

Corporate Philosophy and Policy

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.

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

In the automobile industry, technological innovations are emerging one after another due to the diversification of powertrains, the automobile intelligence, 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. The “MMC WAY^{*1}” describes the attitudes and actions that each and every executive and employee should have and take. In addition, we aim to fulfill our “Mission” and realize our “Vision” by practicing the “Global Code of Conduct^{*2},” which all executives and employees are required to follow.

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 65 for details on the “MMC WAY.”

^{*2}: Please see page 106 for details on the “Global Code of Conduct.”

Our Approach to and Framework for Promoting Sustainability

Approach to Sustainability

The automotive industry is undergoing a once-in-a-century transformation, as new technologies such as connectedness and autonomous driving and new business models such as car sharing are drastically changing the concept of the automobile as a means to transport people and goods. In particular, on the environmental front, climate change and energy problems are becoming more serious worldwide. As countermeasures, the automotive industry is being called on to take up major challenges, such as the electrification of automobiles.

As the external environment surrounding MITSUBISHI MOTORS becomes more complex, we believe it is essential to realize a sustainable society and strengthen our competitiveness based on our vision of "Create vibrant society by realizing the potential of mobility." We believe this approach is indispensable for the Company's sustainable growth.

When creating our mid-term business plan, "Challenge 2025," we came up with several scenarios for how the world will look in 15 years from now and then performed backcasting to formulate a plan for what we have to work on in the next three years.*

The Company recognizes that various challenges in the environmental, social, and governance fields pose risks to its sustainable growth. At the same time, we see working to solve social problems as an opportunity for new business, and we will strive to reduce risk and contribute to solving social problems through responsible business operations.

* For details, please refer to the Company's mid-term business plan, "Challenge 2025."

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

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.

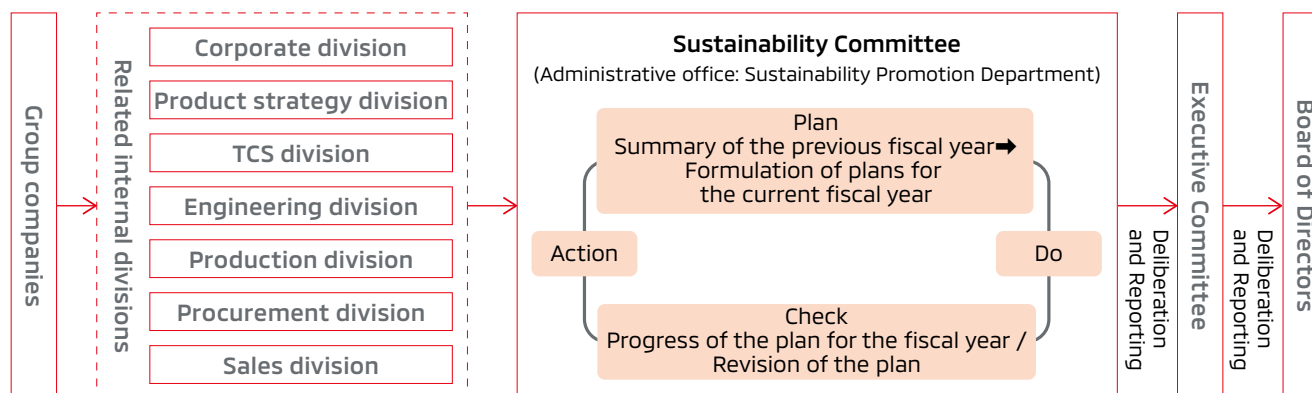
We have a structure in which important matters such as reviewing material issues and the overall status of sustainability activities are deliberated and reported by the Board of Directors.

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/strategy/susc-summary/index.html>



FY2023 Achievements of the Sustainability Committee

- <Meetings convened>
3 times
- <Principal matters for deliberation and reporting>
 - Review of FY2022 initiatives on the material issues and activity plans for FY2023
 - Initiatives to achieve carbon neutrality
 - Response based on the TCFD recommendations
 - Human rights initiatives
 - FY2023 disclosure policy
 - Initiatives to foster a sustainability mindset, etc.

