

MITSUBISHI MOTORS CORPORATION

SUSTAINABILITY REPORT 2024





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.

Create vibrant society
by realizing the potential
of mobility

VISION



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Editorial Policy

Purpose of Publication

mitsubishi motors publishes the Sustainability Report to comprehensively and continuously inform stakeholders and promote an understanding of the MITSUBISHI MOTORS Group's sustainability approach and initiatives.

Scope of This Report

MITSUBISHI MOTORS CORPORATION and its Group companies in Japan and overseas

Period Covered and Reporting Frequency

Period covered: FY2023 (April 1, 2023 to March 31, 2024)

When appropriate, the Report also includes some historical and recent data from outside the reporting period.

Reporting frequency: Once each year

Date of Publication

July 31, 2024

Reference Guidelines

- GRI Standards (Global Reporting Initiative)
- SASB (Sustainability Accounting Standards Board)
- Task Force on Climate-related Financial Disclosures (TCFD)
- Environmental Reporting Guidelines (2018 edition) issued by the Ministry of the Environment of Japan

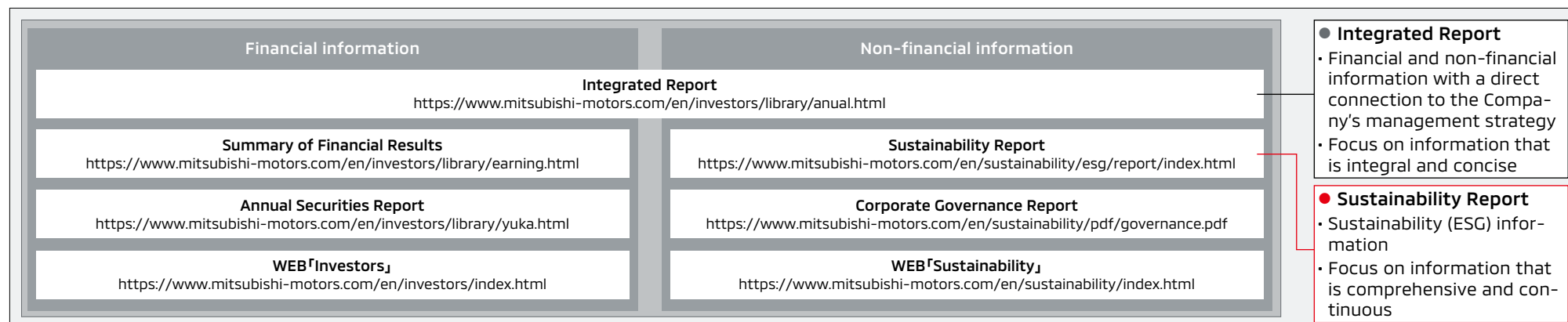
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Disclaimer

MITSUBISHI MOTORS' current plans, strategies, assurances, business forecasts, and other nonhistorical matters indicated in this Sustainability Report include future predictions as of the time of publication. Please note that these expectations, predictions, and forecasts include risk and volatility factors and hypotheses, and may significantly diverge from actual future results.

System for Disclosing Information



Corporate Overview (As of March 31, 2024)

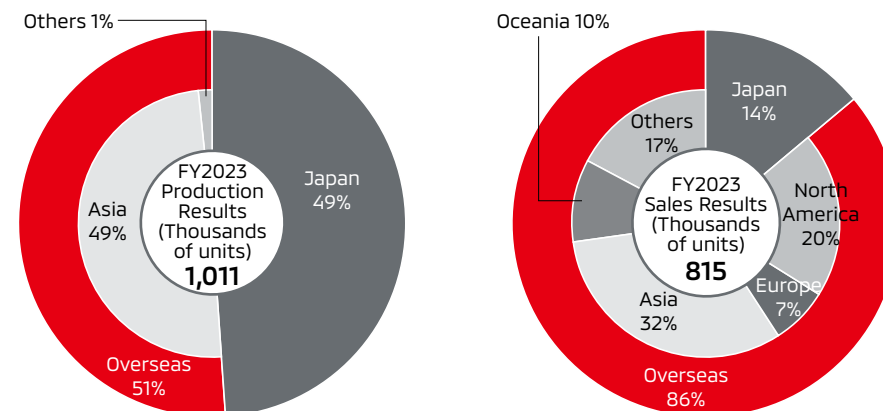
Company Name	MITSUBISHI MOTORS CORPORATION
Established	April 22, 1970
Head Office	1-21, Shibaura 3 chome, Minato-ku, Tokyo, 108-8410
Business Description	MITSUBISHI MOTORS Group carries out development, production and sales of vehicles and vehicle parts and engages in the financial businesses.
Brand Name	MITSUBISHI MOTORS
Common Stock	¥284,382 million
Total number of issued shares	1,490,282,496 (including treasury stock)
Group Companies	Consolidated Subsidiaries: 34 Equity-Method Affiliates: 17
Number of Employees	Consolidated: 28,982 Non-consolidated: 13,844

Performance Highlights

(million yen)

	FY2019	FY2020	FY2021	FY2022	FY2023
Net sales	2,270,276	1,455,476	2,038,909	2,458,141	2,789,589
Operating income (loss)	12,788	(95,321)	87,331	190,495	190,971
Ordinary income (loss)	(3,843)	(105,203)	100,969	182,022	209,040
Profit (loss) attributable to owners of the parent	(25,779)	(312,317)	74,037	168,730	154,709

Global Sales and Production Volumes



Production Volume by Region

(Thousands of units)

