major security incidents that could lead to production stoppages and other problems are immediately reported to the Executive General Manager of the DX Strategy Center and departments involved in risk management for investigation, analysis and countermeasures.

### Corporate security measures

We have formulated the AISIN Group Security Guidelines, which comply with ISO 27001 (certified in April 2022) and the JAMA/JAPIA Cybersecurity Guidelines, to improve the security level of the entire supply chain in preparation for customer requirements for security measures. We have also obtained TISAX\*<sup>1</sup> certification.

\*1 TISAX: Trusted Information Security Assessment eXchange (a system for assessment by a certification body in accordance with the VDA (German Association of the Automotive Industry) Information Security Assessment (VDA ISA) formulated by the VDA)

#### AISIN Group Security Guidelines

Management item	Details of measures
Organization	Implementation frameworks, rules, procedures
Training	Implementing education, awareness-raising, and training
Technical measures	Asset management, access control, network, etc.
Physical management	Facilities and area control
Incident and accident framework	Reporting framework and rules

### Product security measures

In anticipation of the increase in the number of vehicles subject to regulations, we are working on vehicle security measures centered on PSIRT. We have also joined AUTO-ISAC\*<sup>2</sup> in Japan and the U.S. to gather information on risks that occurred in the industry and use this in our in-house development. We also respond to ISO21434.

\*2 AUTO-ISAC: Automobile Information Sharing and Analysis Center  
(an automotive cybersecurity organization in North America)

### Personal information protection measures

In terms of personal information protection measures, ensuring compliance with the laws of countries around the world, including GDPR,\*<sup>3</sup> is important. But as we accelerate our DX strategy, the transfer of personal information between countries will be required. Therefore, the AISIN Group has entered into a comprehensive Group SCC contract\*<sup>4</sup> among Group companies, which allows the transfer of personal information throughout the Group. We will continue to strive to handle personal information securely by keeping a close eye on the laws in each country and by training and sharing knowledge with all of our employees.

\*3 GDPR: General Data Protection Regulation (EU)

\*4 SCC contract: Standard Contractual Clause

### Fostering security awareness

To improve security, it is essential for all employees to perceive improving security as a personal matter and to be constantly mindful of security and act accordingly as something that is close to their hearts. Our Group-wide efforts include level-specific training upon hire and promotion, education upon overseas assignments and other events, suspicious email response drills, and awareness-raising activities during Information Security Month.

For example, we create educational video content in-house, conduct post-training comprehension tests, and publish in our Cyber Security News information security slogans solicited from employees around the world to encourage participation by all employees and foster security awareness.

#### Examples of training and awareness-raising activities

- (1) Level-specific training upon hire and promotion (twice a year)
- (2) Onboarding training for events such as upon overseas assignment and accepting seconded personnel
- (3) Suspicious email response drills for all employees (three times a year)
- (4) Awareness-raising activities during Information Security Month (once a year) and through distribution of Group newsletters (once a month)



## External Awards and Recognition

### Status of inclusion in ESG indices



FTSE4Good

FTSE4Good



FTSE Blossom  
Japan Index

FTSE Blossom Japan Index



FTSE Blossom  
Japan Sector  
Relative Index

FTSE Blossom Japan Sector  
Relative Index



S&P/JPX Carbon Efficient Index



Sompo Sustainability Index

Sompo Sustainability Index

### External ESG evaluation



#### CDP

In 2023, we were selected for the “A List” (the highest rating) in the “Climate Change” category and rated as “A-” in the “Water Security” category by CDP, an international non-profit organization that evaluates companies' environmental efforts.



#### ESG Finance Awards Japan (Ministry of the Environment)

In the 5th ESG Finance Awards Japan program, we received the Bronze Award in the Environmentally Sustainable Company category, which, from an investor perspective, commends companies that incorporate material environment-related opportunities and risks into their management strategies to increase corporate value. The Bronze Award came to us in the second consecutive year, following the 4th year of this award program.



