



Sustainability Data Book 2026

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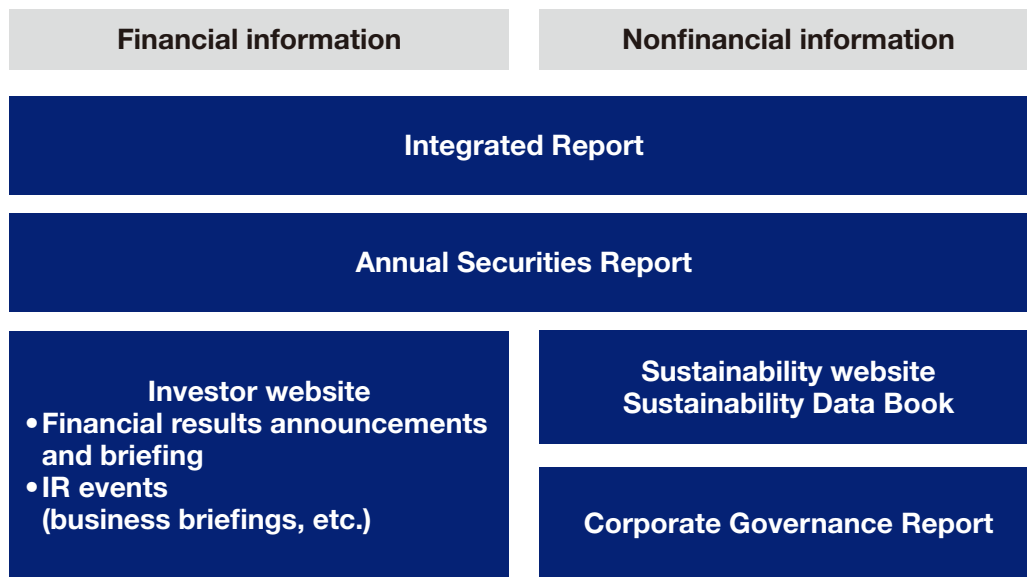
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Editorial Policy

Sustainability Data Book reports on Aisin's approach to sustainability and its Environmental, Social, and Governance (ESG) initiatives. It was compiled according to an editorial policy that references the GRI Standards and guidance. From FY2026 onward, for the convenience of our stakeholders, we are offering our sustainability website content in PDF format as a data book. We hope you'll find it useful

Information disclosure framework



Forward-looking statements

With the exception of matters relating to past or present facts, the content of this Report constitutes forward-looking statements based on future projections and plans. These forward-looking statements are based on information currently available at the time of planning and include various uncertainties and, hence, may differ from actual results and performance.

Coverage period

This document primarily focuses on FY2026 (April 1, 2025, to March 31, 2026), with some content from other periods also included.



Coverage scope

Covers the Aisin Group (Aisin Corporation and its consolidated subsidiaries) as a general rule. Where the coverage scope differs for specific information items, this is clearly stated (e.g., 3 Group companies, 13 Group companies).

3 Group companies

Aisin, Aisin Takaoka, ADVICS

13 Group companies

Aisin, Aisin Takaoka, Aisin Keikinzoku, Aisin Development, Aisin Kiko, Aisin Sin'ei, Aisin FUKUI, Hosei Brake Industry, ADVICS, Aisin Shiroki, Art Metal MFG., Aisin Kyushu, CVTEC

Date of issue

September 2026



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

34,956 (non-consolidated)
113,292 (consolidated)
(as of March 31, 2026)

No. of consolidated companies

Consolidated subsidiaries: 186
(69 in Japan and 117 overseas)
Equity-method affiliates: 14
(7 in Japan and 7 overseas)
(as of March 31, 2026)

Businesses

Manufacture and sale of
automotive parts and energy solution
products

Revenue by business segment

LBS*1 and Others

2.7% **139.3**
billion yen



AI-powered
on-demand
transportation
Choisoko



Car navigation system

Aftermarket

1.6% **83.0** billion yen



A comprehensive parts
department
store carrying 80
product categories



Expanding from
parts sales to become
a total service provider
(Photo shows
maintenance equipment)

Body

18.9% **968.4**
billion yen



Power sliding door



Grille shutter



Sunroof

Revenue
5,117.7
billion yen

Energy Solutions and Others

2.4% **122.3** billion yen



Cogeneration
System for
Residential Use



Gas heat pump
air-conditioner
(GHP)

Chassis and Vehicle Safety Systems

21.6% **1,105.1** billion yen



Automated parking system



Cooperative
regenerative brake
system



Disc brake

Powertrain

52.7% **2,699.4** billion yen



eAxle



RWD 2-motor
multi-stage
hybrid
transmission



FF 8-speed
automatic
transmissions



Electric water
pump

*1 Location Based Service (Services using geolocation data)

Sustainability Promotion

Basic stance and policy

Aisin's management philosophy is "Inspiring 'movement,' creating tomorrow." Our mission is to deliver beauty to our future earth, bringing freedom and happiness to "movement."

Through dialogue with stakeholders, we anticipate social issues and needs and aim to achieve a virtuous cycle of sustainable society realization and corporate value enhancement through our business activities.

To serve as the foundation of our sustainability management effort, we have established the AISIN Group Charter of Sustainability, which serves as our guideline for corporate activities. Additionally, we have defined the specific actions that employees should take to comply with the Charter in the Code of Conduct, and we ensure its thorough understanding and implementation.

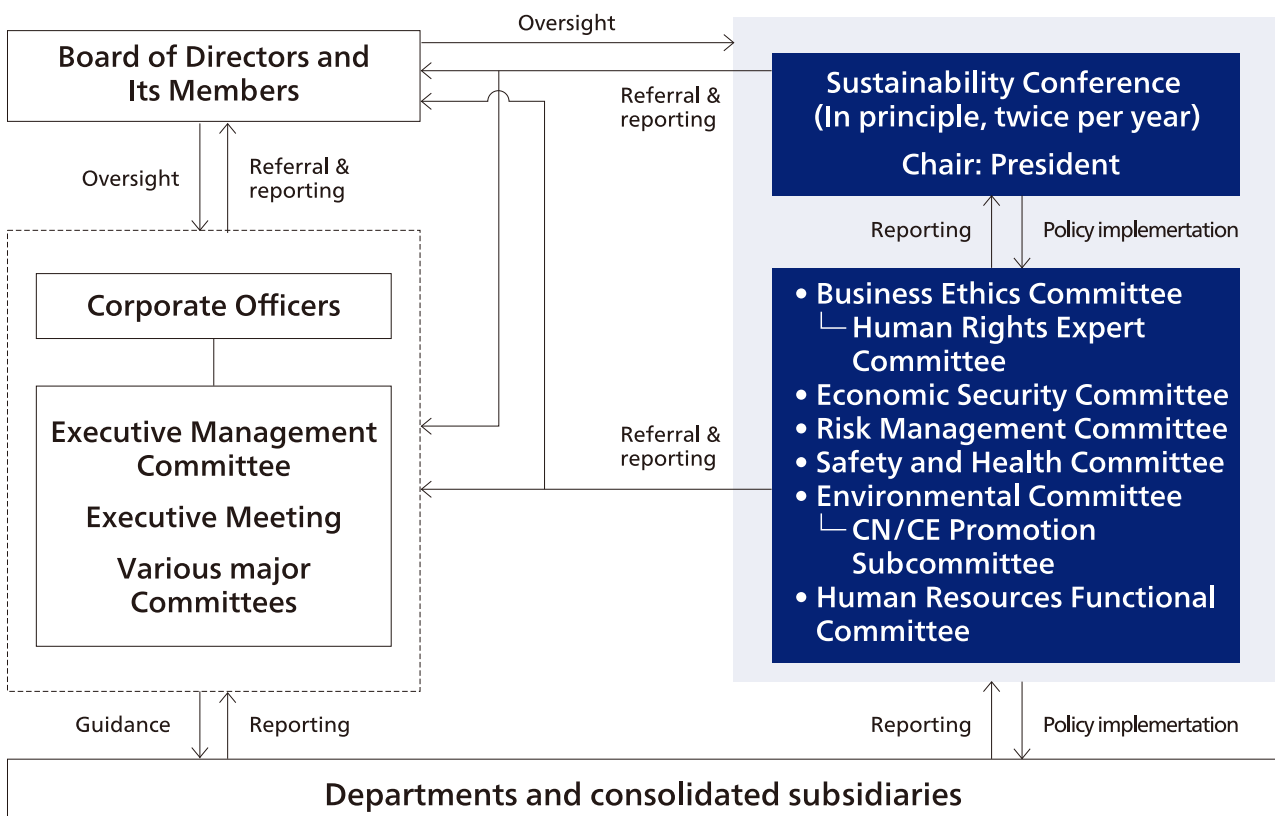
[AISIN Group Charter of Sustainability](#)

[AISIN Group Code of Conduct](#)

Promotion Structure

We hold a Sustainability Conference, chaired by our President, twice a year to discuss and determine the direction of our sustainability policies and initiatives, as well as to manage the progress of initiatives based on materiality issues. Policies adopted at the Sustainability Conference are reflected in the plans of each committee and deliberative body so they can propel initiatives to achieve our goals. Furthermore, important items from among matters deliberated and decided upon at the Sustainability Conference and in other forums are submitted and reported to the Board of Directors, which provides oversight.

Sustainability Promotion Structure



Sustainability Conference

Frequency	In principle, twice per year
Chair	President
Secretariat	Sustainability Management Section, Corporate Planning Department
Participants	Senior executive officers, Executive general managers of regional divisions, Presidents of major group companies, etc
Main agenda items	•Sharing the latest trends in sustainability •Discussing and deciding on sustainability policies •Review of materiality, determination of indicators and targets,and follow-up on progress

List of Agenda Items Submitted and Reported to the Board of Directors in FY2026

Domain	Board of Directors agenda items	Category	Promoting Committee
Sustainability (general)	Revision of the AISIN Group Code of Conduct	Report	Sustainability Conference
	Progress of activities toward sustainability management and future challenges	Report	
Risk management overview	Status of risk management initiatives	Report	Risk Management Committee
Climate Change	Operational status and challenges addressed by the Environmental Committee	Report	Environmental Committee
Human Capital	Discussion on Human Capital Strategy	Report	Human Resources Functional Committee

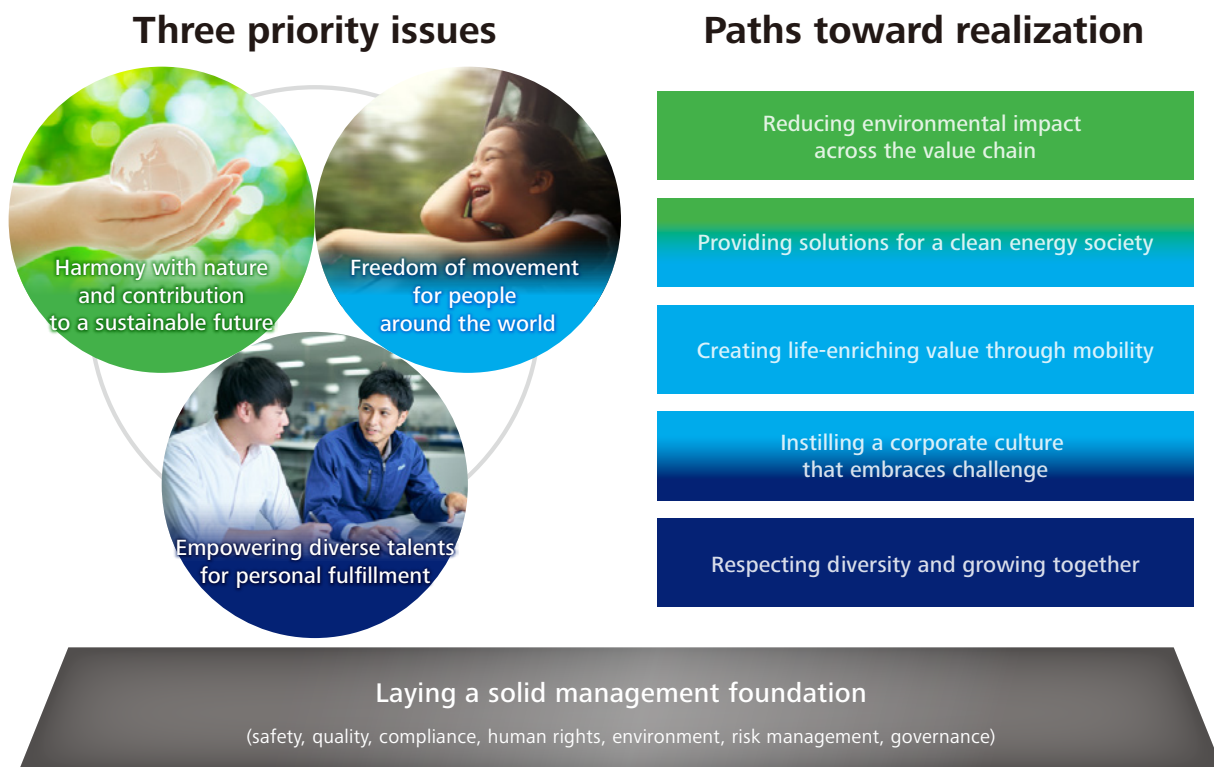
To further incentivize directors to address sustainability issues, the Company has incorporated sustainability KGIs into the metrics used to calculate performance-linked compensation. For details, please refer to the [Corporate Governance](#) section of this website.

Materiality Issues

Materiality issues at Aisin

Aisin has pursued sustainability management based on the Materiality Issues identified in FY2020, but in January 2025, we reviewed the Materiality Issues to respond to changes in the business environment and societal demands. We define Materiality Issues as the issues that Aisin should address in light of the long-term business environment to realize the AISIN Group Philosophy. We position these Materiality Issues at the core of our management strategy and pursue them in an integrated manner with our growth strategy.

We have identified three priority issues and five paths toward realization as Aisin's Materiality Issues. We will work to resolve these issues in the course of our business activities.



Materiality assessment process

At Aisin, everyone from employees to executives reaffirms the essence of the AISIN Group Philosophy, and we identify Materiality Issues in light of medium-to-long-term changes in the business environment and social issues. Specifically, we took an exhaustive look at the entire value chain and organized issues related to the automotive industry and sustainability according to the dual perspectives of risk and opportunity. On that basis, we held employee workshops to isolate issues related to our business and, following discussions by outside directors and other executives, further narrowed down the key issues from the perspectives of impact on management concerns, risk, and opportunity. Furthermore, we validate the appropriateness of the identified draft materiality issues by way of stakeholder engagement. These results are deliberated and resolved at the Sustainability Conference and reported to the Board of Directors, thereby subjecting them to oversight by the Board of Directors. At the Sustainability Conference, we further evaluate their appropriateness each year to reflect changes in the business environment and other factors and revise them as necessary.

Issue extraction	STEP1	Catalog general business and ESG-related issues Reference guidelines and disclosure standards: ESRS, ISSB, SASB, GRI, etc.
Prioritize	STEP2	Conduct employee workshops to extract issues related to Aisin's business activities
	STEP3	Narrow down key management issues through workshops for executives (including outside directors)
Engage stakeholder (Investors, external experts, local residents, suppliers, employees, etc.)	STEP4	Validate the materiality issues draft
Identify material issues	STEP5	Discuss and resolve the draft materiality issues at the Sustainability Conference; report them to the Board of Directors and receive oversight.

Recognition of the external environment and opportunities/risks

Aisin analyzes and evaluates opportunities and risks arising from medium-to-long-term changes in the business environment and uses these to identify materiality issues and formulate medium-to-long-term strategies. By evaluating the impact Aisin has on society and vice versa and incorporating our findings into our initiatives, we promote activities aimed at resolving materiality issues.

External environment	Opportunities and risks	
1. Changes in the automotive market and customer needs	Opportunities	•Expansion of demand for mobility, centered on emerging markets •Expansion into new business domains through SDVs (Software Defined Vehicles) •Easing of the declining ICE trend amid slowing BEV adoption
	Risks	•Demand fluctuations due to slowing automotive market growth and declining car ownership •Changes in the competitive environment due to emerging manufacturers •Changes in the profit structure accompanying the advance of BEV
2. Rising geopolitical and economic security risks	Opportunities	•Strengthening resilience through more robust supply chains and regional diversification
	Risks	•Supply chain instability due to rising geopolitical risk •Procurement constraints and price fluctuations affecting critical resources •Impact on earnings from changes in trade policy
3. Advances in digital technology and other innovation	Opportunities	•Creating value by applying AI and digital technologies •Substantial productivity gains through the use of digital and robotics technologies
	Risks	•Impact on competitiveness due to delays in responding to technological innovation •Rising cybersecurity risk
4. Uncertainty in environmental regulations and energy policy	Opportunities	•Creating new value through responses to carbon neutrality and resource recirculation •Flexible product offerings tailored to each region's energy circumstances
	Risks	•Increasingly uncertain business conditions amid changing environmental regulations and policy •Impact on competitiveness from delays in environmental responses
5. Changes in demographics, lifestyles, and values	Opportunities	•Creating value by leveraging workforce diversity •Creating businesses that respond to increasingly sophisticated and diverse social issues
	Risks	•Greater difficulty securing talent due to the declining working-age population in developed countries •Stagnation in propagating skills due to changes in workforce structure and diversifying attitudes toward work

Risks related to sustainability are integrated into our companywide enterprise risk management (ERM). For details on specific risks and responses, please refer to the [Risk Management](#) section of this website. Furthermore, opportunities related to sustainability are deliberated at various key meetings and the Executive Management Committee. Significant opportunities are submitted to and reported to the Board of Directors.

Materiality issues: key goal and performance indicators

We set KGIs and KPIs for our materiality issues and pursue their achievement by translating them into specific action plans. The FY2031 target values and FY2026 actual results are as follows.

Priority issues	Paths toward realization	Goals (KGI)	Indicators (KPI)	FY2026 actual results	FY2031 target values	Scope	Targeted SDGs
Harmony with nature and contribution to a sustainable future	Reducing environmental impact across the value chain	[Carbon neutrality] Carbon neutrality by FY2051 Carbon-neutral in-house manufacturing by FY2036	Scope 1 & 2 emissions (compared with FY2020)	1.74 million t-CO ₂ e (37.4% decrease)	46.2% decrease	Consolidated	
			Scope 3 emissions (compared with FY2020)	22.35 million t-CO ₂ e (3.8% decrease)	27.5% decrease		
		[Circular economy] Achieve zero-emission plant by FY2041 (landfill waste: 1% or less)	Optimizing resource utilization	~*1	10% efficiency improvement*2		
			Waste minimization Waste emissions (compared with FY2020)	~*1	11% decrease		
Freedom of movement for people around the world	Providing solutions for a clean energy society	Widespread use of cleantech*3 products and services in the mobility and energy domains	CO ₂ emission reduction via products and services ** (cumulative from FY2026)	2.06 million t-CO ₂	20 million t-CO ₂ *5	Consolidated	
			Number of cleantech products commercialized	Three business model proposals	Three or more		
	Creating life-enriching value through mobility	Realizing safe, reliable, comfortable, and convenient mobility	Number of drive units sold *6 (cumulative since FY1970)	218.07 million units	270 million		
			Number of newly adopted products and services (cumulative from FY2026)	71	500		
			Build-out of aftermarket product and service lineup Number of Product and Service Categories	78	100 or more		
			Total users of mobility-related services (MAU*7)	76,445	183,400		
			Number of key new business domains	Internal agreement on business plans: 2 domains	Three domains		
	Instilling a corporate culture that embraces challenge	Ongoing accumulation of new fundamental technologies	Number of inventions*8 (One-year)	1,374	1,500		
		Environment conducive to a proactive work style	Positive response rate for employee engagement*9	61%*10	~*11		
			Presenteeism performance Level*12	79.7%	85%	Aisin Corporation (parent)	
Empowering diverse talents for personal fulfillment	Respecting diversity and growing together	A work environment where diverse professionals can thrive	Positive response rate for an environment that empowers employees*13	59%*10	~*11	Consolidated	
			Ratio of female managers*14	3.0%	4.5%	Domestic group companies	

Priority issues	Paths toward realization	Goals (KGI)	Indicators (KPI)	FY2026 actual results	FY2031 target values	Scope	Targeted SDGs
Laying a solid management foundation	Safety	A culture that prioritizes safety	Number of serious accidents ^{*15}	0	0	Consolidated	
	Compliance	Zero serious violations of laws and compliance policies	Positive response rate for ethics survey	72%	80% ^{*16}		
	Human rights	Zero serious violations of human rights	Human rights risk assessment survey implementation rate ^{*17}	100%	100%		
			Human rights training implementation rate ^{*18}	93%	100%		
	Governance	Achieved enhanced management transparency and internal controls by transitioning the Board of Directors to a Monitoring Board structure, thereby separating oversight and execution	Ratio of female directors	12.5%	30% or more	Aisin Corporation (parent)	

*1 Performance evaluation to begin in FY2027

*2 Resource efficiency: sum of the waste discharge reduction rate and the rate of increase in waste recycled for use within the group

*3 Cleantech: technological solutions that reduce environmental impact (e.g., renewable energy, efficiency improvements, resource recycling)

*4 CO₂ emission reduction contribution: reduction in CO₂ emissions during product use achieved through improvements in product performance

*5 Assumption: Based on projections as of July 2025

*6 Drive unit sales: sales volume of AT, CVT, HEV, PHEV, and eAxe units

*7 MAU: Monthly Active Users, number of people who used the service at least once per month

*8 Number of inventions: Total number of patent applications along with confidential and publicly disclosed instances of intellectual property

*9 Positive response rate for employee engagement: Percentage of employee engagement survey respondents who answered "I want to contribute to the company, feel loyal, and am motivated to put in proactive effort"

*10 Scope of current fiscal year results: 68 domestic and 36 overseas companies

*11 After the global rollout of the employee engagement survey is completed, a worldwide target is slated to be set in FY2028 based on actual results as well as regional, cultural, and other characteristics.

*12 Presenteeism performance level: Percentage of employees who felt they could perform at 80% or more of their capacity over the past month, with 100% representing performance achievable while healthy.

*13 Positive response rate for an environment that empowers employees: Percentage of employees who responded in the employee engagement survey that "There are opportunities to apply my skills and abilities, and a comfortable work environment is provided"

*14 Manager: key position (section chief) and above

*15 Serious accidents: Defined as those involving fatalities

*16 Following the analysis accompanying the review of the ethics survey methodology (FY2026), target values were reset based on national and regional characteristics and external benchmarks.

*17 Human rights risk assessment survey implementation rate: (Number of companies conducting human rights risk surveys / Number of consolidated companies) × 100

*18 Human rights training implementation rate: (Number of employees who received training on compliance and human rights / Number of consolidated employees) × 100

Stakeholder Engagement

Guided by our corporate philosophy, “Inspiring “Movement”, Creating Tomorrow,” we accurately identify issues and needs facing society through dialogue with our diverse stakeholders and actively reflect these insights in our business activities and decision-making. By building constructive and ongoing dialogues with a wide range of stakeholders, we deepen mutual understanding and trust as we advance our response to sustainability topics based on the expectations and opinions we learn about. In this way, we will create a virtuous cycle that contributes to a sustainable society and enhances corporate value over the medium-to-long term.

Stakeholders	Policy	Engagement methods	Examples of activities
Customers	Guided by our value proposition, “To our customers, inspiration and trust,” we strive to provide products and services that exceed our customers’ expectations. We also endeavor to ensure their satisfaction and gain their trust by providing suitable information about our products and services and communicating sincerely.	■ Dialogue maintained through regular sales activity ■ Customer Contact Center ■ Information via corporate website ■ Exhibitions and test-drive events	• We have hosted such events as Aisin Group new product exhibitions and test-drive opportunities to let our customers experience our latest products firsthand and to assess customer needs. • Exhibiting at motor shows and other events and exhibitions to gather customer needs
Local communities	In recognition that companies bear responsibility as members of society, we contribute to sustainable development through active participation in the community. We support voluntary employee-driven social initiatives addressing various challenges to the community. We also work with stakeholders to create value for society at large and promote sound development.	■ Regional round-table conferences ■ Invitations to Aisin-sponsored events ■ Participation in regional events	• Contributing to the community through athletics by organizing fan support tours and sports festivals. Contributing to a prosperous society by fostering children’s healthy physical and mental development through presentations by athletes. • Holding regional round-table conferences to promote understanding of our business among local governments and neighborhood associations and to exchange information. • Providing educational opportunities by holding monozukuri (manufacturing) outreach classes, factory tours, and on-the-job learning
NGO • NPO		■ Participation in activities and communication with NGOs and NPOs	• Granting elementary schools access to the Aisin Environmental Learning Program in collaboration with NPOs (outreach classes) • Contributing to green regeneration by holding Mt. Fuji tree planting in collaboration with NPOs • 190,000 School Meals Donated to Children in Developing Countries through TABLE FOR TWO Activities in FY2025 - Contributing to the SDGs and promoting employee health, ranking first for seven consecutive years -
Suppliers	Across the supply chain as well, we share the AISIN Group Charter of Sustainability and promote open, fair, and clean procurement so that its spirit takes root and is put into practice.	■ Study and Information Sessions ■ Collaborative meetings and training sessions ■ Hosting events ■ Supplier visits to production sites	• Briefings on purchasing policies • Deploying the AISIN Group Supplier Sustainability Guidelines and conducting surveys • Support tailored to each supplier’s challenges (manufacturing, quality, safety, fire prevention, the environment, carbon neutrality, human rights, employment of foreign workers, and information security) • Hearing concerns, such as disposal of old molds



Stakeholders	Policy	Engagement methods	Examples of activities
Employees	We respect the diverse characteristics of our individual employees and strive to create the leading workplace for professional growth, in which everyone thrives amid a corporate culture that encourages taking on challenges. Furthermore, guided by the principle of “Safety and health first” we endeavor to provide a comfortable work environment.	■ Regular labor–management councils, information exchanges, town hall sessions ■ Staff surveys covering such topics as engagement survey ■ Access to information via internal portals and company newsletters	• Video streaming of labor–management council sessions on the internal portal. • Personal explanation by our president of new fiscal year policies and organizational changes to managers through face-to-face briefings and dialogue. • Improving the workplace environment through our 60th-anniversary event, the launch of a dedicated website, and office renovations.
Shareholders & Investors	We disclose corporate information in a timely, appropriate, and fair manner. We enhance corporate value by maintaining and developing constructive dialogue and trust with shareholders and other stakeholders.	■ Shareholders’ Meeting ■ Financial results briefings ■ Business briefings ■ Dialogue with shareholders & investors ■ Briefings for individual investors ■ Issuance of various disclosure materials, including integrated reports ■ Website (IR & investor information)	■ Opportunities for dialogue with shareholders & investors ■ Core disclosure materials • Financial results briefing materials • Content directed at individual investors • Annual Securities Report for the 103rd Fiscal Year • Corporate Governance Report
Academic and research institutions, government agencies, industry associations	Leveraging our core strengths—Group synergy, Outstanding technology development, and Manufacturing expertise—we take on the challenge of creating new value and strive to provide useful, safe products and services that contribute to sustainable economic growth and the resolution of social issues.	■ Participation in public-private partnerships ■ Participation in, dialogue with, and collaboration with business and industry associations ■ Participation in policy advisory councils (Japan) ■ Dialogue with external experts ■ Joint research with industry, government, and academia	• Submitted regulatory-reform requests to Keidanren. At the Cabinet Office’s Council for the Promotion of Regulatory Reform, our proposed “review of the Radio Act usage rules (technical-standards conformity certification, etc.)” was included as a future consideration for regulatory and institutional reform. • Jointly developed with Tohoku University a world-first proof-of-concept chip for edge AI utilizing fused CMOS/spintronics technology, and confirmed on a demonstration system an energy-efficiency improvement of more than 50 times compared with conventional technology. • Participated in Japan’s first joint demonstration of a regional CO₂-recycling e-methane supply facility and in the Public-Private Council for Promoting Methanation, advancing efforts toward the social implementation of regional CO₂ recycling.

[Engagement with multiple stakeholder classes](#)

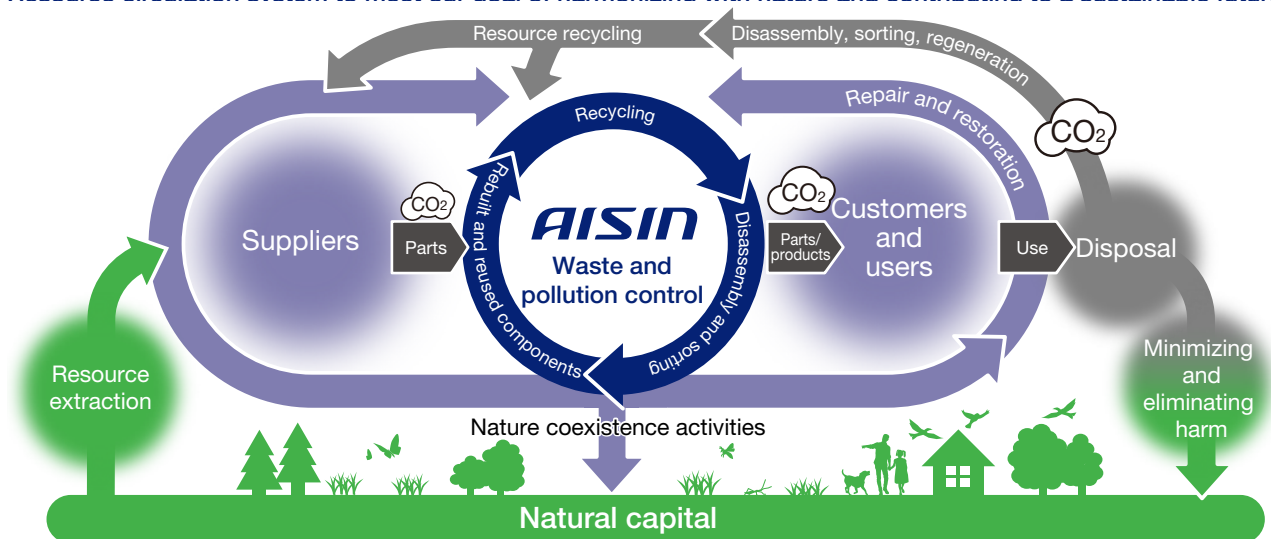
Environment

Basic stance and policy

Guided by the AISIN Group's management philosophy of "Inspiring Movement, Creating Tomorrow," the Company pursues lasting harmony between people and the planet and addresses environmental and social issues. By drawing on the broad product portfolio we have built, which spans automotive applications, construction, greening, and energy, along with our leading technologies and services, we help address global environmental issues and continue to bring prosperity to the Earth of the future. To this end, each employee confronts environmental issues such as climate change and resource depletion head-on so as to pass a sustainable environment on to future generations. Our goal is a society in harmony with nature, where everyone can live with peace of mind.

[AISIN Group Environmental Policy](#)

Resource circulation system to meet our goal of harmonizing with nature and contributing to a sustainable future



Promotion Framework

We have established two promotional bodies: the Environmental Committee, which deliberates on basic policies for the environment as a whole and oversees the proper execution and progress of related operations, and the CN/CE Promotion Subcommittee, which examines and drives strategies for carbon neutrality (CN), the circular economy (CE), and harmony with nature. Both bodies are chaired by the head of the Carbon Neutral & Environment Promotion Center, and each meets twice a year. Following the policies decided by the Sustainability Conference, each deliberates on and examines matters within its own role. Important matters discussed by the Environmental Committee are submitted and reported to the Board of Directors and, where necessary, reflected in business strategies and plans.

[For details, see Sustainability Promotion Framework.](#)

Environmental Committee

Frequency	Twice a year in principle
Chair	Head of the Carbon Neutral & Environment Promotion Center
Secretariat	CN & Environment Promotion Department
Participants	President & Executive Officer, Executive Officers, Center/Division heads, Presidents of major Group companies, etc.
Main agenda	•Deliberating on and rolling out basic policies for the environment as a whole •Ensuring proper execution and progress management of environmental operations as a whole

CN/CE Promotion Subcommittee

Frequency	Twice a year in principle
Chair	Head of the Carbon Neutral & Environment Promotion Center
Secretariat	CN & Environment Promotion Department
Participants	Center/Division heads, responsible officers of major Group companies, etc.
Main agenda	Examining and driving strategies for carbon neutrality, the circular economy, and harmony with nature

Strategy

We established the AISIN Consolidated Environmental Action Plan in 1993 as one of our environmental initiatives and have worked to five-year action plans under the Plan ever since.

Starting in FY2027, we redefined the scope, levels, and items we evaluate against our vision for the future and formulated a new, more challenging plan, the Aisin Environmental Action Plan 2031, which targets FY2031 and spans four domains: carbon neutrality, the circular economy, harmony with nature, and foundations. Carbon neutrality and the circular economy, which bear directly on sustainability management, are positioned as materiality KGIs. The entire AISIN Group is working on them as one entity so that every employee considers and acts on them.

[For details, please refer to Materiality.](#)

Related materiality issues

Materiality issue		Goals (KGI)	Indicators (KPI)	FY2026 results	FY2031 target values
Priority issues	Path to realization				
Harmony with nature and contribution to a sustainable future	Reducing environmental impact across the entire value chain	[Carbon neutrality] FY2051: achieve CN FY2036: achieve CN for CO ₂ from manufacturing	Scope 1 & 2 emissions (Compared to FY2020)	1.74 million t-CO ₂ e (37.4% decrease)	46.2% decrease
			Scope 3 emissions (Compared to FY2020)	22.35 million t-CO ₂ e (3.8% decrease)	27.5% decrease
		[Circular economy] Achieve zero-emission factories by FY2041 (landfill waste ≤1%)	Optimizing resource utilization	—*1	10% efficiency improvement**2
			Waste minimization Waste emissions (Compared to FY2020)	—*1	11% decrease

*1 Performance evaluation to begin in FY2027

*2 Optimizing resource utilization: the sum of the reduction rate in waste discharged and the rate of increase in waste circulated as a resource within the Group

Aisin Environmental Action Plan 2031

Field	Indicator (KPI)	Initiatives
Carbon neutrality	Scope 1 & 2 emissions: 46.2% decrease compared to FY2020	■ Minimizing energy consumption through power and heat optimization and establishing technologies for recycling and substituting energy inputs • Saving energy through higher equipment efficiency, operational optimization, and elimination of waste and losses • Demonstration and feasibility assessment of clean energy technologies (bio-briquette coke, perovskite solar cells, CO₂ recycling, etc.) • Promoting renewable energy
	Scope 3 emissions: 27.5% decrease compared to FY2020	■ Reducing GHG emissions across the value chain through initiatives in key categories • Expanding our electrified product lineup and improving product performance (high efficiency, compactness, low weight, etc.) • Promoting the use of low-CO₂ materials (recycled materials, green aluminum, etc.) • Supporting suppliers' CN activities by sharing best practices through GENCHI GENBUTSU (Go and See approach) • Improving loading efficiency and optimizing logistics routes in collaboration with suppliers and transporters
Circular economy	Minimization of resource input Optimizing resource utilization 10% efficiency improvement	■ Enhancing resource efficiency via full use of materials within each process and factory • Pursuing yield improvement (minimizing scrap, reducing defect rates, etc.) • Promoting intra-group resource circulation leveraging our Raw materials business • Promoting reuse and recycling of products collected from the market
	Waste minimization Waste emissions: 11% decrease compared to FY2020	■ Minimizing waste volume by enhancing the value of waste materials • Promoting added value and resource recovery through decomposition and sorting • Employing advanced treatment technologies to shift from landfill disposal • Setting policies tailored to national and regional conditions and translating them into action
Harmony with nature	Promoting biodiversity conservation through water resource circulation and conservation 1) Minimization of water usage 2) Contribution to climate change mitigation through forest conservation activities Number of trees planted: 800,000 in total 3) Continued implementation of regional collaboration activities	■ Minimizing water usage • Reducing consumption by eliminating waste and losses at production and utility sites • Promoting recycling technologies ■ Advancing regional biodiversity conservation • Global tree planting, afforestation, and management of forests and Satoyama (traditional rural landscape where people live in balance with nature) • Biodiversity conservation on company premises and in the surrounding watershed
Foundation	Number of serious environmental incidents: 0	■ Preventing environmental incident across the supply chain through stronger environmental management • Thoroughly identifying potential risks and implementing improvements through the promulgation of unified AISIN Group standards • Enhancing environmental personnel performance through the unified certification of ISO 14001 certification • Thoroughly managing chemical substances in line with legal and regulatory trends in each country and region

Key initiatives

Carbon neutrality initiatives

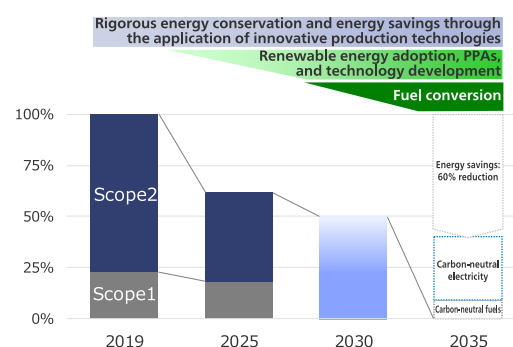
We target carbon neutrality by FY2051 on two fronts: production and products. With regard to the production process, we are cutting energy use and switching to clean energy such as renewables through rigorous energy-saving activities and by developing innovative production technologies. On the product side, we are further evolving our products for electrified vehicles and promoting the spread of energy and resource circulation systems, to create new value by fusing mobility and energy technologies.

Scope 1 & 2

AISIN's target is carbon neutrality for CO₂ from manufacturing by FY2036. Reducing Scope 1 & 2 emissions lowers our environmental impact and, by cutting energy costs, also strengthens our corporate fundamentals. We are therefore cutting energy use through rigorous energy-saving activities and by introducing innovative production technologies. For the CO₂ emissions we cannot eliminate, we are switching step-by-step to renewable energy sources, including solar and wind power, to reduce Scope 2 emissions. As to Scope 1 emissions, we are moving ahead with the electrification of non-electric energy, developing clean energy technologies (bio-briquette coke, CO₂ recycling, etc.), and converting to new fuels such as e-methane* to cut CO₂ emissions further. In FY2026, we reduced emissions by 37.4% compared to FY2020, keeping us on track for our FY2031 target.

* e-methane: a synthetic fuel made by combining CO₂ with hydrogen derived from renewables and other energy sources. Because it is made from captured CO₂, burning it does not substantially increase atmospheric CO₂ versus the baseline.

Scope 1 & 2 reduction scenario



– Saving energy through higher equipment efficiency, optimized operations, and thorough elimination of waste and losses

AISIN treats productivity gains, such as reductions in defect rates and output increases as an integrated effort with rigorous energy conservation. Alongside our Six Energy-Saving Principles (stop, turn off, recover, switch, fix, and lower), we have focused on the energy consumed to make each individual product and eliminated waste and losses thoroughly. Through our CN Base Camp and CN Caravan programs, which instruct employees in the fundamentals of carbon neutrality, we have also helped employees practice energy saving on their own initiative and raised awareness. In FY2026, we continued to eliminate waste and losses and focus on the global rollout of methodology refinements from Japan. AISIN Group companies will exchange views on improvement examples and challenges by practicing “GENCHI GENBUTSU GENNIN” at one another's sites (go, see, and verify firsthand) at one another's sites, exchanging views on improvement cases and issues to build up further energy-saving measures.

Key examples for FY2026

Energy-saving activities through improved air usage and IT solutions (AISIN)

By shortening air-blow times and optimizing air consumption, we cut CO₂ emissions across the whole line by about 112 t-CO₂ a year. Using IT to detect whether products are present and available for washing, we also optimized cleaning-machine operation and cut about 73 t-CO₂ a year. Each of these initiatives received the Energy Conservation Center Chairman's Award in the energy-saving case category of the FY2026 Energy Conservation Grand Prize, hosted by the Energy Conservation Center.

Key examples for FY2026

Finding energy-saving measures and spreading them horizontally through small-group activities categorized by production method (AISIN)

To move beyond conventional plant-by-plant energy-saving activities, we ran small-group exercises organized along a production-method axis and spanning all sites. Small teams were formed for each manufacturing method. Bringing together experts in each production-method from every plant to discuss ideas, we found new energy-saving measures and accelerated their spread to all sites through the production-method subcommittees, review bodies in which the relevant departments participate for each manufacturing method. This initiative also received the Energy Conservation Center Chairman's Award in the energy-saving case category of the FY2026 Energy Conservation Grand Prize, hosted by the Energy Conservation Center.



Winning the Energy Conservation Grand Prize

[For details, please click here.](#)

Utilizing the heat-storage capacity of discarded materials (Art Metal MFG)

Art Metal MFG reduced CO₂ emissions from its molten-aluminum holding furnaces, a major CO₂ source, by using waste alumina. After confirming that waste alumina retains alumina's heat-storage capacity, the company lined the holding furnaces with it, which limited drops in furnace temperature and reduced LPG consumption. Because it makes use of alumina the AISIN Group previously would have discarded, the approach also lowers purchasing costs.



Hearth of the holding furnace

Joint development of an innovative cleaning agent (AISIN)

In the cleaning process—a proportionally high-CO₂-emitting step within AISIN's overall transmission manufacturing process—Kao Corporation and AISIN jointly developed the agent Heatless anti-rust cleaner, which offers three functional benefits: high cleaning power at room temperature, high drying performance without hot air, and high rust prevention that eliminates the need for rust-proofing treatment. As a result, CO₂ emissions per cleaning machine fell by 73%, and less rust-prevention material is needed. Extending the service life of the cleaning solution more than threefold also holds water use to less than one-third and eases the wastewater-treatment load. This initiative received the Minister of the Environment Award at the 52nd Environment Awards, presented by the National Institute for Environmental Studies and Nikkan Kogyo Shimbun, Ltd. We are rolling this solution out to overseas sites and across AISIN Group companies.

[For details, please click here.](#)

– Promoting the adoption of renewable energy

To reduce Scope 2 emissions, AISIN is switching to renewable energy in stages, with thorough energy saving as the prerequisite. We set out to install solar power at every feasible site in Japan and overseas by FY2026 and have largely accomplished this. In Europe in particular, given local energy sector conditions and characteristics, we adopted renewable energy ahead of other regions. We are continuing to adopt renewable energy through diverse means suited to each region.

Key examples for FY2026

Offsite solar PPA for local production and local consumption using idle land (Aisin Keikinzoku)

Aisin Keikinzoku introduced the AISIN Group's first offsite solar PPA* in Japan to use idle land for local production and consumption, thereby contributing to Scope 2 emissions reductions. The company's head-office plant has introduced onsite solar PPAs in stages since 2023 and, with this addition, its renewable energy capacity reaches about 7 MW. The plant uses about 7.4 GWh of renewable energy a year, cutting CO₂ emissions by about 3,700 t-CO₂.

* PPA: Power Purchase Agreement, an individual contract to purchase electricity.

[For details, please click here.](#)

Achieving a 100% renewable energy adoption rate (Aisin Tohoku)

In April 2026, Aisin Tohoku signed a power supply agreement with the Tohoku Automotive Industry Green Energy Promotion Association (TAGA), an electricity retailer. Renewable energy supplies commenced under this agreement, and the electricity the company uses in its business is now 100% renewable. Through TAGA, the Company uses renewable energy supplied by the Iwate Prefectural Enterprise Bureau and supplies surplus electricity from its solar generation to automotive companies in Tohoku, thus helping to build a regional circular economy. Funds earned from selling surplus electricity are applied toward regional social issues, such as biodiversity and seagrass-bed restoration.

[For details, please click here.](#)

Achieving 100% renewable energy adoption at all production sites in the European region

The European region has set carbon neutrality by 2040 as its long-term goal, ahead of AISIN's overall worldwide target. As a first step, the Company has been switching to renewable energy, including solar and wind power, on the way toward 100% renewable energy at all European production sites. In April 2025, Aisin Otomotiv Parçaları San. Tic. A.Ş. (Istanbul), a European regional production subsidiary based in Türkiye, built a solar power plant in its home country. When this plant began generating power, renewable energy reached 100% at all production sites in the European region, including Türkiye.

[For details, please click here.](#)



AISIN TURKIYE SOLAR POWER PLANT

– Demonstrating and assessing the feasibility of clean energy technologies (bio-briquette coke, perovskite solar cells, CO₂ recycling, etc.) for adoption

To reduce Scope 1 emissions, AISIN is developing clean energy technologies and converting to new fuels while pursuing energy saving and equipment electrification. Specifically, we are methodically developing and demonstrating bio-briquette coke, perovskite solar cells, CO₂ recycling, and other technologies, with future commercialization and deployment in scope. By commercializing these technologies, we are spreading them through society as a means to help cut CO₂ emissions at the societal level.

Key examples for FY2026

Mass production of bio-briquette coke commences (Aisin Takaoka)

Aisin Takaoka develops Bio-M-Coke[®], a bio-briquette coke that can fully replace the coal coke used to melt iron in cupola furnaces. The Company runs demonstration tests on its own production line, replacing 100% of the coke with bio-briquette coke, confirming the viability of stable operation. By 2030, the Company plans to replace all the fuel it uses with bio-briquette coke. At the same time, it is running external demonstration tests at foundries in Japan. The Company has also established a joint venture, PT. ATP Bio Indonesia (Indonesia), to handle production and sales, with selling to commence in April 2026. Use is planned not only at the company but also at other companies that operate cupola furnaces, to help reduce CO₂ emissions across the whole industry.



PT. ATP Bio Indonesia



Bio-briquette coke (Bio-M-Coke[®])

Launch of a perovskite solar cell demonstration in public-private collaboration (AISIN)

To reduce Scope 2 emissions and expand AISIN's energy value chain business, we began demonstrating perovskite solar cells and are scaling up the demo. Perovskite solar cells are lighter, more flexible, and thinner than conventional solar cells. They can therefore be installed where silicon solar cells cannot be easily placed, such as building walls and roofs with limited load-bearing capacity. AISIN is promoting these demonstrations in partnership with government and industry to bring perovskite solar cells into practical use early.



Perovskite solar cell

[For details, please click here.](#)

Japan's first joint demonstration of regional CO₂-recycling e-methane supply begins (AISIN)

With TOHO GAS Co., Ltd. and DENSO CORPORATION, we began Japan's first joint demonstration of regional CO₂-recycling e-methane supply ("regional CO₂ recycling"). With regional CO₂ recycling, the party that emits the CO₂ is the same party that uses the e-methane produced from it. Because the CO₂ circulates within the region, traceability is easy to establish. This enables the early presentation of e-methane solutions, including under overseas frameworks and rules in the EU and elsewhere. It can be marketed as energy rated at zero CO₂ emissions at the point of use, which should establish its environmental value sooner.

[For details, please click here.](#)

Key examples for FY2026

Scaling up the demonstration of CO₂ separation and capture technology (AISIN)

At its Nishio Die-Casting Plant, Aisin developed a compact size, high-efficiency unit that separates and captures all the CO₂ emitted from one melting furnace (3 t-CO₂/day) and began demonstration tests. Evaluation of this system began in 2023, and the current demonstration validates its performance at a larger scale. CO₂ from the melting furnace is dissolved into solution within an absorption tower and then released in a stripping tower, where it is recovered as high-purity CO₂. The captured CO₂ is designated for use as methane fuel and as a raw input for concrete, among other applications, and contributes to resource circulation. The unit's compact size and its integrated heat-recovery system, which uses the melting furnace's waste heat as the heat source for CO₂ capture, lower the energy needed to run it.

[For details, please click here.](#)

Scope 3

Scope 3 emissions account for about 90% of AISIN's total CO₂ output, and their reduction is essential to reaching carbon neutrality by FY2051. Across the product life cycle from resource extraction to disposal, we are concentrating our reductions on categories 1, 4, 11, and 12, which emit the most heavily. Specifically, we are reducing CO₂ emissions in the consumer use phase by improving product performance and, across the entire supply chain, we are adopting more low-CO₂ materials, supporting suppliers' carbon-neutrality efforts, and improving load efficiency and optimizing routes together with suppliers and transporters. These efforts combine to reduce our environmental impact and strengthen the company's competitiveness.

– Expanding our electrified product lineup and improving product performance (higher efficiency, smaller size, lower weight, etc.)

We are bringing to market a broad lineup of products offering high efficiency and compact size and includes electric drive units, Cooperative Regenerative Brake System, thermal management systems, and aerodynamic devices. Our energy value chain business contributes to reducing CO₂ emissions across society.

[For details on electrified products, click here.](#)

[For details on the energy value chain business, click here.](#)



We also work from the earliest stages of development to strengthen product competitiveness and reduce CO₂ emissions across the entire supply chain (Scope 3). As part of this, we incorporate Life Cycle Assessment* into our product design process. Using a calculation tool based on our internal assessment guidelines, we quantify the environmental impact of each product. We also train employees to deepen their understanding and sharpen their calculation skills. By considering low-CO₂ materials and smaller, lighter products from the earliest stages of development, we reduce CO₂ emissions across the entire product lifecycle. In recognition of these efforts, the China Automotive Technology and Research Center Co., Ltd. (CATARC) gave us its most favorable low-carbon supplier rating in March 2025.

* Life Cycle Assessment: a quantitative evaluation of the environmental impact of a product or service across its entire life cycle.

– Supporting suppliers' CN activities by sharing best practices on-site through a GENCHI GENBUTSU (go and see) approach

About 40% of Scope 3 emissions are traceable to raw materials and parts, so reducing them requires working with suppliers. Under the slogan “Leave no one behind,” Aisin works continuously on three pillars: (1) CN Open Campus, where participants learn the fundamentals of carbon neutrality and other companies’ initiatives; (2) sector-specific working groups, in which Aisin plant operators and suppliers learn from one another; and (3) CN Activity Support, where they put what they have learned into practice onsite. We are now extending this support globally in a manner tailored to local supplier relationships and other regional characteristics to reduce CO₂ emissions across the entire supply chain.

Key examples for FY2026

Co-hosting a CN workshop (AISIN)

The automotive industry has an expansive supply chain with an enormous number of suppliers, so automakers and parts makers need to promote carbon neutrality together. To this end, four companies — Toyota Motor Corporation SANGO CO., LTD., Aisin, and TOYOTA BOSHOKU CORPORATION (in order of participation)—have been examining how to disseminate our carbon-neutrality initiatives throughout the entire supply chain. In connection with this, three of the companies jointly held a CN workshop (sponsored by Toyota Motor Corporation) that was attended by about 140 people from 77 suppliers and three government agencies. The workshop gave each company a chance to share and recognize its challenges and priorities in CN, encouraging action across the entire supply network. Participation by senior management also deepened understanding of carbon neutrality and fostered a sense of ownership.

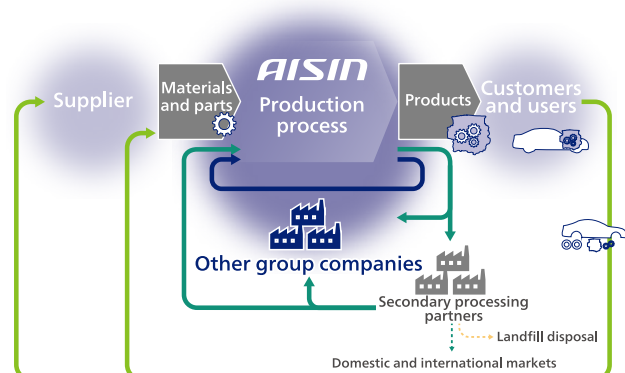
Supporting 12 suppliers at an overseas site (AISIN ASIA PACIFIC)

AISIN ASIA PACIFIC (Thailand), together with Aisin Group companies, is helping 12 suppliers that sell a high proportion of their output to the company reduce their CO₂ emissions. We are working out support methods suited to each company's challenges, have begun site visits and training for each, and are extending the program across the entire supply chain.