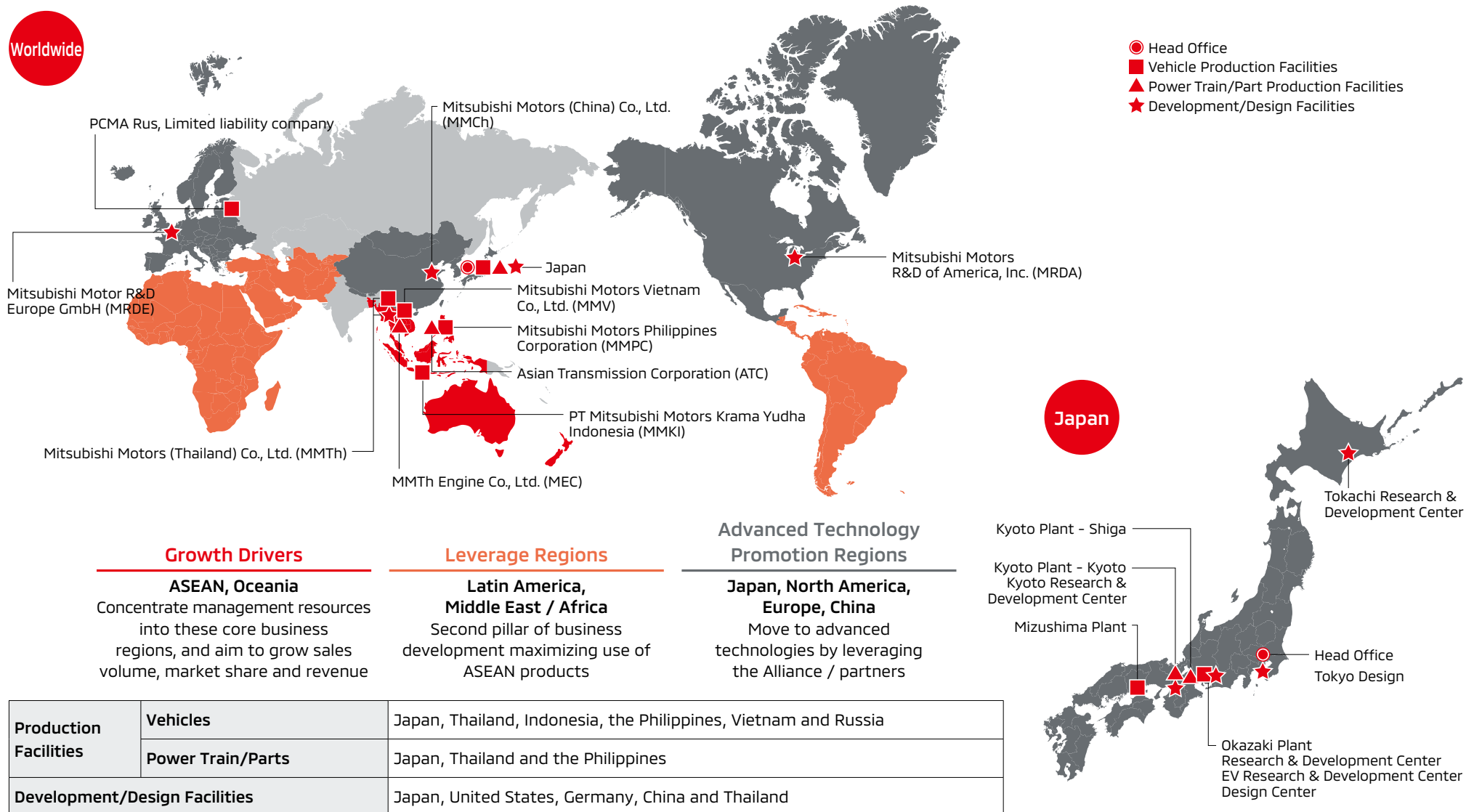
	FY2019	FY2020	FY2021	FY2022	FY2023
Japan	620	367	420	457	499
Overseas	717	447	604	562	511
Asia	697	434	579	542	498
Others	20	13	25	20	13
Total	1,337	814	1,024	1,019	1,011

Sales Volume by Region

(Thousands of units)

	FY2019	FY2020	FY2021	FY2022	FY2023
Japan	95	73	75	92	111
Overseas	1,032	728	862	742	704
North America	160	113	156	133	163
Europe	215	144	131	61	59
Asia	433	294	331	310	262
Oceania	88	72	97	88	84
Others	136	105	147	150	136
Total	1,127	801	937	834	815

Principal Facilities (As of the end of June 2024)



Message from the President & CEO

MITSUBISHI MOTORS Group contributes to the realization of a sustainable society through our business activities.



Takao Kato
Member of the Board
Representative Executive
Officer,
President & CEO
MITSUBISHI MOTORS
CORPORATION

In recent years, sustainability issues including addressing climate change and respect for human rights have become increasingly critical in corporate management. Additionally, the development of technologies including AI and IoT has changed drastically the concept of automobiles to transport people and goods, and the automotive industry has entered a new era. Under these circumstances, MITSUBISHI MOTORS has adopted the vision of "Create vibrant society by realizing the potential of mobility" to convey our desire to contribute to the revitalization of the whole society by promoting new challenges and economic activities of individuals through the streamlining and optimization of people's mobility. We are committed to this vision.

In pursuit of this vision, through our mid-term management plan "Challenge 2025," we strive to build our mobility business, achieve carbon neutrality, which represents a global challenge, ensure respect for human rights, establish a workplace where diverse talent can thrive.

We will also thoroughly refine our unique character, which is "the provision to customers of a fulfilling mobility life that awakens their adventurous spirit on the basis of reliability backed up

by technology that achieves 'Eco-friendly × Safety technology, Peace of Mind and Comfort'" and contribute to the realization of a sustainable society. While deepening mutual understanding through dialogue with diverse stakeholders, we will contribute to the realization of a sustainable society through our familiar product, namely, the vehicle.

Challenge to realize "Environmental Vision 2050."

Currently, companies are expected to address environmental issues including climate change in order to inherit an irreplaceable global environment rich in water and greenery for the next generation and beyond. Responding to such social demands, we formulated "Environmental Vision 2050," which defines the social vision we wish to realize by 2050 and the direction of our efforts with regard to "Climate Change Countermeasures," "Resource Recycling," and "Environmental Pollution Prevention," and have been working up to its realization.

Concerning climate change countermeasures, We will continue to introduce electric vehicles, plug-in hybrid vehicles and hybrid vehicles at appropriate times, as well as promote energy conservation measures in our business activities and the introduction

and expansion of renewable energy, aiming to achieve carbon neutrality in the entire supply chain by 2050. We will also promote energy conservation measures in our business activities and the introduction and expansion of renewable energy.

For procurement and logistics, we have cooperated with major suppliers and transportation companies to reduce CO₂ emissions in the production and procurement stages of raw materials and parts, also to improve the efficiency of transportation of products and parts.

In terms of "resource recycling," we will contribute to the realization of a resource-recycling society by minimizing resource inputs and maximizing resource efficiency through recycling-conscious design and development, promotion of end-of-life vehicle recycling, and efforts to control emissions and recycle resources in production activities. With respect to "prevention of environmental pollution," we will contribute to the realization of a society free from environmental pollution that affects human health and ecosystems by reducing the environmental impact of our products and pollution caused by our business activities, such as cleaner driving emissions and reduction of environmentally hazardous substances.