Sustainability Committee members (As of April 2024)

Category	Position or Scope of Authority
Chair	Executive Officer, President & CEO
Vice-chair	Executive Officer (responsible for Internal Control Promotion/General Administration/Corporate Affairs) and Division General Manager, Corporate Affairs Division
Committee members	Executive Officer, Executive Vice President (responsible for Sales)
	Executive Officer, Executive Vice President (CFO)
	Executive Officer, Executive Vice President (responsible for Engineering/TCS*1/Design)
	Executive Officer (responsible for Procurement)
	Executive Officer (responsible for Production)
	Corporate Officer, Division General Manager, Corporate Planning Division
	Corporate Officer, Division General Manager, Corporate Strategy Management Division
	Division General Manager, PD*2 Office
	Person in Charge of Materiality Initiatives
	Senior Executive Officer (responsible for Product Strategy), Division General Manager, Product Strategy Division
	Corporate Officer, Division General Manager, Human Resources Division
	Corporate Officer, Division General Manager, Mobility Business Division
	Corporate Officer, Division General Manager, EV Powertrain Engineering Development Division 1
	Corporate Officer, (responsible for AMS*3 and Product Sales Strategy), Division General Manager, General Administration, Sustainability Division
	Division General Manager, Vehicle Engineering Development Division 1
	Division General Manager, SCM*4 Division
	Division General Manager, Internal Control Promotion Office
	Division General Manager, TCS*1 Division
	Division General Manager, Production Strategy Planning Division
	Division General Manager, Production Engineering Division
	Division General Manager, Procurement Management Division
	Division General Manager, Global Sales Development Division
	Division General Manager, Global After Sales Division
	Division General Manager, Domestic Sales Division
Observers	Members of the Board and the Audit Committee
	Executive Officer (responsible for Legal & Corporate Governance), 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, Financial Planning Office
	General Manager, Public Relations Department

*1 Total Customer Satisfaction *2 Program Director

*3 Asia Pacific Marketing & Sales *4 Supply Chain Management

Structure for Promoting Carbon Neutrality

With the aim of achieving carbon neutrality across the supply chain by 2050, we established the Carbon Neutrality Council under the Sustainability Committee. This council, which met four times in FY2023, is chaired by the Executive Officer, Executive Vice President.

In particular, with respect to “responding to climate change and energy issues,” under the Sustainability Committee we established the Carbon Neutrality Council. Council members include the heads of divisions responsible for management strategy, products, production, procurement, logistics, and other areas. In addition to assessing climate change risks and opportunities, the council considers specific response measures in each domain and drafts medium- to long-term response policies and targets. The proposed policies and targets are deliberated by the Sustainability Committee.

Please see page 30 for details on the Carbon Neutrality Council.

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 FY2023>

- Online training related to sustainability in general
8,232 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>, executives)
- 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, we announced our 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 : P57-60
Labor : P75-77
The environment : P22-55
Anti-corruption : P109

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)

Main 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

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 impacts the Company has on the economy, environment and people, including human rights, we are flexibly reviewing and addressing material issues in response to the latest social conditions and the needs and expectations of our stakeholders.

* Determined by the Executive Committee in accordance with internal regulations as of 2018. From 2019 onwards, resolved by the Board of Directors and other bodies in accordance with changes in the internal regulations.

Process of Identification and Review



History of Materiality Identification and Review

FY2018	<ul style="list-style-type: none"> Identified materiality
FY2019	<ul style="list-style-type: none"> Formulated the Human Rights Policy
FY2020	<ul style="list-style-type: none"> Formulated the Environmental Plan Package Reviewed materiality (In light of the formulation and publication of the "Environmental Plan Package" and the new normal triggered by the spread of COVID-19, we have reviewed material issues relating to the "environment" and "people.")
FY2021	<ul style="list-style-type: none"> Expressed our support for the TCFD Recommendations
FY2022	<ul style="list-style-type: none"> Reviewed materiality (Recognizing that "employees are capital that support the Company's growth," we reviewed material issues related to people, given the need to enhance human capital investment.) Reviewed the Environmental Plan Package

