

## CORPORATE GOVERNANCE REPORT

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AISIN CORPORATION

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

The status of corporate governance of AISIN CORPORATION is as set out below.

### **I. Basic concepts of corporate governance, capital structure, corporate attributes, and other basic information**

#### **1. Basic stance**

We build strong relationships with all of our stakeholders and achieves steady long-term growth and expansion to maximize our value based on the Group's management philosophy. In order to accomplish this, we believe that it is important to conduct our business activities in a fair and transparent way in order to be a trusted corporate citizen in the international community. We strive to enhance corporate governance based on the following basic policy.

The policy described herein is codified and executed under the AISIN Group Charter of Sustainability.

- (1) AISIN Group respects the rights of shareholders, ensures shareholder equality and endeavors to create a suitable environment for ensuring the appropriate exercise and protection of rights.
- (2) AISIN Group endeavors to cooperate with other stakeholders aside from shareholders (i.e., customers, suppliers, employees and members of local communities), with sincerity and integrity, based on common sense and social values.
- (3) AISIN Group discloses information appropriately in accordance with applicable laws, and endeavors to proactively communicate information other than that disclosed in accordance with such laws, and to ensure transparency in its activities.
- (4) In order to ensure transparency, fairness and agility in its decision making, AISIN Group endeavors to ensure appropriate execution of the roles and responsibilities of its Board of Directors.
- (5) AISIN Group endeavors to hold constructive dialogues with its shareholders, based on a shared directionality for stable long-term growth.

#### **[Reasons for non-compliance with the principles of the Corporate Governance Code]**

The Company complies with the principles of the Corporate Governance Code.

#### **[Disclosure based on the principles of the Corporate Governance Code] [Updated]**

##### **[Principle 1-4. Cross-shareholdings]**

###### **(1) Policy on cross-shareholdings**

From the perspective of improving capital efficiency, reducing assets, and improving governance, our policy is not to engage in cross-shareholdings as a general rule unless such shareholding is deemed essential for improving corporate value.

In order to survive the current state of fierce competition and continue sustainable growth, we recognize the need to promote joint technology development and business alliances through shareholdings.

On the other hand, we examine the significance of shareholdings from the perspective of whether we can maintain business relationships without shareholdings while maintaining a policy of cross-shareholding only when such shareholdings are deemed essential for improving corporate value.

(2) Verifying whether to hold shares

The significance of cross-shareholdings from the perspective of whether we can maintain and expand business relationships without the cross-shareholdings is verified, and the details, actual reductions, and policy for future reductions are verified at the Board of Directors meeting each fiscal year.

Stocks deemed essential holdings are carefully examined and verified in light of the benefits and risks of the holdings based on the cost of capital.

(3) The Company's basic policy on exercise of voting rights

1) Basic concepts on exercise of voting rights

The Company does not uniformly determine to approve or disapprove exercise of voting rights based on standardized, short-term criteria, but rather formulates decisions from the perspective of whether or not medium- and long-term corporate value and shareholder returns are maintained and enhanced while fully respecting the management policies and strategies of such investee companies.

2) Process of exercising voting rights

When exercising voting rights, the Company confirms each proposal by paying attention to whether investee companies are managed in a way that emphasizes the development of such company and the interests of shareholders, and ensuring they are not engaging in anti-social activities. Where necessary, after conducting required scrutiny of each entity, a determination is made of whether to approve or disapprove the proposal while taking into consideration the results of dialogue with such company.

(4) Response policy in the event that a cross-holding shareholder indicates the intent to sell

If a company that owns shares of the Company indicates intent to sell its shareholdings, the Company will not prevent such a sale.

[Principle 1-7. Related party transactions]

Based on the Companies Act and related laws, the Company stipulates in the Rules of the Board of Directors that officers of the Company may not engage in transactions involving conflicts of interest without the approval of the Board of Directors, and that transaction results are disclosed in a timely and appropriate manner based on relevant laws and regulations. The Board of Directors also confirms the details of highly important transactions with major shareholders. The terms of transactions with major shareholders are determined through price negotiations each fiscal year with presentation of a desired price that takes into account market price and the total cost.

[Supplementary principle 2-4 (i) Ensuring diversity in the promotion to core human resources]

Based on the Company's management philosophy of "What We Strive to Give," we have chosen "expanding the participation and lives of diverse human resources" as a materiality issue (priority issue) for sustainability. Based on this concept, the promotion of core human resources including the appointment of managers is carried out by fair and impartial evaluation of individual abilities utilizing human resources with diverse backgrounds including women, non-Japanese, and mid-career hires.

Major group companies will also participate in conferences to promote personnel measures, including the promotion of diversity, by establishing strategies for medium-term personnel issues and human capital while promoting activities and following up on related KPI.

Our approach to each area is as follows. For details, including results and targets, please refer to our website on Social Initiatives: (<https://www.aisin.com/en/sustainability/>).

<Women>

We have set targets for the employee awareness survey's engagement index, ratio of female on board of directors, and ratio of female managers, and are expanding our perspective from the issues facing individual women to organizational issues, and are carrying out activities for improvements.

<Non-Japanese>

In order to contribute to regional sustainable development through local management, we strive to promote local employees to executive positions at our overseas subsidiaries.

<Mid-Career Hires>

We fairly and impartially evaluate and promote employees based on their individual abilities independent of the circumstances of their hiring, and our midcareer hires are promoted to management positions at the same rate as new graduates.

We will continue to promote talented individuals, regardless of whether they were hired as new graduates or midcareer hires.

<Policies for human resources development and internal environment development>

The Company believes that every one of the people we work with plays a leading role, and it is the people we work with who are the strength of the Company. For this reason, we have positioned “our colleagues” first in the values provided in our management philosophy. By challenging ourselves to achieve our management philosophy and business strategies, we are promoting independent growth and will provide job satisfaction and happy lives to those we work with.

[Principle 2-6. Exercising the functions of corporate pension asset owners]

The Company appoints and assigns human resources who fully understand the purpose and process of pension management in order to achieve the function as a pension fund asset owner. In order to complement and improve expertise, we have also entered into investment consultant agreements with suitable external experts. As an initiative to prevent conflicts of interest, we have established an independent Pension Asset Management Committee to monitor asset management. We also require asset managers to formulate standards for the exercise of voting rights and disclose the results of voting.

[Principle 3-1. Enhancement of information disclosure]

(1) Management strategy and management planning

1) Management philosophy

The AISIN Group management philosophy is Inspiring “Movement,” Creating Tomorrow. In addition to contributing to the evolution of real mobility, we also provide people around the world with all kinds of “moving” experiences that “move the heart” and bring excitement in the form of surprise and fun. By creating new value through environmentally friendly business activities, we connect sustainable societies of happy people living in a clean and beautiful earth.

2) Vision

The Aisin Group Vision 2030 establishes a long-term vision to address social issues and accelerate the “response to electrification” and the “shift to growth areas.”

We provide solutions to social issues and realize safe, secure, and comfortable mobility for the purpose of Inspiring “Movement,” Creating Tomorrow.

<Group growth trajectory>

Amid a changing internal and external environment, we at AISIN CORPORATION have redefined our growth trajectory toward 2030, taking the 2021 business integration of the former Aisin Seiki Co., Ltd. and Aisin AW Co., Ltd. as a turning point. To achieve our management targets for 2030, we positioned the three years through 2025 as a period of substantive change, during which we built our capabilities, and defined the five years through 2030 as a time for delivering results as we leap forward. We are working to transform our business portfolio and strengthen our corporate structure.

<Business aim>

We will provide value to our customers and society through various types of “movement” of mobility, energy, and people. We will enhance our products and services to contribute to solving environmental and social issues, regardless of our traditional business areas.

3) Management plan

Based on the above management philosophy and vision, in September 2023 we formulated a medium-to-long-term business strategy and commenced a Medium-Term Management Plan with FY2025 as its final year. Moreover, in February 2026 we drew up and released our second-phase FYE2029 Mid-Term Business Plan with an eye toward 2030.

For details of our management philosophy and vision, please refer to our Integrated Report.

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

For details of our management plan, please refer to business briefing materials (Medium-to-Long-Term Business Strategy Briefing, FYE2029 Mid-Term Business Plan Briefing).

<https://www.aisin.com/en/investors/business-briefing/>

(2) Basic concepts and basic policies concerning corporate governance

Please refer to “Basic concepts” in Section I-1 of this report.

(3) Policies and procedures for determining executive compensation  
Please refer to Section II-1 [Director compensation] “Disclosure of Policy for Determining Compensation Amount or Calculation Method” in this report.

