

Initiatives Related to Human Capital

(Labor Policy · Full Participation of All Employees)

- Respect for Freedom of Association and the Right to Collective Bargaining
- Prevention of Excessive Working Hours / Reduction of Overtime Work
- Engagement with Organizations on Labor Standards
- Corporate Policy on Labor Standards
- Support for Living Wages
- Initiatives to Promote Women's Participation
- Measures to Address Harassment
- Voluntary Resignation Rate of Full-time Employees
- Proportion of Temporary Workers to Total Employees
- Time Spent on Training for Employee Skill Development
- Percentage of Employees with Disabilities



Respect for Freedom of Association and the Right to Collective Bargaining

The Company respects the fundamental human rights of all employees working for the Aisan Group, including freedom of association and the right to collective bargaining. Where employee unions are established under the laws and customs of each country or region, the Company endeavors to maintain sincere dialogue with them and to improve working conditions and the workplace environment.

■ Formulation of Aisan's Human Rights Policy

In line with the International Bill of Human Rights and the ILO's core labor standards, the Aisan Group has established a Human Rights Policy and pledges to respect and support all employees' freedom of association and the right to collective bargaining.

■ Freedom of Association

The Company respects employees' rights to freely establish and join labor unions, to make decisions without improper interference, and to engage in collective bargaining and other lawful activities. The Company promises not to discriminate against employees who exercise these rights and to protect those rights.

■ Collective Bargaining

The Company holds regular dialogues with labor unions and employee representatives through mechanisms such as labor-management councils and labor-management conferences, striving to secure stable labor-management relations and to address various issues in good faith.



labor-management conference
ANI(Indonesia)



labor-management conference
AISAN(JPN)



labor-management council
ANI(Indonesia)



labor-management council
AISAN(JPN)



Prevention of Excessive Working Hours / Reduction of Overtime Work



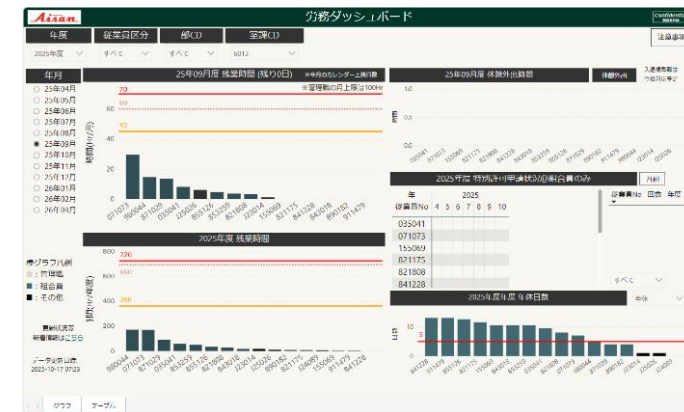
The Aisan Group regards employee health and safety and the realization of sustainable working practices as key management priorities. While improving productivity through DX and TPS (or similar production methods), we also pursue continuous practical initiatives to enable employees to work healthily and with vitality.

■ Compliance with Rules on Working Hours

We comply with the laws and customs of each country and region and implement appropriate working-time management. In Japan, we enforce measures such as restricting hours that exceed specified thresholds, introducing prior-approval processes, and conducting interviews with employees and managers when long working hours are detected to prevent excessive labor and protect employee health and safety.

■ Overtime Reduction and Promotion of Paid Leave

We have established internal monthly and annual limits on overtime and continuously work to ensure employees can take paid leave, memorial leave, substitute holidays, and sick leave. We also maintain systems to support rest and recovery.



Labor Management Dashboard
(Visualization of Overtime Work and Paid Leave Usage)

Employees are the Company's most important asset, and we aim to create an environment where diverse talent can thrive. We actively participate in frameworks related to labor standards and cooperate with stakeholders to promote improvements in labor standards and working conditions.

■ “Kurumin / Eruboshi” Certification

We pursue certifications such as the Ministry of Health, Labour and Welfare's “Kurumin / Eruboshi” to demonstrate support for diverse talent and family-friendly workplace practices.



■ Participation in Labor and Industry Associations

We join local and regional labor and industry associations to promote the administration of labor standards and to collaborate on improving employee safety, health, and working conditions.