The Materiality Identified



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

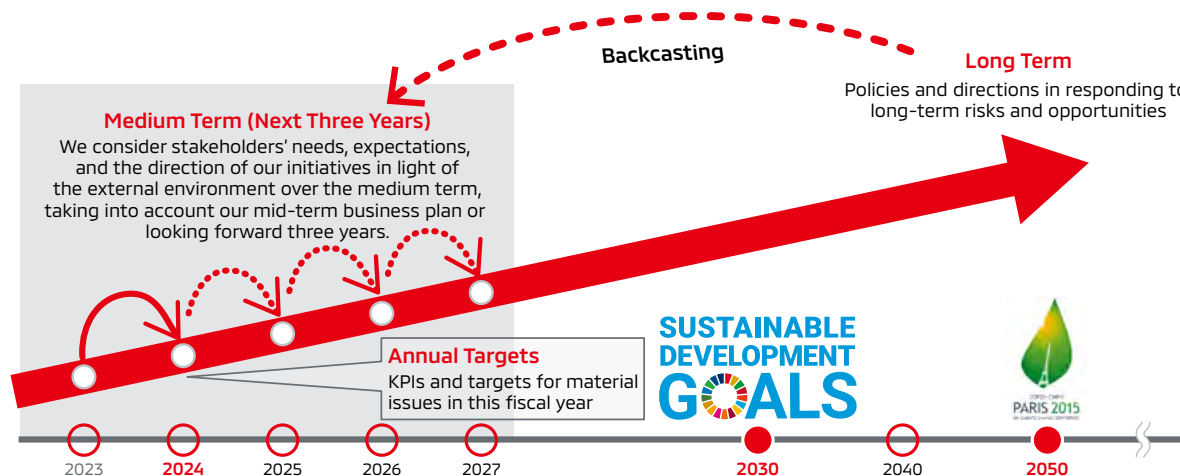
MITSUBISHI MOTORS needs to reinforce its management base in order to respond to the various changes taking place in the automotive industry, look at the business environment from a long-term perspective, and respond to medium- to long-term risks and opportunities. To achieve these goals, we recognize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

Starting FY2021, we have been taking the following steps to set annual targets for individual materiality initiatives.

First, we took a long-term perspective, 2050 as our time horizon 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.

Through the process of formulating "Challenge 2025," the mid-term business plan we announced in March 2023, we reflected on the "15-Year Plan" we use for internal activities, looking ahead 15 years in the three areas of technology, regional communities, and the mobility business, and then created a long-term roadmap to get there. We believe the social issue of climate change will revolutionize the environment surrounding the automotive industry. To promote carbon neutrality as a means of addressing this global issue, in February 2023 we revised our Environmental Targets 2030. Specifically, we 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% by FY2030" for the electrified vehicles sales ratio. We also established the target of

"100% by FY2035" for the electrified vehicles sales ratio. To meet the revised Environmental Targets 2030 in FY2023, we have stepped up our measures that contribute to carbon neutrality and are considering the introduction of internal carbon pricing.

For details on the long-term roadmap, please refer to page 7 of this document on our website.

(WEB) https://www.mitsubishi-motors.com/content/dam/com/ir_en/pdf/financial/2023/230310-2.pdf?20230406

Environmental Targets 2030

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

Materiality (Risks/Opportunities/Impacts)