(4) Policies and procedures for appointment and dismissal (nomination) of officers  
In order to achieve sustainable growth and medium- to long-term enhancement in corporate value, and to ensure accurate, prompt, and fair decision-making and appropriate management supervision, the Board of Directors of the Company comprehensively considers various measures when deciding on the appointment and dismissal of Directors. These measures aim to better optimize and achieve a balance of knowledge, experience, and skills, and include appointing several highly specialized Outside Directors from within and outside the industry, as well as appointing Directors with group management in mind by selecting those with extensive experience and broad insights from our domestic and overseas subsidiaries.  
The procedure for nomination and appointment/dismissal entails the selection of candidates as Directors and Audit & Supervisory Board Members after examination and deliberation by the Executive Nomination & Compensation Committee, which is chaired by an Independent Outside Director and whose majority are Independent Outside Directors, after which they are presented to the Board of Directors. Directors are decided after deliberation at the General Meeting of Shareholders based on unofficial resolution of the Board of Directors.  
After approval of the Audit & Supervisory Board, appointment of Audit & Supervisory Board Members is decided after deliberation at the General Meeting of Shareholders, based on unofficial resolution of the Board of Directors.  
The Board of Directors makes resolutions with full credence to the decisions of the Executive Nomination & Compensation Committee.

(5) Reasons for appointment of officers  
The reasons for the appointment of individual officers are described in the Notice of Convocation of the General Meeting of Shareholders on the Company’s website.

[Supplementary principle 3-1 (iii) Disclosing initiatives on sustainability]  
Our sustainability initiatives are disclosed in our Securities Report (<https://www.aisin.com/jp/investors/securityreport/>), Integrated Report (<https://www.aisin.com/en/sustainability/report/>) and our website (<https://www.aisin.com/en/sustainability/>).

(1) Human resources strategy  
In our quest to become a company that creates the full value of movement, we are transforming our business portfolio in line with our medium-to-long-term business plan targeting 2030. We recognize that the success of this strategy hinges on the self-motivated participation of our entire diverse range of employees, who create value by identifying issues facing society and customers.  
This philosophy encourages us to position our human resources strategy at the core of our business operations and consistently work to strengthen it. As we head toward 2030, we define the ideal target state for our people and organization as one in which we work toward challenging objectives on a global, groupwide basis, while offering our people more opportunities to grow and thrive than any rival can. We are expanding our human capital in three domains: the growth and success of professional talent, promotion of a spirit of challenge, and the strengthening of the Group’s broad range of capabilities.  
Through these initiatives, we aim to enhance our organizational power and strengthen our global competitiveness across our three key target domains: product, region, and function, as prioritized in our FYE2029 Mid-Term Business Plan.

(2) Investment in intellectual property  
We take stock of the intellectual property we hold and analyze trends in the external environment, including IP information, to reinforce our management and business strategies, create new core technologies that become strengths aligned with our strategy, and build an optimal intellectual property portfolio. Furthermore, by utilizing intellectual property across domains, we connect this to maximizing the value we provide through our business activities and to enhancing corporate value.

(3) Measures for climate change

With respect to ESG materiality issues, we prioritize coexistence with nature and contributing to a sustainable future and have set out to achieve this by reducing environmental impact across the entire value chain and reflecting in our management strategy the risks and opportunities that climate change brings to our business.

[Supplementary principle 4-1 (i) Overview of the scope of delegation by the Board of Directors to management team]

In addition to those matters stipulated by laws and regulations or the Articles of Incorporation, the Board of Directors supervises business execution while also making decisions on important matters related to management, such as management policies, management and business strategies, business plans, investment plans, and establishment of and investment in subsidiaries.

Matters to be resolved by the Board of Directors are stipulated in the Rules of the Board of Directors, and decision-making for other business execution is delegated to Corporate Officers to expedite decision-making. The delegation details are clearly stipulated in the Regulations of the Administrative Authority and Regulations of Approval, and the Board of Directors, as the supervisory body for business execution, receives reports on the status of execution of delegated matters.

[Principle 4-9. Qualifications and standards for independent judgments by Independent Outside Directors]

When selecting candidates for Independent Outside Directors, the Company values quality and extensive experience by considering candidates with a high degree of expertise who can honestly and constructively advise and supervise the management of the Company and who also meet the requirements for Outside Directors stipulated by the Companies Act and the requirements for independence stipulated by financial instruments exchanges.

[Supplementary principle 4-10 (i) Nomination and compensation committee]

Independence and objectivity in the nomination and compensation of Directors and Corporate Officers is enhanced by submission to the Board of Directors after examination and deliberation at the Executive Nomination & Compensation Committee, which has a majority of Independent Outside Directors and is chaired by an Independent Outside Director, after which they are presented to the Board of Directors. The nomination of candidates for Directors and Corporate Officers and succession planning for the Company involves the appointment/dismissal of the most suitable members both inside and outside the company each year in accordance with our vision and management policy. In order to ensure optimal placement, opinions and advice from Independent Outside Directors are considered based on the perspective of promoting diversity. The opinions and advice of Independent Outside Directors are taken into account to ensure that appropriate compensation is paid.

[Supplementary principle 4-11 (i) Philosophy of the entire Board of Directors]

The Board of Directors of the Company strives to ensure accurate, prompt, and fair decision-making and appropriate management oversight in order to achieve sustainable growth and medium- to long-term enhancement in corporate value. In order to achieve this, the Board of Directors of the Company appoints multiple Outside Directors who possess a high level of expertise, both inside and outside our industry. With group management in mind, we comprehensively consider various measures, such as appointing Directors who have extensive experience and wide-ranging knowledge in domestic and overseas subsidiaries while striving to ensure that the diversity of the Board of Directors and their overall balance of knowledge, experience and skills are optimal for the Company.

In order to facilitate prompt decision-making, the Articles of Incorporation stipulate a maximum of 15 Directors. Currently eight Directors have been appointed. The skills of each Director are compiled in a list and disclosed in the Integrated Report and the Corporate Governance page of the Company's website (<https://www.aisin.com/en/>).

As for director management experience at other companies, two Independent Outside Directors have experience and insight as business executives.

One female Director and two female Audit & Supervisory Board Members have been appointed as we strive to ensure diversity by ensuring that one-fourth of our Directors and Audit & Supervisory Board Members are women.

[Supplementary principle 4-11 (ii) Directors and Audit & Supervisory Board Members concurrently serving at other companies]

In light of their own fiduciary responsibilities, we strive to limit the Company's Directors and Audit & Supervisory Board Members who concurrently serve as officers of other listed companies to a reasonable extent. The Company also discloses the status of important concurrent posts of each Director and Audit & Supervisory Board Member in the Notice of Convocation of the Annual General Meeting of Shareholders each year.

[Supplementary principle 4-11 (iii) Analysis and evaluation of the effectiveness of the Board of Directors]

In order to improve the effectiveness of the Board of Directors, analysis and evaluation of the effectiveness are conducted each year. The effectiveness evaluation for FY2025 and an overview of the results are as follows.

(1) Recipients: All eight Directors and all four Audit & Supervisory Board Members

(2) Evaluation method:

- (i) Third-party evaluation using a questionnaire survey
- (ii) Interviews based on the survey results
- (iii) Based on the analysis results, the Board of Directors discusses issues and future measures

(3) Evaluated items:

Scale, composition, and operation of the Board of Directors; support systems for outside officers; composition and operation of the Executive Nomination & Compensation Committee; improvement status of issues identified in the previous fiscal year's evaluation, etc.

[Issues recognized in FY2024 and results of FY2025 initiatives]

<Issue (i)> Enhancing discussions of the Board of Directors

<Result (i)> 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.

<Issue (ii)> Strengthening supervisory functions of the Board of Directors

<Result (ii)> Enhanced supervision by Outside Directors based on reports from various meetings and committees (the Sustainability Conference, the Corporate Behavior Ethics Committee, the Economic Security Committee, the Risk Management Committee, and the Environmental Committee) and from the internal audit department.

<Issue (iii)> Linking necessary knowledge and skills with the succession plan

<Result (iii)> 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.

[Overall evaluation of FY2025]

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.

