

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.

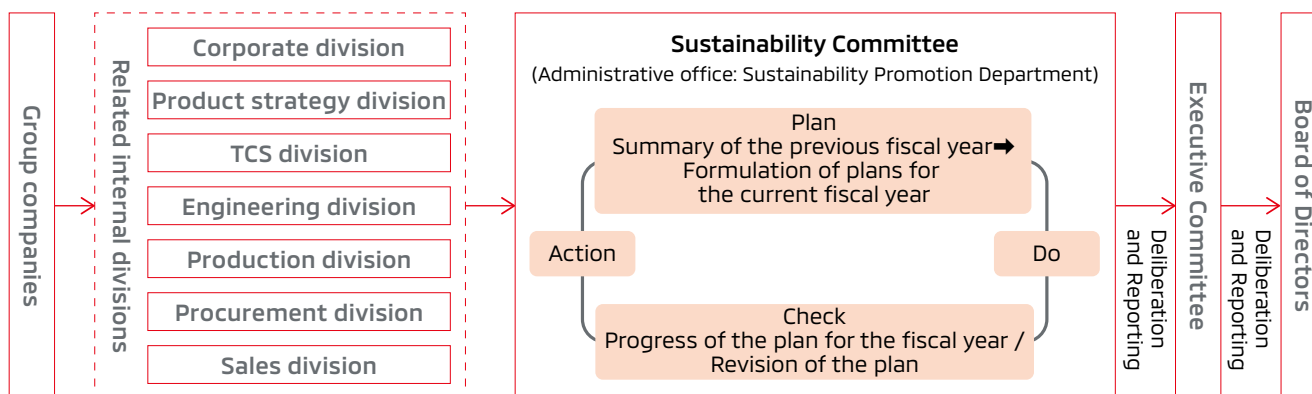
We have a structure in which important matters such as reviewing material issues and the overall status of sustainability activities are deliberated and reported by the Board of Directors.

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*/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** 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



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