

1. ENVIRONMENTAL MANAGEMENT

1. Environmental Management



1) Corporate policy

In March 1998, "making good products that last a long time" was made a central plank of the Mitsubishi Motors Group's corporate policy. This philosophy formed the cornerstone of "The Spirit of Global Mitsubishi Motors Way", which was unveiled in November 1998.

The Spirit of Global Mitsubishi Motors Way

- Customer Satisfaction
- Speedy & Simple
- Innovative & Creative
- Fair & Open



2) Mitsubishi Motors' Environmental Plan

This plan sets forth 18 areas for concrete action, including conservation of energy and resources, recycling, streamlining of logistics, and development of environmental technologies.

Every stage of an automaker's activities is intimately linked to environmental issues. Based on its corporate policy of making good products that last a long time,¹⁾ MMC is actively seeking out ways of reducing its impact on the environment at every stage of its activities, from development and production through to use, services and disposal.



MMC's environmental guidelines

MMC's Environmental Plan²⁾ drawn up in March 1993 set forth the company's basic guiding philosophy governing its overall approach to environmental issues. Though the plan underwent a revision in 1996, this philosophy has formed the basis for determining specific areas of action, and has guided the development of the company's environmental protection activities.

A succession of new environmental challenges has recently emerged, and it was to address these new challenges that this basic philosophy was replaced in August 1999 by "MMC's Environmental Guidelines" for Mitsubishi Motors Group. The basic policy set forth in these guidelines affirms that protection of the global environment is the most important issue facing humankind today, and commits MMC to continuously working toward environmental protection in all areas of business at every stage of the car lifecycle. The behavioral standards established under the same guidelines in addition prioritize action by the company to combat global warming and pollution and to encourage recycling.

ENVIRONMENTAL GUIDELINES OF MITSUBISHI MOTORS CORPORATION

Basic Policy

Mitsubishi Motors recognizes that protection of the global environment is the most important issue facing mankind today and as such makes the following undertakings:

- From a global viewpoint, we are committed to continual reduction of negative environmental impact of our corporate activities with all our strength, these including development, procurement, production, sales, and after-sale servicing activities related to automobiles.
- As a good corporate citizen, we are committed to actions to protect the environment of the local communities.

Behavioral standards

- We will endeavor to protect the environment by forecasting and assessing the environmental impact of our products at all stages in their life cycle.
Priority is given to the following areas:
 - ▶ Prevention of global warming by reducing emissions of greenhouse gasses
 - ▶ Prevention of pollution by restricting emissions of substances harmful to the environment
 - ▶ Reduction of waste and maximizing efficient use of resources by promoting conservation of resources and recycling.
- We will endeavor to improve our environment management practices as part of ongoing efforts to ameliorate the environment.
- We will comply with environment regulations and agreements, and will work to protect the environment by establishing voluntary management targets.
- We will encourage our affiliates and clients both in Japan and other countries to cooperate in working to protect the environment.
- We will actively disclose environment-related information and will seek the understanding of local communities and of society at large.

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1) Global Environmental Issues Project Team

Within the Global Environmental Project Team, there were CFC, CO₂, Fuel Efficiency and Recycling Working Groups.