[Issues recognized in FY2025 and action plans]

<Issue (i)> Strategy discussions

<Action plan (i)> 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 Management Plan status

<Issue (ii)> Supervisory function

<Action plan (ii)> Understanding risks across the entire Group and strengthening Group management

- Evolving Group management and piloting the organizational audits that support it

<Issue (iii)> Composition and function of the Board of Directors

<Action plan (iii)> 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

[Supplementary principle 4-14 (ii) Training policy for Directors and Audit & Supervisory Board Members]  
The Company appoints people, including outsiders, who can fulfill the roles and responsibilities expected of Directors and Audit & Supervisory Board Members. Based on this, we regularly hold training sessions taught by external experts. In addition, we strive to promote an understanding of roles and responsibilities, including legal knowledge, that managers should acquire as executives newly appointed through internal promotion. When Outside Directors and Outside Audit & Supervisory Board Members assume office, they are provided with opportunities to explain the details of the Company's business and to visit major sites in order to deepen their understanding of the status of the Company.

Each year, activities are conducted to better understand the Company's business and functions through explanations and discussions on the Company's business strategy, business environment, and business risks inside and outside the Board of Directors, as well as through on-site inspections. Opportunities are also provided for information exchange and mutual study in order to update knowledge after taking office.

[Principle 5-1. Policy concerning constructive dialogue with shareholders]

In order to promote constructive dialogue with shareholders and investors, we strive to gain their understanding by formulating a vision with a goals of the Company's sustainable growth and enhancement of corporate value over the medium to long term and to clarify the Company's management policy in easy-to-understand terms.

- (1) Under the supervision of the CFO, we are actively working to realize constructive and comprehensive dialogue with shareholders and investors through various initiatives including financial results briefings.
- (2) In order to promote constructive dialogue with shareholders and investors, a dedicated IR organization has been established within the Group Corporate Strategy Division in an effort to enhance the provision and disclosure of management strategies and financial information in cooperation with relevant internal departments.
- (3) As means of dialogue in addition to individual meetings, quarterly results briefings for analysts and investors are being held, as well as timely briefings on medium- to long-term management strategies and businesses. Moreover, to ensure clear and accessible communication, each fiscal year we hold several information sessions for individual investors (both in-person and online) and have established a dedicated section for individual investors on our website.
- (4) Opinions obtained through dialogue with shareholders and investors are reported to the Board of Directors and utilized in the management of the Company via feed back to the management team and related departments.
- (5) Regulations and internal rules for officers regarding the management of insider information are formulated and managed. The period before the announcement of financial results is a silent period during which dialogue and interviews with shareholders and investors are restricted. When insider information occurs within the Company, the relevant parties sign the insider information registration management ledger to ensure thorough management of the insider information.  
The Company's disclosure policy is posted on our website (<https://www.aisin.com/en/investors/disclosure/>) under Shareholder and Investor Information.

[Disclosure of the implementation status of dialogue with shareholders]

The Company endeavors to gain understanding of its management policies and its Medium- to Long-term Business Strategy through means such as appropriate and timely information disclosure and enhancing the content of such disclosure, and apply the opinions and requests obtained through dialogue with shareholders and investors to our management in order to improve our corporate value. The status of dialogue between shareholders/investors and management team in the most recent fiscal year is as follows.

- (1) Major responses of dialogue with shareholders and investors  
Please refer to [Principle 5-1] 1 and 2.

- (2) Status of dialogue with shareholders and investors
- (i) Number of financial results briefings held: 4  
 <Presenters> CAO, officer in charge of IR  
 <Contents> Held for analysts and institutional investors every quarter and explain the financial results  
 \* CAO = Chief Administrative Officer
- (ii) Number of individual interviews held: 397  
 <Presenters> President, CAO, officer in charge of IR, Corporate Planning Department  
 <Contents> Conducted in person or online at the necessary times for analysts and institutional investors (including persons in charge of exercising voting rights) (Total 2,024 persons)
- (iii) Number of business briefings held: 1  
 <Presenters> President, CAO, CTSO, officer in charge of IR, Presidents of group companies  
 <Contents> In February 2026, we held a FYE2029 Mid-Term Business Plan Briefing for analysts and institutional investors.  
 \*CTSO = Chief Technology Strategy Officer
- (iv) Number of briefing sessions for individual investors held: 5  
 <Presenters> Officer in charge of IR  
 <Contents> Provided individual investors with online briefings and information sessions at local brokerage branches while also participating in IR events (Total attendance: 2,397\*)  
 \*Excluding viewers of media broadcasts targeting individual investors (approx. 140,000)
- (3) Items of interest for shareholders and investors  
 (Business strategy) Progress of the Medium- to Long-term Business Strategy (transforming the business portfolio)  
 (Financial strategy) Capital allocation, restructuring of the balance sheet, capital policies  
 (ESG) Carbon neutrality, human capital, corporate governance

- (4) Matters incorporated based on dialogue with shareholders and investors  
 We share opinions and other feedback obtained through dialogue not only with the Board of Directors and the Management Meeting but also with relevant internal departments, thereby improving our management capabilities and IR/SR activities. Thus, we strive to meet the expectations and requests of all stakeholders. As examples, we held the Technology and Test Drive Experience Event: Electrification and Intelligence in order to improve understanding of the development status of technologies and new products possessed by the Company. We also disclosed the progress of the Medium- to Long-term Business Strategy and manifest business opportunities in response to demands for disclosure of business risks and opportunities based on recent changes in the environment surrounding the automobile market.  
 We also carried out governance reforms aimed at creating a highly effective Board of Directors, and as part of these initiatives, we reviewed the skills matrix, changed the configuration of independent Outside Directors, and reviewed the composition of Director compensation.

[The expected role of independent outside directors in listed companies with controlling shareholders and controlling shareholders]

As a publicly traded company with controlling shareholders, we recognize the added role that Independent Outside Directors have in protecting the interests of minority shareholders. The duties of the Independent Outside Directors and the support of the secretariat are as follows.

(1) Routine supervision

As part of the supervision of executive Directors, Corporate officers, and other business executives of the Company, Independent Outside Directors oversee the risk of conflicts of interest between controlling shareholders and minority shareholders in the execution of business operations. In addition, they

constantly monitor the risk of conflicts of interest through discussions and reports made at Board of Directors meetings.

(2) Discussions and decision-making on specific transactions and activities

When the Board of Directors discusses and decides on a specific transaction or activity that presents a risk of conflict of interest, Independent Outside Directors shall review the transaction or activity from the perspective of whether the interests of minority shareholders are being served and shall state their opinions and point out any problems.

(3) Involvement in nominating Independent Outside Director candidates

As members of the Executive Nomination & Compensation Committee, Independent Outside Directors are involved in the nomination of Independent Outside Director candidates from the perspective of selecting candidates who are ensured to be independent from both controlling shareholders and the management team.

(4) Responses within the Company and the Board of Directors

To ensure that conflicts of interest are fully discussed at Board of Directors meetings, the secretariat of the Board of Directors alerts Independent Outside Directors during advance briefings if the agenda requires consideration from the perspective of conflicts of interest.

**[Measures to ensure management is fully aware of capital costs and stock prices]**

Content of Disclosure [Updated]: Disclosure of Initiatives (Update)

Availability of English Disclosure: Available

Date of Disclosure Update [Updated]: June 24, 2026

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Explanation of Actions [Updated]

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In line with our medium-to-long-term business strategy set to culminate in 2030, the Company aims for sustained enhancement of corporate value through business portfolio transformation and corporate structure enhancements. To this end, we have designated ROIC and ROE as important KPIs and are promoting attention to cost of capital among our management organization.

The FYE2029 Mid-Term Business Plan announced in February 2026 is positioned as the second-phase Medium-Term Management Plan toward 2030. Building on the progress made under the previous plan (the 2025 Medium-Term Management Plan) in providing the resources needed for growth toward 2030, the Plan codifies our basic policy, which balances increased earning power with investment in the future. Moreover, by coordinating initiatives along product, regional, and functional axes, the Plan aims to further enhance corporate value through improved ROE and PER.

More specifically, we are working to ensure income exceeds the cost of capital by (1) raising earning power by synergizing across the product, region, and core management domains; (2) improving capital efficiency via enhanced controls on business assets; (3) optimizing our capital structure through the prudent use of financial leverage; and (4) encouraging, via future-focused investment, the ongoing expectation of growth as well as improvement in nonfinancial value. Details of these initiatives and related financial indicators are disclosed in the FYE2029 Mid-Term Business Plan Briefing materials, our Integrated Report, and other documentation.

