



ing 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. (7 members) audits the appropriateness of product quality-related activities by MITSUBISHI MOTORS and its 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.

### Cooperation between the Audit Committee and internal audit divisions

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 MITSUBISHI MOTORS 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

Our 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 our 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 MITSUBISHI MOTORS 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 FY2023 is contained in the FY2023 Annual Securities Report (pages 100-106).

FY2023 Annual Securities Report

**PDF** [https://www.mitsubishi-motors.com/en/investors/library/pdf/20240621yuka\\_e.pdf](https://www.mitsubishi-motors.com/en/investors/library/pdf/20240621yuka_e.pdf)

From FY2022, based on the recognition that the response to sustainability is one of the crucial issues of our 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 "CO<sub>2</sub> 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.