	Materiality	Risks	Opportunities	Impacts
E	Responding to Climate Change and Energy Issues	<ul style="list-style-type: none"> Increasing fines and credit costs due to noncompliance with regulations, as well as technology development costs to comply with regulations due to stricter fuel efficiency, CO₂ emissions, and ZEV* regulations, etc. Increasing procurement costs for electricity and raw materials due to the introduction of carbon taxes and other carbon pricing measures. Damaging to plants due to more frequent and severe weather disasters and shutting down operations due to supply chain disruptions. 	<ul style="list-style-type: none"> Increasing sales by enhancing our lineup of electrified vehicles and other products that help reduce CO₂ emissions. Acquiring new demand for securing emergency power sources in the event of a weather-related disaster. 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Increasing raw material procurement costs due to resource constraints resulting from the depletion of natural resources such as rare metals. Increasing costs due to tighter regulations on the use of recycled materials, recycling, etc. and higher response costs. Declining in our social image due to delayed response to resource recycling. 	<ul style="list-style-type: none"> Stabilizing procurement costs by reducing our dependence on depleted resources. Reducing costs by using resources more efficiently and reusing waste. Improving competitiveness through 3R design and advanced recycling technologies. Increasing opportunities to utilize end-of-life batteries. Enhancing our image by appealing to our efforts to contribute toward a recycling-oriented society. 	<ul style="list-style-type: none"> Contribute to a resource-recycling-oriented society by minimizing input resources and maximizing resource efficiency.
	Prevention of Pollution	<ul style="list-style-type: none"> Increasing costs of managing environmentally hazardous substances due to stricter and expanded regulations resulting in increased damage to human health and loss of ecosystems. Paying lawsuits, fines or sanctions due to serious leaks involving air or water. Stopping parts procurement due to shutdown of operations in our suppliers due to environmental problems. Declining in our social image due to delays in complying with regulations. 	<ul style="list-style-type: none"> Reducing costs through more efficient management, including of the supply chain. Maintaining competitiveness by providing safe and secure products through enhanced management, including the supply chain. Improving our image through management based on voluntary standards that are stricter than regulations. 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Increasing instability in procurement and costs due to water shortages and water pollution. Shutting down operations and reducing revenues due to flooding and other damage caused by climate change. Increasing costs due to water withdrawal restrictions and stricter wastewater regulations. 	<ul style="list-style-type: none"> Reducing water stress impacts through reduced dependence on water resources. Reducing costs through reduced water consumption and increased reuse. 	<ul style="list-style-type: none"> Contribute to the reduction of water risks and conservation of water resources by addressing these issues in light of the impact of climate change, resource extraction, and environmental pollution on water resources (torrential rains, droughts, water pollution, water shortages, etc.)
	Preservation of Biodiversity	<ul style="list-style-type: none"> Increasing procurement costs and instability in procurement of resources due to environmental changes resulting from loss of ecosystems. Declining in our social image due to loss of ecosystems caused by land use in business operations. 	<ul style="list-style-type: none"> Avoiding the loss of ecosystems that could lead to environmental changes that raise the uncertainty and cost of procuring resources. Avoiding damage to our image by mitigating or restoring the impact on ecosystems caused by land use in the project. 	<ul style="list-style-type: none"> Contribute to the reduction of ecosystem loss by addressing these issues in light of the impact of climate change, resource extraction, and environmental pollution on ecosystems (e.g., species extinction and migration, reduction, and disappearance of habitats and habitat areas). Ensure implementation of conservation measures in harmony with regional biodiversity.

* Zero emission vehicles (ZEVs) are electric vehicles (EVs) 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	<ul style="list-style-type: none"> Increasing in accidents due to aging drivers world-wide and rapid increase in car ownership in emerging markets. Frequent occurrence of fatal motorcycle accidents in ASEAN countries. 	<ul style="list-style-type: none"> Securing MITSUBISHI MOTORS' brand recognition and expand sales by introducing advanced technologies. Securing brand power and earnings through the development and introduction of anti-crash technologies for motorcycles for the ASEAN market. 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Causing quality problems due to product and sales/service quality. 	<ul style="list-style-type: none"> Enhancing loyalty and winning new customers by providing high-quality products, sales and services. 	<ul style="list-style-type: none"> Increase customer satisfaction by providing product quality and sales and service quality that exceeds customer expectations.
	Contribution to Local Economy through Business Activities	<ul style="list-style-type: none"> Increasing global investment in the ASEAN region, resulting in labor shortages and rising labor costs. Increasing intra-regional and income disparity due to economic development. 	<ul style="list-style-type: none"> Strengthening of the management base by developing human resources. Improving the work environment, productivity and efficiency through continuous capital investment. 	<ul style="list-style-type: none"> Develop and address issues in the regions where we do business and grow with them.
	Promoting diversity and inclusion, and enhancement of employee engagement	<ul style="list-style-type: none"> Concentrating human resources in companies with diversity and good working environments. Effecting poor communication on business. 	<ul style="list-style-type: none"> Securing talented human resources and creating value from diverse perspectives. Improving productivity by enhancing the quality of remote work. 	<ul style="list-style-type: none"> Enhance corporate value by building an organization in which diverse human resources can play an active role. Provide value by creating a comfortable work environment that further enhances productivity.
	Strengthening Human Resource Development	<ul style="list-style-type: none"> Decreasing productivity and weakening of the organization under working remotely. Decreasing competitiveness due to delayed adaptation to social and environmental changes. 	<ul style="list-style-type: none"> Improving productivity and organizational resilience. Enhancing competitiveness due to an increase in highly specialized personnel. 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Decreasing our image and interruption of business continuity due to the occurrence of occupational accidents, increase in the number of patients with lifestyle-related diseases and mental illnesses, and other factors that impede the mental and physical health of employees. 	<ul style="list-style-type: none"> Ensuring of business stability by creating safe and secure workplaces and promoting physical and mental health. 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Increasing production delays, stoppages, and costs due to supply chain disruptions caused by external factors. Reducing raw material procurement and decrease in corporate value due to delays in addressing social and environmental issues, including human rights violations in the supply chain. 	<ul style="list-style-type: none"> Securing an emergency procurement system by establishing a stable supply chain. Maintaining social credibility through responsible behavior throughout the supply chain, by respecting human rights and ensuring compliance. 	<ul style="list-style-type: none"> Enhance business continuity by strengthening the BCP* system in cooperation with industry associations and government. Reduce impact on human rights and the environment by promoting CSR throughout the supply chain through addressing conflict minerals and other issues related to human rights with suppliers.
G	Promoting Social Contribution Activities	<ul style="list-style-type: none"> Increasing number of large-scale disasters and environmental destruction due to extreme weather conditions, etc. Growing disparity and inequality due to economic development. Increasing traffic accidents. 	<ul style="list-style-type: none"> Supporting safe and secure lives by establishing a prompt support system in the event of a disaster. Contributing to communities' social development through ongoing activities that meet regional needs. Contributing to accident reduction by providing traffic safety awareness opportunities. 	<ul style="list-style-type: none"> Ensure the safety and security of community life. Develop local communities through the use of each employee's skills, know-how and products.
	Strengthening Governance and Ensuring Compliance	<ul style="list-style-type: none"> Increasing of social problems of corporate fraud. Increasing number of cyberattacks and other issues related to information leaks, as well as their increasing severity. Stopping business due to natural disasters or outbreaks of infectious diseases. 	<ul style="list-style-type: none"> Ensuring soundness and transparency by establishing a robust governance system, and earning society's trust. Ensuring safety and sustainability of corporate business through enhanced risk management. 	<ul style="list-style-type: none"> Ensure 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 confidence in the Company by properly identifying risks.

