

Improvement of Product, Sales, and Service Quality

Progress in FY2023

- Product quality: Achieved objective for warranty claim rate of three months in service for new vehicles
- Sales quality: In the FY2023 Sales Satisfaction Index (SSI) survey, achieved targets in four*1 countries out of five*2 in the ASEAN region
- Service quality: In the FY2023 Customer Service Index (CSI) survey, achieved targets*1 in four countries out of five*2 in the ASEAN region (In-house survey targets were achieved in Indonesia, the Philippines, Vietnam, and Malaysia.)

*1 Target: Achieve top three ranking in industry surveys, or in-house survey target adjusted to equivalent level.

*2 Five focus ASEAN countries: Thailand, Indonesia, the Philippines, Vietnam, Malaysia

Improving Product Quality

- Quickly and accurately analyze customer feedback regarding troubles and product quality, and work on improving product quality.
- Enhancement of new technologies, electrification and connected service.

Improving Sales Quality

- In our focus countries, we have already achieved its mid-term target which is the equivalent of the third place in the automotive industry. To further improve sales quality, we are working to improve the hospitality of sales staff, digitalize the negotiation process, and strengthen dealership facilities.

Improving Service Quality

- In priority countries, we have already achieved its mid-term target of achieving the equivalent of third place in the industry. Distributors are continuously strengthening activities to improve operations at dealerships with issues. We have changed to a survey scheme to capture individual customer voice and set a new KPI for the complaint resolution rate to strengthen our system for responding promptly to complaints and recalls.
- We are collaborating with the new car sales department to improve the quality of customer service, such as making it easier to make an appointment when entering the dealership for service and clarifying explanations at the reception desk, to ensure that each customer is satisfied and that this leads to repurchase.
- To strengthen our ties with dealerships, we have resumed the face-to-face training for dealership service staff that had been suspended during COVID-19. We have also recommenced the Global Service Skills Contest. In addition, a new training center was established in Thailand to support training in the ASEAN region, a key market for us.

<Related pages>

P12 MITSUBISHI MOTORS' Materiality

P16, P18 Materiality

Basic Philosophy and Quality Policy

Based on the Quality Policy revised in April 2019, MITSUBISHI MOTORS adopted compliance as a fundamental requirement, and has been working on quality improvement in four categories: product quality, perceived quality, sales quality and service quality, to enhance quality at every touch point from the consideration of purchasing a product to vehicle ownership.

Product quality includes the initial quality that customers experience immediately after purchasing a new vehicle, as well as durability that customers experience throughout their ownership period. We sincerely listen to the opinions of customers and address any issues reported from the field, and are strengthening our system to make improvements quickly.

Additionally, we are working on improvement in perceived quality such as the usability, comfort, and appearance that customers perceive when they see, feel, and use our products.

Regarding sales quality and service quality at dealerships, we are continuously making improvements

Quality Policy

Quality is the fundamental requirement to support our business.

1. Commit to excellence in Product, Sales, and Service Quality exceeding customer expectations
2. Focus on Quality of Management to continuously improve overall company performance.
3. Comply with laws and global regulations to gain trust on MMC quality.

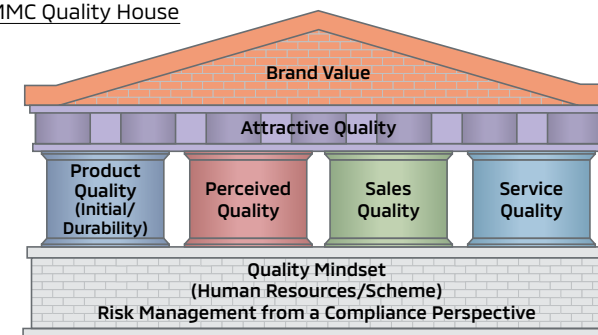
by listening closely to customers, making proposals and responding to their needs to achieve high levels of customer satisfaction.