#### Aichi Biodiversity Company Certification

In FY2023, we were certified as an outstanding company in biodiversity conservation in the Aichi Biodiversity Company Certification program.



#### OECD Certification (Ministry of the Environment)

The AISIN Ecotope at our Handa Plant site has been certified as an OECD (a site conserved through “other effective area-based conservation measures”).



#### OECD

In 2024, we were certified as an OECD

## External Awards and Recognition

### External ESG evaluation



#### Japan Biotope Grand Prize

In 2017, we won the Japan Biotope Grand Prize.

#### Digital Transformation (DX) Stocks 2024 (Ministry of Economy, Trade and Industry)

We were selected among DX Stocks 2024.

#### Digital Transformation (DX) Certification (Ministry of Economy, Trade and Industry)

Since 2021, we have been selected as a "DX-certified company" under this program.

#### "White 500" certification under the 2024 Certified KENKO Investment for Health (KIH) Outstanding Organizations Recognition Program

We were recognized as one of the "White 500" enterprises (the "large enterprise" category) under the 2024 KIH Outstanding Organizations Recognition Program, in the eighth consecutive year from 2017.

#### Sports Yell Company (Japan Sports Agency)

The Sports Yell Company program aims to encourage especially people in the prime of their lives to participate in sports activities, thereby stimulating general interest in sports. Under this program, we were certified as a company that actively promotes sports activities to enhance the health of employees.



#### Nadeshiko Brand (Ministry of Economy, Trade and Industry)

We have been selected as a "Nadeshiko Brand," an outstanding company in women's empowerment, for four consecutive years since FY2021.

#### Platinum Career Awards

In FY2021, we won the highest prize at the third Platinum Career Awards.

#### 2-star Eruboshi Certification

In FY2020, we were certified as a "2-star" company under the Eruboshi Certification Program, a certification program based on the Act on the Promotion of Women's Active Engagement in Professional Life.

#### Platinum Kurumin Prize (Ministry of Health, Labour and Welfare)

In FY2022, we received the Platinum Kurumin Prize in recognition of our support for parenting employees.

#### Outstanding-company commendation under the Aichi Company with Active Participation of Women program

In FY2019, we were commended as an outstanding company under the Aichi Company with Active Participation of Women program.

## External Awards and Recognition

### External ESG evaluation



#### Aichi Prefecture Family Friendly Company

In FY2016, we were commended under the Aichi Prefecture Family Friendly Company program.



#### Development Bank of Japan (DBJ)'s Business Continuity Management (BCM) Rating

In FY2020, we were rated highest in DBJ's BCM Rating.  
(We used DBJ's BCM Rated Loan Program with a rating of "being outstanding particularly in commitment to business continuity.")

## External Awards and Recognition

### Participating initiatives and groups



#### TCFD

We have been a TCFD supporter since we declared support in 2019.



#### TCFD Consortium

We have been a registered member since 2019.



#### Science Based Targets Initiative (SBTi)

We obtained SBTi certification in November 2023.



#### Research Association of Biomass Innovation for Next Generation Automobile Fuels (raBit)

We have been a member since 2023.



#### Keidanren Initiative for Biodiversity Conservation

We have been a member since March 2022.

#### 30by30 Alliance

We have been a member since April 2022.



#### GX League

We have been a member since 2023.



#### Japan Climate Initiative (JCI)

We have been a member since 2020.



#### Green x Digital Consortium

We have been a member since 2021.



#### Japan Hydrogen Association (JH2A)

We have been a member since 2020.



#### Life Cycle Assessment Promotion Consortium (LCAPC)

We have been a member since 2022.



#### Japan Platform for Migrant Workers towards Responsible and Inclusive Society (JP-MIRAI)






















We have been a member since 2022.