* 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	<ul style="list-style-type: none"> ● Declaration of carbon neutrality by more than 140 countries/regions by 2050. ● Increasing the 2030 target by major countries by triggering COP26 held in 2022 (United Kingdom). ● 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. 	<ul style="list-style-type: none"> ● Increasing expectations for efforts to achieve carbon neutrality throughout the supply chain against a backdrop of growing demand for environmental considerations. ● Expanding ESG investment (promotion of transformation of corporate activities by investors.) 	<p>FY2030 targets:</p> <ul style="list-style-type: none"> ● Average CO₂ emissions from new vehicles: ~40% (Tank to Wheel, compared with FY2010) ● Electrified vehicles sales ratio: 50% (100% by FY2035) ● CO₂ emissions from business activities: ~50% (Scope 1 and 2 total emissions, compared with FY2018) ● Promoting CO₂ reduction activities with major suppliers. ● Promoting CO₂ 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 Recycling Initiatives	<ul style="list-style-type: none"> ● Expansion of the shift to a circular economy. ● Materialization of domestic and international waste problems (e.g., import restrictions in emerging countries). ● Strengthening of the EU Battery Directive (e.g., disclosure of the amount of recycled materials used). ● Expansion of marine pollution problems caused by plastics. 	<ul style="list-style-type: none"> ● Rising demand for environmental considerations. ● Expanding ESG investment (promotion of transformation of corporate activities by investors.) 	<ul style="list-style-type: none"> ● Promote the adoption of non-fossil based plastics. ● Achieving zero direct landfill waste (less than 0.5%). ● Reusing batteries used in electrified vehicles.
	Prevention of Pollution	<ul style="list-style-type: none"> ● Strengthening of Emission Regulations in Each Country and Region. ● Strengthening of regulations on chemical substances in each country and region. ● Strengthening of regulations on import/export of hazardous wastes (plastic wastes). 	<ul style="list-style-type: none"> ● Rising demand for environmental considerations. ● Expanding ESG investment (promotion of transformation of corporate activities by investors.) 	<ul style="list-style-type: none"> ● Complying with regulations on environmentally hazardous substances in products.
	Conservation of Water Resources	<ul style="list-style-type: none"> ● Worsening of global environmental changes and water shortages due to extreme phenomena associated with the progression of climate change. ● Worsening of water pollution due to population growth and urban development in emerging countries. ● Worsening of water pollution due to population growth and urban development in emerging countries. 	<ul style="list-style-type: none"> ● Rising demand for environmental considerations ● Expanding ESG investment (promotion of transformation of corporate activities by investors.) 	<ul style="list-style-type: none"> ● Promoting climate change countermeasures, resource recycling, and prevention of environmental pollution. ● Managing water consumption and monitoring of wastewater quality based on water risks at each production site.
	Preservation of Biodiversity	<ul style="list-style-type: none"> ● Enhancement of 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. 	<ul style="list-style-type: none"> ● Rising demand for environmental considerations ● Expanding ESG investment (promotion of transformation of corporate activities by investors.) 	<ul style="list-style-type: none"> ● Promoting climate change countermeasures, resource recycling, and prevention of environmental pollution. ● Promoting community-based environmental initiatives.