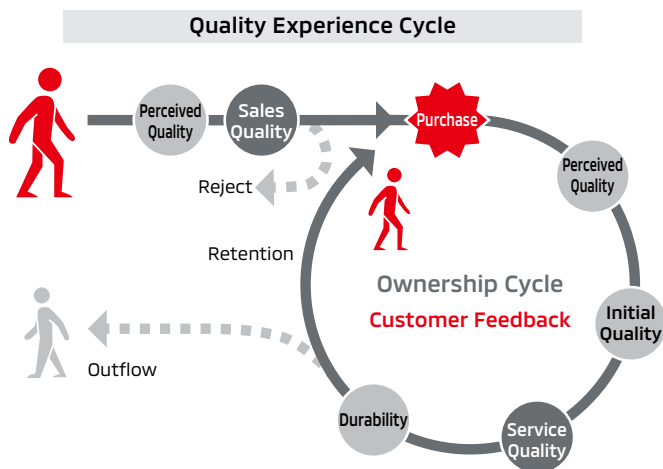
Based on our mid-term business plan, "Challenge 2025," we have also updated our mid-term quality plan, called "Quality MTP," and have started activities.

We have designated ASEAN and Oceania as our core business regions, alongside Japan, our home market, as the core markets for our Quality MTP activities. We will strengthen our response to vehicle electrification and advanced technologies, supporting products that embody the unique quality of MITSUBISHI MOTORS. In terms of sales and service quality, we are working to improve the quality of customer service and enhance the customer experience through the use of digital and IT technologies in order to build long-term relationships of trust with customers based on these products. We aim for top-level quality from the customer's perspective to ensure customer satisfaction at every touchpoint.

The Four Quality Pillars Supporting Brand Value

MMC Quality House





Improving Product Quality

Addressing not only safety issues but also concerns and complaints regarding merchantability is essential to improve customer satisfaction.

Regarding vehicles already sold, MITSUBISHI MOTORS focuses on issues that occur within 3 and 12 months of sales, and are working on reducing initial issues. The quality division collaborates with R&D and production divisions to expedite resolutions and reduce complaints from customers.

Regarding new models, to secure initial quality, we conduct a cross-functional activity called "Oobeya activities," where employees from various divisions including R&D, Production, Service, Quality, and Procurement divisions gathering from the start of shipment to consider and implement countermeasures for potential issues. This approach enables us to improve initial quality more quickly.

Regarding durability, we are developing technologies that enable customers to use their vehicles comfortably for a long period of time, not only through feedback from customers but also by collecting and analyzing long-serving used vehicles and their parts.

Additionally, we are working on improving processes in the development stage to address issues that, while not troubles, have caused customer dissatisfaction. This way, they can be improved in future new models.

Vehicle Quality Evaluations and Guarantees Based on Customer Perspective

VES* is an evaluation system that checks whether the targeted quality standards are satisfied by examining more than 300 quality evaluation criteria that customers may experience when they first see the Vehicle in the dealers' showroom and in the early stage of using it.

Quality evaluation criteria consist of static evaluation, which confirms the appearance of the interior and exterior, and dynamic evaluation, where the vehicle is actually driven and confirm noise, vibration, steering stability and the operation of various in-vehicle functions.

The above evaluations are conducted by certified VES evaluators who have completed in-house skills training and passed rigorous qualification exams. VES plays an important role in the decision to begin production and shipment of new models and in the ongoing quality assurance of production vehicles.

* VES: Vehicle Evaluation Standard, a quality assessment system shared by Nissan Motor Co., Ltd. and us

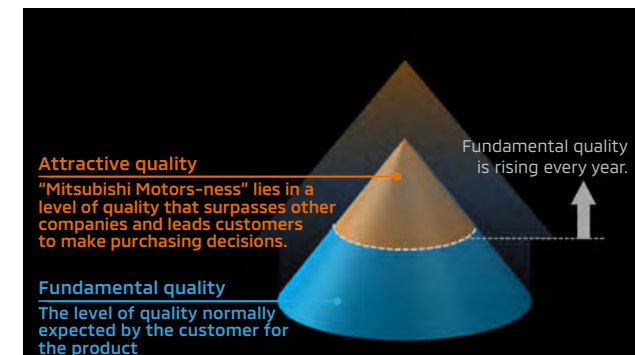
Improving Perceived Quality

We are working on quality improvement with an emphasis on customer perceptions from the development stage in order to achieve high levels of customer satisfaction not only at the time of considering purchase, but throughout their car life after purchase.

Perceived quality consists of two qualities. The first is "fundamental quality" which customers typically expect from a product, and unless this level is achieved, customers will not purchase. In addition, the quality level that allows customers to recognize that our quality exceeds that of other companies and provide them with a sense of "MITSUBISHI MOTORS-ness" will lead to customers making purchasing decisions. This is the area of "attractive quality."

By improving "attractive quality," we create products that customers can sense and choose from our unique appeal. In addition, by improving "fundamental quality," we create products that can be used for a long time.