Circular economy initiatives

Resource circulation strengthens our corporate fundamentals by reducing our environmental impact through the efficient use of finite resources and the production of less waste. This practice cuts raw material costs and waste treatment expenses. We are therefore using resources effectively and minimizing waste to achieve zero-emission factories by FY2041. For every resource involved in our business, including raw materials, auxiliary materials, production equipment, molds, jigs, and packaging, we are making materials recyclable and recycling them through disassembly and sorting and through eco-design (environmentally conscious design). Because there are limits to what we can do on our own, we are also adopting more recycled materials through industry–government–academia collaboration and Toyota Group task forces. These initiatives reduce not only Scope 3 but also Scope 1 & 2 emissions, and we treat them as key measures for achieving carbon neutrality.

Circular resource usage diagram



– Optimizing resource utilization based on using materials fully within each process and plant

To make the circular economy a reality, we use resources effectively and consistently from design through production, guided by the root policy of using materials fully in the context of each process and plant. At the design stage, we develop products that generate fewer offcuts and less waste, make them smaller and lighter to use less material, and design them for easy disassembly and reuse. At the production stage, we extend the life of molds, jigs, and cutting tools and use them maximally for their intended applications. We also recycle the offcuts and cutting chips generated in manufacturing. We are continuing to minimize resource input and maximize reuse through both product design and production technology.

Key examples for FY2026

Optimizing inspection standards (Aisin)

Since FY2024, Aisin has run a special program to optimize the quality and performance of electrified products, identifying over-quality and rationalizing inspection standards. As a result, we cut the number of parts being scrapped by more than half. We standardized the approach so that other sites and products can apply it, and we are extending it from our plants in Japan to all Aisin Group companies and overseas sites.

Production of remanufactured products through the remanufacturing business (Awquis Japan, AISIN EUROPE, AISIN Aftermarket & Service of America)

We disassemble and remanufacture automatic transmissions recovered from the market in Japan, Europe, and North America. By supplying customers with quality-assured remanufactured products, we make effective use of resources. In FY2026, we remanufactured about 25,000 units (Aisin Group total).

[For details, please click here.](#)



Disassembling a product

– Minimizing waste emissions by increasing the value of waste

Aisin's basic approach is not just to reduce waste but to increase its value as a resource. Starting with measures at the source, we raise the value of landfill and industrial waste through disassembly and sorting, including by developing treatment technologies.

Key examples for FY2026

Upcycling and commercializing waste (CVTEC)

CVTEC is upcycling sludge from automotive-parts manufacturing into plant pots. The Company noticed that barrel-polishing sludge, which had been handled as industrial waste, has a high affinity with ceramic materials. It now supplies the sludge to Marushun Ceramic Ltd., a local company in Aichi Prefecture, a region known for its pottery, which converts it into plant pots. This transforms waste that previously imposed treatment costs into a new, valuable commodity while also reducing waste and revitalizing local industry.

[For details, please click here.](#)



Plant pots upcycled from sludge

Initiatives for harmony with nature

Aisin's business depends heavily upon natural capital, so we must minimize our impact on nature by reducing our environmental load. Given our particularly close relationship with water resources, Aisin has established its Six Water Reduction Principles and is reducing water use in its business to minimize its dependence on natural capital. Under the Aisin Group Biodiversity Guidelines, and as part of revealing the value of our host regions, we also conserve biodiversity on our premises and in nearby watersheds together with local communities on an ongoing basis. Our goal is to maximize harmony with nature.

Key examples for FY2026

Okazaki East Plant biotope Yukyu-no-Mori granted the status of Nationally Certified Sustainably Managed Natural Site (Aisin)

At Yukyu-no-Mori biotope, which was conceived as a community-rooted habitat, we conserve rare native species and maintain and improve their habitats. Besides using the biotope to train new employees, we hold events there for employees and their families, including wildlife observation sessions and hands-on invasive-species removal. We thus embed biodiversity conservation into the fabric of the community. In recognition of this work, the site was accorded Nationally Certified Sustainably Managed Natural Site* status in December 2025.

* Nationally Certified Sustainably Managed Natural Site: an area where biodiversity is conserved through private-sector and other initiatives. Certification is conferred by the Minister of the Environment, the Minister of Agriculture, Forestry and Fisheries, and the Minister of Land, Infrastructure, Transport and Tourism.



Employee training at Yukyu-no-Mori



A biotope conservation event



Nationally Certified Sustainably Managed Natural Site certification

Conservation of rare wild plants in the Aso Manganji Nature Reserve recognized as a Nationally Certified Sustainably Managed Natural Site (Aisin Kyushu)

In the Aso Manganji Reserve, a groundwater source area on Mt. Aso, we work with local communities to protect the rare wild plant Ogura-sennou (Silene kiusiana). This protects the local ecosystem and gives us an opportunity to learn about and reflect on how ecosystems and our business are connected. In recognition of this work, the site was deemed a Nationally Certified Sustainably Managed Natural Site in March 2026.



Conservation activities



The rare wild plant Ogura-sennou



Nationally Certified Sustainably Managed Natural Site accreditation

Promoting the “Green & Blue Project” (Aisin)

[For details, please click here.](#)

Other initiatives

Key examples for FY2026

Applying automotive-parts manufacturing technology to agriculture (Art Metal MFG)

Prompted by management and regional challenges, Art Metal MFG began growing cold-climate coffee seedlings in greenhouses on idle land. To meet winter heating demand, it applied the sensing, quality-control, and data-analysis technologies it had built up in automotive-parts manufacturing to agriculture, installing a ground-source heat pump and an automatic control system for the greenhouse environment. This greatly reduced CO₂ emissions and labor compared with heating by conventional fossil-fuel boilers. For this contribution to climate action, the initiative received the Minister of the Environment Award for Climate Change Action, organized by the Ministry of the Environment, in December 2025, the Company's first such award.

[For details, please click here.](#)



Greenhouse for coffee cultivation



Coffee cherries being cultivated



Winning the Minister of the Environment Award for Climate Change Action

Foundational activities

Environmental management

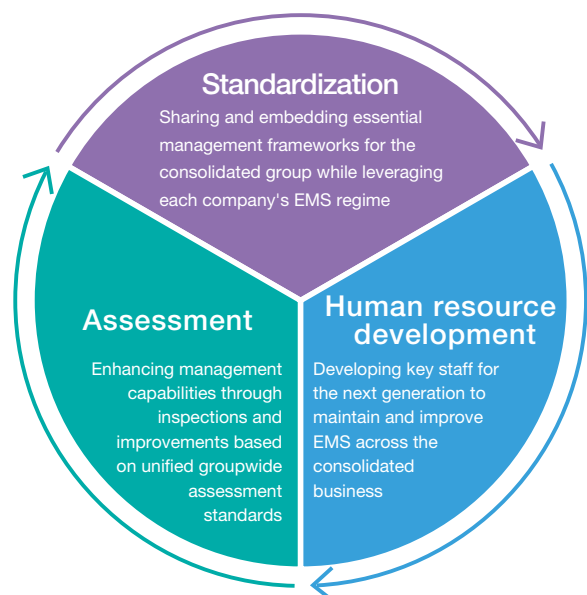
To ensure that environmental initiatives take hold at every site, Aisin shares its AISIN Group Environmental Policy across the Group. In 2008, the Company launched its EMS* study group, which meets four times a year and focuses on three domains: standardization, human resource development, and assessment. Through monthly meetings with environmental managers at our six overseas headquarters, the Company ensures compliance with environmental laws and prevent major environmental incidents.

* EMS: Environmental Management System

– Standardization

To identify environmental risks such as accidents, pollution, and legal violations, Aisin has established its Aisin Global Environmental Standards (AGES). The Company prevents and minimizes environmental risks in seven domains: wastewater, air, waste, noise and vibration, soil and groundwater, odor, and management of co-located companies. To prevent environmental incidents from recurring, in FY2026 Aisin focused on buried piping, one of the aging-related risks affecting

EMS enhancement cycle





our physical plant and environmental protection facilities. The Company took such measures as moving piping above ground and adding redundancy. We also extended our wastewater measures to Aisin Group companies in Japan and overseas and began corrective action at the roughly 30% of sites that did not meet the standards. We plan to complete revisions to our operating procedures by FY2029 and to wrap up corrective actions that require equipment modifications by FY2031.

– Human resource development

To bring environmental management to the same standard across the entire AISIN Group, we have been unifying manuals and standards since FY2023. Operations directly linked to environmental law violations, accidents, or abnormalities are restricted to company-certified personnel, with mandatory education and on-the-job-training every three years. We will continue to develop expert staff for operations requiring specialized knowledge and skills to prevent environmental law violations and accidents. After a near-miss involving waste treatment in FY2026, we made sure all employees in Aisin's production engineering divisions completed in-house training. As a result, no further near-misses originated with these divisions. In FY2027, we will extend this initiative to other divisions and Aisin Group companies to enhance our management of legal and compliance.

– Assessment

At Aisin, 91% of consolidated companies have obtained and maintain certification of their environmental management systems under the international standard ISO 14001. However, the systems, procedures, and management standards had taken root unevenly across the companies, which made it hard to detect environmental incidents and abnormalities early. In FY2025, we began unifying management reviews and the priority themes of internal audits based on results across the whole Aisin Group, and by the end of FY2026, 44% of companies had joined the unified program, as planned. To further upgrade our EMS effort, we will also bring the auditors at each company up to a common standard.

Disclosure of information related to climate change response

Governance

[For details, please refer to the Sustainability Promotion Structure.](#)

Strategy

Given the impact of climate change on Aisin's business activities and medium-to-long-term corporate value, the company positions carbon neutrality as a central goal. Deploying measures in both the production and product domains, Aisin aims to achieve carbon-neutral in-house manufacturing by FY2036 and carbon neutrality by FY2051. On the production side, we will reduce energy consumption through thorough energy-saving activities and the development of innovative production technologies, and introduce and transition to renewable energy and other forms of clean energy. On the product side, we will further advance products for electrified vehicles and promote the widespread adoption of energy and resource circulation systems, aiming to create new value through the integration of mobility and energy technologies. At the same time, by incorporating circular-economy concepts, such as the effective resource use and waste reduction, we are strengthening our efforts to reduce our environmental impact. In addition, we analyze the transition and physical risks and opportunities associated with climate change once a year based on the scope, scenarios, and definitions below, and regularly determine our responses.

(i) Scope of analysis

Locations: all Aisin Group locations

Businesses: all

(ii) Scenarios

Viewed from short-, medium-, and long-term perspectives, transition and physical risks and opportunities became plainly obvious and impose a substantial impact on the business. Consequently, we have selected and analyzed the following two scenarios:

	1.5°C Scenario	4°C Scenario
Societal outlook	[Policy] Bold policies to reduce GHG emissions, such as carbon taxes and renewable energy promotion, are implemented [Technological innovation] Accelerated development and societal implementation of technologies for achieving energy efficiency and carbon capture, utilization, and storage (CCUS) [Market shifts] With the rapid shift toward electrification in the mobility market; products and services contributing to GHG reduction are enjoying market expansion	[Global environment] Temperature rise exceeds 4°C, with significant negative effects on business operations caused by extreme weather events
Reference	• IEA World Energy Outlook (NZE) • Automotive industry scenarios	• IPCC AR6 SSP5-8.5
Related risks	• Transition risks	• Physical risks

(iii) Definition of time horizons

Long: through FY2051, medium: through FY2031, short: through FY2027

(iv) Definition of financial impact

Large: ¥10 billion or more; medium: ¥1 billion or more but less than ¥10 billion; small: less than ¥1 billion

Climate-related risks and opportunities and Aisin's responses

Category	Risk/ opportunity type	Impact stage	Impact on Aisin	Time horizon: (short/ medium/ long)	Financial impact: (small/ medium/ large)	Future actions
Transition risks	Market	Product demand	Progress with electrification increases demand for electric vehicle components while reducing demand for ICE vehicle parts	Medium	Large	- Strengthening the expanded sales of products that promote carbon neutrality by electrifying mobility and energy solutions through the use of a wide range of products such as electric drive units, cooperative regenerative braking systems, thermal management systems, and aerodynamic devices - Leveraging our full lineup of drive units as a strength to promote market share gains by capturing gasoline-vehicle demand
		Procurement	Increased demand for low-carbon raw materials and rising procurement costs due to surging prices of essential materials	Medium	Large	- Reduction of raw material usage through weight reduction and material substitution during product design - Reduction of raw material purchases through promotion of the circular economy
	Policy and regulation	Direct operation	Increased costs from carbon taxes and other policies as well as the adoption of renewable energy	Medium	Large	- Promotion of energy-saving measures to minimize energy usage - Introduction of renewable energy suited to regional characteristics
Physical risks	Acute	Direct operation	Temporary production stoppages accompanying supply chain disruptions during disasters caused by the increasing frequency and severity of weather-related disasters (heavy rain, typhoons, floods, etc.)	Short	Medium	- Establishment of standards for action and rules that apply during extreme weather events - Enhancement of BCP for purchasing logistics - Identification and regular monitoring of exposed locations - Formulation and promulgation of flood countermeasure plans
Opportunity	Products and services	Product demand	Increased demand for electric vehicle products driven by electrification progress	Medium	Large	- Leveraging the strength of our full drive unit lineup to tap into growing PHEV and HEV demand - Promoting, through higher efficiency and miniaturization, expanded sales of eAxle units with improved energy efficiency - Promoting expanded sales driven by improved energy efficiency and driving feel through the evolution of cooperative regenerative braking systems - Expanded production capacity for related products
			New business creation driven by growing demand for CO ₂ -reducing products and services	Medium	Medium	- Market launch and share capture for perovskite solar cells - Sales of bio-briquette coke (Bio-M-Coke®) derived from coconut shells - Development and commercialization of CO₂ fixation technology
			Expansion of demand for energy-saving, low-carbon-emission products	Medium	Medium	- Contribution to stable, high-efficiency energy supply and to enhanced resilience through independent power generation during outages, by raising the efficiency and expanding the sales of our Ene-Farm home-use fuel cell cogeneration system - Collaboration with local governments to promote decarbonization initiatives and contribute to urban development
	Resource efficiency	Direct operation	Reduced procurement costs through more efficient use of energy	Medium	Large	- Energy savings achieved through thorough implementation of power sources, heat sources, and waste reduction - Development of innovative production technologies - Transition to clean energy through CO₂ capture and utilization and the development and introduction of bio-briquette coal, etc.

Risk management

Under our companywide risk management process, the Environmental Committee and other bodies discuss and determine responses to the risks and opportunities identified in the strategy and regularly follow up on progress. In addition, when examining countermeasures, we duly consider the laws and regulations of each country, stakeholder opinion, customer trends, and other factors.

Indicators and targets

The following targets have been established for all Aisin Group sites.

<FY2051 Targets>

Scope 1, 2 and 3: Carbon neutrality

<FY2036 targets>

Production CO₂ emissions (Scope 1, 2 at production sites): Carbon neutrality

<FY2031 targets>

Scope 1, 2: 46.2% cut vs. FY2020 (certified by Science Based Targets initiative [SBTi])

Scope 3: 27.5% reduction vs. FY2020 (certified by SBTi for Categories 1 and 11 only)

<FY2025 actuals>

Scope 1, 2 and 3: 24.09 Mt-CO₂e (7.4% reduction vs. FY2020)

Scope 1, 2: 1.74 Mt- CO₂

e (37.4% reduction vs. FY2020)

Scope 1: 0.51 Mt- CO₂e

Scope 2: 1.23 Mt- CO₂

Scope 3: 22.35 Mt- CO₂e (3.8% reduction vs. FY2020)

Production CO₂ emissions (Scope 1, 2 at production sites): 1.69 Mt- CO₂ (38.9% reduction vs. FY2014)

Disclosure based on Task Force on Nature-related Financial Disclosures (TNFD) recommendations

Governance

For details, please refer to Sustainability Promotion Structure.

Strategy

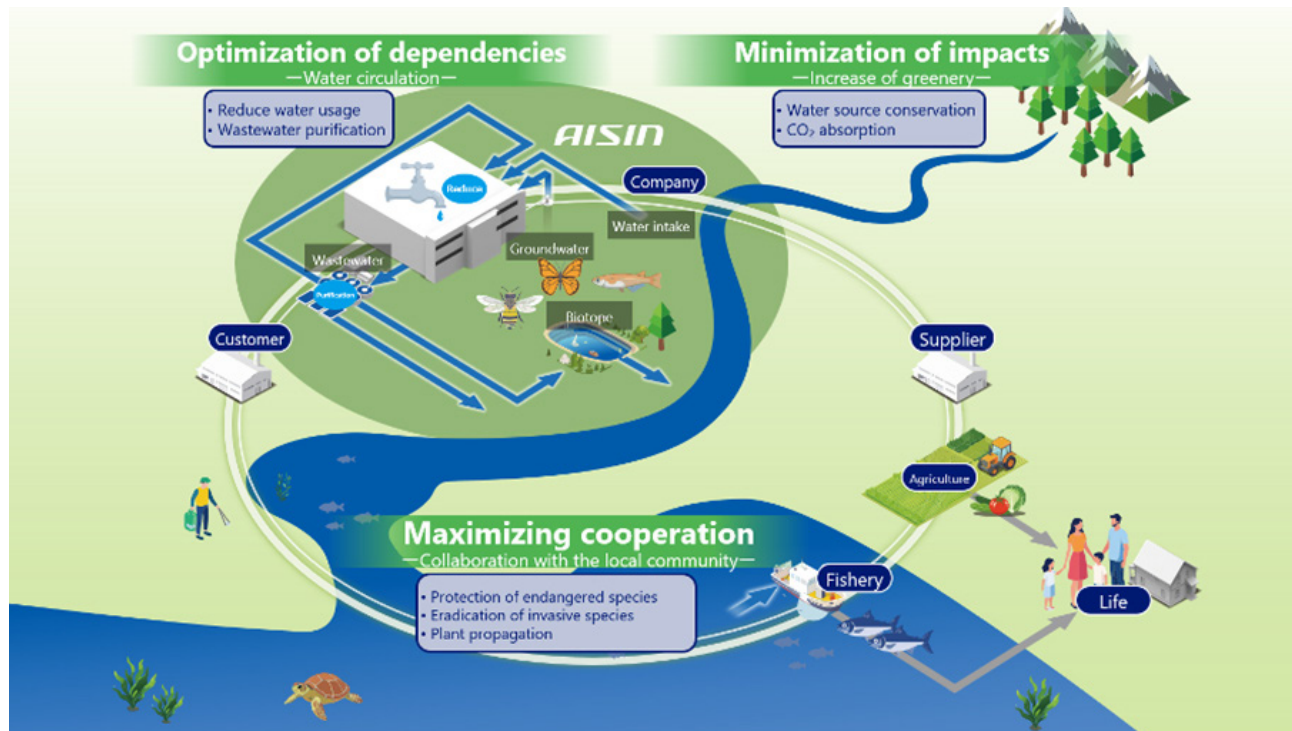
Basic stance

Within our materiality framework, Aisin positions “Harmony with nature and contribution to a sustainable future” as one of its priority issues and has set “Reducing environmental impact across the value chain” as the direction for achieving it. With a proper understanding of how our business activities depend on and impact natural capital, we analyze associated risks and opportunities and reflect our findings in our actions.

AISIN Group Biodiversity Conservation Activity Guidelines

In accordance with the Aisin Group Biodiversity Conservation Activity Guidelines, revised in FY2026, we are working as a unified Group toward harmonizing biodiversity conservation with our business operations along three axes: “optimizing dependency,” “minimizing impact,” and “maximizing collaboration.”

Direction of biodiversity conservation activities centered on the circulation and conservation of water resources



Three perspectives

● Optimization of dependencies

Rather than reducing dependence on nature's benefits (resources, services, etc.) to "zero," avoid excessive dependence and aim for an optimal state.

● Minimization of impacts

Keep the impacts of business activities on nature (wastewater, exhaust gases, waste, etc.) as small as possible.

● Maximizing cooperation

Promote active contributions to local communities and ecosystems (tree planting, biotope development, environmental education, etc.) to help achieve a sustainable society.

LEAP approach focused on operating locations

– Approach to considering upstream and downstream value chain elements

Upon analyzing our upstream and downstream value chain from the viewpoint of electrifying mobility, we selected aluminum parts used in powertrain products and the like. Furthermore, in order to establish an evaluation methodology covering the upstream and downstream value chain, we scoped our evaluation and analysis to include primary suppliers for which precise location information is available (aluminum material/parts manufacturing) in the upstream segment and customers (automotive manufacturing) in the downstream segment.

– LEAP approach Review Flow

	Locate Identifying interfaces with nature	Evaluate Assessing dependencies and impacts	Assess Evaluating significant risks and opportunities	Prepare Preparing responses and reporting
Scope	- Direct operations - Upstream: Primary suppliers - Downstream: Customers	Same as left	Same as left	Same as left
Consideration items	- Evaluating activity locations - Identifying priority areas	- Assessing dependencies and impacts - Validity Verification - Extraction of High-Priority Dependencies and Impact Items	- Risk and Opportunity List Creation - Qualitative Importance Assessment of Risks and Opportunities Based on Scenario Analysis - Risk Management Approach Organization	- Strategy and Resource Allocation - Performance Measurement - Information Disclosure Preparation
Output	- Assessment of operational locations - Identification of priority regions	- Dependency and impact assessment - List of high-priority dependencies and impact items	- List of risks and opportunities - Qualitative materiality assessment of risks and opportunities - List of material risks and opportunities based on scenario analysis - Risk management strategies and mitigation measures	- Response: Formulation of FY2031 KPIs and initiatives based on the results of our risk and opportunity analysis - Reporting: Information disclosure cross-checked against the disclosure items contained in the TNFD Recommendations

Locate: Identifying interfaces with nature

Businesses interface with nature where they operate, and site assessment is therefore crucial to identifying, evaluating, avoiding, mitigating, and managing environmental risks. The “Locate” phase of this process covers the evaluation of an organization’s worksites for ecosystem integrity, biodiversity impact, water stress, and other factors identified as priority areas.

– Priority area selection policy

STEP1 Import location data for target sites ► STEP2 Evaluate each indicator ► STEP3 Select priority areas

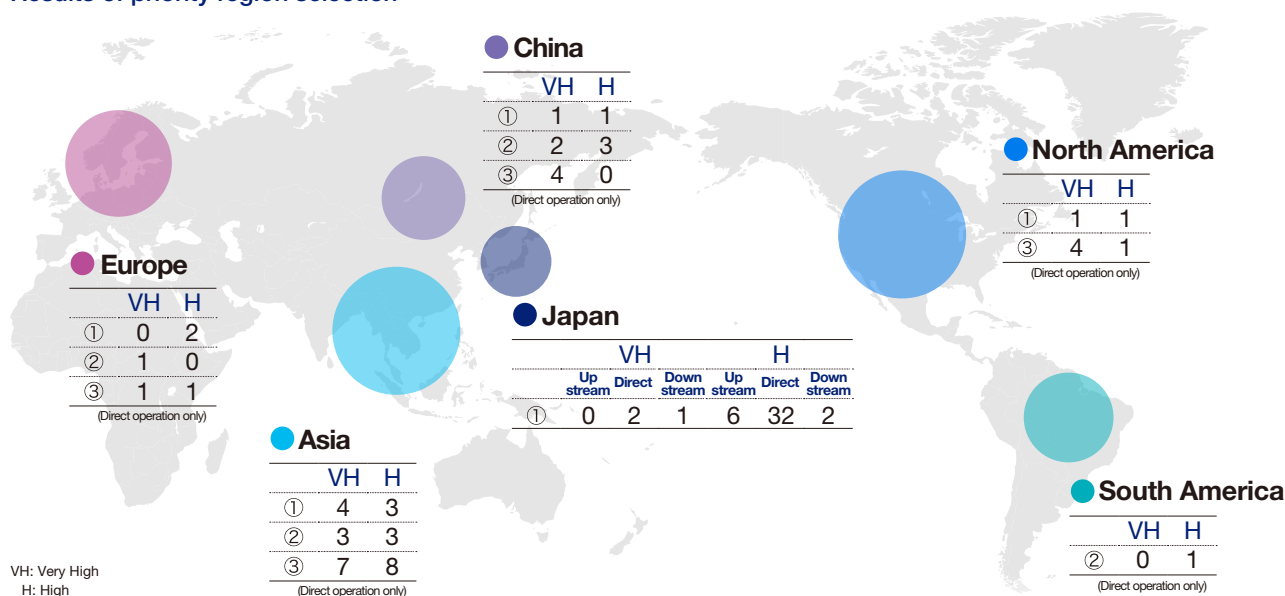
Evaluation items	Evaluation tools	Evaluation indicators
(1) Biodiversity impact	IBAT ^{*1}	Proximity of 5km or less to areas designated for high biodiversity importance in accordance with such protocols as KBA, Natura 2000, World Heritage, Ramsar, UNESCO MAB, IUCN Management Levels I-IV
(2) Ecosystem integrity	WWF Biodiversity Risk Filter ^{*2}	Ecosystem Condition
(3) Water stress	Aqueduct ^{*3}	Baseline water stress

*1 IBAT: Integrated Biodiversity Assessment Tool – A biodiversity risk assessment tool developed by United Nations Environment Programme

*2 WWF Biodiversity Risk Filter – A tool developed by WWF used to identify biodiversity risks and opportunities along the value chain

*3 Aqueduct – A global water-risk assessment tool developed by the World Resources Institute; it evaluates the water risk of a site location with an eye to water quantity, water quality, regulation, and reputation

Results of priority region selection

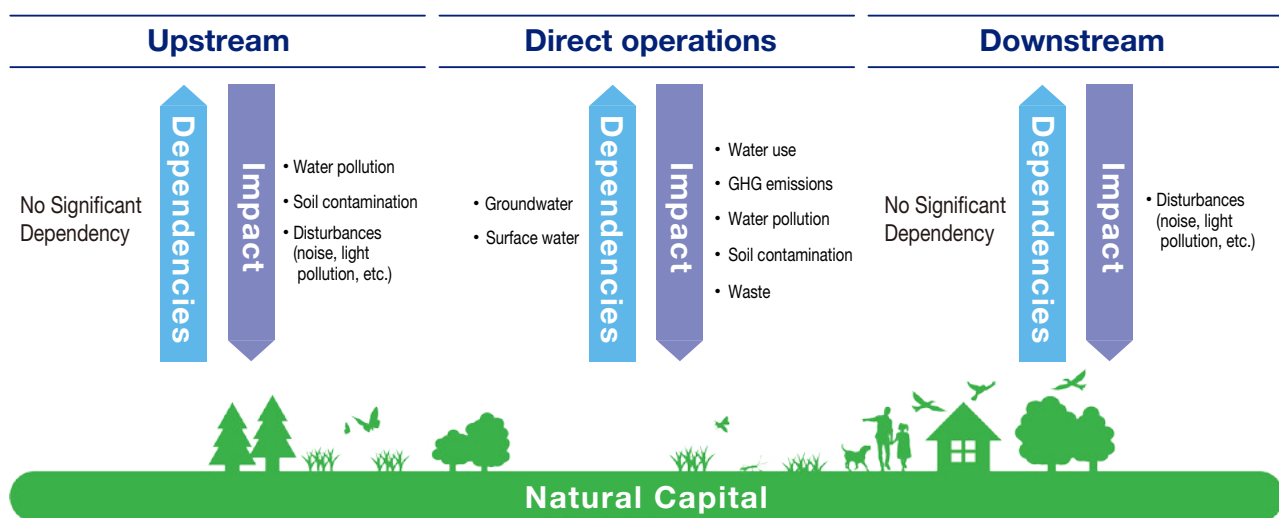


|| Evaluate: Assessing dependencies and impacts

Dependencies and impacts at business locations are critical prerequisites for understanding risks and opportunities. In the “Evaluate” phase, we identify and analyze dependencies and impacts at the interface of business and nature within priority regions identified in the Locate phase. Using ENCORE*, we assessed two operational facets: ecosystem services the organization depends on to function, and the impact factors where operations alter the natural environment. Dependencies encompass three categories: provisioning services, regulating and maintenance services, and cultural services. There are five categories of impact driver: categories: land/freshwater/seabed area modification, resource use/ replenishment,” climate change, pollution/pollution removal, and invasive alien species invasion/removal. These impact factors are similarly defined in the Science-Based Targets for Nature Technical Guidance for Step 1 and Step 2.

* ENCORE: Exploring Natural Capital Opportunities, Risks and Exposure – A tool developed by the Natural Capital Finance Alliance and others to assess potential dependencies and impact relationships on biodiversity and ecosystem services

Sector-Level Dependencies and Impact Relationships



|| Assess: Evaluating significant risks and opportunities

Based on the findings from the “locate” and “evaluate” phases, we ran a materiality assessment of risks and opportunities across the entire value chain.

Risks

In assessing nature-related risks, we set “definition” to mean the potential threats posed to our own organization in regard to dependencies and impacts on nature of organizations and communities along the value chain. These we broadly classify into two categories: physical risks and transition risks. We defined “conditions of occurrence” as actions taking place along the value chain that depend on nature (ecosystem services) or exert an impact on nature. We conducted the materiality assessment along two axes: “likelihood of occurrence” and “financial impact” and examined the materiality of each risk.

Opportunities

In assessing nature-related opportunities, we defined “Definition” as activities by our organization that produce positive outcomes for both our organization and nature, either by positively impacting nature (restoration) or by mitigating negative impacts on nature (avoidance/ reduction) along the value chain. We defined “Occurrence pathways” as: (1) cases where our organization and organizations along the value chain avoid, mitigate, alleviate, or manage nature-related risks associated with the degradation of ecosystem services; and (2) cases where, through strategic transformation of our organization’s business model, products, services, markets, or investments, we curb damage to the natural environment from activities along our value chain, implement nature-based solutions, or provide support through financing or insurance. We ran the materiality assessment along two axes: “likelihood of occurrence” and “financial impact” and examined the materiality of each opportunity.

Prepare: Preparing responses and reporting

For those risks and opportunities assessed as highly material, we will define metrics (KPIs) and initiatives under our Aisin Environmental Action Plan 2031 and advance our response.

– Nature-related risks and opportunities and responses toward FY2031

Category	Type of risk/ opportunity	Impact stage	Impact on Aisin	Likelihood of occurrence* ¹ (High/ Medium/ Low)	Financial impact* ² (Large/ Medium/ Small)	Response toward FY2031
Physical risks			Reduced production volume due to water supply restrictions	High	Medium	■ Minimizing water consumption ● Reducing usage by eliminating waste and losses associated with utilities and production equipment ● Promoting recycling technologies
Transition risks	Regulation	Direct operations	Increased costs due to higher utility rates and treatment fees (water)	High	Medium	■ Effective resource use based on using up materials within our own processes and manufacturing facilities ● Pursuit of improved yield (minimizing machining allowances, reducing defect rates, etc.) ● Promoting intra-Group resource circulation by leveraging our materials processing operations ● Promoting reuse and recycling centered on reclamation from the market
			Increased burden to respond to new trends in resource circulation	Medium	Medium	
			Increased costs due to higher utility rates and treatment fees (waste)	High	Medium	
			Penalties and fines arising from exceeding tightened waste standards	Medium	Medium	
	Market		Increased burden and reduced sales amid growing waste-related environmental-response demands from customers	Medium	Medium	● Establishing advanced treatment technologies to move away from landfill disposal ● Setting policies suited to national and regional circumstances and translating them into results
			Increased burden and reduced sales due to growing environmental-response demands from customers (pollution)	Medium	Medium	
			Restrictions on procurement volume resulting from stakeholder criticism of suppliers' environmental impact	Medium	Medium	
Opportunities	Market	Direct operations	Improved ability to avoid impacts from and respond to new regulations (water)	Medium	Medium	■ Minimizing water consumption ● Reducing usage by eliminating waste and losses associated with utilities and production equipment ● Promoting the adoption of recycling technologies
			Improved ability to avoid impacts from and respond to new regulations (waste)	Medium	Medium	

*1 Likelihood of occurrence — High: through FY2027; Medium: through FY2031; Low: through FY2051

*2 Financial impact — Large: ¥10 billion or more; Medium: ¥1 billion or more but less than ¥10 billion; Small: less than ¥1 billion



Management of risks and impacts

Under our companywide risk management procedures, the Environmental Committee and related bodies determine our responses to the risks and opportunities identified as part of the strategy and regularly follow up on progress. In examining response measures, we reference the laws and regulations of each country, dialogue with stakeholders, customer trends, and other factors.

Metrics and targets

Metrics and initiatives toward FY2031

Aisin has formulated the “AISIN Environmental Action Plan 2031,” which sets “promoting biodiversity conservation centered on the circulation and conservation of water resources” as its metric in the field of harmony with nature toward FY2031. To achieve this metric, we are engaged in activities that emphasize the connection between water resources and ecosystems, such as developing on-site biotopes using factory wastewater, creating rice paddies in wetlands, and protecting rare species in regions from which we source water. In addition, through environmental education using biotopes and wildlife observation events at rivers, we are deepening understanding of biodiversity among our employees, their families, and local communities and are working to further expand these activities. Furthermore, some of our initiatives in Japan have been recognized for their consistency and contribution to local communities, and some areas where they were implemented have been certified as Nationally Certified Sustainably Managed Natural Sites.

[For details on the metrics, please refer here.](#)

[For details on the initiatives, please refer here.](#)

Human Resources

Basic stance and policy

At Aisin, we believe every work colleague is a protagonist in their own story and that our people are the source of the Company's competitiveness. The AISIN Group Philosophy places our colleagues first among the values we provide. By taking on the challenges our business strategy poses, we encourage self-directed growth and offer our work colleagues a sense of fulfillment in their jobs and happiness in their lives.

In our effort to evolve into a company that creates value through mobility, we are promoting business portfolio transformation under our medium-to-long-term business strategy toward 2030. To keep growing sustainably even amid dramatic changes in the business environment, it is essential that we adapt as agile, change-resilient workers and ensure we are an organization in which diverse talent can fully demonstrate their abilities and continue facing the challenges of creating new value. Based on this thinking, Aisin positions its human capital strategy as a critical element of its management foundation. As we head toward 2030, we have defined our vision for our people and organization as "Working toward challenging objectives through groupwide" and "Allowing people more opportunity for growth than any rival can and ensuring that everyone thrives."

Promotion Framework

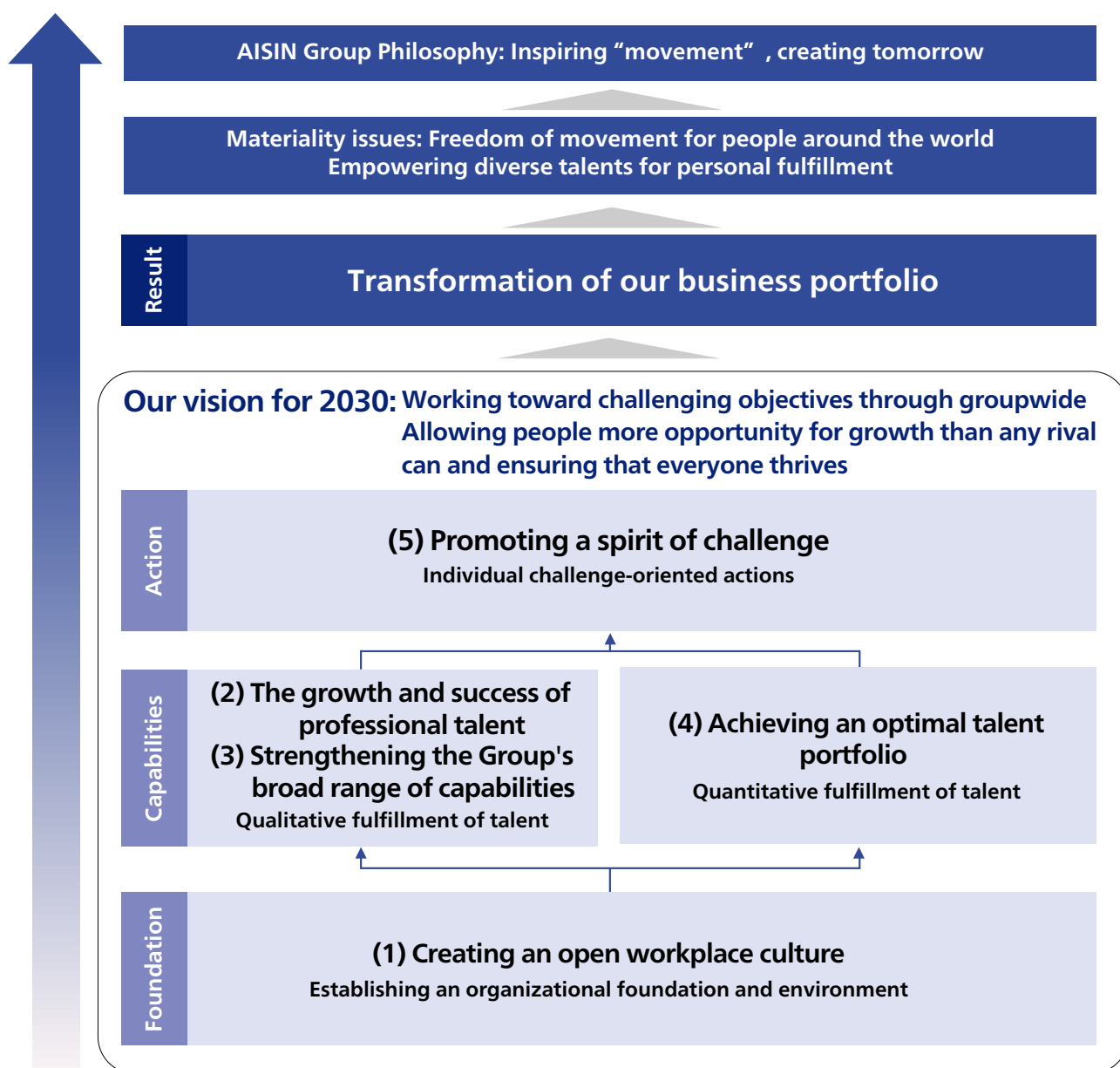
In April 2026, we established the new position of Chief Human Resources Officer (CHRO) to further strengthen the alignment of business strategy and human capital strategy at the management level. Under the CHRO, we convene the Human Resources Functional Committee twice a year, with the participation of the Executive Vice President, CxOs, and all Executive General Managers of Divisions, to discuss policies, strategies, plans, and progress regarding human capital. Important matters are also submitted and reported to the Board of Directors for its oversight.

Strategy

The business portfolio transformation Aisin is pursuing is an initiative to strengthen the earning power of its existing businesses and reallocate management resources to growth domains. Management prioritizes strengthening the organizational capabilities that underpin this transformation.

Aisin's earnestness, on-site capabilities, and culture of accumulating continuous kaizen have supported our growth to date as a source of competitiveness. Even as we leverage these strengths in our businesses that generate earnings and pursue further evolution, amid rapid changes in the business environment, we are required to identify issues ourselves from the perspectives of society and customers and create change swiftly and boldly across organizational boundaries. With this in mind, we believe it is necessary to move beyond an inward-looking and passive stance and evolve into an organization that identifies issues on its own and creates new value across organizational boundaries, thereby generating opportunities for each individual to grow and take on challenges.

To realize our vision for our people and organization, we identify and address priority issues across three layers: foundation, capabilities, and action. We place "Creating an open workplace culture" at the foundation of all our initiatives. As capabilities, we work on "The growth and success of professional talent," "Strengthening the Group's broad range of capabilities," and "Achieving an optimal talent portfolio" to secure and develop talent in terms of both quality and quantity. As action, we encourage "Promoting a spirit of challenge," with each individual taking on challenges with a sense of ownership. Through these efforts, we will realize our medium-to-long-term business strategy and grow into an organization that reliably meets the expectations of society and our customers.



Related materiality issues

Materiality issues		Goal (KGI)	Indicator (KPI)	FY2026 results	FY2031 target values
Priority issues	Paths toward realization				
Freedom of movement for people around the world	Instilling a corporate culture that embraces challenge	Environment conducive to a proactive work style	Positive response rate for employee engagement ^{*1}	61% ^{*2}	— ^{*3}
Empowering diverse talents for personal fulfillment	Respecting diversity and growing together	A work environment where diverse professionals can thrive	Positive response rate for an environment that empowers employees ^{*4}	59% ^{*2}	— ^{*3}
			Ratio of female managers ^{*5}	3.0%	4.5%

^{*1} Positive response rate for employee engagement: Percentage of employee engagement survey respondents who answered “I want to contribute to the company, feel loyal, and am motivated to put in proactive effort”

^{*2} Scope of current fiscal year results: 68 domestic and 36 overseas companies

^{*3} After the global rollout of the employee engagement survey is complete, global targets are scheduled to be set in FY2028 based on actual results and regional and cultural characteristics.

^{*4} Positive response rate for an environment that empowers employees: Percentage of employees who responded in the employee engagement survey that “There are opportunities to apply my skills and abilities, and a comfortable work environment is provided”

^{*5} Manager: key position (section chief) and above (scope: domestic Group companies)

Key initiatives

Initiatives for creating an open workplace culture < Foundation: Establishing an organizational foundation and environment >

Among factors that underpin all our efforts are enhancing relationships among workplace colleagues, collaboration across organizations, and mutual understanding between management and the front line. In keeping with our president's own message that the most important elements of a full model change are, above all else, people, followed by workplace culture, we hold labor-management roundtables to provide forums for active dialogue between the workforce and managers at each level of the organization. We are also promoting an open workplace culture by enhancing transparency by such means as explaining our business strategy in our in-house newsletter.

|| Promoting companywide and workplace activities in response to employee engagement surveys

We conduct employee engagement surveys across the Group, and based on the results, we promote activities to improve each workplace. To advance self-directed workplace enhancement at each site, all workplaces hold feedback meetings in which team members discuss issues based on survey results and design and enact plans for improvement. To support these activities, we actively promote activities customized for individual workplaces, including training for managers on how to interpret survey results, management study sessions, and forums for mutual learning and other modes of sharing management case studies. As a result, self-directed efforts at workplace improvement have spread steadily, and our engagement score has improved by more than five points from the previous fiscal year. To raise engagement across the entire Group, we are progressively expanding the scope of the engagement survey, and its rollout to all Group companies, including those overseas, is scheduled to be completed in FY2027.

Key initiatives	Details
Meetings with labor and management Labor-management roundtables	Companywide and division-level discussions between senior labor and management representatives on deepening the spirit of challenge among individuals and entire workplaces (40 sessions held)
Department- and plant-level labor-management roundtables	Resolving workplace issues so challenges can be addressed In FY2026, we are intensifying our discussions with a focus on strengthening our competitiveness to prevail over the competition.
Direct dialogue between executives and employees	Roundtable discussions between the President and CxOs, and employees (roughly 85 participants) Lecture by the President (approx. 820 attendees)
Management experience sharing sessions	Since July 2023, cases have been shared monthly among all General Managers of Departments and Plants.
ATBA (Aisin Team Building Activity)	To enhance productivity and job satisfaction by assuring psychological safety and deepening the quality of work relationships, we meet regularly with all workplace staff and hold one-on-one sessions

|| Creating a workplace culture conducive to a “quality supremacy” approach

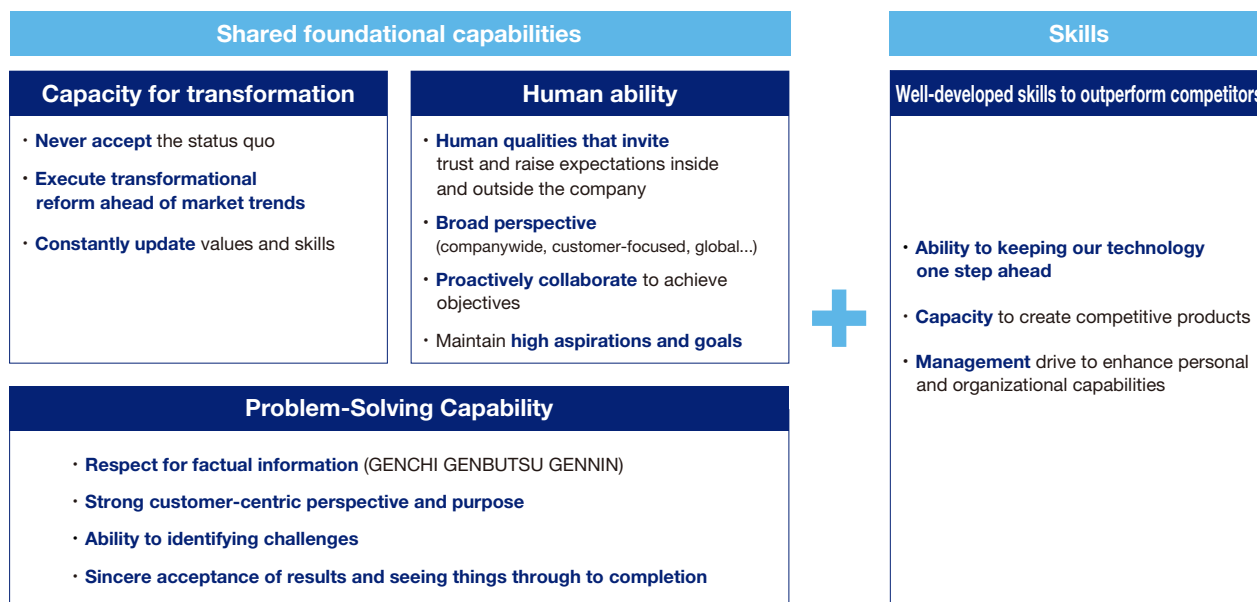
We believe instances of quality-related fraud start with workplace challenges. In addition to encouraging staff facing sticky problems to raise a hand and ask for help right away, we promote problem-solving by listening carefully in order to continuously evaluate and improve our culture. To establish a new corporate climate at Aisin along with a culture grounded in a “quality supremacy” ethos and “customer first” attitude, we hold discussion sessions between executives and employees to further heighten each individual's awareness of quality supremacy, and we conduct regular checks focusing particularly on plants that are downstream in the quality assurance process.

Initiatives for the growth and success of professional talent < Capabilities: Qualitative fulfillment of talent >

To continue creating value amid future changes in the business environment, it is essential to transform our people and organization into ones that are resilient to change. We define our ideal type of talent, “professional talent,” as individuals who proactively think and act from the perspective of overall optimization in their respective roles and positions. We define the components of professional talent as capacity for transformation, human capabilities, problem-solving, and skills, and are expanding growth opportunities.

Definition and elements of professional talent

The concept of professionalism applies to individuals who, from the perspective of their role and position, proactively think and act to achieve broad optimization.



Professional talent development initiatives

To develop professional talent with a sense of ownership and a holistic perspective on optimization, we are encouraging cross-departmental transfers and assigning companywide themes within our leadership tier. These initiatives promote a perspective that transcends organizations and domains and drives autonomous decision-making and problem identification. In addition, while building on everyday on-the-job training, we systematically deploy development measures focused on deepening the capacity for transformation, enhancing human capabilities, and sharpening problem-solving skills, thereby helping our professional talent to expand growth opportunities. To gauge the effectiveness of this series of initiatives, we conducted a survey to gauge each employee's sense of their own growth and change. As a result, we ascertained that more than 60% of employees felt a change with respect to the themes of "outward-looking perspective," "proactive problem identification," and "motivation for and interest in change." To sustain and broaden employees' sense of growth and change, we will identify contributing factors through trend analysis by employee attribute and use the findings to further strengthen our initiatives.

Shared core competencies	Key initiatives	Details	FY2026 results
Problem-solving	Training in problem-solving skills Intermediate/advanced MAST training	We have expanded our training regime to strengthen both the ability of general employees to follow formal problem-solving approaches and the capacity for supervisors to provide guidance from a problem-solving perspective. Thus, we are enhancing practical application of these skills in the workplace.	2,235 participants
Capacity for transformation	Cross-boundary hands-on experience program	The program is designed to help participants develop new perspectives that are difficult to gain through internal experience alone by working with external parties to address social issues. The insights and learning gained through participation have produced certain effects, such as enabling participants to address their own themes from a broader perspective and a higher vantage point. We will expand the program to include more participants.	127 participants
Human capabilities	Human capabilities: OMOIYARI communication training	Targeted at executives and managers who significantly influence workplace culture, this program enhances human capability and communication skills to foster psychological safety and employee well-being in the workplace.	6,944 participants
	Developing aspirations	We are strengthening our efforts to prepare compelling leaders who can gain the cooperation of diverse individuals. This requires each person to earnestly confront their own values and sense of self while nurturing their personal aspirations regarding lifetime career goals they wish to achieve. We have successfully completed our targeted rollout to 50% of senior core staff by FY2026. We will further expand the scope to spread transformation throughout the organization.	224 participants

Initiatives for strengthening the Group's broad range of capabilities

< Capabilities: Qualitative fulfillment of talent >

To enhance competitiveness, we are shifting from management on an individual-company basis to group management and reviewing the roles and positioning of Group companies. We are also promoting diversity & inclusion in order to continue creating value sustainably and securing the talent needed to support it.

Revising the executive structure to drive our “full model change”

We revised our organizational structure so that executives themselves take the lead in driving key issues across the company. The Company has redefined the role of executives from organizational oversight to leading the resolution of key issues, thereby strengthening our response in priority areas and accelerating business execution.

Optimizing the domestic Group organization and staff allocation

To improve the agility of Group management, in Japan we are optimizing our organization and staff allocation through such measures as reskilling engineers for the business portfolio transformation and shifting resources and exchanging personnel across companies and organizations, including at the executive level.

Groupwide and global leadership development

We are strengthening the intentional and systematic development of management talent who support corporate transformation, including business transformation and regionally focused management. For candidates identified by senior management, we promote systematic development and placement by visualizing positions through AG2 (Aisin Global Grading), formulating succession plans, and providing management talent training through the Global Leaders Session.

Promoting diversity & inclusion

– Advancing women's participation

We have set a target of 4.5% for the ratio of female managers by 2030 and expanded the scope of this metric from core companies to domestic Group companies.

We have identified roughly 2.5 times as many development candidates as the number of women who will need to be promoted to managerial positions by 2030 to achieve our benchmark, and we are strengthening their systematic development. At the same time, we are promoting the success of diverse talent by reforming workplace culture and by dispelling implicit assumptions about management roles and working styles that discourage the desire for promotion. In skill-intensive workplaces, we work to improve production line processes, such as by optimizing cycle times and work procedures, to enable employees to continue performing effectively while using reduced working hours for childcare. Through these efforts, we enhance individual job satisfaction and cultivate future candidates for supervisory positions.

– Senior employees

To foster a company culture where anyone can challenge themselves, anytime, and for as long as they wish, we have revised our re-employment system to ensure fair evaluation and treatment for employees who continue to contribute regardless of age. By clarifying the roles that individuals take on, we have ensured that approximately 50% of employees continue to thrive after re-employment. We also made career development training mandatory for staff in their 40s and older to help with future planning at an early stage. In skilled workplaces, we are creating an environment where employees can work throughout their lives, such as through process improvements using video analysis to gather quantitative workload data. We are also promoting the maintenance and improvement of physical fitness, introducing fatigue-reducing measures, and boosting confidence to continue working vigorously.