FYE2029 Mid-Term Business Plan Briefing IR Presentation

Towards Enhancing Corporate Value (P54)

<https://www.aisin.com/en/investors/business-briefing/>

Integrated Report 2025

2030 Business Strategy (pages 29 to 31), 2025 Medium-Term Business Plan (pages 25 to 26)

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

## 2. Capital structure [Updated]

Foreign shareholder ratio	At least 20% but less than 30%
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### [Main shareholders] [Updated]

Name	Number of shares held (shares)	Ratio (%)
Toyota Motor Corporation	161,828,271	22.34
The Master Trust Bank of Japan, Ltd. (trust account)	79,249,100	10.94
Custody Bank of Japan, Ltd. (trust account)	28,445,700	3.92
Toyota Industries Corporation	23,239,227	3.20
Aisin employee stock ownership	19,899,738	2.74
TOYOTA FUDOSAN CO., LTD.	19,034,373	2.62
Nippon Life Insurance Company	18,900,270	2.60
Kochi Shinkin Bank	17,335,000	2.39
STATE STREET BANK AND TRUST COMPANY 505001	10,940,501	1.51
National Mutual Insurance Federation of Agricultural Cooperatives	10,319,400	1.42

Controlling shareholders (excluding parent company)	-----
Parent company	None

Supplementary explanation [Updated]  
 The status of major shareholders is current as of March 31, 2026.

## 3. Corporate attributes

Listed stock market and market section	Tokyo Stock Exchange Prime Market and Nagoya Stock Exchange Premier Market
Fiscal year-end	March
Industry type	Transportation equipment
Number of group employees at the end of the previous fiscal year	1,000 or more
Consolidated sales in the previous fiscal year	1 trillion yen or more
Number of consolidated subsidiaries at the end of the previous fiscal year	100 to 299

## 4. Guidance on measures to protect minority shareholders when conducting transactions with controlling shareholders

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## **5. Other special circumstances that may have significant impact on corporate governance**

As a member of the Toyota Group, of which Toyota Motor Corporation is the other related company (in the case where the Company is an affiliate of another company, that other company), we share the same overall direction that we should aim for, in line with the Toyota Group Vision announced in January 2024.

In our main business, sales of automotive parts, the percentage of sales to the Toyota Group is high. However, the terms of transactions are determined through price negotiations each fiscal year with presentation of a desired price that takes into account the market price and the total cost. There are no matters for approval or other restrictions on our business activities, and conducting other independent business activities to diversify our earnings, we are aiming to contribute to the enhancement of corporate value in a manner consistent with the interests of shareholders as a whole, including minority shareholders. In terms of governance, we have adopted a system that ensures objectivity and transparency.

We will continue striving to build a better management structure together with Toyota Group companies that share our vision while giving due consideration to the interests of minority shareholders.

## II. Business management organization and other corporate governance structures related to business decisions, execution, and supervision

### 1. Matters pertaining to organ structure and organization management, etc.

Organizational form	A company with Audit & Supervisory Board
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#### [Directors]

Number of Directors pursuant to the Articles of Incorporation	15
Tenures of Directors pursuant to the Articles of Incorporation	1 year
Chairman of the Board of Directors	President
Number of Directors	8
Appointment status of Outside Directors	Appointed
Number of Outside Directors	3
Number of Outside Directors designated as Independent Directors	3

#### Relationship with the Company (1) [Updated]

Name	Attribute	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Tsuguhiko Hoshino	From another company											
Yasuhito Hirota	From another company											
Keiko Tatsuwaki	From another company											

\* Item selection concerning relationship with the Company

\* Marked “○” if recently or currently applicable to the person in question and marked “△” if previously applicable

\* Marked “●” if recently or currently applicable to a relative in question and marked “▲” if previously applicable

- a. Business executive of a listed company or its subsidiary
- b. Business executive or non-executive director of a listed company’s parent
- c. Business executive of a listed company’s affiliate or subsidiary
- d. Person whose main transaction counterparty is a listed company or a business executive thereof
- e. Main transaction counterparty of a listed company or a business executive thereof
- f. Consultant, accounting expert, or legal expert deriving from a listed company large financial gains or other property (other than officers’ compensation)
- g. Major shareholder of a listed company (if that shareholder is a corporation, a business executive thereof)
- h. Business executive (only the person in question) of a transaction counterparty of a listed company (other than items d, e, and f)
- i. Business executive of an entity in a relationship of mutual employment as outside officers (only the person in question)
- j. Business executive of a recipient of a donation from a listed company (only the person in question)
- k. Other

Relationship with the Company (2) [Updated]

Name	Independent officer	Supplementary explanation concerning applicable items	Reasons for appointment
Tsuguhiko Hoshino	○	-	<p>Mr. Tsuguhiko Hoshino has served as Director General of the Tax Bureau, Ministry of Finance, and Commissioner of the National Tax Agency and also worked at a Japanese embassy abroad. Through this professional experience, he has gained advanced expertise in finance, monetary policy, legal affairs and compliance. He is expected to provide supervision and broad advice and opinions from an independent standpoint regarding the overall execution of business of the Company utilizing his extensive experience and broad insight gained from supervisory experience as an Outside Director of a company in another business sector. As an independent officer, he maintains a neutral and fair stance, and it is determined that there is no risk of conflicts of interest with general shareholders.</p>
Yasuhito Hirota	○	-	<p>Mr. Yasuhito Hirota served as Representative Director and Executive Vice President of Mitsubishi Corporation and as President, CEO and COO, Representative Director of ASICS Corporation, where he currently serves as Chairman and CEO, Representative Director. Through this professional experience, he has developed a high level of expertise related to business strategies, and is leading reforms of the governance systems as a member of management at the companies where he serves. He will be able to make use of his extensive experience and advanced insights regarding general business matters to contribute to strengthening the management of the Company. As an independent officer, he maintains a neutral and fair stance, and it is determined that there is no risk of conflicts of interest with general shareholders.</p>

Name	Independent officer	Supplementary explanation concerning applicable items	Reasons for appointment
Keiko Tatsuwaki	○	–	Ms. Keiko Tatsuwaki has served as President of Deloitte Tohmatsu Sustainability Co., Ltd. and presently is an Outside Auditor of ISE CHEMICALS CORPORATION. Through this professional experience, she has developed a particularly high level of expertise related to governance, risk management, and sustainability. She will be able to make use of her extensive experience and advanced insights including audit experience as a member of corporate management and an outside officer to contribute to strengthening the management of the Company. As an independent officer, she maintains a neutral and fair stance, and it is determined that there is no risk of conflicts of interest with general shareholders.

#### [Voluntary Committees]

Presence or absence of a voluntary committee equivalent to a nomination committee or compensation committee	Yes
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#### Voluntary committee establishment status, committee composition, chairperson attributes

	Voluntary committee equivalent to nomination committee	Voluntary committee equivalent to compensation committee
Name of committee	Executive Nomination & Compensation Committee	Executive Nomination & Compensation Committee
All committee members (persons)	5	5
Full-time committee members (persons)	0	0
Inside directors (persons)	2	2
Outside directors (persons)	3	3
Outside experts (persons)	0	0
Other (persons)	0	0
Committee chairperson	Outside Director	Outside Director

Supplementary explanation
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As described in II-2 of this report, “Matters related to functions of business execution, audit and supervision, personnel nomination, determination of compensation, etc. (outline of the current corporate governance structure),” objectivity and transparency are guaranteed by examination and deliberation of nominations and compensation for Directors and Corporate officers by the Executive Nomination & Compensation Committee, which is chaired by an Independent Outside Director and has a majority of Independent Outside Directors. In principle, the Executive Nomination & Compensation Committee meets four times a year.

The Executive Nomination & Compensation Committee considers and formulates basic policies regarding the executive system and structure in accordance with the Company’s vision and management policies regarding nomination of officers, and deliberates on proposals for the appointment and dismissal of Directors and Audit & Supervisory Board Members based on the basic policies. The procedures for nomination and appointment/dismissal involves selection of candidates as Director/Audit & Supervisory Board Member and submission to the Board of Directors after examination and deliberation by the Executive Nomination & Compensation Committee. Directors are decided after deliberation at the General Meeting of Shareholders based on unofficial resolution by the Board of Directors. After approval of the Audit & Supervisory Board, appointment of Audit & Supervisory Board Members is decided after deliberation at the General Meeting of Shareholders, based on the unofficial resolution of the Board of Directors. The amount of officer compensation for each individual Director is determined based on review of the compensation system and the decision policy for individual Director by the Board of Directors, taking into account company performance, job responsibilities, achievements, etc.

**[Audit and Supervisory Board Member]**

Establishment of an Audit and Supervisory Board	Established
Number of Audit and Supervisory Board Members pursuant to the Articles of Incorporation	7
Number of Audit & Supervisory Board Members	4

Cooperation of Audit & Supervisory Board Members, Accounting Auditor, and internal audit department
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Audit & Supervisory Board Members receive regular reports from the external accounting auditor on the outline of the audit plan, the progress of the midterm review, and the implementation status of the annual audit, and also mutually cooperate with external accounting auditors by confirming audit results of subsidiaries and attending audits and conducting interviews.