*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	<ul style="list-style-type: none"> Strengthening of traffic accident-related laws and regulations, government safety targets and safety performance evaluation standards. Introduction of safety standards and regulations for CASE and other advanced technologies. 	<ul style="list-style-type: none"> Customers: Increasing Expectations for Active Safety Technologies. Local communities: Providing a safe means of mobility for all people. 	<ul style="list-style-type: none"> Providing customers with safe, secure, and comfortable means of transportation by taking the lead in the environment. Developing accident reduction technologies suited to the ASEAN road traffic environment.
	Improvement of Product, Sales, and Service Quality	<ul style="list-style-type: none"> Diversification of customer needs in line with the increasing sophistication of vehicles (electrification/intelligence). Expansion of off-board functions of vehicles (connected/smart-phone linkage). 	<ul style="list-style-type: none"> Being satisfied with the quality of the product and all touch points with MITSUBISHI MOTORS. Business perspective: Maintaining and strengthening management to ensure compliance and to prevent loss of trust in terms of quality. 	<ul style="list-style-type: none"> Achieving top-level customer evaluations in our five ASEAN core markets (Thailand, Indonesia, the Philippines, Vietnam, and Malaysia), Australia, and the mother market of Japan.
	Contribution to Local Economy through Business Activities	<ul style="list-style-type: none"> In the ASEAN <ul style="list-style-type: none"> Promotion of initiatives toward a carbon-neutral society. Facilitation of imports and exports through expansion of the multi-FTA (Free Trade Agreement) network. Continued economic growth due to the demographic dividend. 	<ul style="list-style-type: none"> Developing the region by hiring, developing people, investing, transferring technology, exporting, protecting the environment and contributing to society. 	<ul style="list-style-type: none"> Developing our business with an emphasis on contribution to all stakeholders and society. Concentrating managing resources in the ASEAN region as a core business region.
	Promoting diversity and inclusion, and enhancement of employee engagement	<ul style="list-style-type: none"> Requirements for a comfortable work environment for a diverse workforce. 	<ul style="list-style-type: none"> Providing a fair working environment tailored to individual circumstances. Growing the business by securing excellent human resources. 	<ul style="list-style-type: none"> Developing a comfortable work environment in which diverse human resources can play an active role.
	Strengthening Human Resource Development	<ul style="list-style-type: none"> Lack of communication and isolation due to remote work. Rapid changes in the automotive industry (CASE, MaaS). 	<ul style="list-style-type: none"> Securing personnel who have strong management capabilities. Providing training that matches the environment and the times. 	<ul style="list-style-type: none"> Enhancing our information disclosure on human capital. Developing management and training capabilities. Establishing education policies tailored to the environment and generation.
	Promoting Occupational Health and Safety	<ul style="list-style-type: none"> Growth in the number of people suffering from mental illnesses and lifestyle-related diseases. 	<ul style="list-style-type: none"> Helping employees respond to environmental, age and lifestyle changes. Requiring business continuity. 	<ul style="list-style-type: none"> Preventing mental illnesses caused by environmental changes and maintaining employees' mental and physical health. Promoting company-wide health and safety management, supervision of health and safety related laws and regulations, and health management.
	Achieving a Sustainable Supply Chain	<ul style="list-style-type: none"> Rising awareness of human rights and environmental issues in the international community. Strong competition in EV battery and raw material procurement due to increasing electrification ratio. 	<ul style="list-style-type: none"> Expecting business continuity and enhanced trust. Achieving stable, ongoing procurement. 	<ul style="list-style-type: none"> Realizing stable and sustainable procurement through collaboration and coordination with suppliers. Realizing an increase in the value of mobility by strengthening the competitiveness of business partners' QCDD*.
G	Promoting Social Contribution Activities	<ul style="list-style-type: none"> Various global disasters such as heat waves, droughts, and floods caused by heavy rainfall due to extreme weather worldwide. 	<ul style="list-style-type: none"> Promoting initiatives to realize a carbon-neutral society in cooperation with local communities. Expecting emergency support in disaster and reconstruction support. 	<ul style="list-style-type: none"> Contributing to a sustainable society by each employee utilizing technologies, expertise, and products to meet the challenges of an increasingly diverse society. Providing support based on cooperation agreements in times of disaster and resolving social issues.
	Strengthening Governance and Ensuring Compliance	<ul style="list-style-type: none"> 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. Occurrence of wars, terrorism, political unrest, or deterioration of public safety in our key markets. 	<ul style="list-style-type: none"> Expecting business continuity and enhanced trust. 	<ul style="list-style-type: none"> Maintaining a strong governance structure through effective and efficient operation of the internal control system. Preventing major incidents through strict compliance. Strengthening emergency response and internal information sharing when risks become apparent. Enhancing information collection and analysis, technical measures, and employee training related to cyber-attacks.