# GRI Content Index

The AISIN Group's Sustainability Data Book refers partly to the Global Reporting Initiative (GRI)\* Sustainability Reporting Standards. The table below shows the locations of the Group's disclosures that align with the GRI Standards' requirements for disclosures (as of November 2024).

\* Global Reporting Initiative (GRI): An international initiative launched in 1997 to establish and disseminate international guidelines on companies' sustainability reporting





## GRI 2: General Disclosures 2021

Disclosure	Location
<b>1. The organization and its reporting practices</b>	
2-1 Organizational details	 Company Profile  Global Network
2-2 Entities included in the organization's sustainability reporting	 Scope
2-3 Reporting period, frequency, and contact point	 Period; Reporting Cycle; Issued  For Inquiries
2-4 Restatements of information	—
2-5 External assurance	 Environment   Third Party Verification
<b>2. Activities and workers</b>	
2-6 Activities, value chain and other business relationships	 Revenue by Business Category  Social Capital (Supply Chain)
2-7 Employees	 Performance Data (Social)
2-8 Workers who are not employees	—
<b>3. Governance</b>	
2-9 Governance structure and composition	 Corporate Governance  Sustainability  Corporate Governance Report
2-10 Nomination and selection of the highest governance body	 Corporate Governance
2-11 Chair of the highest governance body	 Corporate Governance
2-12 Role of the highest governance body in overseeing the management of impacts	 Sustainability
2-13 Delegation of responsibility for managing impacts	 Sustainability  Corporate Governance  Task Force on Climate-related Financial Disclosures (TCFD)
2-14 Role of the highest governance body in sustainability reporting	 Sustainability  Corporate Governance
2-15 Conflicts of interest	 Corporate Governance












Disclosure	Location
2-16 Communication of critical concerns	 Corporate Governance  Compliance  Risk Management
2-17 Collective knowledge of the highest governance body	 Corporate Governance  Corporate Governance Report
2-18 Evaluation of the performance of the highest governance body	 Corporate Governance
2-19 Remuneration policies	 Corporate Governance  Securities Report for the 101st Term  Corporate Governance Report
2-20 Process to determine remuneration	 Corporate Governance  Securities Report for the 101st Term  Corporate Governance Report
2-21 Annual total compensation ratio	—
<b>4. Strategy, policies and practices</b>	
2-22 Statement on sustainable development strategy	 Message from the President
2-23 Policy commitments	 Aisin Group Philosophy  Aisin Group Charter of Sustainability  Human Rights  Aisin Group Human Rights Policy  Fiscal 2024 Aisin Group Statement on Modern Slavery Act
2-24 Embedding policy commitments	 Compliance  Human Rights  Aisin Group Human Rights Policy  Fiscal 2024 Aisin Group Statement on Modern Slavery Act
2-25 Processes to remediate negative impacts	 Compliance  Human Rights  Aisin Group Human Rights Policy  Fiscal 2024 Aisin Group Statement on Modern Slavery Act
2-26 Mechanisms for seeking advice and raising concerns	 Compliance
2-27 Compliance with laws and regulations	 Priority Issues (Materiality), KPIs, and Targets for FY2031  Compliance
2-28 Membership associations	 Initiatives and organizations we participate in
<b>5. Stakeholder engagement</b>	
2-29 Approach to stakeholder engagement	 Engagement with stakeholders
2-30 Collective bargaining agreements	 Performance Data (Social)









## GRI Content Index

### GRI 3: Material Topics 2021



Disclosure	Location
<b>1. Disclosures on material topics</b>	
3-1 Process to determine material topics	 Sustainability
3-2 List of material topics	 Priority Issues (Materiality), KPIs, and Targets for FY2031
3-3 Management of material topics	 Sustainability  Risk Management