In terms of cooperation between Audit & Supervisory Board Members and Outside Directors, the Company is striving to exchange information and share awareness by holding meetings to exchange opinions with independent Outside Directors and conducting joint inspections.

Appointment status of Outside Audit & Supervisory Board Members	Appointed
Number of Outside Audit & Supervisory Board Members	2
Number of Outside Audit & Supervisory Board Members designated as Independent Directors	2

Relationship with the Company (1)
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Name	Attribute	Relationship with the Company*												
		a	b	c	d	e	f	g	h	i	j	k	l	m

Junko Ueda	Academic professional													
Katsuhiro Kashiwagi	Certified Public Accountant													

\* Item selection concerning relationship with the Company

\* Marked “○” if recently or currently applicable to the person in question and marked “△” if previously applicable

\* Marked “●” if recently or currently applicable to a relative in question and marked “▲” if previously applicable

- a. Business executive of a listed company or its subsidiary
- b. Non-executive director or accounting advisor of a listed company or its subsidiary
- c. Business executive or non-executive director of a listed company’s parent
- d. Audit & Supervisory Board Member of the listed company’s parent
- e. Business executive of a listed company’s affiliate or subsidiary
- f. Person whose main transaction counterparty is a listed company or a business executive thereof
- g. Main transaction counterparty of a listed company or a business executive thereof
- h. Consultant, accounting expert, or legal expert deriving from a listed company large financial gains or other property (other than officers’ compensation)
- i. Major shareholder of a listed company (if that shareholder is a corporation, a business executive thereof)
- j. Business executive (only the person in question) of a transaction counterparty of a listed company (other than items f, g, and h)
- k. Business executive of an entity in a relationship of mutual employment as outside officers (only the person in question)
- l. Business executive of a recipient of a donation from a listed company (only the person in question)
- m. Other

Relationship with the Company (2) [Updated]

Name	Independent officer	Supplementary explanation concerning applicable items	Reasons for appointment
Junko Ueda	○	—	Ms. Junko Ueda will be able to utilize her academic perspective as a professor at the Graduate School of Law at Aichi University and her knowledge of corporate management in auditing after serving as an outside corporate auditor for other companies for more than 10 years. As an independent officer, she maintains a neutral and fair stance, and it is determined that there is no risk of conflicts of interest with general shareholders.
Katsuhiro Kashiwagi	○	—	In addition to a high level of expertise in finance and accounting as a certified public accountant, Mr. Katsuhiro Kashiwagi will be able to make use of his many years of experience as a representative partner and partner of an audit firm, as well as his broad knowledge of corporate management. As an independent officer, he maintains a neutral and fair stance, and it is determined that there is no risk of conflicts of interest with general shareholders.

**[Independent officers]**

Number of independent officers	5
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Other matters concerning independent officers

All outside officers who meet the qualifications for independent officers are designated as independent officers.

**[Incentives]**

Implementation status of incentives for Directors	Introduction of performance-based remuneration system
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Supplementary explanation concerning relevant items

Compensation of Directors is as described in “[Director compensation] Disclosure of Policy for Determining Compensation Amount or Calculation Method.”

Stock option awardees	
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Supplementary explanation concerning relevant items

## [Director compensation]

Disclosure status (compensation of individual Director)	Individual compensation is partially disclosed
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### Supplementary explanation concerning relevant items

Individuals whose total consolidated compensation is 100 million yen or more are disclosed individually in the Annual Securities Report. The Annual Securities Report is also posted on the Company's website for public inspection.

Availability of policy for determining compensation amount or the calculation method [Updated]	Available
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### Disclosure of Policy for Determining Compensation Amount or Calculation Method

The Board of Directors resolves details of its policy for determining the compensation of individual directors, based on deliberations by the Executive Nomination & Compensation Committee, which is chaired by an independent outside director and majority-constituted of Independent outside directors.

(Basic concepts of officer compensation)

The Company's executive compensation system is designed based on the following concepts.

- 1) Compensation that become an incentive to make efforts to achieve the management philosophy and management policy of the Group.
- 2) Reflects the job responsibilities and achievements of each officer.
- 3) A compensation system that reflects the business environment of the Group and short-term and medium- to long-term business results while enhancing corporate value and motivating management from the perspective of shareholders.

(Compensation structure and payment targets)

Compensation for the Company's Directors (excluding outside directors and other non-executive directors) consists of fixed monthly compensation, performance-linked bonuses, and stock-based compensation based on roles in business execution.

The ratios of compensation for Directors (excluding Outside Directors) are set at approximately 25% as monthly compensation (fixed compensation), 25% as bonus (performance-linked compensation), and 50% as stock compensation (performance-linked compensation), with the ratio of performance-linked compensation increasing according to the position.

Depending on profit, compensation may differ from the above.

The compensation of outside directors and other non-executive directors consists solely of monthly compensation, with no bonus or stock-based compensation paid. This reflects their supervisory role, which is limited to advising management from a position that is independent and detached from execution of business.

(Policy by type of compensation)

Monthly compensation (fixed compensation) for Directors reflects job responsibilities and performance.

Monthly compensation is paid on a regular basis each month during the term of office.

Bonuses and stock-based compensation (performance-linked remuneration) are determined based on such performance indicators as consolidated operating income, ROIC, and the degree of progress against sustainability KGIs, thus ensuring that rewards are linked with business outcomes and to incentivizing the medium-to-long-term enhancement of corporate value.

The evaluation weights and methods for each indicator are as follows, and the payment rate of performance-linked compensation will fluctuate within a range of 0 to 150% depending on the results of the evaluation.

- In calculating executive compensation, consolidated operating income is weighted at 40% and evaluated by the degree of achievement in each fiscal year against the Company's sustainable growth benchmarks.
- ROIC is likewise weighted at 40% and is evaluated by the degree of achievement in each fiscal year against that year's single-year target.

- The degree of progress toward sustainability KGI is weighted at 20% and is measured according to the degree of progress delivered under each fiscal year's initiatives and gauged against all KGIs established by the Group.

The amount paid to each individual is determined based on the execution of duties by each officer.

Performance-linked compensation is paid once a year after the Annual General Meeting of Shareholders each fiscal year.

Stock compensation is provided in the form of restricted stock compensation as an incentive to promote further sharing of value with shareholders and to sustainably enhance corporate value.

(Compensation levels)

In order to verify objectivity and validity, levels of total compensation of Directors by position are decided every year by referring to similar standards in the manufacturing industry, type of industry, business type of companies similar in size to the Company via officer compensation survey conducted by an external research organization.

(Matters concerning compensation resolutions)

By resolution at the 96th Ordinary General Meeting of Shareholders held on June 18, 2019, Directors' compensation was set at up to 600 million yen per year for monthly remuneration and bonuses (including up to 75 million yen per year for Outside Directors), and it was resolved at the 101st Ordinary General Meeting of Shareholders held on June 19, 2024 that stock compensation would be no more than 500 million yen per year.

(Method of determining compensation)

In order to ensure objectivity and transparency in determining amount and structure of compensation for Directors, the Company has established the Executive Nomination & Compensation Committee, which is chaired by an Independent Outside Director and has a majority of Independent Outside Directors.

The Board of Directors has determined the policy for deciding individual Director compensation and the total amount of compensation for the current fiscal year, and has resolved to entrust the determination of individual compensation amounts to the Executive Nomination & Compensation Committee.

The Executive Nomination & Compensation Committee determines the amount of officer compensation for each individual Director based on review of the compensation system and the decision policy for individual Directors by the Board of Directors, taking into account company performance, job responsibilities, achievements, etc.

(Policy and method of determining compensation for Audit & Supervisory Board Members)

Compensation for the Company's Audit & Supervisory Board Members is limited to monthly compensation as their role is auditing business execution. Bonuses and stock compensation are not paid. Monthly compensation reflects job responsibilities and trends at other companies. Monthly compensation is paid on a regular basis each month during the term of office.

At the 87th Ordinary General Meeting of Shareholders held on June 23, 2010, it was resolved that monthly compensation for Audit & Supervisory Board Members should not exceed 15 million yen. The amount of monthly compensation for each Audit & Supervisory Board Member shall be determined through discussion among the Audit & Supervisory Board Members within the scope of compensation determined by resolution of the General Meeting of Shareholders.

