

Business capital overview

| | Financial capital | Human capital | Intellectual capital | | | |
|--|--|---|---|---|---|--|
| Contribution to value creation for each form of capital | We are accelerating our work on formulating strategies for electrification, carbon neutrality and other matters for the future and enhancing our corporate framework through structural reform with the aim of improving ROIC (return on invested capital) and establishing capital policies that balance financial safety with capital efficiency to achieve ongoing growth and boost our value as a company. | Contribution to the group's ongoing growth and value creation through the creation of workplaces where diverse individuals can engage in satisfying work that is suited to their strengths and characteristics. | Creating innovation through a global development framework that enables us to incorporate the world's needs into our development as quickly as possible, an integrated evaluation framework to support this work, and cutting-edge technology development through collaborations with a wide range of industries to avoid not-invented-here syndrome. | | | |
| Target | Building of foundations for sustainable growth and maximization of corporate value | Implementing personnel management that improves job satisfaction and creates new value by promoting diversity and autonomy | Accelerating innovation to achieve the SDGs by FY2031 | | | |
| | <p>Improvement of ROIC (return on invested capital)</p> <ul style="list-style-type: none"> Formulating growth strategies and strengthening our corporate framework <p>Procurement of capital under favorable conditions</p> <ul style="list-style-type: none"> Maintaining capitalization ratio of around 25-30% | <p>Steady shareholder returns</p> <ul style="list-style-type: none"> Steady dividends with a payout ratio of around 30% | <p>Improvement of job satisfaction</p> <ul style="list-style-type: none"> Achieve higher survey results for job satisfaction Reduce total working hours <p>Promotion of diversity and inclusion</p> <ul style="list-style-type: none"> Improvement of ratio of female employees in managerial positions Compliance with the legally stipulated ratio of employees with disabilities Improvement of ratio of local executives overseas | <p>Promotion of health management</p> <ul style="list-style-type: none"> Reduce ratio of employees with a BMI 25 or higher Reduce ratio of employees taking leave due to mental health Increase the number of employees undergoing mental health training Increase ratio of nonsmoking employees <p>Retaining employees in key areas</p> <ul style="list-style-type: none"> Retaining and developing DX/AI/ electrification personnel Retaining and developing global personnel | <ul style="list-style-type: none"> Resource shift to solution-oriented product and advanced technology Promotion of innovation in mobility and energy to solve social issues <ul style="list-style-type: none"> Focusing on strengthening of intellectual property activities to contribute to the creation of new businesses, along with activities to protect and guarantee intellectual property to ensure that existing businesses are competitive | |
| Main initiatives for FY2022 | <p>Improvement of ROIC (return on invested capital)</p> <ul style="list-style-type: none"> Contribution to optimal energy use for overall vehicles with a broad range of electrification products Promotion of the development of overwhelmingly high-efficiency, small electric drive units, such as eAxle, aimed at a production system for 4.5 million units Establishment of Carbon Neutrality Promotion Center and EV Promotion Center Expansion of cooperative activities within the Group Streamlining of duplicate functions | <ul style="list-style-type: none"> Integration of administrative operations of subsidiaries, restructuring of businesses, integration/elimination of companies Acceleration of cost improvement activities <p>Procurement of capital under favorable conditions</p> <ul style="list-style-type: none"> Ensuring ongoing liquidity through mobile, preventive financial measures <p>Steady shareholder returns</p> <ul style="list-style-type: none"> Dividend of 170 yen for the year (dividends payout ratio 32.3%) based on general situation, including dividends payout | <p>Improvement of job satisfaction</p> <ul style="list-style-type: none"> Implementation of job satisfaction reform (psychological safety, promotion of team-building and 1on1 based on relationship quality, enhancement of satellite offices, implementation of DX, etc.) Introduction of flexible working practices (sideline work, discretionary work, 3-month flex system, etc.) <p>Promotion of diversity and inclusion</p> <ul style="list-style-type: none"> Top Commitment, workplace D&I meetings, etc. Initiatives for women in the workplace (company-wide Working group, Ikubosu Academy, mentor system, networking meetings, etc.) Initiatives for senior employees in the workplace (career training, recurrent training, etc.) | <ul style="list-style-type: none"> Initiatives to improve working environment for employees with disabilities (introduction of communication support tools, etc.) Promotion of understanding of LGBTQ (through training, workplace meetings, etc.), setting up all-gender restrooms <p>Promotion of health management</p> <ul style="list-style-type: none"> Hosting events using ICT app Line-care training for all group companies Conducting self-care training, promoting workplace SC improvement activities Implementing smoking cessation support program <p>Retaining employees in key areas</p> <ul style="list-style-type: none"> Introduction of year-round recruitment Training AI personnel Reskilling training for electrification | <p>Technology development initiatives</p> <ul style="list-style-type: none"> Digital development to improve product quality and shorten development times Strengthening of AI technology development framework Global expansion of platform for open innovation | <p>Patent initiatives</p> <ul style="list-style-type: none"> Strategic patent applications in solution-oriented product Provision of patent information analysis results to new business and key development department Revision of application standards to ensure the required quality for applications Optimization of resources through possessed intellectual property valuation; lean portfolios Utilizing AI technology in patent search operations |
| Results for FY2022 | <ul style="list-style-type: none"> Revenue: ¥3,917.4 billion Operating profit: ¥182.0 billion ROE: 7.5% ROIC: 6.6% Capitalization ratio: 32.1% (27.5% when accounting for hybrid capitalization) | | <p>Improvement of job satisfaction</p> <ul style="list-style-type: none"> Job satisfaction according to the results of employee awareness surveys: 3.4 points (out of 5) Total annual work hours per employee: 1,990 hours <p>Promotion of diversity and inclusion</p> <ul style="list-style-type: none"> Ratio of female executives: 11.5% (3 persons) Ratio of female employees in managerial positions: 2.6% (120 persons) Ratio of employees with disabilities: 2.41% Ratio of local employees in executive positions (vice president or higher) in overseas companies: 35.4% New hires: 329 persons | <p>Promotion of health management</p> <ul style="list-style-type: none"> Employees with a BMI 25 or higher: 29.1% Employees taking leave due to mental health: 0.8% Employees undergoing mental health training: 144 persons Nonsmoking employees: 71.8% <p>Retaining employees in key areas</p> <ul style="list-style-type: none"> AI training: 6,134 entry-level employees; 168 mid-level employees AI mid-career hires: 13 persons Electrification personnel: 8 persons | <p>Technology development initiatives</p> <ul style="list-style-type: none"> Aisin's research presentation was awarded as outstanding performance in MIRU2021 Developed Multi Model Agent that supports "movement" in next-generation Participation to Model Base Development (MBD) promotion center | <p>Patent initiatives</p> <ul style="list-style-type: none"> Patent results Domestic patents held: 5,955 Overseas patents held: 6,710 Domestic patent applications: 886 throughout year Overseas patent applications: 603 throughout year |