– Employment and success of people with disabilities

Taking the view that disability is not a handicap but an expression of individuality, we are working across the entire Group to create workplaces where each person can maximize their strengths. At special-purpose subsidiary AISIN WELLSMILE, we have augmented its traditional cleaning and document digitization services with three newly developed functional support areas that contribute to the Group's business and production efforts: technical development, manufacturing, and administrative support. Employees have shared positive feedback, noting that they find the work rewarding and that they want to do more. We are expanding their opportunities to thrive and increasing the sophistication of their work. In addition, to provide workplaces where people with disabilities can work more comfortably, we train HR staff and workplace managers at Group companies in ways that promote understanding of disabilities and their characteristics and raise their capacity to welcome such employees.

– LGBTQ+ (gender diversity)

To respect gender diversity and create a safe and secure workplace where everyone can work without fear of discrimination or prejudice, we provide training for managers and supervisors, disseminate response guidelines and information on internal consultation services, and install accessible restrooms.

– Midcareer hiring

To promote diversity of knowledge and experience and drive our business transformation toward next-generation businesses and new domains, we are strengthening midcareer hiring effort. We actively communicate the appeal of our employees by showcasing the kinds of people who work various sorts of environment and, thereby, enhancing recognition. Simultaneously, we are strengthening our recruitment capabilities by using scouting services and employee referral recruitment.

Systems and procedures that support diverse talent and work styles

Category	Measure	Details
Flexible work styles	Flexible work system without core hours	A system that sets a minimum daily working time of one hour with no core hours, allowing flexible adaptation to fluctuating business needs.
	3-month flex	A work system that promotes efficient operations by allowing working hours to be flexibly adjusted over a three-month period in response to fluctuations in workload extending beyond one month.
	Discretionary work system	A system that fosters a spirit of challenge and drives results by creating an environment in which employees have discretion over the allocation of their working time and their work methods, enabling them to focus on their work without being constrained by time.
	Telework system	A system in which employees work part or all of the day from home or other offsite locations. This program was expanded from FY2025 to include long-term telework, which made telework-based work arrangements possible for specific reasons, such as childcare or nursing care.
	Satellite offices	This initiative enables employees to use worksite facilities outside the company. By offering work location options, this program aims to foster innovation and enhance productivity.
	Side-job system	This policy allows employees to engage in work outside their primary job with the aim of improving work quality and increasing motivation. (Approximately 450 employees have participated since the policy's introduction in January 2022.)
	Casual dress code	This system promotes an open and vibrant workplace culture that encourages new ideas and flexible approaches.
Time-off promotion	Paid leave use incentives	Promotes the use of vacation days through the “Minimum 14” program that encourages employees to take at least 14 days of paid leave annually beyond the statutory five, and “Annual Leave Cut Zero”, which aims to eliminate unused annual leave.
	Rest & relaxation leave	This program allows employees to accumulate up to 20 days of unused annual paid leave, which can be used for personal illness or injury, family nursing/care, spouse's childbirth, or childcare.



Category	Measure	Details
Work-life balance support (Childcare)	Childcare leave (general)	This policy permits employees to take childcare leave for any period they request while the child is under two years old.
	Reduced working hours for childcare	A system allowing employees with children up to 6th grade to reduce their working hours according to the child's age.
	Childcare leave (medical reasons)	This policy allowing employees to take five days per child per year, or 10 days if caring for two or more children, to care for an ill child in 3rd grade or younger.
	Special leave (spouse's childbirth/childcare)	Employees with children under two years old can take five days of leave per child in connection with their spouse's childbirth event or childcare needs.
	Onsite childcare facilities	Two childcare facilities are available depending on the work location. Toyota Group childcare facilities can also be used.
	Mom, dad, and supportive boss guide	A booklet supporting the balance of work and childcare
	Maternity leave – interviews before giving birth and after returning to work	Extending beyond strict legal and compliance requirements, we conduct post-return interviews to support the smooth workplace reintegration and career development for staff taking maternity or childcare leave.
Work-life balance support (Non-childcare)	Caregiving leave	Workers may take extended leave for a period approved by the company not to exceed a total of three years per family member requiring care.
	Reduced working hours for caregiving	This policy allows employees with family members requiring care to reduce their working hours.
	Caregiving leave	Under this directive, employees may take leave for family caregiving up to 10 days per year per person requiring care or 20 days if caring for two or more people.
	Work-life balance support guidebook for caregiving	A booklet we have published in support with balancing work and caregiving.
	Leave and reduced working hours system for infertility treatment (Family Plan Support System)	This system allows employees to take leave or work reduced hours for a cumulative period of up to 12 months for infertility treatment.
	Introduction of a communication site	We have introduced an externally accessible communication site for all employees and their families that enables them to access company information even during leave.
	Family allowance	An allowance provided to employees with dependents, including children, individuals requiring nursing care or support, and persons with disabilities.
Career development and continuity support	Household relocation leave system	This system provides leave for employees unable to work due to a spouse's relocation or similar circumstances.
	Career comeback system	This system defines a process for re-employment of people who have resigned for unavoidable reasons, such as childcare or caregiving.
	Awareness-raising lectures and exchanges of dialogue	Regular lectures and exchange meetings occur covering various themes aimed at raising awareness among employees and their supervisors.
	Career mentor system	This system provides employees the opportunity to consult with senior colleagues about balancing career and family. (61 female managers registered for FY2026)
	Career declaration system	A mechanism where employees create medium-to-long-term career and life plans for themselves and, through discussions with supervisors, develop their careers.
	Career Consultation Desk	This consultation service gives employees access to opinions from external career experts to encourage self-directed career development (360 slots filled in FY2026).
	Career design training by age group	We offer training designed to resolve career concerns related to an employee's experience, position, and personal values and tailored to each age group. The training supports employees in proactively shaping their own careers and continued growth through self-reflection on personal strengths and values.

Category	Measure	Details
Career development and continuity support	Career design training for newly appointed managers in key positions	This training regime supports managers with facilitating their own behavioral change and spreading that change throughout the workplace. It enables each individual to continue growing in an independent way while applying and refining their abilities and experience.
	Life design seminar	This seminar targets employees in their 30s and 50s and supports them in improving their knowledge and understanding of systems related to asset building and health in preparation for future life events.
	Job change system	This system helps employees change the job type they were assigned upon joining the company, enabling diverse career choices.
Health support	Femtech Program	This programs helps women with health issues (menstruation, fertility, menopause) through the use of technology (online consultations, prescriptions, etc.)

- [Message from the president – Promoting diversity & inclusion](#)
- [Disclosure related to the Act on the Promotion of Women's Active Engagement in Professional Life / Ministry of Health, Labour and Welfare, The Database on Promotion of Women's Participation and Advancement in the Workplace](#)
- [Disclosure under the Act on Advancement of Measures to Support Raising Next-Generation Children: Ministry of Health, Labour and Welfare "Work-Family Balance Support Portal"](#)

Initiatives for achieving an optimal talent portfolio < Capabilities:Quantitative fulfillment of talent >

To actualize the business portfolio transformation set out in our medium-to-long-term business strategy, we are optimizing our talent portfolio. In the growth domains of electrification and intelligent systems, we define future workloads and required talent profiles by function and promote planned personnel shifts and reskilling across the Group as one. Regarding the software talent who are so essential to intelligence, we have to date made some progress toward fashioning our envisioned structure through development and recruitment. We will further enhance our competitiveness while also considering offshoring and the use of external resources. In the aftermarket domain, which continues to grow as a mainstay of our business portfolio outside of new-vehicle operations, we have increased staffing from approximately 300 to 800 since 2021, driving further growth of the business. In skill-intensive workplaces, we expect the required roles and the quality and quantity of needed skills to change significantly in step with our business portfolio transformation and the evolution of manufacturing at the hands of DX and AI. To respond to these changes, we are recognizing the key challenges of shifting work processes and providing planned development, starting from a clear accounting of our talent portfolio. At the same time, to enhance our ability to add value we are creating diverse growth opportunities that are not limited to supervisory positions but also include paths for skilled specialists.

Key initiatives	Details
DX and AI talent development add operational sophistication	• Institute reskilling programs to enhance the use of AI and data (1,400 participants by end-FY2026) • Building on our educational efforts in the AI and data domains, we revamped our talent development framework to focus on the use of generative AI. Through hands-on learning by job function and training in building AI chatbots, we are educating staff capable of using generative AI to transform our operations and improve productivity
Software talent development for intelligence applications	• Revamped our educational framework to raise product functionality and value by involving software talent beginning from the basic concept stage (910 participants by the end of FY2026) • Built a training framework in cooperation with the Toyota Group (Toyota Software Academy: 465 participants) • Strengthening training to raise skill levels and increase added value - Building a talent development program in cooperation with the Toyota Group - New employee training for technical positions - Software transition program for skilled workers
Talent development in the electrification domain	• Completed staff reallocation by the end of FY2024; now transitioning from next-generation development to the mass-production and sales-expansion phase • Provided expert training for reskilled engineers with the aim of upskilling them to become system engineers with a vehicle systems perspective • Revamped the training framework for skilled workplaces for electrification (3,070 participants by the end of FY2026)

Initiatives to promote a spirit of challenge < Action: Individual challenge-oriented actions >

Laying our foundation and building out our capabilities are, on their own, insufficient to spur the business portfolio transformation we seek; this cannot happen without a proactive approach from all employees toward taking on challenges. At Aisin, we are transforming our culture in line with our goal of deepening the spirit of challenge among individuals and entire workplaces on the way to achieving our ideal target state via step-by-step evolution.

Clarifying roles and fostering proactivity for everyone's shared success

Amid a rapidly evolving business environment in which new domains and themes continually emerge, the roles each individual must fill are not fixed and must be flexibly reconsidered in response to change. Based on this recognition, Aisin is shifting toward a way of working that starts from each person's role.

To achieve this while aligning each person's challenges with the company's direction, management has worked to better communicate its business strategy and policies. At the same time, in each workplace, we tightened each employee's connection to their role and duties by improving the quality of policy implementation and goal-setting meetings. In addition, to accelerate our response to challenges that cross organizational boundaries, we are creating situations and settings conducive to taking on challenges via such measures as establishing cross-departmental, time-limited organizations (BR organizations*).

In skill-intensive workplaces, we have promoted stronger investment in the workplace environment and richer communication in the belief that a workplace environment and management team that value each individual are essential. Building on this, we revised our personnel system to establish new roles in which highly capable and experienced personnel can demonstrate their value in roles outside the supervisory scope, thereby creating an environment where, given our graying workforce, everyone can thrive regardless of age.

Through the accumulation of these efforts at the management and workplace levels, positive responses to both "employee engagement" and "empowering environment" items increased significantly from the previous year and exceeded the average for the Japanese manufacturing sector. In skill-intensive workplaces in particular, both indicators improved by more than five points from the previous year, demonstrating the tangible effectiveness of workplace-driven initiatives.

Going forward, we will regard the process of shifting toward higher-value-added work as an opportunity for each employee to take on new challenges. By promoting growth through these experiences, we aim to align the growth of our company with the growth of our people.

* BR organizations: Business Reform organization. a flexible project organization that addresses companywide issues speedily across divisions and functions.

Appropriate evaluation of challenges, balanced compensation

To properly reward challenge and results, we are revising our personnel system in stages from the perspectives of evaluation and compensation. In 2023, we revised the executive compensation system, expanding the reflection of individual performance evaluations and incorporating nonfinancial indicators. For employees, we have reviewed our personnel systems in stages, starting with the highest qualification levels, based on three pillars: a "points-based system" that recognizes challenges and learning from failure; a "market-based system" that rewards results achieved in the current role; and "accelerated mobility and outward orientation," which promotes the shift away from an inward-looking mindset and encourages the effective use of talent by way of appropriate timing and staff allocation. The revision of the re-employment system was completed in FY2026. These revisions shift our emphasis from a conventional focus on competency-based qualifications to compensation based on the role one assumes and the value it creates. By aligning evaluation and compensation procedures with each role, we are building a system in which an employee's spirit of challenge and actual results can be appropriately rewarded even amid changing business conditions. Furthermore, we view compensation and wage increases as crucial investments in people and are pushing these forward with determination. Through ongoing labor-management discussions, we are accelerating companywide initiatives to achieve sustainable growth and a virtuous cycle of benefit sharing.

Key initiatives	Details
Revision of executive compensation system (FY2024)	• In addition to compensation incentives pegged to the Company's performance, we have expanded the importance of individual performance evaluations in ensuring compensation is commensurate with each employee's results • Increased the weighting of performance-based pay as a component of total annual compensation to incentivize performance and actions that increase corporate value • Introduced 360-degree evaluations as opportunities for self-awareness and growth • Link the calculation of performance-based compensation with indicators codified in our Medium-Term Management Plan and materiality issues, thereby encouraging management to be conscious of building corporate value and aligned with the perspective of our shareholders

Revision of personnel system for management (FY2024)	• Supported professional talent's performance and growth by revising competency qualification standards • Strengthened role recognition by introducing role levels • Enabled flexible staffing through integration of qualification tiers • Promoted continuous skill development and career autonomy by adjusting compensation based on demonstrated capabilities • Encouraged all employees to take on challenges through a system that positively evaluates and rewards them
Revision of General Employee Personnel System (FY2026)	• Revised competency-based qualification standards to define a consistent growth path for professionals with an eye toward management roles • Eliminated personal attributes and seniority as determinants of success; integrated qualification tiers to reward annual growth with focused evaluation and compensation • Established new nonsupervisory roles for skilled personnel to promote full participation that leverages individual abilities and experience
Revised HR system for re-employed personnel (FY2026)	• Provide personnel who continue to play significant roles after statutory retirement with evaluations and compensation equivalent to active employees, thereby encouraging their ongoing contributions • Encourage each individual to contribute commensurately with their motivation and ability and supporting everyone's efforts
Thorough implementation of evaluation interviews for all employees	• Carefully align individual dreams and aspirations with organizational challenges and initiatives to maximize proactive new value creation • Promote the setting of development themes based on individual strengths and weaknesses and ensure appropriate evaluations occur that incorporate development perspectives • Continuously hold explanatory sessions, share best practices, and support individuals to ensure understanding and adoption of the evaluation system

Strengthening workplace management to support taking on challenges

To encourage proactive behavior, we are promoting a transformation initiative for all managers that capitalizes on individual strengths.

In the workplaces of indirectly departments, we are transforming the management practices of group leaders so they can devote more time to developing people and workplaces.

Key initiatives	Content
Management training to empower individuals	Training provided to all core managers to develop leadership skills that attract empathy and cooperation from others and promotes the acquisition of communication skills that empower individuals and helps them develop
Group leader seminars	Four-month workshop for representatives from each department led by external instructors, focusing on self-reflection and learning about their own performance as managers
Group leader management study groups	Held for key personnel who volunteer to participate, with the aim of sharing concerns and insights among participants for mutual learning and camaraderie

To strengthen our support apparatus for workers in skill-intensive workplaces and back individual efforts to face challenges, we are modifying operational procedures to create spare capacity for supervisors. We are reforming our business processes with a focus on data collection and use. This is being achieved through the review of procedures and forms and the consolidation of duplicate and similar tasks. We are also driving transformation of frontline work styles through the use of IT tools, such as by introducing computerized production management dashboards.

Other initiatives

Employee benefits

To enable employees to fully demonstrate their abilities by improving their financial, mental, and physical environments, each Group company works to enhance the employee benefits they offer.

At Aisin, to realize the well-being of each employee, we have introduced a cafeteria plan under which employees can freely choose and apply company subsidies to match their needs and lifestyles at any given time. In addition to infrastructure features such as employee cafeterias, dormitories, and company housing, we offer a wide range of employee benefit programs, including asset-building support, childcare facilities, and leisure opportunities. (Eligibility varies by program.)

Intellectual Property

Basic stance and policy

At Aisin, we position intellectual property (IP) as a key management resource for achieving sustainable growth and enhancing corporate value. We advance the development of IP based on the results of our technological development. In this way, we establish competitive advantage and, by creating proprietary value, enhance corporate value and accelerate business growth.

Promotion Structure

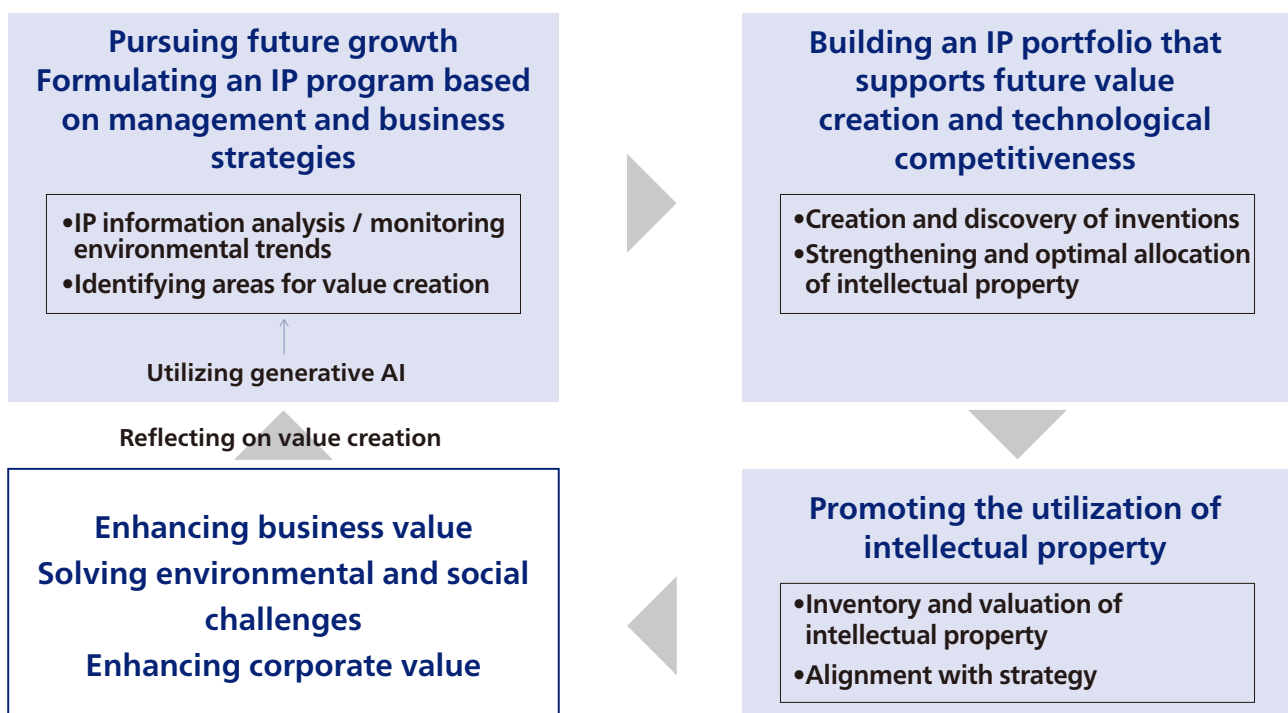
At the Development Function Meeting, chaired by the Head of the Product Development Center, we formulate IP-related strategies and key policies. Our functional headquarters and companies responsible for development activities coordinate with departments functionally devoted to IP to promote and manage the full integrated cycle from invention and discovery through rights protection, utilization, maintenance and management, and IP assurance (freedom-to-operate). We are also strengthening employee education on the importance of intellectual property and on related operations and activities. In addition, we are strengthening collaboration with our global R&D bases.

Strategy

By analyzing the external environment and reviewing our IP holdings, we are working to advance our management and business strategies. To ensure future growth, we clarify elements of value to be created, areas in which we should build competitive advantage, and domains in which we should secure freedom to operate. We manage our IP strategy from both offensive and defensive perspectives.

Based on this strategy, we promote the creation of new elemental technologies that underpin our strength and the building of an IP portfolio from which we derive future value and competitive advantage. We apply intellectual assets to our existing businesses and, to create new value, invoke it across domains beyond internal business boundaries. Moreover, we build cooperative frameworks with external partners, thereby maximizing the value we can offer. In addition, by respecting third-party intellectual property rights and conducting clearance investigations, we work to protect our business and strengthen our negotiating position.

Value creation cycle driven by intellectual property



Related materiality issues

To ensure our ongoing ability to accumulate new elemental technologies for the future, we track our number of inventions as a KPI and systematically promote activities designed to support the creation and discovery of new inventions. By appropriately combining the acquisition of rights through the patent process with the protection of trade secrets, we manage IP strategically to establish a competitive advantage and maximize its contribution to our business.

Materiality issues	Goal (KGI)	Indicator (KPI)	FY2026 results	FY2031 target
Instilling a corporate culture that embraces challenge	Ongoing accumulation of new fundamental technologies	Number of inventions*	1,374	1,500

* Number of inventions: the total of patent applications, instances of confidential (trade-secret) know-how, and published knowledge.

Key initiatives

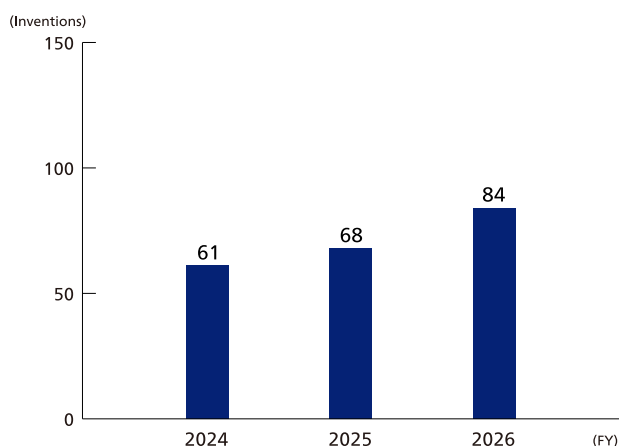
Initiatives for amassing new elemental technologies

We promote the creation of inventions that hold value and lead to business growth and differentiation. Specifically, we set development concepts based on market and technology trends, including intellectual property information, and on our own strengths, and, under an offensive and defensive IP strategy tailored to each business model, we strategically design our policies on disclosing or keeping inventions confidential as well as the areas for exclusive holding and utilization of patent rights. Based on this hybrid open-closed approach, we systematically promote invention and discovery with a view to securing rights, maintaining confidentiality, and leveraging practical usage.

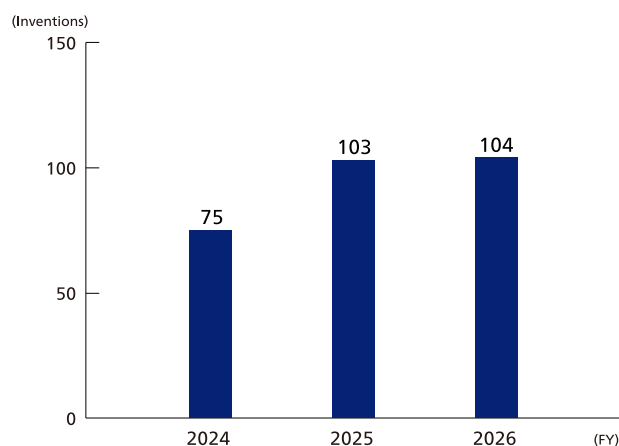
In recent years and in light of changes in the business and social environment, within the mobility domain we have focused on intelligent systems that combine sensing, software, and AI to support comfortable, safe, and secure movement. In so doing, we have amassed a diverse range of new elemental technologies. Likewise, in the energy domain, we are amassing new elemental technologies in the areas of hydrogen power, CO₂ capture and use, and power generation and renewable energy that support the creation and circulation of clean energy.

In FY2026, we made progress in creating inventions that helped differentiate our business in line with our priority technology themes for future growth. At the same time, we face a remaining challenge to flexibly develop, in response to changes in the environment, an IP portfolio that surfaces new commercial value. As we build a foundation for future growth, we are working to strategically expand our range of priority themes.

Number of inventions related to comfort, safety, and security



Number of energy-related inventions

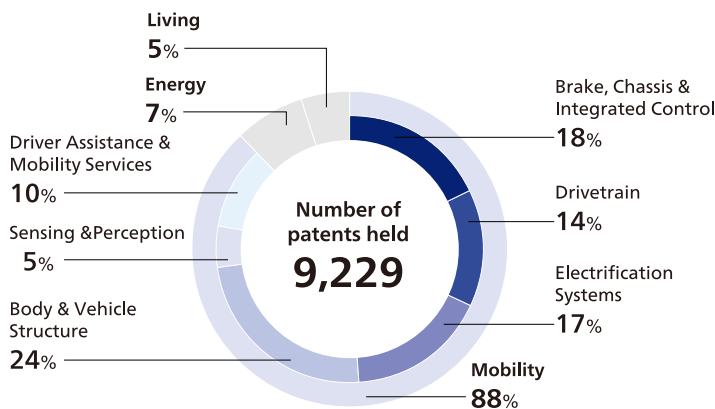


Initiatives for the application and management of intellectual property

We continuously monitor the status and potential of utilizing patent rights and other intellectual property holdings directly in our businesses and through licensing as we continuously assess its qualitative value.

By linking these to our future management and business strategies, we promote the strategic utilization, maintenance, and management of intellectual property. We work to capitalize on our intellectual property holdings as intangible assets by reviewing our past efforts to create and use IP and the resultant effects and then cycle our findings back into our future IP strategy and invention and discovery effort. We are currently building an IP portfolio focused on the mobility, energy, and people (living environment) domains. As of FY2026, we held 9,229 patents—a high total even among automotive parts manufacturers.

FY2026 patent portfolio



Efforts to Mitigate Risks

In future-focused businesses that create and deliver new value, we strive to reduce the risk of infringing on third-party intellectual property rights in order to legally and civilly protect ourselves. Aisin's products employ a wide range of technologies, which leaves us open to potential future litigation from third parties alleging IP infringement. To address this risk, we follow proper due diligence before launching new businesses to prevent infringing on third-party IP. Furthermore, should litigation arise, we have established systems to swiftly validate the infringement claim and the rights in question, determine any usage rights we possess, and take appropriate countermeasures.

Human Rights

Basic stance and policy

Respecting the human rights of all individuals, including employees and stakeholders both inside and outside the company, is fundamental to achieving our goals of promoting a spirit of challenge through Group and global Integration and empowering all employees and fostering growth unmatched by rivals. Moreover, we strongly recognize that respect for human rights lies at the center of all business activities. We are keenly aware of our need to deepen our understanding of—and take appropriate action on—human rights issues relevant to our activities in each country and business.

In April 2021, our Human Rights Expert Committee formulated the AISIN Group Human Rights Policy, which declares our commitment to fulfilling our responsibility with regard to human rights and is incorporated into key rules across all elements of our business, including Group companies and the supply chain.

[AISIN Group Human Rights Policy](#)

The scope of human rights risks covered by the Human Rights Policy includes: discrimination and harassment; child and youth labor and other violations of children's rights; migrant labor and forced labor; wages (minimum wage, living wage, gender pay gap for equal work); working hours, holidays, and other basic working conditions; excessive working hours; safe and healthy working environments; dialogue with employees; diversity and inclusion; religion; minorities (women, LGBTQ, people with disabilities, etc.); rights of indigenous peoples and local communities (land, forests, water resources, etc.); use of security companies; privacy; consumers (product safety, information provision); and bribery and corruption.

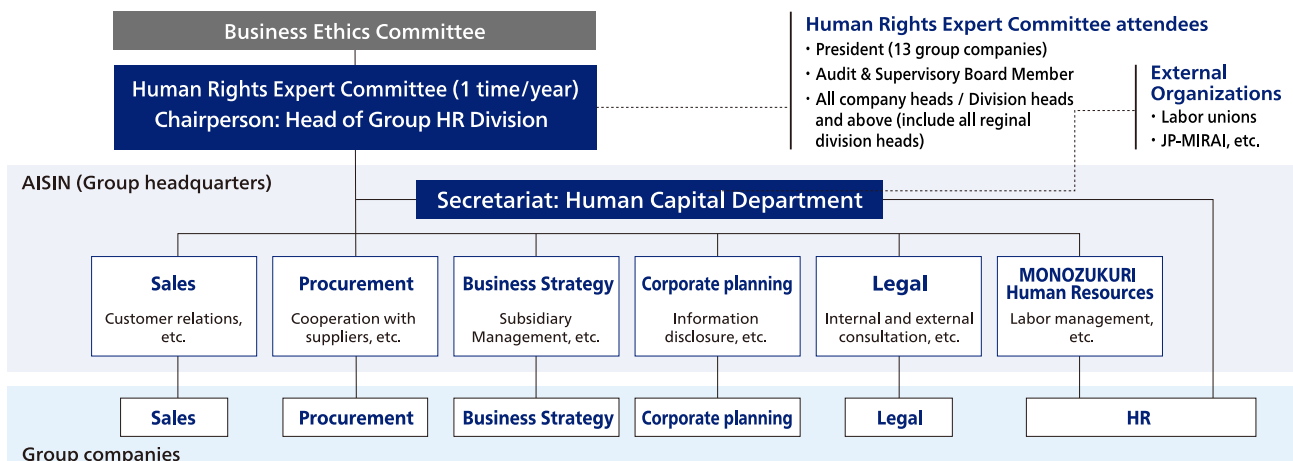
We also disclose the Group's efforts to prevent forced labor and human trafficking based on laws such as the UK's Modern Slavery Act.

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

Promotion Structure

Based on the UN Guiding Principles on Business and Human Rights, Aisin has established a Human Rights Expert Committee as a promotion framework for incorporating respect for human rights into its business activities. The Committee is attended by senior management, including the presidents of the 13 Group companies and the heads of all regional headquarters. It reviews priority risks and the progress of due diligence pertaining to human rights. It also approves annual plans for corrective action and improvements. Matters deliberated and decided are rolled out to the relevant departments and Group companies. The Human Resources, Procurement, Legal, and Business Strategy departments work together to consistently promote respect for human rights across the entire Group, driving ongoing progress.

Organization



Strategy

Aisin is establishing a human rights due diligence process that encompasses its supply chain. To reduce the risk of serious human rights violations, we have set the implementation of human rights risk assessment surveys and human rights education as key indicators. In addition to achieving target implementation rates, we are targeting improved content and effectiveness for these surveys and educational programs. Human rights risk assessment surveys form the core of human rights due diligence, and we administer them regularly to detect changes in the environment and the status of past corrective actions. After identifying priority risks, we push forward with corrective action and relevant disclosure to drive continuous advancement, and we are progressively raising the maturity of our human rights due diligence effort by enhancing the content of our surveys and deepening our response to priority risks. We will share our fundamental understanding of human rights and information on the Company's initiatives so that every Aisin employee can practice respect for human rights from their own perspective.

Related materiality issues

For FY2026, our goal (KGI) of zero serious human rights violations has been achieved; to sustain this, we have set the following indicators (KPIs) and are progressing with our initiatives accordingly.

Materiality issues	Goal (KGI)	Indicator (KPI)	FY2026 results	FY2031 target value
Laying a solid management foundation	Zero serious violations of human rights	Human rights risk assessment survey implementation rate* ¹	100%	100%
		Human rights training implementation rate* ²	93%	100%

*1 Human rights risk assessment survey implementation rate: (Number of companies conducting human rights risk surveys / Number of consolidated companies) × 100

*2 Human rights training implementation rate: (Number of employees who received training on compliance and human rights / Number of consolidated employees) × 100

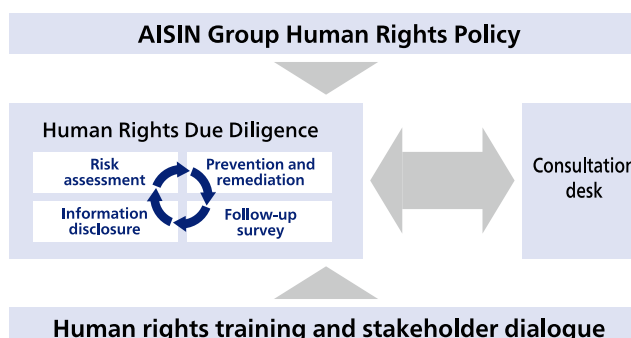
Key initiatives

Initiatives aimed at achieving zero serious violations of human rights

Human rights due diligence

In line with the AISIN Group Human Rights Policy, we identify priority risks from the perspectives of severity (degree of impact) and potential likelihood (frequency of occurrence), taking into account the degree of social concern as well as our internal circumstances. We are also prioritizing and raising our responsiveness based on the status of each company's initiatives. We will promote management practices that better reflect actual conditions by improving the accuracy of risk assessments and verifying the effectiveness of corrective actions. Foreign workers (migrant workers), including technical intern trainees, are our top priority area, as they attract a high level of social concern owing to the potential for forced labor and other such rights violations, and because many are employed within the Group and by its suppliers. We also confirm the status of initiatives in other key human rights areas, such as discrimination and harassment, at each company.

AISIN Group Human Rights Initiative Scheme (based on UN Guiding Principles)



Assessment in key human rights areas

To assess and improve initiatives in key human rights areas (discrimination, harassment, forced labor, child labor, working hours, wages, dialogue with employees, safety and health, and response to suppliers), in FY2026 we administered a self-check survey across all Group companies. As a result, although improvement was seen compared with the previous fiscal year (an average of 4.8 out of 5, an overall average increase of +0.09 points year on year), through individual follow-ups we are maintaining growth in the level of initiatives across the entire Group. Specifically, we (1) appointed human rights promoters at all companies, (2) rolled out a checklist of human rights-related laws and regulations, and (3) thoroughly disseminated human rights-related policies. We will continue with our surveys and on-site dialogue, incrementally providing support tailored to each company's maturity (from initial response to advanced response) and confirming the status of improvements.

Initiatives Concerning Foreign Workers

Regarding foreign workers, a top priority area, we have regularly surveyed technical intern training under the supervising organization model in Japan. As of the end of March 2026, we have identified approximately 500 trainees accepted across 19 group companies. In addition, Group companies that accept technical intern trainees conducted self-checks in accordance with the Manual for the Proper Implementation of Technical Intern Training for Foreign Nationals issued by the Organization for Technical Intern Training, verifying training content, treatment, document management, and protective measures. Since FY2025, starting with technical intern training, we have progressively expanded the scope to foreign workers in general, strengthening our management coverage from risk identification through to corrective action and prevention. With regard to preventing illegal employment situation that heighten the risk of human rights violations, we issued alerts and instituted checks regarding work-related residency status. We also confirmed through dialogue the proper employment status of foreign workers with 69 major suppliers, including study sessions and on-site visits. We are also promoting checks on the status of fees paid in workers' home countries. Although we provided support for operational improvements in some cases, we found no instances of forced labor, child labor, or human trafficking, nor any violations that would lead to human rights infringements. We will continue our efforts toward dialogue and improvement.

Education and awareness activities

Respect for human rights is at the core of Aisin Group's business operations. In the belief that upholding human rights depends on each employee understanding these rights from their own perspective and putting them into practice in response to a changing environment, we provide human rights education covering discrimination, harassment, and related topics. For the human rights training implementation rate, which we have established as a materiality indicator for the Aisin Group, we began conducting a survey in FY2026 and found that the implementation rate across the entire Group was 93%. We consistently review in detail the prevailing status by company and by overseas region and spread the word on the importance of human rights education. We further promote ongoing review of the communication routes and content within the Group, taking into account the circumstances of each company as well as regional characteristics. Through these efforts, in addition to raising the training implementation rate, we will advance the sophistication of our target audiences, content, and learning methods, evolving our education into a system that connects understanding of human rights to practical action.

Aisin provides the following training and awareness opportunities, updating the content each fiscal year to ensure thorough respect for human rights.

Target	Content
Executives	Incorporate human rights-related content into new executive training and deepen understanding through case studies and other means
Recruiters	Japan: Thoroughly instruct interviewers and others on points to note through lectures
Dowa problem (Discrimination against Burakumin and other marginalized communities)	Joined the "The Industrial Federation for Human Rights, Aichi"; conducted awareness activities and promotion with the "The Corporate Federation for Dowa and Human Rights Issue."
New hires & employee promotions	Japan: Implemented CSR education including the human rights field

Target	Content
All employees	Raise awareness through case studies and other means so that employees see the issues as their own concern. (From FY2027, we plan to devise program content that fosters the understanding and observance of respect for human rights and to ensure participation by all.)
Suppliers	Issued the AISIN Group Supplier Sustainability Guidelines, which cover the human rights domain, and requested endorsement through briefing sessions. Held study sessions with major suppliers and shared initiatives.

Other initiatives

Collaboration with external stakeholders

We promote collaboration with external stakeholders, including dialogue with labor unions and participation in the Japan Platform for Migrant Workers towards Responsible and Inclusive Society (JP-MIRAI), such as joining cooperative corporate programs.



Establishment and Enhancement of Consultation Channels

In addition to our internal consultation channels, we have established the Aisin Global Hotline, which accepts requests for consultation from outside the company and contributes to remediation. Furthermore, for technical intern trainees and other foreign workers, we utilize JP-MIRAI Assist to build a specialized multilingual consultation system.

Summary of human rights initiatives and plans

In line with the UN Guiding Principles, Aisin has advanced the initiatives shown in the table below. Through our human rights due diligence cycle, we will continue to enhance our initiatives in this area across the entire Group, progressing through the various stages: policy development, risk identification, corrective action, deployment and establishment, and enhancement.

Initiatives		FY2023 and earlier	FY2024	FY2025	FY2026	FY2027 and beyond
1.Establishment and review of framework and policy		Establishment of Human Rights Expert Committee	Human Rights Expert Committee meetings (approve plan annually)			
		AISIN Group Human Rights Policy formulation	Review and dissemination of human rights policy, and its incorporation into rules and procedure			
		Incorporation of human rights considerations into supplier sustainability guidelines			Global dissemination of supplier sustainability guidelines	
		Appointment of human rights promotion specialists at each company (domestic)				
		Appointment of regional human rights officers (overseas)				
2.Human rights due diligence (1) Risk assessment (2) Prevention and remediation (3) Monitoring (4) Disclosure	Internal & Group	Self-checks and on-site verification covering key human rights areas and foreign technical intern training				
					Self-checks and on-site verification for all foreign workers	
		Coordinated dialogue and activity with regional headquarters				
		Training for all staff and by rank (shared policies and initiatives, case studies, etc.)				
	Primary suppliers *Phased coverage expansion	Self-checks and on-site verification covering key human rights areas technical intern training programs				
					Self-checks and on-site verification for all foreign workers	
		Study sessions on business and human rights (environmental trends, impacting human rights, sharing of information on regulatory changes, best practices, training materials, etc.)				
	Stakeholder engagement	Disclosure of initiatives in sustainability data book and website; publication of statement under the Modern Slavery Act				
		Joining JP-MIRAI	Participation in JP-MIRAI Private Company Collaboration Program			
	3.Preparation and launch of consultation services		Preparation and launch of internal and external ethics hotline			
Application and expansion of special consultation services for foreign workers (JP-MIRAI Assist)						

|| Labor-management communication at Aisin

Aisin values its people, promotes mutual trust between labor and management, and regards labor and management as wheels of a car working in mutual cooperation. These principles are fundamental to labor-management relations. We hold regular labor-management meetings to share information on policies and objectives, aiming to create a satisfying workplace. When the Company's actions are to significantly impact employees, we take appropriate measures, such as to provide an adequate advance notice period.

Lessons learned from labor dispute response in India

(1) Overview of the AHL Labor Dispute

In May 2017, employees at our consolidated subsidiary in India, AISIN Automotive Haryana Pvt. Ltd. (AHL), launched a strike demanding the establishment of a labor union. A month later, the local government issued an order banning the strike but, in protest, 288 employees resorted to force and blocked the company's main gate. The strike ended with the arrest of these employees. AHL proceeded to dismiss 175 employees who remained absent without leave despite repeated calls to return after the strike's end. Aisin regards this as an unavoidable measure to protect the lives and safety of employees not involved in the dispute. However, this incident became the largest labor dispute in Aisin Group history, leaving both labor and management with deep scars. Aisin deeply regrets the significant concern this incident caused to our stakeholders, including the local community and business partners.

(2) Measures to prevent recurrence

Aisin Group's response

Drawing on lessons learned from past labor-management challenges, the Aisin Group takes the position that for the company to grow, labor and management must listen to each other, build mutual trust, and foster a cooperative relationship. Prompted by this AHL labor dispute, we have reaffirmed and reinforced the necessity of mutual trust and cooperative relationships between labor and management—even at overseas locations with differing labor practices. To this end, we have codified the principles outlined above that should be cherished in labor-management relations into a document titled AISIN's Stance on Employees-management Relations and issued it to all Aisin Group companies under the auspices of the President. Furthermore, as a constituent of the Aisin Group, to raise our commitment to respect for human rights and realization of diverse work styles to unprecedented heights, we have revised our AISIN Group Principles of Corporate Behavior—a code of conduct designed to enforce our responsibility to society in line with our management philosophy and provide common guidelines for all Aisin Group companies. We have also developed an assessment tool to verify whether personnel and labor management practices align with this stance and are being implemented appropriately and are conducting rolling inspections across our global business. Issues identified during these inspections are handled via a system set up to enable immediate corrective action based on predefined rules.

Response at AHL

On August 4, 2017, President Ihara (then President of Aisin Seiki Co., Ltd.) directly addressed employees at AHL. He explained management's reflection and Aisin's stance on labor-management issues and declared a fresh start. Since then, the Company has worked continuously to improve labor-management relations by rebuilding the communication framework and taking such measures as establishing forums for labor-management dialogue, creating a highly transparent, fair, and easily comprehensible personnel system, and hosting various events. The percentage of positive responses in the employee satisfaction survey, initially at 40%, has since reached 90% (January 2019). We are striving for further improvement and are aiming for 100%.

(3) Declaration for the future

Learning from the AHL labor dispute, we are determined to ensure such a situation never occurs again across the entire AISIN Group. We will strive to become a company all employees can be proud of.

Working hours

We fully comply with the Labor Standards Act. When exceeding statutory working hours, we observe legal procedures and communicate closely with labor unions to ensure employee health and safety. To reduce hours worked, we are implementing flexible labor arrangements and aiming for 100% use of annual paid leave. We are also reviewing work practices for employees stationed overseas.

Compensation

Aisin not only complies with local laws and regulations, such as minimum wage requirements in each country and region, but also respects the principle of equal pay for equal work. Through labor-management dialog, we strive to enforce pay standards that guarantees a certain quality of life for employees and their families. In Japan, wages are determined such that they reliably exceed the standard cost of living.

Aisin (parent) starting salaries (monthly)

	Starting salaries (April 2026, actual)	Aichi Prefecture minimum wage	Tokyo minimum wage
High school graduate	¥211,000	114%	106%
University graduate	¥282,000	152%	142%
Master's degree	¥301,000	163%	151%
Doctorate	¥326,800	177%	164%

Minimum wage figures are calculated using regional minimum wages as of April 2026 (Aichi Prefecture: ¥1,140, Tokyo: ¥1,226), based on an average of 20.3 days per month and 8 hours per day.

Note: There are no gender or regional pay gaps within the same qualification grade.

Employment stability

We believe that standardizing HR policies and systems across the Group is crucial for employment stability, so we promote rules and procedures grounded in laws and regulations. As a reflection of this, the turnover rate* for the three Group companies in FY2026 was 1.8%.

* (Number of voluntary resignations from April 1, 2025, to March 31, 2026, / Number of employees as of April 1, 2025) × 100

Prevention and mitigation of other human rights risks

For other human rights risks as well, in accordance with the AISIN Group Human Rights Policy, Aisin respects internationally recognized norms and complies with the relevant laws and regulations of each country in which it operates as it strives to eliminate and mitigate human rights risks. We are progressively advancing initiatives such as the following:

– Examples

- We thoroughly verify age using official documents during hiring to prevent child labor.
- The company bears all fees related to employing temporary staff.
- To prevent forced labor, we ensure that employees retain custody of their passports and other important documents.
- We do not subject employees to disadvantageous treatment when they submit resignation requests.

For details on harassment prevention and internal whistleblowing systems, please refer to the [Compliance](#) section of this website.

Supply Chain

Basic stance and policy

Aisin receives various parts and raw materials from numerous suppliers worldwide for its production activities. In our transactions, we strive to build trusting relationships with suppliers based on the fundamental principle of coexistence and mutual prosperity as good business partners. Guided by the principles of mutual prosperity with suppliers based on long-term stable transactions and the execution of open and fair transactions, we have implemented our AISIN Group Basic Procurement Policy globally to promote sustainable procurement activities throughout the entire supply chain.

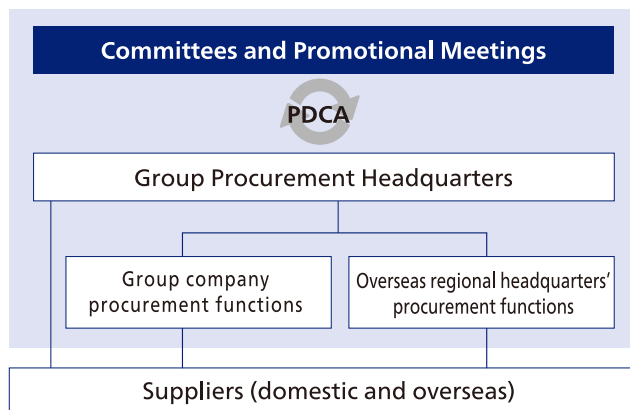
[AISIN Group Basic Procurement Policy](#)

Promotion Structure

AISIN-Group Purchasing Division participates in various internal committees and promotion meetings, including the Sustainability Conference. It collaborates with the responsible departments and related departments to serve as the point of contact for suppliers and promote various initiatives. Moreover, it is progressively functional integration with domestic group companies. In overseas regions, it closely coordinates with the procurement functions of regional headquarters to implement unified procurement policies for suppliers and conduct activities to identify and resolve issues. In FY2026, we held procurement policy briefings* across the major global regions of Japan, North America, Europe, China, Asia, and India, sharing news of recent changes in the business environment and rolling out the Group's procurement policy.

* Invitations were extended primarily to suppliers with high transaction dependence in each region (750 companies in Japan, 1,011 overseas).

Supply chain promotion organization



Global supplier count

(Companies)

	Parts	Materials & other	Total
Japan	1,187	1,241	2,428
Overseas	1,965	321	2,286
Total	3,152	1,562	4,714

Strategy

Amid significant changes in the business environment, product mix, and other factors, we are building a resilient supply chain to ensure stable supply grounded in quality. At the same time, we are raising our competitiveness by reconciling global procurement optimization with responses tailored to the circumstances of each region. In addition, we are pursuing improvements in quality, cost, and speed through continuous benchmarking, self-analysis, and the adoption of best practices.

Key initiatives

Open and fair procurement

Before commencing business, Aisin assesses new suppliers in accordance with their ISO-9001, IATF 16949, and ISO-14001 certification status, as well as through quality audits. Subsequently, in collaboration with relevant departments we continue to inspect for quality, safety, environmental impact, earthquake resistance, cybersecurity, and other metrics.

We promote fair procurement by concluding basic transaction agreements with suppliers which, based on a spirit of openness and fairness, clearly stipulate compliance with laws and regulations, including antitrust laws, anti-bribery measures, and protections against organized crime, and also mandate attention to safety, health, and the prevention of pollution. Furthermore, in June 2020, we published the “Partnership Building Declaration,” which outlines the shared prosperity of the entire supply chain and adherence to desirable business practices. As a concrete initiative under this declaration, we established a specialized organization in January 2024 to promote fair business practices. In recent years, we have responded to the impact of tariffs as well as rising labor costs, raw material prices, logistics costs, and energy costs, by communicating carefully with each supplier to implement appropriate price pass-through arrangements.

Recognizing that suppliers may have difficulty raising concerns or requests, we regularly conduct surveys with key suppliers. These surveys surface the actual compliance behavior of Aisin employees and reveal specific challenges suppliers face. Following receipt of the surveys’ results, procurement staff directly visit suppliers to obtain candid feedback. This approach provides a framework for open communication and active support.

Furthermore, in May 2025, we established a new organization responsible for promoting sustainability within the AISIN-Group Purchasing Division.

In addition to promoting green procurement with a focus on carbon neutrality and other aspects and while ensuring alignment with company-wide initiatives, we and our suppliers are working to tackle social issues pertaining to human rights (including foreign worker employment), cybersecurity, and other matters.



[Declaration of Partnership Building portal site](#)

[Declaration of Partnership Building](#)

Strengthening the Quality Foundation Together with Suppliers

To preserve the trust that customers have in our products, it is essential that we maintain and improve quality assurance across the entire supply chain. Based on the Supplier Quality Assurance Manual for Parts Procurement (SQAM; our basic transaction agreement with suppliers), Aisin pursues quality enhancements in close partnership with suppliers.

We ascertain and manage records of IATF 16949 certification status for all Tier 1 suppliers. On that basis—and taking into account the achievement of quality targets and the inclusion of safety-critical parts—we perform regular self-inspections and on-site audits of 509 relevant priority suppliers and provide continuous support until needed improvements are achieved. In addition, for Tier 2 and lower-tier suppliers, we verify the status of third-party certifications and audits, conduct our own audits, and provide guidance aimed at improving processes and quality control as warranted by assessed risk level.

Moreover, for priority suppliers, we provide support for building a foundation for quality by such means as bolstering upper management's capabilities and strengthening on-site management. For key suppliers, we also promote preventive maintenance through the sharing of information on cases of defects and measures to prevent their recurrence in an effort to raise suppliers' quality awareness and thoroughly guard against repeat incidents.

When onboarding raw material suppliers, we confirm their ISO 9001 or IATF 16949 certifications and, through collaboration between the procurement and quality assurance departments, conduct process audits to decide whether to adopt them. For Tier 2 and lower-tier suppliers with processes that impact the quality of raw material inputs, we run quality self-inspections and process audits to confirm the state of quality maintenance and relevant controls.

We have also established the Supplier Quality Assurance Manual for Materials Procurement, under which the substances (components) contained in purchased materials are managed in accordance with in-house standards and checked periodically.

Through these efforts, we conduct ongoing awareness-raising activities aimed at maintaining and improving quality among all suppliers.

Building a Resilient Supply Chain for Stable Supply

Based anticipated conventional risks (natural disasters, accidents, semiconductor shortages, and the like) and with further consideration for an increasingly uncertain global environment (geopolitical risks, protectionism, and resource constraints), we have established a dedicated organization and built a system for routinely capturing timely information to ensure uninterrupted supply to our customers. In responding to emergencies, we regard the identification of production sites and affected part numbers as most important. In 2025, we launched a BCP management system that registers and consumes information on the manufacturing processes for purchased parts and input materials provided by suppliers, thereby clearly modeling the supply chain, sharing risks at an early stage, and enabling swift initial and recovery responses. Thanks to these initiatives, when the 2026 Kumamoto Earthquake struck in July 2026, we could quickly assess the damage across the entire supply chain, including suppliers, and promptly implemented measures from the BCP, such as alternative production arrangements, thus maintaining supplies to customers.

For parts and materials identified as particularly high-risk, chief among them rare earths and semiconductors, we take such measures as inventory reviews and, in collaboration with design departments, the adoption of more general-purpose items at early stages of development.

In addition, we have established organizations to promote advance procurement within each department of the AISIN Group Purchasing Division. Working with related departments from the development stage of new products, we prepare for geopolitical risks and supply concerns while advancing strategic selection so that competitive materials and parts can be reliably procured.

