

Fiscal 2023 Aisin Group Statement on Modern Slavery Act

Aisin Corporation is pleased to announce its initiatives for the period from April 1, 2022 to March 31, 2023 (hereinafter “fiscal 2023”) to prevent human rights violations, including slavery and human trafficking, in the Aisin Group and its supply chain in accordance with Article 54 of the United Kingdom’s Modern Slavery Act.

1. Business structure and supply chain

We decided that the Aisin Group's mission would be “We will deliver beauty to our future earth, bringing freedom and happiness to ‘movement’.” We aim to greatly surpass our previous principles and methods for mobility, create all kinds of exciting mobility experiences and solve various issues faced by the planet through our products and services to create a happy and sustainable society for all people. To fulfill this mission, the Aisin Group has expanded its businesses, including the manufacture and sale of automotive parts and energy- and lifestyle-related products, to the United Kingdom and various other countries and regions around the world. As of March 31, 2022, the number of consolidated subsidiaries was 202 (74 companies in Japan and 128 companies overseas) and that of employees was about 117000. In the UK, Aisin Europe S.A., Aisin Europe Manufacturing (UK) Ltd., and IMRA Europe S.A.S. are engaged in sales, manufacturing, and research and development, respectively.

The Aisin Group believes in coexisting and sharing prosperity with our suppliers, and strives to achieve mutual development. Therefore, we conduct our procurement activities in accordance with the Aisin Group Basic Procurement Policy: “Coexist harmoniously and share prosperity with suppliers with a view to stability in our trades in the long term” and “Carry out open and fair trades.” The Aisin Group companies have direct dealings with 4,275 suppliers.

For more information on the Aisin Group, please visit the website from the link below.

<https://www.aisin.com/en/>

2. Policy on prevention of slavery and human trafficking

The Aisin Group has established the following nine principles as the Aisin Group Principles of Corporate Behavior. In accordance with these principles, irrespective of the location, we respect human rights, abide by the letter and spirit of all applicable laws, rules and regulations, and act in a sincere and socially responsible manner.

<Principles of Corporate Behavior>

1. Safety, Quality and Contribution to Creating a Sustainable Society
2. Compliance
3. Disclosure and Communication

4. Respect for Human Rights
5. Promotion of Diversified Work Styles and Upgrading the Work Environment
6. Environment
7. Social Engagement and Contribution to Development
8. Thorough Crisis Management
9. Company Leadership

For the full text of the Principles of Corporate Behavior, please visit the website from the link below.

https://www.aisin.com/en/sustainability/governance/csrmanage_charter/

In April 2021, the Aisin Group formulated the Aisin Group Human Rights Policy after deliberation and approval by the Aisin Group Human Rights Expert Committee. The Human Rights Policy is positioned as the highest level human rights policy based on the United Nations Guiding Principles on Business and Human Rights and the Aisin Group Principles of Corporate Behavior. Our Human Rights Policy supports the International Bill of Human Rights and ILO Core Labour Standards (freedom of association, the right to collective bargaining, prohibition of forced labor, effective elimination of child labor, elimination of discrimination in hiring and workplaces, etc.) as minimum standards to be observed and is a pledge that the Aisin Group will fulfill its responsibility to respect human rights through due diligence. This policy not only applies to executives and employees; we also expect all business partners, including suppliers, to understand and uphold this policy.

For the full text of the Aisin Group Human Rights Policy, please visit the website from the link below.

https://www.aisin.com/en/sustainability/social/employee/respect/pdf/HumanRightsPolicy_2.pdf

With regard to our supply chain, to ensure that all of our procurement activities comply with the Aisin Group's policies along with relevant laws and regulations, we issued the Aisin Group Supplier Sustainability Guidelines in October 2021, specifying policies regarding, for example, human rights, labor, the environment, and compliance based on the Aisin Group Principles of Corporate Behavior. We also request our suppliers to ask their suppliers for similar initiatives, thereby promoting the prevention of slave labor and human trafficking throughout the supply chain.

3. Human rights due diligence

Having established a scheme for human rights due diligence in line with the Aisin Group Human Rights Policy created based on the United Nations Guiding Principles on Business and Human Rights (UNGPs), the Aisin Group is working on assessing human rights risks in the business activities of the Group and its supply chain, preventing risks, implementing remedies

for risks when they occur, and publicly disclosing the progress of these efforts. To make this a continuous initiative, the Aisin Group as a whole has set a target of 100 percent annual implementation of a human rights risk identification survey and we reached 100% in fiscal 2023.

