

MITSUBISHI MOTORS CORPORATION

SUSTAINABILITY REPORT 2023





MISSION

1. Provide new experiences for our customers with creative products and service excellence.
2. Make positive contributions to the sustainable development of our society.
3. Act sincerely as a trusted company.
4. Enhance stakeholder value by leveraging the Alliance.

Create vibrant society
by realizing the potential
of mobility

VISION



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Editorial Policy

Purpose of Publication

MITSUBISHI MOTORS publishes the Sustainability Report to comprehensively and continuously inform stakeholders and promote an understanding of the MITSUBISHI MOTORS Group's sustainability approach and initiatives.

Scope of This Report

MITSUBISHI MOTORS CORPORATION and its Group companies in Japan and overseas

Period Covered and Reporting Frequency

Period covered: FY2022 (April 1, 2022 to March 31, 2023)

When appropriate, the Report also includes some historical and recent data from outside the reporting period.

Reporting frequency: Once each year

Date of Publication

October 31, 2023

Reference Guidelines

- GRI Standards (Global Reporting Initiative)
- Task Force on Climate-related Financial Disclosures (TCFD)
- Environmental Reporting Guidelines (2018 edition) issued by the Ministry of the Environment of Japan

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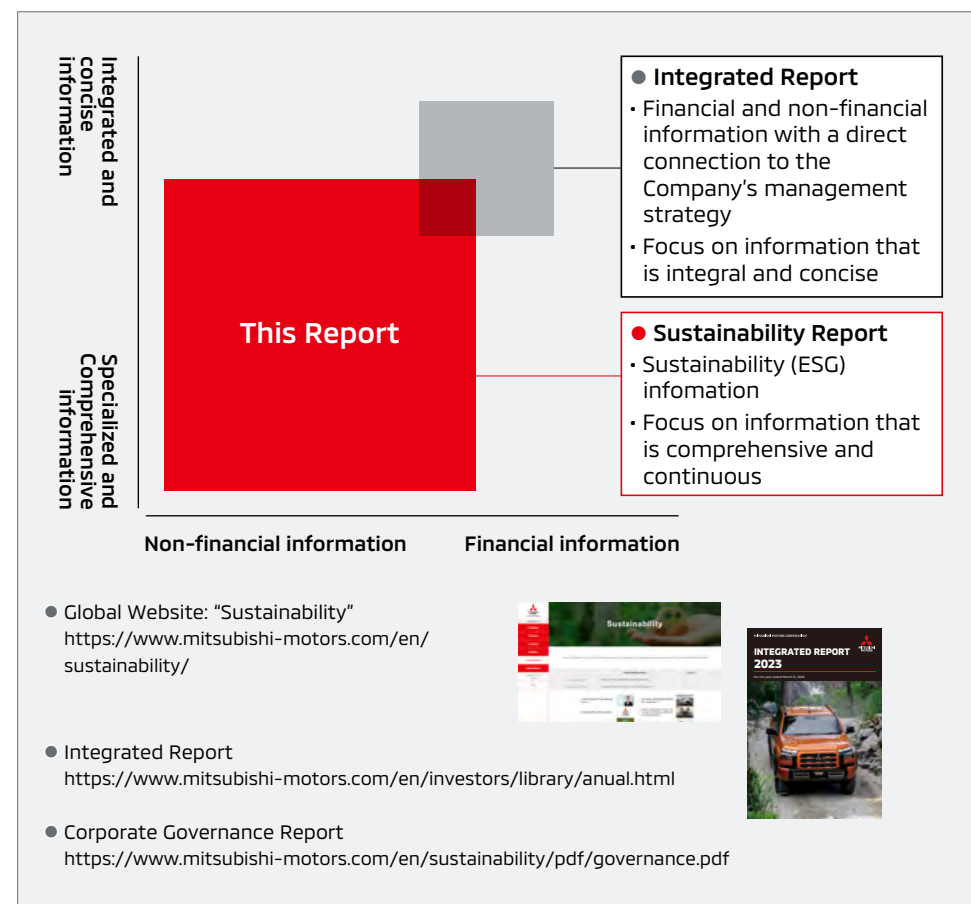
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Disclaimer

MITSUBISHI MOTORS' current plans, strategies, assurances, business forecasts, and other non-historical matters indicated in this Sustainability Report include future predictions as of the time of publication.

Please note that these expectations, predictions, and forecasts include risk and volatility factors and hypotheses, and may significantly diverge from actual future results.

System for Disclosing Information on Sustainability



Corporate Overview (As of March 31, 2023)

Company Name	MITSUBISHI MOTORS CORPORATION
Established	April 22, 1970
Head Office	1-21, Shibaura 3 chome, Minato-ku, Tokyo, 108-8410
Business Description	MITSUBISHI MOTORS Group carries out development, production and sales of vehicles and vehicle parts and engages in the financial businesses.
Brand Name	MITSUBISHI MOTORS
Capital Stock	¥284,382 million
Number of Shares Issued and Outstanding (Common Stocks)	1,490,282,496 (including treasury stock)
Group Companies	Consolidated Subsidiaries: 35 Equity-Method Affiliates: 17
Number of Employees	Consolidated: 28,428 Non-consolidated: 13,671

Please see our global website for details on product information.

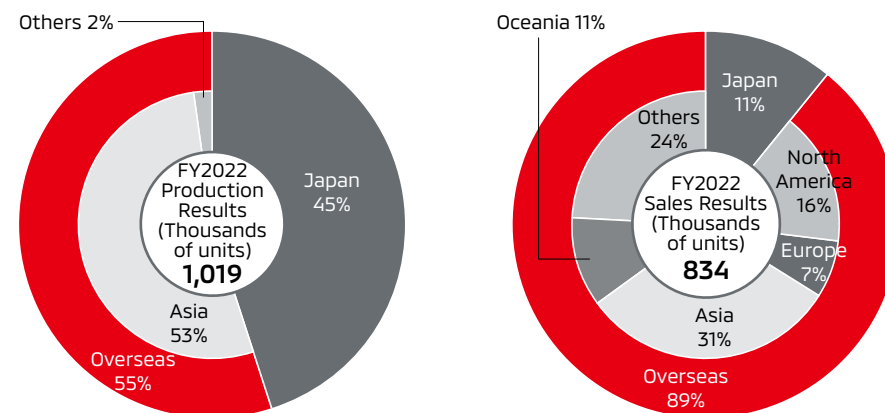
<https://www.mitsubishi-motors.com/en/products/>

Performance Highlights

(million yen)

	FY2018	FY2019	FY2020	FY2021	FY2022
Net Sales	2,514,594	2,270,276	1,455,476	2,038,909	2,458,141
Operating Income	111,815	12,788	(95,321)	87,331	190,495
Ordinary Income	119,850	(3,843)	(105,203)	100,969	182,022
Net income attributable to owners of the parent	132,871	(25,779)	(312,317)	74,037	168,730

Global Sales and Production Volumes



Production Volume by Region

(Thousands of units)

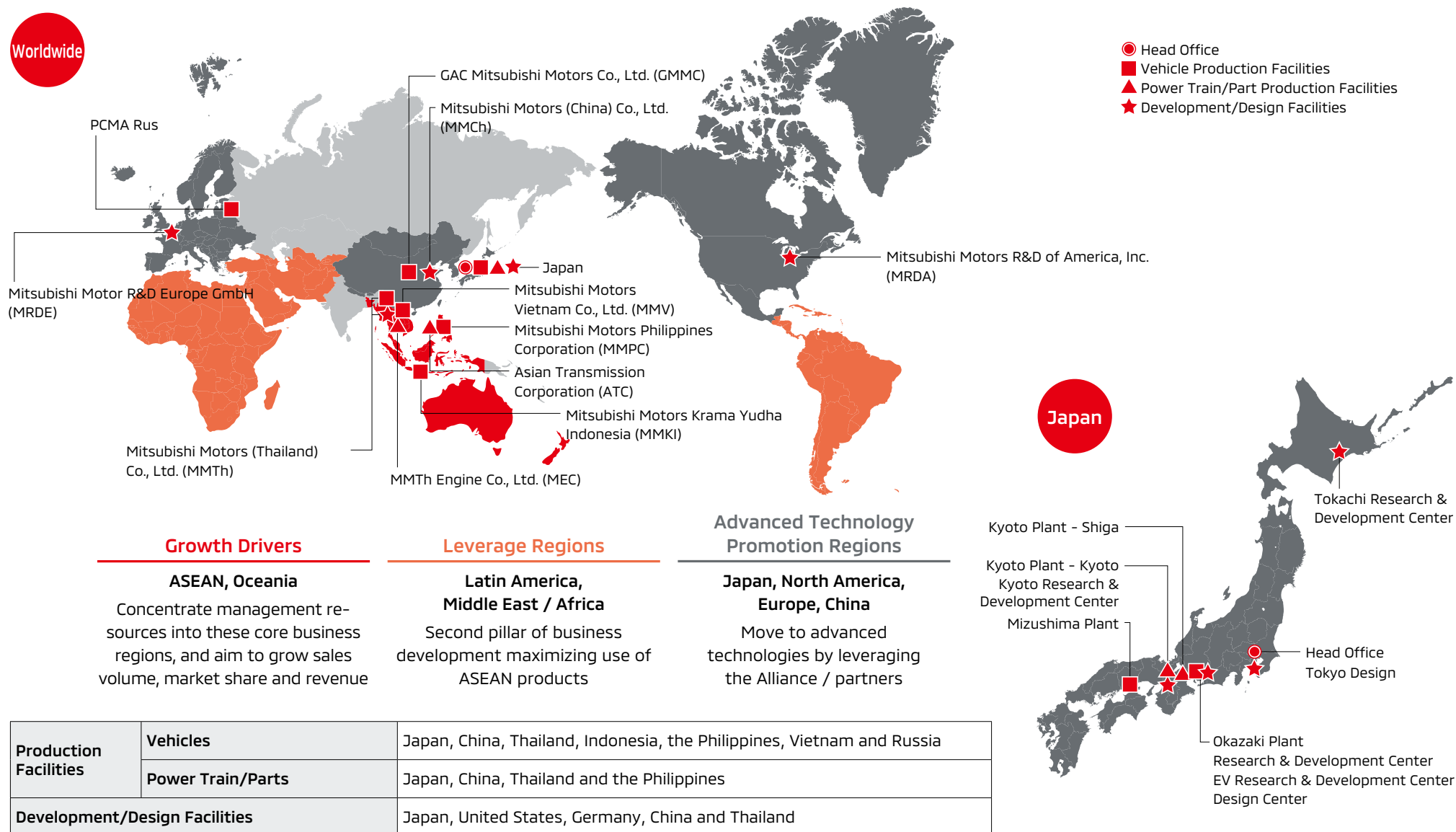
	FY2018	FY2019	FY2020	FY2021	FY2022
Japan	661	620	367	420	457
Overseas	780	717	447	604	562
Asia	752	697	434	579	542
Others	28	20	13	25	20
Total	1,441	1,337	814	1,024	1,019

Sales Volume by Region

(Thousands of units)

	FY2018	FY2019	FY2020	FY2021	FY2022
Japan	104	95	73	75	92
Overseas	1,140	1,032	728	862	742
North America	173	160	113	156	133
Europe	236	215	144	131	61
Asia	481	433	294	331	310
Oceania	102	88	72	97	88
Others	148	136	105	147	150
Total	1,244	1,127	801	937	834

Principal Facilities



Commitment of Top Management

Thoroughly refining the “Mitsubishi Motors-ness,”
for further growth and taking on challenges
in the next era.



Takao Kato
Member of the Board
Representative Executive Officer,
President & CEO
MITSUBISHI MOTORS CORPORATION

In recent years, issues concerning sustainability, such as responding to climate change and respecting human rights, have become increasingly important to corporate management. Additionally, the development of technologies such as AI and IoT is drastically transforming the concept of automobiles traditionally a means of transportation for people and goods, and the automotive industry is heading into a major transition era.

While the future outlook remains uncertain due to factors such as rising raw material and labor costs, as well as volatile exchange rates, MITSUBISHI MOTORS will strive to address global challenges such as achieving carbon neutrality, building a sustainable mobility business, and establish a workplace where respects human rights and enables diverse human resources to thrive. We will continue to tackle the challenge of “transforming ourselves” and the challenge of “strengthening our management foundation to adapt to the new era.”

Furthermore, we will thoroughly refine Mitsubishi Motors-ness, which is “The provision to customers of a fulfilling mobility life that awakens their adventurous spirit on the basis of reliability backed up by technology that achieves “Eco-friendly x Safety Technology, Peace of Mind and Comfort,” and aim to achieve a sustainable society and sustainable growth of our Group.

Taking on the Challenge of Achieving Carbon Neutrality by 2050

We recognize that responding to the global challenge of achieving carbon neutrality by 2050 is critical to determine the future of our company.

Positioning climate change countermeasures as one of the key issues in the development of our business strategy, and by reflecting measures to respond to climate change risks and opportunities in the “Environmental Plan Package” that defines the direction and targets of environmental initiatives and business strategies, we will take on the challenge of enhancing our resilience as a company by ensuring sustainable business growth and mitigating future risks.

Specifically, we have identified and evaluated long-term, medium-term, and short-term risks and opportunities, and have specified “tightening of fuel efficiency/CO₂ and ZEV regulations,” “introduction and expansion of carbon pricing,” and “growing demand for electrified vehicles” as items with particularly large impact. For these items, we are analyzing the impact on our business and considering countermeasures based on multiple scenarios published by international organizations.

Last year, we declared our commitment to achieve carbon neutrality by 2050 for the entire supply chain, and also launched the realization as part of Environmental Vision 2050. Furthermore, this year, we have revised certain of our Environmental Targets 2030 and set milestones toward achieving carbon neutrality by 2050.

We aim to achieve a ratio of 50% electrified vehicle sales by FY2030, reaching 100% by FY2035. In order to meet the various needs of the global market, we will leverage the technologies of the Alliance and introduce optimal electrified vehicles (electric vehicles, plug-in hybrid vehicles, and hybrid vehicles) in accordance with the energy situation and infrastructure development in each country and region at the appropriate time. Based on the new mid-term business plan “Challenge 2025” announced in March 2023, we plan to introduce a total of nine electrified vehicle models over the next five years.

In terms of business operations, we have set a target to reduce CO₂ emissions by 50% compared to the FY2018 level by FY2030. To achieve this goal, we will promote energy-saving activities and the introduction and expansion of renewable energy. Additionally,

we will collaborate with major suppliers and logistics companies to reduce CO₂ emissions across the supply chain, promoting reductions in CO₂ emissions at the phases of production and procurement of raw materials and parts, as well as in the logistics area, including transportation of products.

Pursuing the Potential of Mobility

In order to survive in this era of dramatic change, MITSUBISHI MOTORS will take on the challenge of digital transformation and explore new business initiatives. For example, we are conducting pilot experiments utilizing used electrified vehicle batteries as storage batteries to adjust power supply and demand, as well as utilizing in vehicle batteries as emergency power sources during power outages caused by disasters. By exploring the potential of business opportunities such as energy management and battery utilization that are unique to an automobile manufacturer, we will build a foundation for a full-scale deployment.

Creating a Rewarding Work Environment and Promoting the Development of Human Resources

In order to achieve and enhance corporate value amid the rapidly changing business environment, it is crucial for us to hire and develop talented individuals, as well as focusing on employee retention. It is important to create an environment where each individual can work with a sense of fulfillment, fully utilize their abilities, and thrive both physically and mentally. Recognizing that our employees are our greatest assets, we have identified "Promoting diversity and inclusion, and enhancement of employee engagement" as new materiality. In the process of identifying this materi-

ality item, our management team engaged in discussions to ensure that it should be easily understandable and shared by all employees.

In order to support the new mid-term business plan, "Challenge 2025," and further promote the active participation of our employees in future growth, we have set directions for our talent strategy: "build a better place to work," "enhance learning opportunities/reskilling programs," and "secure/cultivate a diverse workforce." We will promote human resource development on these priority items.

Continuing to Strengthen Human Rights Initiatives

In order to achieve sustainable growth and expand our business globally, respect for human rights is essential. The Group has established a Human Rights Policy that prohibits discrimination and aims to eliminate unfair labor practices. Following the implementation of human rights assessments at our headquarters and three factories in Japan in FY2021, in FY2022 we conducted our first human rights assessment overseas at Mitsubishi Motors (Thailand) Co., Ltd. (MMTh), a key production base in the ASEAN region. Through a human rights due diligence framework, we identify the negative impacts of our business activities on human rights and work to prevent such impacts.

With regard to respect for human rights in the complex supply chain of the automotive industry, we strive to ensure awareness through measures such as obtaining agreement from our business partners on our Supplier CSR Procurement Guidelines. We also conduct CSR assessments of our suppliers, using third-party agencies. In terms of sourcing raw materials and producing parts, we collaborate with relevant business partners to address serious human rights vi-

olations such as child labor and forced labor and work to eliminate them. We will continue to strengthen our efforts, including those involving the supply chain.

Reinforcing Sustainability Management

Considering our belief that responding to sustainability is a crucial priority for the Group's management, we have appointed executive officers and department heads as responsible individuals for each materiality. As chairman, I oversee the progress of these efforts through the Sustainability Committee, and key issues such as climate change measures are deliberated and reported to the Board of Directors.

In addition, to heighten awareness among our executives, in FY2022 we added "CO₂ emissions from business activities" and "employee engagement" as indicators for determining medium- to long-term performance-linked compensation.

Based on our Vision and Mission, and prioritizing compliance and continuously strengthening and enhancing our corporate governance are key management priorities. By meeting the expectations of our shareholders, customers, and all stakeholders, we aim to achieve sustainable growth and enhance our corporate value.

We will continue to be highly transparent and strengthen sustainable management throughout the company.



Takao Kato
Member of the Board
Representative Executive Officer, President & CEO
MITSUBISHI MOTORS CORPORATION

Corporate Philosophy and Policy

Mitsubishi Group Three Principles

The "Three Principles," which is the spirit of Mitsubishi's founding, is positioned as a fundamental philosophy common to the Mitsubishi Group.

Shoki Hoko

= Corporate Responsibility to Society

Strive to enrich society, both materially and spiritually, while contributing towards the preservation of the global environment.

Shoji Komei

= Integrity and Fairness

Maintain principles of transparency and openness, conducting business with integrity and fairness.

Ritsugyo Boeki

= Global Understanding through Business

Expand business, based on an all-encompassing global perspective.

ize the Vision) specify how we become more proactive to exert a positive influence on society.

VISION

Create vibrant society by realizing the potential of mobility

MISSION

1. Provide new experiences for our customers with creative products and service excellence.
2. Make positive contributions to the sustainable development of our society.
3. Act sincerely as a trusted company.
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In the automobile industry, technological innovations are being born one after another due to the diversification of power trains, the intelligence of cars, and the shift to IoT, and the role of automobiles has changed from "cars" as hardware to "mobility" as a whole transportation system. Under such a major transition, we are committed to research and develop the potentialities of mobility broadly and to provide all people with possible opportunities to go wherever they want, to see whatever they want, and meet whomever they want, at any time. The "Vision" includes our desire to promote new challenges and economic activities of individuals and contribute to the revitalization of society as a whole by streamlining and optimizing the movement of people.

MITSUBISHI MOTORS' Philosophy System

Our company's corporate activities are based on the "Three Principles," which are positioned as the basic principles common to the Mitsubishi Group. For each employee, aim to realize the "Vision" through carry out the "Mission" by practicing the "MMC WAY*" that shows the minimum necessary attitude and behavior and the "Global Code of Conduct*" that all executives and employees must comply with.

We contribute to the realization of a sustainable society while deepening mutual understanding through dialogue with various stakeholders through business activities in each country and region centered on familiar products such as cars.



*1: Please see page 79 for details on the "MMC WAY."

*2: Please see page 112 for details on the "Global Code of Conduct."

Vision & Mission

MITSUBISHI MOTORS has formulated our corporate vision and mission to serve as common guiding principles for the employees of the MITSUBISHI MOTORS Group as we look toward the future. The automobile industry is in a period of major change, and our business environment is also undergoing substantial changes. Under these circumstances, the Vision (the society we want to create) and Mission (how to real-

Sustainability Management

Approach to Sustainability

Interest toward realizing a sustainable environment, society and economy has been growing, as is illustrated by such initiatives as the Sustainable Development Goals (SDGs) adopted by the United Nations, the Paris Agreement going into effect and growing ESG investment. In recent years, corporate initiatives have also placed a growing emphasis on these areas.

In particular, on the environmental front, climate change and energy problems are becoming more serious worldwide, and the automotive industry is seeing changes on a scale said to occur only once in 100 years. These changes include new technologies, such as connectedness and autonomous driving, as well as car sharing and other new business models.

MITSUBISHI MOTORS recognizes that various challenges in the environmental, social, and governance fields pose risks to the Company's sustainable growth. At the same time, the Company views tackling societal issues as an opportunity for new business and strives to mitigate risks such as reducing greenhouse gases from its business activities.



Framework for Promoting Sustainability

We have established the Sustainability Committee, which is chaired by the executive officer, president & CEO, to promote sustainability initiatives throughout the MITSUBISHI MOTORS Group. MITSUBISHI MOTORS has identified material issues as important issues that we should wrestle from various problems in the environmental, social, and governance fields. The Sustainability Committee confirms the risks and opportunities identified from a long-term perspective by those responsible for each materiality initiative.

At the same time, the Sustainability Committee deliberates and decides on initiative targets based on the external environment and stakeholder needs and expectations from a medium-term perspective, and uses the PDCA cycle by checking progress.

We have a structure in which important matters such as reviewing material issues and the overall status of sustainability activities are deliberated and reported by the Board of Directors.

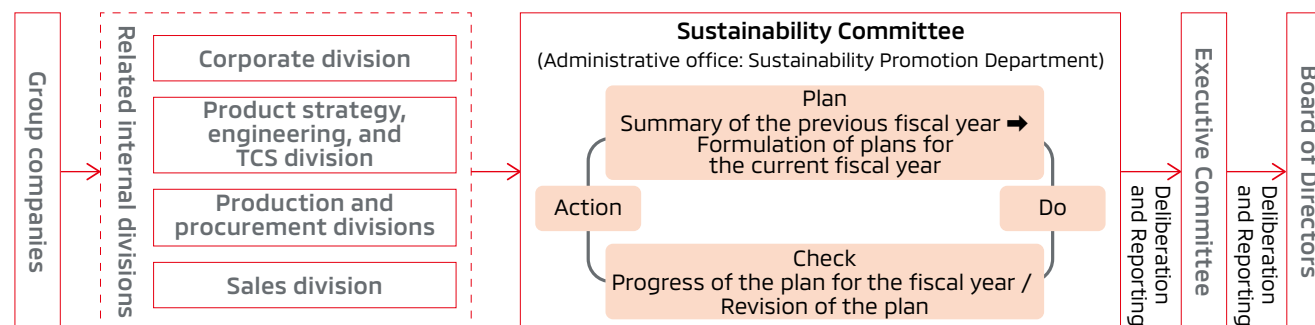
Proceedings

On the environmental front, the Sustainability Committee discusses our efforts to achieve carbon neutrality, which is a global issue, and to enhance disclosure in line with the Task Force on Climate-related Financial Disclosures (TCFD) Recommendations. On the social front, we discuss initiatives involving human rights, which are an area companies are increasingly being called upon to address.

We provide timely disclosure of the Sustainability Committee's proceedings on our website. Please refer to the following.

(WEB) <https://www.mitsubishi-motors.com/en/sustainability/management/susc-summary/>

Overview of Sustainability Committee



FY2022 Achievements of the Sustainability Committee

- <Meetings convened> 3 times
<Principal matters for deliberation and reporting>
- Review of material issues
 - Review of FY2021 initiatives on the material issues and activity plans for FY2022
 - Initiatives to achieve carbon neutrality
 - Response to the TCFD recommendations
 - Human rights initiatives
 - FY2022 disclosure policy
 - Initiatives to foster a sustainability mindset, etc.

Sustainability Committee members (As of July 2023)

Category	Position or Scope of Authority	
Chair	Executive Officer, President & CEO	
Vice-chair	Executive Officer (responsible for Internal Control Promotion/General Administration/Corporate Affairs)	
Committee members	Executive Officer, Executive Vice President (responsible for Engineering/Product Strategy/TCS* ¹ /Design)	
	Executive Officer, Executive Vice President (responsible for Sales)	
	Executive Officer, Executive Vice President (CFO)	
	Senior Executive Officer (responsible for Corporate Governance)	
	Senior Executive Officer (responsible for Production/Procurement)	
	Corporate Officer, Division General Manager, Corporate Strategy Management Division	
	Division General Manager, PD* ² Office	
	Person in Charge of Materiality Initiatives	Material Issue Targeted
	*Indicates leaders of initiatives from multiple divisions	
	Executive Officer (responsible for Product Strategy), Division General Manager, Product Strategy Division	Responding to Climate Change and Energy Issues
	Corporate Officer, Division General Manager, Human Resources Division	"Promoting diversity and inclusion, and enhancement of employee engagement" Stepping up Human Resource Development Promoting Occupational Health and Safety
	Corporate Officer, Division General Manager, Mobility Business Division	Responding to Climate Change and Energy Issues
	Corporate Officer, Division General Manager, EV Powertrain Engineering Development Division 1	Responding to Climate Change and Energy Issues Resource Recycling Initiatives
	Corporate Officer, (responsible for ASEAN & Oceania)	Contribution to Local Economy through Business Activities*
	Division General Manager, General Administration, Sustainability Division	Responding to Climate Change and Energy Issues* Resource Recycling Initiatives* Promoting Social Contribution Activities*
	Division General Manager, Vehicle Engineering Development Division 1	Delivering Products which Help Prevent Traffic Accidents Resource Recycling Initiatives Prevention of Pollution
	Division General Manager, Production Engineering Division	Contribution to Local Economy through Business Activities
	Division General Manager, SCM* ³ Division	Responding to Climate Change and Energy Issues
	Division General Manager, Internal Control Promotion Office	Strengthening Governance and Ensuring Compliance
	Division General Manager, TCS* ¹ Division	Improvement of Product, Sales, and Service Quality*
	Division General Manager, Production Strategy Planning Division	Responding to Climate Change and Energy Issues Resource Recycling Initiatives
	Division General Manager, Procurement Management Division	Responding to Climate Change and Energy Issues Achieving a Sustainable Supply Chain
	Division General Manager, Global Sales Development Division	Improvement of Product, Sales, and Service Quality
	Division General Manager, Global After Sales Division	Improvement of Product, Sales, and Service Quality
	Division General Manager, Domestic Sales Division	Improvement of Product, Sales, and Service Quality Promoting Social Contribution Activities
Observers	Members of the Board and the Audit Committee	
	Corporate Officer Division General Manager, Legal & Corporate Governance Division	
	Audit Committee Office, Assistant to Full-Time Members of the Audit Committee	
	General Manager, IR Office of Corporate Strategy Management Division	
	General Manager, Public Relations Department	
	General Manager, Financial Planning Office	

*1 Total Customer Satisfaction *2 Program Director *3 Supply Chain Management

Instilling Sustainability Awareness within the Company

MITSUBISHI MOTORS conducts penetration activities throughout the year so that executives and employees can deepen their understanding of sustainability and practice sustainability initiatives through their daily work. At the end of each fiscal year, we conduct an employee awareness survey to confirm the degree of penetration. We use the survey results to strengthen and improve each measure and reflect them in activities in the following fiscal year.

<Examples of Activities in FY2022>

- Online training related to sustainability in general
6,927 participants
- Training on overall sustainability tailored to each job rank
Conducted 19 times
(Entry-level employees, mid-career employees, manufacturing staff candidates, newly appointed M2 employees <Managers>, newly appointed M1 employees <General Managers>)
- Distribution of messages from management related to sustainability
Distributed three times
- Distribution of a newsletter related to sustainability
Distributed six times

Participation in the United Nations Global Compact

In May 2019, MITSUBISHI MOTORS announced its support for the United Nations Global Compact (UNGC), the universal principle regarding human rights, labor, the environment and anti-corruption advocated by the United Nations. The UNGC are voluntary behavioral principles for companies and organizations that were proposed by then-Secretary-General Kofi Annan at the World Economic Forum (Davos Conference) in 1999. As a global company, we believe that respect for human rights and anti-corruption initiatives are very important. Accordingly, that same year we partially revised the MITSUBISHI MOTORS Global Code of Conduct, clarifying our efforts related to respect for human rights and anti-corruption. In addition, we have established a Human Rights Policy that commits us to promoting business activities that emphasize human rights.

Based on the 10 principles of the UNGC, as a good corporate citizen we will continue our activities toward the realization of the sustainable growth of society.

Please see the following for specific activities in the four areas stipulated in the Global Compact.

Human rights : P91-94
Labor : P88-90
The environment: P29-64
Anti-corruption : P115

WE SUPPORT



Participation in External Organizations

- Japan Business Federation (Keidanren)
- Japan Automobile Manufacturers Association, Inc.
- Society of Automotive Engineers of Japan, Inc.
- Global Compact Network Japan (GCNJ)

External Initiatives Supported or Referred to

- United Nations' Sustainable Development Goals (SDGs)
- United Nations Global Compact (UNGC)
- Core Labor Standards of the International Labour Organization (ILO)
- Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises
- ISO 26000 Guidance to Social Responsibility
- Keidanren Charter of Corporate Behavior

Corporate Strategy and Sustainability

Formulating a Long-Term Road Map

In developing MITSUBISHI MOTORS' mid-term business plan, through internal activities called "15-Year Plan" with a global view of the world 15 years from now in mind, we established a road map in the three areas of technology, regional communities, and the mobility business.

We believe that there are three major societal changes that will bring about significant transition in the environment surrounding the automotive industry over the next 15 years.

The first is the global challenge of climate change. In the automotive industry, we see advances in batteries and biofuels as supporting the achievement of a carbon-neutral.

The second is the customer image. Generation Z,

who are digital natives and prioritize experience and empathy, will be the core automotive purchasing group and user group in future, and we believe that this will greatly change marketing and sales activities going forward.

The third is the diverse and ever-evolving digital technologies. We recognize that incorporating these evolutions is essential for enhancing our competitiveness in areas such as autonomous driving, connected car service, and the mobility business.

Revising Environmental Targets 2030

In our previous mid-term business plan, "Small but Beautiful," we emphasized strengthening environmental technologies with a focus on plug-in hybrid electric vehicles (PHEV). In November 2020, we announced the Environmental Plan Package (Environmental Policy,

Environmental Vision 2050, and Environmental Targets 2030) that sets our direction and targets for environmental initiatives looking ahead to the next 30 years.

In response to the increasing interest in carbon neutrality, in September 2022, we declared our commitment to achieving carbon neutrality throughout our supply chain and revised our Environmental Vision 2050 accordingly. Furthermore, in February 2023, we revised our Environmental Targets 2030, specifically raised our FY2030 business activities CO₂ emissions reduction target by "- 50% compared with the FY2018 level," maintaining our current targets of "- 40% compared with the FY2010 level" for average CO₂ emissions from new vehicles and "50% for FY 2030" for the electrified vehicles sales ratio, we have also established a lofty target of "100% in FY2035" for the electrified vehicles sales ratio. In order to solve the global issue of climate change, We will continue to make steady progress in these initiatives. Please see page 31 for details on "Environmental Targets 2030."

Long-Term Road Map

	2020	2025	2030	2035
Societal Changes	Increased awareness of CN Generation Z (prioritize Experience, Empathy, and Time Performance) Digital Technology Evolution (Comms(5G/6G), DX, AI, Robotics, and Metaverse)			
Mid-Term Business Plan	"Small but Beautiful"	"Challenge 2025"		
Vehicle Electrification	Mainly ICE	ICE / HEV / PHEV / BEV mixed		Mainly HEV / PHEV / BEV Mainly BEV
DX/ New Business	Use of digital tech in business	System upgrade DX		Fully fledged rollout of new business using digital tech
Business Form	Vehicle sales After sales	Value chain expansion New business challenges		Vehicle sales + securing profit in new business areas Deeper collaboration with partners (energy management, etc.)
Regional Strategy	Global rollout	Focus area selection and role clarification		Clarifying regional roles and securing profit for each region

Please see page 7 of the presentation on our website for details of the Long-Term Road Map.

(WEB) https://www.mitsubishi-motors.com/content/dam/com/ir_en/pdf/financial/2023/230310-2.pdf?20230808

Revised Targets

CO₂ emissions from business activities
(Total Emissions of Scope 1 and 2)
-40% → **-50%**
(Compared to FY2014) (compared to FY2018)

Added Targets

- Ratio of electrified vehicles sales 100% by FY2035
- Promoting CO₂ emission reduction activities through collaborations with suppliers/transporters in the fields of procurement and logistics
- Provision of energy management services utilizing electrified vehicles and used batteries

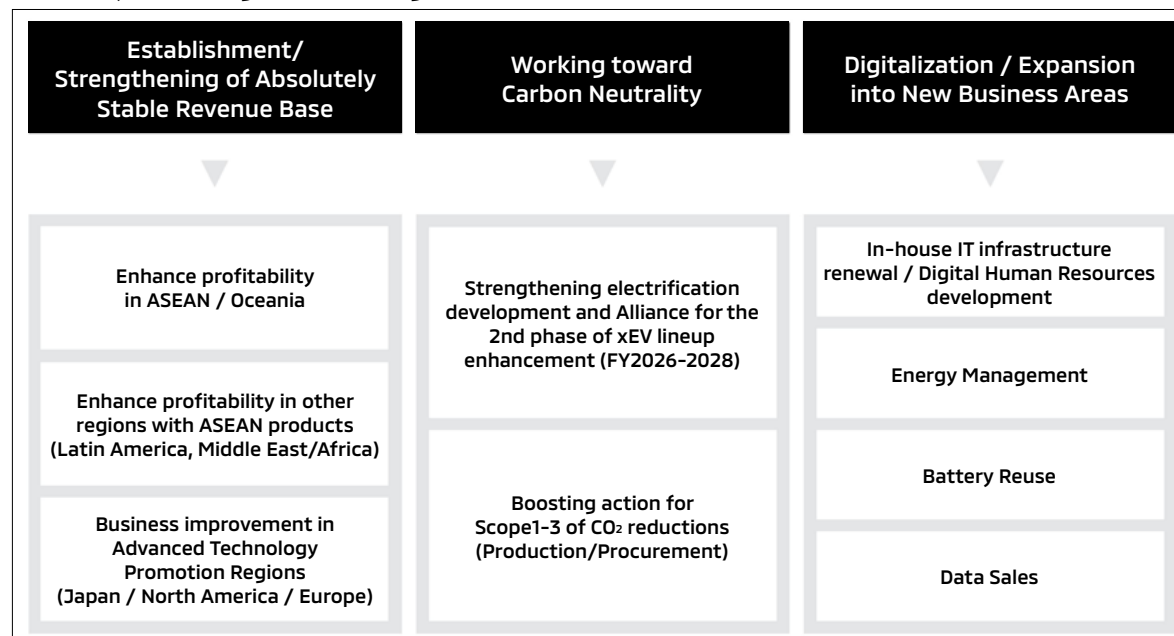
Overview of Our New Mid-Term Business plan, "Challenge 2025"

We developed the new mid-term business plan, "Challenge 2025," announced in March 2023, performing backcasting the road map for the technology, regional communities, and mobility business sectors outlined in our "15-Year Plan."

In "Challenge 2025," we have set three major challenges to achieve the sustainable growth of MITSUBISHI MOTORS amid the significant environmental changes that surround us.

Firstly, it is a regional strategy to establish a stable revenue base. We set the global market into three categories* and after clarifying the role of each region, we work to establish and strengthen the absolutely stable revenue base.

The 3 major Challenges in "Challenge 2025"



Particularly in the ASEAN, which we have categorized as a growth driver, from FY2023, we will roll out a series of new products that encapsulate "Mitsubishi Motors-ness." We will work to improve the brand value of Mitsubishi Motors by closely linking those products and opportunities for customers to experience them. And in ASEAN countries we will grow the number of sales outlets, increase area coverage, improve store facilities and customer interaction methods, improve convenience for customers through digitalization, and take other actions to achieve quality improvement in both sales and services.

* We categorize our core business regions, the ASEAN and Oceania regions, as "GROWTH DRIVERS"; Latin America, the Middle East, and Africa, where we horizontally roll out our ASEAN products, as "LEVERAGE REGIONS"; and Japan, North America, and Europe, which need environmental technologies such as electrification, ADAS and other safety technologies, as well as the utilization of vehicle data among other things, as "ADVANCED TECHNOLOGY PROMOTION REGIONS."

Please see page 5 for details on "Principal Facilities."

<Related materiality>

Please see page 70 for details on "Improvement of Product, Sales, and Service Quality."

Please see page 76 for details on "Contribution to Local Economy through Business Activities."

Secondly, it is "working towards carbon neutrality." As the automotive maker that was the first in the world to achieve mass production of BEV and SUV PHEV models, we will bolster our development of electrification technology, while collaborating within the Alliance. Over the next five years, we will roll out nine electrified vehicles in the market. Our numerical targets for the environment are set on a Tank-to-Wheel basis. By combining the quietness and pleasant acceleration performance that are the attractive features of electrified vehicles with durability and reliability in technology and four-wheel control that forms our DNA, we will introduce to the market electrified vehicles that embody "Mitsubishi Motors-ness." We will continue to work on car manufacturing that combines ever-evolving IT and digital technologies with comfortable and advanced interior spaces, aiming to create a more attractive and fulfilling mobility life that awakens their adventurous spirit. Additionally, we will strengthen our efforts in further electrification, not only by reducing battery costs but also by minimizing cost of ownership for our customers through energy management and the reuse of used batteries.

We will also aim to reduce emissions of greenhouse gas that originate from our business activities.

For details, please see the following

- "Environmental Plan Package": P30
- "Environmental Targets 2030": P31
- Materiality "Responding to Climate Change and Energy Issues": P36

Thirdly, it is “digitalization/expansion into new business areas.” Based on the assumption that the digital natives who are Generation Z will become the core automotive purchaser and user group, we will renew our IT infrastructure in operations and go forward with digital transformation.

Furthermore, we believe that electrification and the evolution of digital technology will provide opportunities for new business such as energy management and the data business. During the period of the new mid-term business plan, we will explore the possibilities of new business, and work to build an infrastructure for a subsequent full-scale undertaking.

As the business environment changes rapidly, the key for us to grow sustainably and achieve improved corporate value is “employees.” In FY2022, we had many discussions of the ideal standards for Mitsubishi Motors. We updated our action guideline “MMC WAY,” by taking on ever more challenges that each and every one of our employees faces in uncharted areas with the aim of meeting the expectations of our stakeholders and contributing to the realization of a sustainable society. In order to establish a fulfilling workplace, foster talent, and ensure a diverse workforce as the basis for implementing the “MMC WAY,” we will promote the following initiatives which are aligned with our management strategy.

<Strategic Human Resources Priorities >

- Build a better workplace
- Enhance learning opportunities/reskilling programs
- Secure/cultivate a diverse workforce

<Related materiality>

Please see page 79 for details on “Human Resources Management.”

“Mitsubishi Motors-ness”

In order to encourage customers to choose our products, we have redefined “Mitsubishi Motors-ness” in our new mid-term business plan, “Challenge 2025.”

“Mitsubishi Motors-ness” means providing customers with a fulfilling mobility life that awakens their adventurous spirit on the basis of reliability backed up by technology that achieves “Eco-friendly x Safety Technology, Peace of Mind and Comfort.”

We aim to bring joy to the lives of our customers by providing them with something new, not to mention those who drive uncharted path, but also those simply want to expand their world a little even if they are anxious about driving.

We will thoroughly refine our unique value, of “Mitsubishi Motors-ness,” and convey to it to our customers to gain their understanding and empathy. In this way, we will strengthen our brand and promote the penetration of value-oriented businesses.

Pursuing “Mitsubishi Motors-ness”

What is **Mitsubishi Motors-ness**?

The provision to customers of a fulfilling mobility life that awakens their adventurous spirit on the basis of reliability backed up by technology that achieves “Eco-friendly x Safety Technology, Peace of Mind and Comfort”



Environmentally friendly
and enable activities close
to nature



Help contribute to carbon
neutrality with
Commercial EV



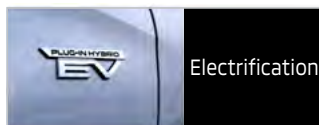
Enable our customers to
experience an exciting
adventure with confidence



Returning home with peace
of mind from safety
technology for just about
every adventure

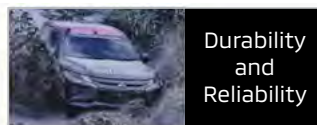


Reliable and useful when
needed in natural disasters,
power cuts, etc.



Electrification

The world's first mass-produced
BEV and globally recognized PHEV
at the core



Durability
and
Reliability

Reliable even in adverse conditions
thanks to a design philosophy nurtured
on almost all road surfaces and in almost
all environments around the world



Four-wheel
control
(S-AWC)

Provide innovative driving
performance and reliability on
almost any road surface



Comfortability

Excite drivers and passengers with
a comfortable and advanced
interior with ever-advancing IT

MITSUBISHI MOTORS' Materiality

Identifying and Reviewing Materiality

MITSUBISHI MOTORS, with recognition of importance of the United Nations Sustainable Development Goals (SDGs), identified material issues as the important issue that we should wrestle from various challenges in the fields of environment, social and governance in FY2018.

During the identification process, we conducted repeated examinations from the perspective of stakeholders' concern and impact on the Company, and held hearings with experts. After that, we repeated discussions about our material issues at the Sustainability Committee, and the decision was made at the Executive Committee.

In recent years, social trends related to sustainability have changed substantially and rapidly. After carefully considering the most salient impacts our Company has on the economy, environment and human rights, we are flexibly reviewing material issues and enacting measures as necessary. We aim to respond to stakeholders' needs and expectations as a result.

Flexibly Reviewing Materiality Based on Social Conditions and Awareness of Issues

In FY2020, in light of changes in social conditions due to the aggravation of environmental problems and the COVID-19 pandemic, MITSUBISHI MOTORS' material issues were reviewed after discussions at the Sustainability Committee and resolved by the Board of Directors.

1. Materiality on "Environment"

The Environmental Plan Package, which we formulated in FY2020, positioned "Pollution prevention" as a priority environmental issue along with "Action to climate change" and "Resource circulation." Accordingly, in terms of MITSUBISHI MOTORS' materiality, we have

raised the impact on our company of "Prevention of pollution" (on the horizontal axis of the figure) from "very high" to "extremely high."

2. Materiality on "People"

In FY2020, considering our responses to the new normal triggered by the COVID-19 pandemic, we have reviewed the material issues of "Work style reform" and "Diversity" and merged them into "Promoting work style reform in response to new normal conditions (Diversity, Work-life balance)." Through the review, we have presented the directions to enhance organizational capabilities and corporate value by creating an environment where diverse employees can maximize their individual abilities and play an active role.

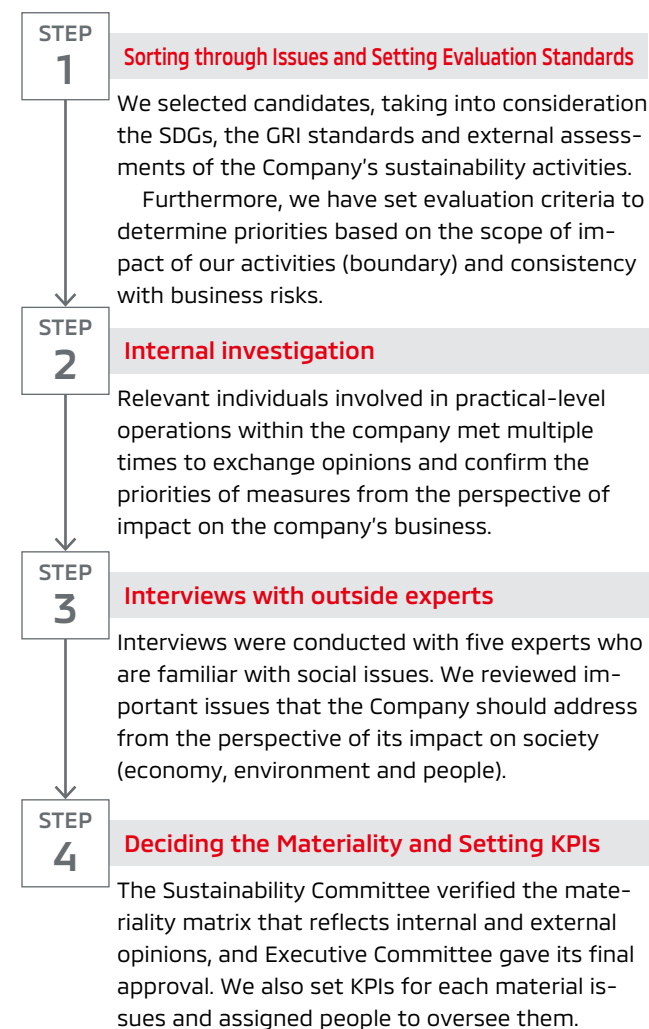
In FY2022, given the need to enhance human capital investment toward our sustainable growth and higher corporate value, after discussions in the Sustainability Committee, we reviewed our material issues and made the following resolutions in the Executive Committee.

The response to the material issues we set in FY2020, "Promotion of work style reforms in response to the new normal (diversity, work-life balance)," achieved certain results during the period of COVID-19 pandemic by expanding flexible work styles based on remote work. As economic activity around the world has gradually returned to normal, we recognize that the need for employee engagement is more important than ever before. Understanding that "employees are capital that support the Company's growth, we acknowledge the importance of recruiting and promoting diverse talent, recognizing each individual's differences, and providing a workplace environment and equal opportunities where they can thrive.

Based on this understanding, we have revised "Promotion of work style reforms in response to the new

normal (diversity, work-life balance)" to "Promoting diversity and inclusion, and enhancement of employee engagement" and have indicated a direction to further strengthen initiatives related to human resources.

Identification Process



The Materiality Identified



E: Environment **S**: Social **G**: Governance

* Please see page 81 for details on "Promoting work style reform in response to new normal conditions (Diversity, Work-life balance)"

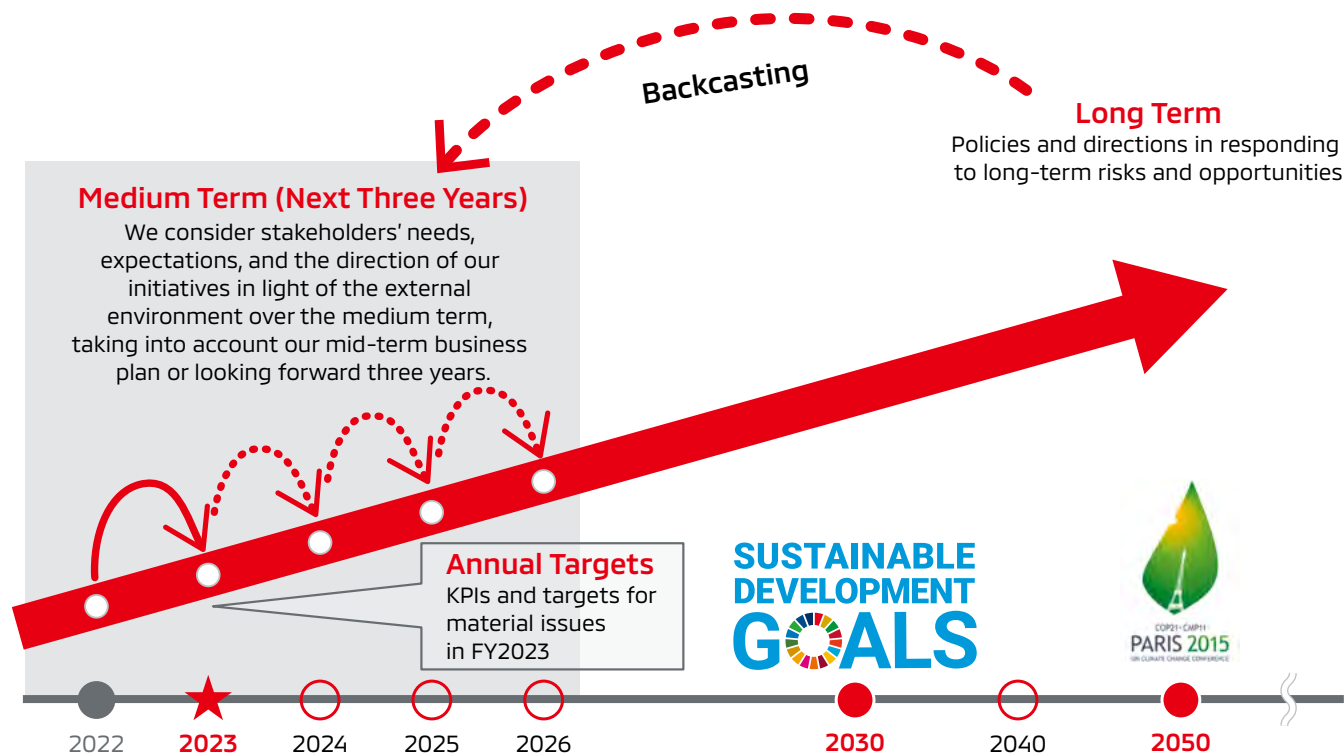
Reflecting Medium- to Long-term Perspectives when Setting Annual Targets Related to Materiality

MITSUBISHI MOTORS needs to reinforce its management base in order to respond to the various changes taking place in the automotive industry, look at the business environment from a long-term perspective, and respond to medium- to long-term risks and opportunities. To achieve these goals, we recognize the importance of setting annual targets on materiality initiatives from a medium- to long-term perspective.

In FY2021, we took the following steps to set annual targets for individual materiality initiatives.

First, we took a long-term perspective, using 30 years as our time horizon (the period used when formulating Environmental Vision 2050) for responding to environmental issues we consider essential in order to conduct business activities. In the Environmental Policy, we particularly focused on climate change, resource circulation and pollution prevention. For other material issues, we looked ahead to 2030, which is the target year for the United Nations' Sustainable Development Goals (SDGs). We clarified the social issues (risks) the Company recognizes from a long-term perspective, as well as the effects (opportunities) that could be obtained by addressing these issues. After deliberating with the division general managers in charge of implementing the material issues, we clarified the direction of response.

Looking from the medium-term perspective, or three years into the future, we worked with the division general managers responsible for implementing the material issues to identify the external environment and stakeholders' needs and expectations. We



then set medium-term action targets. The Sustainability Committee deliberated the medium- to long-term aspects of respective material issues, including risks and opportunities, as well as the appropriateness of the annual targets and indicators.

Starting FY2022, we have been reviewing the medium to long-term aspects of each material issue and setting annual targets and indicators. We are progressing with our initiatives based on this review.

Materiality (Risks/Opportunities/Impacts)

	Materiality	Risks	Opportunities	Impacts
E	Responding to Climate Change and Energy Issues	● As regulations on fuel economy, CO₂ and ZEVs* are strengthened, failure to comply could make the Company susceptible to fines, credit costs or increasing costs for technology development to achieve regulatory compliance. ● The Company could incur higher procurement costs, such as for electricity and raw materials, due to the introduction of carbon taxes or other carbon pricing. ● More frequent and intense meteorological disasters that damage production facilities or supply chain interruptions could halt production.	● We could increase sales by enhancing our lineup of electrified vehicles and other products that help reduce CO₂ emissions. ● We could meet new demand for emergency power sources for use during meteorological disasters.	● We will contribute to the realization of a society more resilient to climate change as we move toward net-zero CO₂ emissions through the growing proliferation of electrified vehicles and renewable energy.
	Resource Recycling Initiatives	● The cost of procuring raw materials could increase due to resource constraints, such as the depletion of precious metals or other natural resources. ● The Company could face increasingly stringent regulations, such as on the use of recycled materials and recycling, and rising costs to respond to them. ● The corporate image could suffer from a delayed response to resource recycling.	● We could stabilize procurement costs by reducing our dependence on depleted resources. ● It might be possible to reduce costs by using resources more efficiently and reusing waste. ● We could heighten competitiveness through 3R design and more advanced recycling technologies. ● We could find more opportunities to make use of used batteries. ● The corporate image could be enhanced by appealing to our efforts to contribute toward a recycling-oriented society.	● We will contribute to a resource-recycling-oriented society by minimizing input resources and maximizing resource efficiency.
	Prevention of Pollution	● The cost of managing hazardous substances could rise if regulations are become more stringent in response to increased damage to human health and the loss of ecosystems. ● The company could become subject to lawsuits, fines or sanctions in the event of a serious leak into the air or water. ● Environmental problems at a supplier could disrupt the supplier's operation and halt our parts procurement. ● The Company's image could suffer in the event of a delayed response to initiatives.	● We could reduce costs through more efficient management, including of the supply chain. ● By reinforcing management, including of the supply chain, we could supply products that deliver reassurance and safety, as well as maintaining competitiveness. ● Managing in accordance with standards more rigorous than those imposed by regulations could enhance the corporate image.	● We will contribute toward a society free of environmental pollution by reducing the environmental impact of our products and the pollution resulting from our business activities.
	Conservation of Water Resources	● Water shortages and water pollution could raise the uncertainty and cost of securing water resources. ● Flooding and other damage arising from climate change could halt operations and reduce earnings. ● We could face higher costs in response to increasingly stringent regulations on water withdrawal and discharge.	● We could lessen the impact of water stress by reducing our dependence on water resources. ● We could reduce costs by reducing water use and increasing the water reuse rate.	● Based on the impact climate change, resource extraction and pollution have on water resources (concentrated rainfall, droughts, water pollution and water shortages), we will address these issues, helping to reduce water risk and preserve water resources.
	Preservation of Biodiversity	● The loss of ecosystems could lead to environmental changes that raise the uncertainty and cost of procuring resources. ● Land use for business operations could cause ecosystem losses, reducing our corporate image.	● Avoid the loss of ecosystems that could lead to environmental changes that raise the uncertainty and cost of procuring resources. ● Prevent a decline in the corporate image by alleviating and recovering from the impact on ecosystems due to land use for business operations	● Based on the impact climate change, resource extraction and pollution have on the ecosystem (species extinction and change, reductions and disappearance of habitat and migratory regions), we will address these issues to help reduce ecosystem losses. ● Enact measures that are in harmony with local biodiversity.