■ Cooperation with Local Authorities

We cooperate with local initiatives, including work-style reforms, holiday system reviews, and other measures to improve employees' work-life balance.

■ Support for International Initiatives

We support the International Bill of Human Rights and the ILO's fundamental principles and rights at work and promote practical implementation of global guidelines such as GRI and ISO 30414 where appropriate.

Recognizing employees as the “source of growth,” we set wage levels necessary for employees and their families to live healthy and culturally enriched lives. We work with labor unions and other stakeholders to maintain and improve these standards.

As of April 2024, the starting wage for new graduates (regular positions) at our Japan company exceeds 145% of a reference minimum wage used for comparison in certain local manufacturing sectors.

We respect diversity and aim to provide equal opportunities to all employees. We proactively promote initiatives to advance women's participation and leadership development across the Company.

■ Female Ratio of Employees (Japan only)

As of February 28, 2025, the ratio of female regular employees at the Company's Japan entity is 15.7%, and this ratio is increasing year by year.

Table heading: Percentage of female regular employees (Japan only)

FY2021	FY2022	FY2023
13.3%	13.9%	14.8%

■ Career Development Support

We actively support career development for women through leadership training and other programs, creating opportunities for skills development and career progression. We promote role models and career paths to encourage continued advancement of women within the Company.

■ Promotion of Flexible Working Arrangements

We support flexible working styles tailored to life stages, such as telecommuting and flexible hours, and promote systems that facilitate work-life balance and make workplaces easier to use.

We aim to create a workplace where all employees can work with peace of mind and fully demonstrate their abilities. We will continue to maintain and improve systems and education to ensure a safe workplace for everyone.

■ **Strengthening Internal Reporting Systems**

To prevent and promptly respond to acts that violate the Aisan Group Code of Conduct, we have established reporting and consultation desks for employees and implemented investigation and disciplinary procedures. We have prepared detailed support systems, including counseling and corrective measures, to respond appropriately to harassment reports. In June 2022, we revised our internal guidelines to align with relevant public interest protection frameworks.

■ **Education Programs to Prevent Harassment**

We implement ongoing education programs to prevent harassment and raise awareness across the Company. Training includes practical exercises and case studies to ensure employees understand harassment issues and appropriate responses. We also provide compliance training for managers and supervisors.

The Group recognizes understanding and managing employee turnover as an important issue. In particular, voluntary turnover is an indicator used to improve the workplace environment and employee engagement. We measure and manage this indicator.

The voluntary turnover rates for full-time employees (regular employees) in FY2024 across the Group (domestic 6 companies + 17 overseas companies) are as follows:

- Group total: 11.7%
- Domestic: 3.8%
- Overseas: 14.5%

We continue efforts to reduce turnover by promoting career development, flexible working arrangements, and global HR data analysis to create a workplace where employees can work with safety, security, and purpose.

For FY2024, the proportion of temporary workers to total employees in the Group (domestic 6 companies + 17 overseas companies) is as follows:

- Group total: 17.1%
- Domestic: 27.3%
- Overseas: 13.5%

We ensure fair treatment and career support for temporary workers and will continue strengthening systems that support employment stability and flexible work styles.

Aiming to develop human resources who “learn autonomously, think, and flexibly act,” the Company invests in employee development. We offer various training programs and support self-development to sustain employees’ growth.

■ 2023 Training Time Results (Japan entity)

Total training hours	52,307 hours
Average training hours per employee	16.4 hours

The Company values diversity and inclusion and promotes the employment of people with disabilities. As of the most recent data (June 1, 2025), our overall employment rate of people with disabilities is 2.9%.

We will continue to provide workplace environments that allow every employee to demonstrate their abilities to the fullest and strive to promote diversity and inclusion.

Employment rate of people with disabilities (Japan only)

FY2022	FY2023	FY2024
3.0%	2.9%	2.9%

Reference: Percentage of employees with disabilities at each Group company (listed in the original).

Aikyo Sangyo Co., Ltd.	1.8%
TK Carburettor Co., Ltd.	0.7%
Nichialloy Co., Ltd.	2.4%
Aisan (Tianjin) Auto Parts Co., Ltd.	0.9%
Aisan (Foshan) Auto Parts Co., Ltd.	0.9%
Hyundam Industrial Co., Ltd.	1.5%
Aisan Industry Czech s.r.o.	3.3%