Supplier Sustainability Guidelines

Based on our prioritization of societal sustainability, ESG progress, maintenance and enhancement of global competitiveness, and risk management, we emphasize the resolution of issues across the entire supply chain. In October 2025 we revised and reissued our AISIN Group Supplier Sustainability Guidelines. To the 732 strategically important companies, including key Tier 1 suppliers as well as providers of raw materials and semiconductors, we present guidelines outlining matters we wish to address together and promote understanding through briefing sessions for suppliers. In addition, in FY2026 we administered a self-assessment questionnaire (SAQ) covering sustainability initiatives; responses were received from 88% of companies, all of which endorsed the guidelines. Based on the self-inspection results submitted by each company, we will provide support and follow-up in areas needing improvement.

In addition, by issuing the AISIN Group Green Procurement Guidelines, we call on suppliers to reduce greenhouse gas emissions, promote circulation of resources (including waste), conserve water, and preserve biodiversity.

[AISIN Group Supplier Sustainability Guidelines](#)

[AISIN Group Green Procurement Guidelines](#)

Initiatives to Strengthen Competitiveness Across Our Entire Supply Chain

To improve suppliers' skills and strengthen their corporate fundamentals, we provide human resource development support to key suppliers.

We have established specialized organizations within the headquarters to accompany suppliers in their value analysis (VA) activities, disposal of old dies, quality enhancement activities, and monozukuri (manufacturing) improvement activities. While maintaining respect for our suppliers' opinions, we work to resolve difficulties with their manufacturing processes and to uncover sources of competitiveness with a strong focus on GENCHI GENBUTSU GENBA.

To support business succession and the development of successors at key suppliers, we offer a family study program that accepts trainees into a department of their choice for a core period of two years, and, according to specific needs, we also accept employees on secondment and offer various forms of training.

In addition, we support the activities of the supplier associations organized by Aisin's suppliers to promote mutual development and the horizontal sharing of good practices. We offer advice regarding various activities directed at productivity and quality advancement and also safety and environmental initiatives. In FY2026, we held study sessions on the prevention of occupational accidents and fires, the strengthening of cybersecurity, and the promotion of human rights. We also conducted mutual learning sessions aimed at achieving carbon neutrality across the entire supply chain.



Carbon neutrality study groups

Employee Education and Training

Aisin has established the AISIN Group Principles of Purchasing Behavior and Guidelines for Purchasing Practices, which define specific compliance actions compatible with various laws and regulations, including the prohibition of bribery, so that each employee involved with procurement can execute fair and honest procurement practices. We have compiled the knowledge needed to practically apply these principles in a booklet titled The Spirit of Procurement, which is provided as mandatory training for all procurement personnel. Furthermore, training is provided to all participants in the procurement function, covering environmental protection, carbon neutrality, human rights, anti-corruption practices, antitrust law and other relevant regulations, along with privacy management.

Other Initiatives

Responsible Materials Procurement

Guidelines

To promote, on a global basis, mineral procurement that accounts for the impact on social issues in such domains as human rights and the environment, we are working to avoid the use of minerals deemed problematic under the laws and regulations of various countries, such as the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act and the EU Conflict Minerals Regulation. We also ask our suppliers to understand our thinking and to procure mineral resources responsibly.

Initiatives

In FY2026 as well, with the cooperation of our suppliers, we surveyed mineral usage (using the Conflict Minerals Reporting Template, CMRT) and reported the results to our customers. We also participate in industry associations and make strenuous efforts to, among other things, establish effective survey methods. We continue to promote responsible mineral resource procurement in accordance with our guidelines.

Safety and Health

Basic stance and policy

Safety and health first

As a global company, a critical management issue for us that strictly applies at every one of our locations is the building and maintenance of a workplace where everyone can perform safely and healthily.

Aisin has established the AISIN Group Safety and Health Policy and The AISIN group Declaration of health based on the principle of “Safety and health first”, which applies at all times. We conduct various activities based on these policies and declarations.

[AISIN Group Safety and Health Policy](#)

[The AISIN group Declaration of health](#)

Promotion Structure

Safety and Health Promotion Framework

To protect all individuals working on Aisin premises from work-related accidents, we have established the AISIN Group Safety and Health Committee, which is composed of the presidents of each Group company and promotes activities aimed at unifying policies and standards. Matters discussed are reported to and approved by each company’s Safety and Health Committee and then progressively rolled out to individual workplaces via members of lower-tier safety and health committees at the workplace level. Furthermore, initiatives are disseminated to Group companies through the Aisin Group Director Safety Conference, while also providing support for safety activities tailored to each company’s specific needs. Moreover, important matters discussed by the Safety and Health Committee are reported to the Board of Directors, which provides oversight.



Strategy

Group Safety Vision for 2030

We promote thorough measures to prevent recurrence and various initiatives to eliminate serious accidents and lost-time injuries, enhance safety awareness, and make safe behavior a habit.

We have established KPIs within the Group Safety Vision for 2030 and are working to create an environment where employees can work with peace of mind, remain physically and mentally healthy, and thrive.

Under our Materiality Issues, to lay a solid management foundation, we have set “A culture that prioritizes safety” as a KGI and “Zero serious accidents” as the corresponding KPI.

Three elements for ensuring safety



Related Materiality Issues

Materiality issues	Goals (KGI)	Indicators (KPIs)	FY2026 results	FY2031 targets
Laying a solid management foundation	A culture that prioritizes safety	Zero serious accidents*	Zero serious accidents	Zero serious accidents

* Serious accident defined as those involving fatalities

Key initiatives

Establishing a culture that prioritizes safety

Occupational Safety and Health Management System

To support risk management and raise performance, since FY2021, we have operated an Occupational Safety and Health Management System across the entire Aisin Group, including on-site contractors.

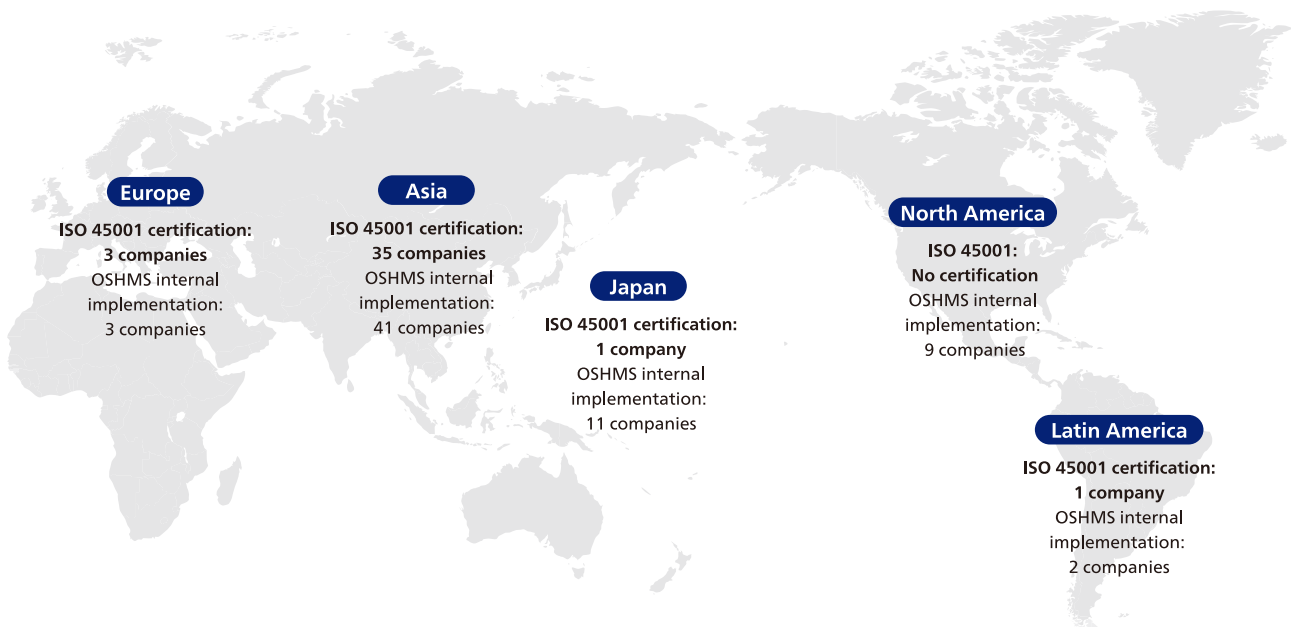
By FY2026, 40 Group companies, including AISIN, have been certified for ISO 45001, an international standard. We annually assess risks and opportunities based on internal and external objectives and the needs of employees and other stakeholders. We prioritize the selected items, incorporate them into the following fiscal year's safety and health plan, and promote activities to achieve our goals. Based on the outcomes of our activities as well as other variables, management reviews are conducted. After clarifying our direction for the upcoming fiscal year, efforts are made to enhance the level of our initiatives.

ISO 45001 certification status (End-March 2026)

ISO 45001 acquisition rate* : 32%

OSHMS internal implementation: 52%

* Applies to manufacturing companies



Other initiatives

Safety

Avoiding work-related accidents and preventing recurrence

In accordance with our core philosophy prioritizing safety and health above all else, we work to prevent initial and subsequent occurrences of occupational accidents while conducting on-site safety inspections based on direct observation as well as efforts to raise safety awareness. Group company leaders elicit information from the front line and work closely with employees to advance safety measure geared toward achieving a record of zero accidents. In the interest of a safe and healthy working environment, we prioritize safety and health above all else and will continue to rigorously and effectively promote safety.

– Risk assessment (RA measures)

We systematically investigate the hazards and harmful factors associated with our equipment and work operations. By identifying potential risks in advance and evaluating and addressing them, we strive to prevent adverse incidents before they occur.

Specifically, we continuously improve safety by conducting, verifying, and evaluating equipment RA for machinery and equipment, work practices RA covering routine and nonstandard operational conditions, and chemical substance RA for chemical exposure.

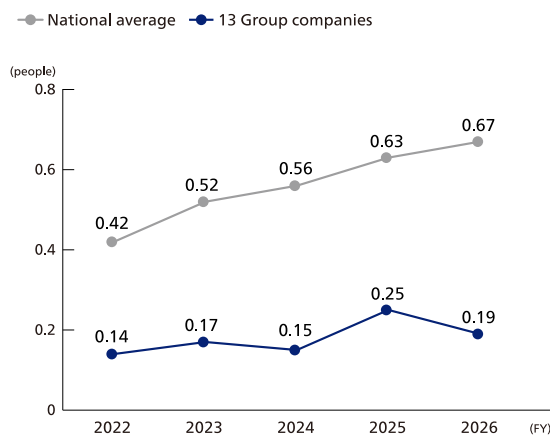
– AISIN Group meeting to prevent the recurrence of specific accidents

When an accident with the potential to lead to a serious accident (a STOP6 accident) occurs, AISIN and its Group companies hold a company-wide meeting at the company, plant, or department where the accident occurred to inspect and discuss the accident site, thoroughly investigate the cause, and implement countermeasures to prevent similar accidents. Through these activities, we are shoring up our safety mechanisms to fully prevent serious accidents within our Group.

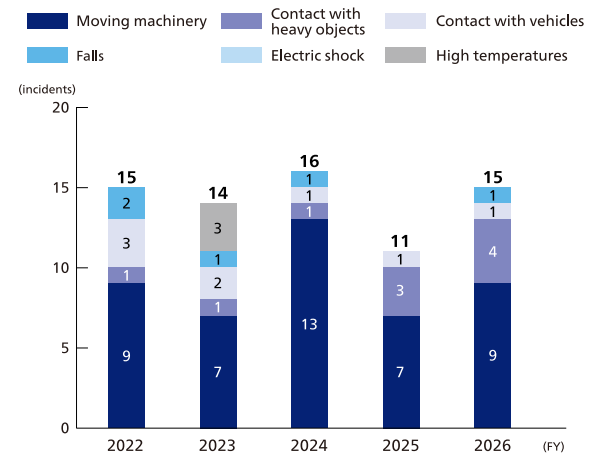


Meeting to prevent recurrence of similar accidents

Worker lost-time injury frequency rate (employees at 13 Group companies)



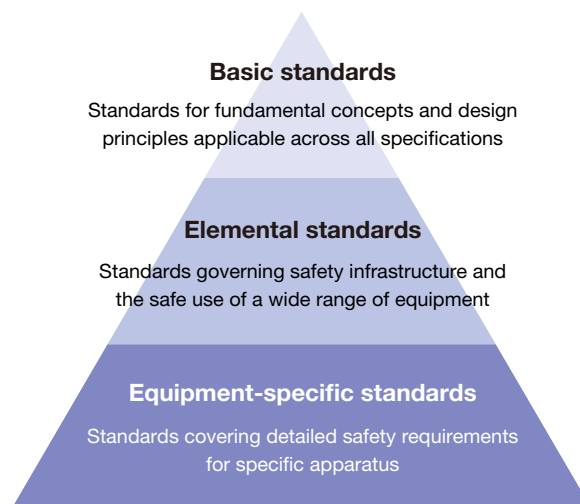
STOP6 lost-time injury count (Aisin Group)



– Aisin Global Safety Standard (AIGSS)

Based on international standards and lessons learned from past accidents, Aisin has established the Aisin Global Safety Standard (AIGSS) as the equipment safety standards the company must uphold. Using this standard, the Process Design Department, Manufacturing Department, and Safety Department identify equipment risks and implement countermeasures to promote the creation of safe and secure equipment and work practices.

Core equipment safety standards hierarchy



– Safety awareness measures

Based on lessons learned from past accidents, we promote groupwide measures to instill understanding of the 18 Iron Rules for Preventing STOP6 Accidents. By having every employee maintain ‘everyday awareness’ and ‘attention to abnormalities’ and adhere to these basic ‘iron rules,’ we work to prevent accidents and raise safety awareness.

18 Iron Rules for Preventing STOP6 Accidents

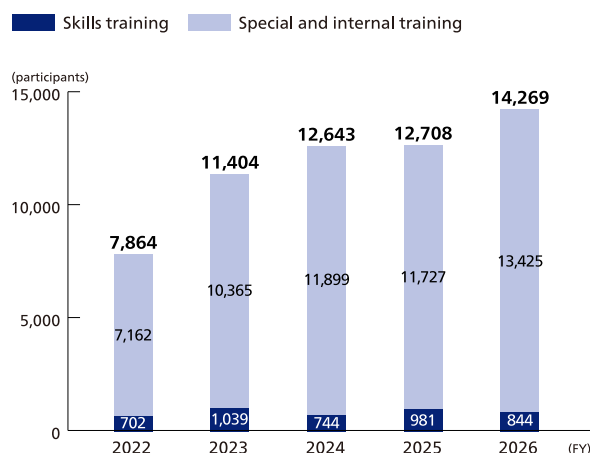


– Safety and Health training

Aisin has established a Safety and Health Education Center that plans and operates three skills-training courses authorized by the prefectural Labour Bureau and 24 in-house training courses (special training and internal safety education) based on laws and internal rules, while also promoting the acquisition of qualifications.

Through high-quality safety and health education and the systematic development of personnel qualifications, we work to raise each employee’s safety awareness and cultivate staff who reliably comply with the rules.

Number of safety and health education participants



– AISIN Densho-kan (education center)

Driven by the desire to ensure past events are not forgotten and prevent the recurrence of failures, the Group established the AISIN Densho-kan to share lessons learned from past accidents and fires affecting the company.

In the safety domain, we instruct visitors to our facilities on the importance of safety, invoking our core principles, accident case studies, and other materials to recreate in detail the causes and consequences of accidents through case-study panels and CG video illustrations.

With regard to fire prevention, we exhibit actual equipment from the time of the Kariya Plant fire of February 1, 1997 and discuss lessons learned from the fire so that the incident is never forgotten. By showing the true horror of accidents and fires and keeping memories of these incidents alive, we aim to heighten safety awareness and enable our staff to protect themselves and their colleagues.



AISIN Densho-kan (education center)



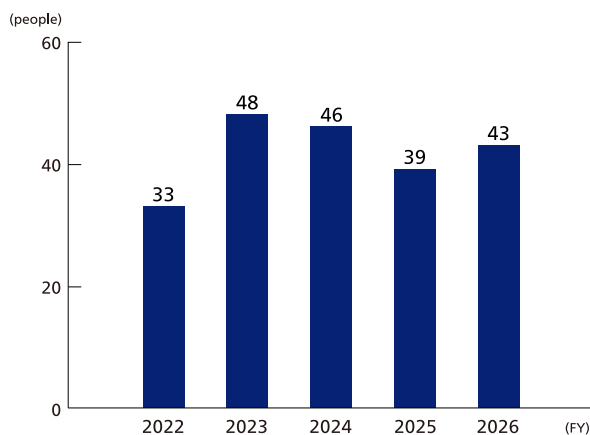
AISIN Densho-kan (education center)

– Safety instructors

Aisin has introduced a safety instructor system to implement safety guidance based on the principles of “GENCHI GENBUTSU GENNIN”(Get to the actual place, see the reality for ourselves and identify the facts.). Safety Instructors, trained as “guardians” with special safety promotion expertise through a 107-hour, 35-course program, support the promotion and management of safety across all workplaces within our facilities. The instructors work closely with employees in the field to neutralize potential hazards early and prevent accidents before they occur.

In the execution of their duties, our safety instructors promote activities to eradicate unsafe conditions and actions and, thereby, insulate their colleagues as well as their families and loved ones from potential grief.

Safety instructor program participants



Safety instructor training

– Safety and fire prevention activities for construction contractors

We are committed to creating a safe and secure working environment for contractors operating within Aisin facilities.

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

We hold seminars addressing safety, the environment, and fire prevention for external contractors and those who procure their services. They are held before consecutive-holiday periods (spring, summer, and winter), when external construction contracting increases.

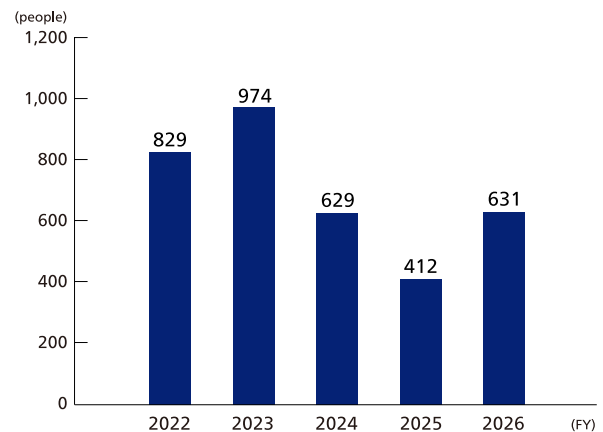
(2) Step-Up Training & Safety Inspections

Aisin has introduced step-up training, a program for construction supervisors that was implemented since 2011 and upgraded to a formal requirement in 2019.

This training promotes construction safety management and the prevention of work-related accidents. Participants are instructed in regulations and management documentation to improve their ability to identify the causes of potential accident in advance and implement countermeasures. Participants learn concrete, practical methodologies covering planning and preventative measures, thereby promoting a safe and secure construction worksite.

In addition to overseeing the safety of construction sites and operations involving external contractors, we assess and remediate concerns we observe to creating a safe construction environment.

Participants completing step-up training



– Safety and environmental activities for loading, unloading, and other contract work companies

Following a serious accident that occurred in July 2015, we are working to create a safe and secure work environment and ensure that no such serious accident occurs again.

(1) Safety information exchanges for on-site loading and unloading and subcontract work

We hold information exchange meetings twice a year (June and November) for workers involved with loading, unloading, and other contract work, as well as employees responsible for ordering such work.

(2) Other efforts at improvement

To ensure a safe work environment, we refine difficult-to-perform tasks and mitigate hazardous conditions at our worksites.

Industrial hygiene

– Occupational health framework enhancement and prevention of health issues

Aisin aims to create a workplace where every employee can work energetically and be healthy. We are reorganizing systems and developing our staff to support sustainable occupational health management systems at each of our facilities. These efforts include the proactive management of chemical substances at the worksite.

To advance occupational health, we establish rules and standards, implement and provide training for clear methodologies for management and operations, and work to protect on site staff from occupational afflictions.

– Examples of initiatives

Maintenance and improvement based on working environment measurements

We appropriately manage organic solvents, dust, and other hazardous substances and assess worksites for such factors as heat and noise, acting on findings to create a more comfortable workplace.

Hazardous substances

n=359 (number of Designated Workplaces)

	I	II	III
Organic solvents	182	1	0
Particulates	111	0	0
Classified chemical substances	64	0	0
Lead	1	0	0

Control class I: worksite management is in an appropriate state
Control class II: room remains for improving worksite management
Control class III: worksite management is not in an appropriate state

Regarding Control class II workplaces

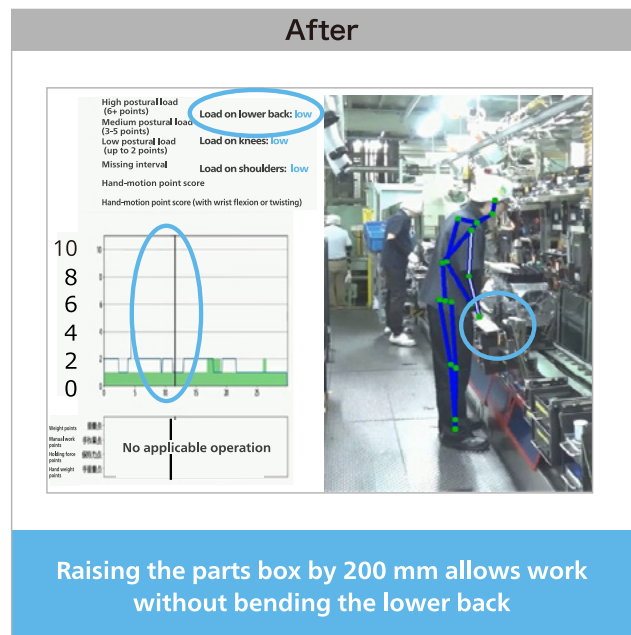
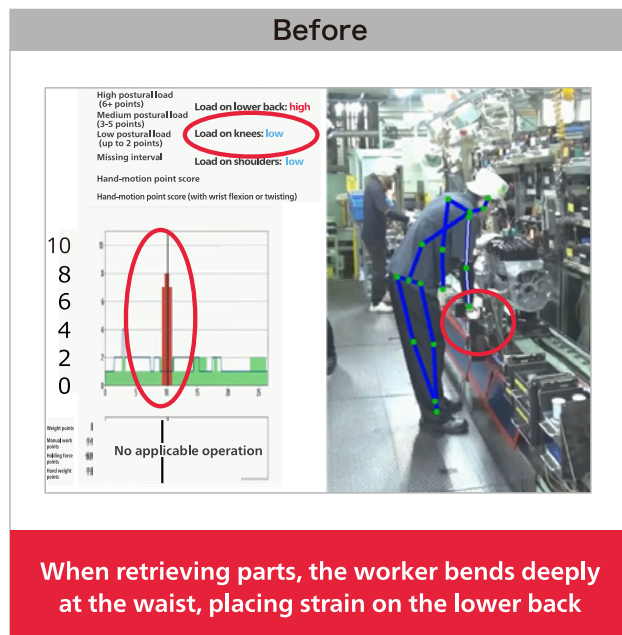
Organic solvents

- Cause: insufficient local exhaust ventilation capacity
- Interim measure: use of gas masks
- Permanent countermeasure: revised cleaning cycles and improved equipment capacity (planned)

Prevention of musculoskeletal disorders

We promote more efficient workplace improvements by using Ergo-kun, an automated AI camera-driven analysis system developed in-house at Aisin, to visualize and evaluate workloads from the perspective of ergonomics (human factors).

Improvement theme: reducing strain when retrieving parts



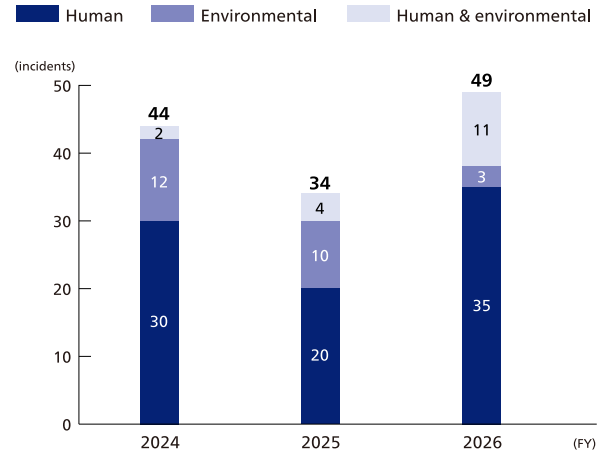
– Heatstroke prevention measures

Based on the Cool Work campaign published by the Ministry of Health, Labour and Welfare, Aisin appoints one heatstroke prevention officer from each workplace to manage preventative activities.

Annual plan

- May Heatstroke prevention officer briefing and study session
- June Heatstroke prevention education for all employees (video, live meetings)
- July–September Supervisor outreach activities (reminders after rainy season and holidays)
- November Activity review meeting (report on current fiscal year, exchange requests and opinions for the upcoming year)

Number of heatstroke cases (by cause)



In FY2026, the number of heatstroke cases increased due to record-breaking extreme heat. While human factors (individuals' inadequate health precautions) were frequently cited as causes, educational activities, early detection, and prompt response resulted in zero severe cases.

We promote measures to control heat at the source, such as thermal insulation and heat shielding, along with air-conditioning strategies aligned with carbon neutrality, to prevent heatstroke and create a comfortable workplace.

|| Fire Prevention

– Efforts to Prevent Fire Recurrence and Minimize Damage

Twenty-nine years have passed since the Kariya Plant fire of February 1, 1997. Only about 20 to 30 percent of employees remember it firsthand, and management, including top executives, is concerned that the memory will fade over time.

To avoid repeating the same mistakes, we continue activities that convey the lessons learned and the messages and feelings we wish to share with employees, connecting these to each individual's awareness and actions.

Through our Densho-kan educational facility, we continue to preserve and pass on to future generations video recordings of firsthand accounts and other materials about past fire incidents.

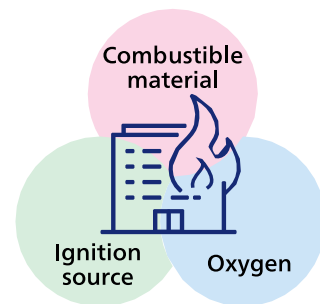
– AISIN Group Unified Six key elements of fire-prevention program

Starting in FY2024, we reanalyzed past fires and systematically catalogued the primary causes and compiled preventative measures for each—management of ignition sources and combustible materials, electrical fire countermeasures, duct management, etc.—into Six key elements of fire-prevention. We then mapped the fire prevention management status. Through this activity, we are visualizing the management status level across the entire AISIN Group and promoting improvement activities.

< Six key elements of fire-prevention >

1. Management of ignition sources and combustible materials (risk assessment and clarification of management issues)
2. Hazardous material management (maintenance and inspections in accordance with laws and regulations)
3. Strict enforcement of on-site hot-work rules
4. Electrical fire prevention
5. Duct management (clarification of inspection and cleaning rules)
6. Initial fire suppression to minimize damage (four basic fire responses)

Fires may occur in the presence of an ignition source, combustible materials, and oxygen.



– Enhanced management of fire-critical equipment

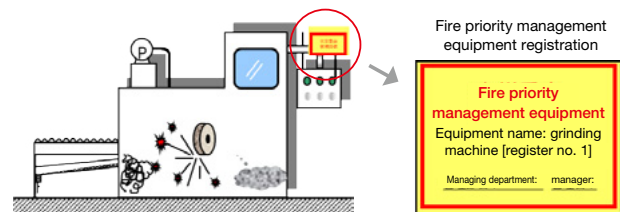
Equipment that may provide an ignition source is registered as requiring priority fire management (F-compo equipment*) to strengthen prevention controls. By clarifying management responsibilities related to fire prevention and ensuring compliance and maintenance, we aim to prevent fires before they occur.

* F-compo equipment: a facility with fire-related components (ignition sources, combustible materials, and firefighting equipment) to be managed. Equipment represents a high fire risk due to the presence of ignition sources and combustible or flammable materials or posing a significant risk of major damage in case of fire.

Management topics regarding fire prevention

Ignition sources	• Installation of spark-proof covers • Prevention of electrical wiring shorts • Prevention of abnormal heater temperatures • Prevention of static electricity buildup (grounding), etc.
Combustibles	• Elimination of oil leaks • Proper handling of rags • Removal of combustible waste • Removal of unnecessary wiring • Collection of accumulated dust, etc.
Fire suppression	• Fire extinguisher maintenance • Maintenance of automated fire suppression systems • Regular inspection of fire dampers in exhaust ducts • Emergency response training, etc.

F-compo equipment



– Four basic actions during a fire

To minimize damage through the prioritization of human life and the promotion of swift initial firefighting efforts if a fire manages to occur, the Group has standardized four basic fire responses.

To ensure understanding of the purpose of these responses, we regularly hold workplace meetings and execute training using fire alarm simulations and fire extinguishers. Furthermore, in recent years, we have begun introducing VR fire extinguishers at some facilities to further enhance the training environment.

Four basic actions during a fire

【火災発生時の基本4行動】

基本4行動とは、アイシングループの『火災発生時の標準行動』であり、火災が発生した際は、以下の手順を協力して行い、『火災による被害を最小限に抑えるための行動』です。

1.大声で「火事だ！火災報知機を押してくれ！止」

呼び、周囲に知らせる

- ・声を聞いた人も更に「火事だー！止」を叫び、多くの人に知らせること
- ・同時に「火災報知機を押してください！」「消火器を集めてください！」などの行動を声掛けし合いながら協力して同時に実施してください

2.火災報知機を押す(場内ベルが鳴り、警報へ通報される)

- ・場内全域に火災発生を知らせ、多くの人に消火活動を開始してもらうために、万が一の場合、遅やかに避難できるようにするため火災報知機は確実に押してください
- ・火災報知機を押すと場内ベルが鳴り、警報へ通報され、警備員と現場消防隊が速やかに出動します
- ・押す前に消火した場合は、警備員が鎮火確認するため、必ず押してください
- ・ボタンを押しても消防へ通報されません

3.周囲を安全確認し、消火器で消火する

- ・一本でも多くの消火器を集め、周囲の安全を確認した上で消火してください
- ・火は瞬間的に拡大するため、多くの消火器を集めることが重要
- ・消火器1本の消火時間は約15秒で長くはならず数十秒で消火した後もあつたままなので、協力して多くの消火器を集めてください

4.危険を感じたら避難する

- ・危険を感じたら速やかに避難してください
- ・無理に消火活動に継続しないでください
- ・皆さんの身の安全が第一です
- ・予め非常口・避難経路を確認しておくこと

– Fire-prevention awareness measures

Drawing on lessons learned from past fires, Aisin has introduced the 10 Iron Rules for Fire Prevention to strengthen fire-prevention activities and uses them in workplace education and other settings.

The 10 Iron Rules for Preventing Fires

火災を防ぐ「10の鉄則」

見えない・見つけにくいリスクと火災予防のポイント

「可燃物」を無くし火災を防ごうヨシ！！

1.可燃物の燃焼・火災・火災防止対策は行っていますか？

可燃物の燃焼・火災・火災防止対策は行っていますか？

可燃物の燃焼・火災・火災防止対策は行っていますか？

2.火災発生時の対応は適切ですか？

火災発生時の対応は適切ですか？

火災発生時の対応は適切ですか？

3.火災発生時の対応は適切ですか？

火災発生時の対応は適切ですか？

火災発生時の対応は適切ですか？

4.火災発生時の対応は適切ですか？

火災発生時の対応は適切ですか？

火災発生時の対応は適切ですか？

– Fire prevention surveillance

To maintain its fire-management framework and build it to a higher level, Aisin conducts fire-prevention surveillance through third-party inspections and evaluations. In FY2026, we expanded the scope of these activities to five Group company sites. We work to prevent fires and explosions before they occur by reliably implementing the improvements identified through this evaluation exercise.

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Health Management

Basic stance and policy

We formulated our The AISIN group Declaration of health in April 2021 to help our irreplaceable employees lead healthy and fulfilling lives in both mind and body and to improve health and vitality, thus supporting the sustainable growth of the company.

Out of commitment to our materiality issues “freedom of movement for people around the world” and “empowering diverse talents for personal fulfillment,” we foster a corporate culture that embraces ongoing challenges by cultivating a workforce and workplace climate in which each employee can work in a self-directed way.

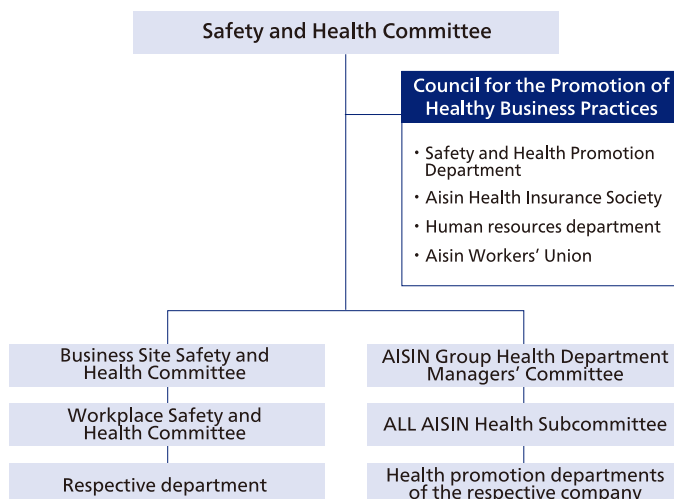
[The AISIN group Declaration of health](#)

Promotion Structure

The Safety and Health Committee, in which Group companies also participate, formulates the basic policy and annual plan for health. In response, the Health and Productivity Management Promotion Council, which is centered on the Safety and Health Promotion Department—an organization that includes such specialists as industrial physicians and nurses specialized in public health and medicine—works in cooperation with the health insurance society, related departments, and labor unions to communally share health issues and promote related measures.

In addition, each workplace appoints a Health Officer (manager) and a Health Promoter to lead health promotion activities, foster employees’ health awareness, and encourage participation through the rollout of specific measures.

Furthermore, important matters discussed by the Safety and Health Committee are reported to and overseen by the Board of Directors.



Strategy

Within our materiality framework, we have positioned “Instilling a corporate culture that embraces challenge” as a path toward achieving our objectives, and we have employed a strategy map to clarify the link between our health and productivity management initiatives and corporate value. We have set a target of achieving a presenteeism performance level of 85%* or higher in FY2031 (a materiality KPI), and we are promoting measures with both mental and physical dimensions to reach this goal.

On the mental health front, in addition to prevention and relapse prevention, we are further enhancing supervisors’ ability to detect and respond early in order to prevent deterioration in affected employees’ condition from becoming serious. Regarding physical health with a focus on the prevention of lifestyle-related diseases, we are working to avert problems through health promotion and improvements to the workplace environment. At the same time we are strengthening efforts to prevent serious maladies through early detection and treatment.

We visualize the effects of these health measures and, with due regard for the confidentiality of personal information, share them from senior management down to department members, conducting discussions and reviews aimed at improvement and running a PDCA improvement cycle.

By continuing these activities, we work to reduce absenteeism (absence and leave) and presenteeism (reduced productivity due to poor health), while enabling each employee to demonstrate their abilities and invigorating the organization.

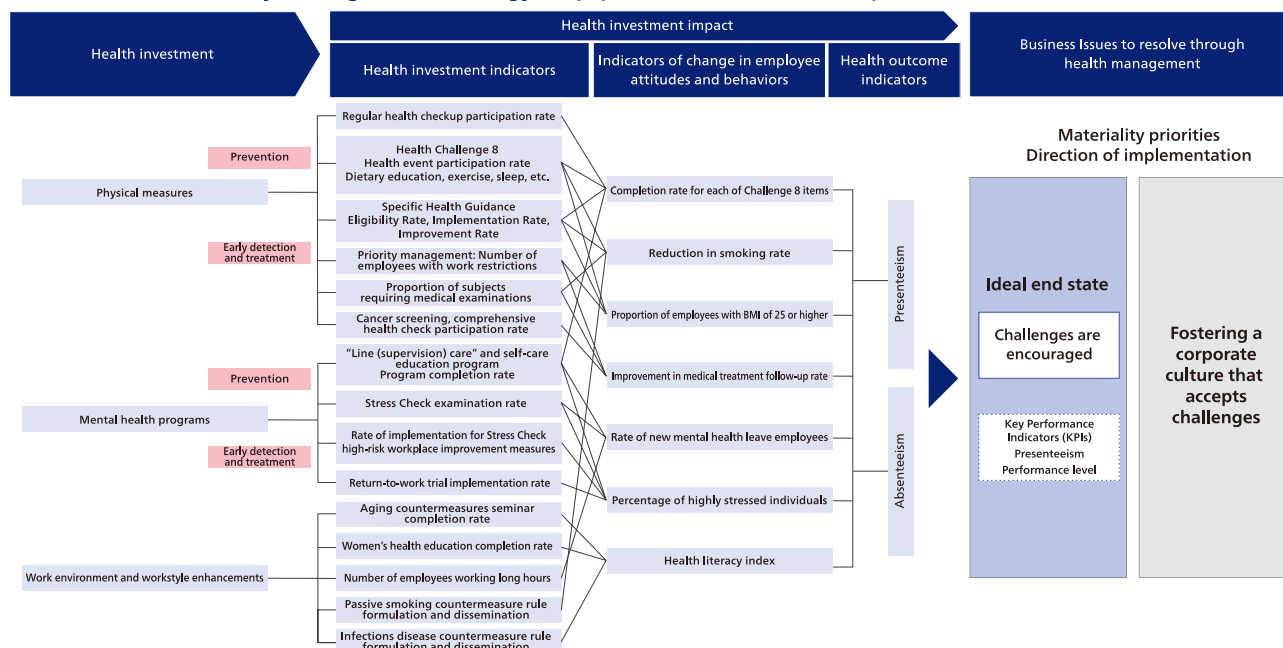
* Presenteeism performance level: Calculated using the Single-Item Presenteeism Question (SPQ; University of Tokyo single-item edition). The percentage of employees who feel they were able to perform at 80% or more over the past month, where performance in a healthy state is taken as 100%.

Related materiality issues

Materiality Issues		Goals (KGI)	Indicators (KPI)	FY2026 results	FY2031 target
Priority issue	Paths toward realization				
Freedom of movement for people around the world	Instilling a corporate culture that embraces challenge	Environment conducive to a proactive work style	Presenteeism Performance Level	79.7*	85.0*
Empowering diverse talents for personal fulfillment					

* Aisin (non-consolidated)

Health and Productivity Management Strategy Map (Aisin, non-consolidated)



Key initiatives

Initiatives to promote a spirit of challenge

Mental health measures

– Prevention and early detection

Aisin, in its aim to minimize work time lost to mental health issues, focuses on prevention and early detection.

To ensure that supervisors do not fail to recognize signs of distress in their subordinates and that they promptly connect them with company doctors or external parties, we have expanded the scope of line care training participants starting in FY2024. At the same time, to help participants understand the importance of mental health exercises and apply them in practice, we have improved our program's effectiveness by, for example, shifting to simulation-based training content centered on case studies.

In addition, to help employees recognize signs of stress and proactively practice self-care, we run stress checks while promoting self-care education programs, distributing video content, establishing health consultation desks, and setting up interviews with industrial physicians for high-stress individuals. From FY2025 we expanded the scope of self-care education beyond second-year employees to also include newly promoted employees, who are prone to increased mental burden.

Although the percentage of highly stressed staff decreased in FY2026, we will continue to strengthen our mental health initiatives directed at individuals.

Mental health education

	FY2024			FY2025			FY2026		
	Target population	Number of participants	Implementation rate	Target population	Number of participants	Implementation rate	Target population	Number of participants	Implementation rate
Self-care education	375	375	100%	1,284	1,284	100%	1,767	1,767	100%
Line care education	3,318	3,318	100%	1,058	1,058	100%	1,516	1,516	100%

Stress check results

	FY2024	FY2025	FY2026
Stress check participation rate	92.3%	89.7%	90.7%
Percentage of highly stressed individuals	3.9%	15.1%*	13.1%

* Revised criteria for identifying highly stressed individuals starting FY2025

Changed the criterion for high-stress individuals from the Aisin standard (5%) to the raw-score conversion method (10%) recommended by the Ministry of Health, Labour and Welfare.

– Initiatives for improving the work environment

Starting from feedback on the workplace diagnosis results of stress checks and individual support for high-risk workplaces, we clarify the issues at each workplace and promote improvement activities on an organizational basis. Through this, we work to prevent mental health problems by continuously improving the workplace environment. We also share case studies and know-how on improvement support to assist workplace-centered improvement activities. Furthermore, we apply the results of the engagement survey and the ethics survey to revealing issues that impact the entire company and to pinpoint their underlying causes from multiple vantages. In each fiscal year high-risk workplaces have shown improvement over the following year, but we have seen an increase in the number of cases of different workplaces being classified as high-risk. Our response is to strengthen individual approaches in such domains as mental health education for high-risk individuals and to improve workplace conditions.

Workplace improvement rate

	FY2024	FY2025	FY2026
High-risk worksites	7	12*	14
Support for workplace improvement	100%	100%	In progress
Rate of improvement	100%	100%	In progress

* Revised criteria for selecting high-risk workplaces starting FY2025

– Prevention of relapses following return to work

To enable a successful and emotionally secure return to the workplace, we have established a return-to-work support program run by clinical psychologists and public health nurses.

As part of the return-to-work trial, employees who have entered the return-to-work process perform non-work tasks in the Return-to-Work Support Office in line with their working hours, enabling us to assess the extent to which their stamina, concentration, and ability to perform tasks have recovered.

These initiatives promote stable health and help employees demonstrate their abilities after returning to work, both of which contribute to improved presenteeism. At the same time, by ensuring that our people return to work on the premise of sufficient recovery, we reduce the risk of relapse.

Return-to-work and leave-extension rates after the return-to-work trial

	FY2024	FY2025	FY2026
Returned to work	63%	78%	78%
Leave extended (resumption of focus on therapy)	37%	22%	22%

Physical health measures

– Prevention and early detection

By following up at the workplace and individual levels, we achieve a 100% participation rate for regular health checkups. We also employ a proprietary system that draws on as much as 10 years of health checkup history to identify high-risk individuals and implement such safety measures as interviews with occupational physicians and the application of work restrictions, thereby enabling early response to illness and the prevention of serious health impairment.

For specific health guidance, in light of the increase in eligible individuals due to workforce aging and the growing number of younger employees at risk of becoming eligible, we are encouraging lifestyle improvements and working to reduce the number of eligible individuals.

Regular health checks and follow-up measures

	FY2024	FY2025	FY2026
Regular health checks participation rate	100%	100%	100%
Detailed examination participation rate	70.3%	70.2%	85.9%
Work restriction determination rate	100%	100%	100%
Consultation implementation rate	100%	100%	100%
Specific Health Guidance implementation rate	71.0%	70.2%	68.3%*

* Implementation rate as of April 2026; to be finalized in November 2026.

– Cancer prevention

In addition to regular health checkups, the health insurance society, labor union, and company subsidize the cost of various cancer screenings to reduce cancer risk through early detection. Colorectal cancer screening is conducted for all employees aged 35 and over at the time of their regular health checkup. We also encourage our female employees aged 20 and over to undergo gynecological screening (cervical and breast cancer), and we are developing an environment that makes screening easier through such means as expanding the choice of medical institutions where it can be received. Furthermore, we regularly release information on comprehensive medical checkups and cancer screenings to raise awareness of the importance of undergoing them.

Cancer Screening Participation Status

	FY2024	FY2025	FY2026
Colorectal screening	18,710 people	18,747 people	19,799 people
Gynecological examinations	927 people	983 people	823 people
Comprehensive health checks	2,621 people	2,672 people	2,785 people
Brain checkups	468 people	502 people	517 people

– Health awareness initiatives

Since FY2022, we have been rolling out our Health Challenge 8 program, which addresses the improvement of eight lifestyle habits and aims to develop people and workplaces where each employee manages their own health and proactively practices healthy behaviors. Positioning Occupational Health Month as an opportunity for employees to reflect on their own health, we encourage behavioral change by providing feedback on their Health Challenge 8 results. In addition, led by workplace promoters, we hold regular workplace meetings using awareness materials and videos on the theme of improving lifestyle habits, thereby raising health awareness.

To encourage good dietary habits, we introduce recipes for balanced meals in our monthly awareness materials and offer healthy menus in the employee cafeterias, helping to firmly establish health awareness. We promote exercise awareness and understanding among all employees by distributing video content with the help of the professional basketball team SeaHorses Mikawa and also via digital signage and YouTube.

As a result of these initiatives, the average practice rate for Health Challenge 8 reached 68.5%. By item, exercise (49%) and stress (57%) were at lower levels than the other items. While exercise improved year on year, stress remained flat. We will continue to address these issues on an ongoing basis.

We had previously monitored health literacy through our own safety awareness survey, but from FY2026 we adopted the CCHL scale as our method of measurement to enable comparison with other companies, and we are working to set targets.

– Establishing healthy habits

As a concrete initiative to encourage habitual exercise, using a smartphone app we co-host walking events twice a year, in spring and autumn, together with our health insurance societies.

In autumn 2025, we held the event jointly with 11 Aisin Group companies, setting rules that make participation easy and forming teams by workplace to compete with one another, thereby invigorating communication and encouraging continued participation.

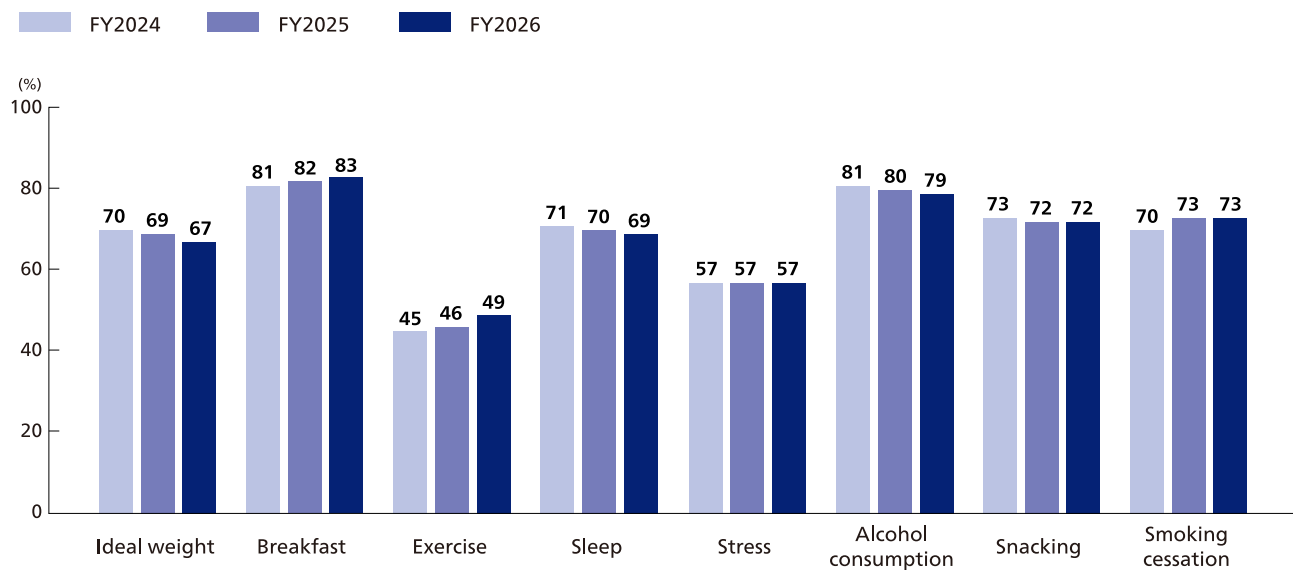
In cooperation with the health insurance society, we also provide opportunities to review exercise and lifestyle habits through style-up seminars, and behavioral change toward habit formation is gradually progressing.

Health literacy status

	FY2026
Health literacy (measured using the CCHL scale*)	14.2

* CCHL scale: An indicator that measures the ability to understand health information and apply it to one's actions, using a five-point rating across multiple questions.

Health Challenge 8 Implementation Rate



Health Challenge 8 Newsletter

発行年月日：2025年3月3日

健康チャレンジ8通信

HEALTHY LIFE-STYLES CHALLENGE8 NEWS

13

今月のテーマ「ストレス」

「健康チャレンジ8」ストレスの定義：ストレスは多い方ではない

1. ストレスに「早く気づく」

春は、新しい職場や仲間、生活環境など、なにかと変化の多い時期です。自分でも知らず知らずのうちに緊張や不安などで気持ち不安定になりやすくなります。

ストレスサインに気づいたら、溜めこまないように早めに対処し、うまく付き合っていくことが大切です。

ストレスはあなたの心のSOSです

Aisin Group Walking Event

アイシン健康保険組合×アイシングループ共催
企業健士
ウォーキング
アイシングループ
ウォーキングイベント開催

職場の仲間とチームを組んで1日5,000歩達成を目指そう！
がんばったチームに景品をプレゼント！抽選で副賞も当たるチャンス

開催期間 11.1(土) ~ 11.30(日)

申込期間 10.1(水) ~ 10.31(金)

参加形態 同一部・工場に所属する 職場チーム戦
1チーム 3人~30人

参加対象企業 アイシン高圧機、アイシン開発機、アイシン機工機、アイシン民栄機、アイシン機井、豊生ブレーキ工業機、阿道ヴィックス、アイシンシロキ機、阿道ヴィテック、アート金属工業機、阿道ヴィン

Other initiatives

Initiatives to encourage active participation by women

At Aisin, in the belief that female employees continuing to work with peace of mind and in good physical and mental health, and fully demonstrating their abilities, leads to greater organizational strength, we have been addressing women's health issues since 2021.

Because women's health issues vary greatly by life stage and among individuals, we promote shared understanding through approaches directed at employees and their supervisors.

In 2025, in cooperation with the health insurance society, we organized target priorities based on health data and expanded the scope of women's health education beyond employees in their 20s to include those in their 30s. At the same time, to ensure these initiatives are effectively applied in the workplace, we have strengthened support for supervisors, thereby promoting self-care and appropriate workplace accommodations.

Furthermore, to address health issues specific to women, such as menstruation and menopause, we are promoting the use of femtech (services that support women's health) and supporting the balancing of work and life events by creating an environment in which it is easy to seek advice.

Senior employee support initiatives

As the rising proportion of senior employees among skilled workers and the labor shortage caused by the declining birthrate progress, maintaining and improving the physical fitness of our senior employees has become an important issue.

For this reason, to help employees continue working in good health, in 2025 we launched A health workshop through physical ability testing for skilled workers in their 50s and began conducting physical fitness assessments. In addition, through life-design seminars and similar programs, we provide opportunities for employees to review their own health and lifestyle, encouraging behavioral change and better lifestyle habits, including exercise.

Rather than treating such initiatives as one-off efforts, we regard habitual daily exercise as an important concern, and we will develop supporting mechanisms while working to firmly establish voluntary, continuous practice.

Through these efforts, we are helping employees to continue working and more effectively demonstration their abilities.



Work-fitness maintenance and improvement seminar



Physical fitness check



Exercise guidance

Training participation results

	FY2024			FY2025			FY2026		
	Target population	Number of participants	Implementation rate	Target population	Number of participants	Implementation rate	Target population	Number of participants	Implementation rate
Life design seminar (33 years old)	1,072 people	469 people	44%	840 people	540 people	64%	816 people	530 people	65%
Life design seminar (53 years old)	703 people	406 people	58%	840 people	598 people	71%	887 people	644 people	73%
Women's health education (individual)	153 people	153 people	100%	1,051 people	1,051 people	100%	1,281 people	1,281 people	100%
Women's health education (manager)	Revised target population			4,024 people	3,947 people	98%	1,402 people	1,370 people	98%

|| Infectious disease prevention

To handle potential infectious disease outbreaks, we at Aisin have formulated infection prevention guidelines and rolled them out to Group companies and suppliers in Japan and overseas. When an infectious disease incident is detected, we promote countermeasures to protect the safety of everyone involved with the Aisin Group.

|| Initiatives for overseas travelers

For overseas travelers, including employees stationed abroad, accompanying family members, and business travelers, the company issues alerts, makes evacuation decisions, and provides training and information to foster awareness of the need to protect oneself.

