

## Human capital strategy

### Co-creation by diverse human resources who will drive our businesses and take on challenges (Advance, build the future.)

We will secure human resources who will lead our businesses in the new areas of electrification, DX, and global, and we will promote development of workplaces that can encourage their people to proactively take on co-creation and challenges. To accomplish this, we should pay more careful attention than ever to ensure that the needs of the company coincide with the needs of employees, thereby building a relationship where individuals and organizations are united, contributing mutually to the growth of both sides.

#### ① Shift and development of human resources for electrification products

In line with the target of establishing a production system for 4.5 million electric drive units by 2025, we aim to shift 1,500 people in development and production engineering to the electrification area by fiscal 2024. We also aim to turn 95% of our powertrain development personnel into electrification personnel by 2025 and have provided reskilling support. As a result, we have already completed the shift of nearly 70% of the personnel to the key areas.

#### ② Promoting DX that involves all employees

To survive the period of change for the automotive industry, Aisin is accelerating fundamental streamlining of operations through digital transformation (DX).

#### ③ Development of human resources that support our global business

To respond to expectations of customers around the world in a timely manner, we develop human resources on a global scale so as to make maximum use of Aisin's broad business areas and highly professional expertise.

Regarding executives at overseas companies, we set a target of raising the ratio of local employees in executive positions (vice president or higher) to 40% by 2030. Due to the ongoing efforts to achieve the target, the ratio of local employees in executive positions (department heads) has been rising over the past five years. We will continue to promote systematic development and appointment of personnel of the AISIN Group companies.

#### ① Major initiatives related to shift and development of human resources for electrification products

<b>Enhancement of development capabilities in the electrification area</b>	Preparing an environment separated from work, in which individuals can concentrate on learning the basics of electricity and motors and professional skills in a short period of time
<b>Enhancement of production technology</b>	Providing education focused on practical training, such as assembly/disassembly of hybrid units so that even unexperienced employees can be immediately involved in electrification-related operations
<b>Enhancement of employees in skilled positions</b>	Formulated a specialized education system. For electrification products, a basic education program was formulated in FY2022, and specialized education focused on production of electrification products will be provided from fiscal 2023 to enable the personnel to keep up with technology advancement.
<b>Establishment of specialized organizations</b>	Established the EV Promotion Center under direct control of the president, aimed at enhancement of products for EVs, taking advantage of the AISIN Group's strengths. Appointed the Chief Electric Strategy Officer (CESO) as the head.
<b>Establishment of a company personnel function</b>	To respond speedily to personnel issues in the rapidly changing electrification area in cooperation with businesses, setting up a personnel function in the Powertrain Company.

#### ② Major initiatives for promoting DX that involves all employees

<b>Conducting training for employees</b>	Providing Aisin's unique educational program that systematically organizes basic knowledge concerning AI and IoT for employees in all departments. In FY2022, approx. 12,000 Aisin employees received the DX beginners' package education program on basic DX knowledge, which is scheduled to be provided for employees of group companies in FY2023.
<b>Acquisition and development of AI personnel</b>	Set up bases in Tokyo, Aichi and Fukuoka to create a framework that will enable personnel to make use of their expertise and get satisfaction from their work. To achieve the target of developing around 1,400 employees as AI personnel by 2025, investing over 200 million yen each year in AI training.
<b>Establishment of specialized organizations</b>	Established the DX Strategy Center to strongly promote DX. Appointed the Chief Software & Digital Officer (CSDO) as the head.

#### ③ Major initiatives for development of human resources that support our global business

<b>Development of global leaders</b>	Providing selected employees with educational programs that teach management know-how, give tough assignments, etc. so that they will have a high level of humane abilities and views, as well as a management perspective, and be able to create new value. Also proactively appointing them for important posts at major sites that have significant impact on business management in Japan or overseas.
<b>Development of overseas executives</b>	Aiming at optimal placement of employees in executive positions at all overseas sites, introduced the AG2 (Aisin Global Grading) as a global common index to visualize overseas positions and clarify important posts. In addition, aiming to accelerate appointment of local employees for important posts, formulated the Succession Plan to develop personnel according to the plan. For top management of all overseas sites, conducted training to help them understand the basic knowledge and decision-making criteria for overall functions of our business base and recognize the roles required of managers.
<b>Development of personnel in staff positions and skilled positions</b>	Accepting local employees of overseas sites at the Head Office in Japan for a maximum of three years to develop human resources for independence of overseas sites and support implementation of projects at overseas sites. To develop skilled technicians, established the Aisin Academy in China (Suzhou) and Thailand to train mainly leaders in skilled positions. So far, 418 people from 34 sites in 11 countries overseas have studied at the Aisin Academy in Japan. The Aisin Academy in China accepted 185 trainees. Established the Aisin Academy in Thailand and started training in May 2022. Moreover, the Aisin Academy in Japan has a program for managers and supervisors to develop key persons of overseas sites. As an initiative for electrification, establish an education system for overseas sites that is equivalent to the one in Japan to promote development of human resources who will contribute to improving the competitiveness of Aisin's electrification products. For development of personnel with other new technologies/skills, prepare an educational environment and tools and create education curriculums in cooperation with members for production preparation.