* Zero emission vehicles (ZEVs) are electric vehicles (EV) and fuel cell vehicles that emit no exhaust gases. Automotive regulations in the US state of California state that for manufacturers that sell more than a certain number of units in the state, a certain percentage of those units must be ZEVs.

	Materiality	Risks	Opportunities	Impacts
S	Delivering Products which Help Prevent Traffic Accidents	● An increase in serious accidents as drivers age ● A rise in accidents due to a surge in automobile ownership in emerging markets	● Maintain the brand and expand sales by introducing advanced technologies	● Contribute to the realization of a mobility society with zero traffic accidents through penetration and expansion of safety technologies
	Improvement of Product, Sales, and Service Quality	● Quality problems that originate in product or service quality	● Enhance loyalty and win new customers by providing high-quality products and services	● Increase customer satisfaction by providing product quality and sales and service quality that exceeds customer expectations
	Contribution to Local Economy through Business Activities	● Investing in the ASEAN from around the world, leading to concerns about labor shortages and rising personnel costs. ● Economic development could lead to increasing income disparities within the region.	● Strengthen management base by developing human resources. ● Ongoing capital expenditure could improve the working environment and raise productivity and efficiency.	● Develop and address issues in the regions where we do business
	Promoting diversity and inclusion, and enhancement of employee engagement	● Human resources gathering at companies that offer diversity and a comfortable working environment. ● The impact on business due to a decrease in communication	● The potential to secure excellent human resources, creating value from a diverse perspective ● Higher productivity through improved quality of remote work	● Enhance corporate value by building an organization in which diverse human resources can play an active role ● Deliver value through the creation of a more productive work environment
	Stepping up Human Resource Development	● A decrease in productivity and organizational weakening due to remote working. ● A delayed response to social or environmental changes could reduce competitiveness.	● Higher productivity, a more resilient organization ● Enhanced competitiveness due to an increase in highly specialized personnel	● Enhance corporate value by strengthening managers' management skills ● Provide value by improving ability to respond flexibly to changes in the environment
	Promoting Occupational Health and Safety	● Workplace accidents, increases in the number of people with lifestyle diseases or mental health disorders, or damage to the physical and mental health of employees could adversely affect our corporate image and obstruct our business continuity.	● Ensure business stability by creating safe and secure workplaces and promoting physical and mental health	● Increase engagement by providing an environment where each employee can work and play an active role in a rewarding, healthy and energetic manner, both physically and mentally
	Achieving a Sustainable Supply Chain	● Production delays and stoppages and increased costs due to supply chain disruptions caused by external factors ● Inability to source raw materials and damage to corporate value due to delays in addressing social and environmental issues, including human rights violations in the supply chain.	● By establishing a stable supply chain, ensure a system to conduct procurement in the event of emergencies ● Maintain social credibility through responsible behavior throughout the supply chain, by respecting human rights and ensuring compliance	● Enhance business continuity by strengthening the BCP* system in cooperation with industry associations and government ● Reduce impact on human rights and the environment by raising the level of CSR throughout the supply chain (addressing human rights issues at suppliers, such as conflict minerals)
G	Promoting Social Contribution Activities	● An increase in large-scale disasters due to climate change ● Disparities in economic development and inequality	● Provide reassurance and support safety through further expansion of disaster cooperation agreements and by quickly putting support systems in place in times of disaster ● Contribute to communities' social development through ongoing activities that meet regional needs	● Ensure the safety and security of community life ● Foster local communities by utilizing individual employees' skills, know-how, and our products
	Strengthening Governance and Ensuring Compliance	● Corporate malfeasance becoming an increasing social problem ● Increasing number of cyberattacks and other issues related to information leaks, as well as their increasing severity ● Business interruptions due to natural disasters or outbreaks of infectious diseases	● Ensure soundness and transparency by establishing a robust governance system, and earn society's trust ● Ensure safety and sustainability of corporate business through enhanced risk management	● Ensure business continuity and confidence in the Company by further strengthening governance, such as by ensuring compliance with laws and regulations, and the appropriateness and efficiency of business execution ● Ensure business continuity and confidence in the Company by properly identifying risks, preventing them from materializing, and minimizing their impact when they do materialize

* BCP: Business continuity plan

Materiality (External Environment/Stakeholders' Needs and Expectations/Medium-Term Targets)

	Materiality	External Environment	Stakeholders' Needs and Expectations	Medium-Term Targets
E	Responding to Climate Change and Energy Issues	- More than 140 countries and regions pledging to be carbon neutral by 2050. - COP26, held in 2022 (United Kingdom) provided an opportunity for major countries to announce increases in the targets for 2030. - Various national governments considering or announcing lower CO₂ and higher fuel economy standards, making electrified vehicles mandatory, banning the sale of vehicles with internal combustion engines, strengthening regulations on life cycle assessments (LCA). - Acceleration of global efforts to reduce CO₂ emissions with the release of the Sixth Assessment Report of the IPCC*¹ in March 2023	- As interest in environmental considerations mounts, growing expectation for carbon neutrality across the supply chain. - Growing ESG investment (investors promoting changes in corporate activities)	FY2030 targets: - Average CO₂ emissions from new vehicles: ~40% (Tank to Wheel, compared with FY2010) - Ratio of electrified vehicle sales: 50% (100% by FY2035) - CO₂ emissions from business activities: ~50% (Scope 1 and 2 total emissions, compared with FY2018) - Work with major suppliers to promote activities for reducing CO₂ - Cooperate with logistics companies on activities for reducing CO₂ - Provide energy management services utilizing electrified vehicles and used batteries - Implementation of climate change adaptation measures
	Resource Recycling Initiatives	- An increasing shift toward a circular economy - The manifestation of waste-related issues in Japan and overseas (such as emerging markets limiting imports) - The increasingly strict EU Batteries Regulation (calls for disclosure of amounts of reused materials, among other items) - Plastics causing the marine pollution problem	- Mounting demands for environmental consideration - Growing ESG investment (investors promoting changes in corporate activities)	- Expanding adoption of non-fossil-based plastic - Achievement of zero direct landfill waste (less than 0.5%) - Reuse of batteries used in electrified vehicles
	Prevention of Pollution	- Increasingly stringent regulations on emissions in various countries and regions - Increasingly stringent regulations on chemical substances in various countries and regions - Increasingly stringent regulations on the export and import of hazardous waste (plastic waste)	- Mounting demands for environmental consideration - Growing ESG investment (investors promoting changes in corporate activities)	Conformance to regulations on use of hazardous substances in products
	Conservation of Water Resources	- Climate change resulting in extreme weather events, resulting in environmental changes and increasingly severe water shortages - Growing populations and urban development in emerging markets exacerbating water pollution - Plastics causing marine pollution	- Mounting demands for environmental consideration - Growing ESG investment (investors promoting changes in corporate activities)	- Promote climate change countermeasures and initiatives targeting resource recycling and pollution prevention - Manage the amount of water used based on water risks at each production facility, and monitor the quality of discharged water
	Preservation of Biodiversity	- Enhanced international conservation in accordance with an assessment report published in May 2019 by IPBES*² - Adoption of the Kunming-Montreal Global Biodiversity Framework at the 15th Conference of the Parties to the Convention on Biological Diversity in December 2022	- Mounting demands for environmental consideration - Growing ESG investment (investors promoting changes in corporate activities)	- Promote climate change countermeasures and initiatives targeting resource recycling and the prevention of pollution - Promote community-based initiatives to address environmental issues

*1 IPCC: Intergovernmental Panel on Climate Change

*2 IPBES: Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services

	Materiality	External Environment	Stakeholders' Needs and Expectations	Medium-Term Targets
S	Delivering Products which Help Prevent Traffic Accidents	● Laws and regulations related to traffic accidents, heightened government safety targets ● Increasingly stringent standards for information disclosure testing and assessment, such as NCAP	● Customers: Growing expectations for active safety technologies ● Local communities: Providing a safe means of mobility for all people	● Provide customers with safe, secure and comfortable means of mobility with the environment at the core
	Improvement of Product, Sales, and Service Quality	● Increasingly diverse customer needs as vehicles become more advanced (electrification, intelligence) ● Increase in vehicle off-board functions (connected, link with smart-phones)	● Customer perspective: Sense of satisfaction in relation to quality through various contact points with products and MITSUBISHI MOTORS ● Business perspective: Ensure compliance, and maintain and enhance management to ensure against losing trust on the quality front	● Earn top-level customer evaluations in five countries in our core ASEAN market (Thailand, Indonesia, the Philippines, Vietnam, and Malaysia), as well as in Australia and our home market of Japan
	Contribution to Local Economy through Business Activities	● In the ASEAN - Promoting initiatives toward a carbon-neutral society - Multiple free trade agreement networks are being expanded, facilitating exports and imports.	● Regional development through employment, human resource development, investment, technology transfer, exports, the environment and social contribution	● Conducting business with an emphasis on contributing to all stakeholders and society ● Concentration of management resources with a business focus on the ASEAN
	Promoting diversity and inclusion, and enhancement of employee engagement	● Requests to provide a comfortable working environment for diverse human resources	● Provide a fair working environment tailored to individual circumstances ● Grow the business by securing excellent human resources	● Create a comfortable work environment in which a diverse workforce can thrive
	Stepping up Human Resource Development	● Remote working leading to a lack of communication and growing sense of isolation ● A rapidly changing environment surrounding the auto industry (CASE, MaaS)	● Secure personnel who have strong management capabilities ● Provide training that matches the environment and the times	● Improve skills in management and training ● Formulate education policies tailored to the environment and the times
	Promoting Occupational Health and Safety	● A growing number of people with mental health disorders and lifestyle diseases	● Help employees respond to environmental, age and lifestyle changes ● Calls for business continuity	● Prevent mental health disorders stemming from environmental changes, and maintain employees' physical and mental health ● Promote health and safety management systems and ensure compliance with safety-related laws and regulations
	Achieving a Sustainable Supply Chain	● Growing awareness of human rights and the environment in international society	● Expectations of business continuity and enhanced trust	● Achieve stable and sustainable procurement through collaboration and coordination with suppliers
G	Promoting Social Contribution Activities	● Around the world, subsequent disasters stemming from extreme weather, such as heat waves, droughts and flooding due to heavy rains ● Increasing disparity and inequality in economic development due to conflicts, natural disasters, pandemics, etc.	● Expectations of disaster support in emergencies and reconstruction support ● Expectations of humanitarian assistance	● Provide assistance and solve social issues based on disaster cooperation agreements ● Contribute to a sustainable society by each employee utilizing technologies, expertise, and products to meet the challenges of an increasingly diverse society
	Strengthening Governance and Ensuring Compliance	● Revision of business-related laws and regulations ● Business interruptions due to natural disasters or outbreaks of infectious diseases ● Frequent information leaks and business interruptions due to cyberattacks and other issues ● War, terrorism, political instability, deterioration of public safety and other factors in our key markets	● Expectations of business continuity and enhanced trust	● Maintain a robust governance structure by achieving effective and efficient operation of the internal control system ● Enact thorough compliance to prevent serious incidents ● Mount an emergency response when risks emerge, strengthen internal information sharing ● Gather and analyze information on cyberattacks, and enhance technical counter-measures and employee training

Stakeholder Engagement

Basic Approach

MITSUBISHI MOTORS believes that its stakeholder relationships is important to its achievement of sustainable corporate growth, through dialogue and other forms of engagement, the Mitsubishi Motors Group clarifies its responsibilities and issues, and strives on a daily basis to improve its operations.

By further deepening dialogue with our diverse stakeholders, we will continue to sincerely address society's expectations and challenges and incorporate our understanding of them into our business activities.

Positive Impact Finance Agreement Concluded with MUFG Bank

In March 2022, MITSUBISHI MOTORS signed a loan agreement for Positive Impact Finance (a type of financing for corporates with unspecified use of funds) with MUFG Bank, Ltd.

In 2018, MITSUBISHI MOTORS identified material issues it should prioritize in the fields of the environment, society and governance. In 2020, the Company reviewed and revised its material issues, taking into account worsening environmental problems, as well as changing social conditions caused by the spread of COVID-19. We announced the Environmental Plan Package, which outlines the direction of the Company's environmental efforts for the next 30 years. We are implementing initiatives throughout the organization on this basis.

Thus acknowledging our responsibility as a company that produces and sells automobiles, we will work toward specific targets in activities that reduce the environmental impact. At the same time, we will reinforce our environmental technologies, hinging on Kei-car segment commercial electric vehicles and plug-in hybrid electric vehicles (PHEV), and encourage the spread of effective products and technologies. In this way, we will contribute toward the development of a vibrant and sustainable society.

In selecting the themes for this contract, we chose activities that contribute to achieving the Sustainable Development Goals (SDGs) and align with MITSUBISHI MOTORS' material issues. Mitsubishi UFJ Research & Consulting Co., Ltd. conducted qualitative and quantitative evaluations, and a third-party opinion was obtained from Japan Credit Rating Agency, Ltd. regarding the compliance of the evaluation procedures with the Principles for Positive Impact Finance and the rationality of the evaluation indicators used.

Stakeholder Identification

Through business, MITSUBISHI MOTORS and the our Group are involved with a host of individuals and organizations. From the standpoint of realizing a sustainable society and enhancing our corporate value, we have identified our most important stakeholders as consumers and our customers, business partners, shareholders and investors, employees and local communities.

Dialogue with Stakeholders

(For details on stakeholder initiatives, refer to the pages enclosed in < >.)

Stakeholders	Policies on Dialogue	Opportunities for Dialogue	Frequency	Reflecting Input in Our Business
Consumers and customers	Promote activities that better reflect customer input in our products and services.	Customer Contact Center <p. 73>, sales companies <p. 72>, after-sales services <p. 72>	Ongoing	Promoting customer satisfaction activities
		Website, social networks	Ongoing	Improving products and services
		Customer satisfaction surveys <p. 71>	As necessary	
		Events, TV/newspaper/magazine advertising, email magazine	As necessary	
Business partners	Engage in communication aimed at coexistence and coprosperity based on mutual trust.	Contact for inquiries, Business Partner Helpline <p. 96>	Ongoing	Building relationships aimed at coexistence and coprosperity based on mutual trust
		Suppliers Meeting, presentations, events, specialized websites	As necessary	
		Participation in industry organizations	As necessary	
Shareholders and investors	Disclose business and financial information and results in an appropriate manner and time. Conduct constructive dialogue aimed at sustainable growth and enhanced corporate value.	IR inquiry contacts	Ongoing	Promoting initiatives Targeting sustainable growth and enhanced corporate value
		Interviews	As necessary	
		Financial results briefings	Four times per year	
		Mid-term business plan briefings	As necessary	
		Individual initiative briefings	As necessary	
		Shareholders' Meeting	Once per year	
		IR websites	Ongoing	
		Events, email magazines	As necessary	
		Integrated report	Once per year	
Employees	Two-way communication for fostering teamwork and a sense of unity based on the principle of mutual trust and mutual responsibility between labor and management.	Labor management discussions <p. 90>	As necessary	Creating a safe and rewarding working environment
		Consultation offices (Employee Consultation Office, Outside attorney consultation (Helpline), MITSUBISHI MOTORS Global Hotline) <p. 113>	Ongoing	
		Town hall meetings with Executives	As necessary	
		Internal websites	Ongoing	
		Engagement survey <p. 80>	Once per year	
Local communities	Build good relations with local communities. Engage in dialogue with diverse stakeholders to resolve social and environmental issues.	Local community consultation desks, websites	Ongoing	Promoting initiatives to resolve social and environmental issues
		Collaborations with municipalities <p. 27>	As necessary	
		Social contributions <p. 99>	As necessary	
		Community events	As necessary	
		Plant tours	Ongoing	

Examples of Stakeholder Dialogues

Consumers and customers

If a customer points out issues related to quality or defects, we seek to resolve this customer issue in collaboration with sales companies and drive further quality enhancements. In addition, feedback and opinions about product functionality, or opinions about specifications, are shared with relevant divisions and used to improve product capabilities even further. We also distribute videos of this feedback with images and explanations of relevant points on the intranet so that employees can access to firsthand customer's opinions. Noteworthy comments and opinions including those that are particularly important are periodically reported to management.

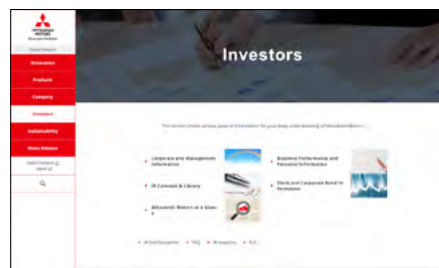


Responding to customers at Customer Contact Center

Shareholders and investors

We proactively disclose information to shareholders and investors, and strive to ensure transparency and credibility through constructive dialogue.

Specifically, to enhance understanding of MITSUBISHI MOTORS, we disclose various information through our website, issue publications, and hold briefings on our mid-term business plan and financial results. In addition, we exchange views with investors on non-financial information, including environmental information. In FY2022, we engaged in dialogue and exchanges of opinions with numerous domestic and international institutional investors and others regarding the new Environmental Targets 2030 announced in our new mid-term business plan, "Challenge 2025," which starts in FY2023.



Website: "Investors"

(WEB) <https://www.mitsubishi-motors.com/en/investors/>

Local communities

We contribute to the realization of resilient communities through activities that meet local needs. As examples of activities that take advantage of our products' distinctive characteristics, we support municipalities by entering into disaster cooperation agreements and loaning roving COVID-19 vaccine vehicles etc., by utilizing "Mitsubishi's PHEV," which can store and supply electricity. We will support the safety and security of the lives of local people with "the Power of PHEV Driving and the Power of Electricity."

For details, please see the feature on page 27, as well as our website.



Conclusion of a disaster cooperation agreement
(WEB) <https://www.mitsubishi-motors.co.jp/carlife/phev/dcsp/> (only in Japanese)

External Evaluation

To contribute to the realization of a sustainable society, the MITSUBISHI MOTORS Group is working to resolve social issues through its business activities in each country and region where it operates.

These efforts have earned recognition from external organizations and resulted in our inclusion in various ESG index constituents.

Inclusion in ESG Indices

FTSE4GOOD Index Series/FTSE Blossom Japan Index

MITSUBISHI MOTORS CORPORATION has been consecutively selected as a constituent of the "FTSE4Good Index Series" and the "FTSE Blossom Japan Index," which were designed by FTSE Russell for ESG investment, for the four consecutive years since FY2020. (June 2023)

In addition, MITSUBISHI MOTORS CORPORATION has been continuously selected as a constituent of the "FTSE Blossom Japan Sector Relative Index," which was newly designed by FTSE Russell, for the two consecutive years since FY2022. (June 2023)



FTSE4Good

FTSE Blossom
JapanFTSE Blossom
Japan Sector
Relative Index

Morningstar Japan ex-REIT Gender Diversity Tilt Index

MITSUBISHI MOTORS CORPORATION was selected as a constituent of "Morningstar Japan ex-REIT Gender Diversity Tilt Index," which was designed for ESG investment. (April 2023)

S&P/JPX Carbon Efficient Index

MITSUBISHI MOTORS CORPORATION is included "S&P/JPX Carbon Efficient Index" for environmental stock index, which was designed by S&P Dow Jones Indices LLC and the Tokyo Stock Exchange, Inc. (March 2022)



ESG-Related Assessment

DBJ Environmentally Rated Loan Program

In the Development Bank of Japan, Inc.'s DBJ Environmentally Rated Loan Program, we have been ranked as a company with excellent advanced environmental initiatives. We received financing on this basis. (June 2022).



CDP

CDP requests thousands of companies, cities, states and regions to disclose environmental impacts, and assesses their progress through independent scoring methodology. The CDP score is disclosed to institutional investors. In 2022, MMC's scores are as follows. (December 2022)

- Climate change: B (Management)
- Water security: B- (Management)



PRIDE Index

In the PRIDE Index, which was designed by "Work with Pride" as a criteria for evaluating initiatives related to LGBTQ and other sexual minorities in the workplace, we have been consecutively awarded Gold certification since FY2018. (November 2022)



The Certified Health & Productivity Management Outstanding Organizations Recognition Program

We were certified as a "2023 Certified Health & Productivity Management Outstanding Organizations" in the large corporation category of the certification system organized by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi. (March 2023)



MITSUBISHI MOTORS' Taking on the Challenge of Becoming Carbon Neutral

Toward Achieving Carbon Neutrality

Milestones on the Road to Achieve Carbon Neutrality

Amid growing calls for companies to curb climate change, in September 2022, MITSUBISHI MOTORS announced its intention of achieving carbon neutrality by 2050. Accordingly, we envisioned a scenario for achieving carbon neutrality by 2050, and examined the necessary responses to be taken as well as the directions we should pursue. Based on our consideration, as a milestone on the road toward achieving carbon neutrality by 2050, we revised the "Environmental Targets 2030" in February 2023, raising the CO₂ emissions reduction target of our business activities from the previous -40% compared with FY2014 to -50% compared with FY2018, setting a new target of 100% electrified vehicle sales ratio by FY2035*¹. Furthermore, in the new mid-term business plan "Challenge 2025" unveiled in March 2023, also includes "Working toward Carbon Neutrality" as one of the 3 major challenges, and we position it as a theme to be pursued by the entire company.

*¹ Please see page 31 for details about Environmental Targets 2030.

Approaches toward Achieving Carbon Neutrality

As for products, starting with our original plug-in hybrid electric vehicles (PHEV) and Kei-car segment commercial electric vehicles, we will promote electrification while leveraging the technologies of Alliance to proactively introduce the electrified vehicles that best

meet the energy situation, infrastructure development status, and customer needs of each country and region. In parallel with our electrification efforts, we will work to improve our fuel efficiency technologies for vehicles powered by internal combustion engines.

In our business activities, in addition to reinforcing energy saving measures as well as pursuing productivity-enhancing technologies, we will promote fuel conversion and the development and introduction of next-generation production technologies.

Furthermore, we will expand the use of renewable energy, centering on the introduction and expansion of solar power generation facilities at all major plants.

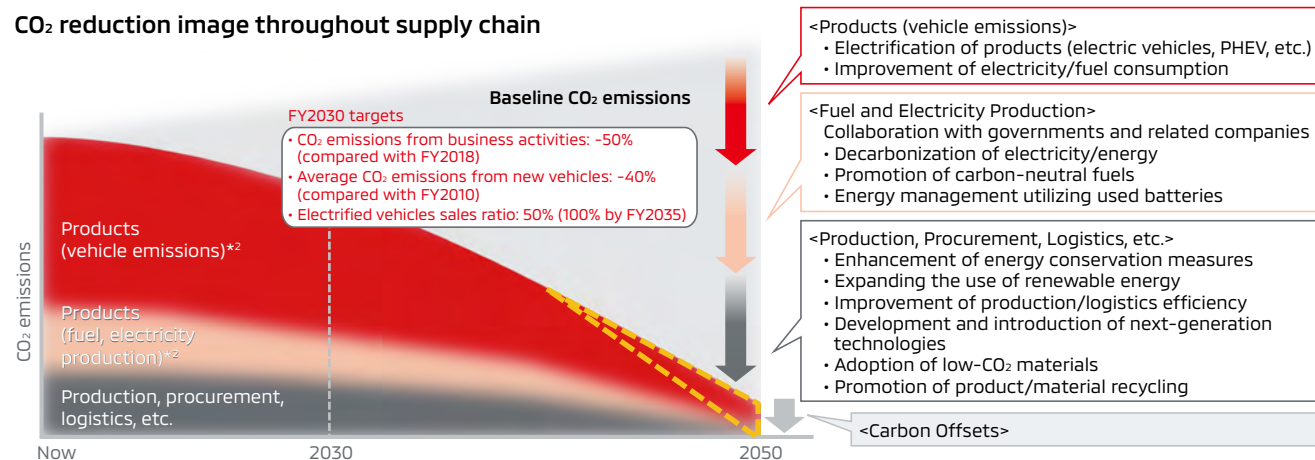
To achieve carbon neutrality throughout the supply chain, it is essential for us to reduce CO₂ emissions

in the production phase of raw materials and parts, as well as in the transportation of products. We will promote activities to visualize and reduce CO₂ emissions in cooperation with our suppliers. At the product disposal stage, we will promote recycling of products and materials through the adaptation of low-CO₂ materials and recycling-conscious design.

We will also explore various carbon offset options for CO₂ emissions that cannot be ultimately reduced through these efforts.

In addition, beyond our supply chain, we will promote new mobility businesses that will contribute to achieve carbon neutrality across society, such as energy management and utilize electrified vehicles as well as used batteries.

CO₂ reduction image throughout supply chain



*² Including new and stock vehicles



MITSUBISHI MOTORS Taking up the Challenge of Becoming Carbon Neutral

Pursuing the Possibilities Offered by Electrified Vehicles

MITSUBISHI MOTORS has positioned the mobility business as a potential fourth revenue pillar to complement its existing businesses in vehicle sales, financing (leasing) and after-market sales. We are working on new businesses utilizing vehicle data through connected functions and developing new businesses that contribute to carbon neutrality by utilizing connected functions to control vehicles remotely, such as charging electrified vehicle batteries at the optimal timing even when not in use. In addition, we have begun a demonstration project utilizing used batteries from secondhand vehicles. This can help reduce CO₂ emissions generated during the manufacture of products that use lithium-ion batteries, such as streetlights. The Company conducts all activities of this nature under its “With Partners” policy of collaborating with other companies and local governments.

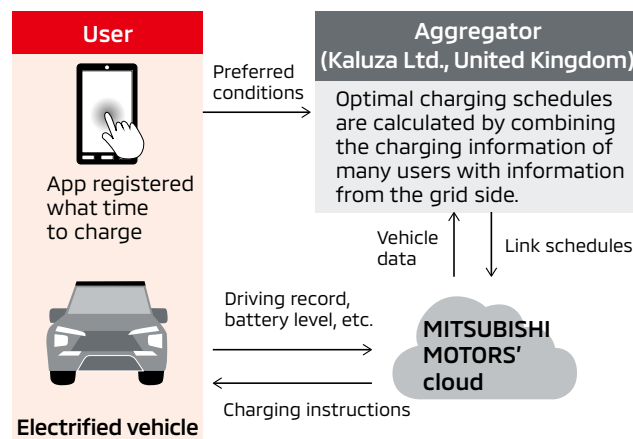
Contributing to Carbon Neutrality through Energy Management

We are working with the Japan Post Group to use electrified vehicles in energy management, by using the batteries in vehicles and by utilizing used batteries to supply power during power outages caused by disasters, utilizing the Green Innovation Fund on these initiatives. Additionally, we are working with the city of Okazaki, in Aichi Prefecture, which has been designated as a leading region for decarbonization. We are promoting various initiatives that focus on

utilizing used batteries. Building on these experiences, we will expand our efforts to include many partners.

Furthermore, in partnership with Kaluza Ltd. of the United Kingdom we have developed a system that uses batteries and connected technology from our electrified vehicles to remotely control the charging of vehicles. This system allows vehicles to be charged at the optimal time without relying on expensive smart chargers. We will begin a demonstration project from FY2023. By charging vehicles during times when electricity rates are lower, we aim to reduce charging costs and reduce CO₂ emissions.

Remote charging system using batteries and connected technology



In FY2022, we began two demonstration projects at the Okazaki Plant employing used batteries from electrified vehicles.

Toward the Practical Application of Autonomous Street Lighting That Does Not Require External Power

We have begun working with MIRAI-LABO Co., Ltd., on the development of autonomous street lighting that uses battery modules. We installed the first unit at our Okazaki Plant in March 2023. Our autonomous street lighting systems store solar power generated during the day in used electrified vehicle batteries, using that power to illuminate LED lights at night. The aim is to for the lights to operate continuously without external power supplies, and a demonstration project is underway on the first unit at the Okazaki Plant. Depending on test results, we hope to commence sales in FY2024, contributing toward carbon neutrality. We plan to introduce this system to local governments and factories that want to reduce the significant maintenance costs associated with traditional streetlights.



Autonomous street lighting at night

Feature

MITSUBISHI MOTORS Taking up the Challenge of Becoming Carbon Neutral

Proposing Two Concepts for Utilizing Energy Storage Linked to Electrified Vehicle Chargers

As part of our efforts to develop applications for used batteries, we have installed equipment for the demonstration of two concepts employing used batteries in conjunction with quick chargers and bidirectional chargers at the Okazaki Plant's M-Tech Lab^{*1}, which started the demonstration in January 2023.

Both systems utilize used battery modules. One is a storage system that connects to the power line of a quick charger and discharges stored power to reduce power peaks when fast-charging electrified vehicles. The other is a storage unit that connects to a bidirectional charger using the CHAdeMO^{*2} standard, which can be used for V2H^{*3} and other purposes. The unit can be charged even when the electrified vehicle is absent, facilitating efficient energy management. Moving forward, we will verify the effectiveness and

technical details of these concepts through demonstration tests. We aim to collaborate with manufacturers of energy storage equipment to introduce products at MITSUBISHI MOTORS Group sales outlets in the future.

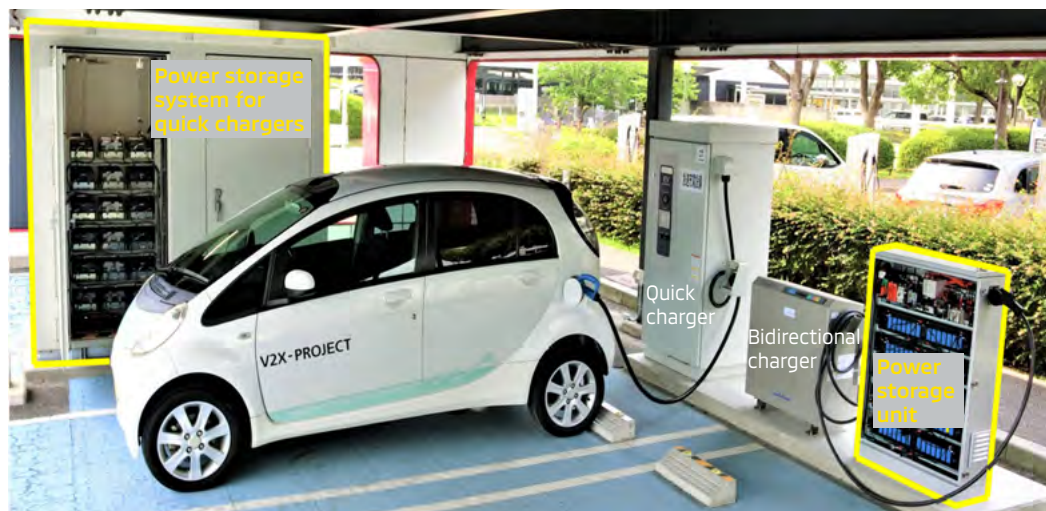
^{*1} M-Tech Lab: Test equipment for a smart grid demonstration, our first initiative utilizing used batteries, began operating in April 2012.

^{*2} CHAdeMO: A quick-charging system for electric vehicles, a global standard that Japan led the way in standardizing in 2010

^{*3} Short for "vehicle to home," V2H is a system that enables electricity stored in a car's battery to be supplied to the home.



M-Tech Lab (conceptual diagram)



Demonstration facility for utilizing used batteries

Electrified Vehicles and the Realization of a Resilient Society (DENDO Community Support Program)

We are promoting the DENDO Community Support Program, which uses the Company's plug-in electric vehicles (PHEV) to support local governments. After concluding disaster cooperation agreements with local governments, we provide support by delivering PHEV that can tap power they have generated themselves for use in emergencies. By combining the "power of PHEV to provide transportation" and the "power of electricity," we are making people's lives safer and more reliable.

Examples of Activities

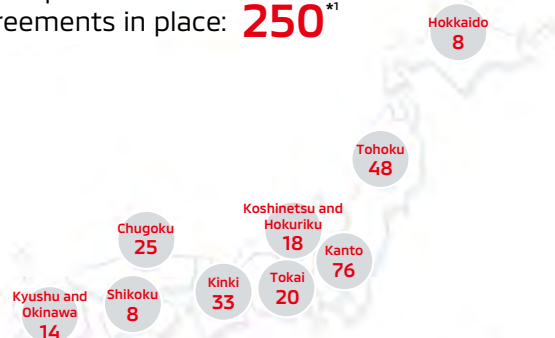
1. Disaster Cooperation Agreements with Municipalities

In response to requests from local governments that have experienced power outages due to disasters, the Company, together with its affiliated dealers, is promoting efforts to conclude disaster cooperation agreements with local governments throughout Japan so that "OUTLANDER PHEV" and other electrified vehicles that can be used to supply electricity can be provided to disaster areas and evacuation centers as quickly as possible.

As of March 2023, we had cooperation agreements in 47 prefectures around Japan. We will continue to work with local governments to contribute to the peace of mind of local residents through the use of electrified vehicles.

Feature

MITSUBISHI MOTORS Taking up the Challenge of Becoming Carbon Neutral

Tottori Prefecture
(September 2022)Naha, Okinawa Prefecture
(March 2023)Agreements in Place with Municipalities around
Japan (As of August 4, 2023)Municipalities with
agreements in place: **250**^{*1}

◆ Recent agreement status (only in Japanese)

WEB <https://www.mitsubishi-motors.co.jp/carlife/phev/dcsp/>^{*1} Excluding two-party agreements between affiliated dealers and municipalities

2. Participation in the City of Kawasaki's "Verification of Using Electric Vehicles (EVs) to Supply External Batteries for Artificial Respirators in the Event of Disaster"

MITSUBISHI MOTORS participated in a demonstration project in Kawasaki City, Kanagawa Prefecture, involving to dispatch electrified vehicles to the Kawasaki Comprehensive Rehabilitation Promotion Center where serves as a charging spot for medical equipment batteries, to prepare for long-term power outages in the event of a disaster. Project participants included medically vulnerable children who require daily care, such as those using artificial respirators, and their families. Participants had the opportunity to operate PHEV themselves to provide power^{*2} to batteries used in the actual artificial respirators, confirming emergency response measures.

^{*2} In this verification, dedicated batteries were removed from the medical devices for charging; they were not connected directly to the medical devices. This verification should not be construed as suggesting any change in interpretation of the warning statement in user manuals for the "OUTLANDER PHEV" and "ECLIPSE CROSS PHEV model," that the "100V AC Power Supply (1500W (Cabin Equipment Section))" should "never be used for medical equipment." No checks have been made except for the external batteries for the two types of artificial respirators used in the verification. External batteries of all artificial respirators have not been validated for use.

3. Signing Comprehensive Collaboration Agreements toward the Realization of a Carbon Neutral Society

We have signed comprehensive collaboration agreements with the cities of Kurashiki, in Okayama Prefecture, and Okazaki, in Aichi Prefecture, with a view toward realizing a carbon neutral society. As part of this effort, in March 2023 we signed a forest preservation activities collaboration agreement with the city of Okazaki. Such activities help preserve forests, which perform such functions as absorbing CO₂ and curtailing landslides.

Through these collaboration agreements, we will work together to build a decarbonized society centered on the spread of our electrified vehicles.

Key points of the collaboration

- (1) Working toward the realization of a carbon neutral society in the region
- (2) Promoting the spread of electrified vehicles
- (3) Fostering an understanding of how electrified vehicles are useful in decarbonization and disaster preparedness
- (4) In addition to the items mentioned above, contributing to objectives that are mutually agreed upon by both parties

Okazaki, Aichi Prefecture
(June 2022)

Launch of a demonstration project for autonomous street lighting in cooperation with the city of Okazaki, Aichi Prefecture (April 2023)

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Environmental Plan Package

Structure of the Environmental Plan Package

Anticipating a time 30 years in the future, in October 2020 MITSUBISHI MOTORS formulated the Environmental Plan Package, which defines the directions and targets of its environmental initiatives. This package establishes the foundation for our directions on environment-related management strategy, outlining our objectives for realizing a sustainable society, including one that is carbon-neutral, as we conduct our business activities. The Environmental Plan Package comprises the Environmental Policy, which we have revised to incorporate our medium- to long-term perspective; the Environmental Vision 2050, which sets out our vision for society to be achieved by 2050 and directions for our initiatives; and the Environmental Targets 2030, which clarifies specific initiatives to be achieved by 2030 in accordance with this vision.

Environmental Policy

Mitsubishi Motors recognizes that responding to environmental issues through its business activities is essential. Accordingly, we will engage proactively in specific and effective measures from a medium- to long-term perspective. (Directions of initiatives)

1. We will face three specific environmental issues head-on: climate change, resource depletion and environmental pollution.
2. Given that 2050 is an important landmark for climate change on a global scale, we have clarified levels to be achieved, in 10-year increments, and are pursuing initiatives to this end.
3. We will respond to environmental issues through the following activities:
 - Unique environmental contributions through our products
 - Initiatives at each stage of automobile production, sale and use
 - Collaboration with business partners, affiliated institutions, governments and local authorities
 - Initiatives targeting environmental issues rooted in the local community
 - Initiatives to determine and reduce environmental impact of all related business activities

Environmental Policy

We have been acting in accordance with its Environmental Policy, which was formulated in 1999. However, in the 20 years that have passed since that time the operating environment has changed, prompting us to revise the policy in 2020 to reflect current social trends. We recognize that responding to environmental issues in our business activities is essential, and so have newly incorporated a medium- to long-term outlook into our policy.

Focusing specifically on climate change, resource depletion and environmental pollution, we aim to contribute to the preservation of water resources and biodiversity through initiatives in these areas.

Environmental Vision 2050

Members of the Paris Agreement, adopted in 2015, agreed to limit the rise in average global temperatures to 2°C above levels before the Industrial Revolution and endeavor to keep the increase to 1.5°C. From

this basis, we established initiatives to pursue from a long-term perspective, leading up to 2050. In 2018, the Intergovernmental Panel on Climate Change (IPCC) published the Special Report on Global Warming of 1.5°C, which calls for society as a whole to achieve a net-zero balance between human-caused greenhouse gas emissions and absorption.

As these measures illustrate, awareness of climate change and other environmental issues is rising each year. Companies are also being called upon to undertake more ambitious initiatives.

Against this backdrop, we formulated the Environmental Vision 2050, which sets out our vision for society to be achieved by 2050, as well as directions for our initiatives, with regard to climate change, resource circulation and pollution prevention.

Aiming to Become Carbon Neutral by 2050

Regarding “action to climate change,” we have stated our commitment toward helping to shape a society resilient to the impact of climate change by achieving net-zero CO₂ emissions. In September 2022, we revised Environmental Vision 2050, incorporating the goal of achieving carbon neutrality.

Environmental Vision 2050

In December 2015, the Paris Agreement was adopted at COP21. Members of this accord agreed to curtail the rise in average global temperatures to 2°C above levels before the Industrial Revolution and to work to keep the rise to 1.5°C. Given such social demands, MITSUBISHI MOTORS believes it can contribute toward the realization of a sustainable society, achieving a balance between the progress of humankind and the global environment, through the proliferation of electrified vehicles and the promotion of their use in society.

Action to Climate Change

Through electrified vehicles and the increased use of renewable energy, we aim to become carbon neutral and contribute to the realization of a society that is resilient to climate change.

Resource Circulation

We will contribute to a resource-recycling-oriented society by minimizing input resources and maximizing resource efficiency.

Pollution Prevention

We will contribute toward a society free of environmental pollution affecting human health and the ecosystem by reducing the environmental impact of our products and the pollution resulting from our business activities.

Environmental Targets 2030

In 2020, Environmental Vision 2050 set out our vision for society in 30 years' time, as well as the directions for our initiatives. In line with this vision, MITSUBISHI MOTORS formulated Environmental Targets 2030, which sets forth items to be addressed in the next 10 years. When setting these targets, we referred to various external scenarios and international frameworks.

We revised the Environmental Targets 2030 in February 2023, setting even higher targets in our "action to climate change" to demonstrate our commitment to achieving carbon neutrality. For Scope 1^{*1} and Scope 2^{*2}, we raised our target for reducing CO₂ emissions from business activities to the SBT^{*3} target equivalent to a 1.5°C level. For Scope 3^{*4}, in addition of an electrified vehicles sales ratio of "50% by FY2030" we added "100% by FY2035." We also added qualitative targets related to procurement and distribution. These revisions were approved by the Board of Directors.

^{*1} Scope 1: A company's direct emissions (such as from burning fuel)

^{*2} Scope 2: Indirect emissions, resulting from electricity, heat or steam provided by another company

^{*3} SBT: Short for Science Based Targets, which are greenhouse gas emission reduction targets set by companies consistent with the Paris Agreement levels

^{*4} Scope 3: Indirect emissions other than Scope 1 and Scope 2 (emissions from other companies and other sources related to the company's activities)

Environmental Targets 2030

Underlines indicate revised items.

Issues	Targets 2030 (after revision)		Targets 2030 (before revision)
Climate Change	Average CO ₂ emissions from new vehicles ^{*5}	-40% (compared with FY2010)	-40% (compared with FY2010)
	Electrified vehicles ^{*6} sales ratio	50% FY2035 100%	50%
	CO ₂ emissions from business activities ^{*7}	-50% (compared with FY2018)	-40% (compared with FY2014)
	Promoting CO ₂ reduction activities with major suppliers		—
	Promoting CO ₂ reduction activities in cooperation with logistics companies		—
	Providing energy management services utilizing electrified vehicles and used batteries		—
	Implementing measures to adapt to climate change		
Resource Circulation	Expanding adoption of non-fossil-based plastic		
	Achievement of zero direct landfill waste (less than 0.5%)		
	Reuse of batteries used in electrified vehicles		
Pollution Prevention	Conformance to regulations on use of substances of concern in products		
Environmental Management	• Promotion of LCA ^{*8}		
	• Promotion of environmental management within the Group and at sales outlets		
	• Enhancing disclosure of environmental information		
	• Promotion of employee education and awareness activities		
	• Collaboration with suppliers		
	• Promotion of grass-roots community environmental preservation activities		

^{*5} CO₂ emissions per new vehicle while driving. Tank to Wheel

^{*6} Battery Electric vehicles, plug-in hybrid electric vehicles (PHEV), and hybrid electric vehicles

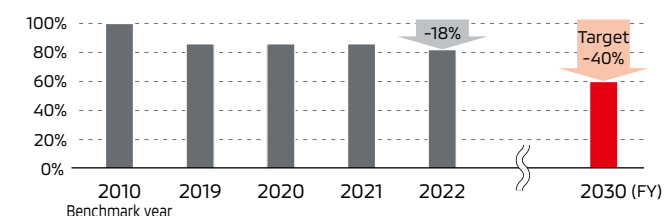
^{*7} Total of Scope 1 Scope 2

^{*8} LCA stands for life cycle assessment, which is a technique for calculating and evaluating the environmental impact of a product from manufacturing to disposal.

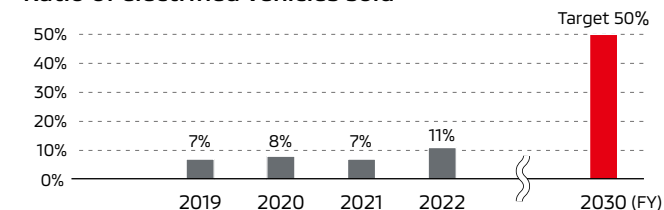
Our principal targets and results for FY2022 are outlined below.

The decrease in CO₂ emissions from business activities is attributable to the reduction effects of energy conservation activities and the installation of a solar power system, as well as to the decrease in production volume due to the spread of COVID-19, which continued on from FY2020.

Average CO₂ emissions from new vehicles

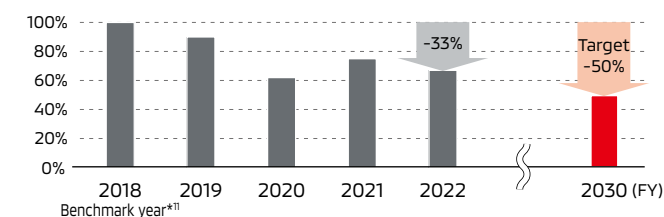


Ratio of electrified vehicles sold^{*9}



^{*9} Based on number of wholesale units sold. MITSUBISHI MOTORS brand products only.

CO₂ emissions from business activities^{*10}



^{*10} Scope 1 and Scope 2

^{*11} The officially reported emission volume of FY2018 (the benchmark year), was 588 thousand t-CO₂. This volume includes 43 thousand t-CO₂ emissions from some equity-method associates. For the purposes of target setting, we have revised our base figure to 545 thousand t-CO₂, as our current method of selecting environmental management target companies excludes these equity-method associates.

Structure for Consideration in Formulation

MITSUBISHI MOTORS established the Environmental Working Group, made up of members from across the Company, and proceeded with considerations toward the formulation of the Environmental Plan Package.

After certain directions had been determined, a small circle chaired by the then-CEO moved forward to specifics. These were proposed to the Executive Committee and Board of Directors and approved.

<July 2018 to December 2019>

Sustainability Committee

(Chair: CEO^{*1}; members: Division general managers of relevant divisions)

Environmental Working Group

Leader: Technical advisor to the chairman^{*1}
 Subleader: Division general manager of the Development Management Division^{*1}
 Secretariat: Sustainability Promotion Department
 Members: **Corporate departments**

- Strategy management
- Human resources
- Public and investor relations
- Asset management
- Finance

Product and business activities departments

- Technology strategy
- Manufacturing
- EV business
- Development management
- Materials technology
- Logistics
- Procurement
- Overseas sales
- Domestic sales
- After-sales service

<January–October 2020>

Board of Directors

Executive Committee

Small Circle

Members:

- CEO^{*1}
- Co-COO (in charge of engineering)
- Director in charge of production
- Director in charge of sustainability
- Head of corporate strategy
- Division general manager of the Development Management Division
- Division general manager of the Product Strategy Division
- Division general manager of the Production Engineering Division

^{*1} Positions as of March 2020

Steps to Formulation

The Environmental Working Group we set up in FY2018 gathered data related to global social changes, such as economic growth and population increase, as well as environmental issues. In particular, the group looked for information on regions of importance to our business, ascertaining the status of local communities and government environmental policies. We also looked at unit sales and the number of vehicles owned in each country, arranging this data to match the Company's business characteristics by looking at our business data and results of environmental initiatives. The group also summarized our efforts to date.

Using this data, we then verified each of the environmental issues and our relationship to them. We identified three environmental issues to face head-on: action to climate change, resource circulation and pollution prevention. We considered the long-term outlook for these environmental issues by studying external scenarios from the IEA^{*2} and IPCC, as well as by running our own simulations. We then arranged the issues to be addressed by thinking about how to contribute in a manner tailored to local communities while maximizing our strengths, looking at each market from a regional perspective and considering plug-in hybrid electric vehicles (PHEV) and other business characteristics.

Based on this analysis, we clearly spelled out the directions for initiatives indicated in the Environmental Policy and Environmental Vision and set numerical targets for the items in the Environmental Targets. In this way, we formulated the New Environmental Plan Package, which provides an overall summary of our environmental strategies.

In addition, we had outside experts review the draft package we had formulated, looking at it from a stakeholder perspective.

Going forward, we will continue to accumulate and analyze information on social trends and confirm the appropriateness of our Environmental Plan Package.

^{*2} International Energy Agency

Gathering of Information

- **Social and economic conditions**
Such as economic growth and population increases
- **Status of environmental issues**
Climate change, resource depletion, environmental pollution, loss of biodiversity and shortage of water resources
- **Trends in key regions (Japan, ASEAN, Oceania, others)**
GDP, changes in the population, government environmental policies, etc.
- **Automobile production and data related to the Company**
<Business>
Unit sales and number of vehicles owned, globally and by region
<Results of Environmental Initiatives>
CO₂ emissions (Scope 1, 2, 3), amount of waste generated, etc.

Analysis

- **Verify relationships between environmental issues and the Company**
Identify environmental issues to face head-on
- **Consider long-term outlook for environmental issues**
Gather external scenarios on CO₂ emissions, run our own simulations
- **Arrange initiatives to be taken, given our business characteristics (markets and products)**

Formulation

- **Clearly spell out the Environmental Policy and Environmental Vision 2050**
- **Consider and formulate initiatives in the Environmental Targets 2030, as well as numerical targets**

Review

- **Conduct review via outside experts**

Environmental Management

Basic Approach

Minimizing environmental impact is an essential element of MITSUBISHI MOTORS' sustainable growth. To this end, we recognize the importance of reinforcing our environmental management. We also believe that the costs of promoting related initiatives are an important investment from a long-term perspective.

In order to promote environmental initiatives reliably and efficiently, we have constructed a framework for environmental management. We are promoting

Group initiatives, including education and awareness activities for employees, and the acquisition of certifications for environment management systems among affiliated companies.

We also share information about initiatives on our website and through our sustainability report. We value opportunities to receive various feedback from our stakeholders.

Please see page 121 for details on environmental accounting

Management Structure

Since 1993, we have been holding an Environmental Council, which is attended by the Executive Officer, President & CEO and officers from each division. The Sustainability Committee, chaired by the Executive Officer, President & CEO, has met since FY2017, and environmental initiatives have been positioned as key material issues for us. The committee discusses our environmental policies and targets and confirms the progress and results from the Environmental Targets 2030. Items of particular importance are reported to the Board of Directors.

For the management of target companies, we have established selection criteria as a framework for the scope of environmental targets and the collection and publication of environmental data, and we review these criteria on a regular basis.

Management Target Companies (20 Companies)

As of March 31, 2023

Country	Company Name
Japan	mitsubishi motors corporation

Production Affiliates

Country	Company Name
Japan	Suiryo Plastics Co., Ltd.
Thailand	Mitsubishi Motors (Thailand) Co., Ltd. (MMTh) MMTh Engine Co., Ltd. (MEC)
Philippines	Mitsubishi Motors Philippines Corporation (MMPC) Asian Transmission Corporation (ATC)
Indonesia	Mitsubishi Motors Krama Yudha Indonesia (MMKI)
Vietnam	Mitsubishi Motors Vietnam Co., Ltd. (MMV)
Malaysia	MMC Manufacturing Malaysia Sdn. Bhd, (MMCM)

Non-Production Affiliates

Country	Company Name
Japan	Mitsubishi Automotive Engineering Co., Ltd. Mitsubishi Automotive Logistics Technology Co., Ltd. Higashi Nihon Mitsubishi Motor Sales Co., Ltd. Nishi Nihon Mitsubishi Motor Sales Co., Ltd.
United States	Mitsubishi Motors North America, Inc. (MMNA)
Netherlands	Mitsubishi Motors Europe B.V. (MME)
UAE	Mitsubishi Motors Middle East and Africa FZE (MMMEA)
Australia	Mitsubishi Motors Australia, Ltd. (MMAL)
New Zealand	Mitsubishi Motors New Zealand Ltd. (MMNZ)
Canada	Mitsubishi Motor Sales of Canada, Inc. (MMSCAN)
Mexico	Mitsubishi Motors de México S.A. de C.V. (MMDM)

Environmental Management System

In FY2010, MITSUBISHI MOTORS acquired company-wide integrated ISO 14001 certification. (Previously, sites in Japan had acquired this certification individually.) We are leveraging the ISO 14001 framework and engaging in ongoing initiatives to improve business activities. The ISO 14001 framework is proving helpful in the companywide promotion of the Environmental Plan Package we formulated in FY2020.

Affiliates in Japan and overseas are also being encouraged to acquire ISO 14001 and Eco-Action 21^{*1} certification, and they are engaging in environmental management.

^{*1} Eco-Action 21 is a certification and registration system based on the Environmental Management Systems guidelines formulated by the Japanese Ministry of the Environment for medium-sized companies.

Status of ISO 14001 Certification (As of May 31, 2023)

Development Companies
Mitsubishi Automotive Engineering Co., Ltd.
Production Companies
Suiryo Plastics Co., Ltd.
Mitsubishi Motors Philippines Corporation (MMPC)
Asian Transmission Corporation (ATC)
Mitsubishi Motors (Thailand) Co., Ltd. (MMTh)
MMTh Engine Co., Ltd. (MEC)
Mitsubishi Motors Krama Yudha Indonesia (MMKI)
Distribution and After-Sales Service Companies
Mitsubishi Automotive Logistics Technology Co., Ltd. (Maintenance Service & Logistics Business Division, Powertrain Department, Osaka Special Purpose Vehicle & Engineering Section of the Vehicle Business Department, Mizushima Maintenance Service Section of the Vehicle Business Department)

Please see page 52 for a list of the dealers that have received Eco-Action 21 certification.

Promoting Life Cycle Assessment (LCA)

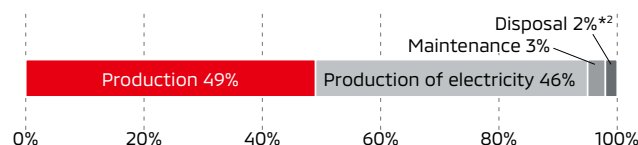
We perform LCA to determine the environmental impact across a product's life cycle. We evaluate total emissions, mainly of CO₂, from such processes as extracting the resources used in parts and materials, producing materials, manufacturing parts, assembling vehicles, producing fuel, driving and disposing of disused automobiles.

We use LCA to develop advanced parts, electrified vehicles and new-model vehicles that help address the issues related to climate change and energy. We compare life cycle CO₂ emissions with those of previous parts and vehicles.

Examples of LCA Implementation in FY2022

Model	Objective
eK X EV	- Assessing the effect of reductions from the gasoline model - Assessing the ratios for production, use and disposal - Assessing the impact of components

LCA Results for the eK X EV (CO₂ emissions ratio)



^{*2} Excluding items that have been removed prior to disposal: bumpers, tires, lead batteries, lithium-ion batteries, etc.

