

# The Value Creation Process

## Societal Changes

- Society-wide efforts to achieve carbon neutrality are accelerating.
- Marketing activities are changing to target Generation Z, which values experiences, empathy, and time performance.
- Evolving digital technology is essential to strengthen competitiveness in the autonomous driving/connected/mobility business area.

## 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.
4. Enhance stakeholder value by leveraging the Alliance.

## Inputs (fiscal 2022)

Financial capital	
• Total assets	¥2,201.5 billion
• Equity ratio	36.4%
• Free cash flow	¥120.5 billion

Manufacturing capital	
• Capital expenditures	¥78.6 billion
• Global bases	28 locations in 13 countries and regions

Intellectual capital	
• R&D expenses	¥107.2 billion

Human capital	
• Consolidated number of employees	28,428
Of which, Japan	18,847
ASEAN region	8,518
Other locations	1,063

Social capital	
• Social contribution expenditures	¥416 million

Natural capital	
• Energy input (Primary and secondary energy)	8.2 PJ*
• Withdrawn water volume	4,659,000 m <sup>3</sup>

\*A Petajoule is 10<sup>15</sup> Joules.

## Highly Impactful Materiality

- Responding to Climate Change and Energy Issues
- Delivering Products which Help Prevent Traffic Accidents
- Improvement of Product, Sales, and Service Quality
- Contribution to Local Economy through Business Activities
- Creating an environment where diverse talent can demonstrate their abilities and work with pride and fulfillment
- Strengthening Governance and Ensuring Compliance

## The Three Main Challenges of the "Challenge 2025" Mid-Term Business Plan

- **Establishment/strengthening of absolutely stable revenue base**  
Categorize each country's market based on regional growth potential and implement strategies suited to the characteristics of each region
- **Working toward carbon neutrality**  
Increase the ratio of electrified vehicles by boosting the proportion of R&D expenses and capital expenditures spent on electrification, strengthen collaboration within the Alliance and reduce CO<sub>2</sub> emissions from business activities
- **Digitalization/Expansion into New Business Areas**  
Accelerate DX and new business initiatives to survive in an era of major change

Corporate governance

Alliances

Respect for human rights

Value chain

**A Foundation That Supports Value Creation**

## Outputs

Financial		
	Fiscal 2022	Fiscal 2025
Retail sales volume	834,000 units	1,100,000 units
Net sales (billions of yen)	2,458.1	
Operating profit (Billions of yen)	190.5	220.0
Equity ratio (%)	36.4	45.0

- ### Social
- Help reduce traffic accidents
  - Provide quality and service that satisfies customers
  - Promote economic development in the regions where we operate
  - Produce a diverse workforce that can demonstrate its capabilities
  - Promote disaster countermeasures, such as electricity supply systems that use electrified vehicles

Environmental		
	Fiscal 2022	Fiscal 2030
Average CO <sub>2</sub> emissions from new vehicles (Tank to Wheel) (Compared to fiscal 2010)	-18%	-40%
Percentage of EVs in the sales mix (100% by fiscal 2035)	11%	50%
CO <sub>2</sub> emissions from business activities (Scope 1)	95,000 t-CO <sub>2</sub>	
(Scope 2)	271,000 t-CO <sub>2</sub>	
(Total Scope 1 and 2) (Compared to fiscal 2018)	-33%	-50%

- ### Mobility
- Provision of battery reuse, energy management services, etc.



## Value Provided

### Mitsubishi Motors-ness

Providing customers with a fulfilling mobility life that awakens their 'Adventurous Spirit' on the basis of reliability backed by technology that achieves 'Eco-friendly x Safety Technology, Peace of Mind and Comfort'



Environmentally friendly and enable activities close to nature



Contribute to carbon neutrality with commercial EVs



Enable anyone to experience an exciting adventure with confidence



Enable people to get home safely with their family from any adventure



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