The Aisin Group has established the Aisin Group Human Rights Expert Committee under the Consolidated Business Ethics Committee. The Committee meeting is held once a year. To approve activity plans, the Committee sets priority risks based on the medium-term plan while taking into account social trends related to human rights. At the second Human Rights Expert Committee meeting held in April 2022, The following focused items were proposed and approved for fiscal 2023; (1) Taking foreign technical intern training, which has the risk of leading to forced labor, as a top priority risk area, (2) Responding to major human rights areas such as discrimination, harassment, wages, working hours, and safety, and (3) Strengthening our activity to supply chains.

In advancing human rights initiatives, we are proceeding with discussions with advice from external experts regarding the creation of a framework, such as the establishment of policies and advisory committees, how to proceed with the selection of priority areas, the setting of activity indicators, and the analysis of survey results.

4. Risk assessment and management

(1) Toward proper management of foreign technical intern training (supervising organization type)

The Aisin Group accepts overseas technical trainees to work in Japan. External experts have pointed out the risk of forced labor situations where, in the case of the supervising organization type, the overseas agency sending the workers and/or the Japanese group coordinating their arrival charge(s) an exorbitant recruitment fee to migrant workers and holds them in debt bondage for that fee. For this reason, we have been doing a particular focus on investigating placements of overseas technical trainees.

We investigated the placement of overseas technical intern trainees in all our domestic group companies and 110 companies of our major suppliers. As of the end of March 2022, there were around 700 technical intern trainees in 23 group companies and around 1100 trainees in 60 major supplier companies. These trainees were from Vietnam, China, Myanmar and Indonesia, with about 60 percent from Vietnam.

Based on this, we took the following measures to prevent human rights violations that could occur when we accept overseas technical trainees.

- We periodically investigated the placement of overseas technical intern trainees in our domestic group companies and major suppliers. The result was that there were no violations that could lead to human rights violations regarding, for example, operations, treatment, document management, protective measures, and supervising organization status.

- With regard to exorbitant recruitment fees charged to migrant workers, which can lead to forced labor, we are taking corrective action within the Group in stages, starting from the Vietnamese trainees.
- We attend the Japan Platform for Migrant Workers towards Responsible and Inclusive Society (JP-MIRAI) from December 2020 for collaborations with various organizations, gathering of information, and discussions with experts.

We also continuously direct necessary measures for pregnancy and childbirth during their training period.

(2) Confirming the status of human rights activities using the human rights self-check sheet

From fiscal 2023, we have been conducting self-check surveys of the all Aisin Group companies and 110 companies of major suppliers in Japan and overseas in order to understand the systems and actual conditions of corporate activities in the major human rights fields, identify issues, and link them to improvement activities. The content of the self-check conforms to the content of the self-inspection sheet stipulated by the Japan Auto Parts Industries Association. The check sheet covers 9 major areas, namely (1) Elimination of discrimination, (2) Harassment, (3) Child labor, (4) Forced labor, (5) Wage, (6) Working hours, (7) Dialogue with employees, (8) Safe and healthy working environment, (9) activities toward suppliers. Five aspects are checked for the each areas; (1) laws and regulations, (2) organizational framework, (3) prevention, (4) enlightenment, and (5) actual status.

As a result of the survey, domestic group companies and suppliers were relatively behind in their activities. Especially in the fields of discrimination, harassment, forced labor, and child labor, we learned that there is room for improvement in terms of grasping laws and regulations, implementing enlightenment, and confirming actual conditions. In addition, we conducted interviews with several companies to confirm the detailed situation so that each company can make improvements that can be implemented. We summarized the details of the following improvement activities, held briefings for the group and major suppliers, and requested them.

