

## Human rights

### Due diligence regarding human rights

While consulting with outside experts, we set critical risks for each fiscal year. For fiscal year 2022 and onward, we acknowledge the issue of Technical Intern Training for Foreign Nationals, a scheme used by the AISIN Group, as a risk area of the highest level. There is a concern that the scheme might lead to forced labor. As a result of a group-wide inspection on the reality of how we use the scheme (via supervising organizations) in Japan, we have found that as of the end of March 2022, 24 companies accepted 710 trainees, two-thirds of whom were from Vietnam. While taking account of this situation, we are promoting the following initiatives.

#### Periodical inspections to identify the acceptance of technical intern trainees

Our inspections on trainees' work and treatment, document management, protective measures, supervising organizations, etc. show that there have been no violations that might lead to breach of human rights. We give instructions regarding the necessary measures for pregnant and postpartum trainees.

#### Corrective action against recruitment fees

In cooperation with members of the Toyota Group, we are proceeding with corrective measures, starting with such measures for trainees from Vietnam.

#### Collaboration with external stakeholders

By participating in the Japan Platform for Migrant Workers towards Responsible and Inclusive Society, we ensure cooperation with various organizations.



In addition, we have conducted a migrant labor investigation among all our overseas group companies to identify the reality of their use of migrant labor and risks that might lead to forced labor (e.g. recruitment procedure and treatment upon trainees' return to their home countries). The investigation shows that there have been no violations of human rights of migrant workers.

#### Migrant workers at our overseas group companies (by region)

Region	Migrant workers
Americas	255
Europe	67
Asia	10
China	0

We clarify our commitment to human rights in accordance with the UK Modern Slavery Act.



FY2022 AISIN Group  
Statement on the UK Modern Slavery Act  
<https://www.aisin.com/en/sustainability/social/employee/respect/pdf/StatementonModernSlaveryAct.pdf>



To identify and address the main risks imposed on the entire Group, we will ensure from fiscal year 2023 that self-inspections are performed throughout the Group both domestically and internationally and at our main 110 suppliers.

### Sound relationships between management and workers and respect for the labor standards

To maintain sound relationships between management and workers, we emphasize the concepts of respect for human rights, mutual trust between management and workers, and acknowledgement of management and workers as the two wheels for moving the organization forward (i.e. mutual cooperation). We periodically organize meetings between management and workers to share the two parties' policies and problems toward establishing an environment where employees feel job satisfaction. For measures whose implementation will affect employees greatly, we inform employees of such measures well in advance.

#### Working hours

We comply with the Labor Standards Act. If it is necessary to have employees work over the statutory working hours, we complete the statutory procedure and ensure close communication with the workers' union while taking account of the employees' health and safety. To reduce the total working hours and enable employees to work flexibly, we are actively introducing IT tools and establishing a work-from-home framework. In addition, to maintain the ratio of annual paid leave taken at 100%, we are making various efforts, such as issuing the company's top message and reviewing the work styles of personnel posted overseas.

## Human rights

### Wage

Not only do we comply with law in terms of the minimum wage and other aspects, but we also respect the concept of equal pay for equal work. We ensure that there is no unreasonable gap between temporary employees and regular employees in their treatment.

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

	Starting wages (April 2021 results)	Vs. Minimum wage of Aichi Prefecture	Vs. Minimum wage of Tokyo
Technical college graduate (regular course)	182,000 yen	117%	108%
Technical college graduate (specialized course)	20,8000 yen	134%	123%
University graduate	208,000 yen	134%	123%
Master's degree holder	230,000 yen	148%	136%
Doctoral degree holder	264,000 yen	170%	156%

The minimum wages have been calculated using the monthly average of 20.3 days and eight hours per day, with reference to those of Tokyo (1,041 yen) and Aichi Prefecture (955 yen) as of fiscal year 2023. There is no gender or regional gap in the same qualification grade.

### Employment stability

We believe that in order to ensure employment stability, it is important to standardize HR and labor concepts and frameworks throughout the Group. We implement various measures based on this belief in accordance with the law, resulting in the turnover for fiscal year 2022 of four group companies\*<sup>1</sup> being 1.8%\*<sup>2</sup>.

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

\*2 Number of those leaving their company (for personal reasons) from April 1, 2021 to March 31, 2022 / number of employees enrolled as of April 1, 2021

### Training and awareness-raising activities

To share the importance of respect for human rights, we train employees and suppliers.

Trainees	Description
Executives	Incorporating a human rights program in the training for newly appointed executives
Human-rights-related departments (HR, procurement, etc.)	Conducting domestic group study sessions on basic knowledge and each department's role
Those engaged in recruitment	Ensuring opportunities for job interviewers to learn from the Aichi Labor Bureau to learn about points to note
Related to discrimination	Holding membership in the Industrial Federation for Human Rights, Aichi, and also working together with the Corporate Federation for Dowa and Human Rights Issues in proceeding with awareness-raising activities
Newly hired or promoted employees	Holding CSR training seminars covering the area of human rights
All employees	Japan: Raising employees' awareness through case studies which they can work on easily Overseas: Engaging in dialogues with regional headquarters so that they can make efforts in line with the local conditions
Suppliers	Issuing the Sustainability Guidelines and organizing an explanatory session to ask for their support. In fiscal year 2023, we held study sessions for 110 major suppliers and shared our initiatives.

### Establishment and reinforcement of consultation services

We have the AISIN Global Hotline, which receives consultation requests from inside and outside the company, to establish a framework for taking up an extensive range of opinions on human rights. To respond to the issue of Technical Intern Training for Foreign Nationals, we have participated in the JP-MIRAI Pilot Project of Counseling for Foreign Workers and begun to receive requests for consultation to be provided from outside experts.

### Supply chain initiatives

#### Response to responsible mineral procurement (conflict minerals)

In fiscal year 2023 again, we inspected our supply chain to check whether conflict minerals were used, and we reported the results to our customers. By participating in an industrial organization, we are striving to establish an effective inspection method. We will continue responsible procurement of minerals in line with the following policy.

#### Policy on the procurement of minerals

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