In light of growing interest in the environmental impact across the entire life cycle in individual countries and regions, we will continue to strengthen our

systems and build the foundations to ensure we remain abreast of developments related to regulations and incentives.

Enhancing Disclosure of Environmental Information

We disclose information about our environmental initiatives through our website and sustainability report. We will continue to take leverage these initiatives to engage in dialogue with institutional investors and experts about environmental and other non-financial information.

Release of Environmental Information on Website and in the Sustainability Report

We release information on the concepts and details of its environmental initiatives on our website and in the sustainability report in order to make its environmental initiatives more widely known.

For details, see the "Environment" section of our website.

(WEB) <https://www.mitsubishi-motors.com/en/sustainability/environment/>

Communication with Investors

We engage in dialogue with investors, exchanging opinions about environmental and other non-financial information.

In FY2022, we announced our new mid-term business plan from FY2023, "Challenge 2025." For the new Environmental Targets 2030 included in this plan, we held dialogues and exchanged opinions with many domestic and foreign institutional investors and others.

Promoting Employee Education and Awareness Activities

MITSUBISHI MOTORS conducts sustainability-related awareness activities throughout the year as part of its aims of deepening the understanding of sustainability among all executives and employees and contributing toward the realization of a sustainable society through routine business activities. Environmental education and awareness are one aspect of these activities.

In FY2022, we conducted rank-based training and distributed videos to employees. In these ways, we sought to promote an understanding of our social responsibility for realizing a sustainable society, the relationship between sustainability and the environment, and the relationship between environmental issues and our business activities.

Please see page 11 for details on our activities to promote an awareness of sustainability.

Collaborating with Suppliers

Our suppliers cooperate with us in various initiatives, including meeting the requirements of our Green Procurement Guidelines. We believe that ongoing communication is an important part of the steady implementation of initiatives by suppliers. We explain the importance of environmental initiatives at our Suppliers Meetings, for example, which are attended by our suppliers, and strive to engage in communications to reduce the environmental impact of our entire supply chain.

Please see page 97 for details on the Green Procurement Guidelines.

Promoting Environmental Preservation Activities Rooted in the Local Community

Recognizing the rich characteristics of life on land and the importance of our connection to this life, we promote environmental preservation activities that are rooted in the local community. Realizing that factory construction and other types of land use have a direct or indirect impact on biodiversity, we strive to preserve surrounding ecosystems. We do so by carefully maintaining connections between factories and the natural environments that surround them and by maintaining green spaces within factory sites. By participating in forest preservation projects in Japan and overseas, we strive to select species that are suitable to specific regions. In addition, employees work with local residents to plant and cultivate trees, engaging in activities connected to local communities.

Please see page 63 for details on our preservation of biodiversity.

Environmental Risk Management

Having learned from past cases of failing to comply with environmental regulations such as those aimed at preventing pollution, we make every effort to comply with relevant regulations.

We sincerely respond to complaints from neighborhood residents after investigating the situation.

In the event that environmental laws and regulations are violated or an environmental accident occurs (such as if regulatory values are exceeded), or if we receive a complaint, the corresponding division must submit a Legal Non-Conformity Report to the Compliance Department and take necessary measures against the cause. The report clarifies the de-

tails of the case, measures and more, and appropriate countermeasures are taken. Furthermore, in order to prevent recurrence, initiatives are in place to improve work processes, enhance the supervision system, and increase employee awareness.

In FY2022, we were subject to no fines or administrative orders stemming from violations of environmental laws and regulations^{*1}. However, in two instances they exceeded statutory values provided under the Air Pollution Control Act.

Other than those cases mentioned above, voluntary internal checks and monitoring activities uncovered seven cases of legal non-compliance (including delays in notification).

We responded to these incidents by swiftly taking corrective action, introducing measures to prevent recurrence and sharing information with other related divisions about the incidents and countermeasures to stop the occurrence of similar cases.

^{*1} Refers to 31 environment-related laws and regulations identified by us, including the Water Pollution Prevention Act and the Air Pollution Control Act.

Participation in External Associations and Initiatives

We are working with external organizations and initiatives to achieve carbon neutrality in 2050.

In April 2023, we joined the GX^{*2} League, based on the GX League Basic Concept, announced by the Ministry of Economy, Trade and Industry in FY2021.

In addition, in May 2023 we joined the Japan Climate Initiative (JCI), a network to disseminate information and strengthen collaboration among companies and others working to combat climate change toward the realization of a decarbonized society.

^{*2} GX: Green transformation

Responding to Climate Change and Energy Issues



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Progress in FY2022

Average CO₂ emissions from new vehicles
(Tank to Wheel, compared with FY2010)
[FY2021: -14%] **-18%**

Ratio of electrified vehicle sales
[FY2021: 7%] **11%**

CO₂ emissions from business activities
(Scope 1 and 2 total emissions,
compared with FY2018) **-33%*1**
[FY2021: -25%]

Scope 3 emissions
[FY2021: 28,294 thousand t-CO₂eq] **28,710**
thousand t-CO₂eq

DENDO DRIVE STATIONS
(As of end-March 2023) **93** branches

- Established the Carbon Neutral Council as a MITSUBISHI MOTORS structure for realizing carbon neutrality by 2050
- Expanded our lineup of Kei-car passenger electric vehicles: Launched the "eK X EV" and resumed general sales of the "MINICAB MiEV," a Kei-car segment commercial electric vehicle
- Installed solar power generation equipment at a paint plant of P.T. Mitsubishi Motors Krama Yudha Indonesia (MMKI) (1.75MW)

*1 Until FY2020, we included some equity-method associates in our environmental management target companies. However, these equity-method associates have been excluded since FY2021.

We set the base value 545 thousand t-CO₂, which is calculated by subtracting 43 thousand t-CO₂, the emission amount made by the equity-method associates, from 588 thousand t-CO₂, the officially reported volume of FY2018 (the benchmark year).

<Related pages>

P15 MITSUBISHI MOTORS' Materiality

P20 Materiality

P25 Feature: MITSUBISHI MOTORS Taking up the Challenge of Becoming Carbon Neutral

P30 Environmental Plan Package

P33 Environmental Management

P118 Environmental Data Related to Products and Business Activities

Basic Approach

In recent years, extreme weather, such as heat waves, droughts and floods due to heavy rain, has caused disasters one after another around the world. The largest cause of these extreme-weather events is climate change, and global warming caused by increases in CO₂ and other greenhouse gases is a major factor.

International frameworks for realizing a sustainable society, such as the Paris Agreement adopted in 2015 and the United Nations Sustainable Development Goals (SDGs) are making major progress. In particular, the Paris Agreement has set targets on climate change and fostered increased awareness toward corporate responsibility. Furthermore, following the United Nations Climate Change Conference (COP26), held in the United Kingdom from October to November 2021, over 140 countries, including Japan, declared their intent to reach "carbon neutrality" by 2050. As a result, countries like Japan and the United States have raised their greenhouse gas reduction targets for 2030. Momentum is now growing rapidly toward achieving a decarbonized society. The Sixth Assessment Report of the IPCC*2, released in March 2023, highlights the need to reduce global CO₂ emissions, including other greenhouse gases, by at least 60% (CO₂ by 65%) compared to 2019 levels by 2035 in order to limit the temperature rise to 1.5°C from pre-industrial levels. This suggests that global efforts to reduce CO₂ emissions will likely accelerate in the future.

Automobiles generate CO₂ throughout the life cycle, from production to driving and disposal. For this

reason, MITSUBISHI MOTORS has identified "responding to climate change and energy issues" as a material issue, taking into account its impact on the economy, environment and people. Furthermore, in the Environmental Plan Package, we position this as one of the important challenges to address directly, and are working to achieve carbon neutrality throughout its supply chain by 2050. We have set specific targets, and efforts are underway to achieve this goal.

To reduce energy consumption and CO₂ emissions in all business activities, including development, production and distribution, as well as offices, we are promoting various initiatives, such as electrification technologies, the development of fuel-economy-improving technologies, the introduction of low-energy equipment in production processes and the use of renewable energy in offices and dealers. In particular, we which count electrification technologies as one of its strengths should be able to work simultaneously to realize a sustainable society and achieve sustainable growth for us.

Our electrified vehicles have large-capacity batteries that can be used in energy management and as emergency power sources in times of disaster. Through these measures, we are also engaging in measures to adapt to climate change.

Going forward, we will strengthen our efforts to further reduce CO₂ emissions with the aim of becoming carbon neutral throughout the supply chain by 2050.

*2 Intergovernmental Panel on Climate Change



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Disclosure Based on the TCFD Recommendations

With the issue of climate change growing increasingly serious, the Financial Stability Board established the Task Force on Climate-related Financial Disclosures (TCFD), which in 2017 announced its recommendations. These recommendations encourage companies to disclose information related to climate change so that investors can appropriately assess climate-related risks and opportunities.

Recognizing the potential of climate change to present medium- to long-term risks and opportunities that affect its business domains, in July 2021 MITSUBISHI MOTORS expressed its support for the TCFD Recommendations. Accordingly, we are analyzing the impact of climate change on our businesses and finances (scenario analysis). We will reflect the results of scenario analysis in our management strategies to enhance the resilience of our strategies and improve information disclosure in accordance with the TCFD Recommendations.

Governance

a. Board's oversight of climate-related risks and opportunities

We recognize "responding to climate change and energy issues" as an important management issue and identified this as one of our material issues. The Board of Directors serves as a forum for the deliberation and oversight of strategies, business plans and approaches. When important matters related to environmental initiatives arise, such as climate change, these matters are supervised through deliberation and reporting at the Board of Directors. When we revised our Environmental Vision 2050 and Environmental Targets 2030 in

FY2022, we also went through the process of deliberation and reporting at Board of Directors meetings.

Examples of climate change-related issues discussed or reported by the Board of Directors

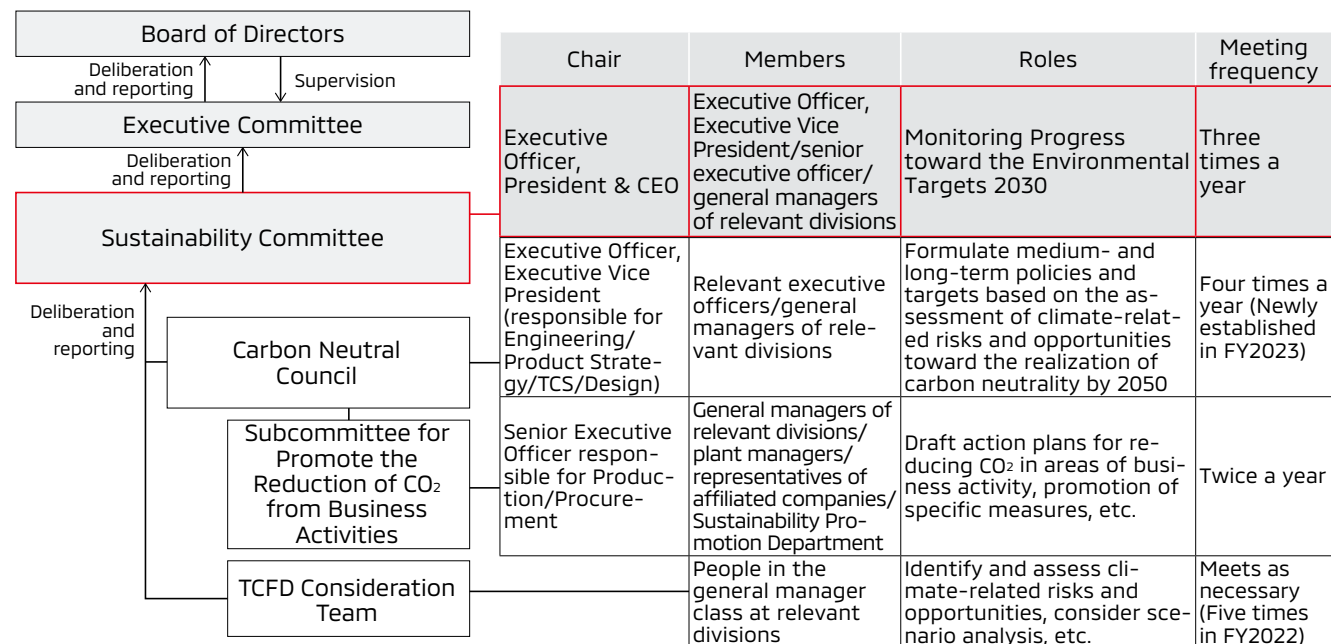
- Endorsement of TCFD recommendations
- Disclosure in line with TCFD recommendations
- Declaration of intent to achieve carbon neutrality by 2050 and revision of Environmental Vision 2050
- Revision of Environmental Targets 2030

b. Management's role in assessing and managing climate-related risks and opportunities

To address climate change and energy issues, we

have established the Sustainability Committee, chaired by the executive officer, president & CEO, who also holds top responsibility for initiatives related to climate change. The committee evaluates climate-related risks and opportunities, discusses response measures, and reviews progress and achievements in line with the Environmental Targets 2030. Under the Sustainability Committee, we have established a body consisting of executives responsible for management strategy, products, manufacturing, procurement and logistics. This organization formulates medium- to long-term policies and goals based on the assessment of climate-related risks and opportunities. These policies, goals, and their progress are reported by the respective heads of each area at the Sustainability Committee for review and deliberation. The organization generally meets three times per year,

Structure of Promoting Carbon Neutrality





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and particularly important matters are deliberated and decided by the Board of Directors.

In recognition that addressing sustainability is a high priority management issue, in FY2022, the MITSUBISHI MOTORS Group added ESG-related items as an indicator for determining medium- to long-term performance-linked compensation for Executive Officers. Specifically, in relation to the environment, we introduced "CO₂ emissions from business activities" as an indicator to measure progress in addressing the escalating climate change issue.

Strategies

a. Short-, medium- and long-term climate-related risks and opportunities the organization has identified

We consider climate-related risks and opportunities to be an important perspective in the formulation of our business strategy. We are identifying and evaluating short-term, medium-term, and long-term risks and opportunities, as well as analyzing the impact on our business based on multiple climate scenarios. We are also considering countermeasures in response to these

risks and opportunities. As particularly high-impact migration risks, we identified the "strengthening of regulations for fuel economy/CO₂ and zero-emission vehicles" and the "introduction and expansion of carbon pricing." We identified "increasing frequency and intensity of meteorological disasters" as a physical risk. While these risks may affect our business in various ways, we recognize that responding appropriately to these risks will lead to greater sales of electrified vehicles and new business opportunities.

Recognized climate-related risks and opportunities

Category		Item	Assumed Impact on MITSUBISHI MOTOR'S Business Activities	Timing of the Impact*	Degree of impact
Transition risks	Policies and regulations	Strengthening of regulations for fuel economy/CO ₂ and zero-emission vehicles	- Increased development/procurement/production costs to comply with stricter regulations - Increase in fines and credit purchase costs due to non-fulfillment of regulations	Medium/long term	Large
		Introduction and expansion of carbon pricing	An increasing tax burden on our emissions due to the introduction and expansion of carbon taxes and other sorts of carbon pricing, as well as higher prices on carbon, and higher costs due to a price shift toward the procurement, production and logistics stages	Medium/long term	Large
	Markets	Changes in the energy mix	Higher energy costs due to a rise in electricity prices resulting from the increased introduction of renewable energy and carbon-neutral sources of electricity, such as hydrogen	Medium/long term	Medium
		Tight supply and demand for raw materials (rare metals)	Rise in the cost of raw materials (such as rare metals) and components due to growing demand for storage batteries	Medium/long term	Medium
		Changes in user awareness and behavior	Decrease in sales volume due to the development of public transportation infrastructure and the proliferation of sharing in urban areas	Medium/long term	Medium
	Reputation	Increasingly stringent assessment by ESG institutions and stakeholders	Decline in our social image and share price	Short/medium term	Medium
Physical risks	Acute	Increasing frequency and intensity of meteorological disasters	Damage to buildings and facilities caused by typhoons and torrential rains, and the suspension of operations at production facilities due to supply chain disruptions (delays in the supply of parts stemming from damage to suppliers and the disruption of transportation routes)	Short/medium/long term	Large
	Chronic	Rise in average temperatures	Rising (energy) cost of air conditioning to maintain the work environment and employee health	Short/medium/long term	Small
		Rise in ocean levels	Increased flooding and surge in the instance of storms due to rising sea levels, resulting in operational shutdowns at manufacturing facilities and increased investment in disaster countermeasures	Short/medium/long term	Medium
Opportunities	Products and services	Growing demand for electrified vehicles	- Expand sales of electrified vehicles by improving product capabilities and taking advantage of government and municipal measures to promote electrified vehicles - Increase sales of electrified vehicles and V2X-related equipment/services in line with the growing value of electrified vehicles as energy infrastructure - Boost sales of electrified vehicles that can help supply power in response to growing demand to securing sources of emergency power in times of disaster	Medium/long term	Large
	Energy sources	Advancement in energy technologies	Reduce energy costs by promoting energy conservation activities and the introduction of renewable energy	Medium/long term	Medium

* Timing of the impact

Short term: Up to three years; medium term: three to 10 years; long-term: more than 10 years. Some issues impacts have already occurred as a result of the recent international situation.



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b. Impact of climate-related risks and opportunities on the organization's business, strategic, and financial plans

MITSUBISHI MOTORS recognizes that climate-related issues may affect its business, strategies, and financial plans, and reviews its strategies and plans from time to time in light of climate-related risks and opportunities.

Impact on strategies and plans

Business area	Recognized impact	Incorporation into strategies and plans
Products and services	To realize a carbon-neutral society, various countries and regions are strengthening regulations for fuel economy/CO ₂ and zero-emission vehicles. These will affect our product development, production and procurement strategies.	Our Environmental Targets 2030 set the goals of "a 40% reduction in CO ₂ emissions from new vehicles (compared to FY2010)" and an "electrified vehicle sales ratio of 50% (100% by FY2035)." In line with these objectives, looking to 2030 we are promoting efforts to develop electrified vehicles and improve the fuel efficiency of internal combustion engine vehicles. In the five years to 2027, we plan to introduce nine electrified vehicle models.
Supply chain, value chain	In the automobile manufacturing and sales business, greenhouse gases such as CO ₂ are emitted not only during the manufacture of products, but throughout the entire value chain. As climate change advances, the worldwide risk of increasingly frequent and severe occurrences, such as typhoons and floods, is mounting. If our supply chain or value chain is affected by such events, our plants' operations could be affected.	The Environmental Targets 2030 call for us to cooperate with major suppliers and logistics companies to promote efforts to reduce CO ₂ throughout the supply chain. In response to the risk of supply chain disruption, we are working with key parts suppliers to formulate BCPs* so suppliers can quickly restore operations in the event of a disaster.
Investment in R&D	We are promoting investment in R&D to address increasingly stringent and new regulations for fuel economy/CO ₂ and zero-emission vehicles in the countries and regions where we operate. These moves will affect our R&D costs for electrified vehicles and other products.	The Environmental Targets 2030 set a target of an "electrified vehicle sales ratio of 50% (100% by FY2035)." To meet this objective, looking to 2030 we will promote R&D to develop electrified vehicles and improve the fuel efficiency of internal combustion engine vehicles. We are budgeting ¥70 billion in R&D expenses related to electrification in FY2025. We have also earmarked ¥55 billion in capital expenditures related to electrification in FY2025.
Adaptation and mitigation measures	Our business could be affected by countries and regions introducing or expanding carbon taxes and emissions trading systems, as well as by rising energy costs.	The Environmental Targets 2030 set the goal of "reducing CO ₂ emissions from our business activities by 50% (compared to FY2018)." To reach this objective by 2030, we will promote energy conservation activities and the introduction and expansion of renewable energy.

* BCP: Business continuity plan



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c. Resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario

Based on climate scenarios and future information from organizations such as the International Energy Agency (IEA) and the Network for Greening the Financial System (NGFS), we considered the "less than 2°C scenario*1," which assumes actions by society to avoid climate change as of 2030 and 2050. We also looked at a "growth scenario*2," which assumes national policies continue to grow more stringent. Under these scenarios, we examined the risks and opportunities, focusing on areas with significant impact on MITSUBISHI MOTORS' business activities.

In FY2022, we conducted an analysis that expanded the scope beyond our own operations and the product usage stage to include the procurement stage. The results of analysis related to the impact on our business of the associated risks and opportunities are as described below.

*1 Set with reference to the IEA's "Announced Pledges Scenario (APS)" and the NGFS's "Net Zero 2050"

*2 Set with reference to the IEA's "Stated Policies Scenario (STEPS)" and the NGFS's "Current Policies"

Impact of Risks and Opportunities on MITSUBISHI MOTOR'S Business Activities

	Scenario	Risks/Opportunities		Impact on MITSUBISHI MOTOR'S business	Key countermeasures
	Item				
Less than 2°C	Strengthening of regulations for fuel economy/CO ₂ and ze-ro-emission vehicles	Risks	• Need for both developed countries and emerging markets to comply with stricter regulations • Increasing likelihood of noncompliance	• Higher development/procurement/production costs • Fines and credit purchase costs increase if regulations are not met	• Reduce costs by taking advantage of the alliance, such as by standardizing components • Promote electrification, including PHEV and EV • Promote new mobility businesses such as energy management using electrified vehicles and used batteries
		Opportunities	• Growing demand for electrified vehicles	• Increased sales of electrified vehicles and expansion of the value chain related to electrified vehicles	
	Introduction and expansion of carbon pricing	Risks	• Introduction and expansion of carbon taxes, causing carbon prices to rise	• Increased direct and indirect tax burdens and higher costs at the procurement, production and logistics stages	• Promote energy conservation activities and introduce renewable energy • Promote reduction efforts in cooperation with suppliers
		Opportunities	• Promotion of energy-saving technologies • Increasing use of renewable energy	• Lower energy costs	
Growth	Increasing frequency and intensity of meteorological disasters (flooding, inundation)	Risks	• Increased possibility of factory damage and supply chain disruptions due to frequent and severe heavy rain and flooding	• Damage to production and development facilities • Lower earnings due to operational shutdowns due to damage to our own factories and suppliers	• Review BCP, assuming such factors as heavy rain and flooding • Promote risk mitigation initiatives in collaboration with suppliers
		Opportunities	• Greater demand for electrified vehicles, owing to growing need to secure emergency power sources	• Increased use of electrified vehicles that can help supply emergency power	• Reduce costs by taking advantage of the alliance, such as by standardizing components • Promote electrification of PHEV/EV • Promote new mobility businesses such as energy management using electrified vehicles and used batteries



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MITSUBISHI MOTORS' Response Measures Based on Risks and Opportunities

MITSUBISHI MOTORS will incorporate measures to address climate-related risks and opportunities into our Environmental Plan Package*¹ and business strategies, which set forth the direction and goals of our environmental initiatives. In this way, we are promoting initiatives to reduce future risks, ensure sustainable business growth and enhance our resilience as a company.

In September 2022, we stated our aim of achieving carbon neutrality throughout our supply chain by 2050. In February 2023, we revised the Environmental Targets 2030 to serve as a milestone along the path to achieving carbon neutrality by 2050.

On the product front, we will take our own plug-in hybrid electric vehicles (PHEV) and commercial electric vehicle in the Kei-car segment as a starting point. To meet various needs in the global market, we will leverage the Alliance's technology and introduce optimal electrified vehicles*² at the appropriate timing, taking into consideration the energy situation and infrastructure development status in each country and region. Working toward carbon neutrality is one of the key challenges stated in Challenge 2025, the new mid-term business plan we announced in March 2023. We will develop electrified vehicles and step up our efforts in the Alliance as we work toward the second phase of our plan to reinforce electrified vehicles (FY2026–2028). Over the next five years, we plan to introduce nine electrified vehicle models.

In our business activities, we will seek to minimize energy use and transition to renewable sources of energy to reduce CO₂ emissions. Across the supply chain, we will collaborate with business partners, re-

lated companies and organizations, and governments and municipalities to reduce CO₂ emissions at the production stage (through raw materials and parts) and in logistics (including products). We will also promote renewable energy and charging infrastructure, utilize carbon-neutral fuel and promote V2X*³.

We believe the spread of electrified vehicles represents a chance to do new business in the form of reuse of used batteries, energy management, and data business using vehicle driving and battery data, and in collaboration with our partners and municipalities we will grow a mobility business that contributes to carbon neutrality, which represents a unique opportunity for us as an automotive maker, into a fourth pillar of revenue after vehicle sales, financing (leasing), and after sales*⁴.

*1 Please see page 30 for details on the Environmental Plan Package.

*2 Electrified vehicles: Battery-powered electric vehicles, plug-in hybrid electric vehicles (PHEV), and hybrid electric vehicles (HEV)

*3 V2X: A general term encompassing vehicle to home (V2H) and vehicle to grid (V2G), among others

*4 Please see page 26 for details on the mobility business.

Risk Management

a. Organization's processes for identifying and assessing climate-related risks

We have established a cross-functional team under the Sustainability Committee to conduct scenario analysis based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). We have identified and assessed climate-related risks and opportunities that could affect our business, considering their potential occurrence and impact levels. We have incorporated goals and action plans for addressing climate-related risks and opportunities that have a particularly significant impact, and are monitoring progress through the Sustainability Committee.

b. Organization's processes for managing climate-related risks

The climate-related risks, opportunities, and corresponding measures identified by the Sustainability Committee have been assigned to responsible executives at the executive officer level. We have set KPIs and are implementing a PDCA cycle. Additionally, reports on critical risks and opportunities requiring prompt action are provided to the Board of Directors, which decides on appropriate responses.

In FY2018, MITSUBISHI MOTORS identified material issues*⁵ as the important issue that we should wrestle from various challenges in the environmental, social, and governance fields. "Responding to climate change and energy issues" is recognized as one of the most critical issues. During the identification process, we conducted repeated examinations from the perspective of stakeholders' concern and the impact on us and conducted hearings with experts. Based on this, we had extensive discussions within the Sustainability Committee and made the final decision in the Executive Committee.

*5 Please see page 15 for details on materiality.

Metrics and Targets

a. Metrics used by the organization to assess climate-related risks and opportunities in line with its strategies and risk management processes

We formulated the Environmental Plan Package in 2020. Through electrified vehicles and the increased use of renewable energy, we aim to become carbon neutral by 2050 and contribute to the realization of a society that is resilient to climate change. We also formulated the Environmental Targets 2030, which

clarifies specific initiatives to be achieved by 2030 in accordance with this vision. As major indices to be monitored and evaluated under "Action to Climate Change," which MITSUBIHI MOTORS positioned as a topmost issue, we set a target for Scope 1 and 2*¹ in the category of "CO₂ emissions from our business activities." We also set a target of reducing emissions under Scope 3*¹, Category 11 (Use of sold products), which accounts for around 70% of total emissions throughout our supply chain, as well as "reduction in CO₂ emissions from new vehicles" and "ratio of electrified vehicles sales."

*1 Scope 1: A company's direct emissions (such as from burning fuel)
Scope 2: Indirect emissions, resulting from electricity, heat or steam provided by another company
Scope 3: Indirect emissions other than Scope 1 and Scope 2 (Such as emissions due to the use of sold products)

b. Scope 1, 2 and 3 GHG emissions and related risks

MITSUBISHI MOTORS calculates CO₂ emissions based on a GHG protocol. The table below shows actual CO₂ emissions in Scope 1, 2, and 3 for the period from FY2018 to FY2022.

To ensure our information is reliable and transparent, we have obtained independent third-party certification for our Scope 1 and 2 emissions.

<Scope 1, 2 and 3 Emissions >

	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Scope 1	x10 ³ t-CO ₂	119	110	80	92	95
Scope 2	x10 ³ t-CO ₂	469	416	285	319	271
Scope 3	x10 ³ t-CO ₂ eq	42,580	35,429	20,286	28,294	28,710
Total	x10 ³ t-CO ₂ eq	43,168	35,955	20,651	28,705	29,076

c. Targets used to manage climate-related risks and opportunities, and performance against those targets

We are promoting a host of measures based on the Environmental Plan Package, which we formulated in 2020. We are developing electrified vehicles and technologies to improve fuel efficiency, introducing energy-saving equipment in production processes and using renewable energy in factories, offices and dealerships.

The Environmental Plan Package comprises the Environmental Policy, which incorporates our medium- to long-term perspective, the Environmental Vision 2050, which sets out our vision for society to be achieved by 2050 and directions for our initiatives, and the Environmental Targets 2030, which clarifies specific initiatives to be achieved by FY2030 in accordance with this vision. We have positioned the actions for climate change, resource circulation and pollution prevention as three environmental issues that we will directly address and have set specific targets for these themes.

As we position "action to climate change" as a topmost priority, in September 2022 we stated our aim of achieving carbon neutrality throughout the supply chain by 2050, and we revised the Environmental Vision 2050 accordingly. In March 2023, we announced revised Environmental Targets 2030 to serve as a milestone along the path to achieving carbon neutrality by 2050.



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Major FY2030 Targets and Progress

Indicators	FY2030 Target	FY2035 Target	FY2022 Result
Average CO ₂ emissions from new vehicles (Tank to Wheel, Compared to FY2010)	-40%		-18%
Ratio of electrified vehicles sales	50%	100%	11%
CO ₂ emissions from business activities (Total Scope1 and 2, compared to FY2018)	-50%		-33%* ²

*2 Until FY2020, we included some equity-method associates in our environmental management target companies. However, these equity-method associates have been excluded since FY2021, as we organized a method of selecting environmental management target companies. We set the base value 545 thousand t-CO₂, which is calculated by subtracting 43 thousand t-CO₂, the emission amount made by the equity-method associates, from 588 thousand t-CO₂, the officially reported volume of FY2018 (the benchmark year).

Reducing CO₂ Emissions across the Supply Chain

In its Environmental Targets 2030, we have set targets for reducing CO₂ emissions from new vehicles and business activities. We are also working to decrease CO₂ emissions across the supply chain in relation to corporate activities.

To calculate CO₂ emissions across the supply chain, in addition to emissions resulting from our own business activities (such as from our fuel use and from the generation of electricity we use), we determined emissions from the procurement and transport of raw materials, vehicle during driving, and at the disposal stage. In FY2022, across the supply chain our CO₂ emissions were 29,076 thousand tons of CO₂ equivalent.

▶ Data (pp. 118–119): CO₂ emissions, Scope 3 breakdown, energy input (primary, secondary energy)



Targets
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● 7.3



Target
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● 13.3

Development and Spread of Electrified Vehicles

In our Environmental Targets 2030, MITSUBISHI MOTORS set the target of achieving a 40% reduction in average CO₂ emissions from new vehicles by 2030 (compared with FY2010 levels). To meet this target, we have raised our target ratio of electrified vehicle sales to 50% by 2030 and to 100% by FY2035. This change focuses our core technologies on responding to climate change and energy issues through electrified vehicles, which emit low CO₂ while driving, and concentrates on their development. Centering on our strength in plug-in hybrid electric vehicles (PHEV), we will expand our lineup of electrified vehicles, thereby promoting their popularization and use in society and contributing toward the realization of a sustainable society.

Electric Vehicles (EV)

Electric vehicles (EV) are driven by electricity in battery, so they emit no exhaust gases such as CO₂ while driving.

We released the “i-MiEV” as the world’s first mass-produced Electric Vehicle (EV) in 2009. In addition to its environmental performance, the “i-MiEV” performed better than conventional gasoline engine vehicles on acceleration starting from maximum torque. In 2011, we launched the “MINICAB-MiEV,” a Kei-car segment commercial electric vehicle (EV). In 2012, we began offering the “MINICAB-MiEV TRUCK,” also an electric vehicle (EV) in the Kei-car segment. These technologies are the foundation of next-generation electrified vehicles, such as PHEV.

We believe that expanding the lineup of Kei-car EV, which are expected to be used in more everyday situations, will be the key to the spread of electrified vehicles. Accordingly, in June 2022 we launched the “eK X EV,” a new EV in the Kei-car segment, and in November 2022 we have reopened general sales of the “MINICAB-MiEV,” a commercial battery-powered vehicle in the Kei-car segment. We will continue to focus on the development of EV to contribute toward the realization of a carbon neutral society.

TOPICS

Reopened General Sales of the “MINICAB-MiEV,” a Kei-Car Segment Commercial Electric Vehicle (EV).

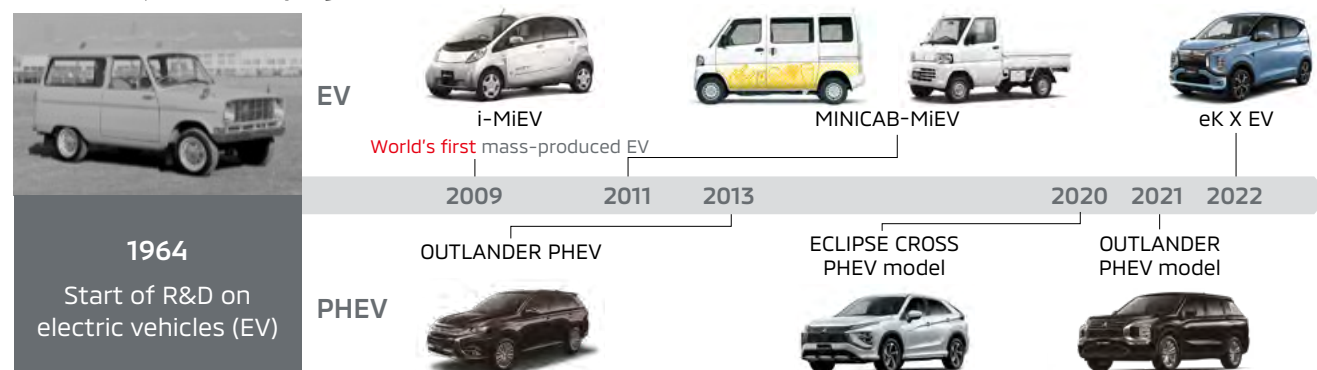


The “MINICAB-MiEV” is a one-box-type vehicle that incorporates the EV systems of the “i-MiEV,” which has a proven track record in the world’s first mass-produced electric vehicle. This system includes a drive battery and a small, lightweight and highly efficient motor. We have paid careful attention to the layout of the EV components, such as the drive battery, resulting in a spacious cargo area, as well as excellent driving stability and comfort thanks to a low center of gravity.

Sales of the only domestically produced commercial Kei-car segment electric vehicle, the “MINICAB-MiEV,” began in December 2011, primarily targeting the domestic delivery industry. After temporarily ceasing production at the end of March 2021, we continued offering the model to some corporate customers. However, with the increasing focus on carbon neutrality and the acceleration of decarbonization efforts in various sectors, such as logistics and local governments, demand for Kei-car segment commercial EV has grown. In response, in November 2022 we resumed general sales to meet the demand for sustainable business activities and carbon reduction initiatives.

In 2024, we plan to begin producing the “MINI-CAB-MiEV” overseas for the first time, at PT. Mitsubishi Motors Krama Yudha Indonesia (MMKI).

Our History of Developing Electrified Vehicles





Targets
● 7.2
● 7.3



Target
● 9.4



Targets
● 13.1
● 13.2
● 13.3

Plug-in Hybrid Electric Vehicles (PHEV)

PHEV are powered by electricity stored in batteries and by the motor, using the engine to generate electric power when the battery level is low. Concern over the driving range is no longer an issue as it offers the advantages of electric vehicles (EV): powerful driving, superb quietness and high stability.

Our journey in PHEV began with the "OUTLANDER PHEV" in 2013, followed by the "ECLIPSE CROSS PHEV model" in 2020 and the launch of the All-New "OUTLANDER PHEV model" in 2021. At low to medium speeds, the PHEV system uses electric power from the battery, but when the battery level is low, it generates electric power during operation using the engine while also supplying power to the motor and battery. Furthermore, during high-speed driving, the vehicle is driven by the engine and simultaneously assisted by the battery-powered motor. In this way, the drive mode is automatically selected according to the situation. CO₂ emissions are substantially lower than conventional gasoline engine vehicles, delivering outstanding environmental performance.

TOPICS

Launching the New "OUTLANDER PHEV model" in Australia and North America



Following its initial launch in Japan in December 2021, we launched the new "OUTLANDER PHEV model" in August 2022 in Australia, in Canada and the United States in November, and in Puerto Rico in December. The All-New "OUTLANDER PHEV model" is a flagship model that brings together the essence of our electrification and four-wheel control technologies. Based on the "majestic" concept, the body, chassis, power train, etc. have all been redesigned and evolved. As a result, both the attractive features of a SUV such as powerful driving performance on roads and all manner of terrain, comfort and livability, and versatile usability, as well as attractive features of an electrified vehicle, such as powerful and smooth acceleration and safe and secure driving in all driving situations, have been greatly enhanced.

TOPICS

"OUTLANDER PHEV" Tops Vehicle Sales in the PHEV Category in Japan in FY2022



OUTLANDER PHEV



ECLIPSE CROSS PHEV model

Sales in Japan of the "OUTLANDER PHEV," our cross-over SUV, reached 17,059 units* in FY2022, topping the PHEV category for the second straight year.

Another crossover SUV model, the "ECLIPSE CROSS PHEV model," came second in this category, with sales of 4,485 units. Together totaling 21,544 units, these sales put us at the top of Japan's PHEV category for the second consecutive year, with a market share of approximately 54%.

* Including previous models



Targets
● 7.2
● 7.3



Target
● 9.4



Targets
● 13.1
● 13.2
● 13.3

The Values Plug-in Hybrid Electric Vehicles (PHEV) Provide:

CO₂ Reduction

Production → Disposal

CO₂ emissions

■ Production/disposal ■ Driving



HEV*¹
High level of CO₂ emitted during driving



PHEV
Relatively less CO₂ emitted during production and driving*³



EV*²
Higher level of CO₂ emitted during production*³



Note: Based on MITSUBISHI MOTORS' estimate of actual CO₂ emissions in 2025. LCA values vary depending on such factors as CO₂ emissions during power generation and lifetime mileage.

Using the LCA*⁴ concept, which is based on calculations of total environmental impact from production to disposal, MITSUBISHI MOTORS believes PHEV system is the most environmentally friendly electrical drive systems.

*¹ Hybrid electric vehicle

*² Electric vehicle

*³ CO₂ emissions during driving include CO₂ emissions generated when electricity to charge the battery is generated.

*⁴ LCA stands for life cycle assessment, which is a technique for calculating the environmental impact of a product from manufacturing to disposal.

Driving Range

Powered 100% by electricity for short trips



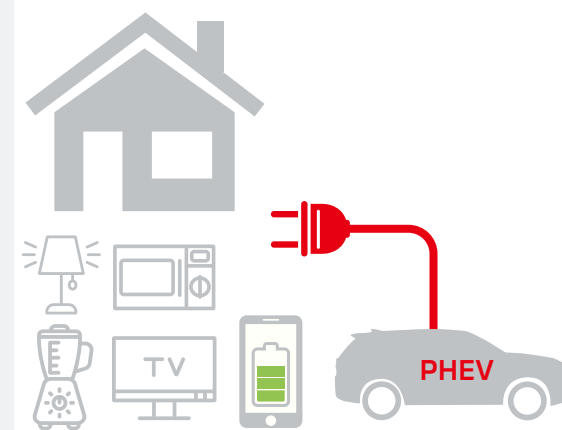
On longer trips, powered by electricity and sometimes gasoline



It is possible to use only the electric motor without consuming gasoline for short trips, such as for everyday commuting and shopping. The motor and engine can also be used in combination to extend the driving range, using the engine to generate the electricity when battery levels run low.

Power Supply Capability

Supply electricity for up to **12 days**
(Based on general household consumption)



Via a bi directional (V2H*⁵) charger, the electricity in the battery and the engine's generating capabilities can be used in combination to supply electricity for up to 12 days*⁶. It can also be used as an emergency power source in times of disaster.

*⁵ Short for "vehicle to home," V2H is a system that enables electricity stored in a car's battery to be supplied to the home.

*⁶ For the All-New "OUTLANDER PHEV model" Potential supply capacity is calculated by MITSUBISHI MOTORS (calculations assume approximately 10 kWh per day for general household power consumption and do not include the conversion efficiency of the V2H equipment and/or similar device).



Targets
● 7.2
● 7.3



Target
● 9.4



Targets
● 13.1
● 13.2
● 13.3

Promoting the Use of Electrified Vehicles as a Way of Adopting to Climate Change

By leveraging the large-capacity batteries on its electric vehicles (EV) and PHEV to supply electricity, MITSUBISHI MOTORS is contributing to measures in various countries and industries to adapt to climate change and energy issues. We are applying these to such areas as areas as energy management, V2X* and use as emergency power sources in times of disaster.

* A general term encompassing vehicle to home (V2H) and vehicle to grid (V2G), among others

TOPICS

We are implementing a joint demonstration project involving DeNA, Ricoh Japan Co., Ltd. and Kei-car electric vehicles to achieve efficient operations and energy management in our respective companies.

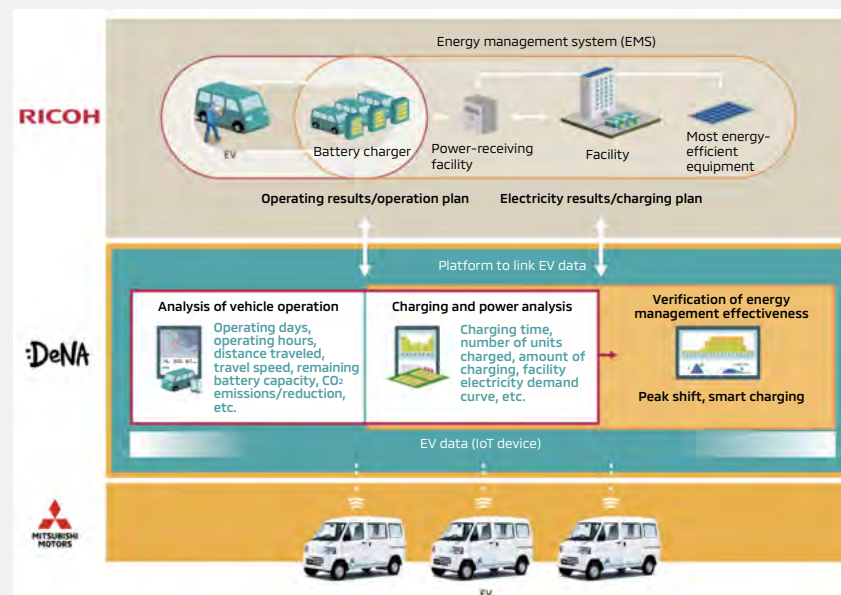
MITSUBISHI MOTORS, along with DeNA Co., Ltd. and Ricoh Japan Co., Ltd., conducted a joint demonstration project from September 2022 to the end of January 2023 to promote the adoption of electric vehicles by businesses. The project aimed to achieve efficient operation of Kei-car electric vehicles and energy management.

To achieve carbon neutrality by 2050, companies in Japan face the pressing need to convert their fleets of business vehicles to Kei-car electric vehicles and other similar options. Kei-car electric vehicles, both for passenger and commercial use, offer cost advantages over larger vehicles, but they have smaller battery capac-

ities. To meet the diverse operational needs of businesses, vehicles need to incorporate efficient charging strategies and operational plans that take into account charging timing, among other factors. In this demonstration project, three "MINICAB-MiEV"s, which are the only Kei-car segment commercial electric vehicle in Japan, were used as sales vehicles at Ricoh's Saitama branch. We collected vehicle information such as operational and charging data, as well as power usage data at the office, in order to analyze the operation of electric vehicles at the branch. Based on this analysis, we proposed an appropriate number of vehicles for the branch and developed an optimal operational plan that

incorporates smart charging and shifts charging to off-peak times, to achieve efficient utilization of Kei-car electric vehicles and reduce the branch's peak power consumption (energy management).

<Flow of the joint demonstration project >



"MINICAB-MiEV" used in the demonstration project



Targets
● 7.2
● 7.3



Target
● 9.4



Targets
● 13.1
● 13.2
● 13.3

Development of Improving Fuel Economy Technologies

MITSUBISHI MOTORS is continuously promoting the development of powertrain technologies to reduce fuel consumption and improve energy efficiency.

Idle-Stop "AS&G"

AS&G is an idling stop function that automatically stops and starts the engine. This has a major effect on improving the fuel economy because no fuel is consumed when at a stop. When fitted with a coasting stop function, AS&G stops the engine while decelerating.

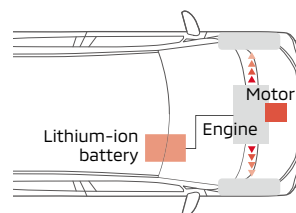


Hybrid System

The new "OUTLANDER" model for China employs a new 48V BSG hybrid system, which is also employed in the eK series (excluding the "eK WAGON") with 12V system. The power generated from deceleration efficiently charges the lithium-ion battery, and the motor assists the engine during acceleration, result-

ing in a torquey, fuel-efficient ride and smooth engine stopping and starting.

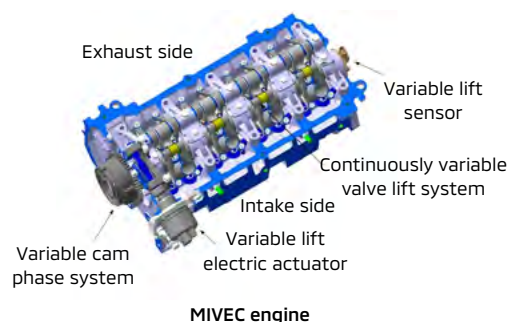
* Short for "belt-driven starter generator," the BSG adds motor functionality to the generator, using a belt drive to assist engine startup and providing power assistance.



Hybrid system on the "eK X"

Variable Valve Timing Mechanism

Mitsubishi Innovative Valve timing Electronic Control System (MIVEC)



MIVEC engine

The MIVEC is a variable valve timing mechanism for minimizing fuel consumption. The intake valve lift is continuously varied according to the operating condition to minimize air intake energy loss, resulting in improved fuel efficiency.

Gasoline Direct-Injection Turbo Engine

The "ECLIPS CROSS" adopts a 1.5L downsized direct-injection turbo engine (4B40). By precisely controlling in-cylinder injection and intake port injection based on driving circumstances, this engine delivers superior fuel economy and a clean exhaust gas. By combining an exhaust manifold integrated with the cylinder head, intake and exhaust MIVEC, and a compact turbocharger with an electric wastegate actuator, the engine optimizes supercharging pressure control to respond as the driver demands, thus delivering a comfortable and powerful driving.

The "OUTLANDER" for the Chinese market is equipped with a next-generation 1.5L downsized direct injection turbocharged gasoline engine, which is an improved version of the 4B40 engine. Additionally, it is combined with a hybrid system that incorporates a 48V BSG. This system assists during start-up and acceleration with the motor, achieving a high level of performance and fuel efficiency.



Direct injection turbocharged gasoline engine (4B40)



Targets
● 7.2
● 7.3



Target
● 9.4



Targets
● 13.1
● 13.2
● 13.3

Diesel Turbo Engines

The new "TRITON" model we unveiled in Thailand in July 2023 is equipped with a new 2.4L diesel turbo engine. The weight and friction losses of the engine are reduced due to the optimally designed key components such as the cylinder block, piston and connecting rods. Additionally, the fuel injection system has been upgraded to the next generation, providing high performance while achieving excellent fuel efficiency and clean exhaust gas characteristics.

Deceleration Energy Recovery (Power Generation Control)

By using the energy generated during deceleration to centrally charge the battery, we aim to reduce the engine's power generation during driving conditions such as idling, acceleration and cruising, resulting in improved fuel efficiency.

TOPICS

Employing a 1.5L Downsized Gasoline Direct Injection Turbo Engine

The new "OUTLANDER" we launched for the Chinese market in November 2022 is equipped with an improved 1.5L downsized gasoline direct injection turbo engine and a 48V BSG hybrid system.

The enhanced engine uses the following items to meet the b class (National 6b) of China's National 6 emission standards and improve output and fuel efficiency, achieving torque yet fuel-efficient driving performance.



1. 48V belt-driven starter generator (BSG) hybrid system

The 48V BSG (generator with motor functionality) offers excellent power generation efficiency, utilizing energy from deceleration to generate electricity and charge a dedicated battery. During acceleration, it assists the engine with the power generated, helping to reduce gasoline consumption and improve fuel efficiency. Additionally, this motor can restart the engine quickly and quietly.

2. Low-pressure exhaust gas recirculation (EGR) system with water-cooled intercooler

To address the issues of falling fuel efficiency while climbing and when accelerated powerfully common to downsized turbo engines, we have adopted a low-pressure EGR system. This system recirculates EGR gases, which have passed through a catalyst, back to the air intake in front of the intercooler. After passing through the intercooler, the cooled EGR gases flow into the combustion chamber. This improves combustion efficiency and helps to improve fuel efficiency during high power output.

In low-pressure EGR systems, the intake path be-

comes longer as EGR gas passes through the intercooler, which can lead to a delayed engine response. To address this issue, we used a water-cooled intercooler to significantly shorten the distance the EGR travels to reach the combustion chamber. This enhances the engine's responsiveness, avoiding unnecessary accelerator operation and helping to improve fuel efficiency.

3. High-pressure fuel injection system

We use newly developed high-pressure fuel pumps and injectors to improve combustion by better mixing fuel and air, lowering emissions and contributing to fuel efficiency.

4. Gasoline particulate filter system (GPF)

We have developed a system that uses a filter to capture particulate matter from the exhaust gas of gasoline engines. Once a certain amount has built up, the system combusts the particulate matter to remove it. This system helps to purify exhaust emissions.

5. Switching valve to control the flow route of cooling water (multi control valve)

To enhance engine heat management, we have introduced an electromagnetic valve that controls the coolant flow flexibly, thereby optimizing water temperature. This helps the engine warm up quickly, reduces friction losses, and improves fuel efficiency.

6. Variable capacity oil pump

By continuously adjusting the oil discharge rate to the required volume and maintaining an optimal hydraulic pressure, we minimize the oil pump's workload, improving fuel efficiency.



Targets
● 7.2
● 7.3



Target
● 9.4



Targets
● 13.1
● 13.2
● 13.3

Taking the Initiative in Business Activities Toward Carbon Neutrality

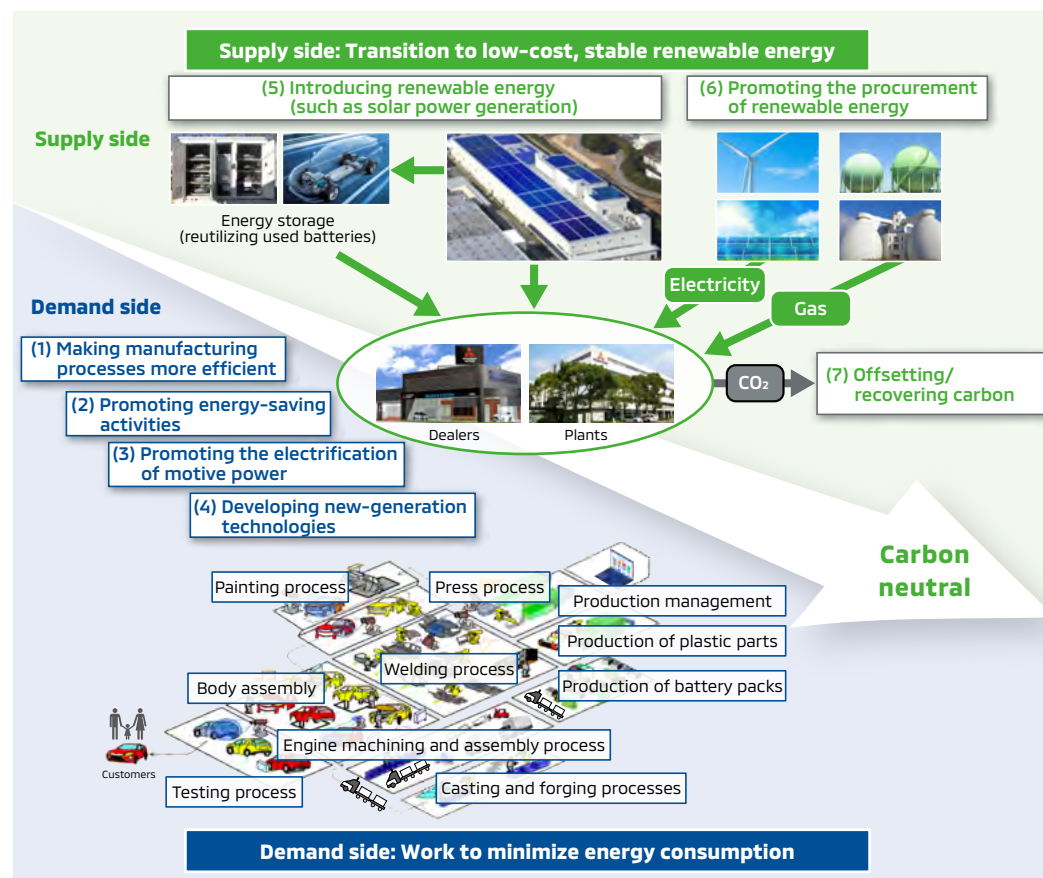
To become carbon neutral, MITSUBISHI MOTORS will approach the issue from both the “demand side” (energy consumption) and the “supply side” (energy generation and procurement). To clarify our activities,

we have formulated a medium- to long-term road-map toward carbon neutrality. Following this plan, we are working to develop future technologies, improve production processes and expand the introduction of renewable energy.

We have established the CO₂ Reduction Promotion Subcommittee as an infrastructure of the Sustainabil-

ity Committee. The subcommittee, which has members from production, development and sales companies in Japan and overseas, aims to help the entire MITSUBISHI MOTORS Group achieve carbon neutrality in its business activities. The subcommittee shares information on the progress of action plans, actual CO₂ emissions, and other pertinent data. It also drafts reduction measures, considers future technologies, and deliberates the future energy mix.