*QCDD: Quality, cost, delivery, and development

Stakeholder Engagement

Basic Approach

MITSUBISHI MOTORS believes that its stakeholder relationships is extremely 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 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 our customers	Promote activities that better reflect customer input in our products and services.	Customer Contact Center <p. 86>, sales companies <p. 85>, after-sales services <p. 86>	Ongoing	Promoting customer satisfaction activities
		Website, social networks	Ongoing	Improving products and services
		Customer satisfaction surveys <p. 84>	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. 62>	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. 77>	As necessary	Creating a safe and rewarding working environment
		Consultation offices (Employee Consultation Office, Outside attorney consultation (Helpline), MITSUBISHI MOTORS Global Hotline) <p. 107>	Ongoing	
		Town hall meetings with Executives	As necessary	
		Internal websites	Ongoing	
		Engagement survey <p. 66>	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. 93>	As necessary	
		Social contributions <p. 92>	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 the customer issue in collaboration with sales companies and drive 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. To educate employees about the customer's perspective, we also distribute videos of the feedback with images and explanations of relevant points on the intranet so that employees can access to firsthand customers' opinions. Noteworthy comments and opinions including those that are particularly important are periodically reported to management.

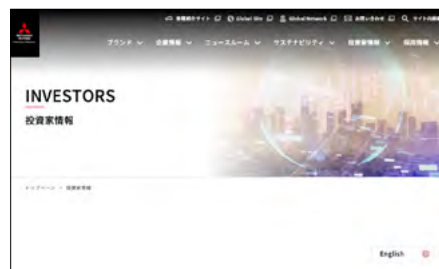
Please see page 86 for details.



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. Furthermore, we regularly exchange views with numerous investors about our management strategies, financial information, and non-financial information, including on the environment. We extensively circulate the opinions and evaluations received from shareholders and investors within the Company, including to management, to utilize knowledge from capital markets in our management and business activities. Through this sort of internal feedback, we aim to enhance corporate value through sustainable growth.



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, after concluding disaster cooperation agreements with local governments, we provide support by loaning "MITSUBISHI MOTORS PHEVs" that can tap power they have generated themselves for use in emergencies. 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 93, 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 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 five consecutive years since FY2020. (June 2024)

In addition, MITSUBISHI MOTORS has been continuously selected as a constituent of the "FTSE Blossom Japan Sector Relative Index," which was designed by FTSE Russell in FY2022, for the three consecutive years. (June 2024)



FTSE4Good

FTSE Blossom
JapanFTSE Blossom
Japan Sector
Relative Index

Morningstar Japan ex-REIT Gender Diversity Tilt Index

Since FY2023, MITSUBISHI MOTORS has been selected as a constituent of "Morningstar Japan ex-REIT Gender Diversity Tilt Index," which was designed for ESG investment. (December 2023)

S&P/JPX Carbon Efficient Index

MITSUBISHI MOTORS 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. (June 2023)



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 FY2023, MMC's scores are as follows. (February 2024)

- Climate change: A- (leadership)
- Water security: C (awareness)



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 for the six consecutive years since FY2018. (November 2023)



The Certified Health & Productivity Management Outstanding Organizations Recognition Program

We were certified as a "2024 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 2024)