We also contract with specialized medical and security organizations to provide assistance services so that we can respond to medical and safety risks distinct to each country and region in which we operate.

Evaluation of health-related indicators

We are further strengthening our health promotion initiatives to reduce presenteeism (working while dealing with health problems) and absenteeism (being on leave from work), and we will strive to improve productivity.

	FY2024	FY2025	FY2026
Presenteeism (loss rate)	16.9%	24.0%	20.3%
Absenteeism	1.9%	2.0%	2.2%

	Presenteeism (loss rate)	Absenteeism
Calculation method	Calculated using the University of Tokyo's Single-Item Presenteeism Question (SPQ).	Rate of employees on sick leave for 30 calendar days or more (excluding paid leave) after the start of sick leave during the fiscal year (number of employees on leave during the fiscal year ÷ Number of full-time employees × 100).
Number of respondents (FY2026)	33,305 people	35,742 people
Response rate (FY2026)	90.9%	100%

Health and productivity management certifications



KENKO Investment for Health 2026: White 500
 Certified for 10 consecutive years starting in 2017
 KENKO Investment for Health 2026 (large enterprise category): White 500



Sports Yell Company 2026
 Starting in 2023, recognized for three consecutive years as a company that has actively promoted sports activities to enhance employee health, with the aim of encouraging sports participation among the prime working-age generation and building societal momentum for sports.

Quality

Basic stance and policy

Aisin upholds its motto, “To our customers, inspiration and trust,” as a component of its value proposition and focuses on quality to create new value that exceeds customer expectations.

We place quality supremacy at the foundation of both the AISIN Group Charter of Sustainability, our reference for corporate conduct, and the AISIN Group Way, our guide for individual conduct. We are dedicated to enhancing not only our products and services but also the quality of our work. All employees cooperate with each other to promote TQM*¹ as a fundamental force in improving our corporate structure based on the principle of putting the customer first.

*1 Total Quality Management

Our policy on quality is defined as follows, and the framework for quality assurance activities is stipulated in our Quality Manual.

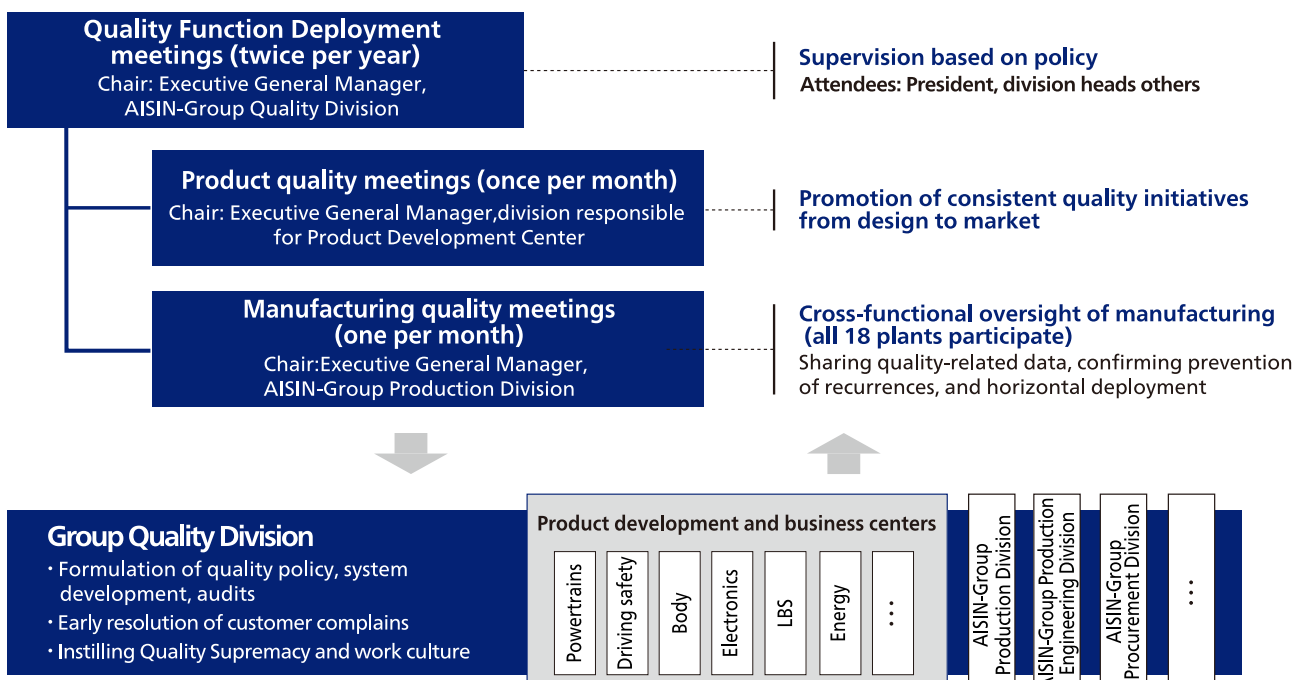
Policy

By pursuing — with due consideration for safety and the global environment — the quality our customers demand throughout the commercial lifecycle, we are able to offer products and services that inspire delight and happiness on a timely schedule as we help sustain a safe and comfortable society.

Promotion structure

The AISIN Group Quality Division bears responsibility and holds authority for the quality of the entire Group and plays a central role in quality assurance for our customers. To provide satisfaction and peace of mind to customers around the world, we position our Quality Function Deployment meetings—in which top management participates—at the core of our effort and deploy our quality policy across each product group and functional division. In addition, we monitor the status of quality-focused activities based on this policy while regularly collecting and digesting customer feedback and disseminating our findings throughout the company. Furthermore, through audit activities and quality-centered education, we work to create products of ever higher quality.

In addition, our active Regulatory Certification Committee, which was established in response to certification issues in the automotive industry, ensures that we take a collective approach to challenges related to certification operations and, thereby, review our organizational structure, strengthen our management systems and frameworks, and provide employee education. Through these efforts, we foster compliance awareness and ensure thorough adherence to laws and regulations.



Strategy

Ensuring customers' reliability and safety by establishing a global system that delivers the highest quality

- Build, audit, and improve a quality assurance framework (quality management system) that is applicable worldwide, by addressing next-generation product and service quality and strengthening governance
- Develop human resources capable of creating new value in response to progress in intelligent systems, new businesses, and carbon neutrality—the growing domains of a digital society

Key initiatives

Reliable quality assurance across each process lifecycle from development to production in medium-to-long-term priority areas

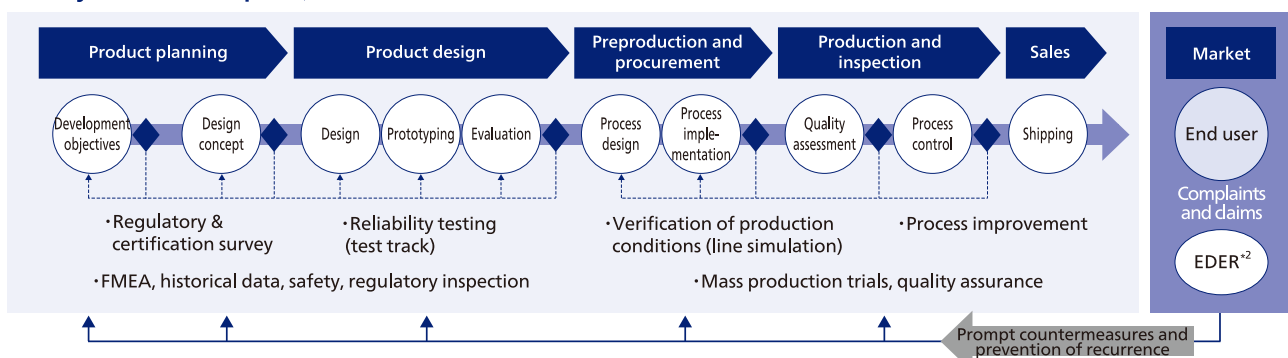
When launching new products, we implement procedures based on our quality assurance framework and, at key milestones in each process, we identify and mitigate quality-related risks to prevent problems before they occur. We also promote DX and AI programs that integrate specialized units in the design and production engineering domains and the factory floor, contributing to both shorter development lead times and higher quality through innovation during the development process.

At the product design stage, we assume the customer's viewpoint as we verify safety and regulatory compliance, and we improve design quality by consolidating the technologies and knowledge accumulated within each product group to thoroughly prevent the recurrence of past defects.

In addition, we use in-house test courses and testing facilities that replicate the distinct operating environments found in various regions of the world, including high- and low-temperature conditions, varying road-surface conditions such as rough terrain and ice, and electromagnetic interference. Thus, we comprehensively evaluate the functions and performance required of automobiles.

At the production preparation stage, we leverage simulations and other cutting-edge digital technologies to quickly build sophisticated, highly refined production lines. Furthermore, through repeated mass-production trials, we work to stabilize production and improve quality.

Quality assurance steps ◆ : Milestone verification and assessment



*2 EDER: early detection and early resolution of defects early and prompt countermeasures

Reliability assessment at product development stage

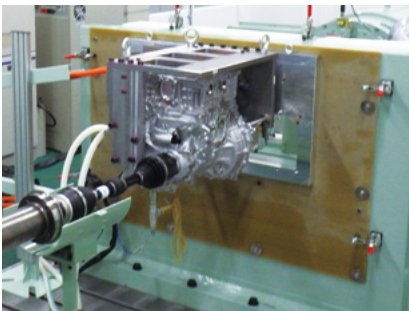
Comprehensive assessment of required automotive functions and performance

Aisin, ahead of other automotive parts manufacturers, constructed a comprehensive test facility with a circuit as early as 1970. Using test courses replicating road conditions worldwide and state-of-the-art equipment, we continuously verify and pursue the performance and durability of our products.

Testing under replicated regional environmental conditions

To confidently deliver high-quality products, we run in-house testing that replicates distinct environmental conditions from various geographic locations.

Multifaceted testing from a user perspective and immediate feedback of results into product development allow us to reliably meet growing demand for enhanced reliability.



Test-bench evaluation of eAxle performance and durability



Assessment of electromagnetic interference on electronic devices



Handling stability road-testing on artificial ice

Comprehensive testing facility



Fujioka Proving Ground

Conducts comprehensive multipronged evaluations of vehicles and products at such facilities as low- and high-temperature chambers, anechoic chambers, and engine test benches



Toyokoro Proving Ground

Conducts evaluations under simulated icy road conditions and a range of test tracks replicating road conditions from around the world



Fowlerville Proving Ground

The first North American test facility established by a Japanese auto parts manufacturer

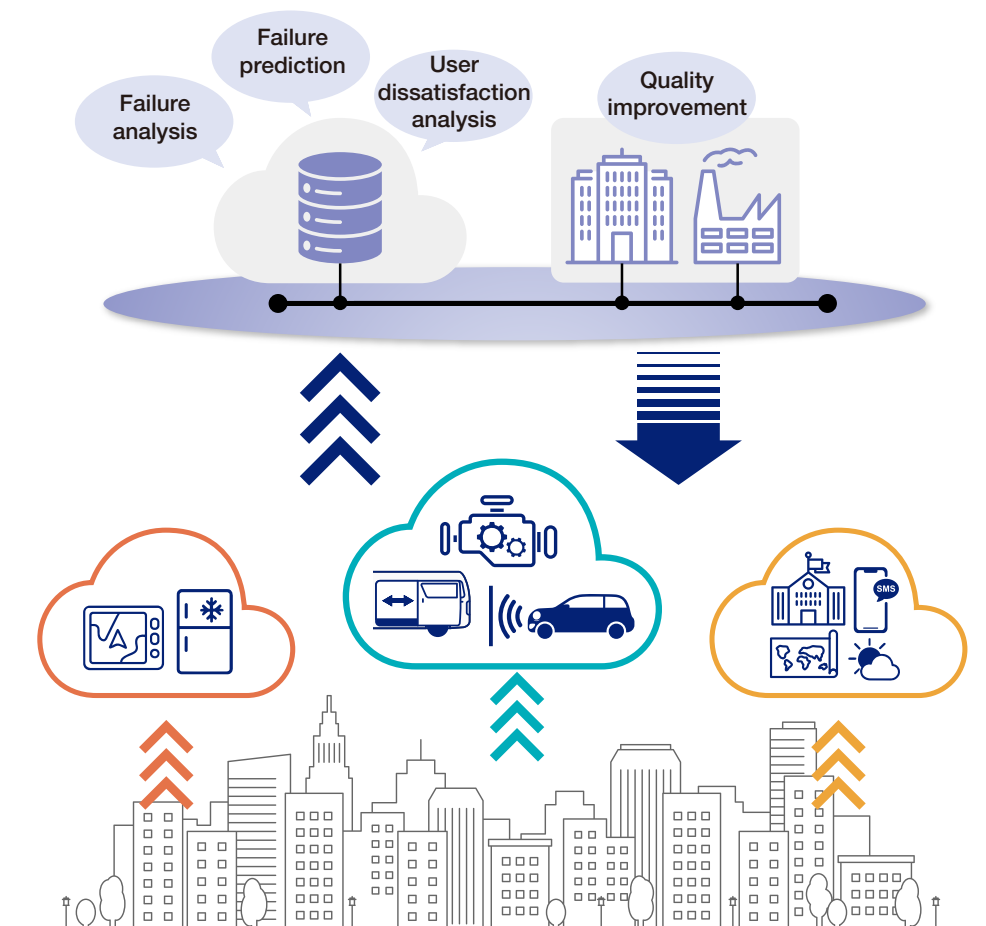
Commitment to resolving customer issues at the first complaint and using of big data to avert problems

For every initial report of a customer complaint, whether relating to newly launched or existing products, information is disseminated to relevant departments, including overseas locations. The entire group works together to minimize inconvenience for the customer. We thoroughly investigate root causes with an eye not only to product countermeasures but also work processes improvements to keep incidents from recurring. We apply the lessons learned through this process to improving product development.

Furthermore, to reduce and eliminate customer complaints, we are advancing activities that utilize big data obtained from vehicles and products to detect early signs of potential failures before they occur, enabling diagnostic and predictive measures.

Additionally, aiming for quality products that exceed customer expectations and delight users, we look at feedback (including social media content) and visualize indications of customer dissatisfaction. We incorporate our findings into our quality improvement process.

Utilizing big data collected from the market to improve product and service quality feeding the results back to the market



Building a workplace culture and people who thoroughly pursue “Quality Supremacy”

To restore our fundamental Quality Supremacy ethos to its previous status, we engage employees from three vantages: knowledge, wisdom, and context. We focus on spreading knowledge through educational channels that explain the meaning of Quality Supremacy in a modern setting. We appeal to wisdom through our Densho-kan, which displays compelling cases of failure, and quality-focused exhibitions that emphasize actual product displays. We put all this into the context of our workplace culture, where everyone naturally prioritizes quality in all tasks. To this end, we hold quality-themed lectures, set up dialogues on quality among employees and top management, and stage workplace-level quality meetings. Beyond QC circle activities, through daily operations we are strengthening the foundation from which we develop staff and guide workplace culture. This includes requiring all employees to submit annual Quality Action Declarations, which are subject to monthly review, and annual self-assessments of individual tasks based on the three elements of the Quality Supremacy mindset.

Three elements of the Quality Supremacy ethos



Quality Management System

Aisin has established a quality management system compliant with IATF 16949^{*3}, a standard widely accepted internationally in the automotive industry. All employees work together to proactively manage quality and ensure our customers' satisfaction and peace of mind. For production sites where customers require certification related to quality and product safety, we have obtained IATF 16949 certification. As of May 2026, 52 production sites have obtained this certification.

^{*3} IATF16949: Quality Management System specifically for the automotive industry

Quality assurance training

We implement quality-focused activities for all employees across the Aisin Group companies, with action guidelines uniformly based on the Quality Supremacy mindset. For new hires, we convey our Quality Supremacy values and the importance of quality through visits to the quality training zone at the Densho-kan. Additionally, we provide training in quality assurance for all levels: QC and quality management training for skilled workers, problem-solving training for administrative and technical staff, and management training for supervisors. Through companywide lectures on quality, quality-focused dialogue sessions with executives, and quality-themed exhibitions held at all factories, we instill the idea that every employee must focus on quality in all operations as viewed from the customer's perspective and pass along individual expertise related to quality. Forty training courses covering QC, reliability, data analysis, etc., have been converted to an e-learning format to enable access anytime, anywhere, and by anyone. Following their completion, themed consultation sessions and networking events are held to hone practical skills. We develop our staff across the entire Group in line with this training.

Social Contribution

Basic stance and policy

Aisin recognizes the company's membership in society and contributes to sustainable development through active social participation.

We support our employees' voluntary participation in efforts to address social issues, and we collaborate with stakeholders on value creation and sound development of society at large.

[Aisin Group Code of Conduct]

4. Constructive dialogue with stakeholders

- 1) We respect the cultures and traditions of societies worldwide and endeavor to build mutual trust with local communities and stakeholders.

9. Social involvement and contribution to social development

- 1) We actively engage in solving societal problems by investing our management resources, internal talent, and know-how.
- 2) We partner with a broad range of stakeholders, including NPOs, local communities, and governments, to push for a sustainable society.
- 3) We support employees' volunteer activities and other self-directed social participation in an effort to achieve a sustainable society and resolve social issues.

[Aisin Group Code of Conduct](#)

Implementation framework

The AISIN Group promotes social contribution activities globally through various initiatives, with its locations in 21 countries and regions collaborating with local communities, NPOs, NGOs, and other organizations.



Strategy

Our social contribution effort rests atop three pillars: nature and environmental conservation, youth development, and community development. Through these activities, we are actively working toward the UN Sustainable Development Goals (SDGs) for 2030.

Nature and environmental conservation

We take part in environmental conservation initiatives to help pass on a better natural world to future generations and ensure a sustainable global environment.

Youth development

We support the healthy growth of young people who will lead the next generation, molding them into individuals who can add to society throughout their lives.

Community development

In our work to develop society as a whole, we promote the development of communities that are safe, secure, livable, and vibrant for all.



Key initiatives

Nature and environmental conservation

We partake in such activities as tree planting in the areas surrounding our offices in various countries, through which we hope to contribute to the global challenge of achieving carbon neutrality and conserve environmental resources. We also pursue environmental conservation through activities like cleaning nearby coastlines and rivers.

|| The Green & Blue Project to nurture forests and oceans

This initiative aims to contribute to the realization of a carbon-neutral society by harnessing the CO₂ absorption capacity of terrestrial and marine vegetation. Related activities include forest management measures, such as tree planting and thinning and mangrove forest cultivation and restoration, undertaken at Aisin Group locations worldwide.

Against an annual average target of 100,000 trees, in FY2026 we planted the equivalent of 191,300 trees over the year. This is expected to absorb approximately 7,460 tons of CO₂ annually. We are targeting the planting of 800,000 trees between 2023 and 2030.

Key tree-planting results for FY2026

Location	FY2026 result	Cumulative (from FY2024 to FY2026)
Asia (Japan, China)	167,600	401,200
ASEAN (Thailand, India, Indonesia)	14,500	119,500
Europe and the Americas	9,200	25,800
Total	191,300	546,500



Desert afforestation tree planting in China



Tree planting at the 5th station of Mt. Fuji

|| Adopt a Forest program with Nagano Prefecture

Aisin supported an Adopt a Forest project in Neba Village, located amid the headwaters of the Yahagi River that provide Aisin with water for industrial use. Through collaboration with a nearby university, we conducted “forest creation activities” connecting people and forests. Working with local municipalities, we help to conserve the natural environment through environmental education, tree planting, and other experiences.



Forest development activities with Neba Village

Youth development

We provide children in communities where we operate with educational support centered on monozukuri (manufacturing) outreach classes that leverage Aisin's technologies as well as the Aisin environmental learning program, which deepens understanding of environmental issues. By providing opportunities for experiential learning, we nurture the environmental awareness and inquisitive spirit of the children who will lead the next generation. We also engage with the community through sports and, in fostering healthy minds and bodies, supporting the growth of young people together with local communities.

|| Monozukuri outreach classes

In collaboration with governments, elementary schools, and NPOs, the Aisin Group provides educational support through manufacturing classes that leverage Aisin's technologies in order to spark interest in monozukuri (manufacturing).

	Number of sessions held	Number of participants
FY2026 results	8	512
Cumulative results since 2008	186	16,662



Outreach class in Aichi Prefecture (making beigoma spinning tops)

Aisin environmental learning program

Throughout the year, the Aisin Group offers elementary school students opportunities to learn through outreach classes that guide them toward eco-friendly behaviors in their daily lives and raising their environmental awareness.

	Schools participating	Number of participants
FY2026 results	23	1,839
Cumulative results since 2006	483	39,437



Outreach classes in Aichi Prefecture (wildlife observation)

Sports clinics and talks held by AISIN sports teams

We provide sporting opportunities, including basketball clinics by B.LEAGUE's Seahorses Mikawa, hands-on sessions led by our sumo team, and sports exchange events at nursery schools by our volleyball team, Aisin Tealmare. We have also held talks by active athletes since 2024. We maintain our contribution to building children's futures.



Talk hosted by an athlete

Community development

We communicate with people in communities surrounding our locations and with NPOs and NGOs, and undertake activities in a wide range of areas, including traffic safety, health and welfare, community support, and contributions to a recycling-oriented society.

Traffic safety activities at locations worldwide

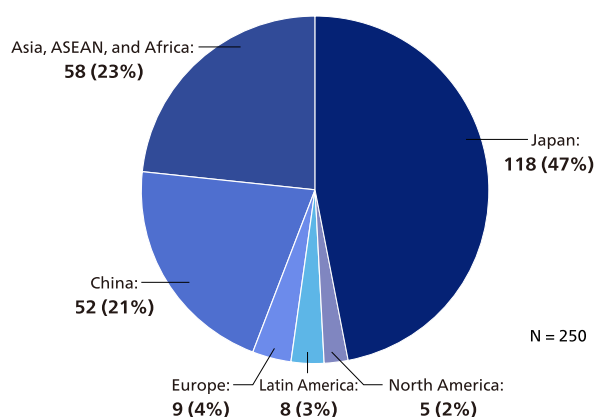
As an automotive industry participant, we promote traffic safety education and awareness events for local communities at all Aisin Group locations worldwide, aiming to help society achieve a society with zero traffic accident fatalities and injuries.

(FY2026 results: 250 events)

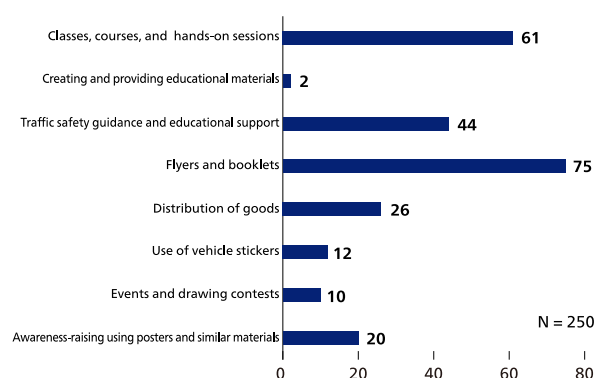


Traffic safety awareness activities in India

Number of activities (by region)



Number of activities (by type)



Support initiatives for people with diverse needs in Japan and overseas

We promote community-rooted living-support activities, such as supporting employment for people with disabilities by helping welfare facilities sell their products, food drives, and support for children's cafeterias. In addition, our overseas locations carry out donation activities for food, clothing, school supplies, and other items.

For areas where direct support through hands-on activities is difficult, we donate a portion of the purchase price from "donation-linked vending machines" to external organizations, supporting children with intractable diseases and providing water aid to developing countries, among other efforts. Furthermore, we have continued our TABLE FOR TWO activities, which aim to support school meals in developing countries, since 2009, providing a cumulative total of 2.29 million meals to date. Through these initiatives, we aim to deliver sustainable support in collaboration with welfare facilities and comprehensive support for socially vulnerable and needy people in Japan and overseas.



Donation of school supplies in China



Social contribution expenses

Social contribution expenditures are categorized into the following three classifications, referencing the Business for Societal Impact (B4SI) framework, an international guideline.

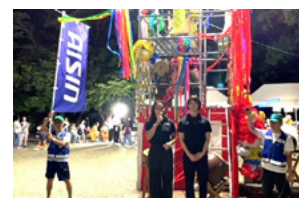
	(¥ million)
Charity and donations	147
Community investment	849
Commercial initiatives	1,999
Total	2,995

Sports teams taking part in a neighborhood association event as an Aisin 60th anniversary event

As part of the 60th anniversary events, sports teams including the sumo team, the volleyball team Aisin Tealmare, the sailing team, and the wrestling team interact with local residents through participation in neighborhood association events.



Athletes taking part in a local event



Corporate Governance

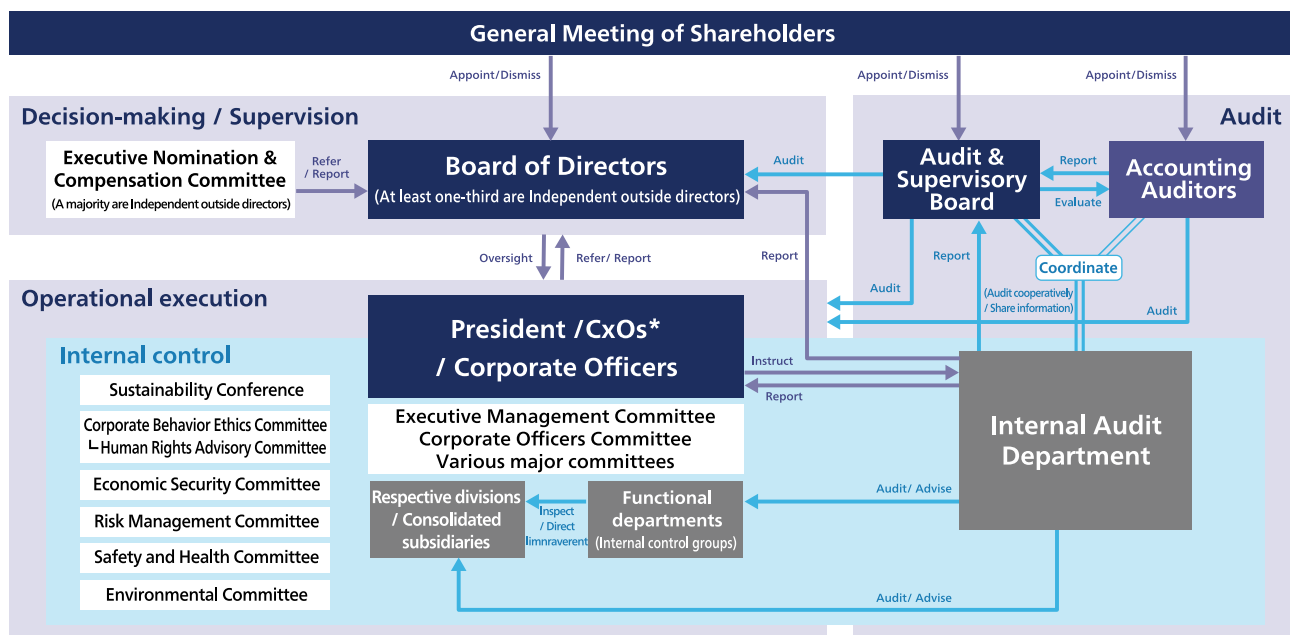
Basic stance and policy

Based on the Aisin Group Philosophy, we aim to build firm relationships with all stakeholders to maximize corporate value and achieve stable growth and development over the long term.

To realize this goal, it is important for management to act in a fair and highly transparent manner to ensure the Company is regarded as a corporate citizen trusted by the international community. We are, therefore, working to enhance corporate governance based on the following fundamental policies. The policy described herein is codified and executed under the AISIN Group Charter of Sustainability.

[Corporate governance reporting](#)

Corporate governance structure



* CxO: Reporting directly to the President, the Internal Audit Department conducts preliminary reviews of management decisions and drives management activity spanning the entire company.

Related materiality issues

Materiality issues	Goal (KGI)	Indicator (KPI)	FY2026 results	FY2031 target value
Laying a solid management foundation	Achieved enhanced management transparency and internal controls by transitioning the Board of Directors to a Monitoring Board structure, thereby separating oversight and execution	Ratio of female directors	12.5%	30% or more

Under the Audit & Supervisory Board system, the Company is strengthening supervision of its business execution by directors and senior executive officers. The Board of Directors, of whose members at least one-third must be independent outside directors, provides oversight. Meanwhile the Audit & Supervisory Board, half of whose members are independent outside auditors, conducts audits while leveraging features of the Audit & Supervisory Board system, such as the independence of Audit & Supervisory Board members (“corporate auditors”), independent appointment procedures, and the appointment of full-time corporate auditors. Furthermore, to enhance the independence and objectivity of the Board of Directors, the nomination and remuneration of directors and senior executive officers are reviewed and discussed by the Executive Nomination and Compensation Committee, chaired by an independent outside director and consisting of a majority of independent outside directors, before being submitted to the Board of Directors.

We have adopted the current system because we believe it is important to assure timely and accurate management execution based on business circumstances and conditions on the factory floor, as well as to establish protocols for constantly monitoring whether such management decision-making is supported by and meets the expectations of our diverse stakeholder community.

Regarding our organization approach to business execution, from FY2026 we appointed two executive vice presidents to serve as the ultimate decision-makers on thematic matters and other tasks delegated to them by the president, which is expected to further accelerate business execution and drive companywide strategic discussion and implementation. In addition, we are increasing the number of CxOs and expanding their roles. Under the direct supervision of the President, these officers pre-screen management decisions and drive management priorities across the entire company. We will continue to strive for a more effective corporate governance structure to enhance corporate value.

Evolution of our corporate governance structure

	2015 - 2018	2019 - 2020	2021	2022 -
Board of Directors	13-14	9		8
Of which independent outside directors	2-3	3		3
Of which female members	1 (since 2016)	1		1
Ratio of independent outside directors	14.3-23.1%	33.3%		37.5%
Auditors	5		4	
Of which independent outside auditors	2*		2	
Of which female members	0		2	
Ratio of independent outside auditors	40.0%		50.0%	

* Under the Companies Act, three of the auditors were classified as outside auditors

Key Initiatives

June 2014	Appointed independent outside directors
January/March 2016	Established the Executive Nomination Committee and the Compensation Committee
April 2022	Eliminated vice president-level oversight and transferred authority to division heads and other leadership and established the CxO positions
June 2023	Selected the Chair of the Executive Nomination and Compensation Committee from among the independent outside directors
November 2024	Established a Governance Roundtable as an offsite meeting of the Board of Directors
April 2026	Appointed executive vice presidents and expanded and increased the number of CxOs to accelerate companywide strategic discussion and execution

Board of Directors

The Board of Directors, which consists of eight directors, including three independent outside directors, meets once a month in principle. The meeting of the Board of Directors deliberates on and resolves important elements of management strategy, such as group management policy, earnings and investment budgets, capital policy, strategies for each business segment, and management infrastructure to provide support in such fundamental corporate domains as sustainability, human capital, and corporate governance. The Board of Directors also supervises the execution of duties by the Board of Directors and others by receiving reports from the Business Ethics Committee, the Risk Management Committee, and other committees. In FY2026, as described in the section “Evaluating the effectiveness of Board of Directors’ meetings,” the appointment of outside directors with acquired expertise in management transformation and sustainability resulted in increasingly multifaceted discussions that contributed to more substantive deliberations on management issues and sustainability.

Key agenda items for resolution or reporting at the FY2026 Board of Directors meeting

Management strategy	Management strategy, medium-term business plan, Group management policy, earnings and investment budgets, cross-shareholdings
Business strategy and portfolio review	Strategies for each region and business, alliances, progress reports on new businesses
Sustainability	Progress of activities toward sustainability management, human capital strategy, economic security, compliance, risk management and the results of the Board effectiveness evaluation
Capital markets	Results of dialogue with capital markets

Additionally, in November 2024, we established a Governance Roundtable as a special meeting of the Board of Directors an offsite format. Directors, including outside directors, discuss governance issues and direction and review matters such as the Board’s monitoring function and succession planning based on the skills matrix. The scope of Board deliberations, including such offsite meetings, has been expanded year by year.

Independent outside directors: expectations and function

The Company expects its independent outside directors to fulfill the following roles and responsibilities:

1. To raise risk warnings and advice at important decision-making forums, such as Board meetings, from a position independent of management, and to oversee the Company’s management through deliberations on the nomination, reappointment, and compensation of management executives.
2. To avail the Company’s management of the specialized knowledge and broad experience they have gained throughout their professional careers.
3. To adjudicate conflicts of interest between the Company and its management, controlling shareholders, and other parties.
4. To properly ensure the voices of shareholders and other stakeholders are heard by the Board of Directors.

The Company considers it crucial that outside directors and outside auditors be empowered to effectively fulfill their roles and responsibilities from an independent, objective standpoint. To this end, we are implementing the following measures:

1. To ensure sufficient time for deliberation at board meetings, we periodically review the criteria for board agenda items and streamline matters to be discussed.
2. To enable meaningful discussions at board meetings, we provide outside directors and outside auditors with individual advance explanations from officers and others regarding board agenda items and share the minutes from important internal meetings.
3. To enhance outside directors' and outside auditors' understanding of our business and facilitate the sharing of information, we provide opportunities for onsite visits to key locations and explanations of our business operations upon their appointment. Annually, we hold briefings and discussions on our business strategy and environment as well as operational risks both inside and outside the Board of Directors. We also arrange onsite visits to factories and proving grounds, informal meetings with executive officers, and management issue study sessions linked to relevant challenges.
4. To provide information required by outside directors and outside auditors, designated staff responsible for liaising and coordinating with them are assigned to departments such as the Corporate Planning Department and the Audit & Supervisory Board Office.

Evaluating the effectiveness of Board of Directors meetings

Each year, the Company analyzes and evaluates the effectiveness of the Board of Directors in order to improve the impact of its meetings. The results of FY2025 Evaluation are as follows:

- i) Subjects: All directors (8) and corporate auditors (4)
- ii) Evaluation method:
 - (a) Third-party questionnaire-driven evaluation
 - (b) Interviews based on the results of the questionnaire
 - (c) Issues and future measures discussed by the Governance Roundtable and the Board of Directors based on the analysis results
- iii) Evaluation criteria: Size and composition of the Board of Directors; its operations; support systems for outside directors; composition and operations of the Executive Nomination and Compensation Committee; and the degree of improvement regarding issues identified in the previous fiscal year's evaluation, etc.

Issues identified in FY2025	Results of initiatives for FY2026
Enhancement of discussions at the Board of Directors	To enrich dialogue among our Board of Directors on realizing our Vision for 2030, we welcomed two outside directors with strong, relevant skills (business transformation and sustainability). Our discussions have become more multidimensional and our deliberation on management issues and sustainability further enriched.*
Strengthening of the Board of Directors' supervisory function	Enhanced supervision by outside directors based on reports from various meetings and committees (the Sustainability Conference, the Business Ethics Committee, the Economic Security Committee, the Risk Management Committee, and the Environmental Committee) and from the internal audit department.*
Linking necessary knowledge and skills with the succession plan	To enrich Board of Directors discussions, we reviewed the skills required of directors and invited directors who possess those skills, and we held study sessions linked to management issues so that directors can acquire necessary knowledge and refine it through appropriate updates and other efforts.

* Agenda items submitted to the Board of Directors are listed in the preceding section, Key agenda items for resolution or reporting at the FY2025 Board of Directors meetings.

[Overall assessment for FY2026] Overall, we are moving in a good direction. We will accelerate the shift so that the Board of Directors becomes a "forum for supervision" that sets the direction of management, evaluates it, and supports execution.

Topics identified in FY2026	Plan of action
Strategy discussions	<Key points> Building consensus on growth trajectory • Sharing a common understanding of long-term policy leading to deliberating and resolving growth strategy and resource allocation • Progress in improving profitability resulting in reporting on Medium-Term Business Plan status
Supervisory function	<Key points> Understanding risks across the entire Group and strengthening Group management • Evolving Group management and piloting the organizational audits that support it
Composition and function of the Board of Directors	<Key points> Considering a composition and form that accelerates the shift to a forum for supervision • Continued discussion of the desired composition (perspectives and diversity to be supplemented) and of succession

Policies and procedures for nominating directors and auditors

Regarding the nomination of candidates for directors and auditors of the Company, to achieve sustainable growth and enhance corporate value over the medium-to-long-term, we appoint multiple highly specialized individuals as outside directors—both from inside and outside the industry, to ensure accurate, prompt, and fair decision-making and appropriate management oversight. Furthermore, with management of the Group in mind, we appoint directors with extensive experience and broad insight gained at domestic and international subsidiaries. Thus, we are thoroughly investigating various measures we can take to achieve the optimal balance of knowledge, experience, and capability. As one action plan based on the Board Effectiveness Evaluation results, our Board of Directors reviewed the skills required of directors to further advance and strengthen business portfolio transformation and sustainability management towards realizing the Vision for 2030 initiative announced at our medium-to-long-term business strategy briefing in September 2023. As a consequence, we nominated eight director candidates with these skills.

The nomination process involved deliberation and review by the Executive Nomination and Compensation Committee, followed by the selection of director and auditor candidates for submission to the Board of Directors. For directors, the deciding votes were cast at the General Meeting of Shareholders following a nomination resolution by the Board of Directors. For members of the Audit & Supervisory Board, the ultimate decision was made at the General Meeting of Shareholders following provisional appointment by the Board of Directors after obtaining the consent of the Audit & Supervisory Board.

Skill matrix and meeting attendance members

◎Chair ○Member in attendance

Name		Corporate management	Global business	Sustainability	Environment /Carbon neutrality	Human capital strategy	Governance /Compliance /Risk management	Manufacturing (technology, production, and quality)	Value chain (sales & procurement)	Finance & accounting	Board of Directors	Audit & Supervisory Board	Executive Nomination and Compensation Committee
Members of the Board of Directors	Moritaka Yoshida	○	○	○		○	○	○			◎		○
	Yoshihisa Yamamoto	○	○		○			○			○		
	Masahiro Nishikawa	○	○		○			○			○		
	Daisuke Kondo	○		○			○			○	○		○
	Yoichi Miyazaki	○	○	○		○	○		○	○	○		
	Tsuguhiko Hoshino		○	○			○			○	○		◎
	Yasuhito Hirota	○	○	○		○	○				○		○
	Keiko Tatsuwaki	○		○	○	○	○				○		○
Audit & Supervisory Board Members	Shintaro Ito	○	○	○		○	○			○		◎	
	Kiyomi Kato						○			○		○	
	Junko Ueda		○				○					○	
	Katsuhiro Kashiwagi									○		○	

Board of Directors: 8

Independent outside directors 3



Meetings held: 16 per year

Audit & Supervisory Board: 4

Independent outside corporate auditors 2



Meetings held: 15 per year

Executive Nomination and Compensation Committee: 5

Independent outside directors 3



Meetings held: 5 per year

Skill items	Purpose of skill selection
Corporate management	This skill is considered vital to driving sustainable growth and enhancing corporate value through strategic decision-making and organizational management, as well as to discerning long-term societal shifts, backcasting from our envisioned future, and charting a growth trajectory for the business.
Global business	This skill is considered essential to leveraging overseas management experience or insights on the international business environment to sustainably expand our business domains globally.
Sustainability	This skill is considered critical to anticipating societal challenges and needs through communication with a diverse array of stakeholders, and to advancing a sustainability program that contributes to a resilient society while enhancing corporate value through business activities.
Environment / Carbon neutrality	This skill is considered a requirement for advancing product and production initiatives on an accelerated schedule with regard to achieving carbon neutrality.
Human capital strategy	This skill is considered necessary to motivating individual employees and providing them with a sense of fulfillment.
Governance / Compliance / Risk management	This skill is considered necessary to strengthening the internal controls and governance systems that contribute to sustainable growth and enhanced corporate value.
Manufacturing (technology, production, and quality)	This skill is considered a prerequisite for further refining manufacturing proficiency, enhancing market competitiveness, efficiency, and productivity, and shifting toward growth areas through the creation of new businesses.
Value chain (Sales / Procurement)	We believe this skill is central to building relationships with business partners based on mutual trust and a focus on mutual interdependence and prosperity.
Finance / Accounting	This skill is considered critical to promoting growth investment to sustain expansion and enhance corporate value, and to achieve appropriate shareholder returns while operating under an accurate financial reporting system and a solid financial foundation.

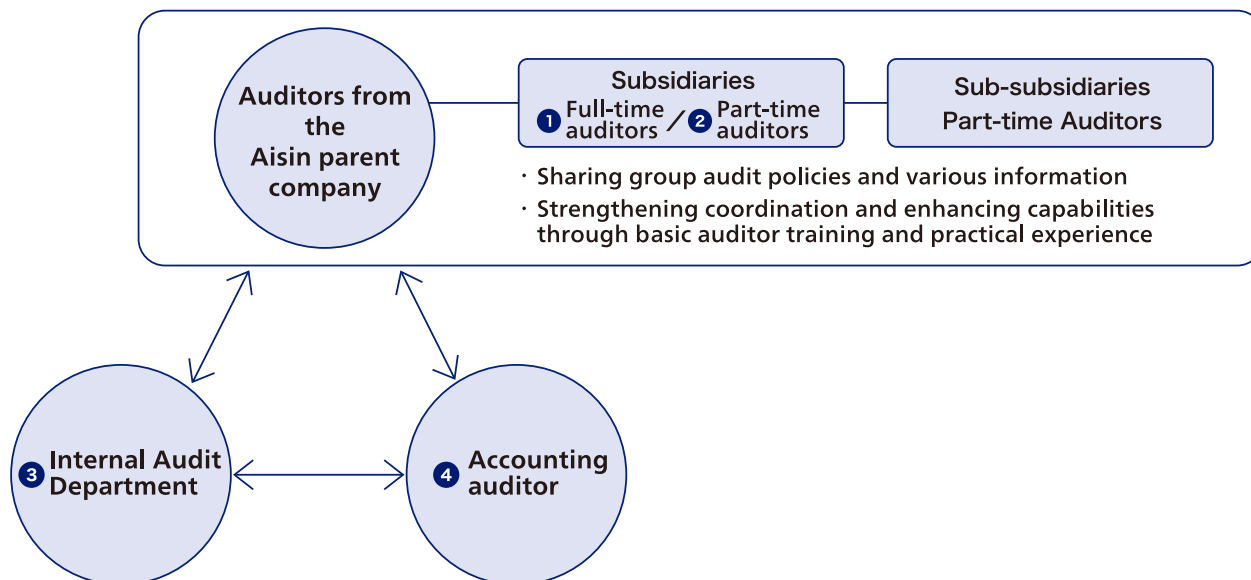
Audit & Supervisory Board members

Duties of the Audit & Supervisory Board members

As an independent body entrusted by shareholders, the Audit & Supervisory Board member (“corporate auditor”) aims to ensure the company’s sound and sustainable growth while establishing a high-quality corporate governance system that engenders societal trust through audits of directors as they execute their responsibilities. Moreover, the corporate auditor provides advice and recommendations to directors and other officers in a timely manner while taking all necessary measures to maintain independence. The corporate auditor consistently maintains an impartial and unbiased stance and performs audits based on honest convictions and adherence to the principle of onsite verification.

Aisin Group audit coordination status

The Aisin Group consists of many companies: 69 domestic and 117 overseas. To construct a comprehensive audit system across the entire group, full-time auditors are appointed to larger subsidiaries, while part-time auditors (parent company officers or employees) are appointed to other subsidiaries.



FY2026 Aisin Group audit coordination results

1 Collaboration with full-time auditors of subsidiaries

Aisin Group auditor liaison meetings are held monthly to report on audit activities at each company and share information, and audit activity reports are submitted from each Group company to the parent's Audit & Supervisory Board twice a year. Furthermore, the Company has created an Aisin Group Auditor's Guide to standardize audit activities across the entire Group and enhance their effectiveness.

Number of auditor liaison meetings held: **9**

2 Collaboration with part-time auditors of subsidiaries

Orientation sessions regarding auditors' responsibilities are provided to newly appointed part-time auditors, and audit activity reports are submitted from each company's part-time auditors to the parent's auditors.

Audit activity report submissions: **23** companies

3 Collaboration with the Internal Audit Department

The status of the Company's various audits, including subsidiary audits, J SOX audits, and thematic audits, is shared and discussed monthly at regular meetings. Additional reporting sessions are held as needed to ensure close cooperation. The Audit & Supervisory Board also receives reports on audit plans and progress.

Number of sessions: **27**

4 Collaboration with the accounting auditor

The Audit & Supervisory Board receives regular reports on quarterly audit results and findings from subsidiary site visits, engages in discussion and, twice a year, receives reports on the planning and status of audits at Audit & Supervisory Board meetings. The evaluation of the accounting auditor is conducted by auditors (including those from subsidiaries) and the Accounting Department using a checklist. The results are fed back to the accounting auditor.

Number of sessions: **22**

Collaboration among full-time auditors, independent outside auditors, and independent outside directors

Full-time auditors, outside auditors, and outside directors closely share information and exchange of opinions to ensure they can thoroughly fulfill their respective roles and responsibilities by leveraging their unique abilities. The Company holds formal semiannual exchange meetings between auditors and outside directors and shares the auditors' monthly reports. Furthermore, in FY2026, Audit & Supervisory Board members and outside directors continued to jointly inspect subsidiaries onsite. Through direct observation of various locations and assets, they were able to exchange opinions from the perspective of their distinct roles and expertise so as to better understand the business. Beyond tightening cooperation, the Audit & Supervisory Board and outside directors mutually verify and oversee each other's roles: The Audit & Supervisory Board ensures outside directors are appropriately executing their responsibilities, while outside directors ensure the Audit & Supervisory Board is properly performing its duties. This mutual oversight further enhances corporate governance across the entire Group.



Joint onsite inspections of domestic subsidiaries

Confirming key risk responses in light of environmental changes

In recent years, stakeholder expectations of companies have significantly changed, encompassing initiatives such as the Corporate Governance Code and sustainability. While financial information has traditionally been regarded as the most important disclosure item, nonfinancial information on such matters as climate change and human capital is now considered equally important. Our auditors view these as critically important factors in enhancing corporate value and meticulously verify the Company's activities with a focused approach. Through meetings with directors and relevant departments, and also by participating in the Sustainability Conference and risk management committees, the Company's auditors actively uncover issues, put forward proposals, and request improvements regarding challenges and concerns identified in the course of their oversight. Topics that have been addressed include increasingly sophisticated sustainability disclosure requirements, alignment of the company's growth strategy with defined materiality issues and quantifying the cost of investing sustainability initiatives and assessing their connection to enhancing corporate value.

Executive compensation

Basic policy on executive compensation

The Company's 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 Group and encourage executives to enhance corporate value and manage business from the same perspective as shareholders.

To further motivate performance in line with the basic policy above, effective from FY2027 we have revised our policy on performance benchmarks and ratios used to determine variable compensation and how these are used to calculate performance-linked remuneration.

Executive compensation structure

As Directors (other than non-executive directors) are in charge of executing the operations of the Company, their remuneration comprises a fixed monthly remuneration along with performance-linked bonuses and stock-based remuneration. Specifically, the percentages of monthly remuneration, bonus, and stock-based remuneration to the base amount for Directors are set at roughly 25%, 25%, and 50%, respectively. Higher percentages for performance-linked remuneration are set, depending on the Director's title. The remuneration of non-executive directors, such as outside directors and of Audit & Supervisory Board members consists solely of a monthly salary and does not include a bonus or stock-based remuneration, which is in keeping with their operationally non-executive function. These officers are independent of business execution and are responsible for overseeing and advising management or auditing business execution.

Remuneration structure for Directors (excluding Outside Directors)*

	Fixed remuneration		Performance-linked remuneration	
			Short-term	Long-term
Remuneration structure	Monthly remuneration 25%	Bonus 25%	Stock-based remuneration 50%	
Form of payment	Cash		Stock	

* Excluding outside directors and other non-executive officers. Depending on earnings performance, remuneration may differ from the above.

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, stock-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, ROIC, and the degree of progress toward sustainability KGIs 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	40%	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
ROIC	40%	Evaluated on the basis of the degree of achievement in each fiscal year of the annual forecast
Degree of progress toward sustainability KGIs	20%	Evaluated on the basis of the degree of progress through initiatives in each fiscal year toward all KGIs established by the Group

- The FY2026 bonus was calculated using the pre-revision calculation benchmarks, namely consolidated operating profit and sustainability KPIs.

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 Group. Selection criteria for FY2026* "Rate of reduction in CO ₂ emissions from production activities" and "Job satisfaction" (5% each) * In line with the revision of our materiality definitions, the selection criteria have been calibrated and evaluated as follows: "Rate of reduction in CO ₂ emissions from production activities": Scope 1 and 2 emissions (compared to FY2020) "Job satisfaction": Positive response rate for employee engagement and for an empowering environment for employees

- 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 Ordinary 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, please refer to page 79 of the Annual Securities Report. For details of the system, [please refer to page 79 of the Annual Securities Report](#).

Executive compensation standards

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

Method for determining executive compensation, etc.

To ensure objectivity and transparency in determining the amount and system of remuneration for Directors, we have established the Executive Nomination and 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 and Compensation Committee.

The Executive Nomination and Compensation Committee reviews the executive remuneration system and determines the individual remuneration amounts based on 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. Furthermore, the monthly remuneration for each Audit & Supervisory Board Member is determined through discussions among the members, within the remuneration limit resolved at the General Meeting of Shareholders.

Remuneration amounts for directors and auditors

Executive category	Total amount of remuneration, etc. (Million Yen)	Totals for each type of remuneration, etc. (Million Yen)			Number of applicable executives
		Fixed remuneration	Performance-linked remuneration		
		Monthly remuneration	Bonus	Stock-based remuneration	
Director	608	268	164	175	10
(of which, Outside Director)	(57)	(57)	(—)	(—)	(6)
Audit & Supervisory Board Member	116	116	—	—	4
(of which, Outside Audit & Supervisory Board Member)	(24)	(24)	(—)	(—)	(2)
Total	724	384	164	175	14

- (Note) 1. The table includes two Directors (including two Outside Directors) who retired at the conclusion of the 102nd Ordinary General Meeting of Shareholders held on June 17, 2025.
2. The amount of performance-linked remuneration is based on the resolution of the Board of Directors meeting held on May 20, 2026.
3. Total monthly remuneration and bonus amounts for directors were resolved at the 96th Ordinary General Meeting of Shareholders held on June 18, 2019, to be within ¥600 million annually (of which the portion for outside directors is to be within ¥75 million annually). Stock-based compensation was resolved at the 101st Ordinary General Meeting of Shareholders held on June 19, 2024, to be within ¥500 million annually.
4. Monthly remuneration for auditors was resolved at the 87th Ordinary General Meeting of Shareholders held on June 23, 2010, to be within ¥15 million per month.