### GRI 200: Economic Disclosures

Disclosure	Location
<b>GRI 201: Economic Performance 2016</b>	
201-1 Direct economic value generated and distributed	 10-Year Consolidated Financial Summary  Performance Data (Environmental)  Performance Data (Social)  Social Contribution Activities
201-2 Financial implications and other risks and opportunities due to climate change	 Task Force on Climate-related Financial Disclosures (TCFD)  Risk Management
201-3 Defined benefit plan obligations and other retirement plans	—
201-4 Financial assistance received from government	—
<b>GRI 202: Market Presence 2016</b>	
202-1 Ratios of standard entry level wage by gender to local minimum wage	 Human Rights
202-2 Proportion of senior management hired from the local community	 Performance Data (Social)
<b>GRI 203: Indirect Economic Impacts 2016</b>	
203-1 Infrastructure investments and services supported	 Hydrogen station
203-2 Significant indirect economic impacts	 The AISIN Value creation process  Social Contribution Activities
<b>GRI 204: Procurement Practices 2016</b>	
204-1 Proportion of spending on local suppliers	—

Disclosure	Location
<b>GRI 205: Anti-corruption 2016</b>	
205-1 Operations assessed for risks related to corruption	 Compliance
205-2 Communication and training about anti-corruption policies and procedures	 Compliance
205-3 Confirmed incidents of corruption and actions taken	 Compliance
<b>GRI 206: Anti-competitive Behavior 2016</b>	
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	 Compliance
<b>GRI 207: Tax 2019</b>	
207-1 Approach to tax	 AISIN Group tax governance policy
207-2 Tax governance, control, and risk management	 AISIN Group tax governance policy
207-3 Stakeholder engagement and management of concerns related to tax	 AISIN Group tax governance policy
207-4 Country-by-country reporting	 Securities Report for the 101st Term

### GRI 300: Environmental Disclosures

Disclosure	Location
<b>GRI 301: Materials 2016</b>	
301-1 Materials used by weight or volume	—
301-2 Recycled input materials used	—
301-3 Reclaimed products and their packaging materials	—
<b>GRI 302: Energy 2016</b>	
302-1 Energy consumption within the organization	 Performance Data (Environmental)
302-2 Energy consumption outside of the organization	—
302-3 Energy intensity	—
302-4 Reduction of energy consumption	 Performance Data (Environmental)
302-5 Reductions in energy requirements of products and services	—



## GRI Content Index






















Disclosure	Location
<b>GRI 303: Water and Effluents 2018</b>	
303-1 Interactions with water as a shared resource	—
303-2 Management of water discharge-related impacts	—
303-3 Water withdrawal	Performance Data (Environmental)
303-4 Water discharge	Performance Data (Environmental)
303-5 Water consumption	—
<b>GRI 304: Biodiversity 2016</b>	
304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Taskforce on Nature-related Financial Disclosures (TNFD)
304-2 Significant impacts of activities, products and services on biodiversity	Taskforce on Nature-related Financial Disclosures (TNFD)
304-3 Habitats protected and restored	Environment
304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Environment
<b>GRI 305: Emissions 2016</b>	
305-1 Direct (Scope 1) GHG emissions	Performance Data (Environmental)
305-2 Energy indirect (Scope 2) GHG emissions	Performance Data (Environmental)
305-3 Other indirect (Scope 3) GHG emissions	Performance Data (Environmental)
305-4 GHG emissions intensity	Performance Data (Environmental)
305-5 Reduction of GHG emissions	Priority Issues (Materiality), KPIs, and Targets for FY2031 Task Force on Climate-related Financial Disclosures (TCFD) Performance Data (Environmental)
305-6 Emissions of ozone-depleting substances (ODS)	—
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Performance Data (Environmental)





Disclosure	Location
<b>GRI 306: Waste 2020</b>	
306-1 Waste generation and significant waste-related impacts	—
306-2 Management of significant waste-related impacts	Environment
306-3 Waste generated	Performance Data (Environmental)
306-4 Waste diverted from disposal	Performance Data (Environmental)
306-5 Waste directed to disposal	Performance Data (Environmental)
<b>GRI 308: Supplier Environmental Assessment 2016</b>	
308-1 New suppliers that were screened using environmental criteria	—
308-2 Negative environmental impacts in the supply chain and actions taken	Task Force on Climate-related Financial Disclosures (TCFD)