Pursuing the Potential of Mobility

As the automotive industry faces an era of profound change, MITSUBISHI MOTORS regards digital transformation and expansion into new business fields as new seeds for growth, and we will continue to strengthen these initiatives. Some of our notable initiatives are that we utilize used batteries as mobile batteries to help coordinate the supply and demand of electricity, and also we conducted demonstration tests to use the vehicle batteries to as emergency power sources in case of power cuts due to natural disasters. While exploring the potential of business opportunities unique to an automobile manufacturer, such as the utilization of batteries, and collaborating with other industries, we will promote the establishment of a foundation for full-scale development to make it a new pillar of earnings.

Creating Fulfilling Workplaces and Investing in Human Resource Development

Amid rapid changes in the business environment and an aging society with a declining birthrate, it is essential for us to attract, develop, and retain a diverse workforce with high aspirations and expertise in order to achieve sustainable growth and increase corporate value. Furthermore, employee retention strategy is essential. Recognizing that human resources are management capital, we are committed to creating an environment in which each employee can feel fulfilled, fully demonstrate his or her abilities, and work in a healthy and energetic atmosphere, both physically and mentally.

With "building a better place to work," "enhancing learning opportunities /reskilling programs," and "cultivating a diverse workforce" as the direction of human resources strategy in support of the mid-term management plan "Challenge 2025," by reviewing systems and measures related to reform of work styles and development, as priority items, we will promote the establishment of a workplace in which each and

every employee is motivated to work and the development of human resources.

Ongoing Strengthening of Efforts to Respect Human Rights

It is essential to address respect for human rights in order to expand our business globally and achieve sustainable growth, as well as to fulfill our corporate social responsibility. We express our support for the United Nations Global Compact, which addresses the 10 principles in the four areas of human rights, labor, environment, and anti-corruption, and as a participating company, we support and respect international norms and standards such as the International Bill of Human Rights and the Guiding Principles on Business and Human Rights. In addition, the Group's "Human Rights Policy" outlines the prohibition of discrimination and the elimination of unfair labor practices.

Through our human rights due diligence mechanism, we pursue human rights assessments at our company and group companies to identify and confirm the negative impact of our business activities on human rights, and to make prompt improvements in order to strengthen the prevention of human rights violations.

Moreover, suppliers are required to agree to our Supplier CSR Guidelines to promote respect for human rights in the supply chain, and we endeavor to understand the situation through CSR assessments of our suppliers by third-party evaluation organizations.

Since the automotive industry has a wide and complex range of suppliers, there are concerns about potential risks such as child labor and forced labor in the procurement of raw materials and production of parts outside of our direct suppliers. Therefore, we collaborate with our suppliers to eliminate such risks and further strengthen the prevention of human rights violations.

Given the direct and indirect impact of environmental issues on human rights, we reinforce our ini-

tiative for environmental protection including "Climate Change Countermeasures," "Resource Recycling" and "Environmental Pollution Prevention."

Enhancement of Sustainable Management

Based on the recognition that addressing sustainability issues is the pillar of the Group's management, directors and general managers are appointed to be responsible for all fourteen materialities, and the Sustainability Committee, which I chair, confirms the progress of the initiatives. Significant matters, such as climate change measures, are reported to and deliberated by the Board of Directors.

Sustainable management requires a shared awareness among all executives and employees. To this end, "CO₂ emissions from business activities" and "employee engagement" are incorporated as indicators for determining mid- to long-term performance-linked remuneration for executives. I strive to raise employee awareness of the importance of sustainability by repeatedly communicating the importance of sustainability putting my thoughts into words through town hall meetings and other opportunities.

Through the various initiatives described above, we will continue to enhance and strengthen our governance, placing the highest priority on compliance, while aiming to provide value that meets the expectations of our customers, shareholders, and all other stakeholders.

We will reinforce our group-wide sustainable management with a prominent level of transparency going forward.



Takao Kato
Member of the Board
Representative Executive Officer, President & CEO
MITSUBISHI MOTORS CORPORATION

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

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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.

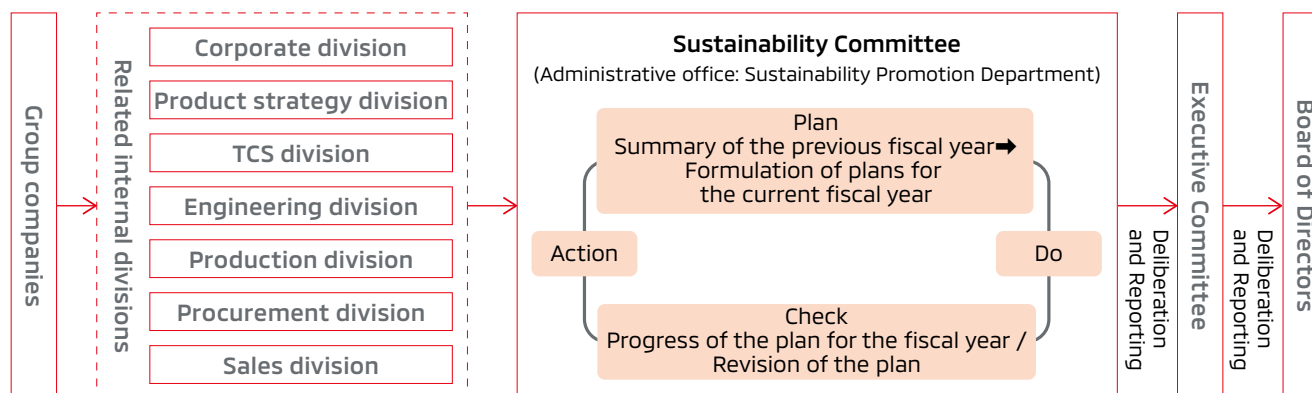
We have a structure in which important matters such as reviewing material issues and the overall status of sustainability activities are deliberated and reported by the Board of Directors.