(Other important matters concerning compensation)

In the event of a sudden deterioration in performance or damage to corporate value, compensation may be temporarily reduced or not paid.

#### **[Support systems for Outside Directors (Outside Audit & Supervisory Board Members) ]**

The Company believes that it is important for our management to have Outside Directors and Outside Audit & Supervisory Board Members effectively fulfill their roles and responsibilities from an independent and objective standpoint and that necessary information be provided for discussion by the Board of Directors and the Audit & Supervisory Board. To help outside directors and Outside Audit & Supervisory Board Members perform their functions, dedicated staff are assigned within the Corporate Planning Department and the Audit & Supervisory Board Members' Office to provide advance explanations of proposals submitted to the Board of Directors and to share information on the content of important meetings. In addition, outside directors and

Outside Audit & Supervisory Board Members attend important meetings, interview directors and department staff, and visit and audit domestic and overseas subsidiaries, requesting additional information as appropriate to obtain necessary data.

**[Status of those who have retired from the post of Representative Director, President, etc.]**

Names of consultants and advisors who are former representative directors and presidents

Name	Title/Position	Content of duties	Working Situation/Conditions (full-time/part-time, with or without compensation, etc.)	Retirement date of president	Term of office
_____	_____	_____	_____	_____	_____

Names of advisors and senior executive advisors who are former representative directors and presidents [Updated]	0
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Other matters

Currently, there are no applicable persons who, having retired from the post of Representative Director, President, etc., have assumed a position such as Sodanyaku (consultant) or advisor.

## **2. Matters related to functions of business execution, audit and supervision, personnel nomination, determination of compensation, etc. (outline of the current corporate governance structure) [Updated]**

### (1) Corporate governance structure

Under our Audit & Supervisory Board Member structure, we are working to strengthen the supervision of Directors and Corporate officers in the execution of their duties. While taking advantage of the strengths of the Audit & Supervisory Board Member structure, including supervision by the Board of Directors, at least one third of whom consists of Independent Outside Directors, the independence and independent appointment of Audit & Supervisory Board Members, and the appointment of full-time Audit & Supervisory Board Members, the Audit & Supervisory Board, half of whom consists of Independent Outside Audit & Supervisory Board Members, conducts audits.

Furthermore, independence and objectivity in the nomination and compensation of Directors and Corporate officers is enhanced by submission to the Board of Directors after examination and deliberation at the Executive Nomination & Compensation Committee, which has a majority of Independent Outside Directors and is chaired by an Independent Outside Director, after which they are presented to the Board of Directors.

In addition to making timely and accurate management decisions based on business characteristics and on-site conditions, the Company believes that it is important to build a structure that continuously confirms that management decisions meet expectations and are supported by various stakeholders. As such, we have adopted the current system.

#### 1) Board of Directors

The Board of Directors is chaired by President, Member of the Board of Directors Moritaka Yoshida and consists of eight Directors, including three Outside Directors. In principle, meetings are held once a month. The Board of Directors discusses and resolves important matters related to management foundation such as management strategy, including group management policy, profit and investment plans, capital policy, and each business strategy, as well as sustainability, human capital, corporate governance and others.

In addition, the Board of Directors supervises the execution of duties by the Directors by receiving reports from the Corporate Behavior Ethics Committee, the Risk Management Committee and other bodies.

#### 2) Audit & Supervisory Board

The Audit & Supervisory Board is chaired by full-time Audit & Supervisory Board Member Shintaro Ito and consists of four Audit & Supervisory Board Members, including two Independent Outside Auditors. In principle, meetings are held once a month.

Based on the audit policy and audit plan formulated by the Audit & Supervisory Board, Audit & Supervisory Board Members audit the execution of duties by directors, the legality and validity of business execution of the Company and its subsidiaries, and the reliability of financial reports through attendance of important meetings such as those of the Board of Directors and interviews conducted with Directors and departments. In addition to the establishment of Audit & Supervisory Board Office under the direct control of the Audit & Supervisory Board Members and assignment of dedicated staff to assist the Audit & Supervisory Board Members in their duties, initiatives are underway to strengthen audit functions through cooperation with Accounting Auditors and internal audit department.

#### 3) Executive Nomination & Compensation Committee

The Executive Nomination & Compensation Committee is chaired by an Independent Outside Director Tsuguhiko Hoshino and is composed of a majority of Independent Outside Directors. In principle, it meets four times a year. The nomination and compensation of Directors and Corporate officers are examined and deliberated by the Executive Nomination & Compensation Committee and submitted to the Board of Directors to ensure objectivity and transparency. The Executive Nomination & Compensation Committee considers and formulates basic policies regarding the executive system and structure in accordance with the Company's vision and management policies regarding nomination of officers, and deliberates on proposals for the appointment and dismissal of Directors and Audit & Supervisory Board Members based on the basic policies. The procedures for nomination and appointment/dismissal involves selection of candidates as Director/Audit & Supervisory Board Member and submission to the Board of Directors after examination and deliberation by the Executive Nomination & Compensation Committee.

Directors are decided after deliberation at the General Meeting of Shareholders based on unofficial resolution by the Board of Directors.

After approval of the Audit & Supervisory Board, appointment of Audit & Supervisory Board Members is decided after deliberation at the General Meeting of Shareholders, based on the unofficial resolution of the Board of Directors. The amount of officer compensation for each individual Director is determined based on review of the compensation system and the decision policy for individual Director by the Board of Directors, taking into account company performance, job responsibilities, achievements, etc.

4) Other

In terms of business execution, Corporate Officers Committee has been established that handles the most important matters in the group as well as an executive meeting that confirms the progress and direction of business promotion status such as profit and loss, etc. In principle these meet at least once a month. In addition to Directors, Senior Executive Officers and others also participate in these meetings to enhance deliberations on important issues.

(2) Accounting audit structure

The Company is audited by PricewaterhouseCoopers Japan LLC. Duties are performed by certified public accountants Tomohiro Nishimura, Kotaro Kuroyanagi, and Tatsunoshin Niwata. They are assisted in their accounting and auditing duties by 15 certified public accountants, 7 individuals who have passed the CPA exam, and 15 others.

(3) Limited Liability Agreement

The Company has entered into agreements with all non-executive directors, outside directors, and Outside Audit & Supervisory Board Members to limit their liability for damages stipulated in Article 423, Paragraph 1 of the Companies Act to the amount stipulated in Article 425, Paragraph 1 of the same act.

**3. Reasons for choosing the current corporate governance structure**

Please refer to “1. Corporate governance structure” in Section II-2 of this report.

**III. State of implementation of measures concerning shareholders and other stakeholders**

**1. Status of efforts at activating General Meetings of Shareholders and facilitating voting rights exercise [Updated]**

	Supplementary explanation
Early dispatch of convocation notices of General Meetings of Shareholders	FY2026 release date: May 28
Off-peak scheduling of General Meetings of Shareholders	FY2026 implementation: June 19
Exercise of voting rights by electromagnetic method	Voting rights can be exercised via the Internet.
Participation on the electronic voting platform and other initiatives to improve the environment for institutional investors to exercise their voting rights	We participate in the electronic voting platform for institutional investors operated by Industrial Communications Japan.
Provision of English convocation (outline) notices	Upon creation, a condensed English notice of convocation is provided on the Tokyo Stock Exchange website, including listed company details (basic information) about the Company.

## 2. IR related activities [Updated]

	Supplementary explanation	Availability of explanations from the representative
Disclosure policy creation and publication	A disclosure policy has been created and published on our website. <a href="https://www.aisin.com/en/investors/disclosure/">https://www.aisin.com/en/investors/disclosure/</a>	
Regular briefing sessions for individual investors	Briefings are held for individual investors. For FY2025, multiple briefing sessions were held via web conferences and in person. We will continue to expand information disclosure through our website, and implement various measures in an appropriate and effective manner.	No
Regular briefing sessions for analysts and professional investors	Financial results briefings for analysts and institutional investors are held after the announcement of financial results (four times a year). In addition, in FY2025 we held a FYE2029 Mid-Term Business Plan Briefing to provide an opportunity for analysts and institutional investors to gain a deeper understanding of the Company's management plan. Individual interviews are also conducted when necessary, and in addition to face-to-face meetings, appropriate and effective methods for each dialogue opportunity, such as remote meetings over the phone and the web, are also utilized.	Yes
Regular briefing sessions for international investors	In addition to participating in conferences for overseas investors hosted by securities companies, meetings with overseas investors are regularly held in person and online to actively engage in dialogue.	No
Posting of IR materials on the Company website	<a href="https://www.aisin.com/en/investors/">https://www.aisin.com/en/investors/</a>	
IR department (officer)	A dedicated IR organization has been established within the Corporate Strategy Division in an effort to enhance the provision and disclosure of management strategies and financial information in cooperation with relevant internal departments.	