Executive Management

Position	Name	Reason for appointment	Number of times attended	
			Board of Directors meeting	Audit & Supervisory Board meeting
President, Member of the Board of Directors	Moritaka Yoshida	Mr. Yoshida served as executive vice president at Toyota Motor Corporation, holding positions including President of the MSV Company and President of the Vehicle Development Center. He possesses management experience at Toyota Central R&D Labs, Inc. Has served as President of the Company and Member of the Board of Directors since 2021, bringing his extensive experience and broad insight into all aspects of management.	16/16 (100.0%)	—
Member of the Board of Directors	Yoshihisa Yamamoto	Mr. Yamamoto has been engaged primarily in powertrain technology development functions at the Company. Since 2021, he has served at the vice-president level and currently holds the positions of director, executive vice president, chief digital officer, and chief technology officer. He possesses extensive experience and broad insight with regard to general management and the advancement of technology development strategy.	16/16 (100.0%)	—
Member of the Board of Directors	Masahiro Nishikawa	Mr. Nishikawa work at the Company has centered primarily on production engineering for structural body components at the Company. He has served as an executive officer since 2019 and currently holds the positions of director, senior executive officer, and chief carbon neutral officer. He brings extensive experience and wide-ranging insight into overall management and manufacturing both domestically and internationally.	16/16 (100.0%)	—
Member of the Board of Directors Newly appointed	Daisuke Kondo	Mr. Kondo has worked primarily in corporate planning and strategy functions at the Company. He has served as an executive officer since 2024 and currently holds the positions of executive vice president, chief financial officer, and chief strategy officer. He offers extensive experience and broad insight in general management as well as external affairs, public relations, and the advancement of management strategy.	—	—
Member of the Board of Directors Newly appointed	Yoichi Miyazaki	Mr. Miyazaki has for many years worked in management at Toyota Motor Corporation. In addition to the advanced expertise in regional, business, and sales strategy cultivated throughout his career, he possesses extensive experience and broad insight into overall management.	—	—
Member of the Board of Directors Outside Independent	Tsuguhiko Hoshino	He has served as Director-General of the Tax Bureau at the Ministry of Finance and as Commissioner of the National Tax Agency. In addition to the advanced expertise in finance, banking, legal affairs, and compliance he has amassed throughout his career, he brings extensive experience and deep insight gained from his public service at overseas diplomatic missions and as an outside director at companies in other industries.	16/16 (100.0%)	—
Member of the Board of Directors Outside Independent	Yasuhiro Hirota	Mr. Hirota has been involved for many years in the management of Mitsubishi Corporation and ASICS Corporation. Throughout his career, he has achieved an advanced level of expertise, particularly with regard to business strategy, and also brings extensive experience and broad insight in general management.	13/13 (100.0%)	—



Position	Name	Reason for appointment	Number of times attended	
			Board of Directors meeting	Audit & Supervisory Board meeting
Member of the Board of Directors Outside Independent	Keiko Tatsuwaki	After working at Recruit Co., Ltd., Ms. Tatsuwaki worked for many years at Deloitte Tohmatsu in consulting roles related to ESG, CSR, internal controls, and related matters. Throughout her career, she has developed a high degree of expertise, particularly in regard to governance, risk management, and sustainability. Moreover, having served in outside director roles before, she offers extensive experience and broad insight in corporate management and audit.	13/13 (100.0%)	–
Audit & Supervisory Board Member Newly appointed	Shintaro Ito	Mr. Ito has mainly performed corporate management functions at the Company, including serving as a director and executive vice president. He brings strong knowledge of finance and accounting as well as extensive experience and broad insight as a manager.	–	–
Audit & Supervisory Board Member	Kiyomi Kato	Ms. Kato has worked primarily in accounting and auditing roles at the Company and has accumulated particular expertise in the Companies Act, finance, and accounting. She possesses extensive experience and offers broad insight based on her career experience.	16/16 (100.0%)	15/15 (100.0%)
Audit & Supervisory Board Member Outside Independent	Junko Ueda	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.	15/16 (93.75%)	15/15 (100.0%)
Audit & Supervisory Board Member Outside Independent	Katsuhiro Kashiwagi	Mr. Kashiwagi has worked for many years as a certified public accountant, including serving as a partner at KPMG AZSA LLC. In addition to the advanced expertise in finance and accounting cultivated throughout his career, he brings extensive experience in auditing and broad insight into corporate management.	15/16 (93.75%)	15/15 (100.0%)

Internal Controls

Basic stance and policy

In accordance with our Basic Policy on Internal Control as resolved by the Board of Directors, we verify each year how the individual functional policies that underpin our management activities are being implemented and, when necessary, review the Basic Policy. Thus, we consistently strive to strengthen our internal control regime. To confirm that our internal controls are functioning appropriately, we have established a dedicated internal function to audit our operations to complement audits by the Audit & Supervisory Board Members and by our accounting auditor.

Promotion Structure

To guarantee the independence of our internal audits, our audit departments operate directly under the President. Our audit departments work on-site to assess the overall establishment and operation of our internal control processes, including the compliance of our operations with laws and regulation and the appropriateness of business management at the Company and its domestic and overseas subsidiaries. Audit findings are reported to the President, who is the Group's top executive, and are also regularly reported to the Board of Directors and Audit & Supervisory Board, which provide oversight, so as to further strengthen governance. To enhance audit quality and effectiveness, we mutually share information and cooperate with Audit & Supervisory Board Members and accounting auditors.

[For details on our implementation framework, please refer to the corporate governance framework.](#)

Key Initiatives

Our audits run every year in accordance with our Internal Audit Regulations and annual audit plan. We apply audit results to not only point out deficiencies but also, from a fair and objective standpoint, offer recommendations for improvement and verify the status of any remediation measures that are in place. Furthermore, to promote evolutionary measures within each department and Group company, we share audit results and risk assessments with our various internal control organizations. Through our internal audit process, we aim to maintain an organization in which each department and Group company autonomously implements the PDCA cycle for advancement, thereby strengthening our internal controls.

Internal Control Audits

In addition to audits conducted each year against standards common to the entire Group, we perform audits tailored to each company's risk level through a risk-based approach that draws on employee awareness surveys, the results of ethics questionnaires, and the priority risks selected by the Risk Management Committee. We provide recommendations to audited entities for improvement based on audit results and enhance the effectiveness of our audits by verifying the status of any improvement plans implemented and remediation measures taken. (In FY2026, conducted at 13 internal departments and 66 affiliated companies)

Audits based on the Financial Instruments and Exchange Act

Our audit process internally evaluates internal controls based on the Financial Services Agency's Implementation Standards for Evaluation and Audit of Internal Controls over Financial Reporting. Audit targets are selected from among the parent and Group companies based on their significance to the reliability of financial reporting and consultation with the audit firm. Every year, we evaluate all operations concerning internal controls across the enterprise, the closing process, sales, purchasing, and inventory management and other business activities, and IT controls. We also enhance effectiveness through written and face-to-face audits. As of FY2026, we determined that the internal controls over financial reporting for our Group were effective and submitted an internal control report in June of that year. Furthermore, the audit firm submitted an audit report stating that this assessment was accurate.

Compliance

Basic stance and policy

Aisin believes that compliance means more than adhering to laws and regulations and that it is equally important to meet the expectations and trust of all stakeholders as a responsible corporate citizen. To this end, we have positioned the AISIN Group Charter of Sustainability and the AISIN Group Code of Conduct as our fundamental policies and, in the priority domains of antitrust and anti-corruption law, have developed and rolled out groupwide compliance policies and guidelines.

To ensure compliance procedures are practiced as second nature, we emphasize integrity (sincerity, honesty, and high moral character) and strive to instill in every employee high ethical standards that encourage decisions and actions we can be proud of before anyone and discourages flight from misdeeds, dishonesty, and deception.”

Aisin aims to maintain strong compliance awareness and to eliminate serious legal violations by implementing a global Group legal and compliance framework. We believe that an open workplace culture in which people can freely express themselves is the very foundation of compliance. Accordingly, we are fostering an environment where employees can first turn to their supervisors for advice when in doubt, and we are thoroughly raising awareness of internal reporting channels. Moreover, through workplace visits and ethics surveys that measure individual and collective compliance awareness, we gather authentic feedback from the workplace. By sharing both joys and concerns, we are promoting a thriving workplace culture of mutual respect and consideration.

[AISIN Group Code of Conduct](#)

AISIN Group Legal and Compliance Status

FY2026 Serious Legal Violations:	0 cases
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[AISIN Group Antitrust Compliance Policy](#)

FY2026 Antitrust Violations:	0 cases
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[Aisin Global Policy on Prevention of Bribery and Corrupt Practices](#)

FY2026 Anti-Corruption Violations:	0 cases
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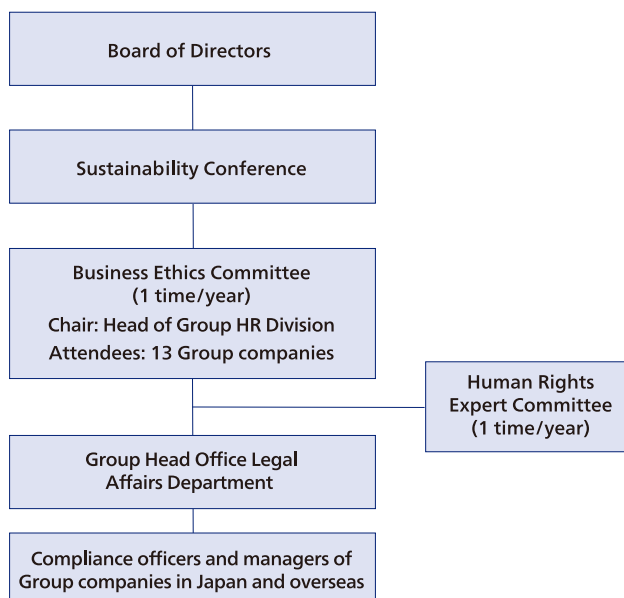
Promotion Structure

Aisin has established the Business Ethics Committee, chaired by the head of the Group HR Division, as the body charged with governing key compliance policies and structures. The presidents of the 13 Group companies, along with relevant executives and audit & supervisory board members, attend to review the status of and issues in compliance activities and to determine our compliance policy directives for the following fiscal year.

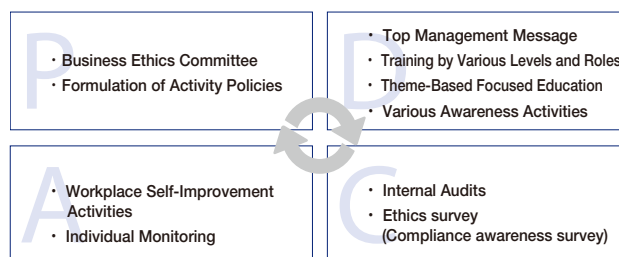
Matters decided by the Business Ethics Committee are reported to and overseen by the Board of Directors.

To ensure consistent compliance across the entire Group, the Legal Affairs Department was established in January 2018 within the Group Head Office by consolidating the legal functions of each Group company. As the Group’s sole specialized legal department, it exclusively plans and promotes compliance activities for Group companies both domestically and internationally. Concurrently, a compliance officer and compliance managers have been appointed at each Group company in an effort to build a framework for ensuring compliance globally.

Business Ethics Committee Organization



PDCA Cycle for Compliance Activities



Strategy

In light of changes in the business environment, societal expectations, and the growing diversity of compliance risks accompanying globalization, Aisin sets and pursues priority areas on a risk basis, aiming to maintain zero serious legal violations and serious compliance violations—a materiality KGI.

Each year, the Business Ethics Committee comprehensively evaluates and identifies compliance risks in light of changes in the business environment and societal expectations (FY2027: integrity, harassment, fair trade, antitrust, and bribery and corruption).

Related materiality issues

Materiality issues	Goal (KGI)	Indicator (KPI)	FY2026 results	FY2031 target value
Laying a solid management foundation	Zero serious violations of law and compliance policies	Positive response rate for ethics survey	72%	80%*

* After results were obtained using the ethics survey's revised methodology (FY2026), target values were revised based on country and regional characteristics and external benchmarks.

Key initiatives

Initiatives to maintain zero serious legal and compliance violations

Creating an open and transparent workplace culture

Aisin promotes an open and transparent workplace culture to enable the early detection, correction, and prevention of issues. Management personally visits work sites to hear employees' candid and unfiltered expressions of concern and anxiety, recognize issues, and take direct responsibility for addressing them. Each workplace promotes frank discussions based on the results of the Group's ethics surveys.

Early detection and remediation of issues via a whistleblowing system

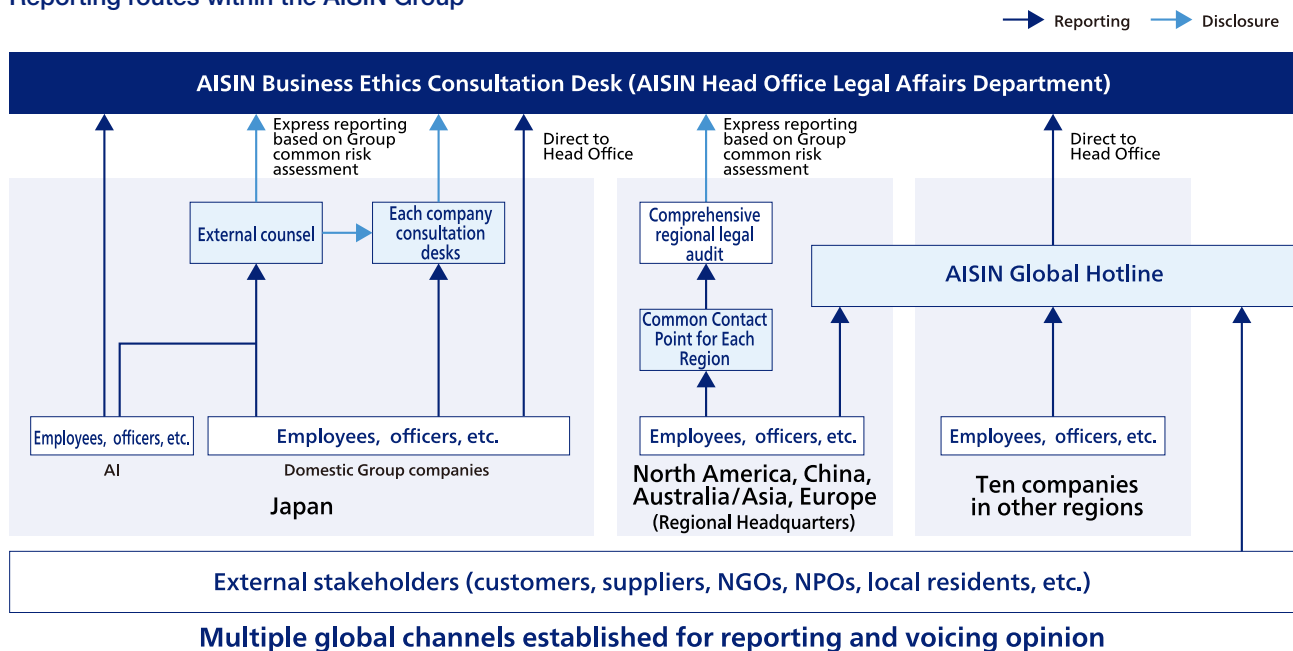
Aisin has established a compliance reporting and consultation office that accepts inquiries from a broad range of stakeholders, including domestic and international officers, employees, retirees, their families, business partners, and local residents. These channels can address a wide range of consultative topics, including misconduct, violations of laws and rules, harassment and bullying, and human rights issues. When responding, we thoroughly prioritize privacy and the prevention of disadvantaging the reporting party. In this way, we strive for the early detection and correction of misconduct.

To accommodate different types of report and inquiry, multiple channels are available: company-specific consultation offices, a groupwide external legal office staffed by attorneys, and the Aisin Business Ethics Consultation Desk managed by the Group Head Office Legal Affairs Department. For external stakeholders, reports and inquiries are accepted via the web-based Aisin Global Hotline. Internal reports are consolidated at the Legal Affairs Department. For material cases, the Legal Affairs Department leads the response, establishing a process to enable early detection and correction of issues. Furthermore, regular reports are made to Aisin's auditors to monitor operational factors. Additionally, third-party attorneys are engaged to incorporate objective, specialized expertise, enabling swift handling of critical cases. Reports and consultations are analyzed by type and by trends in their occurrence, and the results are reflected in education and awareness programs and in reviews of internal rules.

[Aisin Global Hotline](#)

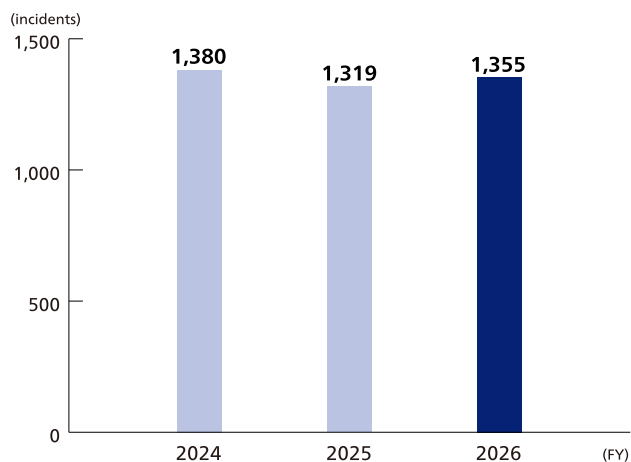
– Whistleblower system framework

Reporting routes within the AISIN Group

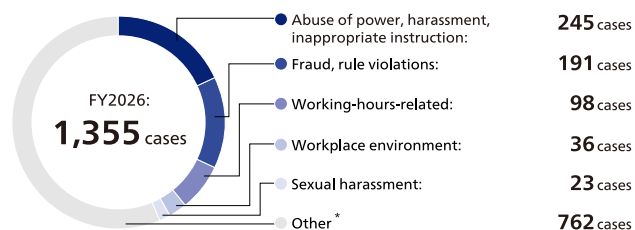


– Use of internal reporting system

Number of reports received via internal channels



Total reports and consultations (domestic and international)



* Primarily inquiries about internal rules/procedures and concerns about workplace relationships. While these are not compliance or misconduct reports, we address them in collaboration with relevant departments to alleviate employee concerns and enhance the work environment.

Ethics Survey

To assess the adoption of compliance initiatives, the probability that potential compliance risks exist, and the level of awareness of the internal reporting channels, Aisin conducts a unified compliance-related ethics survey every year for all employees in Japan and overseas, including at Group companies and covering contract employees, employees seconded to Aisin, post-retirement rehires, fixed-term employees, temporary staff, and others. The response rate for FY2026 was 88.7%. In addition to being reported to the Business Ethics Committee, the survey results are fed back to internal departments and to Group companies in Japan and overseas. Moreover, focused education and awareness activities and individualized support are provided to workplaces and Group companies where the survey results reveal issues. The Audit Department selects audit themes based on the survey results and conducts internal audits every year.

Education and awareness initiatives

So that each employee embraces proper compliance behavior as second nature, Aisin administers a range of education and awareness programming every year for all employees in Japan and overseas, including at Group companies and covering contract employees, employees seconded to Aisin, post-retirement rehires, fixed-term employees, temporary staff, and others. In FY2026, 92.9% of eligible employees participated.

For training, we hold domestic and international group sessions and e-learning classes tailored to rank, job function, and responsibilities both. In addition, on-demand training videos are posted on the internal portal covering topics such as harassment, the Act on Optimization of Subcontracting Transactions with SMEs, antitrust law, bribery and corruption, export transaction control, insider trading, product liability, disguised contracting, copyright, labor affairs, contracts, and clear communication. This ensures that employees can avail themselves of training materials whenever it suits them, making compliance feel more accessible.

To raise awareness, we issue reports on legal developments and case studies every month to provide the latest information, and we roll out discussion sheets based on a variety of cases, including instances of compliance failure, to encourage employees to see these matters as their own concern. We raise each individual's awareness of personal integrity through activities such as the Integrity Reflection Meeting, in which executives hold group discussions based on real cases, and workplace meetings, in which discussions take place at the worksite level.

List of key education and awareness initiatives

Category	Training program/tool		Main content	Frequency
Education	By rank	Executive compliance seminar	Latest compliance topics	1time/year
		Training for new executives	Executive responsibilities, key themes	When appointed
		Human Skills & Empathetic Communication Training	Essential Human Skills & Communication Abilities for Executives and Managers	1time/year
		Compliance Training for Department Heads	Importance and role of compliance, key themes	1time/year
		CSR Management Training (for New Managers)	Importance of compliance, key themes	Upon Promotion to Management
		New hire orientation	Compliance fundamentals, charter, and Code of Conduct	At hiring
	By job function	Compliance officer training	Role of corporate officers, key themes	1time/year
		Export control officer training	Laws and company rules	1time/year
		Overseas assignment training	Importance of compliance, key themes	Upon assignment
		Overseas Top management training	Importance and role of compliance	When appointed
		Whistleblowing Contact Person Training	Investigation Methods, Points to Note	1time/year
	By theme	Antitrust law compliance training	Laws, company policies, and guidelines	As needed
		Anti-corruption training	Real-world examples reflecting operational risks	1 time/ 3 years
			Laws, company policies, and guidelines	6 times/year
		Insider Trading Prevention Training	Laws and company rules	As needed
		On-demand training videos	Laws and company rules	Available on demand
Awareness	Articles	Economic security information	Legal and regulatory developments and latest trends	As needed
		Legal News	Introduction to laws, regulations, relevant compliance cases, and Legal Affairs Department initiatives	1 time/ 2months
	Comics	Workplace discussion sheets	Theme-based instruction and key considerations	1 time/ month

Other initiatives

|| Compliance with antitrust law

Aisin continuously strives to comply with antitrust law to ensure the lessons learned from the 2014 antitrust violation in the United States are not forgotten. In 2020, we enhanced the thorough enforcement of legal compliance by implementing the AISIN Group Antitrust Compliance Policy and establishing the AISIN Group Antitrust Compliance Guidelines to provide concrete instruction. The importance of antitrust compliance is addressed in various training programs. Additionally, training sessions tailored to regional risks are held at Group companies in Japan and overseas. Furthermore, when contacting competitors, the Group Head Office Legal Affairs Department conducts a prior review to confirm that planned contacts with competitors do not create antitrust or other legal risks.

|| Prevention of bribery and corruption

Aisin contributes to social order through its fair and transparent business dealings. Our Aisin Global Policy on Prevention of Bribery and Corrupt Practices, last revised in May 2025, clarifies matters such as bribery, corrupt practices, facilitation payments, conflicts of interest, political contributions and donations, the selection of business partners, and proper accounting procedures and recordkeeping. We are ensuring that all Group companies, both domestically and internationally, are fully informed of this policy. We also provide specialized training to Group companies and departments with high operational risks. We have also issued groupwide “Food, Entertainment, and Gift (Entertainment Expense) Guidelines” and established prior application and approval procedures in our internal regulations, operating a system to prevent bribery and corruption.

Risk Management

Basic stance and policy

Aisin considers risk management to be one of two wheels that drive corporate management, the other being business activity. As we execute our management strategies, risks to our business are intensifying owing to the rapidly shifting external environment. We address risks that could hinder growth by both identifying and controlling them and by strengthening our business continuity apparatus.

We will suppress the occurrence and mitigate the impact of the various risks that could significantly affect the company's progress toward its objectives. Should any such risk manifest itself, we will minimize the impact on management and ensure the company's sustainability, thereby meeting the expectations of our stakeholders.

[AISIN Group Charter of Sustainability, Chapter 10: Thorough Risk Management](#)

Promotion Structure

As part of our structure for promoting risk management and in response to policies developed by our Sustainability Conference, a high-level deliberative body, we have established a Risk Management Committee comprising the President, CxOs, Audit & Supervisory Board Members, and the presidents of major Group companies. The Committee advances risk countermeasures by deliberating on and setting the direction for priority risks to be addressed in line with observed risk incidents at Aisin as well as external conditions and trends. For each priority risk thus identified, Aisin's parent company designates a responsible department, and each domestic and overseas Group company appoints a person responsible for promoting risk management. In this way, we strengthen our ability to respond by addressing risks across the entire Group.

Furthermore, through regular reporting to the Board of Directors, we ensure oversight of our risk management function and, thereby, enhance our management strategy.

Risk management structure



Strategy

Enhancing risk management

We caused inconvenience and concern to many on account of the 1997 Kariya Plant fire. This incident prompted us to introduce ERM* to avoid repeating this kind of failure, which has spawned numerous companywide risk management efforts. In recent years, business risk has become increasingly complex and diverse, encompassing natural disasters like major earthquakes and frequent rain squalls, parts supply interruptions, and geopolitical and economic security risks.

Amid these circumstances, we have introduced a risk management process covering risks connected with management strategy and are aiming for sustainable growth and stability. We are proactive about risk management, identifying early signs of risk on the operational side that hinders smooth business operations and on the management strategy front, where it impedes the execution of medium-term management strategies. Once risks are identified, we analyze and evaluate their impact as appropriate.

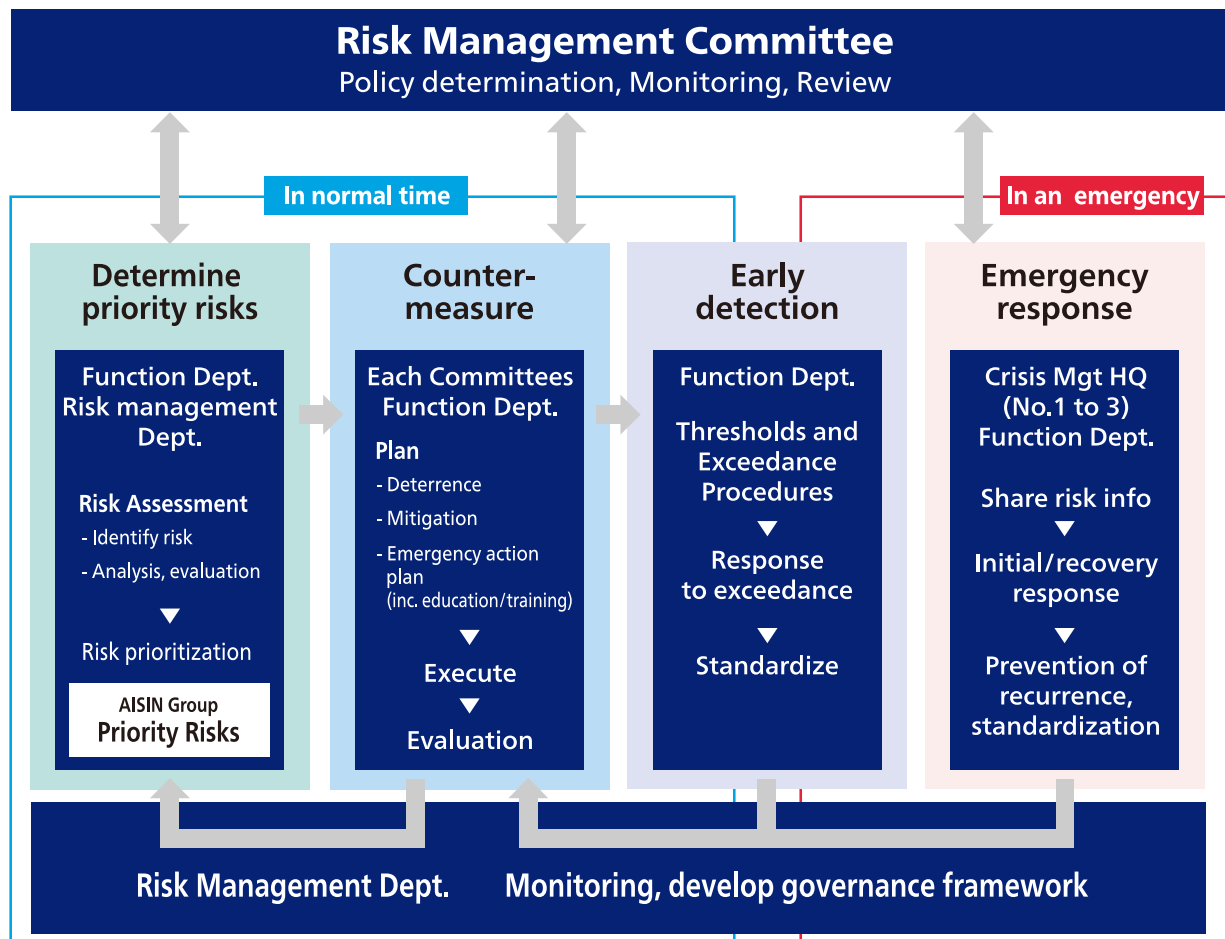
* ERM: Enterprise Risk Management

Key initiatives

Basic initiatives

Based on our Risk Management Process, Aisin works to suppress the occurrence and mitigate the impact of risks under normal conditions and to achieve early recovery and minimize damage in emergencies. In addition, in order to detect signs of risk at the earliest possible stage and avoid risks, We incorporated risk warning indicator management into our risk management framework from FY2026. Furthermore, we maximize our risk management effectiveness by evaluating the performance of these measures, making improvements, standardizing them, and continuously cycling through the risk management process.

Risk management process: PDCA cycle



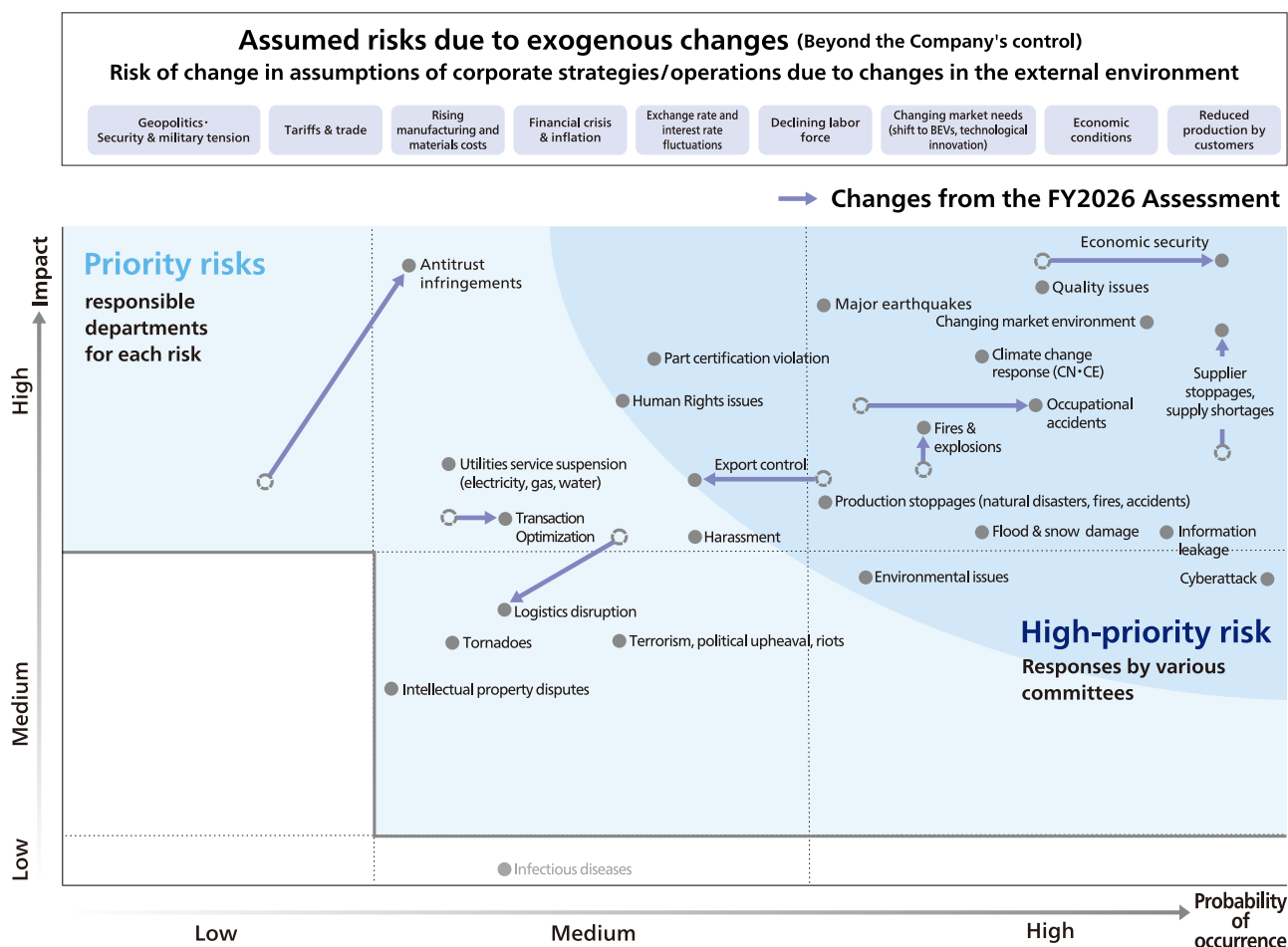
Response under normal conditions

Identifying priority risks

Aisin determines its priority risks at the Risk Management Committee twice a year. When annually determining priority risks based on the companywide "Opportunities and Risks (short- and medium-term management strategy risks)" confirmed by the Executive Management Committee and the Board of Directors at the time our Group management policy is formulated, we identify, through risk assessment, the risks arising from changes in the external environment, drawing on trends in the external risk environment, societal demands including customer expectations and stakeholder concerns, and risk forecasts by specialized external agents. In addition, we identify risks arising from changes in the internal environment from the distinctive vantage of each department in charge of a particular risk, as defined by the operational characteristics of Group companies and the geographic perspective of overseas sites.

We analyze and evaluate these risks in terms of their probability of occurrence, trends, and degree of impact, and, taking into account the preventive and mitigating effects of our past risk countermeasures, we determine the "priority risks" that the entire Group should focus on addressing.

Aisin Group priority risks for FY2027



Risk countermeasures and monitoring

For the high-priority risks and priority risks enumerated by the Risk Management Committee, the various committees and the departments tasked with managing each class of risk implement measures to minimize their occurrence and mitigate their impact. The Risk Management Committee monitors high-priority risks, while the ERM Office monitors priority risks, as both work toward continuous improvement.

Risk warning indicator management

We conduct management of risk warning indicators to swiftly detect signs of risks that could adversely affect company operations and avoid such risks. Thresholds for risks are determined, and response procedures (department and action) for when thresholds are exceeded are established in advance.

In an emergency

Emergency response

In the initial response when an emergency occurs, starting from a "Risk Report," the occurrence of the risk is promptly communicated to the President and other executives and to the departments overseeing each risk classification. On that basis, we establish a "response headquarters" (Level 1 to Level 3) according to the crisis level. In cases of Level 1 risks, the Chair of the Risk Management Committee appoints a headquarters leader according to the nature of the risk. In a Level 2 scenario, in principle, the Executive General Manager of the relevant division of the relevant risk serves as head and, in a Level 3 situation, the General Manager of the department responsible for the risk. In assigning a secretariat of each response headquarters, the department in charge of each risk together with the Enterprise Risk Management Section, which serves as our risk-management promotion department, oversees a Level 1 response headquarters, while the departments in charge of each risk handles Level 2 and Level 3 response headquarters.

Under this structure, in responding to emergencies such as disasters, we set forth as our basic policy the priority order of (1) human life and safety, (2) community contribution, and (3) production recovery, and we define in our action guideline that assistance be early and ample. Based on these principles, we have formulated emergency response plans (BCP).

When a disaster or other emergency transpires, we give top priority to securing human life and safety and work to minimize damage.

Next, based on the premise that there can be no recovery of Aisin's operations without the recovery of the community, we focus on contributing to our neighbors' well-being. Specifically, we work in cooperation with the governments of affected areas to provide scarce relief supplies and offer material support to suppliers in the affected areas.

In a production recovery situation, we restore function prioritized according to operational criticality as determined in advance and based on the extent of the damage. Furthermore, when damage is severe, we shift to alternative operations or alternative production to continue doing business.

To prepare for these emergencies, the departments in charge of each risk systematically implement risk control and mitigation measures and render education and training in advance in line with our emergency action plans.

In particular, when major earthquakes occur that are expected to cause severe damage, our initial and immediate response is the key to minimizing damage. We therefore regularly hold initial response training for the disaster response headquarters," with top management leading the response headquarters. We further enhance recovery effectiveness through formal BCPs and training and the development of staff who are resilient in emergencies. Even under normal conditions, we use these tactics to build an organization, workplace, and workforce that are resilient to crises.

During the 2026 Kumamoto Earthquake of July 28, 2026, Group company Aisin Kyushu Co., Ltd., recorded a seismic intensity of Upper 6 on the Japanese scale, exceeding the mark of Lower 6 recorded in 2016. Under the basic policy described above, we gave top priority to ensuring the safety of employees and assessing the extent of damage, then turned to supporting the recovery and reconstruction of local communities while pressing ahead with the early restoration of production. Partial production resumed on August 2 and normal operations on August 5. Whereas it took 22 days to resume normal operations after the 2016 Kumamoto Earthquake, this time we took only eight days. Countermeasures informed by the lessons of the 2016 Kumamoto Earthquake enabled us to limit the damage and recover quickly. We will review our response to this incident and further improve our earthquake countermeasures.



Scene from initial response training for the disaster response headquarters

Response during an emergency

Reporting to top management and responsible departments

Establishment of response headquarters levels I to III

(1) Human life and safety
Prioritize ensuring human life and safety while minimizing

(2) Contribution to the community
Support for regional recovery

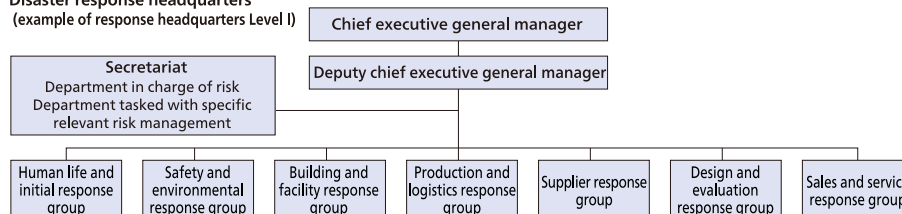
(3) Production recovery
Response based on business continuity plan

Standardization

Criteria for establishing disaster response headquarters in an emergency

Risk level	<I> Crises that could significantly impact the overall management of the Group	<II> Crises that could significantly impact the overall management of the Company or multiple departments	<III> Crises that could significantly impact specific departments of the Company
Responding organization	Response headquarters Level I	Response headquarters Level II	Response headquarters Level III
Chief executive general manager	Officer designated by the Risk Management Committee chair	Executive General Manager of the department in charge of risk management	Head of the department in charge of managing relevant risk
Secretariat	Department in charge of risk, Risk management promotion department	Department in charge of risk management	Department in charge of risk management

Disaster response headquarters
(example of response headquarters Level I)



Education and awareness

We provide education and promote awareness in order to deepen the risk management capabilities of all our employees. We have published a Crisis Management (Risk Management) Guide, which codifies standard operating procedures for risk countermeasures to be implemented under normal conditions (prevention and mitigation) and emergency responses. Moreover, we hold tiered risk management training for each management layer, including our executives, and publish the Aisin Group Risk Management Bulletin for all employees. This document educates and promotes awareness so each employee comes to regard risk as a personal responsibility and ensures countermeasures are thoroughly implemented. Furthermore, Aisin has established the Kumamoto Earthquake Learning Zone within the Aisin Densho-kan to ensure the devastating damage caused by major earthquakes of the past is never repeated. Through panels and videos, the exhibit shares lessons and insights gained from the damage and recovery efforts following the 2016 Kumamoto Earthquake, ensuring the proper mindset and preparedness for natural disasters. As a result of these efforts, in the Noto Peninsula Earthquake of January 2024, measures based on lessons from the past, such as countermeasures for suspended objects and training for establishing the response headquarters, proved effective and contributed to reducing damage.

At the same time, through the earthquake responses of Group companies during the Northern Osaka Earthquake, the Hokkaido Eastern Iburi Earthquake, and the Noto Peninsula Earthquake, we reaffirmed the importance of reliably instilling and embedding the lessons learned throughout the entire Group. Moreover, during past earthquake responses, we have seen the indispensable role played by experienced and knowledgeable personnel who rushed to disaster sites and dealt with these crises on the front lines. As we mark the 10-year milestone since the 2016 Kumamoto Earthquake and anticipate the retirement of experienced personnel, the importance of reliably passing on this knowledge and these lessons as an organization is growing ever greater.

In light of these challenges, we have renewed our “Lessons and Insights from Earthquakes,” adding the new failures and lessons obtained from each earthquake since the Kumamoto Earthquake, standardizing them, and incorporating them into our rules and guides. We will sustainably pass on knowledge contained in Aisin’s constantly updated resource, Lessons and Insights from Earthquakes, and contribute to disaster mitigation and the enhancement of business continuity across the entire Group.



Kumamoto Earthquake Learning Zone



Kumamoto Earthquake Learning Zone



Noto Peninsula Earthquake Learning Zone

Approaches to priority risks and responsible organizations

With regard to initiatives addressing the priority risks for FY2027, each responsible organization is advancing countermeasures; for details, please refer to "Initiative description source" in the "Priority risks and responsible organizations" table below.

In addition, these risks are regularly submitted to and reported to the Board of Directors, contributing to the advancement of our management strategy.

Priority risks and responsible organizations

	Risk item	Initiative description source	Responsible organization
External risks (beyond the company's control) Risks that challenge the underlying premises of managerial and operational strategy and when changes occur in the surrounding environment	Geopolitics, security, and military tensions	–	Deliberated by the Executive Management Committee and the Executive Meeting
	Tariffs and trade		
	Rising manufacturing and material costs		
	Financial crises and inflation		
	Exchange-rate and interest-rate fluctuations		
	Declining working-age population		
	Changing market needs (shift to BEVs and technological innovation)		
	Economic conditions		
	Reduced production by customers		
High-priority risks	Changes in market environment	Risk Management	Deliberated on by the Executive Management Committee, Strategic Committee, and Executive Meeting and promoted by specialized organizations (Corporate Planning Department, Business Strategy Department, Cost Management Department, Corporate Profit Management Department, Carbon Neutral & Environment Promotion Center, Economic Security Office)
	Economic security		
	Climate change response (CN and CE)	Environment	
	Cyberattacks	Information Security	Promotion by a specialized organization (Information Security Department)
	Information leakage		
	Environmental issues	Environment	Promoted by various committees (Corporate Behavior Ethics Committee, Human Rights Expert Committee, Economic Security Committee, Safety and Health Committee, Environment Committee, CN & CE Promotion Subcommittee, Quality Function Committee, Regulatory Certification Committee, etc.)
	Quality issues	Quality	
	Occupational accidents	Safety and Health	
	Fire and explosion	Human Rights	Subordinate body of the Risk Management Committee (Disaster Response & Delivery Subcommittee)
	Human rights issues		
	Export controls	Risk Management	
	Parts certification violations	Quality	Subordinate body of the Risk Management Committee (Disaster Response & Delivery Subcommittee)
	Major earthquakes	Risk Management	
	Flood, storm, and snow damage, etc.		
	Production stoppage (natural disasters, fires,accidents)		
	Supplier stoppage, supply shortage	Supply Chain	

Priority risks	Antitrust infringements	Compliance	Handled by the risk-owning department
	Harassment	Compliance	
		Human Rights	
	Utilities service suspension (electricity, gas, water)	Risk Management	
	Logistics disruptions		
	Terrorism, political upheaval, riots		
	Tornadoes		
	Fair business practices	Supply Chain	
	Intellectual property disputes	Intellectual Property	

Changes in market environment

As the automotive industry undergoes a period of intense transformation centered on electrification and intelligence, Aisin is responding by further accelerating the transformation of its business portfolio. Specifically, we position electrification and intelligent systems as growth domains and, by reallocating staff, infrastructure, and capital and reskilling our workforce, we are building a business structure capable of flexibly responding to the diverse needs of each region and customer. In addition, with respect to Aisin's medium-to-long-term direction and Group-wide decision-making, matters are deliberated and resolved by the Board of Directors in accordance with the Board of Directors' operating standards, while the Executive Management Committee, the Executive Meeting, and various function meetings monitor the performance and significant investments of each AISIN Group company and examine potential future directions along with measures for raising performance.

Economic security and export controls

Countries and regions where Aisin operates pose inherent risks, including adverse changes to laws and regulations relevant to business operations, modifications to tax systems, unfavorable political or economic factors, terrorism, war, disease, and social or economic unrest due to other causes.

In addition to domestic Group companies, the heads of each regional headquarters overseeing North, Central, and South America, Europe, China, ASEAN, and India share information on management risks common to the Group as well as risks that differ by country and region, thereby advancing effective countermeasures and strengthening risk management from a global perspective. Specifically, led by the AISIN-GROUP Corporate Strategy Division, we centrally compose business and regional strategies that reflect our understanding of business issues in each region and the risks described above. Moreover, we gather timely information not only on the countries or regions where Aisin operates but also on other areas relevant to our business. We respond in a timely manner with appropriate action.

In recent years, in response to geopolitical and economic security risks that are highly uncertain and difficult to foresee, owing to abrupt changes in trade policy, including tariffs and import/export regulations, and to rising military tensions, we gather timely information on trends in policy and regulatory changes and take the necessary action against risks that arise. In addition, we have established a system whereby the Economic Security Committee, a companywide cross-functional body, examines and implements activities aimed at mitigating economic security risks (including security export control and sensitive-technology management).

Major earthquakes, flood/snow crises, tornadoes

For natural disasters expected to cause enormous damage, drawing on actual experience with disasters and based on the Risk Management Guide and on "Lessons and Insights from Earthquakes," a guide that standardizes our past experience of disasters, we advance the prevention of risks and the minimization of damage as a unified Group. For example, because the entire Group worked on measures such as seismic reinforcement of buildings and countermeasures

against falling suspended objects, drawing on the lessons of the 2016 Kumamoto Earthquake, in the Noto Peninsula Earthquake of January 2024 there were almost no falling suspended objects, and we minimized the time to production recovery and avoided any impact on deliveries.

On the other hand, regarding liquefaction, which caused serious damage in the Noto Peninsula Earthquake, we regard it as a new challenge and, across the Group, have established and are implementing appropriate countermeasures at sites exposed to liquefaction risk.

In addition, the entire AISIN Group is working to reduce the risk of rainfall damage and landslides that exceed projections amid recent linear rain bands.

|| Terrorism, political unrest and rioting

In recent years, security risks have worsened globally due to conflicts and terrorist incidents affecting various regions. Aisin educates personnel dispatched overseas on secondment or business trips through means such as viewing videos produced by overseas risk consultants, thereby heightening their vigilance and working to prevent risks before they occur. In consultation with experts, we have established response procedure manuals for both normal and emergency situations, and we conduct simulation training with group affiliates to test communication systems and validate initial response strategies. Furthermore, in preparation for evacuation due to deteriorating security, we have formulated an overseas evacuation manual and are organizing the response items and internal understanding for each crisis stage; in the event of a military conflict, we promptly implement measures such as travel bans and the repatriation of seconded employees and their accompanying family members, thereby working to avoid harm to people.

|| Infrastructure supply disruption

In the Hokkaido Eastern Iburi Earthquake of 2018, Aisin Hokkaido experienced a power outage lasting more than two days and faced the danger of serious equipment failure, such as the solidification of aluminum holding furnaces. In response, we urgently arranged temporary emergency power sources from across the country and averted the failure. Learning from this experience, in order to avoid supply interruptions caused by problems at power companies, we have been securing the emergency power sources required by equipment at risk of failure during outages, and we have formulated a Group-wide guideline ensuring that, even in the event of a large-scale power outage, supply can be maintained by emergency power sources for three days, completing all related measures.

In addition, lightning storms have become more frequent in recent years, and because a lightning-strike accident affecting the power-receiving and transforming equipment of an entire plant occurred even at a Group site, we are systematically installing additional transformers across the Group at sites exposed to the risk of supply interruption from lightning strikes. Furthermore, in response to the drought risk of the Toyokawa Canal in Aichi Prefecture that arose this year, three sites in the Toyokawa water system implemented water-saving measures in line with the government's water-conservation requests, thereby minimizing the impact on production. Drawing on this experience, we are now developing a manual for responding to the water shortages anticipated to occur at various locations in Japan.

|| Logistics disruptions

In Japan, to address the chronic shortage of drivers, two logistics-related laws (the Logistics Efficiency Act and the Trucking Business Act) took effect in April 2026, requiring proactive activities and initiatives on the part of shippers. Working closely with suppliers and carriers, we have reduced the working hours of truck drivers by shortening driving times through route optimization and by shortening cargo-handling times through improvements to the shipping and receiving environment and greater work efficiency. Looking to the future, we will work to further reduce the burden through the expansion of joint Group transportation and the in-housing and automation of cargo-handling operations.

In addition, by detecting early signs of risks such as snow damage from weather information and considering in advance the early dispatch of truck shipments and alternative transportation routes, we will continuously reduce both the probability and the impact of logistics disruption risks.

In marine transportation for overseas destinations, the recent rise in geopolitical risks may cause global logistics disruptions. As a result, there are concerns about the risk of cancellations of planned sailings and delays in operating schedules. To prevent parts shortages caused by delays, Aisin takes proactive action in coordination with customers and local production sites, considering measures such as setting alternative routes, changing ports of landing, and increasing inventory.

Information Security

Basic stance and policy

As corporate DX strategies accelerate, new value is being created through enhanced interconnection of the physical world with information. We recognize that, in addition to enjoying the benefits DX offers, we can only sustain growth by taking on the critical challenge of managing risks related to cyberattack threats and information leaks that potentially involve information proprietary to the company and our customers and business partners. We must address emerging risks associated with new initiatives, an example being intellectual property infringement spurred by recent rapid advances and applications of AI technologies.

Therefore, the Company has established the AISIN Group Information Security Basic Policy and is committed to systematic and continuous information security measures.

[AISIN Group Information Security Basic Policy](#)

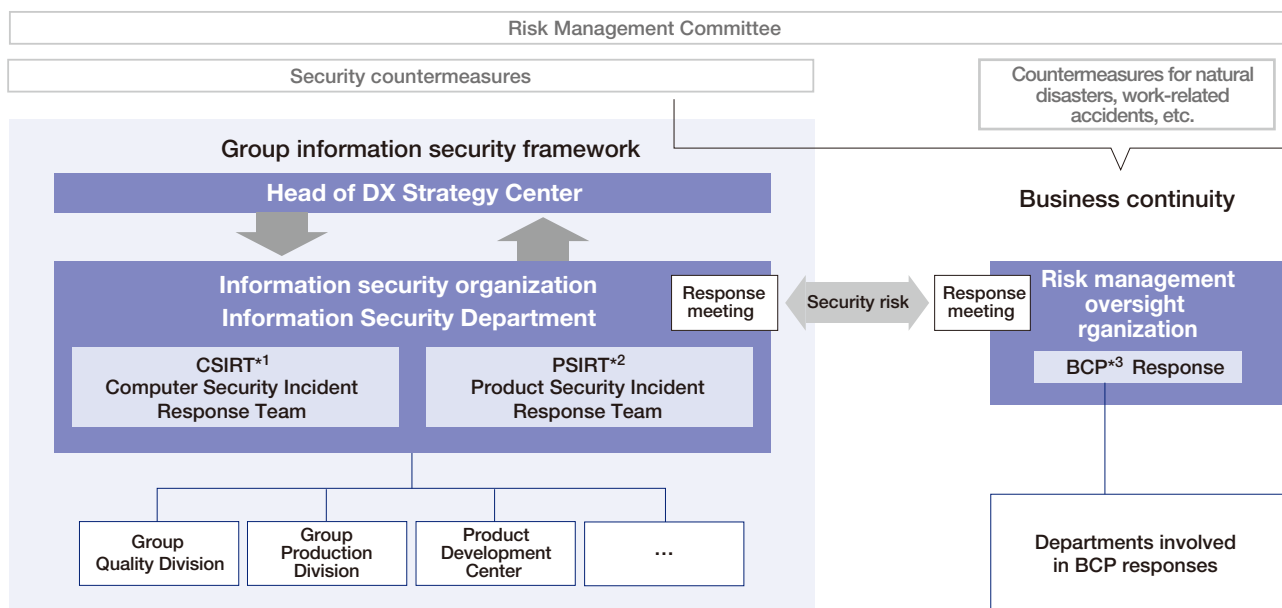
[Personal Information Protection Policy](#)

Promotion Structure

Responsibility and authority for information security measures and personal information protection rest with the head of the DX Strategy Center, which devises information strategies and IT investment plans aligned with the company's business strategy and plays a key role in promoting information security. Under the head of the DX Strategy Center, the Information Security Promotion Department, a specialized security organization, has been established. We have thus built a framework for enabling the entire Group to respond swiftly to cyberattacks, internal misconduct, and other information risks.