Philosophy of Improving Product Quality



MITSUBISHI MOTORS will continue our efforts to improve the perceived quality to ensure that customers feel more satisfied than expected when they touch or continue to use our products in their daily lives, and that they repurchase our products.

In color design, we are further identifying the sensitivities of each region and proposing color settings specific to North American customers and colors that meet the needs of ASEAN customers, leading to the improved sensory quality of colors and materials.

Improving Sales Quality

We aim for top level customer's satisfaction and act in concert with sales companies to improve the quality of sales and become a brand that customers support and identify with.

Cooperation with Domestic Dealers

Domestic sales companies are promoting IT-based business negotiation styles as part of their efforts to offer proposals that meet customer needs and provide a new business negotiation experience. For example, we have introduced tablet devices to provide visually appealing product descriptions and to conduct service quality surveys to customers who visit our stores. By promptly capturing customer feedback through these surveys, we are able to make timely improvements. In addition, to improve customer satisfaction, from 2023 each sales company has identified a person to take responsibility for promoting improvement activities. We also hold meetings for improve-

ment activity promoters several times a year to promote activities at each dealership and further improve customer satisfaction by sharing the status of activities and exchanging opinions among companies.

Cooperation with Overseas Dealers

Cooperation with sales companies in each country and region is essential for achieving high customer satisfaction overseas. We provide product information to sales companies on a daily basis. In addition, we hold periodic online meetings with sales companies in individual countries, and strives to gather comments and opinions from local customers, such as market information and product requests gathered through interviews. In these ways, we strive to gather input from local customers.

Sales companies in each country and region are working to digitalize the sales process. They are devising ways to further satisfy customers in each country and region, by conducting online negotiations and sales, and by introducing smartphone apps. We train salespeople both in person and online. In addition, we support sales companies' efforts to improve customer satisfaction by sharing good practices of their sales quality improvement activities in each country and region.

Appropriate Product and Service Information Disclosure

In compliance with the laws and other regulations of each country and region, we strive to provide product and service information and labeling displays.

Improving Service Quality

At dealers, providing "Good quality service" from the customer's perspective is important from the time of vehicle purchase.

We are striving to improve our communication skills and technician's knowledge in collaboration with our Japanese and overseas dealers, in order to ensure customer satisfaction and encourage repurchase.

Initiatives in Japan

We have established unique service skill certification program for dealer staff. We offer an appropriate training for each certificated staff member to enhance their capabilities of actual customer services. In addition, we are continuously working to enhance e-learning and online training courses utilizing the Internet. In FY2023, we also resumed face-to-face training, which had been suspended due to COVID-19, and we are working to provide more comprehensive training.

We have seven Technical Centers across Japan and organizes technical meet-ups, seminars and technical expert visits, supporting dealers for highly technical advice and swift customer service.

Overseas Initiatives

To ensure the same and high-quality customer services around the world, we have introduced global-common-standard training and certification program for automobile technicians aiming to advanced customer services. In FY2023, we opened a training center for the ASEAN region in Thailand and began working to improve the technical skills of service

staff in the region—an area of particular emphasis for MITSUBISHI MOTORS—and to enhance customer satisfaction based on these skills.

As in Japan, Company technical staff who have a worldwide remit provide support to sales companies via Internet-based training on such topics as making complicated repairs.

Moreover, we take part in the WorldSkills Competition every other year, bringing together all service staff from around the world who have passed the qualifying round, in an effort to improve the technical skills and motivation of our service staff.

Use of Customer Voice

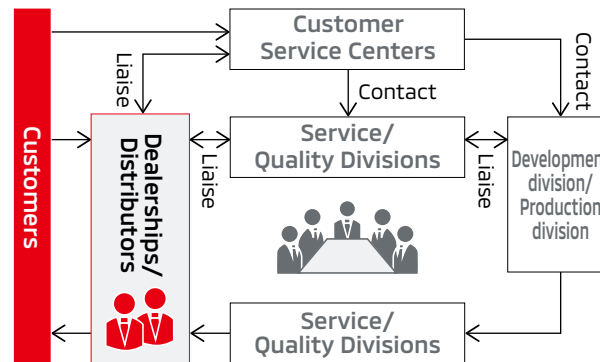
Our mission is to provide customers with a rich experience and satisfy them with their car life through attractive products and excellent after-sales services. To this end, we collect and analyze valuable customer feedback received from domestic dealers and overseas distributors and our customer service centers, and our quality, development, production, sales, and service division work together to earnestly improve quality.