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

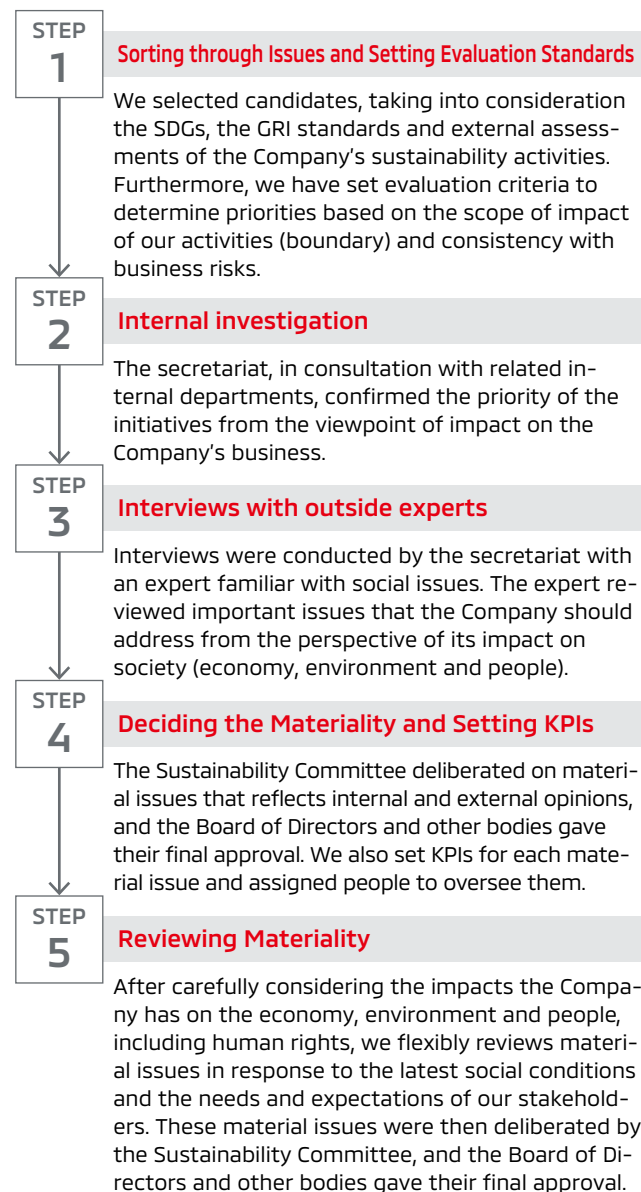
MITSUBISHI MOTORS, with recognition of importance of the United Nations Sustainable Development Goals (SDGs), identified material issues as the important issue that we should wrestle from various challenges in the fields of environment, social and governance in FY2018.

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

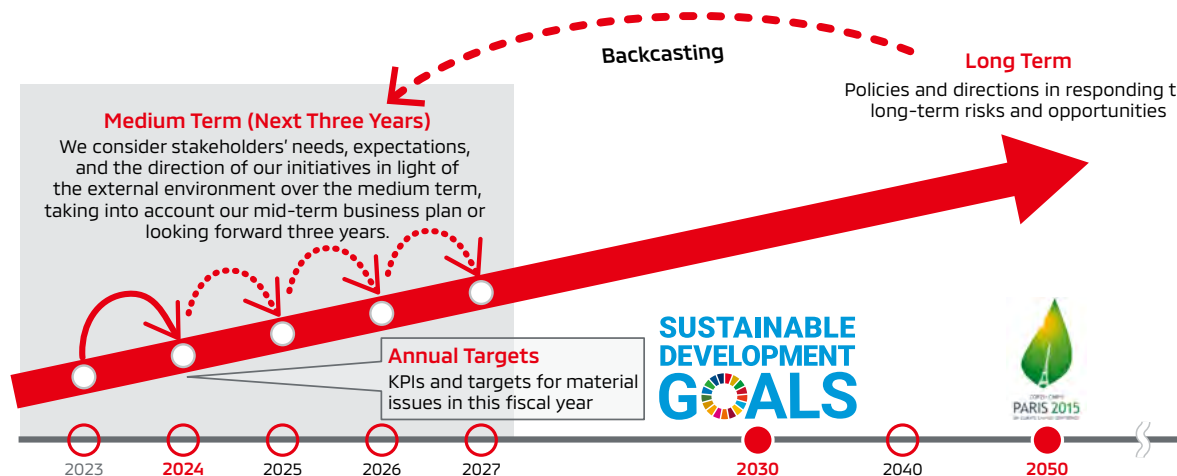
MITSUBISHI MOTORS needs to reinforce its management base in order to respond to the various changes taking place in the automotive industry, look at the business environment from a long-term perspective, and respond to medium- to long-term risks and opportunities. To achieve these goals, we recognize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

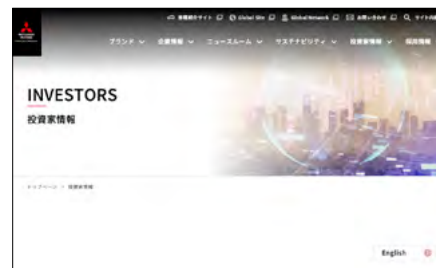
Please see page 86 for details.



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)



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)



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Environmental Plan Package

Structure of the Environmental Plan Package

Anticipating a time 30 years in the future, in October 2020 MITSUBISHI MOTORS formulated the Environmental Plan Package, which defines the directions and targets of its environmental initiatives. This package establishes the foundation for our directions on environment-related management strategy, outlining our objectives for realizing a sustainable society, including one that is carbon-neutral, as we conduct our business activities. The Environmental Plan Package comprises the Environmental Policy, which we have revised to incorporate our medium- to long-term perspective; the Environmental Vision 2050, which sets out our vision for society to be achieved by 2050 and directions for our initiatives; and the Environmental Targets 2030, which clarifies specific initiatives to be achieved by 2030 in accordance with this vision.

Environmental Policy

Mitsubishi Motors recognizes that responding to environmental issues through its business activities is essential. Accordingly, we will engage proactively in specific and effective measures from a medium- to long-term perspective. (Directions of initiatives)

1. We will face three specific environmental issues head-on: climate change, resource depletion and environmental pollution.
2. Given that 2050 is an important landmark for climate change on a global scale, we have clarified levels to be achieved, in 10-year increments, and are pursuing initiatives to this end.
3. We will respond to environmental issues through the following activities:
 - Unique environmental contributions through our products
 - Initiatives at each stage of automobile production, sale and use
 - Collaboration with business partners, affiliated institutions, governments and local authorities
 - Initiatives targeting environmental issues rooted in the local community
 - Initiatives to determine and reduce environmental impact of all related business activities

Environmental Policy

We have been acting in accordance with its Environmental Policy, which was formulated in 1999. However, in the 20 years that have passed since that time the operating environment has changed, prompting us to revise the policy in 2020 to reflect current social trends. We recognize that responding to environmental issues in our business activities is essential, and so have newly incorporated a medium- to long-term outlook into our policy.