“Seven Approaches” to Become Carbon Neutral



Subcommittee to Promote the Reduction of CO₂

(Chair: Senior Executive Officer in charge of Production/Procurement)

Person in charge of the initiative: Division General Manager, Production Strategy Planning Division

In charge of promoting overall activities
(Business Activity Carbon Neutral Promotion Office)

Promotion structure and responsible parties

- Production Engineering: Division General Manager, Production Engineering Division
- Domestic plants: Plant managers
- Overseas plants: People in charge of production companies overseas
- Development (business sites): Division General Manager, Development Management Division
- Sales companies: Presidents of sales companies
- Electricity procurement: Division General Manager, Procurement Communication Division
- Gathering/sharing of information: General Manager, Sustainability Promotion Department



Targets
● 7.2
● 7.3



Target
● 9.4



Targets
● 13.1
● 13.2
● 13.3

Introduction of Renewable Energy

MITSUBISHI MOTORS is actively seeking to use renewable energy in its operations, taking into consideration the energy situation at each site. To do so, we are introducing in-house renewable energy generation and purchasing renewable energy from energy suppliers.

We believe solar power offers us an important way to achieve carbon neutrality, and we are proactively introducing solar power generation at our locations. In FY2022, we installed 1.75MW of solar panels at Mitsubishi Motors Krama Yudha Indonesia (MMKI) and began generating power there. We also added 0.3MW of panels at the Okazaki Plant. In total, these panels should reduce emissions by 1,900t of CO₂ annually. Furthermore, we are preparing to install solar power generation capacity at Asian Transmission Corporation (ATC), Mitsubishi Motors Philippines Corporation (MMPC), and the Mizushima Plant. We also have plans to expand the installation areas at sites where solar power generation is already utilized.

TOPICS

Starting to Use Solar Power Generation Equipment (Rooftop of the Paint Plant) (MMKI)

We set up a 1.75MW solar power system on the roof of a paint plant at Mitsubishi Motors Krama Yudha Indonesia (MMKI), and the system began generating electricity in February 2023. The system is expected to generate 2,400MWh of power per year, reducing annual CO₂ emissions by 1,800t.

Following the paint plant, MMKI is planning to gradually install solar panels at its vehicle assembly and welding plants, as well.



Solar power generation equipment on MMKI's paint plant

Initiatives at Manufacturing Plants

To reduce CO₂ emissions from production activities, we have established a medium- to long-term road-map to achieve carbon neutrality in each area of production technology—pressing, welding, painting, assembly and powertrain—and we are developing future technologies and improving production processes to this end.

We are incorporating a variety of plans into our annual capital investment plans and implementing them. We are improving the efficiency of production equipment, using electric equipment instead of the use of fuels, steam or compressed air, and upgrading general equipment to more energy-saving models.

In energy-saving activities involving participants from production sites and production technology and motive power departments, we are working to improve the operation of energy-intensive processes such as painting and casting. We also review the operation and management of power supply equipment such as boilers and compressors, and strive to prevent air leaks and other losses. These activities focus on operational improvements following the introduction of new facilities.



Targets
● 7.2
● 7.3



Target
● 9.4



Targets
● 13.1
● 13.2
● 13.3

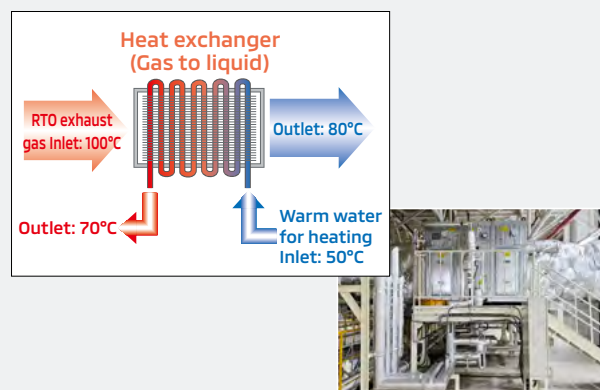
TOPICS

Reusing Waste Heat from the Exhaust of (RTO*1) Equipment (MMTh)

Mitsubishi Motors (Thailand) Co., Ltd. (MMTh) has implemented various measures at its new paint plant to optimize the thermal balance in the painting process. One measure involves a heat exchanger that utilizes waste heat from RTO exhaust gas, which began operating in January 2023, resulting in significant energy savings.

In the painting process, we had been using the heat from RTO exhaust gas from the drying process in a gas-to-gas heat exchange. Now, we have also installed a gas-to-liquid heat exchanger in the process following the drying process to utilize the heat from the exhaust gas at around 100°C to reheat the water used in the painting facility from 50°C to 70°C. As a result, we expect to reduce the amount of gas used to heat water by more than 30%, lowering annual CO₂ emissions by 550 tons.

*1 RTO: regenerative thermal oxidizer



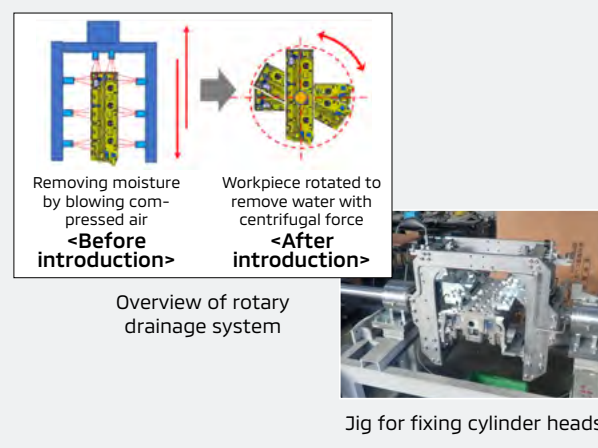
Overview of heat exchangers and equipment actually installed

TOPICS

Reducing the Use of Compressed Air by Introducing a Rotary Drainage System (Kyoto Plant)

The compressors used to produce compressed air account for about 20% of the energy used by the Kyoto Plant. Accordingly, decreasing the plant's consumption of compressed air is a priority for reducing CO₂ emissions.

In FY2022, we introduced a centrifugal device to drain water in the process of cleaning engine cylinder heads, instead of the compressed air we had used previously. This change significantly reduced the use of compressed air. We expect to eventually achieve 95% reduction in energy consumption, lowering annual CO₂ emissions by 40 tons. We plan to gradually roll out this improved process to other lines and facilities.



Jig for fixing cylinder heads

Office Initiatives

MITSUBISHI MOTORS is also promoting the use of renewable energy and introducing various types of energy-saving equipment in areas other than manufacturing, such as at R&D and head office locations.

Part of the electric power used at the Research and Development Building (Okazaki, Aichi Prefecture) and head office (Minato-ku, Tokyo) is supplied by renewable energy, thanks to the erection of rooftop solar power system and making use of the Tradable Green Certificates System*2. Also, CO₂ emissions are being reduced by using energy-saving electrical equipment and air conditioners.

In July 2020, we began tracking electricity use and power generation per capita at our Research and Development Building, comparing these figures with other offices, and using digital signage to show year-on-year comparisons by month. In these ways, we are working to increase employee awareness about saving energy.



Digital signage at Research and Development Building (Okazaki)

*2 This system is used to trade environmental added value of renewable energy generated from natural energy sources using renewable energy certificates issued by a certificate issuer and confirmed by a third-party organization.



Targets
● 7.2
● 7.3



Target
● 9.4



Targets
● 13.1
● 13.2
● 13.3

Dealer Initiatives

MITSUBISHI MOTORS encourages our dealers in Japan to acquire Eco-Action 21 certification and carry out activities such as reducing the amount of energy and water they use, lowering the amount of waste they produce, and promoting the widespread use of electrified vehicles.

Eco-Action 21 is an environmental management certification and registration system based on guidelines recommended by Japan's Ministry of the Environment. Eco-Action 21 has the following three features.

- The environmental management framework is easy for small and medium-sized businesses to configure and operate.
- The system enables organizations to track and manage their CO₂ emissions, working toward zero CO₂.
- The system facilitates thorough management of compliance with environmental laws and regulations.

For details on Eco-Action 21, see the website of the system's central secretariat (only in Japanese).

(WEB) <https://www.ea21.jp/>

Dealers That Have Acquired "Eco-Action 21" Certification (As of July 1, 2023)

Company		
Aomori Mitsubishi Motor Sales Co., Ltd.	Toyama Mitsubishi Motor Sales Co., Ltd.	Kyushu Mitsubishi Motor Sales Co., Ltd.
Higashi Nihon Mitsubishi Motor Sales Co., Ltd.	Toyama Diamond Motors Co., Ltd.	Oita Mitsubishi Motor Sales Co., Ltd.
Ibaraki Mitsubishi Motor Sales Co., Ltd.	Fukui Mitsubishi Motor Sales Co., Ltd.	Kumamoto Mitsubishi Motor Sales Co., Ltd.
Sobu Mitsubishi Motor Sales Co., Ltd.	Kyoto Mitsubishi Motor Sales Co., Ltd.	Nagasaki Mitsubishi Motor Sales Co., Ltd.
Tokai Mitsubishi Motor Sales Co., Ltd.	Nishi Nihon Mitsubishi Motor Sales Co., Ltd.	Ishikawa Chuo Mitsubishi Motor Sales Co., Ltd.
Sunen Mitsubishi Motor Sales Co., Ltd.	Shiga Mitsubishi Motor Sales Co., Ltd.*1	Mie Mitsubishi Motor Sales Co., Ltd.
Nishiowari Mitsubishi Motor Sales Co., Ltd.	Fukuyama Mitsubishi Motor Sales Co., Ltd.	Gunma Mitsubishi Motor Sales Co., Ltd.

*1 Certification received for the Kyoto Mitsubishi Motor Sales Co., Ltd. Group

TOPICS

Rolling out the DENDO DRIVE STATION across Japan's Prefectures

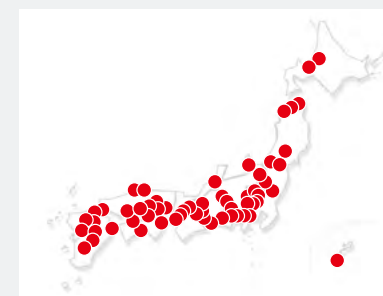
Nationwide map of DENDO DRIVE STATIONS

MITSUBISHI MOTORS seeks to put DENDO DRIVE STATIONS into operation in prefectures across Japan. DENDO DRIVE STATIONS are next-generation dealerships where visitors can experience the appeal of electrified vehicles, including their use as power sources in times of disaster and their contribution to the environment.

In FY2022, we opened up a location—Ageo (Saitama Prefecture)—bringing the number of locations in Japan to 93.

By deploying DENDO DRIVE STATION branches across Japan, we will increase the significance of electrified vehicles by diversifying their energy sources and communicating their value as sources of electric power in times of disaster. See our website for details on our next-generation dealerships, called DENDO DRIVE STATIONS. (only in Japanese)

(WEB) <https://www.mitsubishi-motors.co.jp/carlife/phev/dendo/index.html>



Ageo Branch/Clean Car Ageo Ageo Mitsubishi Motor Sales Co., Ltd.



Exterior



Lifestyle Corner

In a corner designed to look like a typical household dining area, we conduct a "1500W experience demonstration" to show how daily life can go on, even during disasters, by using just a 100V AC power supply (1500W) from an electrified vehicle.



Electrified Vehicle Charging Facilities

Electricity generated by the solar power system is used to charge electrified vehicles through V2H*2 equipment.

*2 V2H: Vehicle to home, V2H is a system that enables electricity stored in a car's battery to be supplied to the home.



Targets
● 7.2
● 7.3



Target
● 9.4



Targets
● 13.1
● 13.2
● 13.3

Physical Distribution

Working to Reduce CO₂ Emissions from Logistics in Japan

MITSUBISHI MOTORS is actively promoting initiatives to reduce CO₂ emissions of production parts, accessories and transportation of vehicles. Key activities for improvement of logistics efficiency include packaging improvements, increasing of truck filling ratio, and consolidating cargoes to reduce weight and distance (ton-kilometers*). In addition to these in-house ef-

orts, we are collaborating with logistics partners to promote eco-driving, transportation equipment upgrades and modal shifts. We are also working with our alliance partners to shorten travel distances through joint transportation and sharing the use of logistics facilities. In addition to these proactive and comprehensive measures, we are considering collaborating more closely with logistics partners to encourage the introduction of vehicles that do not run on fossil fuels.

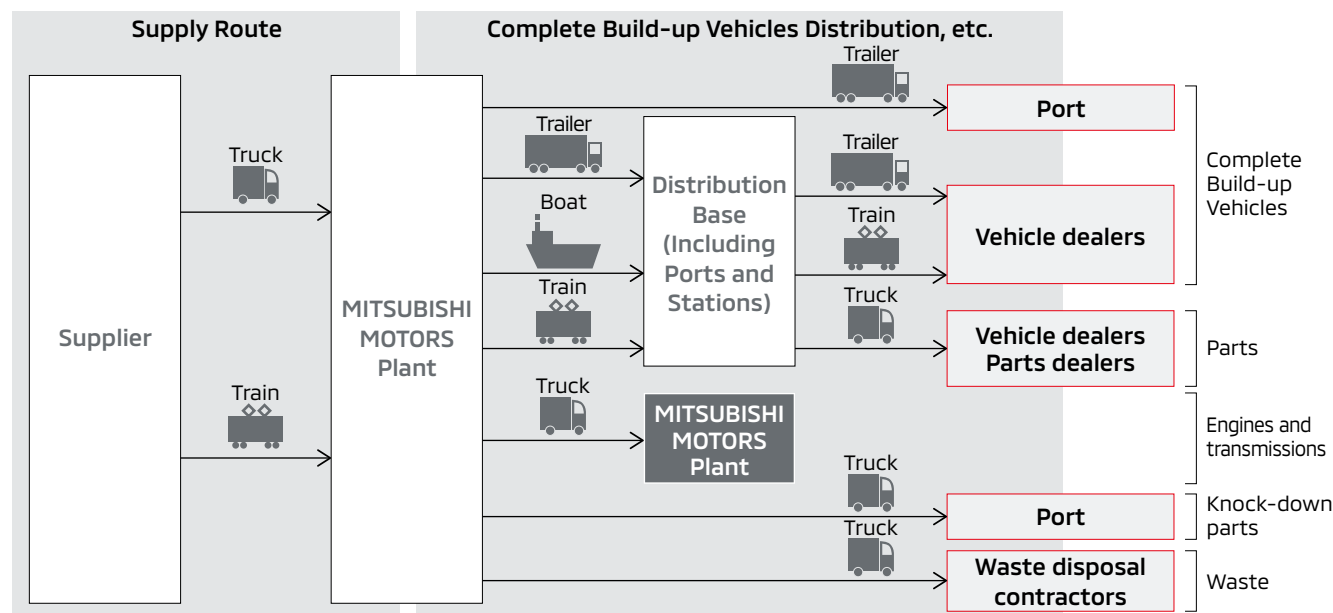
* Ton-kilometer (t-km) is a measurement corresponding to the transport of one ton of cargo over a distance of one kilometer.

Capturing CO₂ Emissions from Overseas Affiliates

We understand the importance of collecting and disclosing CO₂ emissions volumes from distribution throughout the supply chain, including overseas, and we are promoting initiatives in this regard.

We have already begun collecting data from our main overseas plants, Mitsubishi Motors (Thailand) Co., Ltd. (MMTh), Mitsubishi Motors Krama Yudha Indonesia (MMKI) and Mitsubishi Motors Vietnam Co., Ltd. (MMV), to make their CO₂ emissions from distribution visible. Going forward, we will continue working to confirm and improve the accuracy of the data collected. In addition to expanding the scope to include other overseas plants, we will start visualization efforts targeting overseas sales subsidiaries. As a result, we hope to expand our understanding of CO₂ emissions from distribution.

Focused Distribution Routes for Reducing CO₂ Emissions



Vehicle transport in Thailand

Resource Recycling Initiatives



Progress in FY2022

Direct landfill waste
(Management Target
Companies: 20)
[FY2021: less than 0.5%]

Less than **0.5%**

- Promoted strengthening adoption of non-fossil-based plastic
- Began development of autonomous street lighting by reusing batteries from electrified vehicles
- Installed energy storage facilities for the demonstration of two concepts employing used batteries in conjunction with quick chargers and bidirectional chargers at the Okazaki Plant's M-Tech Lab, which started the demonstration in January 2023

<Related pages>

P15 MITSUBISHI MOTORS' Materiality

P20 Materiality

P30 Environmental Plan Package

P33 Environmental Management

P118 Environmental Data Related to Products and Business Activities

Basic Approach

The rise in populations and economic growth in emerging markets is leading to a rise in the consumption of minerals, fossil fuels and other resources.

MITSUBISHI MOTORS is working to use fewer resources and use them more effectively. We believe we can add more value to vehicles in manufacturing process. This belief underpins our belief that effective resource use is an important priority. The Environmental Plan Package positions resource recycling as an environmental issue to engage in directly, and we are contributing to a resource-recycling-oriented society by minimizing input resources and maximizing resource efficiency.

Countries and industry groups are formulating various initiatives in order to promote automobile recycling and correct processing. In response, the Company set targets to improve the ease of recycling, reduce the use of lead, and introduce recycled parts for new vehicles when the "MITSUBISHI MOTORS Recycling Initiative" was established in 1998. We have continued to engage in this initiative.

With regard to waste generated by our business activities, to achieve the goal set in Environmental Targets 2030 of "zero direct landfill waste (less than 0.5%)," we are working to reduce waste generated outside the company and reuse resources. In FY2022, our management target companies achieved zero direct landfill waste (less than 0.5%).

► Data (pp. 120): Generated waste, generated waste and externally disposed waste (MITSUBISHI MOTORS along), raw material inputs

Recycling-Based Design and Development

Under vehicle recycling legislation in Japan, Europe and China, automobile manufacturers are obligated to consider recycling when developing products.

We conduct design and development that actively incorporates not just recycling, but all aspects of the 3Rs including reduction and reuse. We have implemented the 3Rs in the stage starting with conceptual design in accordance with our unique "Recycling Plan Guidelines."

With regard to wires and harnesses, and motors, we have improved detachability and ease of recycling in accordance with the "Harness Design Guidelines."

At dealers, bumpers recovered or replaced during repairs are recycled for battery trays and other exterior parts. We are also promoting the increased use in other parts of recycled materials and non-fossil-based plastic used in vehicles, such as biomass plastics. Recycled materials such as clothing are used for silencer parts such as dashboards, and biomass plastics are used for interior parts such as steering wheel garnishes.

TOPICS

Using Thermoplastic Resin

The “XPANDER CROSS,” which was launched in 2019, uses easily recyclable thermoplastic resin for exterior and interior parts.

Main parts (indicated in green) that use thermoplastic resin



Exterior



Interior

Promote recycling of end-of-life vehicles

MITSUBISHI MOTORS encourages the recycling of end-of-life vehicles to reduce the environmental impact of waste from these vehicles. In Japan, the European Union and other regions, we promote recycling in accordance with the automobile recycling laws of each country. We comply carefully with the evolving automobile recycling laws that are being introduced in emerging countries in Asia.

The Environmental Targets 2030 identify the reuse of batteries used in electrified vehicles as one item to be addressed. From the perspective of conserving resources, we are undertaking initiatives to utilize used batteries.

Reuse of Batteries Used in Electrified Vehicles

Used electrified vehicle batteries retain sufficient storage capacity to make them useful for other applications, so from the perspective of conserving resources we are working to effectively reuse electrified vehicle batteries. To ensure these batteries can be effectively used for storage, we are conducting verification using a large-scale rooftop solar power system at the Okazaki Plant and built a power storage system that employs used batteries from the “OUTLANDER PHEV” (previous model).

In January 2023, we installed demonstration equipment for electrified vehicle quick chargers and bidirectional chargers at the Okazaki Plant, and the demonstration has begun. We intend to conduct effectiveness of the concept and technical verification, with the aim of introducing the system at our dealers and other locations in the future. (Please see page 27 for details.)

In addition, with MIRAI-LABO Co., Ltd., we have be-

gun the development of autonomous street lighting by reusing batteries from electrified vehicles. In April 2023, autonomous street lighting was installed in the Okazaki Plant and we began a demonstration experiment. These lights require no external power supplies, but use solar power, used batteries from electrified vehicles and recycled steel. In the event of disaster or power failure, such street lights continue to function and without having to be turned off. With the aim of commencing sales by in FY2024, the FY2023 demonstration experiment will obtain data on batteries and other items during use, and verify the practicality of the system, considering factors such as the number of days when the sun does not shine.

In Japan, Europe and North America, we have begun creating a system for collecting used batteries. The aim is to develop recycling technologies for and properly dispose of batteries for electric vehicles and plug-in hybrid electric vehicles.

Response to Automobile Recycling Laws in Japan

Since the End-of-Life Vehicle Recycling Law was enacted in Japan in 2005, we have been accepting used automobile shredder residue (ASR^{*1}), airbags, and fluorocarbons for recycling.

Regarding ASR recycling, we participate in ART^{*2} in order to jointly process ASR. As a result of the creation of new processing facilities and other measures, the ASR recycling rate in FY2022 was 96.8%, substantially above the statutory standard of 70% in effect since 2015. We will continue to develop new recycling facilities to ensure the stable processing of ASR.

^{*1} Automobile shredder residue

^{*2} Automobile Shredder Residue Recycling Promotion Team established by 13 companies, including Nissan Motor Co., Ltd., Mazda Motor Corporation and MITSUBISHI MOTORS.

MITSUBISHI MOTORS outsources the treatment of airbags and fluorocarbons to the Japan Auto Recycling Partnership (JARP).

In addition, for the effective use of recycling fees deposited from customers, we proactively work on increasing the recycling rate by conducting efficient recycling and proper processing of these three items.

We accept for recycling three items identified by Japan's End-of-Life Vehicle Recycling Laws (ASR, airbags and fluorocarbons). As part of a project to support the advancement of automobile recycling, we engaged in the following two R&D projects from August 2021 to March 2023.

- 1) Research to restore the physical properties of PP resin*¹ recovered from ASR and expand the use of non-fossil-based plastic.
- 2) In the aim of realizing a low-carbon society, research to verify the applicability of technology to diagnose battery degradation, quickly and to a high degree of accuracy, that can facilitate the reuse and closed-loop utilization of drive batteries

We have joined the "LiB Joint Recovery System" established by the Japan Automobile Manufacturers Association and work to efficiency recovery lithium-ion batteries (LiBs). The system started operating in October 2018 to properly dispose of used LiBs with the Japan Auto Recycling Partnership as a contact point.

*¹ Polypropylene resin, a general-purpose polymer composed of carbon and hydrogen

Recycling Promotion in the EU

Response to the EU's Directive on the Recycling of End-of-Life Vehicles

In the EU, in accordance with the End-of-Life Vehicles Directive*² established in 2000, automobile manufacturers or importers must accept and recycle end-of-life vehicles. Also, in 2003, the ELV Directive*³ was enacted, specifying ease of recycling as a certification requirement.

We built a system of acceptance and recycling in line with the actual situation of EU member countries centering on our European subsidiary Mitsubishi Motors Europe B.V. (MME).

- *² "Directive of the European Parliament and of the Council on End-of-Life Vehicles"
 *³ End-of-Life Vehicles

Provision of Dismantling Information

In the EU, automobile manufacturers must provide dismantling information for new model vehicles to treatment operators. The company provides such information on a timely basis by using the International Dismantling Information System (IDIS) jointly developed by automobile manufacturers.

Response to the EU's Directives on Approval for Vehicle Models for Recyclability

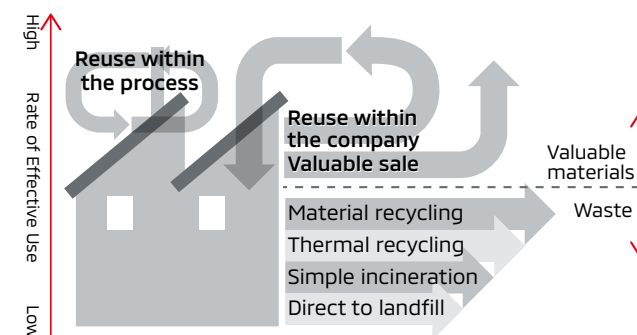
In the EU, satisfying the minimum 95% recyclability rate is a requirement for type approval of vehicle models, and the company established a system that satisfies the requirements of this directive. Our vehicles sold in the EU meet the requirements of the directive under this system.

Going forward, we will continue to acquire recyclability approval for all new models sold in the EU.

Initiatives to Reduce Waste Generation and Reuse Resources in Production Activities

We are working to reduce the amount of waste generated through manufacturing by improving its production processes. As for the generated waste, we reduce treatment costs and continue to improve the sorting and treating methods to utilize it as resources.

Effective Use of Resources and Recycling



Prevention of Pollution



Progress in FY2022

- Eliminated the use of kerosene by electrifying air conditioners (Mizushima Plant)
- Obtained information on GADSL*¹ regulated substances, upgraded our management system, and switched parts and made design changes in accordance with the ELV*² directive in order to properly manage hazardous substances in products.

*1 Global Automotive Declarable Substance List, a list to facilitate the exchange of information on environmentally hazardous substances, created by consensus of a group of automotive manufacturers in various countries

*2 End-of-life vehicles

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(WEB) Atmosphere/Wastewater Quality/PRTR-designated Pollutants Data (FY2022 Results)

https://www.mitsubishi-motors.com/en/sustainability/esg/factory_archive2023.html

Basic Approach

Vehicles are products that can affect human health and biodiversity through the emission of environmental pollutants and chemical substances during business activities or product use.

MITSUBISHI MOTORS aims to contribute to the realization of a pollution-free society and has positioned it as one of the key challenges in its Environmental Plan Package. We are working to reduce the environmental impact of our products and the pollution resulting from our business activities.

In the stage of product development, along with reducing noxious components of exhaust gases and promoting the development of fuel economy improving technologies and electrification technologies, we strive to manage hazardous substances. In production processes, we are endeavoring to reduce air pollutants emitted from our plants by voluntarily enacting activity standards that are stricter than legal requirements. In order to reduce the impact on the environment from air pollutants and chemical substances, we engage in the prevention of pollution throughout all our business activities.

Purifying Exhaust Gas while Driving

In addition to developing and popularizing electrified vehicles, which emit little exhaust while driving, we are endeavoring to develop and improve gasoline and diesel vehicles that emit fewer hazardous substances.

Improving Gasoline Engine Vehicles

In the 1960s, emissions of carbon monoxide (CO), hydrocarbons (HC) and nitrogen oxides (NOx) were restricted by regulations, and those restrictions have gradually been tightened since.

We have taken various measures since such regulations were first introduced. Currently, our products are compliant with strict emission regulations, thanks to the advanced technologies such as electronically controlled fuel injectors for combustion control, gasoline particulate filter (GPF) systems, and improved catalyst technologies.

Improving Diesel Engine Vehicles

For diesel engine vehicles, emissions of CO, HC, NOx, and particulate matter have been regulated in some countries and regions, such as Japan, United States and European countries, since the 1970s.

Since such regulations were first introduced, we have taken measures including improving the combustion technology. To comply with these regulations, we have developed and produced clean diesel engines by systemizing combustion control technologies such as variable geometry turbocharger and high pressure fuel injection system, as well as after-treatment technologies such as NOx trap catalyst, diesel particulate filter, and urea selective catalytic reduction system.

Target
3.9Target
6.3Targets
12.4
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Clean Diesel Engine Systems

VG*1 Turbocharger

Continuously controlling the variable nozzle of the turbine optimally boosts power to the engine throughout its full operating range, improving fuel efficiency and reducing PM emissions.

*1 Variable geometry



Common Rail Fuel Injection System

Particulate matter and NOx can be generated due to incomplete combustion. In our vehicles, this is suppressed using a high-pressure fuel pump, common rail accumulator that stores highly pressurized fuel, and electronically controlled fuel injectors.



Diesel Particulate Filter (DPF)

A DPF, a filter that removes particulate matter by collecting and burning it, substantially reduces emissions of particulate matter.

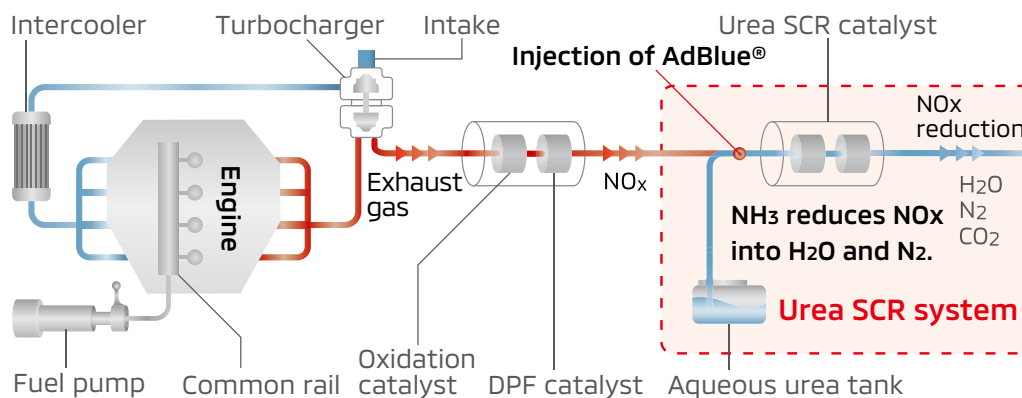


Urea Selective Catalyst Reduction (SCR) System

Nitrous oxides (NOx) from diesel engines' emissions are reduced and purified using an aqueous urea solution (AdBlue®*2), breaking them down into non-polluting nitrogen and water.

*2 Registered trademark of the Verband der Automobilindustrie (VDA)

[Clean Diesel Engine System (4N14 Engine)]



Target
● 3.9Target
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Reduction of Hazardous Substances

In accordance with the reduction targets of the Japan Automobile Manufacturers Association, Inc. (JAMA) and the EU's end-of-life vehicles directive (a recycling law), MITSUBISHI MOTORS is working to reduce the use of four substances (lead, mercury, cadmium, and hexavalent chromium). We are also taking measures to comply with regulations on the use of hazardous substances in each country in compliance with the REACH regulation*¹ concerning substances and the Convention on POPs*².

At present, in addition to four substances and other heavy metals, the use of VOCs*³, bromine-based flame retardants and various other substances is regulated. Regulations similar to European ones are being enforced in developing countries in Asia as well.

We are working to voluntarily reduce hazardous substances by setting internal technical standards.

*¹ REACH stands for "Registration, Evaluation, Authorisation and Restriction of Chemicals." Enacted on June 1, 2007, the REACH regulation is a general system to register, evaluate, authorize and restrict the use of substances

*² Persistent Organic Pollutants

*³ Volatile Organic Compounds

► Data (p. 119): Emissions of Sulfur Oxide, Nitrogen Oxide, VOC (Volatile Organic Compounds) and Ozone-Depleting Substances

Management of Material Data by IMDS

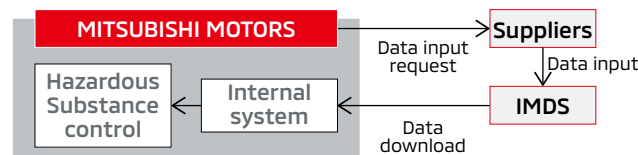
Data on the hazardous substances contained in vehicle parts delivered by suppliers are collected by the IMDS*⁴, an international system for collecting such data. Together with overseas, we utilize the collected data under a globally centralized internal system for reducing hazardous substances.

In cooperation with suppliers, we are complying with the REACH regulation, a general system for the registration, evaluation, authorization, and restriction of substances used in the EU.

In FY2022, we renovated our internal management system to properly manage hazardous substances in products by incorporating information on GADSL-regulated substances. We collect IMDS data inputted by suppliers and utilize the system to automatically determine the compliance status with regulations if any newly regulated substances are found in components, based on the content and materials used. We also implemented component replacement and design changes in accordance with the ELV Directive.

*⁴ International Material Data System

Flow of Data Collection through IMDS



Reduction of In-Cabin VOCs

To provide customers with a healthy and safe cabin space, we work to reduce VOCs inside the cabin.

VOCs are organic compounds that are easily volatilized at room temperature such as formaldehyde and toluene. These compounds are thought to cause sick building syndrome, and may irritate the eyes, nose, and throat. In an automobile cabin, they are mainly generated by adhesives and paint used in interior parts.

Please see the JAMA website for details regarding the Voluntary Guidelines.

(WEB) <https://www.jama.or.jp/english/news/past/release/2005/050214.html>

Progress

We are working to develop materials with low VOC emissions to reduce in-cabin VOCs.

Example of Measures to Reduce VOCs

Carpet	Reduced aldehydes in pile adhesives
Seat	Reduced organic solvents in fabric adhesives
Ornaments	Reduced VOCs by using spun-dyed high-gloss interior parts

Target
3.9Target
6.3Targets
12.4
12.5

Preventing Air Pollution

Reduction of VOC Emissions from Production Processes

MITSUBISHI MOTORS is applying the waterborne 3WET paint method*¹ to the painting process to reduce VOC emissions. In Japan, we use this method at the Mizushima Plant and the Okazaki Plant. Overseas, the system is used on the No. 3 paint line at Mitsubishi Motors (Thailand) Co., Ltd. (MMTh).

We are also upgrading our robotic and other painting systems, reducing the amount of paint used by adjusting production lots and collecting more used thinner. Through these moves, we are reducing VOC emissions from vehicle production.

*¹ With this method, water-soluble paints are used for the middle and top coats. Solvent-based paint is used only for the clear overcoat.

► Data (p. 119): VOCs



New paint plant (MMTh)

Management of Air Pollutants

We follow laws and regulations to manage the concentrations and amounts of such air pollutants as nitrogen oxides (NO_x), sulfur oxides (SO_x) and soot emitted in production processes.

In addition, we are promoting the replacement of equipment that uses fossil fuels such as kerosene with electric devices, including electric heat pumps, to simultaneously reduce air pollutants and CO₂ emissions.

TOPICS

Eliminating the Use of Kerosene through Electrification (Mizushima Plant)

At the Mizushima Plant, in FY2022 we replaced the air conditioners in the main building and PR Center with electric air conditioners, transitioning from kerosene-powered absorption chiller-heaters to fully electrified systems.

This move reduced kerosene use within the plant to zero, lowering atmospheric pollutants such as NO_x and particulate matter, as well as achieving an annual reduction of 50 tons of CO₂ emissions due to energy-saving effects.

Management of Chemical Substances

Appropriate Management of Chemical Substances

We have introduced a chemical substance management system for using chemical substances. Before deploying substances, we examine their physical and

chemical properties and the details of usage plans, as well as legal requirements, conduct risk assessments. Finally, we judge whether they can be introduced and educate workers well. We also use this system to conduct centralized management of the most recent Safety Data Sheet (SDS) information. In addition, we use data from this system to ascertain the quantity of PRTR*² substances used and report on their usage and emissions to Ministry of Economy, Trade and Industry, as well as other aspects of legal compliance.

*² PRTR: Pollutant Release and Transfer Register

Appropriate Management of Hazardous Waste

We manage hazardous waste to avoid importing or exporting hazardous waste that is restricted by the Basel Convention on the Control of Transboundary Movements of Hazardous and Their Disposal*³.

We also transport and treat waste produced in Japan appropriately, based on various legal requirements.

*³ This convention stipulates international frameworks and procedures related to restrictions on international transfer of a certain types of waste.

Appropriate Management of Waste Containing PCBs

Harmful polychlorinated biphenyls (PCBs) are contained as insulation oil in transformers and condensers that were manufactured a long time ago. We process waste containing PCBs appropriately, in accordance with the Act on Special Measures concerning Promotion of Proper Treatment of PCB Waste.

Conservation of Water Resources



Progress in FY2022

- Put in operation and improve of operation at a discharged water recycling plant at Mitsubishi Motors (Thailand) Co., Ltd. (MMTh)
- Completed an effluent treatment facility and associated sludge dewatering equipment to treat emissions from the Mizushima Plant's paint plant, sheet metal plant, and in other production processes.

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(WEB) Atmosphere/Wastewater Quality/PRTR-designated Pollutants Data (FY2022 Results)
https://www.mitsubishi-motors.com/en/sustainability/esg/factory_archive2023.html

Basic Approach

Due to the increasing population and changes in the natural environment caused by climate change, water supply and demand are becoming tighter in more regions, and social concern for the preservation of water resources are increasing.

MITSUBISHI MOTORS requires a large amount of industrial water, city water, and groundwater, etc., for the automobile production process and discharge of water into sewage lines and rivers, etc. In regions where water risk is high, it is essential to consider the impact that water withdrawal and discharge from our business activities have on the surrounding environment.

At each plant, we comply with various legal requirements, such as the one on the quality of discharged water. In addition, we work to reduce water withdrawal amounts and introduce water recycling

technologies based on the status of water resource management in individual countries and regions.

Water is required for the operations of our business partners. We are aware of the importance of water risk management throughout the entire value chain.

Reduction of Water Withdrawal Volume

We are striving to reduce water withdrawal volumes by reusing washing water used in production processes for pre-washing and by circulating cooling water and temperature control water.

At the Okazaki Plant and at PT. Mitsubishi Motors Krama Yudha Indonesia (MMKI), we have set up rainwater storage tanks in order to reuse rainwater.

At the Okazaki Plant, we have also set up equipment to filter groundwater so that it can be used to supply drinking water to employees and those who live nearby, in case any disasters occur.

► Data (p. 120): Withdrawn water volume

Water Withdrawal Source and Drainage of Each Plant

Plant	Water Withdrawal Source	Drainage
Okazaki Plant (Okazaki, Aichi Pref.)	Yahagi River	Kanda River Tributary → Kanori River
Kyoto Plant –Kyoto (Kyoto, Kyoto Pref.)	Lake Biwa	Sewage line
Kyoto Plant –Shiga (Konan, Shiga Pref.)	Lake Biwa	Sewage line
Mizushima Plant (Kurashiki, Okayama Pref.)	Takahashi River	Hakken River → Mizushima Port
Mitsubishi Motors (Thailand) Co., Ltd. (MMTh)	Nong Pla Lai Reservoir, etc.	Sewage line
Mitsubishi Motors Krama Yudha Indonesia (MMKI)	Lake Jatiluhur	Sewage line



Rainwater storage tanks (Okazaki Plant)



Groundwater membrane filtration equipment (Okazaki Plant)

Reuse of Discharged Water

The MITSUBISHI MOTORS Group has introduced wastewater recycling technologies, taking into consideration the situation regarding water resource management at each facility location. Currently, discharged water recycling plants are operational at PT. Mitsubishi Motors Krama Yudha Indonesia (MMKI) and Mitsubishi Motors (Thailand) Co., Ltd. (MMTh).

MMKI has been utilizing a water recycling plant since its establishment in 2017. In FY2022, its wastewater recycling rate reached 67%.

In addition, in January 2022 MMTh began operating its first discharged water recycling plant, in conjunction with the start of operations of a new paint plant. By starting and improving operations in FY2022, in January–March 2023 the wastewater recycling rate rose to 83%.

►Data (p. 120): Withdrawn water volume



Wastewater recycling plant (MMTh)

Prevention of Water Pollution

To prevent water pollution in areas surrounding plants, we measure and manage the quality of discharged water based on legal requirements. We also conduct surveys and confirmations regarding the quality of groundwater and soil pollution. In this way, we confirm that no toxic substances are being discharged to the outside area. In order to quickly detect abnormalities in discharge water quality due to such factors as rainfall, we set up a surface oil detector* in front of outlets leading from the plant to public water and continuously monitor discharge water conditions. We carry out continuous monitoring so that water discharged from the plant does not affect the environment outside the site. In the event of an accident, we respond quickly to prevent pollution from spreading, report to the local authorities and disclose information to the community.

* Detects the presence of oil by capturing changes in reflectance as the reflectance of oil is greater than that of water.



Observation well (Okazaki Plant)



Surface oil detector
(Okazaki Plant)

TOPICS

Upgrading Industrial Wastewater Treatment Facilities and Sludge Dewatering Equipment (Mizushima Plant)

At the Mizushima Plant, we are gradually upgrading waste water treatment facilities that have deteriorated over time. After upgrading urine and domestic wastewater treatment facilities in FY2021, in FY2022 we updated wastewater treatment facilities, including those for the paint plant and sheet metal factory, along with the accompanying sludge dewatering equipment. The upgraded facilities began operating in March 2023.

We have installed a high-speed coagulation and sedimentation device in our wastewater treatment facility, allowing us to reduce processing time, optimize space utilization, and stabilize the quality of treated water. Additionally, by utilizing natural gradients for water transfer and reducing the number of pumps, we have increased energy efficiency, reducing annual CO₂ emissions by an estimated 50 tons.

By updating the filter press dewatering equipment to improve the dewatering performance of our sludge dewatering equipment, we expect to reduce the amount of sludge treated as industrial waste by approximately 15%, or 70 tons per year.



Industrial wastewater treatment facilities and the green site of the former treatment plant (Mizushima Plant)

Preservation of Biodiversity



Progress in FY2022

- Promoted preservation activities that leverage the results of ecosystem surveys at locations in Japan
 - At the Kyoto Plant, continued to manage a biotope* and cultivated rare aquatic plants
 - At Kyoto Plant-Shiga, engaged in wetland conservation and cultivation of rare white egret flower
- Conducted tree-planting and cultivation activities in Japan and overseas
 - Planted and cultivated trees at Pajero Forest (Yamanashi Prefecture)
 - In FY2023, signed a forest preservation activities collaboration agreement with the city of Okazaki, Aichi Prefecture, ahead of the start of operations of the Okazaki Outlander Forest
 - Conducted tree-planting projects in the Philippines and Thailand

* A biotope is a space where organisms can live in natural surroundings.

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WEB Biodiversity Data

https://www.mitsubishi-motors.com/en/sustainability/esg/biodiversity-related_data/

Basic Approach

All living things are intricately connected in various relationships and live in balance. We benefit from this biodiversity in our lives.

MITSUBISHI MOTORS both directly and indirectly impacts on biodiversity due to land use (including the construction of plants), the release of chemical substances from plants, and the greenhouse gas emitted from the use of our products and business activities. Meanwhile, climate change is transforming regional environments, which has a major direct impact on ecosystems. We believe it is a priority to enact climate change countermeasures, protecting biodiversity so that we can continue to enjoy its blessings.

We formulated the "MITSUBISHI MOTORS Group Guidelines for the Preservation of Biodiversity" in August 2010 and promote conservation activities.

Our business sites in Japan are not located in or adjacent to protected areas according to the Nature Conservation Act and prefectural codes. However, we conducted surveys on ecosystems in order to understand the impact our business activities have on biodiversity.

To protect water sources and fostering environmental awareness among our employees, we conduct forest preservation and interact with the local community through volunteer employee activities in Japan and overseas.

MITSUBISHI MOTORS Group Guidelines for the Preservation of Biodiversity

The MITSUBISHI MOTORS Group will continue to track and reduce its impact on biodiversity, recognizing that the activities of humankind can both benefit from and affect the diversity of living organisms. To this end, the entire Group will take on initiatives for preventing global warming and environmental contamination, and promote the recycling and efficient use of resources, while engaging in activities that pay consideration to biodiversity.

1. Consideration to biodiversity in business activities

We will track and reduce the impact of business activities on biodiversity by conserving energy, reducing the generation of waste, and curtailing the release of chemicals. At the same time, we will also pay consideration to neighboring communities when making use of land for factory construction and other purposes.

2. Consideration to biodiversity in products

We will promote fuel efficiency, exhaust gas countermeasures and recycling-friendly design of our products, while striving to select and use materials that pay consideration to the environment.

3. Education, understanding and self-awareness

We will continue to educate the entire Group from management to employees on the front lines to share a common understanding and develop a self-awareness of the relationship between business activity and biodiversity.

4. Cooperation and collaboration with society

These activities will be promoted in cooperation with all stakeholders including the supply chain, stockholders, local governments, local communities, non-profit organizations (NPOs) and non-governmental organizations (NGOs).

5. Information disclosure

We will strive to disclose and disseminate the content and results of these activities to customers and local communities.

Promoting Preservation Activities

Ecosystem Surveys at Business Sites in Japan

Production of vehicles requires large-scale plants. MITSUBISHI MOTORS believes that assessing the impact that the use of land in company business has on local biosystems is important to our biodiversity protection initiatives. Based on this concept, we conducted ecosystem surveys at our domestic business sites with largescale land, such as our factories with support from consultancies related to biodiversity. Ascertaining biosystems not only in domestic business sites but also in the surrounding environment by means of field surveys and documentary research leads to maintenance measures that are in harmony with local biodiversity.

Locations Where Ecosystem Surveys Were Conducted

Fiscal Year	Location
2013	Kyoto Plant-Shiga
2015	Okazaki Plant
2017	Mizushima Plant/Kyoto Plant-Shiga*
2018	Tokachi Research & Development Center
2019	Kyoto Plant-Kyoto
2021/2022	Kyoto Plant-Kyoto*

* A monitoring survey was conducted to confirm the preservation effects of the measures.

Kyoto Plant-Kyoto Cultivating Rare Plants in Cooperation with the Local Community

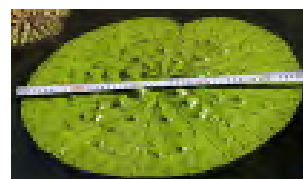
Based on an ecosystem survey conducted, we learned that the Kyoto Plant serves as a refuge where certain plants and insects can survive locally, and we found that this area was an important environment in terms of preserving regional diversity. To create a habitat for dragonflies and other insects, we built a biotope in

the "Relaxation Plaza," a green space on the campus, and rare aquatic plants such as Pricky water-lilies and water hollyhock are being cultivated in a pond within the plaza.

The seedlings of the rare aquatic plants were separated out by "SUSTAINA KYOTO," an environmental education center within the Kyoto City Southern Clean Center. Seeds of prickly water-lilies and water hollyhock that grew well in the pond were collected, and some of them were returned to "SUSTAINA KYOTO" in November 2022.



Relaxation Plaza



Pricky water-lilies 45cm
in diameter

Kyoto Plant-Shiga Preservation of Wetlands Where White Egret Flowers Bloom

We are working to protect the rare white egret flower by preserving wetlands located within the plant. Employees regularly remove invasive herbaceous plants such as broomsedge bluestem and maintain the wetland environment, which gives the white egret flower room to bloom every summer.



Employees clearing away
invasive herbaceous plants



White egret flower blooming

Forest Preservation Activities in Japan and Overseas

Since 2006, the Company has been conducting forest preservation activities in the "Pajero Forest" (approximately 7.23 hectares) located in Hayakawa-cho, Yamanashi Prefecture, in collaboration with the town of Hayakawa and OISCA. In March 2023, we also signed a forest preservation activity collaboration agreement with the city of Okazaki, Aichi Prefecture, where our manufacturing plant is located. We have named the forests in the Nukata area of Okazaki (approximately 50.7 hectares) as the "Okazaki Outlander Forest" and will engage in activities such as afforestation, undergrowth clearing, thinning, removal, pruning, and maintenance of walking trails and work paths.

In collaboration with the Philippines Department of Environment and Natural Resources (DENR), Mitsubishi Motors Philippines Corporation (MMPC) initiated a reforestation project in March 2018, with a plan to plant a cumulative total of 100 hectares over a period of approximately five years. So far, MMPC has planted trees on 62.2 hectares. In the final year, 2023, we aim to complete the plan by planting mangroves and other trees on 37.8 hectares in Infanta, Quezon Province.

Mitsubishi Motors (Thailand) Co., Ltd. (MMTh) and a non-profit organization, the Mitsubishi Motors Thailand Foundation (MMTF), began a reforestation project in FY2021. In 2022, as part of the "Root for Sustainability" project, we planted trees on 40 rai (6.4 hectares) of land in Nakhon Ratchasima province.



Signboard unveiling ceremony
at "Okazaki Outlander Forest"
(Okazaki, Aichi Prefecture)



Planting trees in Thailand

Social

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Delivering Products Which Help Prevent Traffic Accidents



Progress in FY2022

Safety Support Car S Wide Models
[FY2021: 17 vehicle models]

16 vehicle models

Models Certified by the Ministry of Land, Infrastructure, Transport and Tourism (MLIT) as Having Forward Collision Mitigation Braking
[FY2021: 15 vehicle models]

15 vehicle models

Models Certified by the MLIT as having Pedal Misapplication Prevention Devices
[FY2021: 17 vehicle models]

16 vehicle models

Models adopting the Collision Safety Technology "RISE" (Excluding Vehicle Models Provided by OEM)
[FY2021: 12 vehicle models]

12 vehicle models

- The new "Delica Mini" (launched in May 2023) is certified as a Safety Support Car S Wide Models.
- Furthermore, its forward collision mitigation brake and pedal misapplication prevention device are certified as achieving a certain degree of performance under the MLIT's Performance Certification System.

<Related pages>

P15 MITSUBISHI MOTORS' Materiality
P21 Materiality

Basic Approach

MITSUBISHI MOTORS is aware of its responsibility towards traffic safety as an automaker, and we have identified "Delivering products which help prevent traffic accidents" as a key part of our sustainability activities.

Approximately 1.35 million people are lost in traffic accidents worldwide every year.* As vehicle ownership increases in emerging countries in particular, traffic accident fatalities are also on the rise. Reducing the number of traffic accidents is an urgent matter globally. A target was adopted for Target 3.6 of the Sustainable Development Goals (SDGs) at the 74th UN General Assembly held in 2020. This target calls for halving the number of global deaths and injuries from road traffic accidents between 2021 and 2030.

We are upholding the safety philosophy towards a car society with zero traffic accidents. To this end, we are taking action from two perspectives: developing and disseminating safety technologies and promoting traffic safety education.

*2018 World Health Organization (WHO) survey

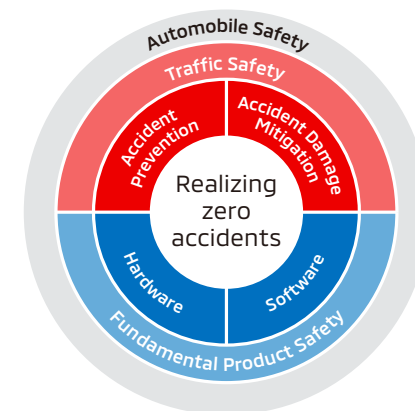
Management Structure

With regard to product development, the product safety committee has established guidelines and a strategy for safe development based on the MITSUBISHI MOTORS' safety philosophy. The committee also formulated an automobile safety framework as our approach to safety technology. We are conducting initiatives based on three points:

1. Technology to help prevent traffic accidents (active safety)
2. Technology to mitigate damage from traffic accidents (passive safety)
3. Avoidance of dangers, both in hardware and software, assumed as industrial products (fundamental product safety)

We are also working to enhance the management structure by educating R&D personnel, promoting awareness of the safety philosophy and automobile safety framework.

Automobile Safety Framework





Development of Safety Technology

By reflecting a variety of safety technologies in our products, MITSUBISHI MOTORS aims to help our customers drive in safety, peace of mind and comfort.

Active Safety Technology to "Avoid Crashes"

We are working to develop and install various active safety technologies to help to eliminate traffic accidents preemptively.

MITSUBISHI MOTORS Safety Sensing [MMSS]

Using millimeter-wave radar and cameras, these technologies help to detect the risk of accidents and help prevent, avoid or mitigate damage.

Examples of Preventive Safety Features

Function	Description
Forward Collision Mitigation Brake System	Detects vehicles and pedestrians ahead. If there is a risk of collision, the system alerts the driver or applies the brakes to help avoid a collision or mitigate collision damage.
Forward Collision Prediction Warning	Monitors two vehicles in front of the traveler. It detects a change in the situation ahead which is difficult to see from the driver, and alerts the driver with an alarm and a display.
Lane Departure Warning System and Lane Departure Prevention Function	The warning system monitors the lane markers ahead of the vehicle and provides alarms and displays to alert the driver if the vehicle appears likely to drive out of the lane. In addition, the Lane Departure Prevention Function takes control of the brakes for a short period of time, helping to keep the vehicle in its lane.
Adaptive Cruise Control System	This system automatically follows the vehicle ahead by accelerating, decelerating or stopping. By helping to maintain a set distance between vehicles, the system reduces the burden on the driver.
Ultrasonic Misacceleration Mitigation System	When the driver drives forward or in reverse, the system helps to prevent acceleration caused by misoperation of the gear shift or accelerator pedal.
Automatic High Beam	Automatically switches between low beams and high beams by detecting whether there is an approaching vehicle or vehicle ahead, the ambient lighting conditions, and other factors, helping safer nighttime driving.

Scope of Support Cars Expanded

Safety support cars are vehicles equipped with advanced technologies that support safe driving. It is a new automotive safety concept, as an effort to help prevent traffic accidents among senior drivers, being promoted in Japan through collaboration between the government and private sectors. Vehicles are classified into the following categories: "Safety Support Cars" or and "Safety Support Cars S" (Basic, Basic +, and Wide) depending on the features in each vehicle. We are expanding our lineup of Safety Support Car S Wide Models.

Safety Support Car Models (As of June 2023)

Safety Support Car S Wide Models	
OUTLANDER PHEV model	
ECLIPSE CROSS PHEV model	
ECLIPSE CROSS gasoline model	
RVR	
DELICA D:5	DELICA D:5 URBAN GEAR
eK X EV	eK X
eK WAGON	eK SPACE
Delica Mini	
DELICA D:2	DELICA D:2 CUSTOM
TOWN BOX	
MINICAB VAN*	MINICAB TRUCK*

Note: Some grades are excluded.

In addition, our forward collision mitigation braking system and pedal misapplication prevention device have been certified as achieving a certain degree of performance under the Ministry of Land, Infrastructure, Transport and Tourism's "Advanced Safety Technology Performance Evaluation Certification System."