Improving Quality through Customer Voice

Dealers conduct detailed interviews with customers regarding issues and the conditions in which they occurred. This information provided to us by dealers is shared primarily by the quality department with related departments.

Additionally, by using the system to analyze issues occurring in specific models, customer complaints of

issues (quality information), and repair records, we can quickly grasp information and take countermeasures, which leads to quality improvement.



Customer Service Center initiatives

To serve more customers, our Customer Service Center receives inquiries via phone, email, and chat, including on weekends and holidays. The various comments and information from customers are managed in a database. Of the comments and information, matters regarding quality and issues are addressed in collaboration with dealers and are used for further quality improvements. Additionally, feedback and complaints regarding merchantability and specifications, are shared with relevant divisions and used to improve product appeal even further. Noteworthy comments and opinions including those that are particularly important are periodically reported to the top management.

Additionally, we do not outsource the work of our customer Service center, instead our employees communicate directly with customers, maintaining a high

quality of response, while also ensuring that customer feedback is accurately reflected in our products through smooth cooperation with each responsible department. This leads to improvements in products and services.

Customer Support for Recalls and Other Field Campaigns

We have systems to provide information to customers timely in the case of implementing field campaigns such as recalls for safety issues. We send direct mail to affected customers advising them to have their vehicle inspected and repaired (free of charge) at the dealer as soon as possible. We also post information on our website so that customers can check whether their vehicles are subject to a recall and the status of repairs.

Refer to the site below for recall information in Japan.

(WEB) <http://www.mitsubishi-motors.co.jp/support/recall/>
This site contains the Japanese market information (only in Japanese).

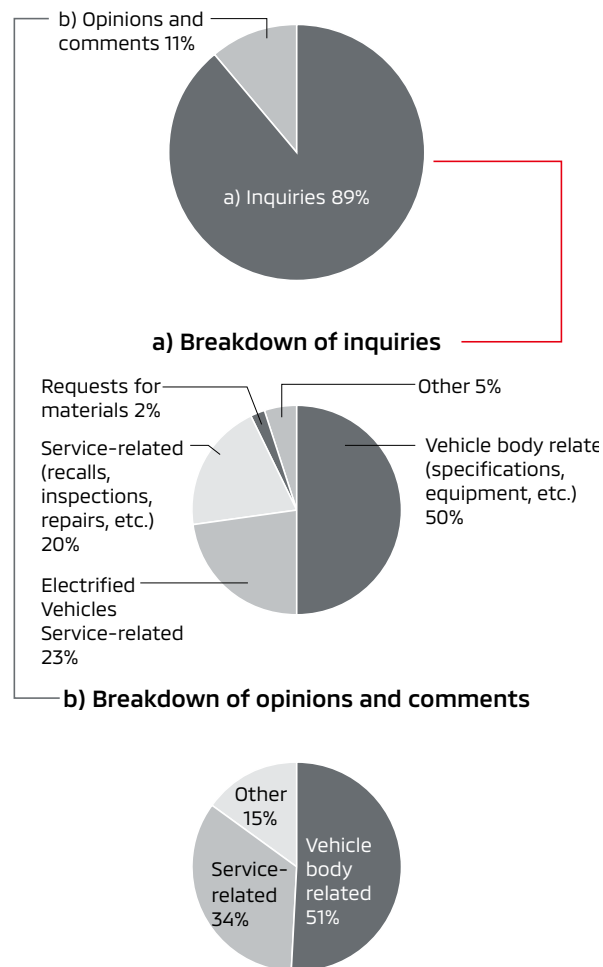
Recalls in FY2023*

Country or Region	No. of cases	No. of units
Globally	11 cases	Approx. 264,000 units
Japan	8 cases	Approx. 128,000 units
Others	6 cases	Approx. 136,000 units

* This is in-house data, which may differ from the official data published by the authorities.
The total number of recalls in Japan and other countries/regions differs from the global total because the same recall conducted in multiple countries/regions is counted as one recall.
We respond to all safety-related investigation requests from authorities in various countries.

Contacts Received at the Customer Contact Center in FY2023

Number of contacts: approx. 38,000



Management System

MITSUBISHI MOTORS analyze quality information to realize “Being evaluated as top-level quality by customers,” and set specific objectives, discuss and implement countermeasures, and regularly follow up on the status of improvements.

