

# Compliance

## Basic approach

Based on the belief that commitment to compliance is the basis and the foundation for a company's continued existence, we not only follow the Aichi Steel Group Action Guidelines and comply with laws and regulations, but we also comply with social norms and decency, and internal company rules. For this reason, we strive to raise awareness of compliance, to prevent misconduct, and to fulfill the social responsibilities of the company.

## Promotion framework

We aim to be a trusted company through the protection of human rights and compliance with laws and regulations, and by respecting public decency. To enhance the overall compliance of our Group, the Corporate Planning Committee—headed by the Corporate Planning Headquarters General Manager—sets and reviews compliance policies on a regular basis.



## Specific initiatives

### Education and awareness activities

The Compliance Liaison Meeting, which comprises the people in charge of compliance in each department, meet once each quarter. The General Affairs Division and each department share information, including revisions to laws and regulations and points of concern regarding legal compliance, with the rest of the company. Other measures to prevent violations of laws and regulations include “Compliance Close Call” (analysis of events in daily operations that could lead to violations of laws and regulations) awareness activities conducted by all employees, and compliance education for promotees and others through job level-based training. In addition to education on what not to do, which has been the norm until now, we are also introducing “ethical” compliance education from fiscal 2021 to encourage employees to act with honor and pride as members of the Toyota Group with its long history.

### Awareness surveys

In fiscal 2021, we conducted our first compliance survey of all employees to understand the current state of compliance and any related issues. While we found a generally high level of compliance awareness among employees and workplaces, we did identify some issues such as the need for greater knowledge of laws and regulations. Going forward, we will continue making improvements through regular awareness surveys and related measures.

### Whistle-blowing system

We have established the Aichi Steel Compliance Hotline, our internal whistle-blowing system, to promote early detection of violations of laws and regulations, and misconduct, within the company and to self-govern through appropriate measures. Whistleblower protections and operational matters are defined in the Code of Corporate Ethics, and are revised in line with amendments of the Whistleblower Protection Act. In fiscal 2021, a total of 13 reports were received. The Audit & Supervisory Board Members and General Affairs Division followed them up through information sharing and fact-finding activities, and took corrective and disciplinary action where required.