[Improvement activities (outline)]

Items	Actions
1. Establishment of a structure for promoting human rights activities	Determination of the department in charge of human rights and assignment of responsible persons
2. Corresponding to the most prioritized item (foreign technical intern training)	Thorough compliance with laws and regulations, correction of fees, and awareness of consultation service
3. Improvement activities on major human rights areas	Formulation and distribution of “the fiscal 2023 version of the List of Important Actions from the Perspective of Human Rights”, and inspections at each company
4. Prevention and	Study sessions, dissemination of compliance-related

enlightenment	policies and consultation service, and provision of the contents for enlightenment
5. Supply Chain	Dissemination of “the Aisin Group Supplier Sustainability Guidelines” and requests for support

5. Establishment of consultation services

The Aisin Group has established an internal consultation service, a group-wide external consultation service by a lawyer, and a consultation service handled by the legal affairs division at Aisin Group’s headquarters. In addition to these, in June 2021, we newly established the Aisin Global Hotline, which is available from outside the Aisin Group, to respond to inquiries regarding human rights.

In addition, from June 2022, we have participated in the "JP-MIRAI Assist". In addition to providing information to foreign technical intern trainees and those whose status of residence is specified skills, we have set up a dedicated consultation service and strengthened monitoring of their voices. Thorough attention is paid to the rights of those using these services, including privacy and prevention of reprisals, when taking measures.

In fiscal 2023, there were no reports or consultations about issues that could lead to human rights violations such as slave labor and human trafficking.

6. Training

The Aisin Group thoroughly promotes respect for human rights by providing the following training and awareness-raising opportunities.

(1) Training for newly appointed Aisin Group officers

We provide training on the background of human rights activities, the content of human rights activities required of companies, and the Aisin Group's human rights activities, and hold discussions using case studies.

(2) Aisin Group human rights department study session

We held a study group for divisions that play a central role in human rights activities, such as human resources, human resource development, legal affairs, procurement, general planning, business planning, and sales, etc., in Japanese Group companies.

(3) Workshop for recruit interviewers

A lecturer is invited from the Aichi Labor Bureau, and lectures are given to interviewers, etc.

(4) Training at each level

[1] CSR basic training: We provided training on the Aisin Group Human Rights Policy and respect for fundamental human rights for new assistant managers and management.

[2] Top management training: We provided education for new regional managers in Japan and overseas regarding the importance of human rights initiatives and the need to take

measures.

(5) Education for workplaces

Education for compliance enforcement personnel: We provided training on the Aisin Group Human Rights Policy for compliance enforcement personnel in Japan and overseas to ensure that respect for human rights permeates the workplaces.

(6) Awareness-raising for employees

In addition to disseminating our human rights policy, we conveyed the importance of respecting human rights to each and every employee in an easy-to-understand manner through the information, including case studies of workplace discrimination and harassment based on prejudice and human rights violations in the supply chain.

(7) Activities geared toward suppliers

In April 2022, we held a briefing on the Supplier Sustainability Guidelines for about 750 major Aisin Group suppliers. Also we had a study session with 110 major suppliers and promoted understanding of human rights activities that companies should work on by sharing Aisin Group's examples and other information.

7. Action plans for the next fiscal year and thereafter

(1) Investigation into the compliance status of foreign technical intern trainees

Focusing on the Japanese group companies, we will confirm the actual situation regarding the compliance status related to the acceptance of foreign technical intern trainees from the perspective of external experts.

(2) Collaboration with stakeholders towards the elimination of social issues related to foreign workers

Since it is difficult to resolve various issues related to accepting foreign workers through the activities of the Aisin Group alone, we will work on social solutions through collaboration with Japan Platform for Migrant Workers towards Responsible and Inclusive Society.

(3) Linking global human rights activities with overseas regions

In promoting the Aisin Group's human rights activities, we believe that it is important to promote independent human rights activities in each region of the world. We will strengthen activities for dialogue and cooperation between the Group headquarters and regional headquarters, so as to ensure activity between conventional activities in each region and global activities.

(4) Stretching activities in the supply chain

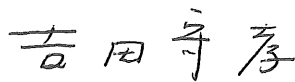
We will gradually expand and deepen the study sessions and self-checks related to human rights that we have started with major suppliers.

In line with the Aisin Group Human Rights Policy, the Aisin Group will continue to advance our initiatives by organizing issues and setting priority themes every fiscal year.

This statement was made on behalf of Aisin Corporation and the Aisin Group, and was

approved by the Aisin Group Human Rights Expert Committee on April, 4, 2023.

April 4, 2023

Handwritten signature of Moritaka Yoshida in black ink.

Moritaka Yoshida
President and Executive Director
AISIN CORPORATION