### 3. Status of efforts at the integration of stakeholder viewpoints [Updated]

	Supplementary explanation
Regulations on the integration of stakeholder viewpoints based on internal regulations, etc.	The AISIN Group Charter of Sustainability ( <a href="https://www.aisin.com/en/sustainability/governance/csrmanage_charter/">https://www.aisin.com/en/sustainability/governance/csrmanage_charter/</a> ) states that the Company shall conduct appropriate and fair disclosure of corporate information at the appropriate times, and shall enhance corporate value by engaging in constructive dialogue with shareholders and other stakeholders and maintaining and developing trusting relationships. Through dialogue with stakeholders, we will predict social issues and needs, and strive for a positive cycle of achieving a sustainable society and improving corporate value through our business activities.
Implementation of environmental protection activities, CSR activities, etc.	Our sustainability activities, including the implementation status of CSR activities such as environmental protection activities, is posted in the Integrated Report and on the Company's website ( <a href="https://www.aisin.com/en/sustainability/">https://www.aisin.com/en/sustainability/</a> ).
Formulation of policies concerning the provision of information to stakeholders	The Company's formal Disclosure Policy, which is posted on the Company's website( <a href="https://www.aisin.com/en/investors/disclosure/">https://www.aisin.com/en/investors/disclosure/</a> ), provides for timely, appropriate, and fair information disclosure designed to enhance management transparency, promote understanding of the Company among shareholders and other stakeholders, and maintain and develop relationships of trust. It promotes continuous dialogue with stakeholders and the appropriate reflection of the opinions received in our corporate activities.

## IV. Matters concerning internal control systems, etc.

### 1. Basic concepts and maintenance status on internal control systems [Updated]

- (1) Structures to ensure that the execution of duties by the Group's directors conforms to laws and regulations and the Articles of Incorporation  
[Basic policy 1]
  - 1) We will establish structures to promote legal and fair corporate activities based on the Group's common corporate philosophy and corporate charter of Sustainability.
  - 2) Important management matters are comprehensively deliberated at the Executive Management Committee and resolved by the Board of Directors.
  - 3) The Corporate Behavior Ethics Committee deliberates and decides on policies and structures for compliance with laws and corporate ethics.
  - 4) Directors shall strive to lead by example in realizing the spirit of the charter of Sustainability and to raise awareness of compliance throughout the Group.

[Summary of operating status]

  - 1) Through our Groupwide AISIN Group Charter of Sustainability, we clarify Aisin's basic stance toward sustainability and have established a promotional framework for the entire Group.
  - 2) In the execution of business operations, the Board of Directors and various cross-organizational meeting bodies make appropriate submissions based on the regulations that stipulate matters to be submitted to the meeting bodies, and decisions are made after comprehensive deliberations. The Board of Directors sets forth (1) Matters stipulated in the Companies Act, (2) Matters stipulated in the Articles of Incorporation, (3) Matters delegated by a resolution of the General Meeting of Shareholders, and (4) Other important management matters as matters to be resolved, and (1) Matters stipulated in the Companies Act, (2) The status of business execution, and (3) Other matters deemed necessary by the Board of Directors as matters to be reported.
  - 3) The direction of sustainability-related activities is discussed and ratified by the Sustainability Conference, which is chaired by the President and composed of officers at the level of general manager and higher together with the presidents of Group companies. The Conference is supervised and reviewed for progress by the Board of Directors and executive entities. The Business Ethics Committee acts on the above and determines the course of action and structure for the compliance function.
  - 4) The AISIN Group Charter of Sustainability stipulates that it is the role of officers to realize the spirit of this Charter, and officers themselves communicate the importance of compliance to raise employee awareness of its importance. In addition, a department dedicated to compliance has been established to plan and promote group-wide compliance activities.
- (2) Structures to ensure that the execution of duties by the Group's employees conforms to laws and regulations and the Articles of Incorporation  
[Basic policy 2]
  - 1) Thoroughly enforce compliance among employees by distributing guides on corporate ethics, legal education, rank-based education, etc.
  - 2) We strive to quickly grasp information and resolve issues and questions related to compliance through the Business Ethics Consultation Desk.
  - 3) On-site audits by internal audit functions and the appropriateness of operations are conducted.

[Summary of operating status]

  - 1) With the aim of ensuring that every member of the AISIN Group understands the spirit of the AISIN Group Charter of Sustainability and acts autonomously, we have revised the AISIN Group Code of Conduct. We are advancing education and awareness while revealing the connections between daily work and the Code of Conduct (compliance, human rights, the environment, and so on) and specific actions to be taken.
  - 2) Compliance-related issues and concerns for the entire Aisin Group are identified through the internal whistleblowing hotlines established by each company and the external whistleblowing hotline established by the Company for the entire Group, and the relevant company and department of the Company take necessary measures such as fact-finding investigations, improvement of responses, and reporting to the relevant officers.
  - 3) The internal audit department conducts systematic, risk-based internal audits of the entire Aisin Group.

- (3) System for storing and managing information related to the execution of duties by the Group's directors  
 [Basic policy 3]  
 Information related to the execution of duties by Directors shall be appropriately stored and managed by each department in charge in accordance with relevant laws and regulations.  
 [Summary of operating status]
- 1) Information such as minutes of meetings of the Board of Directors, report materials and minutes of company-wide meetings is properly stored in accordance with relevant laws and regulations.
  - 2) We are working to strengthen information security by establishing structures and mechanisms to drive efforts across the entire AISIN Group and by educating our staff on information security as an overarching discipline, including the management of confidential information.
- (4) Regulations and other framework related to managing risks of loss of the Group  
 [Basic policy 4]  
 An appropriate risk management structure will be established by formulating a promotion system for various risks related to quality, safety, compliance, information management, environment, fire and natural disasters, and by formulating basic rules and response plans.  
 [Summary of operating status]  
 Based on its awareness of the internal and external environment, the Risk Management Committee identifies priority risks to be addressed across the entire AISIN Group. To reduce these risks, a range committees that address economic security and other risk categories publish policies and promote measures to minimize risk overall. In addition, functional management groups examine business and investment risks from multiple angles.
- (5) Framework to ensure the effective performance of duties by Directors of the Group  
 [Basic policy 5]  
 Based on the group management policy, policies at each stage of the organization will be implemented and consistent policy management will be conducted.  
 By also grasping the business activity plans and results of each group company and disseminating information from meetings and functional departments, we will unify the information of the Group and ensure the efficiency of each company's operations.  
 [Summary of operating status]
- 1) Based on our ESG materiality regime, which evaluates the opportunities and risks arising from changes in the external environment, we formulate three-year Group management policies and to concretely prioritize action themes across our business, region, and functional domains, thereby assuring consistent policy management.
  - 2) In order to further increase the speed and level of management decision-making and business execution, the decision-making steps in the executive structure was reduced, and authority was transferred to general managers and center managers. Furthermore, a CxO has been appointed from among the Senior Executive Officers as the chief executive responsible for addressing key management issues across the entire Company, and assists the President from a group-wide perspective.
- (6) Matters concerning the effectiveness of instructions to employees who assist the duties of Audit & Supervisory Board Members and their independence from Directors  
 [Basic policy 6]
- 1) A dedicated department shall be established to assist the duties of the Audit & Supervisory Board Members, and an employee shall be appointed.
  - 2) The prior consent of the Audit & Supervisory Board Members shall be obtained with respect to the appointment of employees who assist the duties of the Audit & Supervisory Board Members.
- [Summary of operating status]
- 1) Audit & Supervisory Board Office has been established that is independent from oversight and orders of the directors, and has dedicated staff to appropriately support Audit & Supervisory Board Members.
  - 2) Personnel appointments for full-time staff in the Audit & Supervisory Board Office are made by consent of the Audit & Supervisory Board Members.

(7) Structure for Directors and employees of the Group to report to Audit & Supervisory Board Members

[Basic policy 7]

- 1) In addition to timely and appropriate reporting to the Audit & Supervisory Board Members regarding the execution of main business operations, directors shall immediately report to the Audit & Supervisory Board Members when discovering facts that may cause significant damage to the Group.
- 2) Directors and employees shall report on business on a regular basis and from time to time in response to requests from Audit & Supervisory Board Members. The person who made the above report will be dealt with appropriately so that they will not be treated unfairly because they made the report.