Focusing specifically on climate change, resource depletion and environmental pollution, we aim to contribute to the preservation of water resources and biodiversity through initiatives in these areas.

Environmental Vision 2050

Members of the Paris Agreement, adopted in 2015, agreed to limit the rise in average global temperatures to substantially less than 2°C above levels before the Industrial Revolution. From this basis, we

established initiatives to pursue from a long-term perspective, leading up to 2050. In 2018, the Intergovernmental Panel on Climate Change (IPCC) published the Special Report on Global Warming of 1.5°C, which calls for society as a whole to achieve a net-zero balance between human-caused greenhouse gas emissions and absorption.

As these measures illustrate, awareness of climate change and other environmental issues is rising each year. Companies are also being called upon to undertake more ambitious initiatives.

Against this backdrop, we formulated the Environmental Vision 2050, which sets out our vision for society to be achieved by 2050, as well as directions for our initiatives, with regard to climate change, resource circulation and pollution prevention.

Working to Become Carbon Neutral by 2050

Regarding "action to climate change," we have stated our commitment toward helping to shape a society resilient to the impact of climate change by achieving net-zero CO₂ emissions. In September 2022, we revised Environmental Vision 2050, incorporating the goal of achieving carbon neutrality.

Environmental Vision 2050

In December 2015, the Paris Agreement was adopted at COP21. Members of this accord agreed to curtail the rise in average global temperatures to 2°C above levels before the Industrial Revolution and to work to keep the rise to 1.5°C. Given such social demands, MITSUBISHI MOTORS believes it can contribute toward the realization of a sustainable society, achieving a balance between the progress of humankind and the global environment, through the proliferation of electrified vehicles and the promotion of their use in society.

Action to Climate Change

Through electrified vehicles and the increased use of renewable energy, we aim to become carbon neutral and contribute to the realization of a society that is resilient to climate change.

Resource Circulation

We will contribute to a resource-recycling-oriented society by minimizing input resources and maximizing resource efficiency.

Pollution Prevention

We will contribute toward a society free of environmental pollution affecting human health and the ecosystem by reducing the environmental impact of our products and the pollution resulting from our business activities.

Environmental Targets 2030

MITSUBISHI MOTORS has formulated Environmental Targets 2030, which are items to be addressed over the next 10 years in line with the direction of society and initiatives to be pursued 30 years into the future, as set forth in our Environmental Vision 2050. In setting targets, we referred to scenarios published by the IEA*¹ and the IPCC, as well as international frameworks such as the SDGs and the Paris Agreement.

We revised the Environmental Targets 2030 in February 2023, setting even higher targets in our "action to climate change" to demonstrate our commitment to achieving carbon neutrality. For Scope 1*² and Scope 2*³, we raised our target for reducing CO₂ emissions from business activities to the SBT*⁴ target equivalent to a 1.5°C level. For Scope 3*⁵, in addition to an electrified vehicles sales ratio of "50% by FY2030," we added "100% by FY2035." We also added qualitative targets related to procurement and distribution. These revisions were approved by the Board of Directors.

*1 IEA: Internal Energy Agency

*2 Scope 1: A company's direct emissions (such as from burning fuel)

*3 Scope 2: Indirect emissions, resulting from electricity, heat or steam provided by another company

*4 SBT: Short for Science Based Targets, which are greenhouse gas emission reduction targets set by companies consistent with the Paris Agreement levels

*5 Scope 3: Indirect emissions other than Scope 1 and Scope 2 (emissions from other companies and other sources related to the company's activities)

Environmental Targets 2030

Issues	Targets 2030	
Climate Change	Average CO ₂ emissions from new vehicles* ⁶	-40% (compared with FY2010)
	Electrified vehicles* ⁷ sales ratio	50% FY2035 100%
	CO ₂ emissions from business activities* ⁸	-50% (compared with FY2018)
	Promoting CO ₂ reduction activities with major suppliers	
	Promoting CO ₂ reduction activities in cooperation with logistics companies	
	Providing energy management services utilizing electrified vehicles and used batteries	
Resource Circulation	Implementing measures to adapt to climate change	
	Expanding adoption of non-fossil-based plastic	
	Achievement of zero direct landfill waste (less than 0.5%)	
Pollution Prevention	Reuse of batteries used in electrified vehicles	
Environmental Management	Conformance to regulations on use of substances of concern in products	
	<ul style="list-style-type: none"> Promotion of LCA*⁹ Promotion of environmental management within the Group and at dealers Enhancing disclosure of environmental information Promotion of employee education and awareness activities Collaboration with suppliers Promotion of grass-roots community environmental preservation activities 	

*6 CO₂ emissions per new vehicle while driving. Tank to Wheel

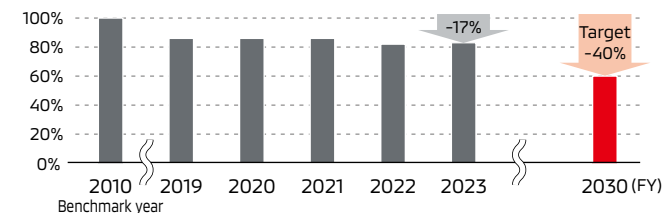
*7 Battery Electric vehicles, plug-in hybrid electric vehicles (PHEV), and hybrid electric vehicles

*8 Total of Scope 1 Scope 2

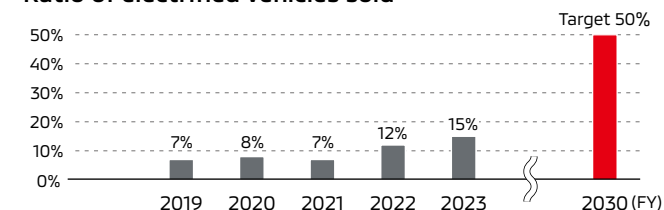
*9 LCA stands for life cycle assessment, which is a technique for calculating and evaluating the environmental impact of a product from manufacturing to disposal.

Principal Results for FY2023

Average CO₂ emissions from new vehicles

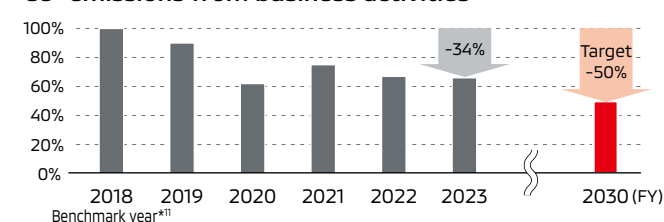


Ratio of electrified vehicles sold*⁹



*9 Based on number of wholesale units sold. MITSUBISHI MOTORS brand products only.