Certified Models (As of June 2023)

(Forward Vehicles) Forward Collision Mitigation Braking System
(Pedestrians) Forward Collision Mitigation Braking System

OUTLANDER PHEV model	
ECLIPES CROSS PHEV model* ¹	
ECLIPES CROSS gasoline model* ¹	
DELICA D:5* ²	DELICA D:5 URBAN GEAR* ²
eK X EV	eK X
eK WAGON	eK SPACE
Delica Mini	
DELICA D:2	DELICA D:2 CUSTOM
TOWN BOX	
MINICAB VAN* ³	MINICAB TRUCK* ³

*¹ For some grades, forward vehicles only

*² Forward vehicles only

*³ For some grades only

Pedal Misapplication Prevention Device

OUTLANDER PHEV model	
ECLIPES CROSS PHEV model	
ECLIPES CROSS gasoline model	
RVR* ⁴	
DELICA D:5* ⁴	DELICA D:5 URBAN GEAR* ⁴
eK X EV	eK X
eK WAGON	eK SPACE
Delica Mini	
DELICA D:2	DELICA D:2 CUSTOM
TOWN BOX	
MINICAB VAN* ⁵	MINICAB TRUCK* ⁵

*⁴ Forward only

*⁵ For some grades only

Vehicles which Pedal Misapplication Prevention Device can be retrofitted

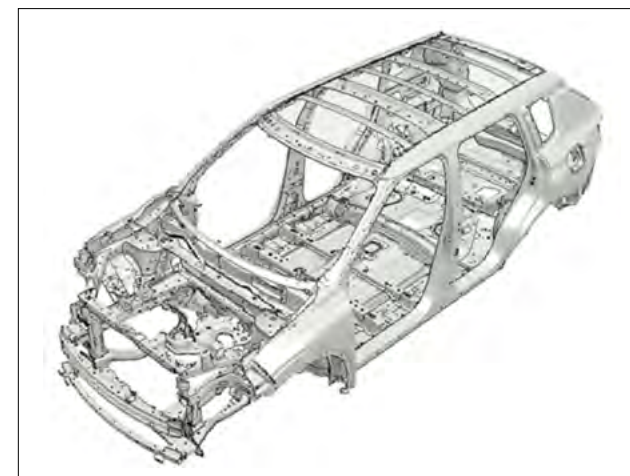
eK WAGON (2013–2019)	eK CUSTOM (2013–2019)
eK SPACE (2014–2020)	eK SPACE CUSTOM (2014–2020)
MIRAGE (2012–2023)	DELICA D:5 (from 2007)

Body Structures that “Protect People”

In the event of a collision, it is crucial to have a vehicle body structure that mitigates the impact on passengers and provides adequate space. MITSUBISHI MOTORS has adopted the Reinforced Impact Safety Evolution (RISE) body, and enhance collision safety performance in all directions: front, rear, and sides.

For example, the “OUTLANDER gasoline model,” which launched in North America in April 2021 and the “OUTLANDER PHEV model,” which also launched in Japan in December 2021, use a front-to-rear straight frame structure that can efficiently absorb collision energy. The vehicle interior (cabin) uses high-tensile-strength steel, as in the past. In addition, hot-stamped ultrahigh-tensile-strength steel is used to achieve enhanced passenger safety while reducing weight.

We are also pursuing safety with regard to pedestrians, as well as drivers and passengers. For example, we have adopted energy-absorbing structures in the hood, cowl top, windshield wipers and other parts to mitigate injury to pedestrians' heads. Energy-absorbing structures that help to protect pedestrians' legs are used in bumper faces and headlights, for example.



RISE Body used in the “OUTLANDER PHEV model”

Models Adopting

(As of June 2023: Excluding Models Provided by OEM)

Reinforced Impact Safety Evolution (RISE)

OUTLANDER PHEV model	
ECLIPES CROSS PHEV model	
ECLIPES CROSS gasoline model	
RVR	
DELICA D:5	DELICA D:5 URBAN GEAR
eK X EV	eK X
eK WAGON	eK SPACE
Delica Mini	
MINICAB-MiEV	

Results of Major Third-Party Safety Assessment (As of June 2023)

Region	Third-Party Evaluation	Rating	Model
Japan	JNCAP ^{*1}	5☆	OUTLANDER PHEV model ECLIPES CROSS gasoline model eK X EV
Australia	ANCAP ^{*1}	5☆	OUTLANDER PHEV model OUTLANDER gasoline model ECLIPES CROSS PHEV model ECLIPES CROSS gasoline model
United States	IIHS ^{*2}	2022 Top Safety Pick+	OUTLANDER gasoline model
		2023 Top Safety Pick	OUTLANDER PHEV model ^{*3}
Latin America	Latin NCAP ^{*1}	5☆	OUTLANDER gasoline model
ASEAN	ASEAN NCAP ^{*1}	5☆	ECLIPES CROSS gasoline model

^{*1} Abbreviation of New Car Assessment Program. An automobile safety testing and assessment program implemented by a third-party organization in each country or region.

^{*2} Abbreviation of Insurance Institute for Highway Safety.

^{*3} Vehicles produced after May 2023

Avoidance of Dangers Assumed as Industrial Products

On the hardware (physical) side, MITSUBISHI MOTORS uses flame-retardant materials, employ isolation structures on high-voltage components and use other technologies to enhance safety and security.

On the software side, we use firewalls on vehicle networks and employ encrypted communications to reduce the risk of cyber threats via electrical equipment mounted in vehicles.

Traffic Safety Education and Promotion

We seek to reduce the number of traffic accidents by conducting traffic safety education and promoting awareness. In these ways, we are working to raise safety awareness throughout society.

Dissemination of Traffic Safety Information

Automobile Safety Facts Guide Website

We disseminate information on website on the proper use of equipment and other topics that require drivers' special attention so that drivers will use automobiles more safely.



Automobile Safety Facts Guide

(WEB) <https://www.mitsubishi-motors.co.jp/support/safety/popup/index.html>
(only in Japanese)

Improvement of Product, Sales, and Service Quality

Progress in FY2022

- Product quality: Achieved objective for warranty claim rate of three months in service for new vehicles
- Sales quality: In the FY2022 Sales Satisfaction Index (SSI) survey, achieved targets in four*¹ countries out of five*² in the ASEAN region
- Service quality: In the FY2022 Customer Service Index (CSI) survey, achieved targets*¹ in four countries out of five*² in the ASEAN region

*¹ Target: Achieve top three ranking in industry surveys, or in-house survey target adjusted to equivalent level.

*² Five focus ASEAN countries: Thailand, Indonesia, the Philippines, Vietnam, Malaysia

Improving Product Quality

- Quickly and accurately analyze voices/opinions/complaints/issues from customers regarding troubles and product quality, and work on product quality improvement.
- Strengthened connected, electrification, and other new technologies.

Improving sales quality

- To achieve industry-leading sales quality, worked to improve the hospitality of sales staff, digitalize the negotiation process, and reinforce strengthen store facilities.
- Ranked No. 1 in Vietnam in industry survey for the first time
- In Thailand, Indonesia, and Malaysia, set and achieved targets through in-house surveys.

Improving service quality

- Working with new car sales department to improve the quality of customer service provided by dealer service staff, including booking service appointments, customer reception, and detailed explanations of maintenance, in order to improve CSI and retain customers until their next vehicle purchase.
- Ranked No. 1 in Vietnam in industry survey for the first time, and also achieved in-house survey target.
- In Thailand, Indonesia, and Malaysia, achieved in-house survey targets.
- Ranked No. 1 mass-market brand in the U.S. in J.D. Power's CSI survey. Improved customer satisfaction through local distributor's continuous effort to improve dealer operations, as well as prompt response to defects and recalls. Also succeeded to increase the number of service customers from the previous year.

<Related pages>

P15 MITSUBISHI MOTORS' Materiality

P21 Materiality

Basic Philosophy and Quality Policy

Based on the Quality Policy revised in April 2019, MITSUBISHI MOTORS adopted compliance as a fundamental requirement, and have been working on quality improvement in four categories: product quality, perceived quality, sales quality and service quality, to enhance quality at every touch point from the time to consider purchasing a product to the time to own the vehicle.

Product quality includes the initial quality that customers experience immediately after purchasing a new vehicle, and durability quality that customers experience through their ownership period. We sincerely listen to the opinions of customers and deal with any issues from the field, and are strengthening our system to make improvements quickly.

In addition, we are working on improvement in perceived quality such as the usability, comfort, and appearance that customers perceive when they see, feel, and use our products.

Quality Policy

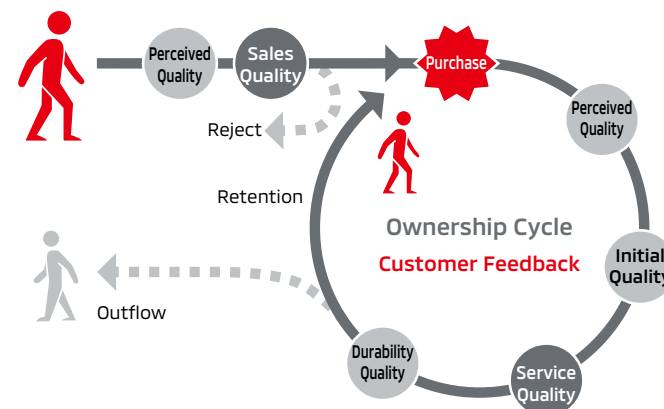
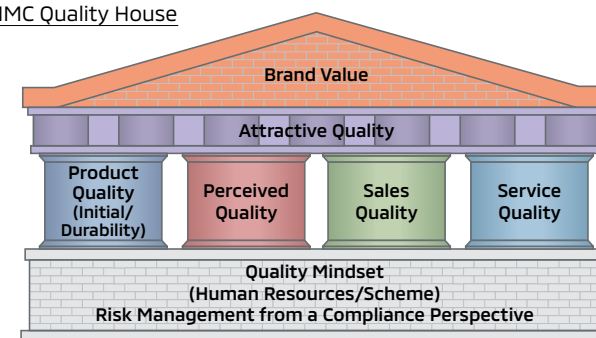
Quality is the fundamental requirement to support our business.

1. Commit to excellence in Product, Sales, and Service Quality exceeding customer expectations
2. Focus on Quality of Management to continuously improve overall company performance.
3. Comply with laws and global regulations to gain trust on MMC quality.

Regarding sales quality and service quality at dealers, we are continuously making improvements by listening closely to customers, making proposals and responding to their needs to achieve high levels of customer satisfaction. We aim for top-level quality from the customers perspective to ensure customer satisfaction at every touchpoint.

The Four Quality Pillars Supporting Brand Value

MMC Quality House



Improving Product Quality

Dealing appropriately not only with issues related to safety but also with opinions and complaints about merchantability is essential to improve customer satisfaction.

Regarding sold vehicles, MITSUBISHI MOTORS focus on troubles that occur within 3 and 12 months of sales, and are working on reducing initial issues. The quality division collaborates with R&D and production divisions to speed up resolution and reduce complaints from customers.

Regarding new models, to secure the initial quality, we hold a cross-functional activity called "Oobeya activities," where employees from various divisions including R&D, Production, Service, Quality, and Procurement divisions gather from when shipment starts to consider and implement countermeasures for any problems that may occur. This approach enable us to improve initial quality more quickly.

In addition, we are working on improving processes in the development stage to address issues that are not troubles, but that have caused customer dissatisfaction, so that they can be improved in future new models.

Vehicle Quality Evaluations and Guarantees Based on Customer Perspective

We evaluate quality using customer perspective quality evaluation system called AVES* on prototype vehicles under development, vehicles undergoing quality verification and production vehicles to be sold to customers.

The evaluation consists of a static evaluation, in which confirm the appearance of the interior and exterior, and a dynamic evaluation, in which the vehicle is actually driven and confirm noise, vibration, steering stability, and the operation of various in-vehicle functions. Evaluations are conducted from the customer's perspective by internal qualified experts called AVES evaluators, who confirm whether the targeted quality standards have been achieved.

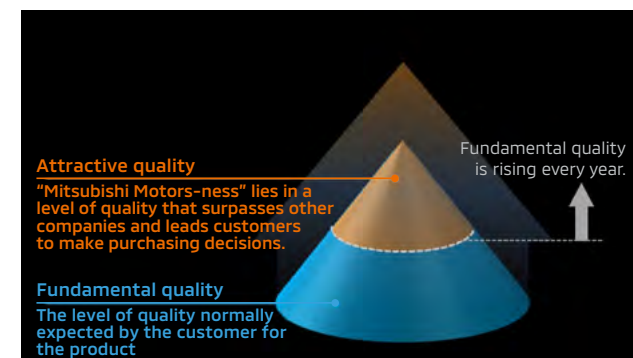
AVES plays an important role in "Start of production judgment" and "Delivery judgement" of new models, as well as in maintaining constant quality guarantees on production vehicles. Accordingly, these evaluations are performed thoroughly from the customers' perspective.

* AVES: Alliance Vehicle Evaluation Standard. Quality evaluation system used across the Renault-Nissan- Mitsubishi Alliance, in which evaluators who have in-house qualification evaluate vehicles in order to check more than 300 quality assessment criteria established from the customers' perspective.

Improving Perceived Quality

We are working on quality improvement with an emphasis on customer perceptions from the development stage in order to achieve high levels of customer satisfaction not only at the time of considering purchase, but throughout their car life after purchase.

Philosophy of Improving Product Quality



Perceived quality consists of two qualities. The fundamental is "fundamental quality" which customers typically expect from a product, and unless this level is achieved, customers will not purchase. In addition, the quality level that allows customers to recognize that our quality exceeds that of other companies and gives them a sense of "MITSUBISHI MOTORS-ness" will lead to customers making purchasing decisions. This is the area of "attractive quality."

By improving "attractive quality," we create products that customers can sense and choose from our unique appeal. In addition, by improving "fundamental quality," we create products that can be used for a long time.

We will continue our efforts to improve the perceived quality to ensure that customers feel more satisfied than expected when they touch or continue to use our products in their daily lives, and that they repurchase our products.

In addition, we are working on improving the perceived quality through efforts such as developing colors and materials that are tailored to the specific needs of customers and are environmentally friendly in regional color design.

Improving Sales Quality

MITSUBISHI MOTORS aims for top level customer's satisfaction and act in concert with sales companies to improve the quality of sales and become a brand that customers support and identify with.

Cooperation with Domestic Sales Companies

Domestic sales companies are promoting IT-based business negotiation styles as part of their efforts to offer proposals that meet customer needs and provide a new business negotiation experience. For example, we have introduced tablet devices to provide visually appealing product descriptions and to conduct service quality surveys to customers who visit our stores. By promptly capturing customer feedback through these surveys, we are able to make timely improvements. Additionally, we share successful examples that have led to improved customer satisfaction with our nationwide sales companies, encourage them to engage in improvement activities and further enhance customer satisfaction.

Cooperation with Overseas Sales Companies

Cooperation with sales companies in each country and region is essential for achieving high customer satisfaction overseas. MITSUBISHI MOTORS provides product information to sales companies on a daily basis. In addition, we hold periodic online meetings with sales companies in individual countries, and strives to gather comments and opinions from local customers, such as market information and product requests gathered through interviews. In these ways, we strive to gather input from local customers.

Sales companies in each country and region are working to digitalize the sales process. They are devising ways to further satisfy customers in each country and region, by conducting online negotiations and sales, and by introducing smartphone apps. We train salespeople both in person and online. In addition, we support sales companies' efforts to improve customer satisfaction by sharing good practices of their sales quality improvement activities in each country and region.

Appropriate Product and Service Information Disclosure

In compliance with the laws and regulations of each country and region, we strive to provide product and service information and labeling displays.

Improving Service Quality

At dealers, providing "Good quality service" from the customer's perspective is important from the time of vehicle purchase.

We are striving to improve our on-site customer support (communication skills and technical capabilities) in collaboration with our Japanese and overseas dealers, in order to ensure customer satisfaction and encourage repeat purchases.

Inheriting Service Skills in Japan

We have established unique service skill certification program for dealer staff. We offer an appropriate training for each certificated staff member to enhance their capabilities of actual customer services. To ensure uninterrupted education even when affected by the COVID-19 pandemic, we have been focusing on well-de-

veloped e-learning and online training. We will continue striving to make further improvements in training.

Additionally, from FY2023 we will resume in-person education, aiming to provide an even more comprehensive training.

We have seven Technical Centers across Japan and organizes technical meet-ups, seminars and technical expert visits, supporting dealers for highly technical advice and swift customer service.

Inheriting Service Skills Overseas

To ensure the same and high-quality customer services around the world, we have introduced global-common-standard training and certification program for automobile technicians aiming to advanced customer services.

As in Japan, online training in other countries is also available via internet. It delivers ceaseless opportunity for dealer staff to sophisticate their competence in spite of the impact of COVID-19 pandemic. Supporting from our technical experts are, of course, available at global dealers regarding such as highly technical advice.

Use of Customer Voice

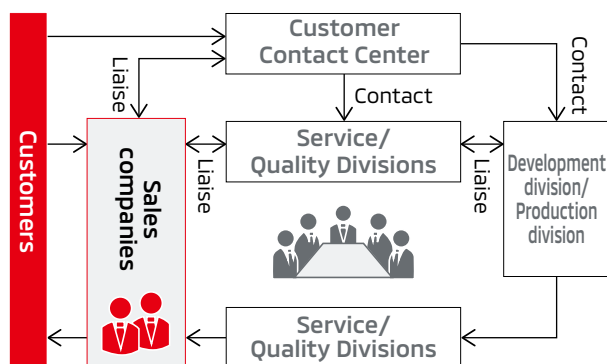
Our mission is to provide customers with a rich experience and satisfy them with their car life through attractive products and excellent after-sales services. To this end, we collect and analyze valuable customer feedback received from domestic and overseas sales companies and customer service centers, and our quality, development, production, sales, and service division work together to earnestly improve quality.

Improving Quality through Customer Voice

Dealers conduct detailed interviews with customers regarding troubles and the conditions in which they occurred.

This information provided to us by dealers is shared primarily by the quality department with related departments.

In addition, by using the system to analyze issues occurring in specific models, customer complaints of troubles (quality information), and repair records, we can quickly grasp troubles information and take countermeasures, which leads to quality improvement.



Customer Service Center initiatives

To serve more customers, MITSUBISHI MOTORS' Customer Contact Center receives inquiries via phone, email, and chat, including on weekends and holidays. The various comments and information from customers are managed in a database. Of the comments and information, matters regarding quality and issues are addressed in collaboration with dealers and are used for further quality improvements. In addition, feedbacks and complaints about merchantability and specifications, are shared with relevant divisions and used to improve product appeal even further. Note-

worthy comments and opinions including those that are particularly important are periodically reported to the top management.

In addition, we do not outsource the work of our customer Service center, instead our employees communicate directly with customers, maintaining a high quality of response, while also ensuring that customer feedback is accurately reflected in our products through smooth cooperation with each responsible department.

This leads to improvements in products and services.

Customer Support for Recalls and Other Field Campaigns

We have systems to provide information to customers timely in the case of implementing field campaigns such as recalls for safety issues. We send direct mail to affected customers and advise to have the vehicle inspected and repaired (free of charge) at the dealer as soon as possible. We also post information on our website so that customers can check whether their vehicles are subject to a recall and the status of repairs.

Refer to the site below for recall information.

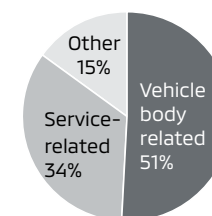
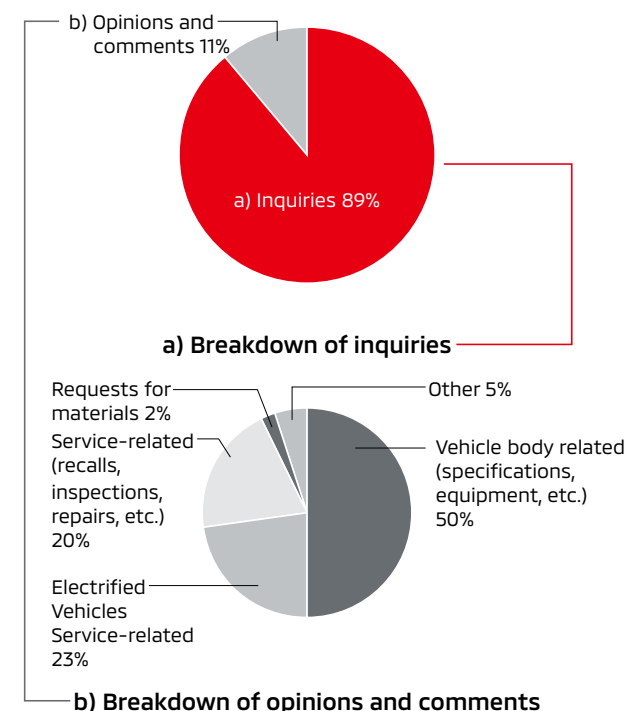
(WEB) <http://www.mitsubishi-motors.co.jp/support/recall/>
This site contains the Japanese market information (only in Japanese).

Number of Recalls/Service Campaigns and Affected Vehicles in Japan

	No. of cases	No. of units
FY2018	13 cases	Approx. 298,000 units
FY2019	15 cases	Approx. 590,000 units
FY2020	19 cases	Approx. 655,000 units
FY2021	13 cases	Approx. 492,000 units
FY2022	13 cases	Approx. 142,000 units

Contacts Received at the Customer Contact Center in FY2022

Number of contacts: approx. 35,000



Management System

MITSUBISHI MOTORS analyzes quality information to realize “Being evaluated as top-level quality by customers,” and set specific objectives, discuss and implement countermeasures, and regularly follow up with the status of improvements.

Also, regarding information from customers about vehicle issues provided by dealers, we have established systems for quick discussion, decision, and implementation, by collecting and sharing information with related departments on a daily basis.

Meeting	Meeting Frequency	Chair	Members	Objectives
Quality Strategy Committee (QSC)	Quarterly	The Executive Officer, President & CEO or directors in charge*1	Executive Vice President responsible for Engineering, Senior Executive Officer responsible for Production, division general managers related to sales, service and product quality	Deliberation and decision of strategic topics in quality relating to sales, service and products
Quality of Management Committee (QMC)	Quarterly	Top management of QMS*2	Division and plant general managers, responsible person of direct departments	Sharing of best practices related to enhancing companywide management quality, responding to external examinations, reporting on items requiring correction and lateral deployment
Quality Management Meeting (QMM)	Monthly	Top management of QMS*2	Division general managers and supervisors in specialist positions (section head or higher) of divisions related to product quality	Confirmation of progress toward product quality targets, consideration and deliberation concerning effectiveness of improvement measures, provision of a forum for resolution in the event of troubles

*1 If delegated by the Executive Officer, President & CEO

*2 The person responsible for quality management system implementation, designated by the Executive Officer, President & CEO or the Executive Officer, President

QMS*3 ISO 9001 Initiatives

To achieve “product quality and sales/service quality that exceeds customer expectations,” continuous improvement of company-wide management quality is essential. Therefore, not only divisions directly involved in product quality and sales/service quality, but all divisions are working on management quality improvement throughout the company, and have obtained ISO 9001 certification.

To continuously improve management quality, we are implementing the following.

- 1) Plan and implement annual plans with quantitative objectives
- 2) Confirm progress at first-half and full-year management reviews
- 3) Share opportunities for improvement through internal audits
- 4) Use certification bodies to conduct examinations (surveillance, recertification)

In addition, our overseas production plants have similarly obtained ISO9001 certification, and continue our initiatives to ensure that our products, produced and sold around the world, have product quality and sales and service quality that exceed customer expectations.

*3 Quality Management System

Developing Quality Mindset

Since FY 2014, MITSUBISHI MOTORS has been holding Quality Forums in all business locations in Japan as part of our initiatives to encourage each employee to review and improve the quality of their work, thereby leading to quality improvements in products, human resource, and ultimately company's brand power and reliability.

Since FY2018, we have expanded the Quality Forum to our overseas locations, Mitsubishi Motors (Thailand) Company Limited (MMTh) and PT. Mitsubishi Motors Kurama Yudah Indonesia (MMKI), and it has become well established. We are planning to expand this initiative to other locations in the future.

Amid restrictions due to COVID-19, in FY2022, we have resumed physical exhibitions in addition to on-line exhibitions on a dedicated website.

Number of Participants

	Domestic forums	Overseas forums (Thailand, Indonesia)
FY2018	4,550	1,880
FY2019	6,200	800 ^{*1}
FY2020	6,200 ^{*2}	2,310 ^{*2}
FY2021	6,000 ^{*2}	2,850 ^{*2}
FY2022	6,800 ^{*2}	2,700 ^{*2}

^{*1} Due to COVID-19, held only in Indonesia

^{*2} Due to COVID-19, held online

Understanding Customer Needs

We are conducting an educational activity called "Customer Voice Seminar" with the aim of giving each employee an opportunity to think about customer needs by listening to actual "customer voices."

For new employees and Mid-career employees, we incorporate it into the introductory training curriculum, and also provide many opportunities to consolidate a customer-oriented mindset, such as training for promoted employees and voluntary participation courses.

In addition, we have set up and regularly update a "Customer Voice Course" video site on our intranet, which enables employees to watch them at any time while working from home or during their free time at work.

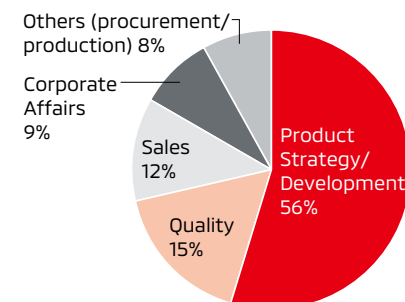
Developing Customer Orientation

We are supporting employees interested in acquiring Advisory specialist for consumers' affairs qualification, which is a business qualification from the Prime Minister and Minister of Economy, Trade and Industry, with the objective of considering needs from the consumers' perspective and improving the quality of products and services.

As of April 1, 2023, we have 60 qualification holders, making us 12th among Japanese companies and 2nd among Japanese automakers^{*3}. In addition, approximately 70% of our qualification holders work in departments related to manufacturing and quality, and utilize their wide range of knowledge and sensibilities in manufacturing vehicles from the customer's perspective.

^{*3} Research by Japan Industrial Association

Advisory specialist for consumers' affairs



Contribution to Local Economy through Business Activities



Progress in FY2022

Annual creation of employment
Number of local employees
(including non-full-time employees)
(Thailand, Indonesia, the Philippines, Vietnam)

11 thousand people

Annual vehicle exports

384 thousand units

Vehicle exports (Thailand)

291 thousand units

Vehicle exports (Indonesia)

93 thousand units

- Employment creation in the ASEAN: Continued to create local employment at four consolidated companies in Thailand, Indonesia, the Philippines, and Vietnam
- Major human resource development and technology transfers in the ASEAN: provided scholarships to vocational training schools and technical universities, provided training vehicles, conducted education and training courses (Thailand, Indonesia, the Philippines, Vietnam), established a new paint plant and commenced mass production (Thailand)
- Major exports to the ASEAN: Continued to export vehicles from Thailand and Indonesia (exported vehicles: [Thailand]: TRITON, PAJERO SPORT, MIRAGE, Attrage [Indonesia]: XPANDER)
- Started joint study of Kei-car segment commercial electric vehicle in Thailand and Indonesia with logistics companies and state-owned postal service. Also began projects to install solar power systems at hospitals in Thailand, projects to install rooftop solar power systems at factories in Indonesia and the Philippines, and promoted other activities that help reduce environmental impact.

<Related pages>

P15 MITSUBISHI MOTORS' Materiality

P21 Materiality

Basic Approach

MITSUBISHI MOTORS has been developing business in the ASEAN since prior to the rise of motorization, and we have grown up alongside these countries while developing close ties with the region based on the idea that "regional development" is "MITSUBISHI MOTORS development."

In this region, where we have undertaken business activities for many years, we are working proactively to address local social issues. To promote joint growth, we will invigorate the region, cultivate the market, understand consumers' needs and reinforce our own brand. In these ways, we believe we can simultaneously achieve regional development and our own development. "Challenge 2025," the new mid-term business plan we announced in March 2023, calls for the concentration of management resources on the ASEAN—a core area of business. In addition, in the aim of achieving further growth MITSUBISHI MOTORS will conduct higher and stable spending on R&D and capex, which will include increased expenditure on electrification, IT and new business as a proportion of total expenditure. One of our material issues is "contribution to local economy through business activities." In accordance with this aim, by developing our business in the ASEAN, we will contribute to the local economy through employment, human resource development, investment, technology transfer and exports.*1

In addition, by responding to social needs specific to the ASEAN, we will engage in initiatives that lever-

age our technologies and services in the areas of the environment and social contribution, as well.*2

*1 Please see page 15 for details on identifying material issues

*2 Please see pages 76–78 for specific examples

Management Structure

Local subsidiaries take charge of planning and implementing activities in line with initiatives that target material issues in the ASEAN, such as "contribution to local economy through business activities." Our sales division, which maintains administrative and supervisory functions, is responsible for promoting these initiatives. In the four countries where our production bases are located (Thailand, Indonesia, the Philippines and Vietnam), every six months we check with local subsidiaries on the rate of progress and results of initiatives, reporting to the management team via the Sustainability Committee.

Employment

Markets in the ASEAN have been affected by the COVID-19 pandemic. To help reinvigorate the economy and facilitate growth, we believe it is our mission to continue to create employment in the region. We employ approximately 1 thousand people in FY2022, in the four countries where we have production bases: Thailand, Indonesia, the Philippines and Vietnam. In FY2023, we will use local human resources in line with our business plans.

Target
● 4.4Targets
● 9.2
● 9.4Target
● 10.2Target
● 11.5Target
● 13.1Target
● 17.7

Human Resource Development

In the ASEAN, which is working to become more industrially advanced, MITSUBISHI MOTORS helps by providing experience in automobile manufacturing, sales and service. In addition to cultivating specialized expertise and skills, we cultivate people who are involved in manufacturing and foster local economic growth. In FY2022, each country conducted training and on-the-job training (OJT), combining face-to-face and online training depending on status of COVID-19 infections.

- In Thailand, we conducted online sales and service training for around 40 thousand employees and dealer staff.
- In Indonesia, we conducted training to enhance operational skills for around 250 local employees according to their business level.
- In the Philippines, we conducted education and training aimed at enhancing local employees' operational skills and productivity. Around 6,900 people took part in these efforts to enhance their level of specialization.

In FY2023, we plan to continue providing training courses and OJT according to conditions in each country.

Investment

We continue to make capital investments in plants, which support local economic growth.

In FY2022, we decided to produce the Kei-car segment commercial electric vehicle "MINICAB-MiEV" locally in Indonesia and to expand export destinations for other models, and we are continuing to invest in this area. In addition, as we see substantial room for growth in the ASEAN and Oceania, our core business regions, our new mid-term business plan, "Challenge 2025," calls for stable or increased levels of R&D and capital expenditure from 2026 onward to respond to an upcoming era of major transformation.

Technology Transfer

We continue to support the enhancement of manufacturing capabilities and strengthening of competitiveness through local production in various countries, with a focus on the ASEAN, our driver of growth.

In FY2022, we promoted the overseas transfer of manufacturing technologies, including electrified vehicles developed in Japan, through the preparation for production of new models such as the "TRITON" pickup truck, compact SUVs, and the "MINICAB-MiEV," which is our first electric vehicle to be produced overseas.

To enhance manufacturing competitiveness, we have introduced the Buddy system (sharing a com-

mon destiny), and we are forming Buddy partnerships between our overseas and domestic factories. This allows for the implementation of various measures to enhance competitiveness and the transfer of expertise, from the launch of new vehicle models to mass production operations.

In addition, we are actively promoting the adoption of solar power generation in our efforts to create environmentally friendly factories. We have installed solar panels not only in our newly established painting plant in Thailand, but also in our plants in Indonesia and the Philippines. By transferring the technology and know-how of solar power generation that we have cultivated in Japan to our overseas production facilities, we are working towards more environmentally friendly factories.

Furthermore, we implemented vocational training support and technical education activities for local personnel from technical universities and vocational training schools in Thailand, Indonesia, the Philippines, and Vietnam. This included providing scholarships, internship vehicles, conducting educational workshops, organizing online seminars for teachers, and offering education programs for the children of employees involved in the automotive industry. These initiatives aimed to facilitate technology transfer and enhance the vocational training of local talent in the region.

In FY2023, we will continue to support the advancement of the regional manufacturing industry.

Target
● 4.4Targets
● 9.2
● 9.4Target
● 10.2Target
● 11.5Target
● 13.1Target
● 17.7

Export

Exports generate foreign currency, which supports the continuous growth of the local economy. Mitsubishi Motors (Thailand) Co., Ltd. (MMTh) is our largest overseas production base. Leveraging this strategic location, we export key models (including pickup trucks and SUVs) to ASEAN countries and globally. FY2022 marked an easing of the restrictions on movement imposed as measures to combat COVID-19, as well as the lifting of border closures. As a result, exports improved year on year. Specifically, we shipped 29 thousand units from Thailand and 93 thousand units from Indonesia, reaching our annual targets for both countries. In FY2023, we will continue to enhance a mutually comprehensive structure for production within the ASEAN, as well as promote exports to other ASEAN countries and the rest of the world.



New "XPANDER CROSS"

Environmental and Social Contribution

In the ASEAN, there is an increasing focus on addressing environmental regulations, prompted by a growing demand to realize a carbon-neutral society. In response, we are leveraging our expertise and knowledge in EV technology to help resolve social challenges in the region.

In FY2022, we verified environmental developments to promote EV adoption through demonstration experiments using our Kei-car electric vehicle, the "MINICAB-MiEV," in collaboration with national postal services and logistics companies in Thailand and Indonesia. Additionally, to reduce CO₂ emissions we initiated the "Solar for Lives" environmental government-collaboration project, installing solar power



Charging of "MINICAB-MiEV," which are being used in a joint study



Hospital with a rooftop solar power system installed as part of the "Solar for Lives" environmental project

generation facilities at hospitals in Thailand. Furthermore, we are implementing projects in Indonesia and the Philippines to install solar panels on factory rooftops to generate power. In FY2023, we will continue to promote electrified vehicles in the ASEAN and engage in activities that help reduce environmental impact.

Human Resources Management

Human Resources Strategy

MITSUBISHI MOTORS believes that “human resources” are the key to achieving sustainable growth and enhancing corporate value, especially amid a rapidly changing business environment.

In FY2022, our president and management team engaged in discussions to determine the ideal path for the Company, taking employee feedback into account. As a result, we have updated our behavioral guidelines, the “MMC WAY,” which outline the principles that the Company values.

As a company and as individuals, we will share the new “MMC WAY,” which embodies what is important in our lives, and work together as one to take on challenges as we work toward our goals.

Furthermore, we will continue to create fulfilling workplaces and invest in human resource development as the basis for putting the “MMC WAY” into practice.

< Strategic Human Resources Priorities >

- Build a better place to work
- Enhance learning opportunities/reskilling programs
- Secure/cultivate a diverse workforce

The Type of People We Look for (MMC WAY)

MITSUBISHI MOTORS has summarized the attitudes and actions that employees need to practice to fulfill our mission. We have encapsulated this information into five concrete and easy-to-understand keywords and shared them with employees as the “MMC WAY.”

The first two items in the new “MMC WAY” emphasize key values. They call on us to “think of our customers first” as the foundation for earning “society’s trust” and to “contribute to the advancement of society” through our corporate activities. These items incorporate the message that every employee must remember our raison d’être: satisfying customers and contributing to society through corporate activities.

With the other three items, we have expressed important elements in the previous “MMC WAY” more specifically and clearly.

The “MMC WAY,” our behavioral guideline for employees, is reflected in the personnel evaluation system. It introduces a multi-faceted competency evaluation based on three pillars: the “MMC WAY,” “human resource development and organizational management,” and “expertise.” This aims to promote the dissemination of shared values and encourage proactive employee growth.

MMC WAY

1. Think of Our Customers, Strengthen Trust
2. Enrich Society
3. Welcome All Facts, Share Difficult News First
4. Conduct and Challenge Yourself Professionally
5. Respect All, Work as a Broader Team

Promotion Structure

MITSUBISHI MOTORS has established the Human Resources Development Council, consisting of the Executive Officer, President & CEO and other members of the management team to promote and implement human resources strategies that are linked to management strategies. The council continues to discuss and examine the development of human resources at various levels, from securing excellent personnel to nurturing individuals from young and mid-level professionals to management leaders.

We are formulating an optimal personnel plan that incorporates strengthening the expertise of each function that supports our business to develop powertrain control system for electric vehicles, expanding the scope of various elemental technologies, promoting carbon neutrality, driving digitalization, and exploring new business areas. We recognize that personnel are the source of the Company’s competitiveness and

treasure. Therefore, we are working to create a workplace where employees can work with peace of mind and showcase their abilities, expanding opportunities for development, including education and training to encourage employee challenges and growth, and analyzing the internal and external environment and market trends surrounding the Company to attract talented individuals. Through open discussions at human resources development meetings, we review and evaluate existing measures and initiatives, as well as consider and deliberate new initiatives.

For FY2023, we are making preparations to implement specific measures that will support the mid-term business plan, "Challenge 2025," with a focus on the following key areas of our human resource strategy: "Build a better place to work," "Enhance learning opportunities/reskilling programs," and "Secure/cultivate a diverse workforce."

In particular, we will organize specific operational policies for free location and work arrangements that take into consideration childcare and nursing care, implement training programs to strengthen next-generation leadership, promote personnel exchange with overseas affiliates for the purpose of utilizing the Group's human resources on a global basis, and create an environment in which diverse human resources, including women, elderly persons, and persons with disabilities, can play an active role.

Conducting Engagement Surveys

The Company has continued to conduct engagement surveys (employee surveys) since FY2013. This survey aims to visualize the state of the Company, the entire organization, and employees, and to address the

challenges revealed by the results, thereby reinvigorating individuals and organizations and promoting an improvement in employee engagement.

Based on the analysis of the survey results, we have conducted feedback sessions with executives, department heads, and respective departments to promote actions for improving engagement. In particular, to enhance the organization and human resource management, we organized workplace workshops and internal seminars, such as "Drive your team," for department heads to improve the quality of management. The survey results are also used as reference data during human resources development meetings attended by senior executives to discuss the future direction of human resources development. This helps us take action as a company to continuously enhance employee engagement.

Additionally, to improve employee engagement, we believe that "proactive career development support" is crucial. With this in mind, in FY2022 we established a new open application framework for the Global Career Development Program (GCDP), an overseas work training program for young employees, allowing any employee who meets the requirements to apply.

Human Resource Evaluation

We have introduced multifaceted competency (behavioral) evaluation systems for general managers and section managers, as well as for general employees, based on a performance achievement evaluation using a target management system, the "MMC WAY" (our action guidelines), human resource development and organizational management, and expertise, respectively.

We have positioned these systems as management-enhancing tools aimed at general managers and section managers with the objective of revitalizing the organization. In doing so, we aim to: (1) Share organizational objectives and foster a sense of responsibility for achieving these objectives, (2) Enhance incentives for achieving objectives, (3) Enforce mindset and behavior expected from employees, and (4) Make appointments and promotions according to merit.

For non-management personnel, our aims are (1) Sharing organizational objectives and instilling a sense of responsibility for achieving them, (2) Raising transparency and employee approval of evaluations and employee treatment, and (3) Promoting the establishment of shared values.

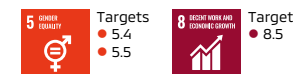
Fair Compensation System

We introduced a remuneration system that allows for appropriate compensation based on the degree of contribution, and weight of the roles and responsibilities of each employee. We provide the system to enhance each employee's career and motivation. In conjunction with raises given annually based on individual performance, raises are also given according to advances in career.

We comply with local laws and regulations regarding wage levels and set wage levels according to job classifications, taking into consideration industry levels. There are no discrepancies in wages based on race, nationality, sex, or other such reasons.

►Data (p. 125): Wage levels

Promotion of Work Style Reforms in Response to the New Normal (Diversity, Work-Life Balance)



Progress in FY2022

Percentage of female instructors in technical fields*1
[FY2021: 12.2%] **13.1%**

Percentage of male employees taking childcare leave*2
[FY2021: 16%] **68.4%**

Percentage of employees with disabilities
[FY2021: 2.44%] **2.33%**

- Conducted a survey on attitudes toward diversity and work-life balance
- Implemented training on managers promoting male paternity leave
- Introduced measures at the organizational level to strengthen communication based on engagement survey results

*1 Percentage of assistant managers

*2 For FY2022, the rate of people taking childcare leave and other leave for the purpose of childcare was calculated according to the Childcare and Family Care Leave Act. In FY2021, only the rate of people taking childcare leave was calculated

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P79 Human Resources Management

P122 Human Resources-Related Data

Basic Approach

MITSUBISHI MOTORS views "people" as the key to creating "sustainable growth" and "improving corporate value" in the significant-changing automobile industry. We therefore believe in the importance of realizing an environment where each and every person can perform meaningful work and demonstrate his or her

abilities, and where people can work enthusiastically and in good health, both physically and mentally.

The COVID-19 pandemic has prompted us to challenge the conventional approach toward "going to the office" to work, instead encouraging more flexible work styles that are less location- and time dependent. To leverage diverse human resources to create value, we are creating a working environment that helps individuals maximize their capabilities. In this way, we aim to achieve increases both in work productivity and quality of life, helping to realize a better work-life balance.

Initiatives toward a Flexible Working Style

To promote and implement flexible working styles that enable diverse employees to fulfill their potential, in FY2020 we established the "Flexible Working Styles Consideration Committee," which is chaired by the Executive Officer, President & CEO. This committee has been discussing matters to be addressed over the medium to long term. Based on the direction of its initiatives, in FY2021 relevant departments within the Company took over the promotion items from

the committee and are continuing the initiatives. Key initiatives are outlined below.

Area of work (remote work)	To provide a more comfortable working environment than before, we eliminated the maximum number of hours and days for remote work. In addition, we allow work to be conducted at any location, even outside the home, that meets requirements.
IT domain	Improve IT infrastructure and significantly increase the maximum number of VPN connections
Provide IT support tools	Introduce communication tools to enhance communication between at-home working and remote locations
Increase in IT literacy	Share knowledge and usage examples at the departmental level to promote the use of communication tools

Promoting Diversity

MITSUBISHI MOTORS aims to grow sustainably while responding to the significant changes in the business

Diversity Promotion Policy

We aim to respond to change and heighten organizational capabilities by incorporating diverse viewpoints and approaches through the different abilities and characteristics of each employee. In this way, we will create vehicles offering new levels of attractiveness and value. We are promoting Di@MoND (Diversity @MITSUBISHI MOTORS New Drive) activities to create an environment where employees can maximize their individual abilities and play an active role.



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Targets
● 5.4
● 5.5



Target
● 8.5

and market environment resulting from diversifying customer needs and technological innovation. To this end, it is important for employees with different values and ideas to work together to create automobiles with new appeal and value. With respect for employee diversity including race, nationality, ethnicity, gender, sexual orientation, gender identity, age, ability or religion, we are making efforts to create environment where each person can energetically work without difficulty.

To promote and achieve diversity, we are pursuing Di@MoND activities by the Diversity Promotion Office based on the "Diversity Promotion Policy" we established in July 2014. By embracing diversity, our aim is to leverage employees' diverse characteristics in a manner that will contribute to the mutual growth of the Company and each individual employee. Initially, Di@MoND activities prioritized women's participation and advancement in the workplace. Now, we are also working to provide working environments that are comfortable for all.

►Data (p. 122-123): Number of employees, number of employees by region, number of locally hired managerial employees at overseas subsidiaries, status of female managers, status of female executives, employee makeup, number of new graduates hired, number of mid-career employees

Promoting Women's Participation and Advancement in the Workplace

MITSUBISHI MOTORS promote "women's participation and advancement in the workplace" as a priority issue. Since 2014, we have been selecting female managers and manager candidates to join the Working Women's Empowerment Forum, led by the Japan Institute for Women's Empowerment & Diversity Management.

From 2017, we have also been sending manager candidates to seminars hosted by the Aichi Gender

Equality Foundation.

Based on the "Act on Promotion of Women's Participation and Advancement in the Workplace," in April 2021 we formulated an action plan to promote women's advancement, setting 15% as our target ratio for female assistant managers, which we are working to achieve by March 2024.

Action Plan to Promote Women's Advancement **PDF** [5MB]
(only in Japanese)

►Data (p. 122): Status of Women Promoted to Management and Executive Positions

TOPICS

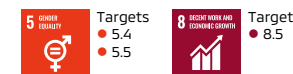
Inclusion in the "Morningstar Japan ex-REIT Gender Diversity Tilt Index"

MITSUBISHI MOTORS has been selected as one of the constituent stocks in the "Morningstar Japan ex-REIT Gender Diversity Tilt Index," which was designed by Morningstar for environmental, social, and governance (ESG) investing.

We rated in "Group 1," the highest rating on a five-tier scale, in an index that focuses on companies with a well-established gender diversity policy that is ingrained in their corporate culture and that promise equal opportunities for employees regardless of gender.

List of work-life balance assistance programs

Programs		Overview
Childcare	Pregnancy leave	Can be taken for the designated period of time applied for in advance, between becoming pregnant and the day prior to maternity leave (may be taken multiple times)
	Maternity leave	Six weeks prior to birth and eight weeks after birth
	Spousal maternity leave	When a spouse gives birth, the employee can take up to two days of leave between the day before and 14 days after the date of birth or expected date of birth.
	Childcare leave	Can be taken up to the end of April of the following fiscal year after the child's third birthday
	Leave to care for newborns	Up to four weeks of leave can be taken within eight weeks of the (expected) date of birth. Partial employment during the leave period is also possible.
	Child nursing leave	Can be taken until the end of the fiscal year of the child's 12th birthday (one child: up to 5 days; two and over: up to 10 days; first five days are paid in both cases)
	Reduced working hours for childcare	Four-, five-, six-, or seven-hour work shifts can be chosen until the end of the fiscal year of the child's 12th birthday (combined use with the flextime system is also available)
Nursing care	Nursing care leave	Aggregate total of three years can be taken per person receiving nursing care
	Short-term nursing care leave	If one person receiving nursing care: up to 5 days; if two or more people receiving nursing care: up to 10 days (first five days are paid in both cases)
	Reduced working hours for nursing care	Available until the reason for the nursing care no longer exists. Employees can elect to work, four-, five-, six-, or seven-hours per day, and are also eligible for flextime work.
Miscellaneous	Life plan leave	Employees can take up to 10 days leave per year for various predefined purposes such as receiving treatment for non-work-related injury/illness, caring for family, childcare, infertility treatment, participating in volunteer activities, and language studies
	Accumulation of unused paid leave	Employees can accumulate unused annual paid leave up to four days per year to a maximum of 40 days which can be used for predefined purposes. (E.g., receiving treatment for non-work-related injury/illness, caring for family, childcare, participating in volunteer activities, and infertility treatment)
	Flextime system	System that lets employees set their own working hours with no core time under predefined conditions on prescribed work days
	Telecommuting system	System that allows employees to work from a location other than their own or family home, as long as certain conditions are met, and to pay an allowance
	Reemployment system	Eligible for employees who resigned due to pregnancy, the birth of a child, childcare, nursing care, marriage, moving due to spouse work transfer, or other reasons recognized by the Company, with an applicable period within five years after resignation
	Accompanying leave	Temporary leave system for employees to accompany spouses who have been transferred in Japan or overseas or are studying abroad, with an applicable period of from one month to five years



Promoting a Work-Life Balance

MITSUBISHI MOTORS is enhancing our work-life balance assistance programs to accommodate the diverse work styles of our employees. In FY2017, we introduced the telecommuting and accompanying leave systems to accommodate diverse work styles and life events. In FY2018, we established the "Work-life Balance Support Concierge" within the Company, from which employees can seek advice on the programs suitable for their individual childcare and nursing care needs. Following feedback from employees who had sought advice, we relaxed the criteria for child nursing leave, short-term nursing care leave and the telecommuting system. In August 2021, we revised the telecommuting system in an effort to create an environment that fosters more productive and highly flexible working styles.

► Data (p. 123-124): Number of persons taking childcare leave and retention of returnees, people utilizing major programs to promote work-life balance

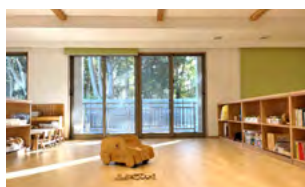
Helping Employees to Balance Work and Childcare

We actively support employees who seek to balance work and childcare.

We have established on-site daycare centers at



Dia-Kids Tamachi, a day-care center for employees (within the head office building)



Dia-Kids Okazaki (within the Okazaki site)

our facilities. Dia-Kids Okazaki was opened at the Okazaki site in April 2017, followed by Dia-Kids Tamachi at our head office building in February 2019.

On the working environment development front, to further encourage male employees to take childcare leave in accordance with the enforcement of the revised Childcare and Family Care Leave Act, in FY2022 we conducted training for managers and seminars for expectant fathers and mothers.

Helping Employees to Balance Work and Nursing Care

As society ages, we believe it is important to help employees balance work and nursing care.

We have set up contact points where employees can consult with nursing care specialists as required via email or on the phone. Furthermore, we organize regular nursing care seminars delivered by outside instructors to provide basic information about how they can balance their work and nursing care. In FY2022, approximately 170 people attended the online seminar, which was held simultaneously in all regions.

As a new initiative, we also have made on-demand viewing available to suit the convenience of each participant.

Increasing Employment of Senior Workers

With the goal of handing down skills and technologies and securing a talented workforce that makes the most of its knowledge and experience, we operate a program to reemploy senior workers after their retirement. As of June 2023, there were 850 reemployed

workers, engaged in handing down techniques and training the next generation.

Promoting Employment of People with Disabilities

Aiming to achieve a workplace where everyone can work, we actively hire people with disabilities in a wide range of occupations. In FY2022, the percentage of employees with disabilities at the Company was 2.33%, which exceeds the statutory level. We will continue to promote additional employment while improving the work environment.

On a consolidated basis, the Company employs 174 people with disabilities, including physical, mental and intellectual abilities. At our head office, we have installed wheelchair- and ostomate-compatible toilet facilities, creating a working environment amenable to employees with disabilities.

We also promote the employment of people with disabilities through MMC WING, a special-purpose subsidiary established in April 2007. This company employs 64 workers with intellectual disabilities at the Okazaki and Mizushima plants. MMC Wing, now in its 16th year since establishment, has received many inquiries about employment from "Hello Work" Public Employment Security Offices, the prefectural employment and support center for disabled persons, and special needs schools, and has established a high profile in the region. To help support the employment of people with disabilities, we proactively accept requests from employment support facilities and special needs schools to try on-site training,



Targets
● 5.4
● 5.5



Target
● 8.5

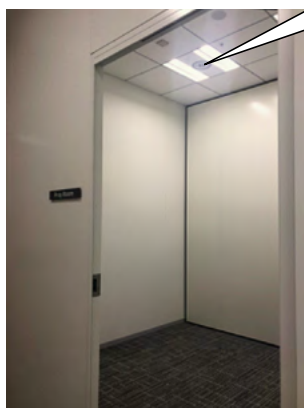
teaching people with disabilities opportunities about group activities and work processes.

As the presence of supportive instructors is essential for promoting and providing stable employment for people with disabilities, in FY2021 we started to offer an internship program for university students preparing for employment to help them understand the work of instructors as an opportunity to come into contact with a diverse range of people and occupations.

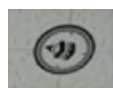
► Data (p. 124): Number of hired people with disabilities

Global Action

As part of the support offered to our workforce of non- Japanese employees, which is increasing year by year, MITSUBISHI MOTORS has established prayer rooms at our head office and Okazaki sites that are



Prayer room in our head office



indicating the direction
of worship



Hand- and foot-wash-
ing facilities

Prayer room in the Okazaki area

available to people of all religions and denominations. These rooms are open to customers, suppliers and other stakeholders who visit our sites. A facility for cleansing parts of the body before worship has also been set up in the prayer room at the Okazaki site.

► Data (p. 122): Number of employees by region, number of locally hired managerial employees at overseas subsidiaries

Promote LGBTQ Awareness

Our human rights policy* defines “respect for human rights of our stakeholders” and states that we will not tolerate unfair discrimination or harassment based on such factors as gender, sexual orientation or gender identity, and will respect diversity. Furthermore, the MITSUBISHI MOTORS Global Code of Conduct, which all employees and executives are bound to comply with, clearly states: “Respect Human Rights and Diversity, Provide Equal Opportunity.”

Based on these ideas and policies, we are striving to improve the workplace environment and internal systems in order to create a comfortable working environment where LGBTQ people can play an active role in the Company. In our employee system, the definition of marriage includes same-sex relationships, and employees in such relationships can take marriage and childcare leave and use Company housing. Since FY2018, we have held seminars to help provide basic knowledge to aid in accurately understanding LGBTQ issues and increasing supporters known as “Allies.” Approximately 240 people attended the seminar in FY2022. Some 11,440 employees took part in e-learning. Upon request, employees who have taken the

course can receive “ally stickers” to make the promotion more visible.

* See our website for details of our human rights policy.

(WEB) https://www.mitsubishi-motors.com/en/sustainability/society/human_rights/pdf/human_rights_policy.pdf

TOPICS

Awarded PRIDE Index Gold Rating

In the PRIDE Index, which was designed by “Work with Pride” as a criteria for evaluating initiatives related to LGBTQ and other sexual minorities in the workplace, we have been consecutively awarded Gold certification since FY2018. We will continue to create workplace environments that are friendly for all employees.



Participating in Initiatives Outside the Company

We have pledged our support to the Business for Marriage Equality campaign, which invites companies to join us in calling for equality in marriage.

Business for Marriage Equality is a campaign spearheaded by three Japanese non-profit organizations in an effort to visualize companies that support the legalization of same-sex marriage. MITSUBISHI MOTORS actively strives to fulfill its social responsibility and contribute to the achievement of the United Nations Sustainable Development Goals (SDGs). By endorsing this campaign, we aim to further contribute to SDG numbers 5 (Gender Equality) and 10 (Reduced Inequalities).