## GRI 400: Social Disclosures

Disclosure	Location
<b>GRI 401: Employment 2016</b>	
401-1 New employee hires and employee turnover	Performance Data (Social)
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	—
401-3 Parental leave	Performance Data (Social)
<b>GRI 402: Labor/Management Relations 2016</b>	
402-1 Minimum notice periods regarding operational changes	Human Rights

## GRI Content Index

Disclosure	Location
<b>GRI 403: Occupational Health and Safety 2018</b>	
403-1 Occupational health and safety management system	 Safety and Health Promotion
403-2 Hazard identification, risk assessment, and incident investigation	 Safety and Health Promotion
403-3 Occupational health services	 Safety and Health Promotion
403-4 Worker participation, consultation, and communication on occupational health and safety	 Safety and Health Promotion
403-5 Worker training on occupational health and safety	 Safety and Health Promotion
403-6 Promotion of worker health	 Safety and Health Promotion
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	 Safety and Health Promotion
403-8 Workers covered by an occupational health and safety management system	 Safety and Health Promotion
403-9 Work-related injuries	 Safety and Health Promotion
403-10 Work-related ill health	 Safety and Health Promotion
<b>GRI 404: Training and Education 2016</b>	
404-1 Average hours of training per year per employee	 Performance Data (Social)
404-2 Programs for upgrading employee skills and transition assistance programs	 Human Resources
404-3 Percentage of employees receiving regular performance and career development reviews	—
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	
405-1 Diversity of governance bodies and employees	 Performance Data (Social)
405-2 Ratio of basic salary and remuneration of women to men	 Performance Data (Social)
<b>GRI 406: Non-discrimination 2016</b>	
406-1 Incidents of discrimination and corrective actions taken	 Compliance
<b>GRI 407: Freedom of Association and Collective Bargaining 2016</b>	
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	 Human Rights  AISIN Group Human Rights Policy  Fiscal 2024 Aisin Group Statement on Modern Slavery Act
<b>GRI 408: Child Labor 2016</b>	
408-1 Operations and suppliers at significant risk for incidents of child labor	 Human Rights  AISIN Group Human Rights Policy  Fiscal 2024 Aisin Group Statement on Modern Slavery Act

Disclosure	Location
<b>GRI 409: Forced or Compulsory Labor 2016</b>	
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	 Human Rights  AISIN Group Human Rights Policy  Fiscal 2024 Aisin Group Statement on Modern Slavery Act
<b>GRI 410: Security Practices 2016</b>	
410-1 Security personnel trained in human rights policies and procedures	—
<b>GRI 411: Rights of Indigenous Peoples 2016</b>	
411-1 Incidents of violations involving rights of indigenous peoples	—
<b>GRI 413: Local Communities 2016</b>	
413-1 Operations with local community engagement, impact assessments, and development programs	 Social Contribution Activities
413-2 Operations with significant actual and potential negative impacts on local communities	—
<b>GRI 414: Supplier Social Assessment 2016</b>	
414-1 New suppliers that were screened using social criteria	—
414-2 Negative social impacts in the supply chain and actions taken	—
<b>GRI 415: Public Policy 2016</b>	
415-1 Political contributions	—
<b>GRI 416: Customer Health and Safety 2016</b>	
416-1 Assessment of the health and safety impacts of product and service categories	—
416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	—
<b>GRI 417: Marketing and Labeling 2016</b>	
417-1 Requirements for product and service information and labeling	—
417-2 Incidents of non-compliance concerning product and service information and labeling	—
417-3 Incidents of non-compliance concerning marketing communications	—
<b>GRI 418: Customer Privacy 2016</b>	
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	—