CO₂ emissions from business activities*¹⁰



*10 Scope 1 and Scope 2

*11 The officially reported emission volume of FY2018 (the benchmark year), was 588 thousand t-CO₂. This volume includes 43 thousand t-CO₂ emissions from some equity-method associates. For the purposes of target setting, we have revised our base figure to 545 thousand t-CO₂, as our current method of selecting environmental management target companies excludes these equity-method associates.

Structure for Consideration in Formulation

To clarify MITSUBISHI MOTORS' policies and plans in the environmental area and strengthen a series of initiatives, in 2018 we established a cross-company environmental working group to develop an environmental planning package.

After certain directions had been determined, a small circle chaired by the then-CEO moved forward to specifics. These were approved by the Board of Directors.

<Structure for Consideration from July 2018 to December 2019>

Sustainability Committee

(Chair: CEO*; members: Division general managers of relevant divisions)

Environmental Working Group

- Leader: Technical advisor to the chairman*
- Subleader: Division general manager of the Development Management Division*
- Secretariat: Sustainability Promotion Department
- Members:
- Corporate departments**
 - Strategy management
 - Human resources
 - Public and investor relations
 - Product and business activities departments**
 - Technology strategy
 - Production
 - EV business
 - Development management
 - Materials technology
 - Asset management
 - Finance
 - Logistics
 - Procurement
 - Overseas sales
 - Domestic sales
 - After-sales service

<January–October 2020>

Board of Directors

Executive Committee

Small Circle

- Members:
- CEO*
 - Co-COO (in charge of engineering)
 - Director in charge of production
 - Director in charge of sustainability
 - Head of corporate strategy
 - Division general manager of the Development Management Division
 - Division general manager of the Product Strategy Division
 - Division general manager of the Production Engineering Division

* Positions as of March 2020

Steps to Formulation

The Environmental Working Group we set up in FY2018 gathered data related to global social changes, such as economic growth and population increase, as well as environmental issues. In particular, the group looked for information on regions of importance to our business, ascertaining the status of local communities and government environmental policies. We also looked at unit sales and the number of vehicles owned in each country, arranging this data to match our business characteristics by looking at our business data and results of environmental initiatives. The group also summarized our efforts to date.

Using this data, we then verified each of the environmental issues and our relationship to them. We identified three environmental issues to face head-on: action to climate change, resource circulation and pollution prevention. We considered the long-term outlook for these environmental issues by studying external scenarios from the IEA and IPCC, as well as by running our own simulations. We then arranged the issues to be addressed by thinking about how to contribute in a manner tailored to local communities while maximizing our strengths, looking at each market from a regional perspective and considering plug-in hybrid electric vehicles (PHEV) and other business characteristics.

Based on this analysis, we clearly spelled out the directions for initiatives indicated in the Environmental Policy and Environmental Vision 2050 and set numerical targets for the items in the Environmental Targets 2030. In this way, we formulated the New Environmental Plan Package, which provides an overall summary of our environmental strategies.

In the final process of formulation, we incorporate the perspectives of our stakeholders by conducting reviews by external experts.

Going forward, we will continue to accumulate and analyze information on social trends and confirm the appropriateness of our Environmental Plan Package.

Gathering of Information

- **Social and economic conditions**
Such as economic growth and population increases
- **Status of environmental issues**
Climate change, resource depletion, environmental pollution, loss of biodiversity and shortage of water resources
- **Trends in key regions (Japan, ASEAN, Oceania, others)**
GDP, changes in the population, government environmental policies, etc.
- **Data related to automobile production and MITSUBISHI MOTORS**
<Business>
Unit sales and number of vehicles owned, globally and by region
<Results of Environmental Initiatives>
CO₂ emissions (Scope 1, 2, 3), amount of waste generated, etc.

Analysis

- **Verify relationships between environmental issues and us**
Identify environmental issues to face head-on
- **Consider long-term outlook for environmental issues**
Gather external scenarios on CO₂ emissions, run our own simulations
- **Arrange initiatives to be taken, given our business characteristics (markets and products)**

Formulation

- **Clearly spell out the Environmental Policy and Environmental Vision 2050**
- **Consider and formulate initiatives in the Environmental Targets 2030, as well as numerical targets**

Review

- **Conduct review via outside experts**

Environmental Management

Basic Approach

Minimizing environmental impact is an essential element of MITSUBISHI MOTORS' sustainable growth. To this end, we recognize the importance of reinforcing our environmental management. We also believe that the costs of promoting related initiatives are an important investment from a long-term perspective.

In order to promote environmental initiatives reliably and efficiently, we have constructed a framework for environmental management. We are promoting

Group initiatives, including education and awareness activities for employees, and the acquisition of certifications for environment management systems among affiliated companies.

We also communicate our initiatives through our website and our Sustainability Report in order to promote understanding of our efforts among various stakeholders.

Please see page 121 for details on environmental accounting

Management Structure

Since 1993, we have been holding an Environmental Council, which is attended by the Executive Officer, President & CEO and officers from each division. The Sustainability Committee, chaired by the Executive Officer, President & CEO, has met since FY2017, and environmental initiatives have been specified as key material issues for us. The committee discusses our environmental policies and targets and confirms the progress and results from the Environmental Targets 2030. Items of particular importance are reported to the Board of Directors.

For the management target companies, we have established selection criteria as a framework for the scope of environmental targets and the collection and publication of environmental data, and we review these criteria on a regular basis.

Management Target Companies (20 Companies)

As of March 31, 2024

Country	Company Name
Japan	MITSUBISHI MOTORS CORPORATION

Production Affiliates

Country	Company Name
Japan	Suiryo Plastics Co., Ltd.
Thailand	Mitsubishi Motors (Thailand) Co., Ltd. (MMTh) MMTh Engine Co., Ltd. (MEC)
Philippines	Mitsubishi Motors Philippines Corporation (MMPC) Asian Transmission Corporation (ATC)
Indonesia	PT Mitsubishi Motors Krama Yudha Indonesia
Vietnam	Mitsubishi Motors Vietnam Co., Ltd. (MMV)
Malaysia	MMC Manufacturing Malaysia Sdn. Bhd, (MMCM)