Stepping up Human Resource Development



Progress in FY2022

Total training hours per year*1
[FY2021: 96,770 hours] **117,845 hours**

Training time per employee*1
[FY2021: 0.87 days] **1.08 days**

Training cost per employee*1
[FY2021: ¥6,171] **¥9,414**

Degree of penetration*2 **77%**
Level of practical implementation*2 **68%**
[FY2021: Degree of penetration and practical implementation: 66%*2]

- Company-wide, rolled out on-site workshops and other awareness measures in conjunction with the update to the employee behavior guideline (MMC WAY)
- Created an original e-learning program to improve the skills of evaluators in accordance with changes to the personnel system, and encouraged all evaluators to take part in the program
- Phased the introduction of DX-related courses into training programs by level

*1 Training led by the Human Resources Division (excluding division-specific training)

*2 MMC WAY penetration and practical implementation based on employee engagement survey results

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P21 Materiality

P79 Human Resources Management

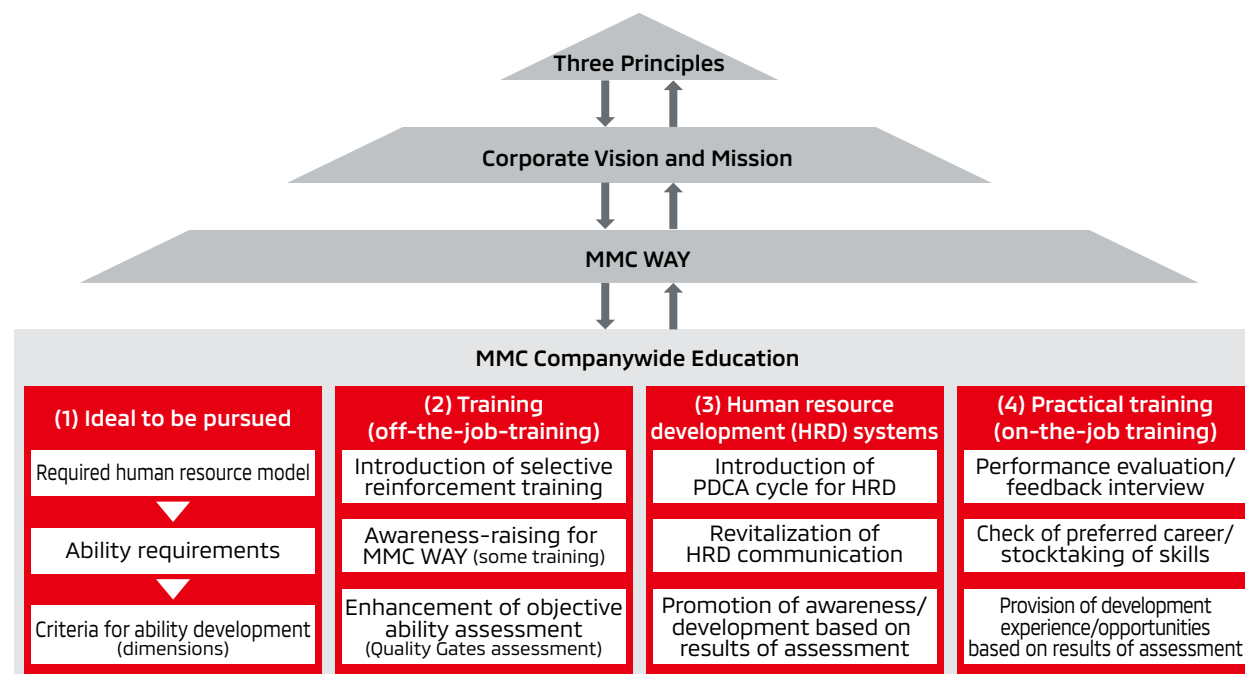
P122 Human Resources-Related Data

Basic Approach

MITSUBISHI MOTORS' educational structure is supported by three pillars: the "Three Principles," a statement of the Mitsubishi Group's management principles; our Corporate Vision and Mission; and the "MMC WAY," guidelines for daily behavior. We have clarified the abilities and skills necessary to put these principles or behavior into practice. We also specified the ideal model for each job classification and introduced respective curricula based on both.

Employees also discuss their personal vision for the future during annual interviews with their superiors. Sharing such visions between superiors and subordinates leads to achievement of human resource development with deeper understanding.

Education Pillars of MITSUBISHI MOTORS



Training and Education

MITSUBISHI MOTORS' Education Program

Based on the education pillars, sections in charge of education with the Human Resources Division have put in place a training program for the systematic

development of human resources, from entry-level employees to general managers.

We plan and implement a variety of employee training programs, including not only training curriculum based on employee job classification, but also selective training for managers, training for all employ-

ees utilizing e-learning, and selective training in which employees voluntarily choose a program to attend.

Consideration for Training Methods in Response to a Changing Environment

To respond to the changing environment and boost its organizational capabilities, we have put in place a training system that cultivates personnel in a systematic manner, from entry-level employees to general managers.

As in FY2021, in FY2022 we provided interactive online training with a focus on group work, shifting away from traditional lecture-based training. However, we also conducted some hierarchical training programs, such as training for newly appointed division managers, in a face-to-face format as we look to the post-COVID era, and worked to incorporate both online and in-person training methods.

The ability of each individual is the key to corporate growth in a situation where the future is difficult to predict. Recognizing this, we will continue to study and implement mechanisms that help employees cope with changes in the environment and support their personal growth.

► Data (p. P124): FY2022 training results

Job Classification (required human resource model)	Training for each job rank				Training across all job ranks	Global	
	Training for newly promoted employees	Reinforcement training	Training for candidates for promotion	Institutional training		Mindset/ Skills	English
General managers (M1) (innovation leader)	Training for newly Promoted M1	Selective reinforcement training (e-Learning)		Evaluator Training		Selective training (GCDP** program, etc.)	Measures for improving TOEIC score (TOEIC score range from 300 to 695)
Section managers (M2) (management professional)	Training for newly promoted M2	Leadership training for organizational transformation Selective reinforcement training (e-Learning)	Training for M1 candidates (assessment)		Training for mid-career employees	Training for expats to be dispatched to foreign affiliates	
Assistant Manager (a leader of practical work)	Training for newly promoted Assistant Manager	Training for M2 candidates	Training for M2 candidates (assessment)		Engineer training		
Main Staff (a key player in the execution of work)	Training for newly promoted Main Staff	Training for Assistant Manager candidates			Training for mentors of new graduates		
Staff (a professional in the operational work)	Entry-level employee training	Third year training* ¹ Second year training				Global mindset training* ²	
Clerical Staff (efficiently carries out operations)	Entry-level employee training	Third year training* ¹ Second year training				Global mindset training* ²	

*1 Mid-career employees undergo fundamental business skills follow-up training corresponding to third year training.

*2 To be conducted within third year training and entry-level employee training program, respectively.

*3 GCDP: Global Career Development Program

Fostering Global-Minded Human Resources

In line with increases in both overseas production and sales volumes, MITSUBISHI MOTORS is placing emphasis on developing human resources who are capable of adopting a transglobal perspective and performing in the global business field.

English language skills are essential when working with stakeholders outside Japan, so we offer employees training designed to systematically improve their English skills, including beginner and intermediate courses aimed at improving basic skills. We also offer local language courses for employees who will be stationed in non-English-speaking countries.

In addition to language training, we run a program in which younger employees are dispatched to non-English-speaking emerging countries for three years (one year of language training + two years of work experience at a local affiliate). Plans are also in place for training programs at overseas subsidiaries.

Supporting Lifelong Education

In accordance with the Revised Act for the Stabilization of Employment of Older Persons, which went into effect in April 2021, we are promoting the reemployment of retirees aged 60 and over to steadily pass on the skills, knowledge and experience of our skilled workers.

We are also working to support the lifelong career development of our employees. For instance, we regularly hold Good Life Seminars, a joint undertaking with the labor union geared toward employees aged 50 and over, where we give post-retirement life planning advice.

FY2022 Seminars for Future Good Life

Number of seminars	4 in total across the company
The number of participants	55

Career formation and evaluation

Personnel System

Regarding career formation, we have put in place a system which enables employees to proactively set their own goals based on their achievements, capabilities, and life plans, while elevating their capacity to achieve these goals.

As a specific career development method, employees participate in interviews with their superiors every year. The interviews are held based on their Career Development Plans in which employees describe a future career course they hope to take and their medium- to long-term career design by reflecting on their past career. The aim of this interview is to have employees build an objective picture of their challenges and then proceed along a career path they have formed for themselves with conviction and a high degree of motivation.

Promoting Occupational Health and Safety



Progress in FY2022

Overall accident rate*1
[FY2021: 0.20]

0.31

Accident rate with loss of
workdays*2
[FY2021: 0.03]

0.06

New mental health patient
incidence rate*3
[FY2021: 0.62%]

0.76%

Attendance at
"safety training schools"
(of which, 4,873 attended
remote safety training schools)
[FY2021: 2,842]

7,228 people

- Operated "remote safety training schools," which enhance the ability to predict danger through visual experiences
- Assessed compliance with safety-related laws and regulations at each factory, as well as technical centers, parts centers and subsidiaries and affiliates in Japan
- Promoted an outside EAP*4, a type of "mental health program"

*1 Number of accidents with or without loss of workdays per 1 million working hours

*2 Number of accidents with loss of workdays per 1 million working hours

*3 (Total number of new mental health patients ÷ total number of workers) × 12

*4 Short for Employee Assistance Program. This employee support program seeks to improve individual and workplace health by implementing organizational mental health measures, offering health consultations on individual physical or mental health issues, and addressing compliance and other issues.

<Related pages>

P15 MITSUBISHI MOTORS' Materiality

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P79 Human Resources Management

P122 Human Resources-Related Data

Basic Approach

MITSUBISHI MOTORS believes ensuring the health and safety of employees is the foundation of corporate activities. Accordingly, based on a Health and Safety Management Policy we are undertaking related measures on an ongoing basis, including through offices for on-site cooperation.

Basic Policy

1. We will undertake companywide activities with emphasis on each process of the PDCA cycle to eliminate workplace risks and hazards with safety taking priority over all else. Within each activity, confirmation, follow-up, and improvement will be carried out successively and continuously.
2. Workplace supervisors from senior management down will implement comprehensive health and safety management measures under their own responsibility with an awareness that ensuring health and safety is the foundation of management. They will strive to create a workplace culture of discipline with consideration for others and a strict attitude of not engaging in, not allowing others to engage in, and not overlooking unsafe conduct. All workplace supervisors will also work to create a workplace culture that fosters open communication where subordinate personnel feel that they can say anything through honest dialogue at any time and to raise awareness of health and safety.
3. Each employee shall observe basic rules and conduct guidelines relating to safety to protect their own safety and endeavor to create healthy workplaces with no accidents by conducting on health and safety activities in cooperation with all MITSUBISHI MOTORS personnel with a strong commitment to complying with decisions that they have made and decisions that have been made by others.
4. Companywide efforts shall be made to create clean and comfortable work environments, prevent disease, and promote the health and physical well-being of each employee.
5. Health and safety management shall be implemented in accordance with the MITSUBISHI MOTORS Health and Safety Management System.

Management Structure

At MITSUBISHI MOTORS, the "Central Production Committee" comprises the lead officer, heads of production sites, and labor union representatives. The committee meets annually to assess the status of measures taken over the year to address such issues as occupational safety, traffic safety, natural disaster preparedness and health management and

sets quantitative targets for health and safety in the coming year, determines priority measures and takes action to achieve the targets.

Each time a workplace accident occurs, the situation is reported to the Executive Officer, President & CEO and other members of senior management, and we respond according to their instructions such as ascertaining current conditions and introducing measures to prevent recurrence.



Initiatives to Ensure Workplace Safety

MITSUBISHI MOTORS works to create safe and secure workplaces where all employees can dedicate themselves to their work with a feeling of reassurance. In particular, we strive to prevent accidents in production sites, which account for most workplace accidents. In order to prevent these, we identify unsafe conditions in all work situations and make improvements. Additionally, we create safe workplaces by carrying out mutual safety checks at production sites by senior officials and workplace supervisors to identify hazards. Other measures include adopting improvement proposals and requests raised by employees. We also established “safety training schools” at each business site to raise hazard awareness and conduct hands-on hazard training so that all employees can experience hazardous situations firsthand. In FY2022, 2,355 people took part in this training.

In addition, “remote safety training schools,” which enhances the ability to foresee danger through video experience, was implemented at some business sites, with 4,873 people taking the course.

In FY2022, our accident rate was 0.32 (excluding hospitalization), which is slightly lower than the average for the Japanese automobile industry, at 0.33, but exceeds our target, of 0.26. By category, we experienced 11 accidents, five of which were a result of unsafe conditions. In addition to having safety training schools at our production sites, in FY2023 we will implement measures such as conducting experiential training utilizing external facilities. Through these measures, we aim to increase awareness of the dangers that exist in daily life and enhance the ability to anticipate and prevent disasters.

As for assessing our compliance with safety-related laws and regulations, we use checklists to conduct self-checks of each workplace and to conduct reciprocal checks on other workplaces to ensure thorough compliance. We are increasing the thoroughness of our compliance. In FY2020, we checked technical centers and parts centers. In FY2021, we expanded the scope to include subsidiaries and affiliates in Japan, and by FY2024 we will complete physical checks at all relevant locations. At our overseas plants, compliance assessments were performed at Mitsubishi Motors (Thailand) Co., Ltd. (MMTh), Mitsubishi Motors Philippines Corp. (MMPC) and P.T. Mitsubishi Motors Krama Yudha Indonesia (MMKI).

► Data (p. 124): Accident rate

Mental and Physical Health Initiatives

The well-being of each and every employee is a driving force for enhancing corporate value and achieving sustainable growth. We regard the preservation and enhancement of employee health as one of its important management challenges. We have set forth “The Health Declaration” below and established a system to work together as one company at domestic locations, promoting health management. In March 2023, we were certified as a “2023 Certified Health & Productivity Management Outstanding Organizations” in the large corporation category of the certification system organized by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi.

Given that mental health issues have accounted for more than half of absences due to illness in recent years, we have positioned mental health measures as a company-wide priority issue and have introduced an outside Employee Assistance Program (EAP), a

“The Health Declaration” of MITSUBISHI MOTORS

The foundation for our employees having fulfilling work and personal lives is the mental and physical health of all employees and their families as well as the creation of an environment that allows them to work enthusiastically. MMC will actively promote each employee's health.

type of “mental health program.” We also offer consultation on individual issues, provide mental health education and offer support programs to improve the workplace. To improve the workplace environment, we have implemented training programs and workplace improvement initiatives with the aim of enhancing communication within the workplace. However, in FY2022 the number of new sick days taken due to mental illness rose 14% year on year, and work-related concerns continued to account for around 80% of all cases. Accordingly, in FY2023 we will continue to prioritize prevention with the aim of encouraging care of subordinates by superiors and improving workplace environments. Meanwhile, we arrange face-to-face sessions with industrial physicians or counselors for employees determined to be experiencing high levels of stress based on the results of annual stress checks. To provide care for individuals, we have established external counseling services as a point of contact for employees to easily consult with someone about their concerns. We also conduct interviews with industrial doctors and counselors for employees who are estimated to have high levels of stress based on the results of the annual stress checks. Additionally, we conduct interviews for employees who are new to the Company and may still be unfamiliar with their duties and find it difficult to seek guidance.

Responses to COVID-19

MITSUBISHI MOTORS has been affected by the COVID-19 pandemic in a variety of ways. Recognizing that business continuity and the health of our employees are topmost priorities, we have taken swift measures while remaining abreast of government trends and other developments in Japan and overseas.

In May 2023, the Japanese government recategorized COVID-19 as a Class 5 infectious disease under

Specific Initiatives

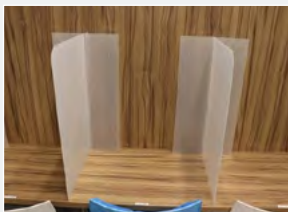
- Daily disinfection of common areas
- Installation of shielding curtains on production lines
- Temperature checks of employees and visitors
- Erection of shields in the cafeteria, spacing out seating, encouraging silence while eating, and other measures



Shields in the cafeteria
(Mizushima Plant)



Seats in the dining area are numbered, making it easier to maintain a seating record (Okazaki Plant).



the Infectious Diseases Act. Since then, we have been reviewing and implementing appropriate responses to various infection control measures within each region and department. At the same time, we continue to maintain basic infection prevention measures to prevent the occurrence of clusters in the workplace and ensure the safety and peace of mind of our employees.

Preventing and Containing Infection

To protect the health of our employees, we have notified all employees about efforts to prevent and contain infection.

- A call for attention to efforts to prevent and contain infection and instructions for how to respond if feeling ill or if infected or in close contact with those who are
- Consistent rules to apply when working at all sites, such as social distancing at business sites and offices, temperature checks and cafeteria measures
- Employees are required to adhere to the guidelines provided by the Ministry of Foreign Affairs regarding infection risk levels worldwide and any additional precautions implemented by the Ministry of Health, Labour and Welfare for strengthened quarantine measures upon entry into Japan, both for overseas business trips and for visits from overseas to Japan.

Implementation of Telecommuting to Prevent the Spread of Infection

We recommended teleworking for employees concerned about the high risk of infection from using public transport, as well as employees with existing illnesses that placed them at increased risk from the disease. We also monitor conditions at headquarters (Tokyo) and in other prefectures, maintaining the ratio of people telecommuting in each area at a certain

level. (In May 2023, we halted the recommendation of remote work as an infection-prevention measure.)

Labor-Management Relations

We support the basic principles of the Universal Declaration of Human Rights, the United Nations Global Compact, the Core Labor Standards of the International Labour Organization and the OECD Guidelines for Multinational Enterprises, and guarantees fundamental labor rights to employees.

Our labor agreement stipulates that the labor union has the three rights of labor (the right to organize, the right to collective bargaining, and the right to collective action).

As of April 2023, our labor union had 12,958 members, which accounts for all employees except officers and managers.

Status of Labor-Management Communications

The labor-management council is regularly held along with collective bargaining as an opportunity for labor management discussions. These discussions aim to share information about issues such as working conditions and the working environment, and labor and management then work together to solve these issues.

In FY2022, 59 discussions were held between our headquarters and union headquarters, and many discussions were also held between offices and union branches in each business site.

For important topics such as major changes in working conditions, we organize a labor-management expert committee and make decisions after careful consideration and discussions and management.

We are also working to build good relationships with labor unions at overseas affiliates in accordance with the labor laws and regulations of each country.

Respect for Human Rights

Basic Approach

Based on the idea that respect for human rights is the foundation of our business activities, MITSUBISHI MOTORS supports the United Nations Global Compact (UNGC), in which the United Nations advocates the 10 principles in the four categories of human rights, labor, environment, and anticorruption. As a participating company, we support and respect international standards and norms such as “the International Bill of Human Rights,” “the United Nations Guiding Principles on Business and Human Rights,” “the ILO’s Declaration on Fundamental Principles and Rights at Work,” and “the Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.” Based on the 10 principles of the UNGC, as a good corporate citizen we will continue our activities toward the realization of the sustainable growth of society.

We established our Human Rights Policy after consultation with experts and approval by the Executive Committee, with the aim of conducting our business activities in a manner that respects the human rights of our stakeholders. This policy outlines fundamental matters such as support and respect for international standards and norms regarding human rights, and matters for compliance. The policy also stipulates specific measures to prevent and reduce negative impacts on human rights, to provide remedial measures, and to provide education for officers and employees. This policy has been translated into English and made

available on our website to all employees of Group companies in Japan and overseas.

In the MITSUBISHI MOTORS Global Code of Conduct, “Respect Human Rights and Diversity, Provide Equal Opportunity,” specifies that discrimination, retaliation and harassment are not permitted in any form or to any extent, and that the diversity of suppliers, customers, executives, employees and local communities shall be respected in addition to respecting human rights.

Human Rights Policy

Our Human Rights Policy stipulates the following content, as well as items to be complied with and addressed.

- Recognition of initiatives on respect for human rights as essential factors in the fulfillment of our social responsibility
- Compliance with the Human Rights Policy by all of the executives and employees, and respect for fundamental human rights throughout our business activities
- Support and respect for international standards and norms
- Compliance with the national laws and regulations in each market where we operate
- Where conflict exists between internationally recognized human rights and national laws, seeking of ways to honor the principles of international human rights

[Compliance items]

1. Prohibition of Discrimination
2. Elimination of Unjustifiable Labor Practices
3. Freedom of Association, Labor and Management Dialogue
4. Ensuring Access to “Decent Work”
5. Community Involvement

[Initiatives]

1. Human Rights Due Diligence
 - MITSUBISHI MOTORS will identify, prevent, or mitigate negative impacts on human rights which may be caused by our business activities through the application and support of human rights due diligence processes.
2. Remediation
 - Where MITSUBISHI MOTORS identifies that it has caused or contributed to a negative impact on human rights, we will provide for or cooperate in remediation processes.
3. Ensuring Transparency and Accountability
 - MITSUBISHI MOTORS will provide appropriate education or training to all executives and employees.
 - We will ensure that our Group companies comply with this policy, and we will request that our business partners respect human rights.
 - We will disclose our initiatives on respect for human rights.

The full text of the Human Rights Policy, including annotations, can be found here:

(WEB) https://www.mitsubishi-motors.com/en/sustainability/society/human_rights/pdf/human_rights_policy.pdf

Management Structure

mitsubishi motors' efforts addressing respect for human rights are mainly focused on the sustainability, human resources and procurement departments. The Executive Officer in charge of sustainability, acting as the person in charge of promoting initiatives on respect for human rights, reports the status of human rights risk assessment and related measures to the Sustainability Committee, which is held three times a year. Members of the Sustainability Committee share the details of these reports with their departments, promoting companywide efforts to respect human rights.

In addition, considering human rights violations to be a risk to the survival of the Company, we integrate human rights into the company-wide risk management systems under the Internal Control Committee, positioning them as one of the priority risks and managing them appropriately.

As for the internal system for promoting an awareness of human rights, the Corporate Officer in charge of human resources leads the promotion of awareness training. As one aspect of our human rights awareness education, human rights themes are incorporated into shared materials used in various training programs, and in each business site human resources department works to raise employees' human rights awareness. We also participate in events held by the Industrial Federation for Human Rights, Tokyo, and the Mitsubishi Group Human Rights Enlightenment Committee (organized by Mitsubishi Group companies), of which we are a member, and attend conferences and research meetings held by other external organizations. (In FY2022, we spent a total of 70 days participating in training sessions.) We also use the latest information obtained through our participation in these events in our human rights awareness activities

and utilize the knowledge we gain from these activities in our inhouse training programs.

Please see page 110 for details on our internal control systems.

Human Rights Due Diligence

Through a human rights due diligence framework, we work to identify negative impacts our business activities have on human rights and strive to prevent or mitigate such impacts.

Our employees are one of our crucial stakeholders and compromising their dignity and fundamental rights could lead to a decrease in engagement and have a significant negative impact on our products and quality.

Accordingly, we recognize that human rights of employees, such as labor conditions, health and safety are significant risks for our business activities and stakeholders. Based on this understanding, we conduct human rights assessments(*) as part of our human rights due diligence. In FY2021, we conducted human rights assessments at our headquarters and three domestic plants, and in FY2022, at Mitsubishi Motors (Thailand) Co., Ltd. (MMTh), our main produc-

tion base in the ASEAN. By engaging an external evaluation organization we ensured the objectivity of the assessments and their alignment with international standards. During the assessments, we evaluated the human rights impact through employee involvement, including one-on-one interviews between evaluation organization and employees with various attributes.

The assessment conducted in FY2022 confirmed that the human rights of MMTh employees are generally in a positive state, and there were no significant impacts on the business or employees.

In our human rights assessment activities, we are working to mitigate human rights risk through the following processes.

1. Summarize assessment results
2. Identify matters requiring improvement and the department in charge
3. Monitor implementation status
4. Report to the Sustainability Committee

* Examples of assessment items: Wages (payroll records, overtime, unfair wage deductions), child labor (employment under 15), forced labor (freedom of movement and retirement), discrimination (harassment), health and safety (training and education, evacuation disaster prevention), and remedies (consultation services) are evaluated in consultation with an external evaluation organization, using ILO standards and industry initiatives as reference.

The Human Rights Due Diligence Process



<FY2022 Results>

- STEP 1 Determined human rights issues to be addressed by the Company based on the International Bill of Human Rights and other human rights guidelines
- STEP 2 Identified employee working conditions, health and safety as risks with high human rights impact and identified sites for assessment
- STEP 3 Conducted human rights assessment on Mitsubishi Motors (Thailand) Co., Ltd. (MMTh) in collaboration with an external evaluation organization
- STEP 4 Based on the assessment results, enact measures to mitigate and prevent human rights risks
- STEP 5 Monitor mitigation and preventive measures for effectiveness (from FY2023)

Complying with the Human Rights Policy

Coinciding with Human Rights Day on December 10, to raise awareness, each year MITSUBISHI MOTORS' Executive Officer, President & CEO disseminates a message to all officers and employees regarding respect for human rights, emphasizing the importance of sincere words and actions, as well as enhancing awareness of our human rights policy and explaining the importance of our human rights initiatives.

Our policies and activities for promoting and realizing respect for human rights are described below.

Prohibiting Discrimination

The Company requires executives and employees to respect diversity and to create equal opportunities with no allowance for unfair discrimination or harassment on bases such as race, skin color, nationality, ethnicity, family origin, sex, sexual orientation, gender identity, age, disability, language or religion.

Also, we emphasize the importance of diversity in our training programs, and we encourage our employees to work together with respect for diverse values.

Eliminating Unjustifiable Labor Practices

The Company does not tolerate slavery labor, including human trafficking, child labor, forced labor or other unjustifiable labor practices, and strives to eliminate such practices.

To ensure against such practices, we verify potential employees' ages to ensure statutory requirements are met when entering into labor agreements.

We do not charge applicants and hired employees any fees and costs related to recruitment. Pay slips clearly state any legal deductions; we do not make unfair deductions, but regularly pay employees their full dues. We do not retain employees' passports or other identifications or prevent them from movement. Employees are free to choose whether to enter or leave the dormitories.

Freedom of Association and Labor-Management Dialogue

The Company respects its employees' right to associate, and we engage in sincere dialogue with employees to resolve various types of issues. Regarding collective agreements with labor unions, we recognize employees' freedom to engage in legitimate union activity, including collective bargaining. We clearly state that employees who engage in such activities will not be subject to disadvantageous working conditions or other sanctions.

Ensuring Access to Decent (Rewarding and Humane) Work

To ensure decent work, in addition to complying with individual countries' laws and regulations, we conduct activities focused on respect for human rights, based on international norms (such as the International Bill of Human Rights and the ILO's Declaration on Fundamental Principles and Rights at Work). We have designed our personnel system to ensure that employees are compensated at a level that allows for a stable livelihood, while also providing higher rewards

for employees who perform well. This system aims to improve employee motivation and enhance their abilities. To ensure that these efforts are appropriately evaluated, we hold annual labor-management negotiations and implement reviews and revisions as necessary based on labor-management agreements.

►Data (p. 123): Wage levels

Community Involvement

In our efforts to maintain harmony with the local community, we contribute to society by utilizing each and every employee's skills and know-how as well as our technologies and products.

Consideration for Human Rights in Work and Investment

As we believe that positive relationships based on mutual understanding between employees and everyone in the community are essential to the sustainability of our business, when establishing business sites or related facilities, we give consideration to the cultural values of the country and region including customs and religions.

In-House Education and Training

In order to encourage all employees to cultivate their respect for human rights, the Company is offering courses that deepen understanding toward human rights within its training programs tailored to each job rank, beginning with entry-level employee training. In FY2022, we conducted a total of 510 hours of human rights training for 530 employees, including entry-

level employees, mid-career employees and newly promoted managers (department general managers and section managers). Details of the training are described below.

Newly promoted general managers	Raising awareness of social and internal human rights issues required for workplace management, sharing information to promote respect for human rights, prevention of harassment, response in the event of occurrence, etc.
Newly promoted managers	Recent topics related to human rights, harassment prevention, responding to incidents when they occur, and the role of management
Mid-career employees	Recent topics regarding human rights. The relation between our business and human rights, etc.
Entry-level employees	The significance of corporate initiatives regarding human rights. Fundamental knowledge regarding human rights, etc.

To promote awareness of sexual minorities among our employees, MITSUBISHI MOTORS has been conducting seminars at each business site since FY2018. In addition, we also conduct an internal e-learning course covering basic knowledge of LGBTQ issues.

Training Programs in FY2022	Number of Participants	Attendance Rate
Entry-level employee training	129	100%
Mid-career employee training (newly promoted)	171	100%
Newly promoted manager training	233	100%
Seminars to raise understanding of LGBTQ issues	240	—*1
LGBTQ e-learning course	11,439	—*1

*1 Attendance ratio not disclosed for voluntary attendance

Supply Chain Considerations

We conduct appropriate transactions, which includes not causing human rights violations against its business partners. We determine transaction prices and delivery dates following thorough consultation with individual suppliers.

In addition, we promote two-way communication with our business partners through management based on the Supplier CSR Guidelines.

The guidelines include provisions on respect for human rights, including the elimination of discrimination and the prohibition of child labor and forced labor, and we request that suppliers take human rights into consideration. To enhance the guidelines' effectiveness, we obtain Supplier Commitment agreements from our business partners.

In addition, based on their CSR evaluations by third-party organizations, we evaluate business partners on "labor and human rights," and we ask them to make improvements as necessary.

Requests to Sales Companies

At sales companies, we carry out initiatives to provide a work environment with consideration for the health and safety of employees and we prohibit acts that infringe on human rights.

Access to Remedy

In order to make timely responses in cases where a human rights related issue occurs within the company, we have established internal and external consul-

tation offices (helplines) and the MITSUBISHI MOTORS Global Hotline, which offers assistance in multiple languages*2 for whistle blowing and consultation for employees. The MITSUBISHI MOTORS Global Hotline has established contact points in 10 countries to handle reports from employees of the Company and its major affiliates in a total of 13 languages*3.

We have also established the Customer Contact Center*4 for customers and the Business Partner Helpline*5 for suppliers. These hotlines receive reports and requests for consultations regarding human rights issues.

Confidentiality and user anonymity is guaranteed at all of these consultation offices. We ensure that whistleblowers and people who seek consultation are not treated unfairly or discriminately. If an internal investigation is deemed insufficient, and we determine that an investigation at a business partner's company is necessary, we collaborate with the business partner's compliance personnel and respond accordingly. In such case, in advance of further investigation, we enter into an agreement with the business partner to strictly prohibit searching for the whistleblower based on the obtained information and engaging in retaliatory actions.

*2 For information on the establishment of Internal and External Consultation Offices (Helplines) and the MITSUBISHI MOTORS Global Hotline, please see page 113.

*3 The MITSUBISHI MOTORS Global Hotline is available in Japanese, English, Chinese (simplified and traditional), Korean, Tagalog, Indonesian, Thai, Vietnamese, German, Dutch, French and Spanish.

*4 For further information regarding the Customer Contact Center, please see page 73.

*5 For further information regarding the Business Partner Helpline, please see page 96.

Achieving a Sustainable Supply Chain



Progress in FY2022

Conducted supplier
CSR evaluations
by third-party organization
(Purchase amount basis)
[FY2021: 70%]

Cumulative 83%

Conducted supplier process
audits
[FY2021: 47 cases]

80 cases/year

- Exchanged opinions and enhanced communications with suppliers at Suppliers Meetings
- Supported business partners to undergo third-party evaluations to reinforce supply chain CSR

<Related pages>

P15 MITSUBISHI MOTORS' Materiality

P21 Materiality

Basic Approach

In April 2018, MITSUBISHI MOTORS, Renault and Nissan established the APO (Alliance Purchasing Organization), a joint purchasing organization that integrates the three companies' purchasing functions. This organization carries out its activities with the three shared pillars of trust, respect, and transparency as its basic principles. The alliance members are exchanging information on CSR in the supply chain, as well, and moving forward with these activities.

We and our overseas production plant bases conduct business directly with around 800 companies, including suppliers of raw materials and parts and business partners providing services, advertising and logistics. We recognize that the Company's business activities have a significant impact on these companies, as well as on an even greater number of Tier 2 and other suppliers.

Based on this understanding, all processes, from the procurement of raw materials to the manufacture of parts and products to the end delivery, require responsible behavior that takes such factors as the environment and human rights into account.

To achieve sustainable growth throughout the supply chain, we have formulated "Supplier CSR Guidelines" and work together with all our business partners on CSR initiatives.

In response to one aspect of our CSR that become of particular importance in recent years, the environment, we have formulated "Green Procurement Guidelines" and are promoting initiatives throughout the supply chain. As compliance with both guidelines is a priority in our procurement activities, our executives take advantage of opportunities such as supplier briefings to request that the entire supply chain thoroughly comply with the guidelines.

Please see page 91 for details on respect for human rights.



Management Structure

Formulating Guidelines and Confirming Them through Agreements and Declarations of Conformity

To ensure compliance with its "Supplier CSR Guidelines" and "Green Procurement Guidelines," MITSUBISHI MOTORS has business partners submit Supplier Commitment to the "Supplier CSR Guidelines" and Declarations of Conformity to Regulations on Substances of Concern to the "Green Procurement Guidelines."

We ensure the effectiveness of our business partnerships by having new business partners submit these documents before commencing transactions, and by continuously confirming the status of the agreement afterwards.

Communicating with Suppliers

Providing suppliers with appropriate information and two-way communication is essential for supply chain management. At the end of every fiscal year, we hold a Suppliers Meeting to make our policy for the next fiscal year well-known. In FY2022, this meeting was held in March 2023 and attended by approximately 300 companies. We also participate in the "MITSUBISHI MOTORS Cooperation Council," a voluntary organization of around 180 supplier companies that facilitates small-scale meetings between the management teams of suppliers and our own Company. (These small-scale meetings were held a total of nine times, involving approximately 20 companies each time.) The meetings help foster closer communication at the management level.

Establishing a Business Partner Helpline

As part of our efforts to adhere to the METI guidelines, we have established a Business Partner Helpline for the suppliers of our procurement division.

The helpline receives opinions and comments from business partners, quickly identifies compliance issues or concerns, such as legal or regulatory infractions or unfair practices in our procurement activities, and promptly rectifies them, striving to achieve even fairer business transactions.

Ensuring Knowledge of the Guidelines within the Company

As part of managing the Supplier CSR Guidelines and the Green Procurement Guidelines, we work to ensure that the guidelines are known within us. We conduct training for all new employees involved in procurement (both entry-level employees and new mid-career employees), as well as training when employees are transferred from other divisions to the procurement division.

Supplier CSR Guidelines

Expansion of Guidelines

Through the "Supplier CSR Guidelines," we promote collaborative activities with our suppliers from the same point of view. The scope of these activities covers all suppliers and includes labor practices, environment management, and compliance.

Having reestablished these guidelines in February

2019, we have clarified CSR evaluations of business partners and the actions to be taken in the event of noncompliance. We have expanded these efforts to include our major overseas bases—Mitsubishi Motors (Thailand) Co., Ltd. (MMTh), PT Mitsubishi Motors Krama Yudha Indonesia (MMKI), Mitsubishi Motors Philippines Corp. (MMPC)—and received Supplier Commitment agreements from suppliers at our major overseas production bases.

[PDF](#) Supplier CSR Guidelines

Policies on Conflict Minerals

The "conflict minerals" (tin, tantalum, tungsten and gold) and cobalt produced in the Democratic Republic of the Congo and neighboring countries have become a source of funding for armed groups, resulting in serious violations of human rights.

To ensure that we are not complicit in human rights abuses through the procurement of these conflict minerals, we promote responsible procurement by clearly specifying in our Supplier CSR Guidelines the prohibition of child labor, forced labor, and the nonuse of conflict minerals as raw materials.

Improving CSR in the Supply Chain through Third-Party Evaluations

To level up suppliers' CSR, MITSUBISHI MOTORS uses the same third-party evaluations as its alliance partners, Renault and Nissan. Also in FY2022, many business partners had undergone third-party evaluations. We plan to continue expanding the number of business partners who undergo evaluations in FY2023,

Target
3.9Targets
8.7
8.8Targets
12.4
12.5

and MITSUBISHI MOTORS will focus on augmenting the evaluation scores of business partners who have already undergone evaluations.

Efforts to Become Carbon Neutral throughout the Supply Chain

We aim to become carbon neutral across the supply chain by 2050. To do so, it is essential that our suppliers reduce CO₂ emissions.

In FY2022, we held a Supplier Meeting in October to communicate our efforts in the procurement area. In

Third-party evaluation items

addition to engaging in communication with suppliers of products with high CO₂ emissions and asking them to reduce CO₂ emissions, we have also been enhancing our activities to assess the efforts, risks, and opportunities of our suppliers through the Carbon Disclosure Project (CDP)*¹ Supply Chain Program.

In FY2023 and beyond, we will continue to collaborate with our business partners to promote activities aimed at reducing CO₂ emissions throughout the supply chain.

* An international environmental NGO that collects requests from institutional investors and others interested in environmental issues, and encourages major companies and organizations around the world to disclose environmental information, and evaluate

Green Procurement Guidelines

Expansion of Guidelines

In its Green Procurement Guidelines, we ask business partners to acquire and renew external certifications of environment management systems, as well as to manage hazardous substances, promote the 3Rs (reduce, reuse and recycle), submit LCA*² data to allow us to understand the lifecycle environmental impact, reduce environmental impact in business activities, and reduce their environmental impact related to logistics.

In addition to Japan, we have introduced the Green Procurement Guidelines at overseas production bases, adjusting the guidelines to account for actual conditions in each country and operational details at each location. These companies are also applying the guidelines to their business partners.

PDF Green Procurement Guidelines

*² LCA stands for Life Cycle Assessment, which is a technique for calculating and evaluating the environmental impact of a product from manufacturing to disposal.

Collection of Materials and Hazardous Substance Data through IMDS

To encourage the management and reduction of hazardous substances, we promote management under the International Material Data System (IMDS). For this reason, we ask business partners to disclose data on environmentally hazardous substances for materials and parts by inputting them into IMDS in accordance with the "Green Procurement Guidelines." We also ask them to establish a management system for environmentally hazardous substances.

Through these processes, we confirm compliance with regulations regarding hazardous substances used in parts and materials for new vehicles and mass production models.

21 Sustainability Criteria

ENVIRONMENT	LABOR & HUMAN RIGHTS	ETHICS	SUSTAINABLE PROCUREMENT
Operations - Energy Consumption & GHGs - Water - Biodiversity - Local & Accidental Pollution - Materials, Chemicals & Waste Products - Product Use - Product End-of-Life - Customer Health & Safety - Environmental Services & Advocacy	Human Resources - Employee Health & Safety - Working Conditions - Social Dialogue - Career Management & Training Human Rights - Child Labor, Forced Labor & Human Trafficking - Diversity, Discrimination & Harassment - External Stakeholder Human Rights	- Corruption - Anticompetitive Practices - Responsible Information Management	- Supplier Environmental Practices - Supplier Social Practices

Source: EcoVadis



Target
3.9



Targets
8.7
8.8



Targets
12.4
12.5

Working with Suppliers to Improve Quality

MITSUBISHI MOTORS regularly conducts quality audits and quality self-check guidance with its suppliers as collaborative efforts to improve quality along the entire supply chain.

In FY2022, we conducted process audits for 62 suppliers at 80 plants, and indicated items were generally improved within three months. Process audits are conducted every one to three years, with the audit cycle set according to the results of the previous audit. Quality self-checks are performed by 329 business partners. Each company is working to improve the weak points found in the self-check. In addition, we are actively working to improve communication with suppliers and enhance quality by, for example, promoting improvements by disseminating the results of our self-check trend analysis to all suppliers.

We issue monthly Supplier Score Cards, which numerically represent suppliers' quality results. This approach has clarified issues for each company, making it easier to implement improvement measures quickly and accurately. In cases of particularly serious defects, we analyze the causes and examine the appropriateness of countermeasures in collaboration with business partners to prevent recurrence.

We cooperate on defect prevention activities to keep defective parts from being delivered and ensure we are able to provide customers new models with confidence.

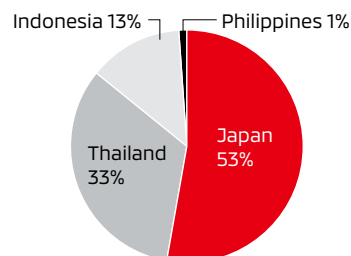
Promotion of Localization

To optimize costs at our overseas production bases, our basic policy is to source from local suppliers where possible, as long as such procurement is effective and the necessary technologies are in place.

For parts which are already locally procured, we also promote the local procurement of the components used within these parts, etc., to optimize costs further.

We conduct advance audits of the systems and structures of new business partners, evaluating items such as their development capabilities, production capabilities, and quality management capabilities and issuing improvement instructions if necessary. We also provide support to local business partners by serving as a go-between with Japanese business partners, joint ventures with local business partners, technical partnerships, and the like. We work to contribute to local regions by creating local jobs and improving local technical capabilities.

Country-Specific Parts Procurement Ratios by Production Base (FY2022)



Initiatives for Business Continuity Plans in the Supply Chain

A large-scale natural disaster, major outbreak of infectious disease, or shortage of specific parts or materials (such as semiconductors), could interrupt the flow of parts from our suppliers. We might then run the risk of business being suspended.

To avoid or mitigate such risks, as part of our business continuity plans (BCPs) in the supply chain, we are taking measures to identify risks and impacts early on and to find alternative production options for each business partner and component.

Specifically, suppliers are asked to register Tier 2 to Tier N suppliers including overseas suppliers, in addition to their factories, in the Supply Chain Risk Management System so that target suppliers can be narrowed down as soon as possible.

In addition, both the Company and its suppliers exchange information on the status of damage caused by disasters, the impact of specific parts and materials shortages, and our response to production plans so that we can take countermeasures.

Participating in Outside Initiatives

Curbing and combating climate change require efforts that go beyond the scope of individual companies. Entire industries and their supply chains must work together to reduce CO₂ emissions.

As a member of the Japan Automobile Manufacturers Association, we participate via subcommittees in discussions on industrywide policies and measures in the area of procurement.

Promoting Social Contribution Activities

Progress in FY2022

Disaster cooperation
agreements in place
with municipalities
[FY2021: 190]

Total of **250**

Total social contribution
expenditures
[FY2021: ¥605 million]

¥**416** million

Participants in social
contribution activities
[FY2021: Cumulative total
of 50,576]

Cumulative total of
58,767 people

Hours spent on social
contribution activities*¹
[FY2021: 32,288 hours]

69,933 hours

- Promoted the DENDO Community Support Program
- Promoted activities in the "STEP" field
- Expanded forest preservation activities

*¹ Activities during working hours

<Related pages>

P15 MITSUBISHI MOTORS' Materiality

P21 Materiality

Social Contribution Activities Report

(WEB) <https://www.mitsubishi-motors.com/en/sustainability/contribution/report/>

Basic Approach and Policies

In accordance with the Social Contribution Activities Policy formulated on the basis of MITSUBISHI MOTORS' vision and mission, we are promoting activities that leverage the features of our Plug-in Hybrid Electric Vehicles (PHEV), including the execution of cooperative agreements in the event of disasters.

In FY2022, we successfully executed the disaster cooperation agreements with 250 municipalities across Japan to increase awareness of the usefulness of PHEV in times of disaster. We will continue

to work with local governments and our Group companies throughout Japan to contribute to the safety and security of local residents through the use of Electrified Vehicles.

Logo Mark for Social Contribution Activities

The figure shows how our circle of activity in STEP areas expands outward from the center.



Social Contribution Activities Policy

To address diversifying social issues, MITSUBISHI MOTORS carries out its STEP social contribution activities, focused on four main themes, standing for the first letters of Society, Traffic safety, Environment and People. Based on this policy, we will continue to contribute to society by utilizing each and every employee's skills and know-how as well as our technologies and products, aiming to create a better society where people can hope for a better future.



Breakdown of Social Contribution

Expenditures in FY2022*² (¥ million)

Category	Amount
Society	85
Traffic safety	4
Environment	69
People	223
Support for disaster-stricken areas, support measures to address COVID-19	35
Total expenditure	416

*² Social contribution expenditures including donations as well as in-kind benefits and free use of company facilities converted into monetary equivalents.

Society

DENDO Community Support Program

Including the dispatch of Electrified Vehicles in the event of a disaster power outage in accordance with the Cooperation Agreement in the event of a disaster, MITSUBISHI MOTORS is supporting municipalities with its PHEV, which can generate power and be tapped as sources of electricity.

By combining the power of PHEV to provide transportation and the power of electricity, we are making people's lives safer and more reliable.

For details, please see page 27 and our website.

WEB <https://www.mitsubishi-motors.co.jp/carlife/phev/dscp/>
(only in Japanese)



Disaster cooperation agreement

Proposing the utilization of electrified vehicles in the "Manhole pump start-up support system for power outage and disaster"

In recent years, the number of manhole pump down-time due to power outages has increased due to frequent windstorms and floods, and this has become a social problem. We participated in a joint research project in September 2021 to address this issue on a

"Manhole pump start-up support system for power outage and disaster," which aims to utilize electric vehicles and plug-in hybrid electric vehicles to power the manhole pumps needed to move water in the event of a disaster power outage.

In this research, we are conducting verification tests in the cities of Kawasaki and Hamamatsu in collaboration with pump manufacturers and parties for development of a system that combines electrified vehicles, solar power generation and portable storage batteries to adapt to a decarbonized society. Going forward, we will strive to achieve the use of electrified vehicles together with this system, aiming to be environmentally friendly and to contribute to ensuring the safety and security of people's lives.



Demonstration of power supply utilizing a PHEV.

Traffic safety

Conducting the "School of Vehicle" for Traffic Safety Classroom

We are implementing "Kuruma no Gakko," a program in which participants think about traffic safety, learn together and have fun together.



Target
● 10.2



Target
● 11.5



Target
● 13.1



Target
● 15.4

In FY2022, with the aim of reducing the number of traffic accidents caused by erroneous driving, we collaborated with local governments and police stations to conduct "driving aptitude tests," "car simulator experiences," and "test rides in a SUPPORT CAR" to experience the collision prevention assist function of the Safety Support Car. A total of four test drives were held in Okazaki City, Aichi Prefecture, and Kurashiki City, Okayama Prefecture, for these experiences, with approximately 70 people participating.



Riding together in a safety support car

Traffic safety activities around business sites

Our employees regularly serve as traffic safety sentries on the roads around our business sites.

We called for safety for passing vehicles and people with placards and banners during commuting hours, and also guided traffic for children on their way to school. In addition, our employees participated in traffic safety awareness events organized by local traffic safety associations and police stations in collaboration with the local community, and cumulative total of 398 employees took part in eight such activities across our business sites.



Employees serving as safety sentries



Traffic Safety Awareness for Children

Website for Children "Do You Know the Answer? Traffic Safety Quiz"

MITSUBISHI MOTORS posts a regular feature on its "Why, Why, Car Development Research Kids" website to provide information on the automobile industry to elementary school age children. The website includes a web-page about traffic safety using a quiz format to introduce traffic rules and manners they should follow when walking or riding a bicycle in their day-to-day activities.



"Do You Know the Answer? Traffic Safety Quiz"

WEB <https://www.mitsubishi-motors.com/jp/sustainability/contribution/people/kids/anzen/> (only in Japanese)

Environment

Forest Preservation Activities

In March 2023, as part of our initiatives to carbon offsetting through forest preservation, we signed a "Forest Preservation Partnership Agreement" with Okazaki City, Aichi Prefecture, where the Okazaki Plant is located. The designated city-owned forest has been named "Okazaki Outlander Forest," and forest preservation activities have begun.

Forest preservation activities include environmental education, thinning, tree planting, and underbrush cutting

to foster environmental awareness among employees.

In the "Pajero Forest" in Hayakawa-cho, Yamanashi Prefecture, in collaboration with the OISCA Foundation, employees resumed activities for the first time in three years to clear the undergrowth needed for the seedlings to grow, which had been postponed to prevent the spread of COVID-19 infections.



Signing a forest preservation activities collaboration agreement with the city of Okazaki



Employees engaging in activities for the first time in three years

Donating Seedlings as part of Our Environmental Preservation Activities in the Philippines

Asian Transmission Corp. (ATC), our automotive parts production base in the Philippines, has been engaged in greening activities toward the goal of planting a total of 25,000 seedlings over a period of five years starting in FY2018, which marked its 45th anniversary.

In FY2022, we donated a total of 3,600 mahogany saplings to schools and local governments with a cumulative total of saplings planting to 27,009.



Planting mahogany saplings

People

Supporting the Education of Elementary, Junior and Senior High School Students

We support the education of the children who will take responsibility for the next generation through factory tours (where elementary school students can experience manufacturing sites) and a hands-on lesson program, in which employees visit elementary schools to conduct lessons. We also host career counseling studies to encourage junior and senior high school students to think about the future and broaden their horizons.

In FY2022, the activities were attended by approximately 30,400 elementary, junior and senior high school students.



Factory tour for elementary school students



Company visit by junior high school students

Participating in a Joint Industry-Academia Project with a Vocational School and an Art University

To help nurture students with an interest in car design, in April 2022 we began a joint industry-academia project (course) with the industrial design department of Tama



Designers providing guidance on-site

Art University. In September, we also began planning course with HAL College of Technology & Design. For the project with Tama Art University, our designers provided both online and on-site guidance, and the students planned and proposed a new lifestyle mobility for our company under the theme of "Exciting Mitsubishi Entry Cars for the newcomers to the workforce in 2035."

Donates Solar Systems for Orang Asli's Shared Community Space in Malaysia

In July 2022, MMC Manufacturing Malaysia Sdn. Bhd (MMM), MMC's official distributor in Malaysia, donated solar systems to enable access to solar energy in the indigenous minority group Orang Asli's shared community space commonly known as their Rumah Adat, through the Global Peace Foundation, a non-governmental organization (NGO) that supports this ethnic group.



The Orang Asli's Shared Community Space where the solar system was installed

Educational Support in Asia

In Thailand, Indonesia, Vietnam, and Malaysia, we take part in various efforts to help children who have difficulty accessing education for economic reasons. We provide scholarships to junior high school, high school and university students; donate learning tools to orphanages; donate teaching vehicles that can help cultivate high-quality human resources for the au-

tomotive industry; and host interns. We also provide support tailored to national and regional social issues, including educational opportunities through the organizing events.

Event on Digital Literacy Education in Indonesia

In December 2022, Mitsubishi Motors Krama Yudha Sales Indonesia (MMKSI), our sales company in Indonesia, conducted events to promote digital literacy. These activities included coloring contests, production and editing of digital artworks, and training workshops for content posting on social media. The aim of these events was to help children understand and utilize information appropriately in the rapidly developing digital society.



Children learning about digital literacy

Donating Water Purifiers to Elementary Schools in Rural Areas of Vietnam

In March 2022, Mitsubishi Motors Vietnam Co., Ltd. (MMV), a local production and sales company in Vietnam, in cooperation with local dealerships and the Vietnam Red Cross Society to donated water purifiers to elementary schools in the Ninh Thuan and Quang Nam provinces, where access to safe and clean



water is not available.

This donation is aimed at providing children with easy access to clean water and improve hygiene conditions in the schools.



Target
● 10.2



Target
● 11.5



Target
● 13.1



Target
● 15.4

MITSUBISHI MOTORS STEP Funds and Matching Gift Program

The MITSUBISHI MOTORS STEP Funds, introduced in April 2009, is a structure through which employees of MITSUBISHI MOTORS Group companies can continuously participate in social contribution activities by voluntarily donating fixed sums to the funds. These funds are then used for to support activities in developing countries and areas struck by the Great East Japan Earthquake, in line with the purposes of MITSUBISHI MOTORS social contribution activities. In addition, to demonstrate it values employees' motivation to contribute to society and to support more people, the Company matches donations made through the MITSUBISHI MOTORS STEP Funds.



The recipients of donations and matching gifts are selected based on their alignment with the focus areas of MITSUBISHI MOTORS Social Contribution Activities

Support Recipient

- World Vision Japan
- The MICHINOKU Future Fund
- OISCA
- Kindergartens, Nursery schools, elementary schools, etc., near our workplaces

Target
● 10.2Target
● 11.5Target
● 13.1Target
● 15.4

Policy, business continuity, regular activity reports and track record. In addition, we hold debriefing sessions for our employees by the recipients of our support, and we communicate with them to link our activities with theirs.

Through this support, MITSUBISHI MOTORS and MITSUBISHI MOTORS STEP Funds aim to continue with activities that meet local needs and contribute to the development of the local community.

Engaging in the “Forest Wooden Building Block Project” for Children

The concept of this project is to present nurseries and kindergartens near Company business sites with cozy wooden building blocks for enhancing the children’s creativity through block play, which are made of Japanese cypress comes from forestry thinning operations mainly in Hayakawa-cho, located in the prefecture of Yamanashi, where we carry out our forest conservation activities.

In addition, we have been engaging in “Employee Presenter Program” through which our employees hand out a set of forest wooden building blocks to nurseries and kindergartens of their choice (usually choice from their childhood memories) through our internal donation funds.

In FY2022, we presented blocks to 60 kindergartens and nursery schools. The blocks have been donated to 525 kindergartens since 2010.



Building blocks made from thinned cypress

Support for Disaster-Stricken Areas

In the event of natural disasters and other emergencies, we provide various forms of support, such as monetary donations, free loan of vehicles, and employee volunteer work.

“TRITON” Pick-Up Trucks Are Provided to Areas Affected by Flood due to Heavy Rain for disaster relief activities

Mitsubishi Motors Australia Limited (MMAL), a sales company in Australia donated approximately 30 units of “TRITON” pickup trucks and “PAJERO SPORT” and “ECLIPS CROSS” sport util-



Providing a “TRITON” pickup truck to Disaster Relief Australia

ity vehicle to Disaster Relief Australia (DRA), an Australian disaster relief organization to support emergency relief activities for the flood-stricken states

of eastern Queensland and southeastern New South Wales. These vehicles provided support for various relief activities in the affected areas, including the transportation of rubble and debris.