Information security policies and countermeasures are proposed by the Risk Management Committee to ensure shared awareness across the Aisin Group. This approach is designed to fortify security standards and ensure the reliable implementation of countermeasures.

Information security framework diagram



*1 CSIRT: Computer Security Incident Response Team

*2 PSIRT: Product Security Incident Response Team

*3 BCP: Business Continuity Planning

Strategy

Data entrusted to us by customers and business partners and our internal business information are critical assets, and we will therefore properly identify changes in threats to the management of our company and potentially troublesome technological advancements and implement comprehensive groupwide countermeasures.

Key initiatives

Information security measures

Our information security program rests on three pillars: structure, response, and education. By centralizing security measures at the Group headquarters and implementing them globally without exception, we are bolstering our response to increasingly sophisticated cyberattacks and internal threats such as information leaks and strengthening our compliance with security-related laws across various jurisdictions.

In the event of a critical security incident with the potential to halt production, we promptly report the matter to the head of the DX Strategy Center and relevant risk management departments to initiate the investigation and analysis of the incident and deploy countermeasures, ensuring swift resolution and uninterrupted business.

Structure

- We maintain a 24/7/365 monitoring system operated by specialized teams to address security threats across the entire Group.
- We have established the AISIN Group Security Guidelines, a globally recognized standard compliant with international standards like ISO 27001^{*4}, the TISAX^{*5} system, and the JAMA/JAPIA Cybersecurity Guidelines. This prepares us to meet customer security requirements and drives mutual advancement across the entire supply chain.

^{*4} ISO 27001: An international standard for Information Security Management Systems (ISMS). As of end of FY2026, eight departments have obtained certification.

^{*5} TISAX: Trusted Information Security Assessment Exchange / A system where certification bodies undergo audits based on the VDA Information Security Assessment Criteria (VDA ISA) established by the German Association of the Automotive Industry (VDA). As of end of FY2026, twelve locations worldwide have obtained certification.

AISIN Group Security Guidelines

Management Item	Response details
Organization	Promotion framework, rules, and procedures
Education	Educational programs, awareness, and training
Technological countermeasures	Asset management, access control, network, etc.
Physical security	Facilities, perimeter control
Incident/accident framework	Reporting framework and rules

Countermeasures

- With support from external experts, we deploy the latest security technology across the entire Group to address increasingly sophisticated and advanced cyberattacks, internal information leaks, and other security threats.
- In anticipation of an expanding range of vehicles subject to various regulations, we are establishing a threat monitoring system centered on PSIRT. We are members of the Japan-US Automobile Information Sharing and Analysis Center (AUTO-ISAC)^{*6}, through which we collect risk data from across the industry to use in furthering our own development. We are also working on security measures for vehicular products in compliance with ISO 21434^{*7}.

^{*6} AUTO-ISAC: Automobile Information Sharing and Analysis Center, a North American automotive cybersecurity organization

^{*7} ISO 21434: A key international standard for cybersecurity measures in vehicles

Education

Tightening security requires all employees to take ownership and recognize security as an unyielding concern and to act accordingly. To this end, we work on this across the entire Group through such measures as training by job level, education tailored to overseas assignments and other changes in the work environment, suspicious email response drills, and awareness-raising activities during Information Security Awareness Month. For example, we administer post-training comprehension tests and solicit cybersecurity slogans from employees worldwide. These are published in the “Cybersecurity News,” distributed across the entire group, to encourage individual participation and foster security awareness.

Examples of education and awareness initiatives

(1) Tiered training upon joining the company or with promotion (twice/year)
(2) Training for specific circumstances, such as overseas assignments or integrating employees on secondment
(3) Suspicious email response training for all employees (three times per year)
(4) Awareness-raising conducted during the company's Information Security Awareness Month (yearly) event and distribution of internal newsletters (monthly)

Personal information protection

Compliance with various national and regional laws, including GDPR^{*8}, is crucial to personal information protection. The acceleration of DX strategies has necessitated the transfer of personal information between countries. Aisin has, therefore, established a groupwide SCC Agreement^{*9} among its Group companies to enable the transfer of personal information around the entire Group.

We continue to closely monitor laws in each jurisdiction, provide education and awareness to all employees, and work to secure personal information in our possession.

Furthermore, we have established a system to promptly respond, in accordance with the laws of each jurisdiction in which we operate, to requests related to the leakage or disclosure of personal information. Note that in FY2026, there were no significant incidents involving the loss or leakage of personal information.

^{*8} GDPR: General Data Protection Regulation, the EU's general data protection regulation

^{*9} SCC contract: standard contractual clause

External Recognition



FTSE4Good Index Series

FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that AISIN has been independently assessed according to the FTSE4Good criteria, and has satisfied the requirements to become a constituent of the FTSE4Good Index Series. Created by the global index provider FTSE Russell, the FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. The FTSE4Good indices are used by a wide variety of market participants to create and assess responsible investment funds and other products.



FTSE JPX Blossom Japan Index

FTSE Russell confirms that AISIN has been independently assessed according to the index criteria, and has satisfied the requirements to become a constituent of the FTSE JPX Blossom Japan Index. Created by the global index and data provider FTSE Russell, the FTSE JPX Blossom Japan Index is designed to measure the performance of companies demonstrating specific Environmental, Social and Governance (ESG) practices. The FTSE JPX Blossom Japan Index is used by a wide variety of market participants to create and assess responsible investment funds and other products.



FTSE JPX Blossom Japan Sector Relative Index

FTSE Russell confirms that AISIN has been independently assessed according to the index criteria, and has satisfied the requirements to become a constituent of the FTSE JPX Blossom Japan Sector Relative Index. The FTSE JPX Blossom Japan Sector Relative Index is used by a wide variety of market participants to create and assess responsible investment funds and other products.



S&P/JPX Carbon Efficient Index



SOMPO Sustainability Index



CDP

In 2025, we were selected by CDP, an international non-profit organization that evaluates corporate environmental initiatives, for its highest rating, the "A List," in the Climate Change category. This is the third consecutive year we have been selected since 2023.



Car, Culture, Society & Partnership Award

At the 5th Car, Culture, Society & Partnership Awards, hosted by the Japan Automobile Conference Council and the Daily Automotive News (Nikkan Jidosha Shimbun), our shared-ride shuttle service Choisoko received the Grand Prize.



Aichi Biodiversity Excellent Enterprise Certification

Certified as an Aichi Biodiversity Excellent Enterprise for four consecutive years since FY2023.



Nationally Certified Sustainably Managed Natural Site

Certified at three of our sites:
FY2024 — Handa Plant's Aisin Ecotope
FY2026 — Okazaki-Higashi Plant's Yukyu-no-Mori and Aisin Kyushu's Aso Manganji Grasslands



OECM

Our Handa Plant's Aisin Ecotope was certified in FY2025, and our Okazaki-Higashi Plant's biotope Yukyu-no-Mori in FY2026.



Noteworthy DX Company 2026

Selected as a Noteworthy DX Company 2026, recognized by the Ministry of Economy, Trade and Industry and others as a company drawing attention for outstanding DX initiatives that contribute to enhancing corporate value.



Digital Transformation Certification

Acquired since 2021
Selected as a DX Certified Business Operator.



Health & Productivity Management Outstanding Organization (large enterprise category) / White 500

Certified for 10 consecutive years since 2017
Health & Productivity Management Outstanding Organization (large enterprise category) / White 500



Sports Yell Company 2026

Recognized as a company that, in an effort to encourage sports participation among the prime working-age generation and foster a social climate supportive of sports, actively promotes healthy sporting activities for its employees. It has been certified for three consecutive years since 2023.



"Nadeshiko" company

Awarded for four consecutive years from fiscal year 2020
Selected as a "Nadeshiko" company that is supportive of women.



Platinum Career Award

In FY2021, we received the Grand Prize at the 3rd Platinum Career Awards.



Eruboshi (Level 2)

In FY2020, we achieved Level 2 Eruboshi certification system based on the Act on Promotion of Women's Participation and Advancement in the Workplace.



Platinum Kurumin

In FY2022, we were certified as a Platinum Kurumin company for supporting employee childcare.



Aichi Company Where Women Shine - Outstanding Company Award

In FY2019, it was awarded the Aichi Company Where Women Shine - Outstanding Company Award.



Family-Friendly Company

In FY2016, it received the Aichi Prefecture Family-Friendly Company Award.



TABLE FOR TWO

TABLE FOR TWO has recognized our company as a Platinum Partner for our support in 2025 and presented us with a letter of appreciation (for the 13th consecutive year).

Initiatives and Organizations We Participate In



Keidanren Initiative for Biodiversity Conservation

Endorsed the Keidanren Declaration of Biodiversity and its Action Policy since 2021.



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

SBT Initiative

Certification obtained in November 2023



Circular Core

Participating since 2024



Research Association of Biomass Innovation for Next Generation Automobile Fuels (raBit)

Participating since 2023



30by30 Alliance

Participating since April 2022



GX Future Consortium

Participating since 2023



Japan Climate Initiative (JCI)

Participating since 2020



Green x Digital Consortium

Participating since 2021



Japan Hydrogen Value Chain Association (JH2A)

Participating since 2020



**JP-MIRAI
Member**

**Responsible Foreign Worker
Acceptance Platform (JP-MIRAI)**

Participating since 2022



Performance Data (Environmental)

Scope of reporting and data coverage rate

Aisin Corporation	48.5%
49 domestic Group companies	62.5%
Consolidated	100%

Calculation method for coverage rate

$$\text{Coverage rate (\%)} = \frac{\text{Net sales of companies in the scope of reporting}}{\text{Aisin Group net sales (Aisin Corporation and consolidated subsidiaries) net sales}} \times 100$$

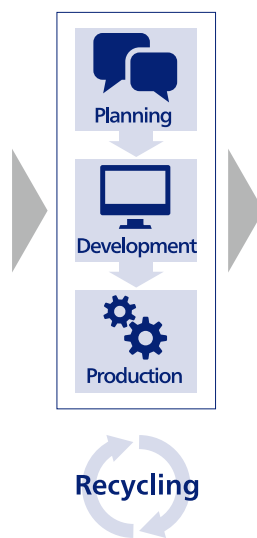
* Historical data may have been restated due to changes in the scope of aggregation or items being aggregated.

Aisin Corporation	Aisin Corporation (parent)
49 domestic Group companies	Aisin, Aisin Takaoka, 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 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, Shinko Seiki, TECHNO-METAL, Tonamino Kogyo, AS Brake Systems, Kyushu Shiroki, Matsumi Corporation, Suncircle (49 companies)

Resource input and emissions (FY2026)

INPUT (Resource input)

Energy (global)	
Total direct energy consumption (breakdown)	8,608,173 GJ
Coal products (anthracite, coke, etc.)	1,294,203 GJ
Natural gas	6,047,060 GJ
Petroleum products (gasoline, diesel, LPG, etc.)	1,266,910 GJ
Total indirect energy consumption (breakdown)	41,462,199 GJ
Non-renewable energy	26,561,912 GJ
Renewable energy (including environmental value)	14,900,287 GJ
Raw material inputs (domestic Group)	
Raw material inputs total (breakdown)	1,541,005 t
Metals, resins, etc. (purchased materials)	1,537,275 t
Chemical substances (PRTR* ¹ reportable substances handled)	3,730 t
Water resource input volume (global)	
Total input volume (breakdown)	13,029,393 m ³
Industrial water	7,200,801 m ³
Public water supply	3,348,502 m ³
Groundwater	2,480,090 m ³



Recyclable resources
470,131 t
Recycling rate
98.4 %

OUTPUT (Volume of emissions)

Greenhouse gases (global)	
<Production>	
Total emissions (breakdown)	1,697,480 t-CO ₂
Carbon dioxide (CO ₂)	1,693,700 t-CO ₂
Sulfur hexafluoride (SF ₆)* ²	3,780 t-CO ₂
Waste (domestic Group)	
Total waste discharge	477,543 t
Total industrial waste discharge	174,451 t
Final waste treatment volume (direct landfill waste)	2,211 t
Chemical substances (domestic Group)	
PRTR emissions	396 t
Total wastewater discharge (domestic Group)	
Public water areas	5,859,307 m ³

*1 Pollutant Release and Transfer Register (PRTR): a system under which businesses themselves track the amounts of hazardous chemicals they release from their sites into the environment (air, water, soil) or transfer offsite in waste and report them to the government, which compiles and publishes the release and transfer amounts based on the reported data

*2 Sulfur hexafluoride (SF₆): a greenhouse gas with a global warming potential 22,800 times that of CO₂

Greenhouse gases (consolidated)

Greenhouse gas emissions

Calculation method

Total CO₂ emissions = $\sum$ (fuel consumption × CO₂ emission factor) + $\sum$ (purchased electricity × CO₂ emission factor)

CO₂ emission factor

[Emissions for FY2020–FY2026]

Japan

Fuel

Emission factors based on IPCC 2006, 2006 IPCC Guidelines for National Greenhouse Gas Inventories

* For city gas, the coefficient specified in the Act on the Promotion of Measures to Cope with Global Warming (Japan) is used

Purchased electricity

Adjusted emission factors by electric utility provider published by the ministry of the environment and the ministry of economy, trade and industry

(2021: FY2021, 2022: FY2022, 2023: FY2023, 2024: FY2024, 2025: FY2025)

**Overseas****Fuel** Emission factors based on IPCC 2006, 2006 IPCC guidelines for national greenhouse gas inventories**Purchased electricity** Emission factors based on IEA: CO₂ emissions from fuel combustion
(FY2022: IEA 2019, 2021 edition; FY2023: IEA 2020, 2022 edition; FY2024: IEA 2021, 2023 edition; FY2025: IEA 2022, 2024 edition; FY2026: IEA 2023, 2025 edition)

Global warming potential (GWP) values are those specified in the Act on the Promotion of Measures to Cope with Global Warming (Japan)

Total scope 1, 2, and 3(t-CO₂e)

FY2022	FY2023	FY2024	FY2025	FY2026
25,530,744	24,088,622	25,224,731	23,596,868	24,087,189

CO₂ emissions from manufacturing(t-CO₂e)

Item	FY2022	FY2023	FY2024	FY2025	FY2026
Scope 1	602,011	533,137	525,133	491,009	475,460
Scope 2	1,963,240	1,745,595	1,755,040	1,657,897	1,218,240
Total	2,565,251	2,278,732	2,280,173	2,148,906	1,693,700

Supply chain emissions (Scope 3)(t-CO₂e)

Item	FY2022	FY2023	FY2024	FY2025	FY2026
1. Purchased products and services	11,373,619	10,736,420	11,177,441	11,022,068	11,545,813
2. Capital goods	752,442	761,807	791,314	769,659	775,210
3. Fuel and energy-related activities not included in Scope 1 and 2	409,028	361,030	348,710	328,008	264,606
4. Transportation and distribution (upstream)	608,026	669,230	689,386	554,313	548,421
5. Waste generated from operations	54,752	53,040	58,472	55,266	58,255
6. Business travel	11,552	13,814	16,149	17,735	14,728
7. Employee commutation	37,080	32,963	36,868	51,288	41,481
8. Leased assets (upstream)	—	—	—	—	—
9. Transportation and distribution (downstream)	158,884	168,284	175,895	192,164	204,402

(t-CO₂e)

Item	FY2022	FY2023	FY2024	FY2025	FY2026
10. Processing of sold products	492,297	517,713	379,242	311,603	254,450
11. Use of products sold	8,814,825	8,230,378	9,042,565	7,967,008	8,411,219
12. End-of-life handling of products sold	29,558	29,261	29,789	21,936	157,345
13. Leased assets (downstream)	—	—	—	—	—
14. Franchising	—	—	—	—	—
15. Investments	150,733	167,752	127,995	95,071	72,484
Total	22,892,795	21,741,694	22,873,825	21,386,118	22,348,414

Greenhouse gas reduction targets certified by SBTi

Scope	FY2031 target (vs. FY2020)
Scope 1 & 2	46.2% reduction
Scope 3 (categories 1 & 11)	27.5% reduction

Progress toward targets

In November 2023, Aisin received certification from the science-based targets initiative (SBTi) confirming that its Scope 1 and 2 reduction targets align with the 1.5°C pathway. Alongside this certification, the company also received approval confirming that its reduction targets for Scope 3 emissions intensity in categories 1 and 11 align with the Well Below 2°C pathway.

Reduction rate (%) compared to base fiscal year (FY2020)

Item	FY2022	FY2023	FY2024	FY2025	FY2026
Scope 1 & 2	5.1	15.6	15.4	20.5	37.4
Scope 3 (categories 1 & 11)	0.1	6.2	0.0	6.1	1.3

Environmental management

Number of companies with ISO 14001 certification and certification rate

(companies)

	Aisin Corporation
Item	FY2026
Number of production companies*	127
Number of acquired companies*	115
Percentage of companies acquired (%)	91

* Excludes companies operating for less than three years since production start

Number of environmental incidents and agreement value exceedances

(incidents)

	Aisin Corporation				
Item	FY2022	FY2023	FY2024	FY2025	FY2026
Regulatory violations, exceeding agreed values	0	0	0	0	0
Environmental incidents	1 ^{*1}	0	0	1 ^{*12}	1 ^{*16}

	Domestic and overseas Group companies				
Item	FY2022	FY2023	FY2024	FY2025	FY2026
Regulatory violations, exceeding agreed values	2 ^{*2,*3}	1 ^{*5}	3 ^{*6,*7,*8}	1 ^{*13}	2 ^{*17,*18}
Environmental incidents	2 ^{*1,*4}	0	3 ^{*9,*10,*11}	3 ^{*12,*14,*15}	1 ^{*16}

*1 Aisin Corporation (ATF spill)

*2 Shiroki industries (exceeded agreed value for zinc)

*3 Anqing Art Tp Piston (exceeded COD standards)

*4 Konan Industries (light oil spill)

*5 Aichigiken (exceeded BOD standard)

*6 Guangzhou Shiroki Corp. (exceeded phosphorus standard)

*7 Aisin Kyushu Casting (exceeded NOx standard)

*8 Aisin Shiroki (exceeded standard for normal-hexane extracts)

*9 Aisin Shiroki (heavy oil spill)

*10 Aisin Autoparts Thailand (oil-containing wastewater spill)

*11 Aisin Metaltech (bonding wastewater spill)

*12 Aisin Corporation (domestic wastewater overflow causing offsite discharge)

*13 Aisin Fukui (domestic wastewater BOD exceeding agreed value)

*14 Aisin Chemical (offsite discharge of rainwater with pH exceeding standard)

*15 ADVICS Manufacturing Mexico (offsite discharge of acidic waste liquid)

*16 Aisin Corporation (offsite discharge of undried paint together with rainwater)

*17 TOYOTA AISIN PHILIPPINES (exceeded coliform count standard)

*18 Aisin Fukui (improper disposal of fluorocarbon-containing equipment and fluorocarbon leakage)

**Environmental audit (conducted by departments charged with environmental management)**

	Aisin Corporation				
Item	FY2022	FY2023	FY2024	FY2025	FY2026
Number of sites audited	37	37	37	38	39
Number of items identified as needing improvement	2	0	3	0	1
Number of internal auditors	1,385	1,132	1,412	1,508	1,656
Number of auditor training sessions	4	11	10	11	11

	Domestic Group companies: 49 (FY2022: 50 companies, FY2023: 56 companies, FY2024: 52 companies, FY2025: 51 companies)				
Item	FY2022	FY2023	FY2024	FY2025	FY2026
Number of sites audited	158	146	169	139	154
Number of items identified as needing improvement	418	313	369	269	409
Number of internal auditors	3,265	3,034	3,510	3,799	3,874
Number of auditor training sessions	28	34	42	52	46

Energy

Calorific value conversion for each energy source uses coefficients specified in the Enforcement Regulations of the Law Concerning the Rational Use of Energy.

Total direct energy consumption

(GJ)

		Aisin Corporation				
Item		FY2022	FY2023	FY2024	FY2025	FY2026
Total direct energy consumption		2,864,497	2,407,608	1,984,274	1,726,453	1,662,801
Breakdown by type	Coal products (anthracite, coke, etc.)	0	0	0	0	0
	Natural gas	2,581,144	2,139,133	1,708,647	1,480,609	1,447,247
	Petroleum products (gasoline, diesel oil, LPG, etc.)	283,353	268,475	275,627	245,844	215,554

		Consolidated (manufacturing)				
Item		FY2022	FY2023	FY2024	FY2025	FY2026
Total direct energy consumption		11,106,260	9,926,621	9,600,137	8,937,576	8,608,173
Breakdown by type	Coal products (anthracite, coke, etc.)	1,387,412	1,166,380	1,307,785	1,313,370	1,294,203
	Natural gas	8,230,803	7,377,476	6,965,737	6,344,657	6,047,060
	Petroleum products (gasoline, diesel oil, LPG, etc.)	1,488,045	1,382,765	1,326,614	1,279,549	1,266,910



Indirect energy consumption

(GJ)

		Aisin Corporation				
Item		FY2022	FY2023	FY2024	FY2025	FY2026
Total indirect energy consumption		10,172,084	9,368,381	9,385,821	8,599,433	7,849,481
Breakdown by type	Non-renewable energy	10,146,855	6,134,185	7,096,447	7,464,069	638,837
	Non-renewable energy ratio (%)	99.8	65.5	75.6	86.8	8.1
	Renewable energy (including environmental value)	25,230	3,234,196	2,289,374	1,135,364	7,210,644
	Renewable energy ratio (%)	0.2	34.5	24.4	13.2	91.9

		Consolidated (manufacturing)				
Item		FY2022	FY2023	FY2024	FY2025	FY2026
Total indirect energy consumption		45,593,817	44,243,491	44,338,981	42,248,241	41,462,199
Breakdown by type	Non-renewable energy	43,925,754	38,034,800	36,169,130	35,638,882	26,561,912
	Non-renewable energy ratio (%)	96.3	86.0	81.6	84.4	64.1
	Renewable energy (including environmental value)	1,668,063	6,208,691	8,169,851	6,609,359	14,900,287
	Renewable energy ratio (%)	3.7	14.0	18.4	15.6	35.9



Chemical substances

(t)

	Aisin Corporation				
Item	FY2022	FY2023	FY2024	FY2025	FY2026
PRTR emissions	391	239	204	206	261

	Domestic Group companies: 49 (FY2022: 50 companies, FY2023: 56 companies, FY2024: 52 companies, FY2025: 51 companies)				
Item	FY2022	FY2023	FY2024	FY2025	FY2026
PRTR emissions	537	343	358	417	396

Raw materials input

(t)

		Aisin Corporation				
	Item	FY2022	FY2023	FY2024	FY2025	FY2026
Total raw materials input		798,729	741,301	924,037	858,981	936,097
Breakdown by type	Metals, resins, etc. (purchased materials)	798,338	741,075	923,686	858,655	934,747
	Chemical substances (PRTR reportable substance handling volume)	391	226	351	326	1,350

* Increase due to the integration of the former Aisin Chemical

		Domestic Group companies: 49 (FY2022: 50 companies, FY2023: 56 companies, FY2024: 52 companies, FY2025: 51 companies)				
	Item	FY2022	FY2023	FY2024	FY2025	FY2026
Total raw materials input		1,504,520	1,424,355	1,605,489	1,527,092	1,541,005
Breakdown by type	Metals, resins, etc. (purchased materials)	1,503,174	1,423,623	1,601,733	1,523,521	1,537,275
	Chemical substances (PRTR reportable substance handling volume)	1,346	733	3,756	3,571	3,730

Waste & recycling

(t)

		Aisin Corporation				
Item		FY2022	FY2023	FY2024	FY2025	FY2026
Waste and recyclable materials	Total waste discharge	128,004	127,454	121,935	112,270	116,050
	Recycled resources (recycling) volume	127,584	126,912	119,412	110,213	115,498
	Recycling rate (%)	99.7	99.6	97.9	98.2	99.5
	Final waste treatment volume	15.3	0.2	0.4	0.5	56.5*
Industrial waste	Total waste discharge	9,940	9,303	9,191	8,273	11,519
	Recycled resources (recycling) volume	9,521	8,762	6,668	6,216	10,967
	Recycling rate (%)	95.8	94.2	72.5	75.1	95.2
	Final waste treatment volume	15.3	0.2	0.4	0.5	56.5*

* Increase due to the demolition of buildings at the Shintojo and Fujioka Plants

		Domestic Group companies: 49 (FY2022: 50 companies, FY2023: 56 companies, FY2024: 52 companies, FY2025: 51 companies)				
Item		FY2022	FY2023	FY2024	FY2025	FY2026
Waste and recyclable materials	Total waste discharge	444,466	417,436	483,885	423,209	477,527
	Recycled resources (recycling) volume	433,710	408,810	472,496	415,085	470,133
	Recycling rate (%)	97.6	97.9	97.6	98.1	98.5
	Final waste treatment volume	2,663.3	2,322.9	3,039.6	2,111.9	2,211.5
Industrial waste	Total waste discharge	160,314	144,912	163,520	140,980	174,435
	Recycled resources (recycling) volume	149,557	136,286	152,132	132,856	167,041
	Recycling rate (%)	93.3	94.0	93.0	94.2	95.8
	Final waste treatment volume	2,663.3	2,322.9	3,039.6	2,111.9	2,211.5



Water

Water resource input volume

(m³)

		Aisin Corporation				
Item		FY2022	FY2023	FY2024	FY2025	FY2026
Total input volume		3,759,825	3,179,841	3,337,982	2,956,178	2,964,915
Breakdown by type	Public water supply	863,809	634,353	597,423	587,941	609,899
	Industrial water	2,350,054	1,944,084	1,938,072	1,786,936	1,815,958
	Groundwater	545,962	601,404	802,487	581,301	539,058

		Consolidated				
Item		FY2022	FY2023	FY2024	FY2025	FY2026
Total input volume		15,050,599	14,015,795	14,119,698	13,126,934	13,029,393
Breakdown by type	Public water supply	3,770,163	3,460,834	3,405,758	3,168,517	3,348,502
	Industrial water	8,610,289	7,937,978	8,009,387	7,457,756	7,200,801
	Groundwater	2,670,147	2,616,984	2,704,552	2,500,661	2,480,090

Total discharge volume

(m³)

		Aisin Corporation				
Item		FY2022	FY2023	FY2024	FY2025	FY2026
Public water areas		3,353,633	2,941,031	2,848,780	2,341,248	2,318,227

		Domestic Group companies: 49 (FY2022: 50 companies, FY2023: 56 companies, FY2024: 52 companies, FY2025: 51 companies)				
Item		FY2022	FY2023	FY2024	FY2025	FY2026
Public water areas		7,208,541	6,579,416	6,544,203	5,934,957	5,859,307



Transportation

Calorific values for each energy source are converted using the coefficients specified in the Law Concerning the Rational Use of Energy.

CO₂ emissions from transportation

(t-CO₂)

	Aisin Corporation				
Item	FY2022	FY2023	FY2024	FY2025	FY2026
Total waste discharge	26,909	26,483	26,143	26,054	25,830

	Domestic Group companies: 49 (FY2022: 50 companies, FY2023: 56 companies, FY2024: 52 companies, FY2025: 51 companies)				
Item	FY2022	FY2023	FY2024	FY2025	FY2026
Total waste discharge	89,691	86,823	86,077	84,075	82,604

Emissions data by plant

“Water quality”

Units: pH (none), E. coli (cells/cc), dioxins (pg-TEQ/l), others (mg/l), { } (daily average), — (not set), ND (below detection limit)

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

If measured only once, the value is listed 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

“Atmosphere”

Units: particulates (g/Nm³), NOx (ppm), SOx (k value), hydrogen chloride (mg/Nm³), dioxins (ng-TEQ/Nm³)

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

Measured value: the maximum value recorded (if multiple facilities exist, the value for the facility with the most stringent regulatory limit is presented)

“PRTR act handling volume and discharge/transfer volume”

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

Handling volume: excludes volumes below 1000kg/year (500 kg/year for specified Class 1 substances)

[Kariya district](#)
[Handa district](#)
[Anjo Plant](#)
[Shinkawa Plant](#)
[Shintoyo Plant](#)
[Ogawa Plant](#)
[Nishio district](#)
[Kinuura Plant](#)
[Anjo district](#)
[Okazaki district](#)
[Okazaki East Plant](#)
[Gamagori Plant](#)
[Kira Plant](#)
[Shiroyama Plant](#)
[Tahara Plant](#)
[Fujioka Plant](#)



Kariya district

Water quality (prototype plant / technical development research institute)

Assessed factor	Regulatory limit	Aisin standard	Measured value		
			Minimum	Average	Maximum
pH	5.8-8.6	5.8-8.6	7	7.4	8
COD	25{20}	20	1.3	1.5	4.2
BOD	25{20}	20	ND	1.5	7.2
SS	30{20}	20	ND	0.4	1
Oil content	5	2	ND	0.2	0.3
E. coli	800	720	ND	1	1
Total nitrogen (N)	120{60}	15	3.4	5.3	7.0
Total phosphorus (P)	16{8}	1	0.01	0.02	0.03
Iron (Fe)	5	2	ND	ND	ND
Manganese (Mn)	10	2	ND	ND	ND
Zinc (Zn)	2	1	0.04	0.06	0.09
Copper (Cu)	1	0.5	ND	ND	ND
1,4-dioxane	0.5	ND	ND	ND	ND
Fluorine (F)	8	5	ND	0.1	0.1
Boron (B)	10	8	ND	ND	ND



Atmosphere (excluding facilities owned by ADVICS)

Assessed factor	Equipment	Regulatory limit	Aisin standard	Measured value
Particulates	Boiler	0.2	0.1	<0.003
	Gas engine	0.05	0.04	<0.006
	Water heaters and coolers	0.1	0.08	<0.002
SOx	Boiler	1.75	1.4	<0.05
	Gas engine	1.75	1.4	<0.3
	Water heaters and coolers	1.75	1.4	<0.007
NOx	Boiler	—	150	27
	Gas engine	200	180	180
	Water heaters and coolers	150	120	32



Handa district (Handa Plant, Handa Electronics Plant)

Water quality

Assessed factor	Regulatory limit	Aisin standard	Measured value		
			Minimum	Average	Maximum
pH	5.0-9.0	6.0-8.0	6.7	7.3	8
COD	15	10	1.2	2.9	4.7
BOD	15	10	0.8	2.7	7.5
SS	15	10	ND	0.2	0.9
Oil content	2	2	ND	0.2	0.3
E. coli	800	720	ND	1	1
Total nitrogen (N)	120{60}	15	1.5	3.2	4.3
Total phosphorus (P)	16{8}	2	0.02	0.03	0.04
Iron (Fe)	0.5	0.5	ND	0.1	0.1
Manganese (Mn)	10	0.5	ND	ND	ND
Zinc (Zn)	2	1	ND	0.04	0.06
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

Atmosphere

Assessed factor	Equipment	Regulatory limit	Aisin standard	Measured value
Particulates	Boiler	0.1	0.08	<0.002
	Water heaters and coolers	0.1	0.08	<0.003
SOx	Boiler	1.75	1.5	<0.005
	Water heaters and coolers	1.75	1.5	<0.09
NOx	Boiler	150	120	42
	Water heaters and coolers	150	120	25

PRTR act handling volume and discharge/transfer volume

Chemical substance	Amount handled	Amount released		Amount transferred	
		To the atmosphere	To public waterways	To sewers	Elsewhere
Silver and its water-soluble compounds	1,300	0	0	0	0
Methylenebis (4,1-phenylene) = Diisocyanate	2,400	0	0	0	0.7

Anjo Plant (Enokimae)

Water quality

Assessed factor	Regulatory limit	Aisin standard	Measured value		
			Minimum	Average	Maximum
pH	—	5.8-8.6	6.4	7.5	7.9
COD	—	10	ND	3.2	5.5
BOD	—	10	ND	0.9	3.3
SS	—	10	ND	0.3	2.7
Oil content	—	1.6	ND	0.2	0.3
E. coli	—	720	ND	ND	ND
Total nitrogen (N)	—	10	1.5	3.6	6
Total phosphorus (P)	—	1	0.01	0.14	0.29
Iron (Fe)	—	3	ND	ND	ND
Manganese (Mn)	—	3	ND	ND	ND
Zinc (Zn)	—	1	0.1	0.36	0.91
Copper (Cu)	—	3	ND	ND	ND
1,4-dioxane	0.5	ND	ND	ND	ND
Fluorine (F)	8	2	ND	ND	ND
Boron (B)	10	8	ND	0.1	0.2



Shinkawa Plant

Water quality

Assessed factor	Regulatory limit	Aisin standard	Measured value		
			Minimum	Average	Maximum
pH	—	5.8-8.6	6.7	7.6	8.3
COD	—	20	ND	0.7	7.2
BOD	—	20	ND	0.6	1.2
SS	—	20	ND	0.1	0.5
Oil content	—	3	ND	0.2	0.5
E. coli	—	720	ND	ND	ND
Total nitrogen (N)	—	30	ND	0.3	0.7
Total phosphorus (P)	—	3	ND	0.01	0.03
Iron (Fe)	—	2	ND	ND	ND
Manganese (Mn)	—	2	ND	ND	ND
Zinc (Zn)	—	1	ND	0.01	0.05
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

Assessed factor	Regulatory limit	Aisin standard	Measured value		
			Minimum	Average	Maximum
pH	Not applicable: All wastewater is treated at Aisin Takaoka's wastewater treatment facility	Not applicable: All wastewater is treated at Aisin Takaoka's wastewater treatment facility			
COD					
BOD					
SS					
Oil content					
E. coli					
Total nitrogen (N)					
Total phosphorus (P)					
Iron (Fe)					
Manganese (Mn)					
Zinc (Zn)					
Copper (Cu)					
1,4-dioxane					
Fluorine (F)					
Boron (B)					

Atmosphere

Assessed factor	Equipment	Regulatory limit	Aisin standard	Measured value
Particulates	Boiler	0.1	0.08	<0.002
	Gas carburizing furnace	0.2	0.16	<0.002
	Electric heating furnace	0.2	0.16	<0.002
	Drying furnace	0.4	0.32	<0.002
SOx	Boiler	9	7	<0.07
	Gas carburizing furnace	9	7	<0.02
	Electric heating furnace	—	—	—
	Drying furnace	9	7	<0.09
NOx	Boiler	—	150	40
	Gas carburizing furnace	200	160	<3
	Electric heating furnace	—	—	—
	Drying furnace	—	180	<3

PRTR act handling volume and discharge/transfer volume

Chemical substance	Amount handled	Amount released		Amount transferred	
		To the atmosphere	To public waterways	To sewers	Elsewhere
Di-2-ethylhexyl adipate	1,700	0	0	0	0
Sulfide (2,4,4-trimethylpentene)	13,000	0	0	0	13,000



Ogawa Plant

Water quality

Assessed factor	Regulatory limit	Aisin standard	Measured value		
			Minimum	Average	Maximum
pH	5.8-8.6	6.5-8.5	6.6	7.5	8
COD	25{20}	10	ND	1.1	4.5
BOD	10	10	ND	0.9	3.1
SS	10	10	ND	0.2	0.7
Oil content	2	2	ND	0.2	0.3
E. coli	80	70	ND	ND	ND
Total nitrogen (N)	120{60}	30	4.8	8.1	13
Total phosphorus (P)	16{8}	3	0.15	0.48	0.89
Iron (Fe)	2	2	ND	0.1	0.3
Manganese (Mn)	2	2	ND	ND	ND
Zinc (Zn)	2	1	0.02	0.05	0.07
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	0.1	0.2



Atmosphere

Assessed factor	Equipment	Regulatory limit	Aisin standard	Measured value
Particulates	Boiler	0.1	0.08	<0.002
	Heating furnace (electric)	0.2	0.16	<0.002
	Adhered oil treatment (ordinance)	0.3	0.24	0.004
SOx	Boiler	3	2.4	<0.008
	Heating furnace (electric)	3	2.4	<0.02
	Adhered oil treatment (ordinance)	3	2.4	<0.02
NOx	Boiler	—	120	27
	Heating furnace (electric)	180	180	150
	Adhered oil treatment (ordinance)	—	180	14

PRTR act handling volume and discharge/transfer volume

Chemical substance	Amount handled	Amount released		Amount transferred	
		To the atmosphere	To public waterways	To sewers	Elsewhere
Water-soluble zinc compounds	1,700	0	4.5	0	1,700
Nickel compounds	2,500	0	0.1	0	150
Cyclohexane	4,000	4,000	0	0	0
Heptane	8,200	8,200	0	0	0
Sulfide (2,4,4-trimethylpentene)	2,400	0	0	0	330



Nishio district (Nishio Die Casting Plant, Nishio Engine Plant, machine tool plant)

Water quality

Assessed factor	Regulatory limit	Aisin standard	Measured value		
			Minimum	Average	Maximum
pH	5.8-8.6	5.8-8.6	6.7	7.2	7.9
COD	10	10	1.1	2.3	3.9
BOD	10	10	ND	1.1	3.2
SS	10	10	ND	0.2	0.8
Oil content	2{1}	2	ND	0.2	0.4
E. coli	100	90	ND	ND	ND
Total nitrogen (N)	10	10	1.4	1.8	2.8
Total phosphorus (P)	1	1	ND	0.02	0.03
Iron (Fe)	3	3	ND	ND	ND
Manganese (Mn)	3	3	ND	ND	ND
Zinc (Zn)	1	1	ND	0.03	0.06
Copper (Cu)	0.5	0.5	ND	0.01	0.01
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



Atmosphere

Assessed factor	Equipment	Regulatory limit	Aisin standard	Measured value
Particulates	Boiler	—	0.1	<0.003
	Melting furnace	0.2	0.16	0.084
	Heating furnace	0.2	0.16	<0.002
	Waste incinerator	0.05	0.04	<0.004
	Melting furnace (ordinance)	0.4	0.32	0.0038
	Heating furnace (ordinance)	0.4	0.32	<0.002
SOx	Boiler	3	3	<0.07
	Melting furnace	3	3	<0.6
	Heating furnace	3	3	<0.02
	Waste incinerator	3	3	1
	Melting furnace (ordinance)	3	3	<0.05
	Heating furnace (ordinance)	3	3	<0.02
NOx	Boiler	—	150	42
	Melting furnace	180	140	58
	Heating furnace	180	140	55
	Waste incinerator	150	120	75
	Melting furnace (ordinance)	—	140	38
	Heating furnace (ordinance)	—	140	49
HCl	Waste incinerator	150	120	23
Total mercury	Waste incinerator	50	40	0.82



PRTR act handling volume and discharge/transfer volume

Chemical substance	Amount handled	Amount released		Amount transferred	
		To the atmosphere	To public waterways	To sewers	Elsewhere
Nickel	1,200	0	2.3	0	26
Diethanolamine	1,800	0	0	0	1,800
Diethylene glycol monobutyl ether	1,200	0	0	0	1,200
Heptane	1,100	1,100	0	0	0
Mercury	—	0	0	0	0
Dioxin	—	100	0	0	0



Kinuura Plant

Water quality

Assessed factor	Regulatory limit	Aisin standard	Measured value		
			Minimum	Average	Maximum
pH	5.8-8.6	6.0-8.6	6.8	7.2	7.5
COD	40{30}	10	ND	2.9	4.4
BOD	20{15}	10	ND	0.6	1.5
SS	25{20}	10	ND	0.1	0.2
Oil content	10	5	ND	0.2	0.4
E. coli	800	720	ND	ND	ND
Total nitrogen (N)	120{60}	20	2.3	4.4	6.7
Total phosphorus (P)	16{8}	1	0.07	0.18	0.37
Iron (Fe)	Not applicable: all process wastewater is treated at Aisin Sin'ei's wastewater treatment facility				
Zinc (Zn)					
Copper (Cu)					
Fluorine (F)					
Boron (B)					

Atmosphere

Assessed factor	Equipment	Regulatory limit	Aisin standard	Measured value
Particulates	Boiler	—	0.08	<0.003
SOx		1.17	0.9	<0.005
NOx		—	150	35



PRTR act handling volume and discharge/transfer volume

Chemical substance	Amount handled	Amount released		Amount transferred	
		To the atmosphere	To public waterways	To sewers	Elsewhere
Indium	3,600	0	0	0	0
Ethylbenzene	14,000	7,800	0	0	0
Xylene	14,000	8,300	0	0	0
Toluene	44,000	18,000	0	0	0
Methylene bis (4,1-phenylene) diisocyanate	1,100	0	0	0	0
Trimethylbenzene	7,400	7,400	0	0	0
Methyl isobutyl ketone	1,400	1,400	0	0	0



Anjo district (plant 1, plant 2, motor plant)

Water quality

Assessed factor	Regulatory limit	Aisin standard	Measured value		
			Minimum	Average	Maximum
pH	5.8-8.6	6.1-7.9	7.0	7.3	7.6
COD	10	9	ND	2.9	5.7
BOD	10	9	ND	0.6	1.4
SS	10	9	ND	ND	ND
Oil content	2	1.8	ND	ND	ND
E. coli	80	70	ND	ND	ND
Total nitrogen (N)	10	9	0.2	1.4	3.6
Total phosphorus (P)	1	0.9	0.09	0.23	0.49
Iron (Fe)	3	2.7	ND	ND	ND
Manganese (Mn)	3	2.7	ND	ND	ND
Zinc (Zn)	1	0.9	ND	0.02	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



Atmosphere

Assessed factor	Equipment	Regulatory limit	Aisin standard	Measured value
Particulates	Boiler	—	0.24	0.003
	Water heaters and coolers	0.1	0.08	0.002
	Heating furnace	0.2	0.16	0.0036
SOx	Boiler	15	3	—
	Water heaters and coolers	15	3	—
	Heating furnace	15	3	—
NOx	Boiler	—	—	—
	Water heaters and coolers	150	120	35
	Heating furnace	130	130	100



PRTR act handling volume and discharge/transfer volume

Chemical substance	Amount handled	Amount released		Amount transferred	
		To the atmosphere	To public waterways	To sewers	Elsewhere
Xylene	3,200	0.1	0	0	0
N,N-dicyclohexylamine	3,000	0	0	0	3,000
Toluene	11,000	1.8	0	0	0
Hexane	1,300	1.2	0	0	0
Chlorinated straight-chain paraffins (limited to those with carbon numbers 14 to 17 and their mixtures)	20,000	0	0	0	20,000
Diethanolamine	4,500	0	0	0	4,500
Trimethylbenzene	3,300	0	0	0	0
Heptane	4,900	4,900	0	0	0
Sulfide (2,4,4-trimethylpentene)	12,000	0	0	0	12,000



Okazaki district (Okazaki Plant, Okazaki electronics Plant)

Water quality

Assessed factor	Regulatory limit	Aisin standard	Measured value		
			Minimum	Average	Maximum
pH	5.8-8.6	5.9-8.5	7.1	7.5	7.8
COD	10	9	2.8	3.8	6.5
BOD	10	9	ND	0.6	1.7
SS	10	9	ND	1.1	3
Oil content	2	1.8	ND	0.5	0.6
E. coli	90	80	ND	ND	ND
Total nitrogen (N)	10	9	0.5	1.4	6.3
Total phosphorus (P)	1	0.9	0.21	0.32	0.61
Iron (Fe)	3	2.7	ND	ND	ND
Manganese (Mn)	3	2.7	ND	ND	ND
Zinc (Zn)	1	0.9	0.02	0.1	0.49
Copper (Cu)	0.5	0.45	ND	ND	ND
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

Atmosphere

Assessed factor	Equipment	Regulatory limit	Aisin standard	Measured value
Particulates	Boiler	0.1	0.08	0.001
	Heating furnace	0.1	0.08	<0.002
SOx	Boiler	7.59	6.83	—
	Heating furnace	7.59	6.83	<0.05
NOx	Boiler	—	—	—
	Heating furnace	130	130	82

PRTR act handling volume and discharge/transfer volume

Chemical substance	Amount handled	Amount released		Amount transferred	
		To the atmosphere	To public waterways	To sewers	Elsewhere
N,N-dicyclohexylamine	1,400	0	0	0	1,400
Diethanolamine	2,500	0	0	0	2,500
Triisopropanolamine	3,500	0	0	0	3,500
Heptane	12,000	12,000	0	0	0
Sulfide (2,4,4-trimethylpentene)	1,200	0	0	0	1,200



Okazaki East Plant

Water quality

Assessed factor	Regulatory limit	Aisin standard	Measured value		
			Minimum	Average	Maximum
pH	5.8-8.6	5.9-8.5	7.0	7.3	7.6
COD	10	9	0.6	3.0	5.6
BOD	10	9	ND	0.8	4.7
SS	10	9	ND	1.0	1.0
Oil content	2	1.8	ND	0.5	0.6
E. coli	90	80	ND	ND	ND
Total nitrogen (N)	10	9	0.6	1.3	3.8
Total phosphorus (P)	1	0.9	0.01	0.06	0.17
Iron (Fe)	3	2.7	ND	ND	ND
Manganese (Mn)	3	2.7	ND	ND	ND
Zinc (Zn)	1	0.9	0.01	0.03	0.05
Copper (Cu)	0.5	0.45	ND	ND	ND
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

Atmosphere

Assessed factor	Equipment	Regulatory limit	Aisin standard	Measured value
Particulates	Boiler	0.1	0.08	0.003
	Heating furnace	0.1	0.08	<0.002
SOx	Boiler	7.59	6.1	—
	Heating furnace	7.59	6.1	<0.09
NOx	Boiler	—	—	—
	Heating furnace	150	150	100

PRTR act handling volume and discharge/transfer volume

Chemical substance	Amount handled	Amount released		Amount transferred	
		To the atmosphere	To public waterways	To sewers	Elsewhere
N,N-dicyclohexylamine	2,200	0	0	0	2,200
Styrene	4,300	3,200	0	0	1,100
Diethanolamine	1,800	0	0	0	1,800
Heptane	11,000	11,000	0	0	0
Sulfide (2,4,4-trimethylpentene)	3,800	0	0	0	3,800



Gamagori Plant

Water quality

Assessed factor	Regulatory limit	Aisin standard	Measured value		
			Minimum	Average	Maximum
pH	5.8-8.6	5.9-8.5	6.4	7.2	7.9
COD	—	22.5{18}	1.0	1.6	3.6
BOD	25{20}	22.5{18}	ND	0.7	2.0
SS	30{20}	27{18}	ND	ND	ND
Oil content	2	1.8	ND	ND	ND
E. coli	800	720	ND	ND	ND
Total nitrogen (N)	120{60}	108{54}	0.7	2.9	5.5
Total phosphorus (P)	16{8}	14.4{7.2}	ND	0.03	0.05
Iron (Fe)	10	9	ND	ND	ND
Manganese (Mn)	10	9	ND	0.1	0.2
Zinc (Zn)	2	1.8	0.01	0.03	0.07
Copper (Cu)	1	0.9	ND	ND	ND
1,4-dioxane	0.5	0.3	ND	ND	ND
Fluorine (F)	3	8	ND	ND	ND
Boron (B)	10	6	ND	ND	ND



Atmosphere

Assessed factor	Equipment	Regulatory limit	Aisin standard	Measured value
Particulates	Boiler	0.3	0.24	<0.002
	Water heaters and coolers	0.3	0.24	<0.002
SOx	Boiler	7.59	6.83	—
	Water heaters and coolers	7.59	6.83	—
NOx	Boiler	—	—	—
	Water heaters and coolers	144	130	84

PRTR act handling volume and discharge/transfer volume

Chemical substance	Amount handled	Amount released		Amount transferred	
		To the atmosphere	To public waterways	To sewers	Elsewhere
Methylnaphthalene	2,800	0	0	0	0



Kira Plant

Water quality

Assessed factor	Regulatory limit	Aisin standard	Measured value		
			Minimum	Average	Maximum
pH	5.8-8.6	5.9-8.5	7.1	7.5	8.1
COD	10	9	ND	0.9	2.3
BOD	10	9	ND	0.6	1.1
SS	10	9	ND	ND	ND
Oil content	2	1.8	ND	ND	ND
E. coli	300	270	ND	ND	ND
Total nitrogen (N)	10	9	0.7	2.1	3.5
Total phosphorus (P)	1	0.9	0.01	0.07	0.17
Iron (Fe)	3	2.7	ND	ND	ND
Manganese (Mn)	3	2.7	ND	ND	ND
Zinc (Zn)	1	0.9	ND	0.02	0.15
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



Atmosphere

Assessed factor	Equipment	Regulatory limit	Aisin standard	Measured value
Particulates	Boiler	—	—	0.0052
SOx		3	2.4	0.064
NOx		—	—	89

PRTR act handling volume and discharge/transfer volume

Chemical substance	Amount handled	Amount released		Amount transferred	
		To the atmosphere	To public waterways	To sewers	Elsewhere
Triisopropanolamine	3,200	0	0	0	3,200
Heptane	1,100	1,100	0	0	0



Shiroyama Plant

Water quality

Assessed factor	Regulatory limit	Aisin standard	Measured value		
			Minimum	Average	Maximum
pH	5.8-8.6	5.9-8.5	6.6	6.8	7.1
COD	10	9	0.6	1.8	3.1
BOD	10	9	ND	0.7	1.4
SS	10	9	ND	ND	ND
Oil content	2	1.8	ND	ND	ND
E. coli	100	90	ND	ND	ND
Total nitrogen (N)	10	9	0.8	1.5	2.5
Total phosphorus (P)	1	0.9	ND	0.03	0.09
Iron (Fe)	3	2.7	ND	ND	ND
Manganese (Mn)	3	2.7	ND	0.1	0.2
Zinc (Zn)	1	0.9	ND	0.01	0.02
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	1.6	2.6	4.9

Atmosphere

Assessed factor	Equipment	Regulatory limit	Aisin standard	Measured value
Particulates	Boiler	—	—	0.02
	Heating furnace	0.2	0.15	<0.002
SOx	Boiler	3	2.4	0.17
	Heating furnace	3	2.4	<0.03
NOx	Boiler	—	—	100
	Heating furnace	180	180	72

PRTR act handling volume and discharge/transfer volume

Chemical substance	Amount handled	Amount released		Amount transferred	
		To the atmosphere	To public waterways	To sewers	Elsewhere
Methylnaphthalene	3,100	0	0	0	0
Diethanolamine	1,200	0	0	0	1,200



Tahara Plant

Water quality

Assessed factor	Regulatory limit	Aisin standard	Measured value		
			Minimum	Average	Maximum
pH	6.0-8.5	6.1-8.4	6.8	7.2	7.6
COD	20	18{13.5}	1.8	4.4	7.9
BOD	20	18	ND	0.5	1.2
SS	20{15}	18{13.5}	ND	1.0	2.0
Oil content	1	0.9	ND	ND	ND
E. coli	800	720	ND	ND	ND
Total nitrogen (N)	120{60}	108{54}	ND	1.2	2.3
Total phosphorus (P)	16{8}	14.4{7.2}	ND	0.15	0.74
Iron (Fe)	5	4.5	ND	0.1	0.1
Manganese (Mn)	5	4.5	ND	ND	ND
Zinc (Zn)	1	0.9	0.05	0.08	0.12
Copper (Cu)	0.5	0.45	ND	ND	ND
1,4-dioxane	0.5	0.3	ND	0.002	0.002
Fluorine (F)	7	4.2	ND	ND	ND
Boron (B)	230	138	0.2	0.4	0.8



Atmosphere

Assessed factor	Equipment	Regulatory limit	Aisin standard	Measured value
Particulates	Boiler	0.2	0.16	<0.001
	Water heaters and coolers	0.2	0.16	0.001
	Melting furnace	0.2	0.16	0.0059
	Melting furnace (ordinance)	0.4	0.16	0.0021
	Heating furnace	0.1	0.08	<0.002
SOx	Boiler	8.76	7	<0.01
	Water heaters and coolers	8.76	7	0.16
	Melting furnace	8.76	7	<0.02
	Heating furnace	8.76	7	<0.3
NOx	Boiler	160	128	35
	Water heaters and coolers	160	128	82
	Melting furnace	180	144	42
	Melting furnace (ordinance)	—	144	65
	Heating furnace	150	150	140



PRTR act handling volume and discharge/transfer volume

Chemical substance	Amount handled	Amount released		Amount transferred	
		To the atmosphere	To public waterways	To sewers	Elsewhere
N,N-dicyclohexylamine	3,400	0	0	0	3,400
Styrene	15,000	14,000	0	0	1,700
Boron compounds	1,000	0	140	0	870
Chlorinated straight-chain paraffins	7,200	0	0	0	7,200
Diethanolamine	1,200	0	0	0	1,200
Triisopropanolamine	1,100	0	0	0	1,100
Heptane	9,900	9,900	0	0	0
Sulfide (2,4,4-trimethylpentene)	1,200	0	0	0	1,200
Dioxins	—	1.9	0	0	0



Fujioka Plant

Water quality

Assessed factor	Regulatory limit	Aisin standard	Measured value		
			Minimum	Average	Maximum
pH	5.8-8.6	6.0-8.4	6.7	7.3	7.9
COD	160{120}	38.3	2.7	7.4	20
BOD	20	16	0.5	1.5	6
SS	20	16	1	2.7	6.0
Oil content	5	2	ND	0.6	0.6
E. coli	800	720	ND	ND	ND
Total nitrogen (N)	60{40}	32	0.57	8.9	22
Total phosphorus (P)	8{5}	3.5	0.04	0.35	1.7
Iron (Fe)	10	2	ND	ND	ND
Manganese (Mn)	10	5	ND	ND	ND
Zinc (Zn)	1	1	0.02	0.08	0.16
Copper (Cu)	3	0.2	ND	ND	ND
1,4-dioxane	0.05	0.05	ND	ND	ND
Fluorine (F)	0.8	0.8	ND	ND	ND
Boron (B)	1	1	ND	0.1	0.1



PRTR act handling volume and discharge/transfer volume

Chemical substance	Amount handled	Amount released		Amount transferred	
		To the atmosphere	To public waterways	To sewers	Elsewhere
2-Aminoethanol	11,000	0	0	0	1,300
Antimony and its compounds	95,000	0	0	0	7,400
Ethylbenzene	72,000	410	0	0	1,200
Xylene	73,000	360	0	0	1,200
Cresol	6,200	31	0	0	62
Diuron	17,000	0	0	0	170
Hexamethylene tetramine	79,000	0	0	0	310
Triethylamine	27,000	130	0	0	400
Toluene	210,000	3,000	0	0	4,200
Phenol	69,000	5,400	0	0	630
Boron compounds	1,200	0	0	0	17
Formaldehyde	1,400	55	0	0	15
Molybdenum and its compounds	16,000	0	0	0	1,200
Butyl cellosolve	380,000	18	0	0	24,000
Trimethylbenzene	5,500	330	0	0	91

7th Aisin Consolidated Environmental Action Plan (5-Year Results)

We have formulated a 7th edition of our AISIN Consolidated Environmental Action Plan, a five-year environmental action guideline and plan covering FY2022 through FY2026 that aims to realize “To the future, a sustainable environment” and build a society in harmony with nature where everyone can live with peace of mind in harmony with nature where everyone can live with peace of mind. By taking on these goals and initiatives and steadily working toward achieving them, we are connecting our environment with a sustainable future.