Organization and structure

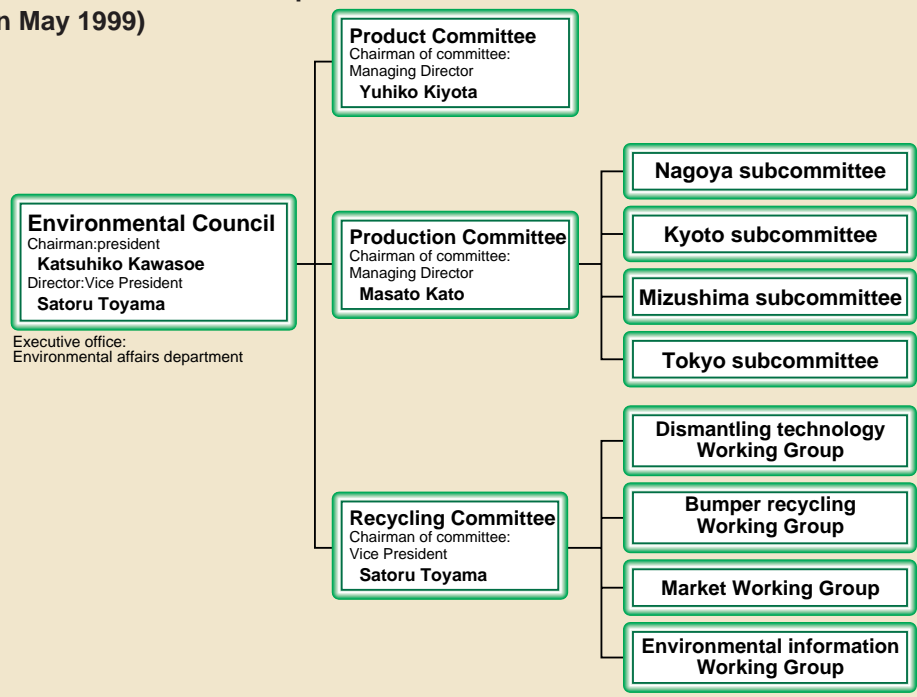
MMC has long pursued various activities to protect the environment, particular emphasis has been placed on combating worldwide environmental problems such as global warming and the destruction of the ozone layer since 1989, when the Global Environmental Issues Project Team¹⁾ was set up. 1993 saw the development of the MMC Environmental Plan and the establishment of the MMC Environmental Council to bolster efforts to tackle global environmental problems. The basic philosophy underlying this plan is "to achieve corporate growth through business activity that harmonizes with and helps protect the environment", and we are working to tackle environmental problems in concert with our affiliates and society at large.

The Environmental Council consisted of three committees --the Product Committee, the Production Committee and the General Affairs Committee--which played a part in promoting environmental action at the R&D, production and marketing stages respectively. In 1996, in view of the increasingly important role being assigned to recycling in society, a Recycling Committee was established, and this has achieved considerable success in, for example, launching the collection and recycling of car bumpers.

In 1999, the General Affairs Committee was merged with the Recycling Committee, and two working groups--the Marketing Working Group and the Environmental Information Working Group--were established under the Recycling Committee in order to simplify the organizational structure and strengthen practical aspects of the committee's activities. MMC has thus made flexible organizational changes to its environmental setup to respond to changes in social concerns and thereby contribute to environmental protection more effectively.

In order to further increase the scope and quality of the company's environmental activities, an Environmental Affairs Department with special responsibility for environmental matters was established in May 1999. This department is in charge of the overall direction of corporate environmental activity, and in addition serves as the Secretariat for the Environmental Council and its committee.

Environmental Affairs Department (in May 1999)



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Environmental council committees

Product Committee

- Improvement of fuel efficiency
- Reduction of exhaust emissions
- Development of clean-energy vehicles
- Reduction of automobile noise
- Rationalization of air-conditioner refrigerant use
- Reduction of use of environmentally harmful substances
- Increase of product life span
- Improvement of traffic flow

Production Committee

- ISO14001 certification
- Protection of plant environment
- Reduction of emissions of industrial waste
- Energy conservation
- Correspond to PRTR scheme
- Rationalization of plant and supply logistics
- Improvement of production processes
- Expansion of environmental activities of affiliated domestic manufacturers
- Concern for the environment in overseas business activities

Recycling Committee

- Improvement of recyclability of new vehicles
- Greater use of recycled materials in new vehicles
- Reduced use of environmentally harmful substances in new vehicles
- Proper processing of ELVs
- Environmental protection in and around dealers and garages
- Use of recycled parts
- Promoting of use of clean energy vehicles
- Green purchasing policy
- Environmental protection activities in the office
- Disclosure of information on environmental matters



1) ISO14001

An international standard for environmental management systems established by the International Organization for Standardization (ISO).

ISO14001 certification¹⁾

MMC is actively seeking to acquire ISO14001 certification (the international standard for environmental management) in order to increase the transparency and convince outside parties of the reliability of its measures to conserve the environment, and three of its domestic passenger car plants obtained ISO 14001 certification by the Registration Body of the Japan Automobile Research Institute, Inc. in FY1998, these being the Nagoya Plant, which was certified in November, followed by the Kyoto and Mizushima Plants in December.

MMC's Tokyo Plant, which manufactures trucks, is also scheduled to be certified in FY 1999, which will complete the acquisition of ISO 14001 certification by all domestic plants.