Donating Three Vehicles to Malaysia for the East Monsoon

MMC Manufacturing Malaysia Sdn. Bhd. (MMM), our general sales agent in Malaysia donated three “TRITON” pickup trucks to the Malaysia Red Crescent Society (MRCS), a non-governmental organization (NGO) involved in disaster response for over 60 years. “TRITON” will be used for humanitarian aid, such as delivering food and medical supplies to those in need in the affected areas in the event of flooding.



The donated “TRITON”

Please see the following website for details on our disaster relief support.

(WEB) <https://www.mitsubishi-motors.com/en/sustainability/contribution/society/relief/>

Main Support in FY2022

Implementation Period	Support		Support Recipient
February–April 2023	Cyclone damage in Hawke’s Bay, New Zealand	Donated six “TRITON” pickup trucks	Taskforce KiWi
February 2023	Turkey-Syria Earthquake	Donated ¥5 million for relief	The Japanese Red Cross Society
January–March 2023	Wildfires in New South Wales, Australia	Provided various vehicles, including the “TRITON”	Disaster Relief Australia
November 2022	Earthquake in Java, Indonesia	- Donated 575 million Indonesian rupia in relief funds - Donated 200 million Indonesian rupia	The Indonesian Red Cross Society
From 2022	Repeated flooding throughout New South Wales and Queensland, Australia	Provided approximately 30 vehicles, including the “TRITON,” “PAJERO SPORT” and “ECLIPSE CROSS”	Disaster Relief Australia

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Corporate Governance



Target
● 8.7



Target
● 16.5

Basic Approach and Policies

Based on its Vision and Mission, MITSUBISHI MOTORS considers compliance to be of topmost importance and is making the ongoing reinforcement and improvement of governance a management priority, in order to meet the expectations of shareholders, customers and all other stakeholders, and to achieve sustainable growth and increase in corporate value over the medium to long term.

In addition, we have put together its basic framework for and views on corporate governance in the form of "Corporate Government Guidelines" and publishes these guidelines on our website.

PDF Corporate Governance Guidelines

System of Corporate Governance

We have adopted the form of a company with a Nomination Committee, etc, as part of its efforts to enhance its corporate governance and clearly separate supervisory and execution function, and in order to achieve swift execution of business in quick response to environmental changes and to ensure the soundness and transparency of management through further strengthening of supervision and implementation of more thorough risk management.

Board of Directors and Directors

Policy for the Nomination of Candidates for Directors and Composition of Members of the Board

The Board makes decisions on important management issues and oversees the execution of business by Executive Officers.

We have established the following basic policy regarding the policy for nominating candidates for

Directors and the composition and size of the overall Board of Directors.

<Basic Policy>

In order for the Board to objectively and multi-dimensionally deliberate on management policies and execution of specific matters, and to appropriately supervise the execution status of operation by Executive Officers, it shall be important that the appropriate number of Directors, internal or outside, with diversity in terms of knowledge, experience, expertise and background, engage in vigorous discussions from a variety of perspectives. To this end, candidates for Directors shall be nominated.

In accordance with this policy, the independence and diversity of the Board shall be ensured as follows.

In order to strengthen the supervisory function of the Board, the majority of Board members shall be Outside Directors. Furthermore, in order to fulfill their duties from an independent and objective standpoint, at least one-third of the Directors shall be Independent Directors, and consideration shall be given to their total term of office. In addition, the majority of the Nomination, Compensation, and Audit Committees, respectively, shall be Outside Directors, and in principle, the chairperson of each committee shall be an Outside Director.

Outside Directors shall be nominated based on their diverse knowledge, experience, and expertise, which cannot be obtained from Internal Directors alone, for example, specialists in law, accounting, finance, etc., persons with management experience at global companies above a certain size, and persons with a wealth of knowledge of world affairs or social and economic trends, etc. Importance shall be placed on their eagerness to devote the necessary time and efforts to understand the business of the Company

as a group, and discuss the direction the Company as a group should take, and to express their opinions to the management without hesitation. In addition, the diversity of backgrounds such as gender, age, and internationality shall be also taken into account, as it shall be recognized that multiple perspectives contribute to business promotion and appropriate supervision and auditing.

As for Internal Directors, Executive Officer, President & CEO, and a person who can appropriately serve as a member of the Audit Committee based on his or her execution experience of operation at we shall be nominated.

Also, it shall be ensured that the Board is composed of the number of people who can openly and constructively discuss and exchange opinions.

As of June 22, 2023, the Board comprised 13 Members (2 female Members). 11 of the 13 Directors are Outside Directors with extensive experience and high levels of insight, and 5 of the Outside Directors are Independent Outside Directors.

We publish individual Directors' knowledge, experience and expertise (skill matrix) on our website.

(WEB) https://www.mitsubishi-motors.com/en/sustainability/governance/policy_skill.html

Independence Standards and Qualification for Outside Directors

We have established independence standards for Outside Directors as follows, and we appoint as independent directors those persons who are not at risk of having a conflict of interest with general shareholders.

<Independence standards and Qualification for Outside Directors>

The Outside Directors of us shall not be any of the following and shall be in a neutral position independent from our management.

Target
● 8.7Target
● 16.5

1. An executive of a major shareholder*¹ of MITSUBISHI MOTORS
2. An executive of a major business partner*² of us, or of a company for which the Company is a major business partner, or the parent company or subsidiary of such a company
3. An executive of a major lender to the Company or the parent company or subsidiary of such a company
4. A person affiliated with an auditing firm that conducts statutory audits of us
5. A consultant, an accounting professional such as a certified public accountant, or a legal professional such as an attorney-at-law who receives a large amount*⁴ of monetary consideration or other property other than compensation of corporate officers from us (in the event such property is received by a corporation, association or other group, then any person belonging to such group)
6. An executive of a company with which we share a corporate officer
7. An executive of an organization that is receiving a large donation or grant from us
8. A person to whom any of one through seven has applied during the past three years
9. A person with a close relative (second degree of kinship) to whom any of one through seven applies
10. A person whose total period in office as an Outside Director exceeds eight years
11. Other persons for whom the possibility of a relationship with us appears strong under substantive and comprehensive consideration of the situation

*¹ a major shareholder: a shareholder who owns a 10% or greater share of voting rights

*² a major business partner: a major client of the Company with annual transactions valued at 2% or more of our consolidated net sales in the most recent fiscal year, or a major supplier to us with annual transactions valued at 2% or more of the supplier's consolidated net sales in the most recent fiscal year

Analysis and Evaluation of the Effectiveness of the Board of Directors

To improve the effectiveness of corporate governance, we annually evaluate the effectiveness of its Board.

In FY2022, in pursuit of enhancing the oversight capability of the Board, we conducted individual interviews of all Directors in addition to the questionnaire survey about the aspects listed below, and the evaluation and analysis were reported to the Board on March 28, 2023. In the course of the evaluation this year, we employed an external consultant for the questionnaire survey and interviews to ensure in-depth analysis and evaluation along the latest corporate governance intelligence and secure objectiveness and transparency in the process.

<Aspects evaluated>

1. Structure and operations of the Board
2. Management and business strategy
3. Corporate ethics and risk management
4. Evaluation of management team and nomination and remuneration
5. Dialogue with shareholders
6. Committees

As a result, it was confirmed that the Board has improved on the structure, framework, and operations compared to the FY2021 and is sufficiently effective in total in its work. The following are the Board's strengths recognized through the evaluation:

- (i) Fostered respect and trust in the executive team's managerial efforts
- (ii) Steady and continuous work to improve its effectiveness and substantive discussions to improve corporate value
- (iii) Mutual trust among Directors based on the effective exercise of roles and responsibility by each of the diverse Outside Directors, with their distinguished personalities, acumen, and experiences.

The evaluation also confirmed improvements in the following two issues identified in FY2021 through implementation of the action plan.

Issue in FY2021 and Initiative in FY2022 (1)
Shift the focus of deliberations and discussions of the Board to broader matters. Initiative: Enhanced reporting on matters that underpin the mid-term business plan, such as products, technology, new businesses, and other matters.
Issue in FY2021 and Initiative in FY2022 (2)
Explore more opportunities to understand deeper the business environment and operations and obtain information about the background of the executive team's thoughts and decisionmaking regarding management matters, which should be the fundamentals for judgments and oversight by the Board. Initiative: Inception of periodic reporting to the Board regarding business overviews and relevant topics, enhancement of informal discussions and the understanding of issues through continued regular Independent Directors' meetings, the holding of opportunities for richer communications between Directors and senior executives, visits by Directors to domestic and overseas sites, continued efforts for practical improvements in the operations of Board meetings, etc.

The FY2022 evaluation concluded that the Board has developed solid governance base around, among other things, the structure, framework, and operations and should have more and even richer discussion about broader-and longer-perspective strategies of us.

Toward the further effectiveness of the above, the following points were identified as key aspects.

- (i) Development of a common understanding about environmental changes and management issues that the Company faces
- (ii) Formulation of a more robust outlook of the future of the relevant industry's structure surrounding automotive and mobility matters and the further deepening of insights about the MITSUBISHI MOTORS core competencies
- (iii) The importance of a greater variety of opportunities for interactive and multilateral communication

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tions and discussions between the Board and the executive teams for the purpose of helping adaptations to forthcoming changes in the world

We will endeavor continuously for more heightened effectiveness of the Board and enhanced corporate governance by incorporating the results of this evaluation into the agendas of Board meetings in FY2023 and other relevant efforts.

Committees

The Board of Directors has the following three statutory committees, which supervise Directors and Executive Officers together with the Board of Directors. Each committee is composed of a majority of Outside Directors, and the Chairpersons of each committee are Outside Directors. Through this, a system is in place in which corporate governance functions in a fair and transparent manner.

Nomination Committee

The Nomination Committee makes decisions on proposals for the appointment and dismissal of Members of the Board to be proposed to the General Meeting of Shareholders, approves proposals for the appointment and dismissal of Executive Officers proposed by the President to the Board of Directors, and discusses succession planning for MITSUBISHI MOTORS' President. The committee is composed of five Outside Directors, and an Independent Outside Director (Ms. Main Kohda) serves as the chairperson.

In FY2022, the Nomination Committee met 10 times. In determining the agenda item for the election of Directors to be proposed to the General Meeting of Shareholders, the Nomination Committee prepared a list of candidates and interviewed them for the election of new independent Outside Directors, and deliberated on approval of the proposal for the election of Executive Officers to be proposed by the President to the Board of Directors, and on succession planning for the President, and other matters.

Compensation Committee

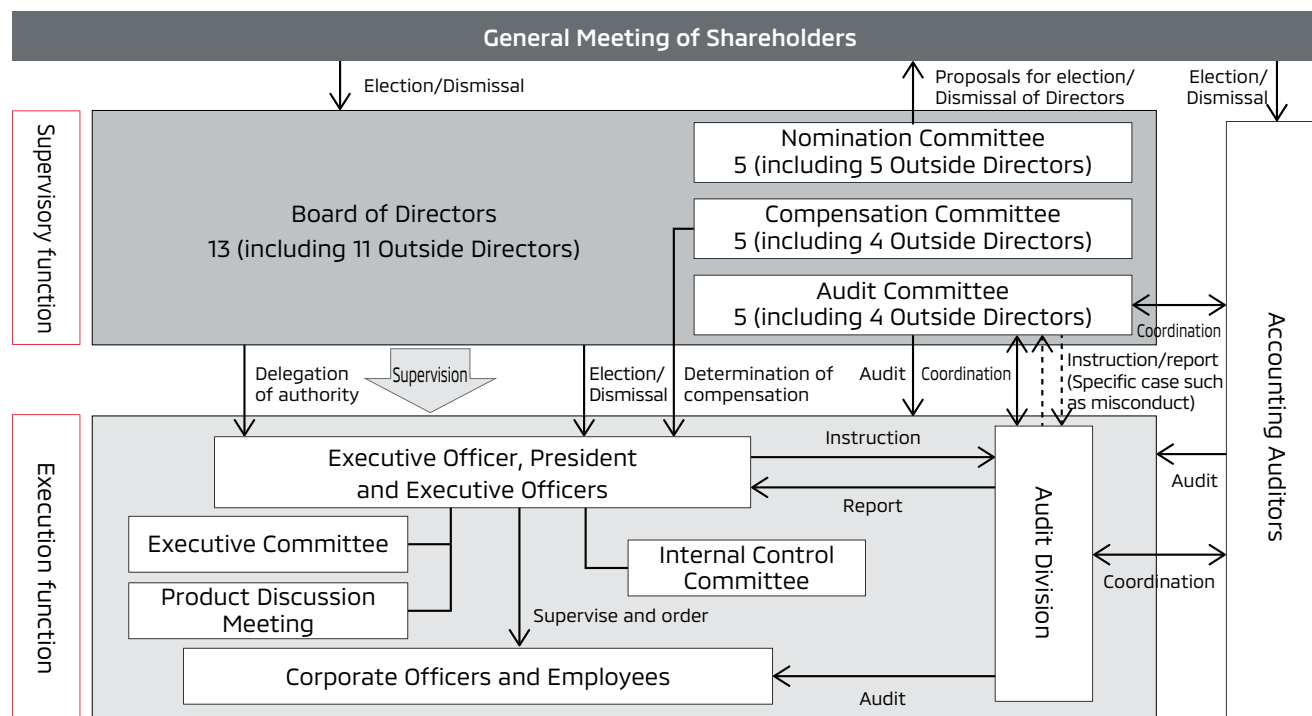
The Compensation Committee deliberates and determines the policy regarding determination of remuneration of Directors and Executive Officers, as well as the details of individual remuneration. The committee is composed of four Outside Directors and one Internal Director. An Outside Director (Mr. Shunichi Miyanaga) serves as the chairperson.

The Compensation Committee met nine times in FY2022. The Committee deliberated on the determination of the individual Compensation Plan for Directors and Executive Officers, review of the current Compensation Plan for Directors, and other matters.

Audit Committee

Among other activities, the Audit Committee audits the execution of duties by Directors and Executive Officers, supervises the status of the formulation and operation of the internal control system and prepares audit reports. Additionally, the Audit Committee conducts internal investigations on matters that the Board or the Audit Committee deems inappropriate for the executive side to conduct. The Audit Committee consists of four Outside Directors and one Internal Director, and an Independent Outside Director (Yoshiko Nakamura) serves as the chairperson.

Corporate Governance and Business Execution Structures (June 22, 2023)



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In FY2022, the Audit Committee met 15 times. The status of Audit Committee audits outlined at right.

Executive Officers

The Board make decisions on matters that require a resolution of the Board pursuant to laws, regulations or provisions of the Articles of Incorporation, matters delegated to the Board by a resolution at a General Meeting of Shareholders, and certain material matters related to business management. Executive Officers are given the authorization to make decisions relating to the execution of business excluding any of the above matters.

Executive Officers are responsible for making decisions on business execution delegated by the Board. The President is appointed as the head of the executive departments by a resolution of the Board.

As of June 22, 2023, there are 11 Executive Officers (including the President).

Outline of Decision-Making Process for Business Execution and Various Committees

When executing business, the Executive Officer, Executive Vice President is positioned as the responsible person with authority and responsibility for business execution within the scope of duties, in addition to the President who is the head of the executive department. In addition, delegation of decision-making authority is systematized based on the Delegation of Authority Rules, in which items subject to delegation and their scope are defined, and decision-making procedures for major matters are formulated to speed up business execution and improve the transparency of the decision-making process.

Important matters on management are decided after deliberation at the Executive Committee, which is composed of all Executive Officers and chaired by the President.

Important matters relating to product development projects are decided after deliberation at the

Product Decision Meeting.

Additionally, matters related to internal control are decided after deliberation at the Internal Control Committee.

Each of these committees are chaired by the President and the relevant Executive Officers serve as members.

Conflicts of Interest

Transactions between MITSUBISHI MOTORS and Directors or Executive Officers that particularly compete with our business operations or conflict with our interests require prior resolution from, and after-the-fact reporting to, the Board in accordance with the rules of the Board (hereinafter referred to as the "Rules of the Board"). In addition, the Rules of the Board stipulate that Directors with a special interest in a resolution of the Board shall not participate in such resolution.

Furthermore, we conduct transactions with related parties, such as its Officers or major shareholders, based on the validation of multiple related departments and approval of the person in charge, pursuant to the delegation of authority rules, after we have sufficiently considered the economic rationality to confirm there is no harm to our interests, which is the same process we go through with non-related parties.

Status of Audit Committee Audits and Internal Audits

Status of Audit Committee audits

Our Audit Committee gathers information and conducts organizational audits in relation to the implementation and operation status for internal control systems (including internal controls pertaining to financial reporting), such as those for main affiliates in Japan and

overseas, status of progress with and operation of compliance activities, verification of the appropriateness of risk evaluations, and risk management frameworks and the like, through Audit Committee meetings that are held monthly, in principle, and other meetings with Internal Audit Divisions, interviews with Executive Officers, and the like, based on audit policy and audit plans.

In the Audit Committee during the fiscal year under review, reports made concerning the audit policies and audit plans; audit methods; the assignment of audit duties; the status of the improvement and maintenance of the internal control systems; response to the Guidelines under the amended Whistleblower Protection Act; audit plans made, audit methods used, and the suitability of the results of audits performed by the Accounting Auditors; communications in relation to Key Audit Matters (KAM); response to the amendment of the Code of Ethics of the Japanese Institute of Certified Public Accountants (JICPA); and the monthly reports on the status of duties executed by the Full-time Member of the Audit Committee.

In addition to the meetings above, based on its audit policies and audit plans, the Audit Committee held 6 meetings (approximately 90 minutes per meeting) with the internal audit divisions during the year, performed audits, and collected information on the operating status of internal controls through the divisions. The Audit Committee also interviewed Executive Officers and others 9 times during the year (approximately 90 minutes per interview) to confirm how the MMC group's major subsidiaries and affiliates in Japan and overseas as well as divisions address issues on the development and operation of the internal control system, compliance, risk management, etc.

In addition to the meetings above, full-time Members of the Audit Committee attended important meetings including meetings of Executive Committee; inspected important approval/decision documents; interviewed Executive Officers and Corporate Officers; visited and

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audited, or conducted hearings with MMC's major business locations and its major subsidiaries and affiliates in Japan and overseas; provided training for and had liaison meetings with auditors of subsidiaries and affiliates in Japan; and performed the three-pillar audit system (i.e., internal audits, auditors' audits, and accounting audits). The status of duties executed by full-time Members of the Audit Committee is reported in the meeting of the Audit Committee (held once a month in principle).

The status of activities carried out by the Audit Committee is reported to the Board of Directors twice a year. The Audit Committee also exchanges opinions with Executive Officer, President to communicate its findings every year.

Status of internal audits

MITSUBISHI MOTORS has established internal audit departments (the Internal Audit Department and the Quality Audit Department) in the Internal Audit Division (an independent organization reporting directly to Executive Officer, President & CEO) and these departments systematically conduct internal audits based on the annual audit plan.

As of the end of March 2023, the Internal Audit Division consists of 24 members* with specialties, including those with a variety of managerial experience, certified internal auditors, and eligible internal auditors. The Internal Audit Department (consisting of 15 members*) conducts audits to determine whether operational management of the Group is being conducted with transparency using appropriate processes. The Quality Audit Dept. (6 members*) audits the appropriateness of product quality-related activities by MMC and subsidiaries and affiliates in Japan and overseas.

The results of the internal audit conducted by the Internal Audit Division are reported to Executive Officer, President & CEO and the Audit Committee.

Besides coordinating meetings with the Audit Committee six times a year and holding regular meetings with full-time Audit Committee Members once a month, the Internal Audit Division also exchanges

information at tripartite audit meetings with full-time Audit Committee Members and Accounting Auditors.

* As of June 30, 2023, the Internal Audit Division consists of 25 members (15 from the Internal Audit Department, 7 from the Quality Audit Department, and 3 from the Division itself).

Cooperation between the Audit Committee and internal audit departments

The Audit Committee Members regularly hold meetings with the Internal Audit Division to receive information regarding the auditing system, auditing plans, and internal audit results within us and at its affiliated domestic and overseas companies, and to provide feedback to the Internal Audit Division on the status of the Audit Committee Members' audits. Additionally, the Audit Committee summarizes audit activities it has conducted, including the details of reports received from the Internal Audit Division, and reports the results to the Board twice a year.

Items Relating to Takeover Defense

Not applicable.

Executive Remuneration

Basic Views and Policy

MITSUBISHI MOTORS' Compensation Committee, which is chaired by an Outside Director, has established the following policy regarding remuneration for Directors and Executive Officers.

<Basic approach>

1. The compensation system shall contribute to MMC group's sustainable growth and medium- to long term improvement of corporate value.

2. The compensation system shall be linked with corporate results in order to motivate Executive Officers to accomplish management strategies and management plans as well as to achieve targeted corporate results in an appropriate manner.
3. The compensation levels shall contribute to securing professionals who measure up to ideal standards for management personnel that MMC expects for those responsible for corporate operation to have.
4. The compensation system shall increase a shared awareness of profits with shareholders and awareness of shareholder-focused management.
5. The decision-making process relating to compensation shall be highly transparent and objective.

Based on these policies, the Compensation Committee determines the method calculating remuneration and individual remuneration amounts of the directors and executive officers. Remuneration for FY2022 is contained in the FY2022 Annual Securities Report (pages 91–96).

FY2022 Annual Securities Report

(WEB) https://www.mitsubishi-motors.com/content/dam/com/ir_en/pdf/yuka/2023/yuka20230629e.pdf

From FY2022, based on the recognition that the response to sustainability is one of the crucial issues of the MMC group, we added ESG-related items as the index to determine the Medium-and Long-term Performance-linked Compensation for Executive Officers.

● Environmental indicator:

We have introduced "CO₂ emissions from business activities" as an indicator for measuring progress in addressing climate change and other increasingly environmental issues.

● Social indicator:

We have introduced "employee engagement" as an indicator of advancement of employee job satisfaction and increased initiative through securing diversity and work-life balance, and promoting Human Resources development.

Internal Control

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Basic Approach, Policies and Organization

Based on the “Basic Policy on the Establishment of Internal Control Systems”^{*} resolved at the Board of Directors, MITSUBISHI MOTORS monitors the status of operations and strives to improve and reinforce internal control systems.

We recognize the gravity of its improper conduct in fuel consumption testing, on top of past quality problems. As one of its priority measures aimed at regaining trust, in FY2017 we appointed a Global Risk Control Officer to manage compliance and operational hazard risks and report regularly to the Board of Directors on governance improvement measures. (In FY2023, the name of the post was changed to the Executive Officer for Internal Control Promotion/General Administration/Corporate Affairs.) Furthermore, in order to reinforce, and improve the efficiency of, its handling of internal controls based on laws and regulations, it revised its internal control system. In the revised system, the J-SOX Promotion Committee, under the direct control of the Executive Officer, Executive Vice President (CFO), handles internal control related to financial reporting in accordance with the Financial Instruments and Exchange Act. The Internal Control Committee, chaired by the Executive Officer, President & CEO and vice-chaired by the Executive Officer in charge of Global Risk Control, promotes internal control related to the Companies Act. This Internal Control Committee confirms and evaluates the contents reported and /or resolved at subcommittees in each internal control field, such as Compliance, Information Security, Business Continuity Management (BCM), and J-SOX, in accordance with the “Basic Policy on the Establishment of Internal Control Systems.”

From FY2022, we expanded the scope of risks covered to address the new risks that have emerged in recent years and are intricately intertwined with multiple risk factors (strategy, finance, operational and hazard risks) for a single event. In addition, we have established the Internal Control Promotion Of-

fice under the supervision of the Executive Officer for Internal Control Promotion/General Administration/Corporate Affairs to identify and prevent potential risks, respond to emergencies when risks materialize, and make the Company's major risks visible.

We have been working to establish a global internal control structure by gradually establishing and operating internal control committees from FY2018 at main affiliates in Japan and overseas. In addition, we have established a system in which a designated department is responsible for the overall management of each affiliated company, and related internal departments support the responsible department according to their roles, providing various support, checks and balances, and supervision to strengthen the affiliate and promote its development. Furthermore, internal rules have been established to ensure that important information at subsidiaries is reported to the Company in a timely and appropriate manner, and subsidiaries operate in accordance with these rules. To ensure the appropriateness of financial reporting, a specialized or-

ganization has been set up under the J-SOX Promotion Committee described above. This organization follows up on and gathers information about systems in place at the Company and its affiliates, the scope of evaluation, the evaluation status of companies subject to evaluation, the improvement status and other matters.

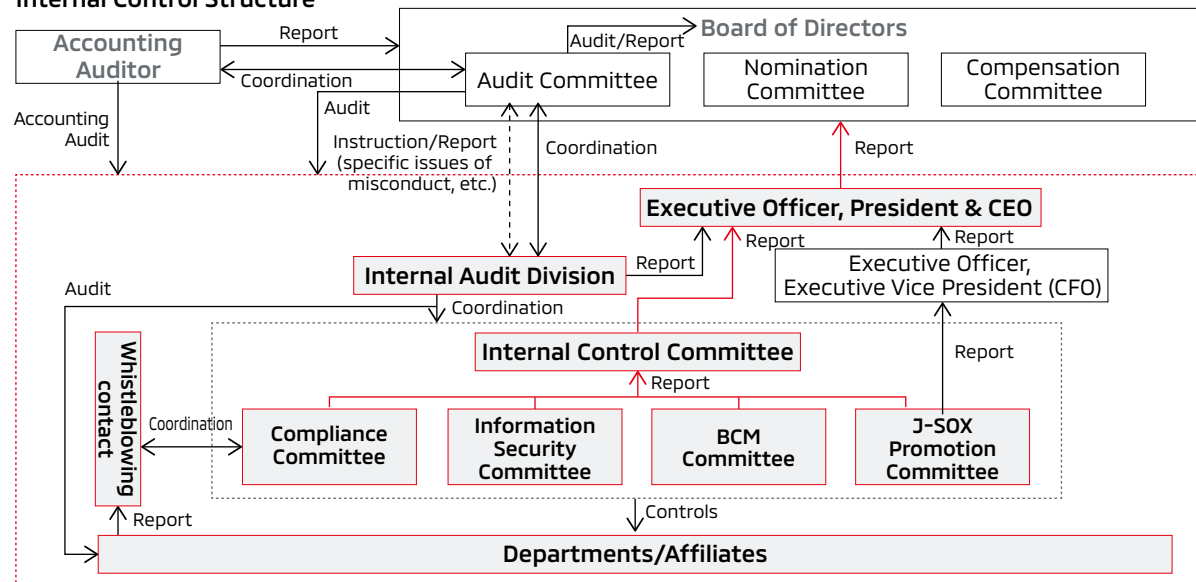
We have also positioned the Internal Audit Division as independent of business execution. The Internal Audit Division coordinates with other committees, including the Internal Control Committee, with the aim of achieving effective and efficient internal control system operation.

Going forward, we will continue with initiatives to further reinforce governance by working to ensure compliance with laws and regulations and to promote proper, effective business execution in line with changes in the domestic and overseas environments.

^{*} See Corporate Governance Report for “Basic Policy on the Establishment of Internal Control Systems” PDF

PDF <https://www.mitsubishi-motors.com/en/sustainability/pdf/governance.pdf>

Internal Control Structure



Risk Management



Basic Approach and Policies

MITSUBISHI MOTORS has defined a policy for the management of business risks in the form of the "Basic Policy on the Establishment of Internal Control Systems," and promotes risk management activities throughout the entire MITSUBISHI MOTORS Group. We consider it one of our most critical management issues to appropriately assess risks to the MITSUBISHI MOTORS Group's business, prevent risks from occurring, and engage in appropriate management to minimize the impact of risks if they do occur.

Development of Risk Management Framework

We have put in place and works to improve its risk management system for the entire Group through three types of risk management activities: "priority risk management," "divisional risk management" and "affiliated company risk management."

For priority risk management, we select risks that the entire MITSUBISHI MOTORS Group faces directly, that have a high potential impact and a high degree of urgency. For each risk, we assign "risk owners," and work as quickly as possible to mitigate these risks.

In divisional risk management, we have appointed risk management officers to each division or plant. These officers work to mitigate risks through repeated application of the PDCA cycle involving identifying and evaluating each risk, devising and implementing countermeasures, and monitoring.

Affiliated company risk management involves regular confirmation by MITSUBISHI MOTORS of the status of initiatives addressing various risks faced by subsidiaries and associates and activities such as Business Continuity Planning (BCP) improvements. Improvement suggestions and guidance are provided as required.

As a new strengthening measure, the Internal Control Promotion Office was established in FY2022. As geopolitical risks, risks related to economic security, risks related to business and human rights, etc. that are intricately intertwined with strategy, finance, operational and hazard risks, have surfaced in recent years, the Company has established a system to manage risks with expanded scope.

These risk management initiatives are regularly reported to the Board as major internal control activities and their effectiveness is confirmed.

In addition, to prepare for unforeseen contingencies we have developed urgent information communication system that enable the rapid communication of information to directors and other key personnel, as well as a swift and accurate response. In particular, to create a crisis management system to respond when serious incidents occur, we have formulated an emergency response manual, which we revise as appropriate. This manual outlines the establishment of an emergency response organization and clarifies the chain of command, enabling us to put appropriate response systems into place.

The MITSUBISHI MOTORS basic policy in times of disaster such as earthquake or other natural disaster or an outbreak of infectious disease-to ensure the

safety of customers, as well as employees and their families, and assist local communities. We are preparing disaster countermeasures and Business Continuity Management (BCM) to this end.

In FY2020, we established the "BCM Committee" as a permanent meeting body. In 2022, we consolidated our existing internal initiatives to strengthen BCM activities during normal times and take measures across the company.

We conduct company-wide BCP drills, in which a company-wide BCP headquarters is set up, employees' safety and damage situations are reported from each plant, and instructions are given by the company-wide BCP headquarters, under the assumption that an emergency has occurred.

As preparations against the possibility that employees will be unable to return to their homes for a three-day period (in accordance with the Metropolitan Tokyo Ordinance on Measures for Stranded Individuals), we have ensured means through which they can communicate with their families, cached emergency supplies and are conducting initiatives by communicating with local municipal authorities.

We have formulated plans of operation that assume a large-scale earthquake or major outbreak of infectious disease. We work to improve these BCPs through regular drills and communication among individual regions.

Compliance

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Basic Approach and Policies

Corporate activities are closely interlinked with various laws and public systems such as those related to the environment, labor, and consumer protection.

Corporate activities must be carried out in compliance with these laws and systems. MITSUBISHI MOTORS recognizes that the failure to appropriately comply with these laws, regulations, and systems would not only impede its business continuity, but would also place significant burdens on society and the environment.

In order to fulfill its social responsibilities as a company by not only complying with laws, international rules, and internal regulations but also by respecting changing social norms to the greatest degree possible, we have issued a "Global Code of Conduct" to serve as a standard of conduct for all executives and employees. We are also redoubling our efforts to enhance our compliance framework and employee training, including those at our major affiliates in Japan and overseas.

MITSUBISHI MOTORS Global Code of Conduct

[Principle]

MITSUBISHI MOTORS Group Companies (collectively herein referred to as "MITSUBISHI MOTORS Group" or "Company") have set this Global Code of Conduct that all MITSUBISHI MOTORS Group executives and employees must follow in order to fulfill our social responsibilities as a company.

This Global Code of Conduct applies to all MITSUBISHI MOTORS Group executives and employees. Each member of the Company is charged with responsibility to comply this Global Code of Conduct.

1. Comply with all Laws and Rules

We shall comply with all applicable laws and regulations of the country where the Company conducts business as well as all Company policies and rules.

suppliers, and other third parties. We shall not participate in or endorse any corrupt practices including bribery, directly or indirectly such as through a third party.

2. Promote Safety

We shall maintain and promote a healthy work environment, and engage in safe work practices. We are also committed to ensuring the safety of our customers and passengers, and continually promoting the safety of products.

7. Be Transparent and Accountable

We shall maintain accounts and records relating to corporate management with integrity, and disclose Company's business activities fairly and transparently to our stakeholders, including shareholders, customers, employees, and local communities with timely and properly manner.

3. Avoid Conflict of Interest

We shall act in the best interests of the Company, and shall not behave, act, or use any information contrary to the Company's interests. Furthermore, we shall strive to avoid any conduct that may be considered a conflict of interest.

8. Respect Human Rights and Diversity, Provide Equal Opportunity

We shall respect the human rights and diversity of suppliers, customers, other executives, colleagues, and local communities. We shall never tolerate discrimination, retaliation or harassment in any form or degree.

4. Prohibit Association with Anti-Social Forces

We shall never have any association with anti-social forces whatsoever. We shall not participate in acts of terrorism, drug dealings, money laundering, and other individual or organized criminal activities.

9. Be Environmentally Responsible

We shall strive to take into consideration environmental conservation when developing products and providing services, and promote recycling, as well as resource and energy savings.

5. Preserve Company Assets

We shall safeguard the Company's assets, and shall never use the said assets, including funds, confidential business information, physical properties and intellectual properties without permission.

10. Be Active and Report Violations

We shall carry out our work in accordance with this Global Code of Conduct. When we have come to know any violation of this Global Code of Conduct, we shall immediately report it to the Company, and the executives and employees who have come forward with such information based on their own beliefs shall be infallibly protected from any form of retaliation.

6. Be Impartial and Fair

We shall maintain impartial and fair relationship with public servants as well as business partners, including dealers,

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Management Structure

At MITSUBISHI MOTORS, to prevent compliance infractions and information security incidents, under the direction of the Executive Officer for Internal Control Promotion/General Administration/Corporate Affairs each division appoints a compliance officer, and department heads serve as code leaders.

Compliance officers work closely with the code leaders to prevent compliance violations within their departments. When a compliance violation occurs, corrective actions are taken, measures to prevent recurrence and its' effectiveness are confirmed, and horizontal dissemination is implemented, then report-

ed to the Executive Officer for Internal Control.

Major subsidiaries and associates in Japan and overseas also appoint compliance officers. To help prevent compliance infractions, in FY2018 we established and started operating MITSUBISHI MOTORS Global Hotline.

The Board of Directors is provided with regular reports on these compliance structures, efforts related to education and the formulation or revision of the Global Code of Conduct, as well as the status of any compliance infractions and their countermeasures.

In the event of a major incident, an emergency response organization is set up in accordance with the emergency response manual, and a system is in place to ensure that an appropriate response is taken.

As for internal controls related to financial reporting, we verify compliance structures and procedures for financial summaries. If inadequate controls are found at us being evaluated, we request reporting on the nature of the problem and improvements being made. In FY2022, we checked the status of 19 Group companies (MITSUBISHI MOTORS, 6 domestic subsidiaries, and 12 overseas affiliates).

In FY2022, we experienced no serious compliance infractions that might damage our credibility with customers, investors, or other parties.

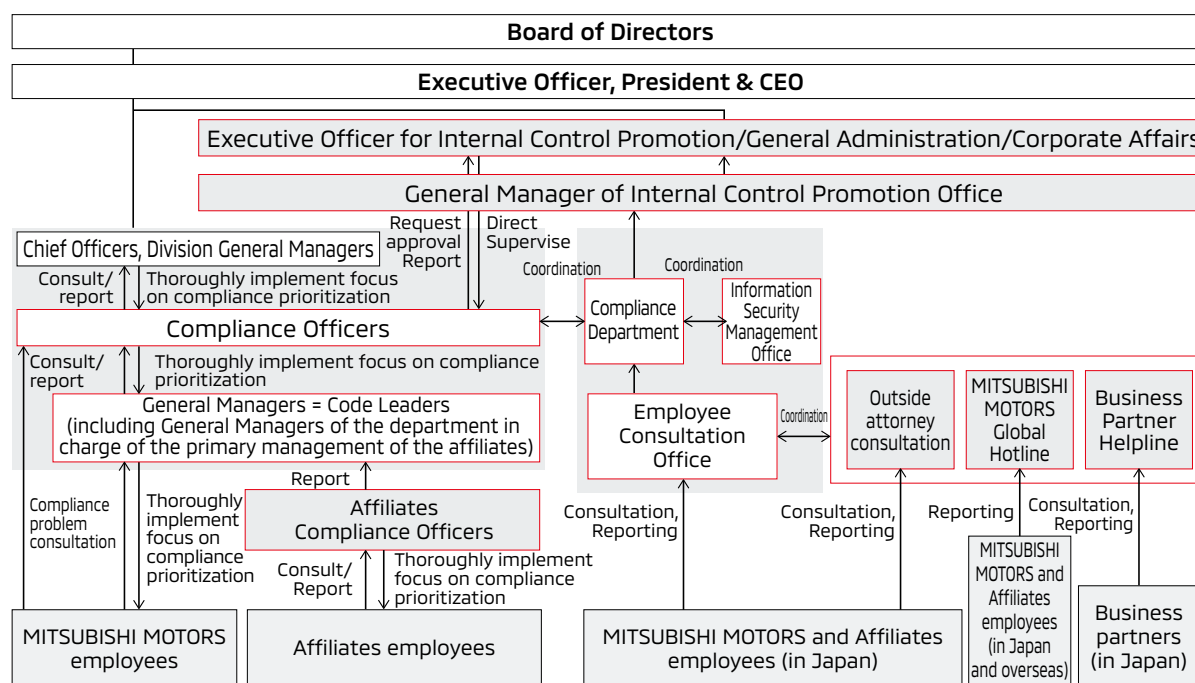
Establishment of Internal and External Consultation Offices

To prevent and promptly detect improper conduct, MITSUBISHI MOTORS has established an internal consultation office (Employee Consultation Office) allowing employees of us or its subsidiaries and associates in Japan to report or consult about such conduct. Outside us, we have set up a consultation office, the "MMC Hotline," staffed by outside attorneys, as well as the MITSUBISHI MOTORS Global Hotline, accessible to employees both in Japan and overseas. We have also established a Business Partner Helpline designated to be used by our business partners in Japan.

In a survey we conducted in February 2023 to promote the early detection and prevention of compliance violations, 93.7% of the approximately 5,000 employees who participated in the survey indicated that they were "aware of the hotlines."

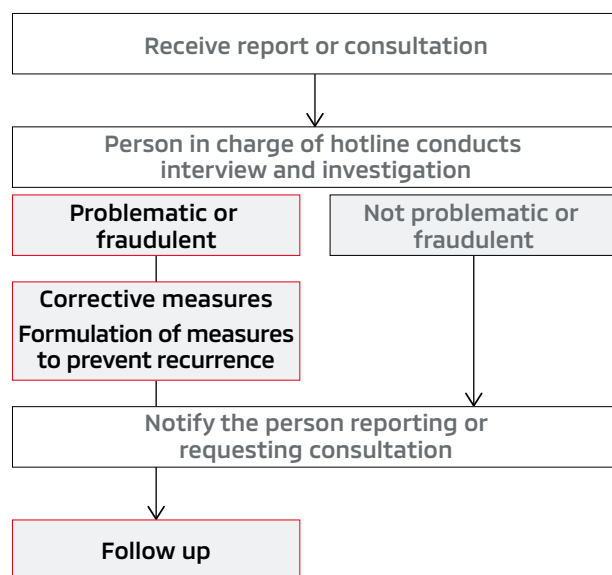
In FY2022, these offices fielded 94 reports or consultations. Offices endeavor to swiftly resolve issues raised in reports and consultations after first seeking to confirm the facts through an investigation

Organizational Framework for Promoting Compliance



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by the Employee Consultation Office or by enlisting the assistance of relevant compliance officers. Any reports or consultations that raise concerns about compliance issues or corporate risks are immediately reported to the Executive Officer for Internal Control and Audit Committee Members. After receiving instructions on how to respond, offices endeavor to resolve the issues. When we receive a report or consultation via a hotline, we promptly conduct an interview or other investigation. If a violation is found, an incident report is filed, and corrective measures and measures to prevent recurrence are implemented.



In handling such information and in investigating the relevant facts, we established our “Compliance-Oriented Whistleblowing Operation Procedure” and made company personnel aware of the provision in order to ensure that persons who seek consultation are not treated unfairly.

“The MITSUBISHI MOTORS Global Hotline” established in FY2018 was set up within an outside firm providing such services. This makes it possible to file anonymous reports. Systems for identifying and managing risks of the entire group have been put in place, too, with MITSUBISHI MOTORS headquarters even able to check details of reports from subsidiaries and associates.

Number of Reports/Consultations Filed by Consultation Offices by Category (FY2022, 94 reports)

Item	Number
Corporate/business proposals	4
Workplace environment	14
Labor relations	13
Human relations/harassment	29
Compliance, violations of operational rules, fraud	26
Others	8

Out of total 94 reports and consultations received in FY2022, the results of the investigation revealed four cases of compliance problems, including violations of laws and regulations and harassment. We instructed the relevant departments to promptly take corrective actions and confirmed that they were implemented without fail.

Education and Training

Every fiscal year we formulate compliance-related education and training programs, and offer them to employees stratified by each job rank. Each division also draws up and conducts its own measures under the direction of the compliance officer.

Specifically, in order to improve the compliance awareness of all employees, when new graduates or mid-career recruits join us, they receive training regarding the our history of compliance problems and the lessons to be learned from it. This training is repeated when employees are given promotions, helping reinforce employees' sense of compliance. Furthermore, similar training is also offered in some Japanese subsidiaries, fostering such sense for the group as a whole.

We also provide all our employees with e-learning opportunities, including courses on the basics of compliance, as well as education on information security and on working overtime and on holidays.

On and around Safety Pledge Days,* each individual division voluntarily holds events to reaffirm the day's significance. Workplace discussions are also held at the same time to talk about business ethics issues faced in the workplace and workplace culture.

In addition, we provide easy-to-understand compliance-related information by posting a Compliance Newsletter on our intranet every month.

As well as the activities outlined above, in FY2022 outside lecturers taught courses on risk management for executives to raise their awareness of this topic. For managers at the general manager level or higher, an external lecturer provided compliance lectures to help improve workplace operations. Outside instructors also provided communication training to managers at the level of section manager and above to enhance workplace communication and support remote work.

* To prevent past incidents, such as the regrettable recall coverup, from being forgotten over time, in October 2004 we designated January 10 and October 19 as “Safety Pledge Days.” These days were chosen because two fatal accidents involving large trucks manufactured by Mitsubishi Fuso, a former MITSUBISHI MOTORS division, occurred on these days.

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Anti-Corruption

Policies and Approach

The “Global Code of Conduct” clearly stipulates that MITSUBISHI MOTORS executives and employees shall comply with laws and regulations and shall maintain fair and equitable relationships with public servants and business partners. Moreover, we have built and operate a system that is designed to prevent corruption.

Management Structure

We implement e-learning programs for all employees to familiarize them with the Global Code of Conduct and allows them to review the code at any time by distributing pamphlets containing this code and posting it to a smartphone app (for managers and above). We also communicate the code across the group, distributing the pamphlets to subsidiaries and associates in Japan, and in electronic form to subsidiaries and associates overseas.

We have formulated the “MITSUBISHI MOTORS GLOBAL ANTI-BRIBERY POLICY” as a global guideline for the prevention of bribery and corrupt practices. This policy states clearly that we tolerate absolutely no bribery or corrupt practices. In our efforts to reinforce measures for preventing bribery and corrupt practices throughout the Group, we require affiliated companies in Japan and overseas to comply with the same policies. We also ask our suppliers, contractors, procurement partners, dealers and outside agents to comply with applicable laws and regulations related to bribery and with individual companies’ anti-bribery policies.

In particular, we have formulated control regula-

tions and operational standards on the provision and receipt of gifts or business entertainment for public servants, prohibiting the improper provision of such gifts or business entertainment to public servants or their receipt from public servants. When providing gifts or business entertainment to public servants, a preemptive application must be made to the general manager of the Legal Department, and must be provided only if approval is received.

We have put in place management and operational standards in addition to those for public servants. These standards expressly prohibit the provision of gifts or business entertainment that is illegal or goes beyond generally accepted bounds and the receipt of illicit payoffs. In addition to this, we provide guidelines for the scope of exceptions to the above and make filing of an application compulsory to ensure transparency. In case these standards are violated, a system is in place for internal reporting and the formulation and implementation of measures to prevent recurrence.

Since many employees in sales sites directly handle money with customers, there is a heightened risk of improper conduct such as embezzlement. At our domestic sales subsidiaries we conduct regular education and training to instill thorough awareness of our compliance policies and prevent improper activity. Each sales subsidiary implements site audits regularly. As part of our internal auditing of affiliated companies in Japan, our Internal Audit Division also conducts operational audits of domestic sales subsidiaries. Audit results are reported to our President & CEO, and the results are also shared with our Domestic Sales Division. We follow up the progress of action plans for improvement.

We work to thoroughly prevent corruption at overseas affiliates by assigning oversight to their executives and employees. Prior to their appointment, we provide training on legal risks, including the prohibition and prevention of corruption.

When conducting audits of overseas subsidiaries, our Internal Audit Division also verifies the progress of efforts to prevent bribery and other corrupt practices.

In FY2022, no fine or any other punishment was imposed on us by regulatory authorities for corrupt practices.

No executives and employees have been disciplined for corrupt practices.

Political Involvement (Political Contributions)

We respect the requirements set forth in the Global Code of Conduct to “comply with all laws and rules,” “be impartial and fair” and “be transparent and accountable,” and maintain appropriate relationship with politics.

Recognizing that reasonable expenditures are required to appropriately maintain a democratic government, we consider making political contributions to be one aspect of its social responsibility. When making such contributions, we do so in accordance with the Public Offices Election Act, the Political Funds Control Act, and other laws and regulations related to politics. We also ensure to follow our own internal rules for approval.

In FY2022, we donated ¥13.9 million to the People's Political Association.

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Information Security

mitsubishi motors recognizes its social responsibility to adequately protect its important information assets (information and the IT systems, equipment, media, facilities, and products that handle this information) in the course of its business activities in order to gain the trust of all its stakeholders. We are promoting the following information security measures.

- Putting in place and reviewing internal regulations related to information security
- Managing information assets and strengthening measures against computer viruses and cyberattacks
- Providing education and inform employees through e-learning, the internal intranet and other measures
- Monitoring information security activities by the Information Security Committee

Protection of Personal Information

Based on our Privacy Policy, we have built a management framework by establishing internal rules and taking other measures. We also conduct ongoing education, such as through the use of e-learning for employees. In addition, rules on personal information protection are being strengthened around the world. We coordinate with our bases in individual countries, putting in place systems to respond appropriately with their laws and regulations on the protection of personal information. We did not receive any appeals related to breaches of customer privacy or loss of customer data in FY2022.

Security Export Control

We sincerely believe in the importance of strict security export controls to prevent the proliferation of weapons of mass destruction and the excessive accumulation of conventional weapons in order to maintain international peace and security.

To conduct strict export controls, we have established "Security Export Control Regulations." We ensure the legality of our export transactions through our management system, with its the Security Export Control Committee, led by the Executive Officer, President & CEO, who serves as chief security export control officer.

Approach to Taxation

We recognize that proper tax payment in all operating countries is one of key elements of corporate social responsibility for multinational companies.

We have established the following Global Tax Policy to promote tax compliance in business activities. In line with this policy, we have created a governance system and strive to maintain proper tax payments in compliance with international rules and national regulations.

Global Tax Policy for MITSUBISHI MOTORS Group

1. Tax compliance

The MITSUBISHI MOTORS Group (hereinafter simply referred to as "mitsubishi motors") pledges to pursue proper tax payments all over the world based on the "mitsubishi motors Global Code of Conduct." This means MITSUBISHI MOTORS maintains appropriate and timely tax payments by understanding the intent and purpose of the Base Erosion and Profit Shifting (BEPS) Action Plan, which was developed and publicized by the OECD and G20 countries, as well as by complying with tax regulations in all countries and regions in which it conducts businesses, tax treaties, and other international tax regulations related to its business. In addition, MITSUBISHI MOTORS pledges not to use any tax havens or loopholes that are against the intentions and purposes of laws.

2. Corporate governance on tax matters

- (1) MITSUBISHI MOTORS recognizes corporate governance on tax matters as an infrastructure to promote tax compliance and tax planning and, under the initiative of top management, pursues the optimization of governance systems to secure the accuracy and transparency of accounting and tax-related information.
- (2) The MITSUBISHI MOTORS Group makes disclosures to all relevant taxation authorities and discloses appropriately and in a timely manner the BEPS transfer pricing documentation and other information required for submission by multinational enterprises.

Members of the Board (as of June 22, 2023)

Target
8.7Target
16.5

Outside Outside director **Indep.** Independent director Male Female

Name	Position	Attributes	Committees	Attendance at Board of Directors and Committee Meetings (April 2022 to March 2023)	Tenure as Director (As of June 22, 2023)	Reasons for Appointment
Tomofumi Hiraku	Member of the Board Chairman of the Board	Outside Indep.	Nomination Committee	Board of Directors 15 of 15 times Nomination Committee 10 of 10 times*1	2 years	He has served in a series of important roles as Director-General of the Kansai Bureau and Director-General of the Manufacturing Industries Bureau for the Ministry of Economy, Trade and Industry (METI) and was engaged in energy policy at the Agency for Natural Resources and Energy, possessing broad experience and knowledge and a wide network across industrial fields, and we expect he will use these attributes to actively oversee management of the Company and provide advice and opinions as Director and Chairman.
Takao Kato	Member of the Board		Compensation Committee	Board of Directors 14 of 15 times Compensation Committee 8 of 9 times	4 years	He has many years of experience and insight concerning management of MMC's global business, including experience of serving as President of PT Mitsubishi Motors Krama Yudha Indonesia, one of MMC's largest overseas manufacturing bases. In addition, he has been engaged in MMC's management since June 2019 as CEO. We believe he will play an important role in the decisions in significant matters and business execution of the Company.
Hitoshi Inada	Member of the Board		Audit Committee (Full time Member)	Board of Directors 12 of 12 times Audit Committee 12 of 12 times*1	1 year	He has an extensive track record and insight in legal affairs, compliance and corporate governance earned over many years of developing global business at a general trading company and MMC, that we expect him to utilize in the management of the Company.
Shunichi Miyanaga	Member of the Board	Outside	Compensation Committee (Chairperson)	Board of Directors 14 of 15 times Compensation Committee 9 of 9 times	9 years	He possesses considerable experience and knowledge obtained as top management in corporate management in a global manufacturing company, and we expect he will utilize those attributes to actively oversee management of the Company and provide advice and opinions.
Main Kohda	Member of the Board	Outside Indep.	Nomination Committee (Chairperson) Compensation Committee	Board of Directors 15 of 15 times Nomination Committee 10 of 10 times Compensation Committee 9 of 9 times	5 years	She possesses deep knowledge about international finance, keen acumen and objective perspective as a writer, and considerable insight and experience gained as a Member of the Council of the Ministry of Finance and the Ministry of Land, Infrastructure, Transport and Tourism, and we expect she will utilize those attributes to actively oversee management of the Company and provide advice and opinions.
Kenichiro Sasae	Member of the Board	Outside Indep.	Nomination Committee Compensation Committee	Board of Directors 14 of 15 times Nomination Committee 9 of 10 times Compensation Committee 8 of 9 times	4 years	He served in a series of important roles at the Ministry of Foreign Affairs and possesses broad international understanding and experience as a diplomat, and we expect he will utilize those attributes to actively oversee management of the Company and provide advice and opinions.
Hideyuki Sakamoto	Member of the Board	Outside	Nomination Committee	Board of Directors 15 of 15 times Nomination Committee 10 of 10 times	4 years	He has a wealth of knowledge and experience in the management of a global automotive manufacturer, and we expect that he will utilize those attributes to actively oversee management of the Company and provide advice and opinions.
Yoshihiko Nakamura	Member of the Board	Outside Indep.	Audit Committee (Chairperson)	Board of Directors 15 of 15 times Audit Committee 15 of 15 times	3 years	He has worked for many years as a certified public accountant and possesses extensive knowledge as a specialist in accounting audits, and we expect that he will utilize those attributes to actively oversee management of the Company and provide advice and opinions.
Joji Tagawa	Member of the Board	Outside	Compensation Committee	Board of Directors 15 of 15 times Compensation Committee 9 of 9 times	3 years	He has a wealth of knowledge and experience in the management of a global automotive manufacturer, and we expect that he will utilize those attributes to actively oversee management of the Company and provide advice and opinions.
Takahiko Ikushima	Member of the Board	Outside	Audit Committee	Board of Directors 15 of 15 times Audit Committee 15 of 15 times	3 years	He has a wealth of knowledge and experience in the management of a global automotive manufacturer, and we expect that he will utilize those attributes to actively oversee management of the Company and provide advice and opinions.
Takehiko Kakiuchi	Member of the Board	Outside	Nomination Committee	Board of Directors 11 of 12 times Nomination Committee 9 of 9 times*1	1 year	He possesses considerable experience, achievements and insight on global business management nurtured through his career as top management at a global general trading company, and we expect he will utilize those attributes to actively oversee management of the Company and provide advice and opinions.
Kanetsugu Mike	Member of the Board	Outside	Audit Committee	Board of Directors 12 of 12 times Audit Committee 11 of 12 times*1	1 year	He has a wealth of experience and extensive knowledge as top management of a global international financial institution, and we expect he will utilize those attributes to actively conduct oversee management of the Company and provide advice and opinions.
Junko Ogushi	Member of the Board	Outside Indep.	Audit Committee	—*2	—	She has distinguished herself as a lawyer over a long period, and we expect that she will use her considerable experience and knowledge as a legal professional to actively oversee management of the Company and provide advice and opinions.

*1 Mr. Hitoshi Inada, Mr. Takehiko Kakiuchi and Mr. Kanetsugu Mike were appointed as director, Audit Committee member and Nomination Committee member, respectively, on June 23, 2022. Accordingly, they have attended a different number of Board of Directors and committee meetings than other directors.