Non-Production Affiliates

Country	Company Name
Japan	Mitsubishi Automotive Engineering Co., Ltd. Mitsubishi Automotive Logistics Technology Co., Ltd. Higashi Nihon Mitsubishi Motor Sales Co., Ltd. Nishi Nihon Mitsubishi Motor Sales Co., Ltd.
United States	Mitsubishi Motors North America, Inc. (MMNA)
Netherlands	Mitsubishi Motors Europe B.V. (MME)
UAE	Mitsubishi Motors Middle East and Africa FZE (MMMEA)
Australia	Mitsubishi Motors Australia, Ltd. (MMAL)
New Zealand	Mitsubishi Motors New Zealand Ltd. (MMNZ)
Canada	Mitsubishi Motor Sales of Canada, Inc. (MMSCAN)
Mexico	Mitsubishi Motors de México S.A. de C.V. (MMDM)

Environmental Management System

In FY2010, MITSUBISHI MOTORS acquired companywide integrated ISO 14001 certification. (Previously, sites in Japan had acquired this certification individually.) We are leveraging the ISO 14001 framework and engaging in ongoing initiatives to improve business activities. The ISO 14001 framework is proving helpful in the companywide promotion of the Environmental Plan Package we formulated in FY2020.

Affiliates in Japan and overseas are also being encouraged to acquire ISO 14001 and Eco-Action 21^{*1} certification, and they are engaging in environmental management.

^{*1} Eco-Action 21 is a certification and registration system based on the Environmental Management Systems guidelines formulated by the Japanese Ministry of the Environment for medium-sized companies.

Status of ISO 14001 Certification (As of May 31, 2024)

Development Companies
Mitsubishi Automotive Engineering Co., Ltd.
Production Companies
Suiryo Plastics Co., Ltd.
Mitsubishi Motors Philippines Corporation (MMPC)
Asian Transmission Corporation (ATC)
Mitsubishi Motors (Thailand) Co., Ltd. (MMTh)
MMTh Engine Co., Ltd. (MEC)
PT Mitsubishi Motors Krama Yudha Indonesia (MMKI)
Distribution and After-Sales Service Companies
Mitsubishi Automotive Logistics Technology Co., Ltd. (Maintenance Service & Logistics Business Division, Powertrain Department, Osaka Special Purpose Vehicle & Engineering Section of the Vehicle Business Department, Mizushima Maintenance Service Section of the Vehicle Business Department)

Please see page 42 for a list of the dealers that have received Eco-Action 21 certification.

Promoting Life Cycle Assessment (LCA)

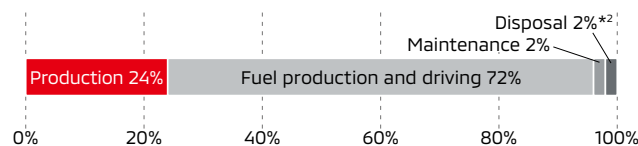
We perform LCA to determine the environmental impact across a product's life cycle. We evaluate total emissions, mainly of CO₂, from such processes as extracting the resources used in parts and materials, producing materials, manufacturing parts, assembling vehicles, producing fuel, driving and disposing of disused automobiles.

We use LCA to develop advanced parts, electrified vehicles and new-model vehicles that help address the issues related to climate change and energy. We compare life cycle CO₂ emissions with those of previous parts and vehicles, and use this information in our activities to reduce CO₂ emissions throughout the supply chain.

Examples of LCA Implementation in FY2023

Model	Objective
All-new "TRITON"	<ul style="list-style-type: none"> Assessing the effect of reductions from the previous model Assessing the ratios for production, use and disposal Assessing the impact of components

LCA Results for the all-new "TRITON" (CO₂ emissions ratio)



^{*2} Excluding items that have been removed prior to disposal: bumpers, tires, lead batteries, etc.

In light of growing interest in the environmental impact across the entire life cycle in individual coun-

tries and regions, we will continue to strengthen our systems and build the foundations to ensure we remain abreast of developments related to regulations and incentives.

Enhancing Disclosure of Environmental Information

We disclose information about our environmental initiatives through our website and sustainability report. We will continue to take leverage these initiatives to engage in dialogue with institutional investors and experts about environmental and other non-financial information.

Release of Environmental Information on Website and in the Sustainability Report

We release information on the concepts and details of its environmental initiatives on our website and in the sustainability report in order to make its environmental initiatives more widely known.

For details, see the "Environment" section of our website.

(WEB) <https://www.mitsubishi-motors.com/en/sustainability/environment/>

Communication with Investors

We engage in dialogue with investors, exchanging opinions about environmental and other non-financial information.

In FY2023, we engaged in dialogue and exchanged opinions with many Japanese and overseas institutional investors and other parties regarding the "Environmental Targets 2030," announced in "Challenge 2025," our mid-term management plan.

Promoting Employee Education and Awareness Activities

MITSUBISHI MOTORS conducts sustainability-related awareness activities throughout the year as part of its aims of deepening the understanding of sustainability among all executives and employees and contributing toward the realization of a sustainable society through routine business activities. Environmental education and awareness are one aspect of these activities.

In FY2023, we conducted rank-based training and distributed videos to all executives and employees. In these ways, we sought to promote an understanding of our social responsibility for realizing a sustainable society, the relationship between sustainability and the environment, the relationship between environmental issues and our business activities, and our revised "Environmental Targets 2030."

Please see page 11 for details on our activities to promote an awareness of sustainability.

Collaborating with Suppliers

Our suppliers cooperate with us in various initiatives, including meeting the requirements of our Green Procurement Guidelines. We believe that ongoing communication is an important part of the steady implementation of initiatives by suppliers. We explain the importance of environmental initiatives at our Suppliers Meetings, for example, which are attended by our suppliers, and strive to engage in communications to reduce the environmental impact of our entire supply chain.

Please see page 63 for details on the Green Procurement Guidelines.

Promoting Environmental Preservation Activities Rooted in the Local Community

Recognizing the rich characteristics of life on land and the importance of our connection to this life, we promote environmental preservation activities that are rooted in the local community. Realizing that factory construction and other types of land use have a direct or indirect impact on biodiversity, we strive to preserve surrounding ecosystems. We do so by carefully maintaining connections between factories and the natural environments that surround them and by maintaining green spaces within factory sites. By participating in forest preservation projects in Japan and overseas, we strive to select species that are suitable to specific regions. In addition, employees work with local residents to plant and cultivate trees, engaging in activities connected to local communities.

Please see page 54 for details on our preservation of biodiversity.

Environmental Risk Management

Having learned from past cases of failing to comply with environmental regulations such as those aimed at preventing pollution, we make every effort to comply with relevant regulations.