Additionally, regarding information from customers about vehicle issues provided by dealers, we have established systems for quick discussion, decision, and implementation, by collecting and sharing information with related departments on a daily basis.

TCS*1 Division, which includes departments that contact customers regarding quality, promotes these Company-wide quality improvement initiatives based on customer feedback.

Meeting	Meeting Frequency	Chair	Members	Objectives
Quality Strategy Committee (QSC)	Quarterly	The Executive Officer, President & CEO or directors in charge*2	Executive Vice President responsible for Engineering, Senior Executive Officer responsible for Production, division general managers related to sales, service and product quality	Deliberation and decision of strategic topics in quality relating to sales, service and products
Quality of Management Committee (QMC)	Quarterly	Top management of QMS*3	Division and plant general managers, responsible person of direct departments	Sharing of best practices related to enhancing companywide management quality, responding to external examinations, reporting on items requiring correction and lateral deployment
Quality Management Meeting (QMM)	Monthly	Top management of QMS*3	Division general managers and supervisors in specialist positions (section head or higher) of divisions related to product quality	Confirmation of progress toward product quality targets, consideration and deliberation concerning effectiveness of improvement measures, provision of a forum for resolution in the event of troubles

*1 TCS: Total Customer Satisfaction

*2 If delegated by the Executive Officer, President & CEO

*3 The person responsible for quality management system implementation, designated by the Executive Officer, President & CEO or the Executive Officer, President

QMS*1 ISO 9001 Initiatives

To achieve “product quality and sales/service quality that exceeds customer expectations,” continuous improvement of company-wide management quality is essential. Therefore, not only divisions directly involved in product quality and sales/service quality, but all divisions are working on management quality improvement throughout company-wide and have obtained ISO 9001 certification.

To continuously improve management quality, MITSUBISHI MOTORS is implementing the following.

- 1) Plan and implement annual plans with quantitative objectives
- 2) Confirm progress at first-half and full-year management reviews
- 3) Share opportunities for improvement through internal audits
- 4) Utilize certification bodies to conduct examinations (surveillance, recertification)

Additionally, our overseas production plants have also obtained ISO9001 certification, and continue our initiatives to ensure that our products, produced and sold around the world, have product quality and sales and service quality that exceed customer expectations.

*1 Quality Management System

Developing Quality Mindset

Since FY2014, we have been holding Quality Forums at all business locations in Japan as part of our initiatives to encourage every executive and employee to review and improve the quality of their work. This initiative aims to improve the quality of our products,

human resource, ultimately enhancing our brand power and reliability.

Since FY2018, we have expanded the Quality Forum to our overseas locations, Mitsubishi Motors (Thailand) Company Limited (MMTh) and PT Mitsubishi Motors Kurama Yudah Indonesia (MMKI), and it has become well established. We are planning to expand this initiative to other locations in the future.

In FY2020, we shifted the program to online exhibitions due to COVID-19 pandemic. We have partially resumed physical exhibitions as well.

Number of Quality Forum Participants

	Domestic forums	Overseas forums (Thailand, Indonesia)
FY2020	6,200	2,310
FY2021	6,000	2,850
FY2022	6,800*2	2,700*2
FY2023	11,300*2	7,960*2

*2 Participants in online and onsite events (total number of people)

Understanding Customer Needs

We are conducting an educational activity called “Customer Voice Seminar” aiming to provide each employee with an opportunity to think about various customer needs by listening to actual “customer voices.”

For new and mid-career employees, we integrated it into the introductory training curriculum, and also provide many opportunities to reinforce a customer-oriented mindset, such as training for promoted employees and voluntary participation courses.

Additionally, we have established a “Customer Voice Course” video site on our intranet for our em-

ployees. We provide regular updates of educational videos and articles to make it easy for employees to access customer feedback at any time.

Developing Customer Orientation

We support employees interested in acquiring the Advisory specialist for consumers' affairs qualification, a business qualification issued by the Prime Minister and Minister of Economy, Trade and Industry, with the objective of considering needs from the consumers' perspective and improving the quality of products and services.

As of April, 2024, we have 63 qualification holders, ranking 11th among Japanese companies and 2nd among Japanese automakers*3. Additionally, approximately 70% of our qualification holders work in departments related to manufacturing and quality, utilizing their broad knowledge and sensitivity to manufacture vehicles from the customer's perspective.

*3 Research by Japan Industrial Association

Advisory specialist for consumers' affairs