*2 Ms. Junko Ogushi was appointed as director and Audit Committee member respectively, on June 22, 2023. Accordingly, no Board of Directors or committee meetings had yet been held for them to attend.

For directors' career summaries, visit:

(WEB) <https://www.mitsubishi-motors.com/en/company/director/>

ESG Data

Environmental Data Related to Products and Business Activities

Sales of Electrified Vehicles

(FY)

	Unit	2018	2019	2020	2021	2022
Total electrified vehicles	Vehicles	54,572	75,143	64,561	65,496	93,588
Electrified vehicle sales ratio	%	4	7	8	7	11
Plug-in hybrid electric vehicles (PHEV)	Vehicles	47,238	47,758	35,553	43,021	60,660
Japan	Vehicles	6,780	4,970	5,629	11,663	21,544
Overseas	Vehicles	40,458	42,788	29,924	31,358	39,116
Electric vehicles (EV)	Vehicles	766	1,015	1,566	839	10,461
Japan	Vehicles	410	901	1,517	690	9,790
Overseas	Vehicles	356	114	49	149	671
Hybrid electric vehicles (HEV)	Vehicles	6,568	26,370	27,442	21,636	22,105
Japan	Vehicles	6,568	26,370	27,442	21,636	22,105
Overseas	Vehicles	0	0	0	0	0
Others*1	Vehicles	–	–	–	–	362
Global sales (including vehicles with internal combustion engines)	Vehicles	1,243,914	1,126,843	801,442	936,749	834,172

*1 Vehicles received from Renault on an OEM basis (HEV, PHEV)

Product Fuel Economy and CO₂ Emissions (Corporate Average)*2

		Unit	2018	2019	2020	2021	2022
United States (fuel economy)	Import passenger vehicle	mpg	45.9	45.4	45.5	45.3	42.2
	Light truck	mpg	35.8	35.9	36.8	35.8	37.5
Europe (CO₂ emissions)*3	Passenger vehicle	Production facility: MITSUBISHI MOTORS (Japan)	121	115.6	99.6	93.0	–
		Production facility: MMTh*4			104.2	115.3	–
China (fuel economy)	Import vehicle	L/100km	12.0	12.0	–	–	–
	Local production vehicle	L/100km	7.1	7.2	7.5	7.89	7.4

*2 Values reported publicly in respective countries and regions. Values are by model year in the United States and by Calendar year in Europe and China.

*3 Driving mode: NEDC Mode (until 2020), WLTP Mode (from 2021)

*4 Mitsubishi Motors (Thailand) Co., Ltd.

Business Activity Indicators

CO₂ emissions

(FY)

	Unit	2018	2019	2020	2021	2022
Production	x10 ³ t-CO ₂	518	464	312	358	314
Non-production	x10 ³ t-CO ₂	70	62	53	53	52
Japan	x10 ³ t-CO ₂	404	348	246	277	226
Asia	x10 ³ t-CO ₂	178	173	116	132	138
Others	x10 ³ t-CO ₂	6	5	3	2	2
Scope 1 (direct emissions)	x10 ³ t-CO ₂	119	110	80	92	95
Scope 2 (indirect emissions)	x10 ³ t-CO ₂	469	416	285	319	271
(Scope 1+2) Total	x10 ³ t-CO ₂	588	526	365	411	366
Scope 3	x10 ³ t-CO ₂ eq	42,580	35,429	20,286	28,294	28,710
(Scope 1+2+3) Total	x10 ³ t-CO ₂ eq	43,168	35,955	20,651	28,705	29,076

Target sites: Environmental management target companies for each fiscal year (including the Company)

Ratio of data coverage obtained from environmental management target companies: 100%
Please see page 33 for the 20 environmental management target companies in FY2022.

We have adjusted the requirements for environmental management target companies, removing equity-method associates from this scope from FY2021. Totals (Scope 1+2) for FY2018–2020 include CO₂ emissions from equity-method associates (43 thousand t-CO₂ in FY2018, 35 thousand t-CO₂ in FY2019, 28 thousand t-CO₂ in FY2020).

Of the environmental management system target companies in FY2022, more than 97% of sites by CO₂ emissions conversion base have acquired ISO 14001 or other environmental management system certification.

CO₂ emission factors

- Based on “Greenhouse Gas Emissions Conversion, Reporting, and Announcement System based on the Act on Promotion of Global Warming Countermeasures”
- Overseas electricity emission factors use values for individual electric power companies. Some bases use emission factors obtained annually from the IEA’s “CO₂ Emissions from Fuel Combustion” or its “Emission Factors.”

Scope 3 Breakdown

(FY)

Category	Unit	2018	2019	2020	2021	2022	Coverage
1 Purchased goods and services	x10 ³ t-CO ₂ eq	6,900	6,331	4,043	5,495	6,806	Consolidated (only production)
2 Capital goods	x10 ³ t-CO ₂ eq	407	319	310	150	121	Non-consolidated
3 Fuel energy not included in Scope 1 or 2	x10 ³ t-CO ₂ eq	21	49	36	44	70	Consolidated
4 Upstream transportation and distribution	x10 ³ t-CO ₂ eq	1,278	1,174	541	1,049	1,622	Consolidated
5 Waste generated in operations	x10 ³ t-CO ₂ eq	19	21	11	15	15	Consolidated (only production)
6 Business travel	x10 ³ t-CO ₂ eq	4	4	4	4	4	Consolidated
7 Employee commuting	x10 ³ t-CO ₂ eq	14	14	13	13	13	Consolidated
8 Upstream leased assets	x10 ³ t-CO ₂ eq	—	—	—	—	—	—
9 Downstream transportation and distribution	x10 ³ t-CO ₂ eq	—	—	—	—	—	—
10 Processing of sold products	x10 ³ t-CO ₂ eq	—	—	—	—	—	—
11 Use of sold products	x10 ³ t-CO ₂ eq	33,199	26,833	14,927	20,981	19,530	All destination
12 End-of-life treatment of sold products	x10 ³ t-CO ₂ eq	727	671	382	529	517	All destination
13 Downstream leased assets	x10 ³ t-CO ₂ eq	—	—	—	—	—	—
14 Franchises	x10 ³ t-CO ₂ eq	12	13	19	14	12	Some dealers in Japan
15 Investment	x10 ³ t-CO ₂ eq	—	—	—	—	—	—

Energy Input (Primary and Secondary Energy)

(FY)

	Unit	2018	2019	2020	2021	2022
Total amount	PJ*	10.2	9.5	7.0	8.2	8.2
Production	PJ	9.0	8.3	5.9	7.0	7.0
Non-production	PJ	1.2	1.2	1.1	1.2	1.2
Japan	PJ	7.2	6.6	4.9	5.6	5.5
Asia	PJ	2.9	2.8	2.0	2.5	2.6
Others	PJ	0.1	0.1	0.1	0.1	0.1

Target sites: Environmental management target companies for each fiscal year (including the Company)
Ratio of data coverage obtained from environmental management target companies: 100%
Please see page 33 for the 20 environmental management target companies in FY2022.

* 10¹⁵ joules Unit calorific value: Quoted from the "Act on the Rational Use of Energy"

SOx (Sulfur Oxide)

(FY)

	Unit	2018	2019	2020	2021	2022
Total emissions	t	218	163	125	50	30

Target sites: Environmental management target companies for each fiscal year (including the Company)
Ratio of data coverage obtained from environmental management target companies: 100%
Please see page 33 for the 20 environmental management target companies in FY2022.

Calculation method: calculated the weight of sulfur contained in the used fuel and converted the weight into sulfur dioxide (SO₂)

NOx (Nitrogen Oxide)

(FY)

	Unit	2018	2019	2020	2021	2022
Total emissions	t	65	61	44	58	59

Target sites: Environmental management target companies for each fiscal year (including the Company)
Ratio of data coverage obtained from environmental management target companies: 100%
Please see page 33 for the 20 environmental management target companies in FY2022.

Calculation method: Fuel usage volume calculated using the Ministry of the Environment's "Environmental Activity Evaluation Program" emission factor

VOC (Volatile Organic Compounds)

(FY)

	Unit	2018	2019	2020	2021	2022
Total emissions	t	2,354	2,243	1,227	1,511	1,667

Target site: Okazaki Plant, Mizushima Plant, Suiry Plastic Co., Ltd.

Emissions of Ozone-Depleting Substances

mitsubishi motors corporation estimates its FY2022 emissions at 2.3t (HCFC equivalent).

Generated Waste

(FY)

	Unit	2018	2019	2020	2021	2022
Total emissions	x10 ³ t	187	202	109	143	141
Production	x10 ³ t	176	194	103	137	134
Non-production	x10 ³ t	11	8	6	6	7

Target sites: Environmental management target companies for each fiscal year (including the Company)
Ratio of data coverage obtained from environmental management target companies: 100%
Please see page 33 for the 20 environmental management target companies in FY2022.

Generated Waste and Externally Disposed Waste

(FY)

	Unit	2018	2019	2020	2021	2022
Total amount produced	x10 ³ t	104	89	58	85	84
Externally disposed waste	x10 ³ t	56	53	40	54	60
Internal recycle	x10 ³ t	48	36	18	31	24

Target site: Okazaki Plant, Mizushima Plant, Kyoto Plant

Raw Material Input

(FY)

	Unit	2018	2019	2020	2021	2022
Iron and aluminum	x10 ³ t	154	141	97	117	139
Resin	x10 ³ t	2.5	2.1	1.1	2.4	2.9

Target site: Okazaki Plant, Mizushima Plant, Kyoto Plant

Withdrawn Water Volume

(FY)

	Unit	2018	2019	2020	2021	2022
Total amount	x10 ³ m ³	6,211	5,915	4,420	4,640	4,659
Production	x10 ³ m ³	5,901	5,654	4,188	4,389	4,405
Non-production	x10 ³ m ³	310	261	232	251	254
City water	x10 ³ m ³	878	988	718	383	438
Industrial water	x10 ³ m ³	3,412	3,280	2,594	2,938	2,907
Underground water	x10 ³ m ³	1,921	1,647	1,108	1,319	1,314

Target sites: Environmental management target companies for each fiscal year (including the Company)
Ratio of data coverage obtained from environmental management target companies: 100%
Please see page 33 for the 20 environmental management target companies in FY2022.

• MMKI recycles and reuses some of its wastewater. In FY2022, roughly 181 thousand m³ of water was recycled. (Roughly 4% of total MITSUBISHI MOTORS Group water withdrawal.)

Wastewater Volume

(FY)

	Unit	2018	2019	2020	2021	2022
Total amount	x10 ³ m ³	4,504	4,104	3,266	3,316	3,311
Production	x10 ³ m ³	4,194	3,843	3,034	3,254	3,238
Non-production	x10 ³ m ³	310	261	232	62	73
Sewage	x10 ³ m ³	2,396	2,041	1,713	1,581	1,410
Public waters	x10 ³ m ³	2,108	2,063	1,553	1,735	1,901

Target sites: Environmental management target companies for each fiscal year (including the Company)
Ratio of data coverage obtained from environmental management target companies: 100%
Please see page 33 for the 20 environmental management target companies in FY2022.

• Includes some estimated figures.

Environmental Accounting

Environmental Conservation Costs

(FY)

Category	Main Initiatives Details		Unit	2020		2021		2022	
				Investment	Cost	Investment	Cost	Investment	Cost
Business Area Cost	Pollution Prevention Cost	Preventing air pollution, water pollution and soil pollution	Million yen	203	629	591	658	616	663
	Global Environmental Conservation Cost	Preventing global warming and the ozone depletion	Million yen	346	13	78	10	183	56
	Resource Circulation Cost	Reduction, proper disposal and recycling of the waste	Million yen	0	933	0	732	0	754
Upstream/Downstream Costs	Withdrawing used bumpers and corresponding automobile recycling law		Million yen	0	1,661	0	1,430	1	1,287
Administration Activity Cost	Maintaining certification of ISO14001, educating employees and monitoring		Million yen	18	588	30	561	66	551
R&D Cost	Research and development about reductions in environmental impact of products such as improving fuel economy and exhaust gas measures		Million yen	456	32,731	661	27,691	822	41,908
Social Activity Cost	Hands-on environmental lessons, supporting global environmental activity, donation to environmental groups and disclosing environmental information		Million yen	47	189	0	241	0	269
Environmental Remediation Cost	Compensation for environmental damage by business activities		Million yen	0	5	0	2	0	1
Total			Million yen	1,070	36,749	1,359	31,324	1,688	45,489

	Unit	Capital investment	R&D cost	Capital investment	R&D cost	Capital investment	R&D cost
<Reference> Group-wide capital investment, R&D cost	100 Million yen	764	1,014	627	907	786	1,072

Target site: MITSUBISHI MOTORS CORPORATION

Economic Benefit Associated with Environmental Conservation Activities (Actual Benefits)

(FY)

Category	Details of Benefit	Unit	2020	2021	2022
Revenue	Operating revenue from the sale of recycled waste products and used products produced through key business	Million yen	1,083	2,540	2,518
Cost Reduction	Energy expense saving through energy conservation	Million yen	2,333	(1,057)	(4,458)
	Water expense saving through water conservation	Million yen	31	14	(7)
	Disposal cost saving through lower resource input or recycle	Million yen	(551)	389	(140)
	Packaging materials cost saving through recycling	Million yen	369	379	120
Total		Million yen	3,265	2,265	(1,982)

Target site: MITSUBISHI MOTORS CORPORATION

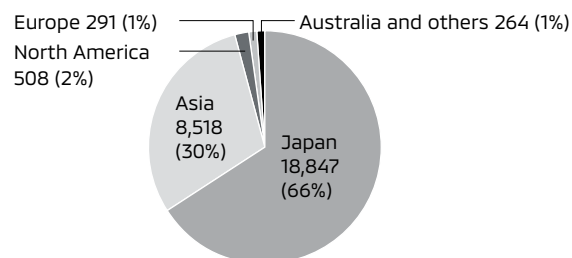
Human Resource-Related Data

Number of Employees (persons)

			FY2018	FY2019	FY2020	FY2021	FY2022
Number of employees (nonconsolidated)	Regular employees	Male	12,695	12,848	12,403	12,309	12,139
		Female	1,476	1,559	1,548	1,520	1,532
		Total	14,171	14,407	13,951	13,829	13,671
	Non-regular employees	Male	—	2806	2215	3045	3076
		Female	—	470	359	396	454
		Total	—	3276	2574	3441	3530
	Of which, part-time employees	Male	—	35	78	318	341
		Female	—	77	68	79	91
		Total	—	112	146	397	432
Number of employees (consolidated)	Regular employees		31,314	32,171	30,091	28,796	28,428
	Non-regular employees (Percentage of non-regular employees)		8,682 (22%)	7,558 (19%)	6,434 (18%)	7,948 (22%)	8,123 (22%)
Number of Employees by Region	Japan	Regular employees	—	—	—	—	18,847
		Non-regular employees	—	—	—	—	4,261
	Asia	Regular employees	—	—	—	—	8,518
		Non-regular employees	—	—	—	—	3,744
	North America	Regular employees	—	—	—	—	508
		Non-regular employees	—	—	—	—	50
	Europe	Regular employees	—	—	—	—	291
		Non-regular employees	—	—	—	—	57
	Australia and others	Regular employees	—	—	—	—	264
		Non-regular employees	—	—	—	—	11

(As of each fiscal year-end)

Number of Employees by Region in FY2022: 28,428 (consolidated)



Number of Locally-Hired Managerial Employees at Overseas Subsidiaries

		FY2018	FY2019	FY2020	FY2021	FY2022
Number of managerial employees	Persons	1,028	1,098	1,018	1,099	1,174
	Ratio	11.0%	10.2%	10.6%	11.5%	12.3%
Number of employees		9,762	10,736	9,631	9,549	9,581

Number of Female Management*1

	FY2018	FY2019	FY2020	FY2021	FY2022
Persons	58	68	74	80	98
Ratio	3.5%	3.9%	3.5%	4.1%	6.0%
General manager or above	11	13	14	13	14

*1 Figures for FY2022 are as of end-March. FY2022 ratio is calculated based on the number of all managerial employees in the non-consolidated. From FY2018 to FY2021, figures are as of July of each year and include dispatched personnel on leave and secondees, excluding medical workers.

Number of Female executives

	Jul. 2019	Jul. 2020	Jul. 2021	Jul. 2022	Jul. 2023
Persons*2	5	5	3	3	3
Ratio	12.5%	12.5%	8.8%	8.3%	8.6%

*2 Number of female executives includes outside directors

Employee Composition (non-consolidated)

		FY2018	FY2019	FY2020	FY2021	FY2022
Average age	Male	41.6	41.4	41.1	41.9	42.3
	Female	38.5	38.1	37.5	38.5	38.8
Average years of service	Male	16.7	16.2	15.8	15.9	15.8
	Female	12.4	11.6	11.1	11.7	11.9
Number of employees who have left the company (total)	Retirement	272	381	203	191	298
	Voluntary retirement (Percentage of voluntary retirement)	240 (1.7%)	303 (2.1%)	305 (2.2%)	418 (3.0%)	392 (2.9%)
	Involuntary retirement	7	14	11	10	13
	Work transfer, other	14	37	483	25	36
	Total	533	735	1,002	644	739

Number of New Graduates Hired

		FY2018	FY2019	FY2020	FY2021	FY2022
University graduate/ Master's degree or above	Male	226	229	204	42	104
	Female	47	76	76	16	23
Junior college/ voca- tional school graduates	Male	5	1	0	5	2
	Female	0	0	0	5	0
High school graduates/other	Male	83	138	182	54	74
	Female	7	16	9	1	4
Total	Male	314	368	386	101	106
	Female	54	92	85	22	23

Number of Mid-Career Employees

		FY2018	FY2019	FY2020	FY2021	FY2022
Administrative and engineering staff	Male	200	150	7	143	252
	Female	64	35	4	23	57
Manufacturing workers	Male	0	0	0	275	0
	Female	0	0	0	5	0
Total	Male	200	150	7	418	252
	Female	64	35	4	28	57

Wage Levels

(As of April 1, 2023)

		Monthly compensation	Comparison with local minimum wage*1
Starting salary	High school graduate Adminis- trative and Engineering staff	¥176,400	110%
	High school graduate Manufacturing Worker	¥181,300	113%
	Technical college graduate	¥195,000	112%
	Junior college graduate	¥179,800	103%
	University graduate	¥233,000	134%
	Master's degree	¥249,300	143%
	Doctor of Philosophy	¥275,500	158%
Average salary of all employees (annual)		¥7,437,000	
Percentage of women's salaries to men's salaries (annual)		78.9%	
Ratio of Performance- Linked Compensation	General Manager	Maximum of 35% of annual basic salary	
	General Manager (responsible for specific duties)	Maximum of 30% of annual basic salary	
	Manager	Maximum of 20% of annual basic salary	

*1 Minimum wages are calculated based on the minimum wage in Aichi Prefecture (¥986/hour) for high school graduates and the minimum wage in Tokyo (¥1,072 /hour) for non-high school graduates as of April 2023, assuming eight-hour work days and 20.3 days per month.

Salary levels are based on job classification, so there is no disparity in salary based on race, nationality, gender or other factors among people performing the same job.

Working Hours and Ratio of Paid Leave Taken

	FY2018	FY2019	FY2020	FY2021	FY2022
Total working hours per person per year	2,131.2 hours	2,013.6 hours	1,880.8 hours	1,960.3 hours	1,946.7 hours
Overtime worked per person per year	372.3 hours	288.6 hours	221.4 hours	248.7 hours	298.9 hours
Ratio of annual paid leave taken*2	86.6%	100.6%	99.2%	89.5%	94.8%

*2 Days of annual paid leave taken during the year

$$\frac{(\text{days carried forward from the previous year} + \text{days granted for the current year})}{\text{Days of annual paid leave granted for the current year}} \times 100$$

Number of Persons Taking Childcare Leave and Retention Rate of Returnees

		FY2018	FY2019	FY2020	FY2021	FY2022
Number of persons taking childcare leave*3	Male	10	49	35	88	150
	Female	121	145	46	68	57
	Total	131	194	81	156	207
Retention rate of returnees*4		100%	97.7%	96%	95%	94%

*3 The FY2022 figure of 150 male employees taking childcare leave includes 22 employees taking childcare leave at birth.

*4
$$\frac{\text{Total number of employees still employed 12 months after returning to work from childcare leave}}{\text{Total number of employees whose childcare leave ended during the previous reporting period}} \times 100$$

Number of Persons Who Utilize Major Programs to Promote Work-Life-Balance

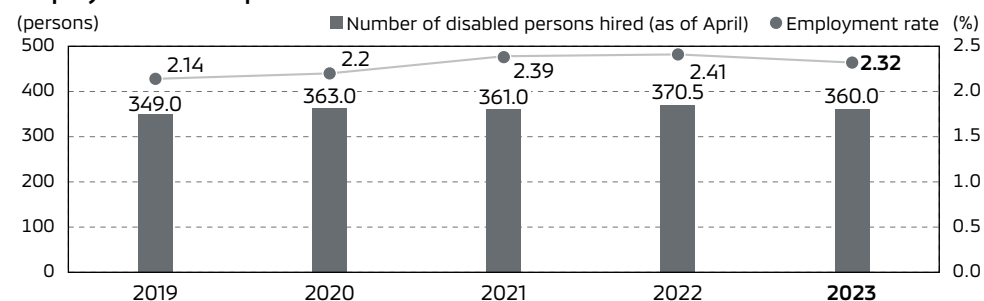
FY2022 Results		Male	Female	Total
Childcare	Pregnancy leave	—	11	11
	Maternity leave	—	70	70
	Spousal maternity leave	181	—	181
	Childcare leave	128	57	185
	Childcare leave at birth	22	—	22
	Child nursing leave	395	184	579
	Reduced working hours for childcare	8	159	167
Nursing care	Nursing care leave	7	2	9
	Short-term nursing care leave	304	69	373
	Reduced working hours for nursing care	1	3	4
Miscellaneous	Life plan leave	131	39	170
	Accumulation of unused paid leave	873	57	930
	Flextime system (including managerial employees)* ¹	6,345	1,175	7,520
	Reemployment system Number of employees registered as candidates for re-hiring under the re-employment system (Returnees in FY2022)* ²	10 (0)	11 (0)	21 (0)
	Accompanying leave (Returnees in FY2022)* ³	0 (0)	9 (1)	9 (1)

*¹ With regard to the flextime system, the number of employees eligible to use the system (as of April 1, 2022)

*² Four returnees in FY2021

*³ Three returnees in FY2021

Employment of People with Disabilities*^{4, 5}



*⁴ The number of persons hired and the employment rate are calculated in accordance with the "Act to Facilitate the Employment of Persons with Disabilities," with the employment of one person with a severe physical or intellectual disability being counted as two persons.

*⁵ In principle, employment of a one with reduced working hour worker is calculated as 0.5 persons. However, one part-time worker with a severe physical or intellectual disability is counted as one person.

FY2022 training led by the Human Resources Division

Number of employees who took courses during the year (total)	10,089
Total number of hours attended	117,845 hours
Number of course hours/days attended per employee	8.6 hours/1.08 days
Training expenses per employee	¥9,414

Accident Rate (Accident Frequency)

	FY2018	FY2019	FY2020	FY2021	FY2021
Overall accident rate* ⁶	0.54	0.42	0.30	0.20	0.31
Accident rate with loss of workdays* ⁷	0.13	0.10	0.00	0.03	0.06

*⁶ Number of accidents with or without loss of workdays per 1 million working hours

*⁷ Number of accidents with loss of workdays per 1 million working hours

Employee Shareholding Association

	As of March 2023
Number of members of the employee shareholding association	925
Membership rate	6.2%
Shares owned	2,002,092

Governance-Related Data

Overview of Corporate Governance in End of FY2022

Organizational form	Company with a Nomination Committee, etc
Board of Directors members	13
Outside directors	11
Of whom, independent directors	5
Number of Board of Directors meetings	15
Ratio of attendance at Board of Directors meetings	98%
Of which, ratio of attendance by outside directors	98%
Chairperson of the Board of Directors	Chairman of the Board
Statutory committees	Nomination Committee, Compensation Committee, Auditor Committee
Nomination Committee	5 (including 5 outside directors) Chairperson: Outside director (independent director)
Compensation Committee	5 (including 4 outside directors) Chairperson: Outside director
Auditor Committee	5 (including 4 outside directors) Chairperson: Outside director (independent director)

Total Compensation in FY2022

Information related to total compensation is disclosed in the Annual Securities Report.

(WEB) <https://www.mitsubishi-motors.com/en/investors/library/yuka.html>

Compliance-Related Data

			FY2018	FY2019	FY2020	FY2021	FY2022
Number of reports to or consultations with the internal Employee Consultation Office (helpline)		MITSUBISHI MOTORS	194	166	112	109	74
Number of reports to or consultations with the outside attorney consultation office (helpline)		MITSUBISHI MOTORS	13	4	2	5	3
Number of reports to or consultations with the MITSUBISHI MOTORS Global Hotline		MITSUBISHI MOTORS	14	25	14	19	16
Number of reports to or consultations with the Business Partner Helpline		MITSUBISHI MOTORS	0	3	4	1	1
Serious violations that damage trust with customers, investors, etc.		MITSUBISHI MOTORS, affiliated companies	0	0	0	0	0
Harassment resulting in disciplinary action	Sexual harassment	MITSUBISHI MOTORS	1	7	0	5	0
		Affiliated companies	1	5	1	1	2
	Bullying	MITSUBISHI MOTORS	0	3	1	1	6
		Affiliated companies	0	2	4	1	1

GRI Standards Reference Chart

GRI 1: Foundation 2021

Statement of use	MITSUBISHI MOTORS CORPORATION has referred to GRI standards and reports the information contained in this reference chart for the period from April 1, 2022 to March 31, 2023.
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GRI 2: General Disclosures 2021

Item	Index for applicable pages
1. The organization and its reporting practices	
2-1 Organizational details a. Its legal name b. Its nature of ownership and legal form c. The location of its headquarters d. Its countries of operation	Corporate Overview Securities Report, (P4-5) Description of business, (P6-9) Status of subsidiaries and associates
2-2 Entities included in the organization's sustainability reporting	Securities Report (P6-10) Status of subsidiaries and associates
2-3 Reporting period, frequency and contact point a. The reporting period for, and the frequency of, its sustainability reporting b. The reporting period for its financial reporting and, if it does not align with the period for its sustainability reporting, explain the reason for this c. The publication date of the report or reported information d. The contact point for questions about the report or reported information	Editorial Policy
2-4 Restatements of information	N/A
2-5 External assurance a. Its policy and practice for seeking external assurance b. A link or reference to the external assurance report(s) or assurance statement(s), and what has been assured and on what basis	Third-Party Assurance
2. Activities and workers	
2-6 Activities, value chain and other business relationships a. The sector(s) in which it is active b. Its value chain c. Other relevant business relationships d. Significant changes compared to the previous reporting period	Social > Achieving a Sustainable Supply Chain Securities Report (P4-5) Description of business

Item	Index for applicable pages
2-7 Employees a. The total number of employees, and a breakdown of this total by gender and by region b. The total number of permanent employees and temporary employees, and a breakdown by gender and by region	Corporate Overview ESG Data > Human Resource-Related Data Securities Report (P11-12) Employees
2-8 Workers who are not employees a. The total number of workers who are not employees and whose work is controlled by the organization b. The methodologies and assumptions used to compile the data c. Significant fluctuations in the number of workers who are not employees during the reporting period and between reporting periods	—
3. Governance	
2-9 Governance structure and composition a. Its governance structure, including committees of the highest governance body b. The committees of the highest governance body that are responsible for decision-making on and overseeing the management of the organization's impacts on the economy, environment, and people c. The composition of the highest governance body and its committees	Governance > Corporate Governance > System of Corporate Governance Governance > Internal Control Sustainability Strategy > Sustainability Management > Framework for Promoting Sustainability Corporate Governance Report (P38) Corporate Governance and Business Execution Structures
2-10 Nomination and selection of the highest governance body a. The nomination and selection processes for the highest governance body and its committees b. The criteria used for nominating and selecting highest governance body members	Corporate Governance Report (P1-30) I. Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management
2-11 Chair of the highest governance body a. Whether the chair of the highest governance body is also a senior executive in the organization	Securities Report (P53) Information about corporate governance, etc.
2-12 Role of the highest governance body in overseeing the management of impacts a. The role of the highest governance body and of senior executives in developing, approving, and updating the organization's purpose, value or mission statements, strategies, policies, and goals related to sustainable development b. The role of the highest governance body in overseeing the organization's due diligence and other processes to identify and manage the organization's impacts on the economy, environment, and people c. The role of the highest governance body in reviewing the effectiveness of the organization's processes, and the frequency of this review.	Securities Report (P18-22) Business-related risks, (P53-97) Information about corporate governance, etc. Governance > Risk Management > Development of Risk Management Framework Sustainability Strategy > Sustainability Management > Framework for Promoting Sustainability
2-13 Delegation of responsibility for managing impacts a. How the highest governance body delegates responsibility for managing the organization's impacts on the economy, environment, and people b. The process and frequency for senior executives or other employees to report back to the highest governance body on the management of the organization's impacts on the economy, environment, and people	Securities Report (P53-97) Information about corporate governance, etc. Sustainability Strategy > Sustainability Management > Framework for Promoting Sustainability

Item	Index for applicable pages
2-14 Role of the highest governance body in sustainability reporting a. The process for reviewing and approving the reported information, including the organization's material topics by the highest governance body	Sustainability Strategy>Sustainability Management>Framework for Promoting Sustainability
2-15 Conflicts of interest a. The processes for the highest governance body to ensure that conflicts of interest are prevented and mitigated b. Whether conflicts of interest are disclosed to stakeholders	Governance>Corporate Governance>Conflicts of Interest Corporate Governance Report (P1) Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information
2-16 Communication of critical concerns a. Whether and how critical concerns are communicated to the highest governance body b. The total number and the nature of critical concerns that were communicated to the highest governance body during the reporting period	Governance>Compliance>Management Structure
2-17 Collective knowledge of the highest governance body a. Measures taken to advance the collective knowledge, skills, and experience of the highest governance body on sustainable development	Corporate Governance Report (P1-12) Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information
2-18 Evaluation of the performance of the highest governance body a. The processes for evaluating the performance of the highest governance body in overseeing the management of the organization's impacts on the economy, environment, and people b. Whether the evaluations are independent or not, and the frequency of the evaluations c. Actions taken in response to the evaluations, including changes to the composition of the highest governance body and organizational practices	Governance>Corporate Governance>System of Corporate Governance Corporate Governance Report (P1-12) Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information
2-19 Remuneration policies a. The remuneration policies for members of the highest governance body and senior executives b. How the remuneration policies for members of the highest governance body and senior executives relate to their objectives and performance in relation to the management of the organization's impacts on the economy, environment, and people	Commitment of Top Management Governance>Executive Remuneration Corporate Governance Report (P24) Incentives Securities Report (P91-96) Information about corporate governance, etc.
2-20 Process to determine remuneration a. The process for designing its remuneration policies and for determining remuneration b. The results of votes of stakeholders (including shareholders) on remuneration policies and proposals	Governance>Executive Remuneration Corporate Governance Report (P24) Incentives Securities Report (P91-96) Information about corporate governance, etc.
2-21 Annual total compensation ratio a. The ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual) b. The ratio of the percentage increase in annual total compensation for the organization's highest-paid individual to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual)	—

Item	Index for applicable pages
4. Strategy, policies and practices	
2-22 Statement on sustainable development strategy a. A statement from the highest governance body or most senior executive of the organization about the relevance of sustainable development to the organization and its strategy for contributing to sustainable development	Commitment of Top Management
2-23 Policy commitments a. Its policy commitments for responsible business conduct b. Its specific policy commitment to respect human rights c. Links to the policy commitments d. The level at which each of the policy commitments was approved e. The extent to which the policy commitments apply to the organization's activities and to its business relationships f. How the policy commitments are communicated to workers, business partners, and other relevant parties	Sustainability Strategy > Corporate Philosophy and Policy Social > Respect for Human Rights > Human Rights Policy Social > Achieving a Sustainable Supply Chain > Basic Approach Governance > Compliance > Basic Approach and Policies
2-24 Embedding policy commitments a. How it embeds each of its policy commitments for responsible business conduct throughout its activities and business relationships	Sustainability Strategy > Sustainability Management > Framework for Promoting Sustainability Social > Respect for Human Rights Social > Achieving a Sustainable Supply Chain > Management Structure Governance > Compliance Securities Report (P14-17) Approach to and initiatives for sustainability
2-25 Processes to remediate negative impacts a. Its commitments to provide for or cooperate in the remediation of negative impacts that the organization identifies it has caused or contributed to b. Its approach to identify and address grievances, including the grievance mechanisms that the organization has established or participates in c. Other processes by which the organization provides for or cooperates in the remediation of negative impacts that it identifies it has caused or contributed to d. How the stakeholders who are the intended users of the grievance mechanisms are involved in the design, review, operation, and improvement of these mechanisms e. How the organization tracks the effectiveness of the grievance mechanisms and other remediation processes	Environment > Environmental Management > Environmental Risk Management Social > Respect for Human Rights > Human Rights Policy Social > Respect for Human Rights > Access to Assistance Governance > Compliance > Establishment of Internal and External Consultation Offices
2-26 Mechanisms for seeking advice and raising concerns	Environment > Environmental Management > Environmental Risk Management Social > Respect for Human Rights > Access to Assistance Governance > Compliance > Establishment of Internal and External Consultation Offices
2-27 Compliance with laws and regulations a. The total number of significant instances of non-compliance with laws and regulations during the reporting period b. The total number and the monetary value of fines for instances of noncompliance with laws and regulations that were paid during the reporting period	Governance > Compliance

Item	Index for applicable pages
2-28 Membership associations a. Industry associations, other membership associations, and national or international advocacy organizations in which it participates in a significant role	Sustainability Strategy > Sustainability Management > Participation in External Organizations Social > Promotion of Work Style Reforms in Response to the New Normal > Participating in Initiatives Outside the Company Social > Respect for Human Rights > Management Structure Social > Achieving a Sustainable Supply Chain > Participating in Outside Initiatives
5. Stakeholder engagement	
2-29 Approach to stakeholder engagement	Sustainability Strategy > Sustainability Management > Stakeholder Engagement
2-30 Collective bargaining agreements a. The percentage of total employees covered by collective bargaining agreements	Social > Promoting Occupational Health and Safety > Labor-Management Relations

GRI 3: Material topics 2021

Item	Index for applicable pages
3-1 Process to determine material topics	Sustainability Strategy > Sustainability Management > MITSUBISHI MOTORS' Materiality
3-2 List of material topics a. List of material topics b. Changes to the list of material topics compared to the previous reporting period	Sustainability Strategy > Sustainability Management > MITSUBISHI MOTORS' Materiality
3-3 Management of material topics a. The actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on their human rights b. Whether the organization is involved with the negative impacts through its activities or as a result of its business relationships c. Its policies or commitments regarding the material topic d. Actions taken to manage the topic and related impacts e. Information about tracking the effectiveness of the actions taken f. How engagement with stakeholders has informed the actions taken and how it has informed whether the actions have been effective	Sustainability Strategy > Sustainability Management > MITSUBISHI MOTORS' Materiality Top Pages of Performance Reports for Each Material Issue P36, 54, 57, 61, 63, 66, 70, 76, 81, 85, 88, 95, 99, 105

Item		Index for applicable pages
Economical		
GRI201: Economic performance 2016		
201-1	a. Direct economic value generated and distributed b. Where significant, report EVG&D separately at country, regional, or market levels, and the criteria used for defining significance	Securities Report (P101) Consolidated statement of income Social > Promoting Social Contribution Activities > Basic Approach and Policies
201-2	a. Risks and opportunities posed by climate change that have the potential to generate substantive changes in operations, revenue, or expenditure	Environment > Responding to Climate Change and Energy Issues Securities Report (18-22) Business-related risks
201-3	a. If the plan's liabilities are met by the organization's general resources, the estimated value of those liabilities b. If a separate fund exists to pay the plan's pension liabilities, its explain c. If a fund set up to pay the plan's pension liabilities is not fully covered, explain the strategy, if any, adopted by the employer to work towards full coverage, and the timescale, if any, by which the employer hopes to achieve full coverage d. Percentage of salary contributed by employee or employer e. Level of participation in retirement plans	Securities Report (P131-133) Retirement benefits
201-4	a. Total monetary value of financial assistance received by the organization from any government during the reporting period b. The information in 201-4-a by country c. Whether, and the extent to which, any government is present in the shareholding structure	—
GRI 202: Market Presence 2016		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	ESG Data > Human Resource-Related Data
202-2	Proportion of senior management hired from the local community	ESG Data > Human Resource-Related Data
GRI 203: Indirect Economic Impacts 2016		
203-1	Infrastructure investments and services supported	Social > Contribution to Local Economy through Business Activities > Basic Approach
203-2	Examples of significant identified indirect economic impacts of the organization, including positive and negative impacts	Social > Contribution to Local Economy through Business Activities > Basic Approach
GRI 204: Procurement Practices 2016		
204-1	Proportion of spending on local suppliers	Social > Achieving a Sustainable Supply Chain > Promotion of Localization
GRI 205: Anti-corruption 2016		
205-1	Operations assessed for risks related to corruption	Governance > Compliance > Anti-Corruption
205-2	Communication and training about anti-corruption policies and procedures	Governance > Compliance > Anti-Corruption
205-3	Confirmed incidents of corruption and actions taken	Governance > Compliance > Anti-Corruption
GRI 206: Anti-competitive Behavior 2016		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Governance > Compliance > Management Structure
GRI 207: TAX 2019		
207-1	Approach to tax	Governance > Compliance > Approach to Taxation
207-2	Tax governance, control, and risk management	Governance > Compliance > Approach to Taxation

Item		Index for applicable pages
207-3	Stakeholder engagement and management of concerns related to tax	Governance > Compliance > Approach to Taxation
207-4	Country-by-country reporting	—
Environment		
GRI 301: Materials 2016		
301-1	Materials used by weight or volume	ESG Data > Environmental Data Related to Products and Business Activities
301-2	Percentage of recycled input materials used to manufacture the organization's primary products and services	—
301-3	Reclaimed products and their packaging materials	Environment > Resource Recycling Initiatives
GRI302: Energy 2016		
302-1	Energy consumption within the organization	ESG Data > Environmental Data Related to Products and Business Activities
302-2	Energy consumption outside of the organization	ESG Data > Environmental Data Related to Products and Business Activities
302-3	Energy intensity	—
302-4	Reduction of energy consumption	ESG Data > Environmental Data Related to Products and Business Activities
302-5	Reductions in energy requirements of products and services	ESG Data > Environmental Data Related to Products and Business Activities
GRI 303: Water and Effluents 2018		
303-1	Interactions with water as a shared resource	Environment > Conservation of Water Resources
303-2	Management of water discharge-related impacts	Environment > Conservation of Water Resources
303-3	Water withdrawal	ESG Data > Environmental Data Related to Products and Business Activities Environment > Conservation of Water Resources
303-4	Water discharge	ESG Data > Environmental Data Related to Products and Business Activities WEB > Atmosphere/Wastewater Quality/PRTR-designated Pollutants Data Environment > Conservation of Water Resources
303-5	Water consumption	ESG Data > Environmental Data Related to Products and Business Activities
GRI 304: Biodiversity 2016		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Environment > Preservation of Biodiversity
304-2	Significant impacts of activities, products, and services on biodiversity	Environment > Preservation of Biodiversity
304-3	Habitats protected or restored	Environment > Preservation of Biodiversity
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	WEB > ESG Data > Biodiversity Data
GRI305: Emissions 2016		
305-1	Direct GHG emissions (Scope 1)	ESG Data > Environmental Data Related to Products and Business Activities Responding to Climate Change and Energy Issues > Reducing CO ₂ Emissions across the Supply Chain
305-2	Energy indirect GHG emissions (Scope 2)	ESG Data > Environmental Data Related to Products and Business Activities Responding to Climate Change and Energy Issues > Reducing CO ₂ Emissions across the Supply Chain

Item		Index for applicable pages
305-3	Other indirect GHG emissions (Scope 3)	ESG Data > Environmental Data Related to Products and Business Activities Responding to Climate Change and Energy Issues > Reducing CO ₂ Emissions across the Supply Chain
305-4	GHG emissions intensity	ESG Data > Environmental Data Related to Products and Business Activities
305-5	Reduction of GHG emissions	ESG Data > Environmental Data Related to Products and Business Activities Identifying Material Issues Environment > Environmental Plan Package > Environmental Targets 2030 Sustainability Strategy > Management Strategy and Sustainability > Revising Environmental Targets 2030
305-6	Emissions of ozone-depleting substances (ODS)	ESG Data > Environmental Data Related to Products and Business Activities
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Prevention of Pollution > Preventing Air Pollution ESG Data > Environmental Data Related to Products and Business Activities WEB > ESG Data > Atmosphere/Wastewater Quality/PRTR-designated Pollutants Data
GRI 306: Waste 2020		
306-1	Waste generation and significant waste-related impacts	Environment > Resource Recycling Initiatives
306-2	Management of significant waste-related impacts	Environment > Resource Recycling Initiatives
306-3	Waste generated	ESG Data > Environmental Data Related to Products and Business Activities Environment > Resource Recycling Initiatives
306-4	Waste diverted from disposal	WEB > ESG Data > Atmosphere/Wastewater Quality/PRTR-designated Pollutants Data
306-5	Waste directed to disposal	WEB > ESG Data > Atmosphere/Wastewater Quality/PRTR-designated Pollutants Data
GRI 307: Environmental Compliance 2016		
307-1	Non-compliance with environmental laws and regulations	Environment > Environmental Management > Environmental Risk Management
GRI 308: Supplier Environmental Assessment 2016		
308-1	New suppliers that were screened using environmental criteria	Social > Achieving a Sustainable Supply Chain
308-2	Negative environmental impacts in the supply chain and actions taken	Social > Achieving a Sustainable Supply Chain
Social		
GRI 401: Employment 2016		
401-1	Total number and rate of new employee hires during the reporting period, by age group, gender and region	ESG Data > Human Resource-Related Data
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	ESG Data > Human Resource-Related Data Securities Report (P131-133) Retirement benefits
401-3	Total number of employees that took parental leave, by gender	ESG Data > Human Resource-Related Data
GRI 402: Labor/Management Relations 2016		
402-1	Minimum notice periods regarding operational changes	Social > Promoting Occupational Health and Safety > Labor-Management Relations

Item		Index for applicable pages
GRI403: Occupational Health and Safety 2018		
403-1	Occupational health and safety management system	Social > Promoting Occupational Health and Safety > Basic Approach Social > Promoting Occupational Health and Safety > Management Structure
403-2	Hazard identification, risk assessment, and incident investigation	Social > Promoting Occupational Health and Safety > Initiatives to Ensure Workplace Safety
403-3	Occupational health services	Social > Promoting Occupational Health and Safety > Management Structure
403-4	Worker participation, consultation, and communication on occupational health and safety	Social > Promoting Occupational Health and Safety > Management Structure
403-5	Worker training on occupational health and safety	Social > Promoting Occupational Health and Safety > Initiatives to Ensure Workplace Safety
403-6	Promotion of worker health	Social > Promoting Occupational Health and Safety > Initiatives to Ensure Workplace Safety
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Social > Promoting Occupational Health and Safety > Initiatives to Ensure Workplace Safety
403-8	Workers covered by an occupational health and safety management system	Social > Promoting Occupational Health and Safety > Basic Approach
403-9	Work-related injuries	Social > Promoting Occupational Health and Safety > Initiatives to Ensure Workplace Safety ESG Data > Human Resource-Related Data
403-10	Work-related ill health	Social > Promoting Occupational Health and Safety > Initiatives to Ensure Workplace Safety
GRI 404: Training and Education 2016		
404-1	Average hours of training per year per employee	ESG Data > Human Resource-Related Data
404-2	Programs for upgrading employee skills and transition assistance programs	Social > Stepping up Human Resource Development
404-3	Percentage of employees receiving regular performance and career development reviews	Social > Stepping up Human Resource Development
GRI 405: Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	Governance > Members of the Board ESG Data > Human Resource-Related Data
405-2	Ratio of basic salary and remuneration of women to men	Social > Human Resources Management > Fair Compensation System ESG Data > Human Resource-Related Data
GRI 406: Non-discrimination 2016		
406-1	Incidents of discrimination and corrective actions taken	—
GRI407: Freedom of Association and Collective Bargaining 2016		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Social > Promoting Occupational Health and Safety > Labor-Management Relations
GRI 408: Child Labor 2016		
408-1	Operations and suppliers at significant risk for incidents of child labor	Social > Respect for Human Rights > Complying with the Human Rights Policy
GRI 409: Forced or Compulsory Labor 2016		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Social > Respect for Human Rights > Complying with the Human Rights Policy

Item		Index for applicable pages
GRI 410: Security Practices 2016		
410-1	Security personnel trained in human rights policies or procedures	N/A
GRI411: Rights of Indigenous Peoples 2016		
411-1	Incidents of violations involving rights of indigenous peoples	N/A
GRI 412: Human Rights Assessment 2016		
412-1	Operations that have been subject to human rights reviews or impact assessments	Social > Respect for Human Rights > Human Rights Due Diligence
412-2	Employee training on human rights policies or procedures	Social > Respect for Human Rights > Complying with the Human Rights Policy
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Social > Respect for Human Rights > Complying with the Human Rights Policy
GRI413: Local Communities 2016		
413-1	Operations with local community engagement, impact assessments, and development programs	Social > Contribution to Local Economy through Business Activities
413-2	Operations with significant actual and potential negative impacts on local communities	N/A
GRI 414: Supplier Social Assessment 2016		
414-1	New suppliers that were screened using social criteria	Social > Achieving a Sustainable Supply Chain
414-2	Negative social impacts in the supply chain and actions taken	Social > Achieving a Sustainable Supply Chain > Basic Approach Social > Achieving a Sustainable Supply Chain > Supplier CSR Guidelines Social > Achieving a Sustainable Supply Chain > Efforts to Become Carbon Neutral throughout the Supply Chain, Green Procurement Guidelines
GRI 415: Public Policy 2016		
415-1	Political contributions	Governance > Compliance > Political Involvement (Political Contributions)
GRI416: Customer Health and Safety 2016		
416-1	Assessment of the health and safety impacts of product and service categories	Securities Report (P4-5) Description of business
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Recall Information (only in Japanese)
GRI 417: Marketing and Labeling 2016		
417-1	Requirements for product and service information and labeling	Social > Improvement of Product, Sales, and Service Quality
417-2	Incidents of non-compliance concerning product and service information and labeling	Governance > Compliance > Management Structure
417-3	Incidents of non-compliance concerning marketing communications	Governance > Compliance > Management Structure
GRI 418: Customer Privacy 2016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Governance > Compliance > Protection of Personal Information
GRI419: Socioeconomic Compliance 2016		
419-1	Non-compliance with laws and regulations in the social and economic area	Governance > Compliance > Management Structure

Third-Party Assurance

Of our environmental data related to products and business activities, we have obtained third-party assurance of our CO₂ emissions from business activities and energy input related to manufacturing and non-manufacturing divisions in FY2022 (CO₂ emissions (Scope 1+2) of 346x10³t-CO₂, energy input of 7.8PJ).

Manufacturing Sites

Country	Company Name
Japan	mitsubishi motors corporation (Okazaki Plant, Mizushima Plant, Kyoto Plant-Kyoto, Kyoto Plant-Shiga), Suiryō Plastics Co., Ltd.
Thailand	Mitsubishi Motors (Thailand) Co., Ltd. (MMTh) MMTh Engine Co., Ltd. (MEC)
Philippines	Mitsubishi Motors Philippines Corporation (MMPC) Asian Transmission Corporation (ATC)
Indonesia	Mitsubishi Motors Krama Yudha Indonesia (MMKI)
Vietnam	Mitsubishi Motors Vietnam Co., Ltd. (MMV)
Malaysia	MMC Manufacturing Malaysia Sdn. Bhd, (MMCMM)

Non-Production Sites (Research & Development)

Country	Company Name
Japan	Research & Development Center, EV Research & Development Center, Kyoto Research & Development Center, Tokachi Research & Development Center



No. 1811004572

Greenhouse Gas Emissions Verification Report

To: Mitsubishi Motors Corporation

1. Objective and Scope

Japan Quality Assurance Organization (hereafter "JQA") was engaged by Mitsubishi Motors Corporation (hereafter "the Company") to provide an independent verification on "FY2022 Environmental Impact Report (Summary of calculation results)" (hereafter "the Report"). The content of our verification was to express our conclusion, based on our verification procedures, on whether the statement of information regarding Greenhouse Gas emissions from Scope 1 & 2 (hereafter "Scope 1 & 2 GHG emissions"), and Energy consumption in the Report was correctly measured and calculated, in accordance with the "Environmental information aggregation guidelines" (hereafter "the Rule"). The purpose of the verification is to evaluate the Report objectively and to enhance the credibility of the Report.

*The fiscal year 2022 of the Company ended on March 31, 2023.

2. Procedures Performed

JQA conducted verification in accordance with "ISO 14064-3" for Scope 1 & 2 GHG emissions and with "ISAE3000" for Energy consumption, respectively. The scope of this verification assignment covers Scope 1 & 2 GHG emissions (energy-derived CO₂) and Energy consumption. The verification was conducted to a limited level of assurance and quantitative materiality was set at 5 percent of the total emissions in the Report. The organizational boundaries of this verification include 5 domestic and 7 overseas manufacturing sites, and 4 non-production (Research & Development) domestic sites of the Company. Our verification procedures included:

- Performing validation of integrated functions to check the Rule.
- Visiting 2 domestic sites, Tokachi Research & Development Center and Kyoto Research & Development Center, selected by the Company.
- On-site assessment to check the Report scope and boundaries; source of Scope 1 & 2 GHG emissions and Energy consumption; monitoring points; monitoring and calculation system; and its controls for overall.
- Vouching: Cross-checking the data against evidence.

3. Conclusion

Based on the procedures described above, nothing has come to our attention that caused us to believe that the statement of the information regarding Scope 1 & 2 GHG emissions and Energy consumption in the Report, is not materially correct, or has not been prepared in accordance with the Rule. The Scope 1 & 2 GHG emissions in FY2022 are 346,368t-CO₂.

4. Consideration

The Company was responsible for preparing the Report, and JQA's responsibility was to conduct verification of Scope 1 & 2 GHG emissions and Energy consumption in the Report only. There is no conflict of interest between the Company and JQA.

Sumio Asada, Board Director
For and on behalf of Japan Quality Assurance Organization
1-25, Kandasudacho, Chiyoda-ku, Tokyo, Japan
July 4, 2023

Third-Party Opinion



**Mr. Keisuke
Takegahara**

Executive Director
Research Institute of
Capital Formation
Development Bank of
Japan Inc.

The Sustainability Report 2023 is published with the aim of conveying and continuously communicating sustainability information on the MITSUBISHI MOTORS Group. In reviewing the details, let us look again at the system for disclosing information on sustainability at the beginning of the report. This visually clarifies the division of roles between the Sustainability Report and the Integrated Report, which targets investors and discloses financial and non-financial information directly related to management strategies. The size of the area indicates the volume of information covered in this report.

It is not easy to make such a vast amount of information on diverse activities function as a tool for communication with readers, rather than merely disseminating information one-sidedly. The key lies in the overlap of roles between the two reports in the system chart or the common part in the Venn diagram. This area corresponds to the essence of integrated reporting, the value creation story, i.e. the strategy part that supports the long-term sustain-

ability of the business model. Whereas the integrated reporting is structured primarily on the connection (connectivity) between this essence and financial and non-financial data, this report plays a multifaceted role in presenting how diverse sustainability activities contribute to the value creation story. Therefore, the main role expected of this third-party opinion is to consider not only the review of individual activity reports but also the connection and consistency between them and the overall strategy.

From this perspective, the steady evolution of this report is evident. Its structure remains unchanged, consisting of the first half that outlines the corporate mission and strategy, and the latter half that detailed reports on diverse activities of the previous year. However, throughout the report, the well-designed connection between a series of sustainability activities and management strategies can be observed.

Symbolic of these efforts is the newly established entitled "Management Strategy and Sustainability." The new medium-term management plan "Challenge 2025" defines the concept of "Mitsubishi Motors-ness," which is the main theme of this report, and clarifies the direction of value creation. Furthermore, our growth strategy, which is based on the three pillars of challenge that support this concept, namely, (1) focus on the ASEAN region as a growth driver to establish and strengthen an absolutely stable revenue base, (2) pursue carbon neutrality (CN) through the shift to electrified vehicles based on proprietary technologies and alliances, and (3) drive digital transformation (DX) to meet the needs of the next generation users of digital native, describes a story of value creation from a medium- to long term

perspective, based on our recognition that we are in a once-in-a-century of great change.

Once this point is clear, we shall then look at the connection with the individual activity reports. What I found impressive this year is the clear connection between strategy and initiatives with regard to carbon neutrality. In FY2022, the company made significant progress by revising its "Environmental Vision 2050," declaring its aim to achieve CN across the supply chain, and also reinforcing the milestone of "Environmental Target 2030." This report presents a clear overview initiative of CN in a special feature, and highlighting specific measures that include (1) promoting electrification, leveraging core technologies such as PHEV and Kei-car segment commercial EV, underpinned by the Alliance and (2) enhancing new mobility businesses utilizing connected functions in line with the progress of electrification, and pursuing new revenue opportunities by strengthening energy management through the use of electrified vehicles.

On the other hand, the connection between area and digital strategies and the sustainability activities that support these strategies still needs to be worked out. For example, reflecting the characteristics of each region could enhance the visibility and resolution of the Company's initiatives and potential towards CN. Furthermore, the human capital initiatives emphasized in the "Commitment of Top Management" also show potential for further strengthening linkage with the management strategy, such as leveraging global talent and the focus on human rights. The narrative of the Company pertaining to value creation is steadily being enhanced. I look forward to seeing its further evolution.