Building a decarbonized society

2050 vision Aiming for carbon neutrality

Broad initiatives	Implementation items & goals	Results	Score										
(1) Life cycle CO ₂ reduction	■ Building a foundation for CO₂ reduction spanning the product lifecycle material procurement to end-of-life treatment ● Establishing specific reduction measures throughout the supply chain	● Established priority categories and promoted roadmap creation and item prioritization/reduction activities within each working group ● Achieved SBTi certification for greenhouse gas emission targets (FY2024)	○										
(2) Reducing CO ₂ emissions through product design	■ Cutting emissions through product lifecycle assessment ● Developing components for clean energy vehicles (PHEV, BEV, FCEV) ● Developing fuel-efficient technologies around high-performance powertrains and through weight reduction, etc. ● Developing next-generation energy system components (fuel cell, biofuel use)	● Established Life Cycle Assessment (LCA) rules in the design phase and rolled out to group companies ● Cut emissions through higher efficiency, lighter weight, and other measures for 44 products under development for clean energy vehicles, spanning powertrain, body, energy system, piston, and brake products	○										
(3) Reduction of CO ₂ emissions from manufacturing	■ Further promotion of daily improvement activities ■ Active introduction of the latest energy-saving technologies during new plant construction and equipment renewal ■ Establishment of a system for sharing energy-saving know-how globally <table><tr><th>Target of initiative</th><th>Scope</th><th>Item</th><th>Base year</th><th>Target</th></tr><tr><td>CO₂ from manufacturing</td><td>Global</td><td>Total volume</td><td>FY2014</td><td>25% reduction</td></tr></table>	Target of initiative	Scope	Item	Base year	Target	CO ₂ from manufacturing	Global	Total volume	FY2014	25% reduction	● Promoted energy conservation globally ● Implemented CN promotion activities at production bases and group companies [Consolidated result] Reduction: 39%	○
Target of initiative	Scope	Item	Base year	Target									
CO ₂ from manufacturing	Global	Total volume	FY2014	25% reduction									
(4) Introduction of renewable energy to the manufacturing process	■ Active use of renewable energy tailored to regional characteristics ■ Creation of a global roadmap for renewable energy deployment ■ Use of renewable energy at model factories <table><tr><th>Target of initiative</th><th>Scope</th><th>Item</th><th>Base year</th><th>Target</th></tr><tr><td>Renewable energy</td><td>Global</td><td>Total amount</td><td>Implementation rate (electrification ratio)</td><td>FY2026 15% or more</td></tr></table>	Target of initiative	Scope	Item	Base year	Target	Renewable energy	Global	Total amount	Implementation rate (electrification ratio)	FY2026 15% or more	● Developed and followed roadmaps tailored to regional characteristics [Consolidated result] Adoption: 35.9%	○
Target of initiative	Scope	Item	Base year	Target									
Renewable energy	Global	Total amount	Implementation rate (electrification ratio)	FY2026 15% or more									
(5) CO ₂ emission reduction in logistics	■ Improving transportation efficiency through further expansion of Group joint transportation <table><tr><th>Target of initiative</th><th>Scope</th><th>Item</th><th>Base year</th><th>Target</th></tr><tr><td>CO₂ from logistics</td><td>Japan, consolidated</td><td>Total volume</td><td>FY2019</td><td>7% reduction</td></tr></table>	Target of initiative	Scope	Item	Base year	Target	CO ₂ from logistics	Japan, consolidated	Total volume	FY2019	7% reduction	● Improve loading rates and enhance transport efficiency through intra-group transportation [Domestic result] Reduction: 13.7%	○
Target of initiative	Scope	Item	Base year	Target									
CO ₂ from logistics	Japan, consolidated	Total volume	FY2019	7% reduction									

Building a recycling-oriented society

2050 vision

Minimizing environmental impact by maximizing resource efficiency

Broad initiatives	Implementation items & goals					Results	Score														
(6) Raising resource efficiency: product design, product & technology development	Promoting eco-conscious design considering reuse and recycling Promoting product and technology development that contributes to reducing natural resource inputs and waste					Reducing the use of materials through product lightweighting and miniaturization Promoting recycling via use of volume reduction equipment Implementing waste oil reuse and resin waste recycling in collaboration with suppliers Using recyclable dummy products Established technologies for removing foreign object from waste materials	○														
(7) Reducing resource inputs and waste discharge in production	Groupwide waste reduction (effective use of waste plastics, introduction of new technologies, global expansion of domestic case studies, etc.) <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>Japan, consolidated</td><td rowspan="2">Emissions per net sales</td><td>FY2014</td><td>9% reduction</td></tr><tr><td>Overseas subsidiaries</td><td>FY2020</td><td>Below actual result</td></tr></table>					Target of initiative	Scope	Item	Base year	Target	Waste	Japan, consolidated	Emissions per net sales	FY2014	9% reduction	Overseas subsidiaries	FY2020	Below actual result	Reducing emissions by fully utilizing resources within the group Add value through material separation and recycling Horizontal expansion of CE-reduction examples [Domestic result] Reduction: 37% [Overseas result] Reduction: 70%	○	
Target of initiative	Scope	Item	Base year	Target																	
Waste	Japan, consolidated	Emissions per net sales	FY2014	9% reduction																	
	Overseas subsidiaries		FY2020	Below actual result																	
(8) Contributing to building a resource circulation system for society as a whole	Collaboration with external partners on natural resource input and waste reduction Reducing logistics packaging material usage Lightweighting and simplification through material/specification changes Reuse of returnable containers and pallets					Introduce consolidated shipping across six sites at three companies in the Mikawa region, maximizing loading efficiency through consolidated shipping Promoted reduction in packaging material usage by implementing returnable pallets for finished automatic transmission products destined overseas and improving packaging configurations	○														
(9) Improving water resource efficiency in production	Promoting reduction of water resource input <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 withdrawal volume</td><td>Global</td><td>Water withdrawal per net sales</td><td>FY2019</td><td>2.1% reduction</td></tr><tr><td>High-risk sites</td><td>Water withdrawal per production volume</td><td>FY2019</td><td>12.5% reduction</td></tr></table>					Target of initiative	Scope	Item	Base year	Target	Water withdrawal volume	Global	Water withdrawal per net sales	FY2019	2.1% reduction	High-risk sites	Water withdrawal per production volume	FY2019	12.5% reduction	Completed global rollout of measurement guidelines and reduction case studies to 140 group companies [Consolidated result] Reduction rate: 17.4% [Result in High-risk sites] Achieved 12.5% reduction by addressing leak points, optimizing dilution, and operating intermittently. Note: following a site relocation, no site currently qualifies as high-risk	○
Target of initiative	Scope	Item	Base year	Target																	
Water withdrawal volume	Global	Water withdrawal per net sales	FY2019	2.1% reduction																	
	High-risk sites	Water withdrawal per production volume	FY2019	12.5% reduction																	
(10) Contributions to regional water resource conservation, etc.	Continuing and expanding water-related biological surveys and cleanup activities in areas surrounding factories Continuing compliance with voluntary wastewater discharge standards (exceeding legal standards or meeting regional water quality requests)					Continue implementation of hydrobiological surveys of the Nishio-Chosen River and the Okazaki Higashi Aoki River Continue implementation of eight annual cleanup activities in areas surrounding factories Nine instances of exceeding legal regulations and agreed-upon values	×														
(11) Improving water resource environments through collaboration with suppliers	Strengthening collaboration with suppliers in water-related areas					Conducted hydrological risk surveys for suppliers (partner companies) Held study sessions to enhance understanding of the impact of hydrological risk on each company	○														



Building a nature-harmonized society

2050 vision **Aiming for harmony with nature and local ecosystems worldwide**

Broad initiatives	Implementation items & goals	Results	Score										
(12) Reducing harm to biodiversity	■ Revision of the Aisin Group Biodiversity Guidelines aligned with post-Aichi targets	● Assessed and analyzed nature-related issues in line with the TNFD recommendations and began disclosure in FY2024 ● Reviewed the AISIN Group's policy for activities toward harmony with nature and completed the revision of the guidelines	○										
(13) Biodiversity conservation at company locations	■ Worksite-specific survey-driven biodiversity initiatives ■ Establishment of model factories designed to harmonize with nature <table><thead><tr><th>Target of initiative</th><th>Scope</th><th>Item</th><th>Base year</th><th>Target</th></tr></thead><tbody><tr><td>Factories that harmonize with nature</td><td>Global</td><td>Number achieved</td><td>—</td><td>3 sites</td></tr></tbody></table>	Target of initiative	Scope	Item	Base year	Target	Factories that harmonize with nature	Global	Number achieved	—	3 sites	● A cumulative total of eight sites were certified as “Factories that harmonize with nature” based on the AISIN Group’s definition ● Three sites certified as “Sustainably Managed Natural Sites” by the Ministry of the Environment (areas where biodiversity conservation is being promoted)	○
Target of initiative	Scope	Item	Base year	Target									
Factories that harmonize with nature	Global	Number achieved	—	3 sites									
(14) Contributing to the conservation and enhancement of local biodiversity	■ Enhancing environment-related communication utilizing Factories that harmonize with nature	● Implemented a total of 18 projects globally	○										

Foundational, cross-thematic activities

2050 vision **Aiming to advance the environmental management system**

Broad initiatives	Implementation items & goals	Results (Projected as of Jan 2026)	Score
(15) Reducing environmental impact substances in production activities	Getting out ahead of regulatory changes and environmental effects by enhanced reduction and management of chemical substances	- Completed implementation of new system for compliance purposes - Continued to reduce waste and evaluate alternative materials and products. The transition process is ongoing	○
(16) Managing environmental affairs at the global Group level while strengthening our foundation for environmental action	- Ensuring thorough compliance with environmental regulations - Advancing environmental action with information technology - Providing ongoing training based on simulated environmental accidents - Establishing a foundation for global integration of our groupwide environmental management effort - Strengthening development of global environmental talent	- Initiating transition to unified certification across domestic group companies and affiliates to EMS enhancement - Promoting adoption and improvement through Aisin Global Environmental Standards (AGES) training - Raising environmental awareness using the Seven Cardinal Rules for Protecting the Global Environment	○
(17) Supply chain management	- Sharing our Group's environmental vision and goals with suppliers and supporting their environmental initiatives - Establishing systems for gathering information on suppliers' environmental initiatives - Conducting environmental risk assessments for new supplier candidates and audits of existing suppliers	- Revised Green Procurement Guidelines - Completed establishment of information gathering system - Conducted supplier environmental inspections	○
(18) Environmental communication and stakeholder engagement	- Maintaining and expanding environmental communication tailored to various stakeholders - Developing environmental activities in collaboration with local communities	Conducted a total of 25 biodiversity conservation activities across five domestic locations (Hokkaido, Tohoku, Hokuriku, Mikawa, Kyushu).	○



Third Party Verification

Verification Opinion



26 August 2026
Opinion No : SGS26/066

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

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, the amount of water intake, and the amount of industrial waste discharge.

The period subject to report is from 1 April 2025 to 31 March 2026.

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 Aisin Simwa Co., Ltd. Head Office/Head Factory and ADVICS Co., Ltd. Honda 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. 6.1, 2019 IPCC Guidelines for National Greenhouse Gas Inventories, Basic Guidelines on Accounting for Greenhouse Gas Emissions throughout the Supply Chain Ver. 2.7 and Emission Factor Database on the same Accounting Ver. 3.5, IDEA ver2.3 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.
Yokohama business Park North Square 1
134, Godo-cho, Hodogaya-ku, Yokohama
Business Assurance
Head of Certification/Accreditation

Yuji Takeuchi

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Attached file

26 August 2026
Opinion No : SGS26/066

The details of the scope of verification

The Scope	The Boundary	The Statement
1 Scope 1, 2 (energy related carbon dioxide emissions) ②Excluding the vehicles which run outside of the sites	The Organization and the consolidated companies Total 125 companies (178 production plants)	Scope1 : 475,460 t-CO ₂ Scope2 : 1,218,240 t-CO ₂
2 Scope 3 (category 1)	Raw materials, parts, and sub-materials in the scope of consolidation of the Organization	11,545,813 t-CO ₂
3 Scope 3 (category 2)	The Organization and the consolidated companies	775,210 t-CO ₂
4 Scope 3 (category 11)	Energy Solutions products (GHP, Cogeneration System), Powertrain units (eAxle, Hybrid Transmission, Automatic Transmission, Manual Transmission, CVT, Transfer) sold by The Organization and the consolidated companies and Fossil fuel	8,411,219 t-CO ₂ ^{*1}
5 The amount of water intake (Municipal Supply, Industrial water, Groundwater-renewable)	The Organization and the consolidated companies Total 124 companies (177 production plants)	13,029,393 m ³
6 The amount of industrial waste discharge	The Organization and the domestic consolidated companies Total 44 companies (94 production plants)	145,119 t

*1 Energy Solutions products calculate Category 11 using the product design lifespan as the product's lifetime
Powertrain units calculate Category 11 using a lifetime mileage of 100,000 km for automobiles

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Performance Data (Social)

Reporting scope and data coverage (%)

Aisin	30.9%
3 Group companies	37.2%
13 Group companies	47.5%
69 domestic companies	56.5%
Consolidated	100%

Coverage rate calculation method

$$\text{Coverage rate (\%)} = \frac{\text{Number of regular employees at reporting companies}}{\text{Aisin Group Number of regular employees at Aisin Corporation and consolidated subsidiaries}} \times 100$$

3 Group companies*	Aisin, Aisin Takaoka, ADVICS
13 Group companies	Aisin, Aisin Takaoka, Aisin Keikinzoku, Aisin Development, Aisin Kiko, Aisin Sin'ei, Aisin FUKUI, Hosei Brake Industry, ADVICS, Aisin Shiroki, Art Metal MFG., Aisin Kyushu, CVTEC

* 3 Group companies: From FY2026, three companies (Aisin, Aisin Takaoka, ADVICS); prior to FY2025, four companies (Aisin, Aisin Takaoka, Aisin Chemical, ADVICS).

Number of Employees*

Item			FY2022	FY2023	FY2024	FY2025	FY2026
	Aisin Corporation	Persons	36,489	35,610	35,099	34,384	34,956
	Consolidated	Persons	117,177	116,649	115,140	114,449	113,292

* Number of employees refers to the number of working personnel (excluding employees seconded from Aisin to outside companies, but including employees seconded from outside companies to Aisin. Information disclosed in annual securities reports).



Number of Regular employees

Item				FY2022	FY2023	FY2024	FY2025	FY2026
Number of Regular employees (By gender, ratio of female staff)	Aisin Corporation	Male	Persons	33,467	32,677	32,351	31,668	32,072
		Female		4,377	4,331	4,383	4,343	4,449
		Ratio of female staff	%	11.6	11.7	11.9	12.1	12.2
	69 domestic companies	Male	Persons	—	—	—	—	56,670
		Female		—	—	—	—	8,317
		Ratio of female staff	%	—	—	—	—	12.8
	Consolidated	Male	Persons	97,754	97,445	97,278	96,483	91,907
		Female		19,989	20,216	21,033	20,443	20,502
		Ratio of female staff	%	17.1	17.2	17.8	17.5	18.2
Number of regular employees by age group	Aisin Corporation	Under 30	%	23.6	21.5	19.6	18.2	17.3
		30 to 49		59.3	60.1	60.3	59.8	59.0
		50 and over		17.1	18.4	20.1	22.0	23.8
	3 group companies	Under 30		24.2	22.4	20.9	19.7	19.0
		30 to 49		58.0	58.7	58.8	58.4	57.8
		50 and over		17.8	18.9	20.3	21.9	23.2
	69 domestic companies	Under 30		—	—	—	—	19.1
		30 to 49		—	—	—	—	57.8
		50 and over		—	—	—	—	23.1
Midcareer hire ratio (Regular employees)	Aisin Corporation	Male	Persons	10,826	10,624	10,810	10,549	11,186
		Female		1,258	1,262	1,344	1,332	1,427
		Midcareer hire ratio	%	23.4	31.9	32.1	33.1	34.5
	3 group companies	Male	Persons	11,907	11,614	11,838	12,307	14,093
		Female		1,355	1,357	1,468	1,500	1,686
		Midcareer hire ratio	%	28.7	28.6	29.4	30.9	35.5
	69 domestic companies	Male	Persons	—	—	—	—	23,161
		Female		—	—	—	—	3,107
		Midcareer hire ratio	%	—	—	—	—	40.4



Regular recruiting numbers

Item				FY2022	FY2023	FY2024	FY2025	FY2026
General administrative positions	Aisin Corporation	Male	Persons	8	15	19	23	33
		Female		8	8	11	15	30
		Ratio of female staff	%	50.0	34.8	36.7	39.5	47.6
	3 group companies	Male	Persons	16	24	29	32	42
		Female		12	15	23	20	38
		Ratio of female staff	%	42.9	38.5	44.2	38.5	47.5
	69 domestic companies	Male	Persons	—	—	—	—	72
		Female		—	—	—	—	71
		Ratio of female staff	%	—	—	—	—	49.7
General technical positions	Aisin Corporation	Male	Persons	114	107	146	134	187
		Female		15	26	25	21	14
		Ratio of female staff	%	11.6	19.5	14.6	13.5	7.0
	3 group companies	Male	Persons	153	167	203	179	232
		Female		24	32	31	28	21
		Ratio of female staff	%	13.6	16.1	13.2	13.5	8.3
	69 domestic companies	Male	Persons	—	—	—	—	321
		Female		—	—	—	—	36
		Ratio of female staff	%	—	—	—	—	10.1
Skilled positions	Aisin Corporation	Male	Persons	151	141	138	148	212
		Female		32	40	41	38	54
		Ratio of female staff	%	17.5	22.1	22.9	20.4	20.3
	3 group companies	Male	Persons	304	304	289	283	339
		Female		72	78	76	67	73
		Ratio of female staff	%	19.1	20.4	20.8	19.1	17.7
	69 domestic companies	Male	Persons	—	—	—	—	536
		Female		—	—	—	—	157
		Ratio of female staff	%	—	—	—	—	22.7



Item				FY2022	FY2023	FY2024	FY2025	FY2026
General clerical positions	Aisin Corporation	Male	Persons	0	1	0	0	0
		Female		1	0	7	0	3
		Ratio of female staff	%	100.0	0.0	100.0	0.0	100.0
	3 group companies	Male	Persons	2	2	1	0	0
		Female		1	0	7	3	5
		Ratio of female staff	%	33.3	0.0	87.5	100.0	100.0
	69 domestic companies	Male	Persons	—	—	—	—	2
		Female		—	—	—	—	6
		Ratio of female staff	%	—	—	—	—	75.0

Midcareer hire

Item				FY2022	FY2023	FY2024	FY2025	FY2026
Midcareer recruiting ratio	Aisin Corporation	Male	Persons	79	111	97	178	122
		Female		14	28	12	38	19
		Ratio of female staff	%	15.1	20.1	11.0	17.6	13.5
		Midcareer hire ratio		22.0	29.1	22.0	36.3	20.9
	3 group companies	Male	Persons	114	156	238	379	234
		Female		18	36	67	86	28
		Ratio of female staff	%	13.6	18.8	22.0	18.5	10.7
		Midcareer hire ratio		18.4	23.6	31.6	43.2	25.9
	69 domestic companies	Male	Persons	—	—	—	—	550
		Female		—	—	—	—	98
		Ratio of female staff	%	—	—	—	—	15.1
		Midcareer hire ratio		—	—	—	—	35.0



Investment in human capital

Item			FY2022	FY2023	FY2024	FY2025	FY2026
Annual training hours per employee	Aisin Corporation	Hours	39.7	46.0	48.3	49.5	49.4
	3 group companies		38.5	43.9	45.6	41.8	42.4
	69 domestic companies		—	—	—	—	34.4
Total employee training hours	Aisin Corporation	Hours	1,503,028	1,701,289	1,721,060	1,739,180	1,805,809
	3 group companies		1,750,754	1,961,521	1,987,271	1,830,240	1,884,455
	69 domestic companies		—	—	—	—	2,236,646
Annual training days per employee	Aisin Corporation	Days	5.0	5.8	6.0	6.2	6.2
	3 group companies		4.8	5.5	5.7	5.2	5.3
	69 domestic companies		—	—	—	—	4.3
Total training costs	Aisin Corporation	Yen	720,087,000	760,482,000	742,274,500	848,683,000	1,009,809,869
	3 group companies		977,405,174	1,009,454,417	1,055,929,916	928,792,079	1,064,696,869
	69 domestic companies		—	—	—	—	1,384,783,112

Job satisfaction (engagement)

Item			FY2022	FY2023	FY2024	FY2025	FY2026
Employee engagement (engagement survey results)	Aisin Corporation	Positive response rate (%)	—	—	—	53	59
	69 domestic companies		—	—	—	53 (12 domestic companies)* ¹	56 (68 domestic companies)* ¹
	Consolidated		—	—	—	—	61 (68 domestic companies, 36 overseas Group companies)* ¹
An environment that empowers employees (engagement survey results)	Aisin Corporation	Positive response rate (%)	—	—	—	49 (12 domestic companies)* ¹	55
	69 domestic companies		—	—	—	49	54 (68 domestic companies)* ¹
	Consolidated		—	—	—	—	59 (68 domestic companies, 36 overseas Group companies)* ¹
Resignation rate (voluntary resignations)	Aisin Corporation	%	1.8	1.9	1.9	2.0	1.6
	3 group companies		1.8	1.8	2.0	2.3	1.7
	69 domestic companies		—	—	—	—	2.4

*1 Figures in parentheses indicate the scope of coverage for the fiscal year under



Diversity & inclusion

Item					FY2022	FY2023	FY2024	FY2025	FY2026
Ratio of female executives* ¹	Aisin Corporation	Executives	Male	Persons	9	9	9	9	9
			Female		3	3	3	3	3
			Ratio of female staff	%	25.0	25.0	25.0	25.0	25.0
Ratio of female executives* ²	Consolidated	Executives	Male	Persons	529	527	485	452	440
			Female		10	12	10	15	17
			Ratio of female staff	%	1.9	2.2	2.0	3.2	3.7
Ratio of female managers	Aisin Corporation	Department manager level	Male	Persons	1,157	1,161	1,129	1,121	1,144
			Female		25	27	28	28	28
			Ratio of female staff	%	2.1	2.3	2.4	2.4	2.4
		Section manager level	Male	Persons	3,314	3,458	3,655	3,745	3,904
			Female		95	103	111	125	134
			Ratio of female staff	%	2.8	2.9	3.0	3.2	3.3
		Managers	Male	Persons	4,471	4,619	4,784	4,866	5,048
			Female		120	130	139	153	162
			Ratio of female staff	%	2.6	2.7	2.8	3.1	3.1
	3 group companies	Department manager level	Male	Persons	1,440	1,466	1,416	1,400	1,399
			Female		27	29	30	30	29
			Ratio of female staff	%	1.8	1.9	2.1	2.1	2.0



Item					FY2022	FY2023	FY2024	FY2025	FY2026
Ratio of female managers	3 group companies	Section manager level	Male	Persons	3,718	4,029	4,247	4,360	4,468
			Female		104	112	123	138	144
			Ratio of female staff	%	2.7	2.7	2.8	3.1	3.1
		Managers	Male	Persons	5,158	5,495	5,663	5,760	5,867
			Female		131	141	153	168	173
			Ratio of female staff	%	2.5	2.5	2.6	2.8	2.9
	69 domestic companies	Department manager level	Male	Persons	—	—	—	—	2,057
			Female		—	—	—	—	46
			Ratio of female staff	%	—	—	—	—	2.2
		Section manager level	Male	Persons	—	—	—	—	5,655
			Female		—	—	—	—	193
			Ratio of female staff	%	—	—	—	—	3.3
		Managers	Male	Persons	—	—	—	—	7,712
			Female		—	—	—	—	239
			Ratio of female staff	%	—	—	—	—	3.0
	Consolidated	Department manager level	Male	Persons	2,917	2,969	2,809	2,812	2,851
			Female		148	155	151	141	156
			Ratio of female staff	%	4.8	5.0	5.1	4.8	5.2
		Section manager level	Male	Persons	6,241	6,559	6,540	6,597	6,808
			Female		459	509	473	494	514
			Ratio of female staff	%	6.9	7.2	6.7	7.0	7.0
		Managers	Male	Persons	9,158	9,528	9,349	9,409	9,659
			Female		607	664	624	635	670
			Ratio of female staff	%	6.2	6.5	6.3	6.3	6.5



Item					FY2022	FY2023	FY2024	FY2025	FY2026
Ratio of female section chiefs	Aisin Corporation	Section manager level	Male	Persons	5,712	5,800	5,818	5,807	6,041
			Female		229	292	322	352	396
			Ratio of female staff	%	3.9	4.8	5.2	5.7	6.2
	3 group companies	Section manager level	Male	Persons	6,786	6,930	6,994	6,990	7,083
			Female		255	333	371	409	459
			Ratio of female staff	%	3.6	4.6	5.0	5.5	6.1
	69 domestic companies	Section manager level	Male	Persons	—	—	—	—	9,213
			Female		—	—	—	—	661
			Ratio of female staff	%	—	—	—	—	6.7
Number of newly promoted managers	Aisin Corporation		Male	Persons	361	380	443	342	307
			Female		29	13	15	18	11
			Ratio of female staff	%	7.4	3.3	3.3	5.0	3.5
	3 group companies		Male	Persons	408	442	510	421	386
			Female		31	13	19	19	11
			Ratio of female staff	%	7.1	2.9	3.6	4.5	2.8
	69 domestic companies		Male	Persons	—	—	—	—	538
			Female		—	—	—	—	19
			Ratio of female staff	%	—	—	—	—	3.4
Ratio of midcareer hires promoted to management positions	Aisin Corporation	Number of midcareer hires in management positions	Male	Persons	1,027	1,083	1,130	1,460	1,616
			Female		28	31	32	48	58
		Midcareer hire ratio	%		23.0	23.5	23.6	30.1	32.1
	3 group companies	Number of midcareer hires in management positions	Male	Persons	1,140	1,206	1,271	1,341	1,763
			Female		31	34	35	40	59
		Midcareer hire ratio	%		22.1	22.0	22.5	23.3	30.2



Item				FY2022	FY2023	FY2024	FY2025	FY2026
Ratio of midcareer hires promoted to management positions	69 domestic companies	Number of male midcareer hires in management positions	Persons	—	—	—	—	2,382
		Number of female midcareer hires in management positions		—	—	—	—	72
		Midcareer hire ratio	%	—	—	—	—	30.9
Gender pay gap among employees* ³	Aisin Corporation	All workers	%	—	74.9	68.6	70.3	69.1
		Regular employees		—	76.2	68.8	79.2	69.3
		Part-time and fixed-term employees		—	80.1	82.3	70.1	70.6
Ratio of local employees among executives (Vice President level and above) at subsidiaries** ⁴	71 overseas subsidiaries of Aisin Corporation	Local employees	Persons	71	75	74	82	85
		Number of positions	Positions	208	217	219	215	192
		Local employee ratio	%	34.1	34.6	33.8	38.1	44.3
	110 overseas Group companies	Local employees	Persons	106	110	109	114	121
		Number of positions	Positions	304	318	317	318	289
		Local employee ratio	%	34.9	34.6	34.4	35.8	41.9
Union membership at local subsidiaries in countries with union organization		Countries with locations where unions exist (11/22 countries)		94.9	97.6	93.7	94.4	94.8
Reemployment Rate	Aisin Corporation	Personnel with advanced qualifications	%	82.9	78.7	81.6	85.1	87.4
		Union members		85.4	78.3	84.0	80.3	88.9
		Overall		84.6	78.5	83.1	82.2	88.4
	3 group companies	Personnel with advanced qualifications		84.3	80.9	80.7	93.1	91.0
		Union members		84.3	78.2	84.7	97.6	96.7
		Overall		84.3	79.4	83.3	95.8	94.6
	69 domestic companies	Personnel with advanced qualifications		—	—	—	—	91.5
		Union members		—	—	—	—	95.8
		Overall		—	—	—	—	94.4



Item			FY2022	FY2023	FY2024	FY2025	FY2026
Employment of people with disabilities	Aisin Corporation	Persons	687	702	713	721	781
		%	2.4	2.5	2.6	2.6	2.7
	3 group companies	Persons	855	872	893	906	957
			2.4	2.5	2.6	2.6	2.7
	Employment rate at special subsidiary companies* ⁵	% (Reference statutory employment rate)	2.5	2.6	2.7	2.8	2.9
	(Reference statutory employment rate)		2.3	2.3	2.3	2.5	2.5

*1 Ratio of female executives (Aisin Corporation): Directors, Auditors. Information disclosed in annual securities reports

*2 Ratio of female executives (Consolidated): Presidents, Vice Presidents, Directors

*3 Gender pay gap: Calculated based on the provisions of the Act on the Promotion of Women's Active Engagement in Professional Life (Act No. 64 of 2015). The main determinant of the pay gap among regular employees is a difference in the composition of job qualifications. The current gender pay gap stems from men having longer average tenure and greater representation in roles requiring advanced qualifications.

*4 Executives (Vice President level and above) at overseas subsidiaries: President, vice president, director.

*5 Special subsidiary companies: The companies covered by the special subsidiary system are as follows. Companies covered in FY2021–FY2022: AISIN WELLSMILE, Aisin, Aisin Collabo. Companies covered in FY2023–FY2025: AISIN WELLSMILE, Aisin, Aisin Collabo, Aisin Takaoka, Aisin Chemical, ADVICS. Companies covered in FY2026–: AISIN WELLSMILE, Aisin, Aisin Collabo, Aisin Takaoka, ADVICS.

Work-Life Balance

Item			FY2022	FY2023	FY2024	FY2025	FY2026
Total working hours	Aisin Corporation	Hours	1,990	1,984	2,033	2,017	2,031
	3 group companies		1,998	1,990	2,035	2,022	2,034
	69 domestic companies		—	—	—	—	2,025
Paid leave utilization rate* ¹	Aisin Corporation	%	95.4	101.0	94.0	98.2	93.6
	3 group companies		95.3	100.7	93.8	96.1	93.6
	69 domestic companies		—	—	—	—	89.9



Item				FY2022	FY2023	FY2024	FY2025	FY2026
Average length of service	Aisin Corporation	Male	Year	16.2	16.2	16.7	17.3	17.7
		Female		12.7	12.7	13.4	14.1	14.5
		Overall		15.8	15.8	16.4	16.9	17.3
	3 group companies	Male		16.3	16.4	16.6	16.3	16.7
		Female		11.6	12.0	13.0	13.0	13.5
		Overall		15.8	15.9	16.2	15.9	16.3
	69 domestic companies	Male	Year	—	—	—	—	15.9
		Female		—	—	—	—	13.0
		Overall		—	—	—	—	15.6
Average monthly non-statutory working hours* ²	Aisin Corporation		Hours	21.0	21.3	24.3	23.1	22.7
	3 group companies			—	—	—	—	23.1
	69 domestic companies			—	—	—	—	24.9
Male childcare leave utilization rate* ³	Aisin Corporation		%	17.2	34.0	50.4	62.8	79.8
	3 group companies			17.9	33.2	49.7	62.5	79.1
Male childcare leave and male childcare-purpose leave utilization rate* ⁴	Aisin Corporation		%	—	95.7	95.8	92.2	96.3
	3 group companies			—	95.5	95.7	92.6	96.8
Male parental leave 100% utilization target achievement rate* ⁵	Aisin Corporation		%	100.0	100.0	100.0	100.0	100.0
	3 group companies			100.0	99.6	98.3	98.2	98.4
Number of employees utilizing reduced working hours for childcare	Aisin Corporation	Male	Persons	427	412	437	447	485
		Female		837	874	978	1,020	1,032
	3 group companies	Male		453	480	512	526	601
		Female		974	1,012	1,139	1,204	1,199
	69 domestic companies	Male		—	—	—	—	705
		Female		—	—	—	—	1,637



Item				FY2022	FY2023	FY2024	FY2025	FY2026
Number of employees utilizing caregiving leave	Aisin Corporation	Male	Persons	10	4	12	9	17
		Female		3	9	4	4	12
	3 group companies	Male	Persons	12	8	14	11	23
		Female		4	9	6	5	12
	69 domestic companies	Male	Persons	—	—	—	—	38
		Female		—	—	—	—	17

*1 Paid leave utilization rate: Calculated using the number of days granted in a single year as the denominator. The numerator includes both the number of paid leave days taken and the number of days taken under the “Anshin Leave” system (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).

*2 Average monthly overtime hours: union member average

*3 Male childcare leave utilization rate: For FY2022, calculated based on those who took leave within the respective fiscal year. From FY2023, the utilization rate for childcare leave, etc., as defined in Article 71-6, Item 1 of the Enforcement Regulations of the Act on the Welfare of Workers Who Take Childcare Leave, Family Care Leave, etc. (Ministry of Labor Ordinance No. 25 of 1991), is calculated based on the provisions of the Act on the Welfare of Workers Who Take Childcare Leave, Family Care Leave, etc. (Act No. 76 of 1991).

*4 Male childcare leave and childcare-purpose leave utilization rates: These rates were calculated in accordance with the provisions of the 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), based on the utilization rates of childcare leave, etc. and childcare-purpose leave as defined in Article 71-6, 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 (Ministry of Labor Ordinance No. 25 of 1991). The rate may exceed 100% when there are male employees whose spouse gave birth in a different fiscal year from the fiscal year in which they took childcare leave and childcare-purpose leave. Childcare-purpose leave includes Special Leave (a system that allows employees with children under two years of age to take five days of leave per child for their spouse’s childbirth or childcare) and Anshin Leave.

*5 Targeted male childcare leave take-up rate of 100%: statutory childcare leave, employer-sponsored childcare leave (special leave, “Anshin Leave”)

Social dialogue

Item			FY2022	FY2023	FY2024	FY2025	FY2026
Number of labor-management meetings with unions	Aisin Corporation	Times	43	48	41	27	40
	3 group companies		—	—	—	—	216
	69 domestic companies		—	—	—	—	643



Status of employee stock ownership plan

Item			FY2022	FY2023	FY2024	FY2025	FY2026
Stock ownership plan eligibility rate* ¹	69 domestic companies	%	—	—	—	95.8	96.1

*1 Calculation method for employee stock ownership plan eligibility rate

$$\text{Employee stock ownership plan eligibility rate (\%)} = \frac{\text{Number of employees eligible to join the plan}}{\text{Number of employees at 69 domestic companies (regular employees + re-employed staff)}}$$

Occupational safety and health

Item			FY2022	FY2023	FY2024	FY2025	FY2026
Occupational Safety and Health Management System implementation rate	Aisin Corporation	%	100	100	100	100	100
ISO 45001 certification rate* ¹	Consolidated	%	—	26.5	26.5	30.5* ²	31.7
Number of serious accidents involving employees (including temporary staff)		Incidents	0	0	0	0	0
Number of serious accidents involving partners and external contractors			0	0	0	0	1
Number of lost-time STOP6 accidents* ³			15	14	16	11	15
Lost-time injury frequency (employees, including temporary staff)* ⁴	13 group companies	%	0.14	0.17	0.15	0.25	0.19
Number of lost-time injury incidents involving employees (including temporary staff)		Incidents	18	22	20	32	24
Severity (employees, including temporary staff)* ⁵		%	0.01 (Aisin)* ⁶	0.01 (Aisin)* ⁶	0.01 (Aisin)* ⁶	0.01 (Aisin)* ⁶	0.01
Number of fires	Consolidated	Incidents	46	64	63	70	81
Number of sickness-related leave cases			3 (Aisin)* ⁶	3 (Domestic)* ⁶	3 (Domestic)* ⁶	10	8
Number of participants in safety and health training	Aisin Corporation	Persons	7,864	11,404	12,643	12,708	14,269

*1 Applies to manufacturing companies

*2 Previous fiscal year figures have been revised.

*3 Accidents with potential to lead to serious accident (crushing, heavy objects, vehicles, falls, electrocution, burns)

*4 Lost-time injury frequency rate= (number of casualties / total actual working hours) × 1,000,000

*5 Severity = (total lost workdays / total actual working hours) × 1,000

*6 Figures in parentheses indicate the scope of coverage for the fiscal year under review.

GRI Content Index

The AISIN GROUP partially references the “GRI* Sustainability Reporting Standards” for its CSR-related reporting. The table below introduces activities related to the disclosure requirements of these guidelines. (As of September 2026)

* GRI (Global Reporting Initiative): An international organization established in 1997 with the purpose of creating and promoting international guidelines for corporate sustainability reporting.

GRI 2: General Disclosure Items 2021

Disclosure Item		Location
1. Organization and reporting practices		
2-1	Organizational details	Company profile
2-2	Entities covered by the organization’s sustainability reporting	Editorial Policy Global Network
2-3	Reporting period and frequency, contact information	Editorial Policy
2-4	Restatements of information	—
2-5	External assurance	Performance Data (Environment)
2. Activities and personnel		
2-6	Activities, value chain, and other business relationships	Company profile Supply Chain
2-7	Personnel	Performance Data (Social)
2-8	Contract workers	—
3. Governance		
2-9	Governance structure and composition	Corporate governance
2-10	Nomination and election by the top governance authority	Corporate governance
2-11	Chair of the top governance authority	Corporate governance
2-12	Role of the top governance authority in overseeing impact management	Sustainability promotion
2-13	Delegation of responsibility for impact management	Sustainability promotion TNFD
2-14	Role of the top governance authority in sustainability reporting	Sustainability promotion
2-15	Conflicts of interest	Corporate governance



Disclosure Item		Location
2-16	Communication of critical concerns	Corporate governance Risk Management
2-17	Collective knowledge of the top governance authority	Corporate governance
2-18	Performance evaluation of the top governance authority	Corporate governance
2-19	Compensation policy	Corporate governance Annual Securities Report for the 103rd Fiscal Year
2-20	Remuneration determination process	Corporate governance Annual Securities Report for the 103rd Fiscal Year
2-21	Ratio of total annual compensation	—
4. Strategy, policy, and practice		
2-22	Statement on sustainable development strategy	Message from the president
2-23	Policy statement	AISIN Group Philosophy AISIN Group Charter of Sustainability AISIN Group Code of Conduct Human Rights AISIN Group Human Rights Policy Fiscal 2026 AISIN Group Statement on Modern Slavery Act Supply Chain
2-24	Implementation of policy statements	Sustainability promotion Human Rights Supply Chain Compliance AISIN Group Human Rights Policy Fiscal 2026 AISIN Group Statement on Modern Slavery Act
2-25	Negative impact remediation process	Compliance Human Rights AISIN Group Human Rights Policy Fiscal 2026 AISIN Group Statement on Modern Slavery Act
2-26	Mechanisms for seeking advice and raising concerns	Compliance
2-27	Legal and regulatory compliance	Compliance
2-28	Membership associations	External Recognition
5. Stakeholder engagement		
2-29	Approach to stakeholder engagement	Stakeholder Engagement
2-30	Collective bargaining agreements	Performance Data (Social)

GRI 3: Material Topics 2021

Disclosure Item		Location
GRI 3: material topics 2021		
3-1	Material topic identification process	Materiality Issues
3-2	List of material topics	Materiality Issues
3-3	Management of material topics	Sustainability promotion Materiality Issues —

GRI 200 Series: economic items

Disclosure Item		Location
GRI 201: economic performance 2016		
201-1	Direct economic value created and distributed	Financial Data (Consolidated) Performance Data (Environment) Performance Data (Social) Social Contribution
201-2	Financial implications of climate change and other risks and opportunities	Disclosure of information related to climate change response Risk Management
201-3	Defined-benefit pension plan obligations and other retirement benefits	—
201-4	Government financial assistance received	Annual Securities Report for the 103rd Fiscal Year
GRI 202: Presence in the local economy 2016		
202-1	Ratio of standard starting salary to local minimum wage (by gender)	Human Rights
202-2	Percentage of senior management hired from local communities	Performance Data (Social)
GRI 203: Indirect economic impacts 2016		
203-1	Infrastructure Investment and Support Services	—
203-2	Significant Indirect Economic Impacts	Social Contribution
GRI 204: Procurement Practices 2016		
204-1	Percentage of spending on local suppliers	—
GRI 205: Anti-Corruption 2016		
205-1	Operations conducting corruption risk assessments	—
205-2	Communication and training on anti-corruption policies and procedures	Compliance
205-3	Confirmed corruption cases and actions taken	—

Disclosure Item		Location
GRI 206: Anti-Competitive Practices 2016		
206-1	Legal actions taken against the company for anti-competitive practices, antitrust violations, or monopolistic practices	Compliance
GRI 207: Taxation 2019		
207-1	Approach to Taxation	AISIN Group Tax Governance Policy
207-2	Tax Governance, Management, and Risk Management	AISIN Group Tax Governance Policy
207-3	Engagement with Tax-Related Stakeholders and Addressing Concerns	AISIN Group Tax Governance Policy
207-4	Country-by-Country Reporting	AISIN Group Tax Governance Policy

GRI 300 Series (environmental items)

Disclosure Item		Location
GRI 301: Raw materials 2016		
301-1	Weight or volume of raw materials used	—
301-2	Recycled materials used	—
301-3	Products and packaging materials recycled	—
GRI 302: Energy 2016		
302-1	Energy consumption within the organization	Performance Data (Environment)
302-2	Energy consumption outside the organization	—
302-3	Energy intensity	—
302-4	Reduction of energy consumption	Performance Data (Environment)
302-5	Reduction of energy requirements for products and services	—
GRI 303: Water and effluent 2018		
303-1	Interactions with water as a shared resource	—
303-2	Management of impacts related to effluent	—
303-3	Water withdrawal	Performance Data (Environment)
303-4	Water discharge	Performance Data (Environment)
303-5	Water consumption	—



Disclosure Item		Location
GRI 304: Biodiversity 2016		
304-1	Operational sites owned, leased, or managed within protected areas, areas of high biodiversity value not designated as protected, or adjacent to such areas	TNFD
304-2	Significant impact of activities, products, and services on biodiversity	TNFD
304-3	Habitat protection and restoration	TNFD
304-4	IUCN Red List and nationally protected species inhabiting areas affected by operations	—
GRI 305: Airborne emissions 2016		
305-1	Direct greenhouse gas (GHG) emissions (Scope 1)	Performance Data (Environment)
305-2	Indirect greenhouse gas (GHG) emissions (Scope 2)	Performance Data (Environment)
305-3	Other indirect greenhouse gas (GHG) emissions (Scope 3)	Performance Data (Environment)
305-4	Greenhouse Gas (GHG) Emissions per unit of output	Performance Data (Environment)
305-5	Reduction of greenhouse gas (GHG) emissions	Performance Data (Environment) Disclosure of information related to climatechange response
305-6	Emission of ozone-depleting substances (ODS)	—
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Performance Data (Environment)
GRI 306: Waste 2020		
306-1	Waste production and significant waste-related impacts	—
306-2	Management of significant waste-related impacts	—
306-3	Waste generated	Performance Data (Environment)
306-4	Waste diverted from disposal	Performance Data (Environment)
306-5	Waste directed to disposal	Performance Data (Environment)
GRI 308: Environmental assessment of suppliers 2016		
308-1	New suppliers selected based on environmental criteria	—
308-2	Negative environmental impacts in the Supply Chain and actions taken	TNFD

400 Series (social items)

Disclosure Item		Location
GRI 401: Employment 2016		
401-1	New hires and separations	Performance Data (Social)
401-2	Allowances provided to regular employees but not to part-time or temporary personnel	—
401-3	Childcare leave	Performance Data (Social)
GRI 402: Labor-management relations 2016		
402-1	Minimum notice period for business changes	Human Rights
GRI 403: Occupational safety and health 2018		
403-1	Occupational safety and health management system (OSHMS)	Safety and Health
403-2	Hazard identification, risk assessment, and accident investigation	Safety and Health
403-3	Occupational health services	Safety and Health
403-4	Worker participation, consultation, and communication in occupational safety and health	Safety and Health
403-5	Worker training on occupational safety and health	Safety and Health
403-6	Worker health promotion	Health Management
403-7	Prevention and mitigation of occupational safety and health impacts directly linked to business relationships	Safety and Health
403-8	Workers covered by the occupational safety and health management system	Safety and Health
403-9	Work-related injuries	Safety and Health
403-10	Work-related illnesses and health issues	Safety and Health
GRI 404: Training and education 2016		
404-1	Average annual training hours per employee	Performance Data (Social)
404-2	Employee skill enhancement programs and transition support programs	Human Resources
404-3	Percentage of employees receiving regular reviews on performance and career development	—
GRI 405: Diversity and equal opportunity 2016		
405-1	Diversity in governance bodies and workforce	Performance Data (Social)
405-2	Ratio of basic salary and total compensation by gender	Performance Data (Social)
GRI 406: Prevention of discrimination 2016		
406-1	Incidents of discrimination and remedial actions taken	Compliance
GRI 407: Freedom of association and collective bargaining 2016		
407-1	Operations and suppliers where the right to freedom of association and collective bargaining may be at risk	Human Rights AISIN Group Human Rights Policy Fiscal 2026 AISIN Group Statement on Modern Slavery Act



Disclosure Item		Location
GRI 408: Child Labor 2016		
408-1	Operations and suppliers at significant risk for incidents of child labor	Human Rights AISIN Group Human Rights Policy Fiscal 2026 AISIN Group Statement on Modern Slavery Act
GRI 409: Forced or compulsory labor 2016		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human Rights AISIN Group Human Rights Policy Fiscal 2026 AISIN Group Statement on Modern Slavery Act
GRI 410: Security practices 2016		
410-1	Security personnel trained in Human Rights policy and procedures	—
GRI 411: Indigenous peoples' rights 2016		
411-1	Violations of indigenous peoples' rights	—
GRI 413: Local communities 2016		
413-1	Operations involving community engagement, impact assessments, and development programs	Social Contribution
413-2	Operations with significant negative impact (actual or potential) on local communities	—
GRI 414: Social assessments of suppliers 2016		
414-1	New suppliers screened based on social criteria	Supply Chain
414-2	Negative social impacts in the Supply Chain and actions taken	Supply Chain
GRI 415: Public policy 2016		
415-1	Political contributions	—
GRI 416: Customer safety and health 2016		
416-1	Assessment of occupational safety and health impacts by product and service category	Quality
416-2	Violations related to occupational safety and health impacts of products and services	—
GRI 417: Marketing and Labeling 2016		
417-1	Requirements for product and service information and labeling	—
417-2	Compliance violations related to product and service information and labeling	—
417-3	Compliance violations related to marketing communications	—
GRI 418: Customer privacy 2016		
418-1	Substantiated complaints regarding breaches of customer privacy and loss of customer data	Information Security