[Summary of operating status]

- 1) Directors, Corporate officers, and employees executing business operations (collectively “Directors, etc.”) regularly report to Audit & Supervisory Board Members on the progress of major business operations. Any facts that may cause significant damage to the Group shall be appropriately reported upon discovery.
- 2) Directors, etc. regularly report on the status of business execution and the status of consultations with the whistleblowing hotline. Directors, etc. of the Company and its group companies also report to Audit & Supervisory Board Members on a regular basis and as requested.
- 3) Comprehensive whistleblower protection rules, which apply to the entire group, have been established and clearly state that whistleblowers will not be treated unfavorably.

(8) Other structures to ensure that Audit & Supervisory Board Members’ audits of the Group are conducted effectively

[Basic policy 8]

- 1) In order to enhance the effectiveness of audits by Audit & Supervisory Board Members, Directors actively cooperate with Audit & Supervisory Board Members in auditing activities by attending important meetings, viewing important documents, conducting on-site audits of factories and subsidiaries, and holding meetings with Accounting Auditors.
- 2) The internal audit function works closely with the Audit & Supervisory Board Members and shares information on audit results.
- 3) The Company shall bear the expenses necessary for the execution of duties by the Audit & Supervisory Board Members.

[Summary of operating status]

- 1) We cooperate with audit activities including attendance at the Executive Management Committee and other important meetings, the establishment of structures that allow viewing of important documents, on-site audits of factories and subsidiaries, and meetings with Accounting Auditors. We also cooperate with the audit activities of the audit & supervisory board members of major domestic group companies.
- 2) To strengthen cooperation, we also exchange information regularly and as needed with internal audit department, internal control department, Accounting Auditors, and audit & supervisory board members of major domestic group companies.  
Through the Group Auditors Liaison Committee, we are also strengthening cooperation with the Group Auditors to improve effectiveness of audits.
- 3) Expenses required for the execution of duties by the Audit & Supervisory Board Members as well as unexpected expenses required to secure the annual budget in accordance with the audit plan are paid by the Company.

## 2. Basic concepts and implementation status for eliminating antisocial forces [Updated]

Our basic concepts to eliminating anti-social forces is as follows, which has been established as part of the “AISIN Group Charter of Sustainability” and disseminated to all employees, including officers.

### (1) Basic concepts

- 1) While maintaining a strong awareness of legal compliance, we strive to establish a code of conduct as good citizens with good social sense from executives to each and every employee.
- 2) It is the ethical mission of a company to take a firm stance against anti-social forces and organizations, and we are acutely aware that it is an indispensable condition for the sound development of corporate activities. We strongly discourage any relationship with such influences and groups.
- 3) In order to prevent employees from forming or fostering personal relationships with anti-social forces and organizations, the entire company shall not have any relationship with such forces or organizations.

### (2) Implementation status for elimination of anti-social forces

The Company has established a response control department (general affairs department) to eliminate anti-social forces.

Through our participation in the Aichi Prefectural Citizens Conference to Eliminate Violence and the Aichi Prefecture Corporate Defense Council, we call attention to anti-social forces by collecting information and compiling it in the Unfair Demand Manual.

We are ensuring that our officers and employees are fully versed through reports at the Corporate Behavior Ethics Committee, regular training for managers to prevent unreasonable demands, new employee training, and unreasonable demands training as part of promotion training.

## V. Other matters

### 1. Adoption of takeover defense measures

Adoption of takeover defense measure	None
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Supplementary explanation concerning relevant items
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### 2. Other matters concerning the corporate governance structure, etc.–

(Overview of Timely Disclosure System)

The internal system for the timely disclosure of company information of our company is as follows.

[Basic concepts]

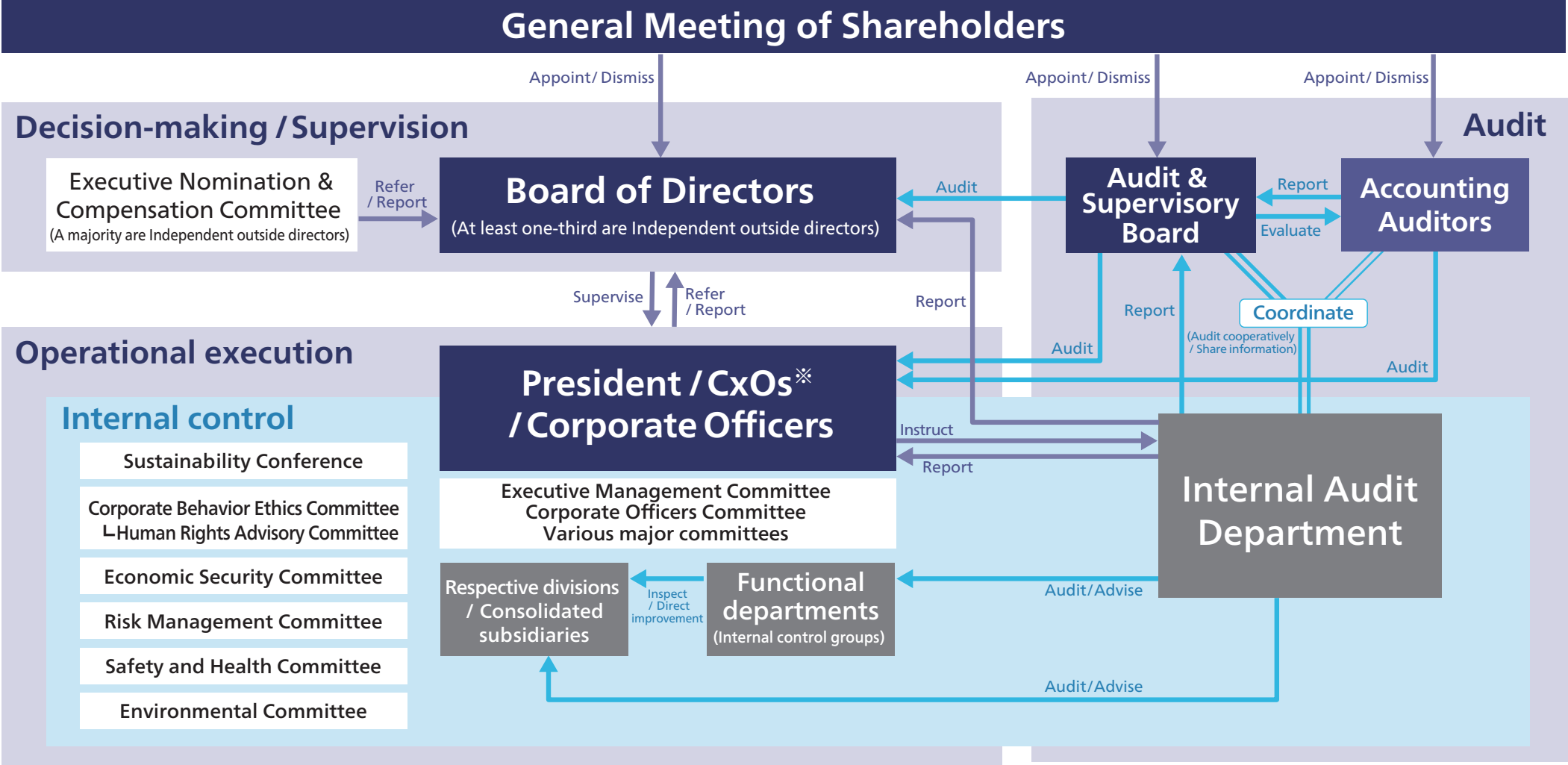
As described in I-1 of this report, one of our basic policies for corporate governance is “(3) AISIN Group discloses information appropriately in accordance with applicable laws, and endeavors to proactively communicate information other than that disclosed in accordance with such laws, and to ensure transparency in its activities.”

[Company structure and procedures]

- 1) In accordance with internal regulations, the Company has established internal systems related to timely disclosure and procedures for management and timely disclosure of important internal information, including those of subsidiaries.
- 2) Based on internal regulations, the person in charge of managing important internal information (hereafter referred to as the information management general manager) is the officer in charge of the general planning department. The general planning department assists the information management general manager in managing and utilizing the information.
- 3) Proposals by each meeting body and important information generated by the Company and its subsidiaries are immediately reported to the information management general manager, who receives the report and convenes a decision council (general planning, public relations, accounting, department manager in charge of legal affairs and secretarial affairs) to determine the importance of the information and the need for timely disclosure.
- 4) Information subject to timely disclosure will be reported to the representative director and measures will be taken for timely disclosure.

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# 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.