We sincerely respond to complaints from neighborhood residents after investigating the situation. In the event that environmental laws and regulations are violated or an environmental accident occurs (such as if regulatory values are exceeded), or if we receive a complaint, the corresponding division must submit a Legal Non-Conformity Report to the Compliance Department and take necessary measures against the cause.

The report clarifies the details of the case, measures and more, and appropriate countermeasures are taken. Furthermore, in order to prevent recurrence, initiatives are in place to improve work processes, enhance the supervision system, and increase employee awareness.

In FY2023, we were subject to no fines or administrative orders stemming from violations of environmental laws and regulations^{*1}, nor any instances of exceeding statutory values. However, voluntary internal checks and monitoring activities uncovered 10 cases of legal non-compliance (including delays in notification). We responded to these incidents by swiftly taking corrective action, introducing measures to prevent recurrence and sharing information with other related divisions about the incidents and countermeasures to stop the occurrence of similar cases.

^{*1} Refers to 31 environment-related laws and regulations identified by us, including the Water Pollution Prevention Act and the Air Pollution Control Act.

Participation in External Associations and Initiatives

We are working with external organizations and initiatives to achieve carbon neutrality in 2050.

In March 2022 we endorsed, and in April 2023 we announced our participation in, the GX^{*2} League, based on the GX League Basic Concept, announced by the Ministry of Economy, Trade and Industry in FY2021.

In addition, in May 2023 we joined the Japan Climate Initiative (JCI), a network to disseminate information and strengthen collaboration among companies and others working to combat climate change toward the realization of a decarbonized society.

^{*2} GX: Green transformation

Responding to Climate Change and Energy Issues



Targets
● 7.2
● 7.3



Target
● 9.4



Targets
● 13.1
● 13.2
● 13.3

Progress in FY2023

Average CO₂ emissions from new vehicles
(Tank to Wheel, compared with FY2010)
[FY2022: -18%] **-17%**

Ratio of electrified vehicle sales
[FY2022: 12%] **15%**

CO₂ emissions from business activities
(Scope 1 and 2 total emissions,
compared with FY2018)
[FY2022: -33%]*1 **-34%***

Scope 3 emissions
[FY2022: 28,710
thousand t-CO₂eq] **31,914
thousand t-CO₂eq**

Number of DENDO DRIVE STATIONS
(As of end-March 2024) **97 branches**

- Expanded vehicle lineup: In addition to our new Kei-car segment commercial electric vehicle, the "MINICAB EV," we have launched HEV models for the "COLT," "XPANDER," and "XPANDER CROSS."
- In FY2023, we installed a total of 16.25MW of solar power generation equipment at plants in Japan and overseas.

*1 Until FY2020, we included some equity-method associates in our environmental management target companies. However, these equity-method associates have been excluded since FY2021. We set the base value 545 thousand t-CO₂, which is calculated by subtracting 43 thousand t-CO₂, the emission amount made by the equity-method associates, from 588 thousand t-CO₂, the officially reported volume of FY2018 (the benchmark year).

<Related pages>

P12 MITSUBISHI MOTORS' Materiality
P15, P17 Materiality
P23 Environmental Plan Package
P26 Environmental Management
P118 Environmental Data Related to Products and Business Activities

Basic Approach

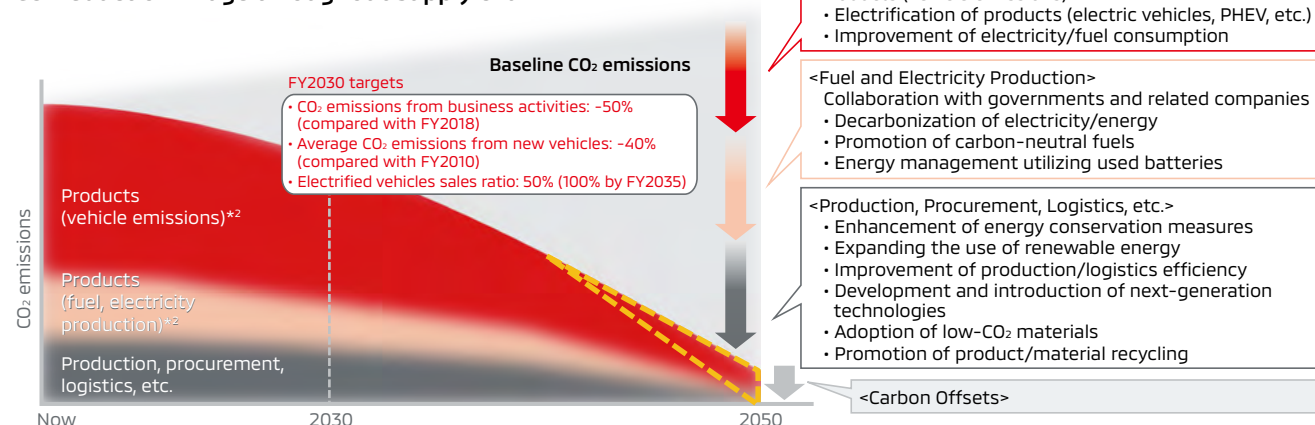
In recent years, extreme weather, such as heat waves, droughts and floods due to heavy rain, has caused disasters one after another around the world. The largest cause of these extreme-weather events is climate change, whose major factor seems to be global warming caused by increases in CO₂ and other greenhouse gases.

Global efforts to reduce CO₂ emissions are accelerating. As international frameworks for achieving a sustainable society such as the Paris Agreement and the United Nations Sustainable Development Goals (SDGs) progress, the 28th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP28), held in November and December 2023, implemented the Global Stocktake and indicated the need to reduce greenhouse gas emissions by 43% by 2030 and 60% by 2035 compared to 2019 levels.

Automobiles generate CO₂ throughout the life cycle, from production to driving and disposal. For this reason, MITSUBISHI MOTORS has identified "responding to climate change and energy issues" as a material issue, taking into account its impact on the economy, environment and people. Furthermore, in the Environmental Plan Package, we position this as one of the important challenges to address directly, and are working to achieve carbon neutrality throughout its supply chain by 2050. We have set specific targets, and efforts are underway to achieve this goal. Furthermore, in the mid-term business plan "Challenge 2025," also includes "Working toward Carbon Neutrality" as one of the 3 major challenges, and we position it as a theme to be pursued by the entire company.

As for products, starting with our original plug-in hybrid electric vehicles (PHEV) and Kei-car segment commercial electric vehicles, we will promote electrification while leveraging the technologies of Alliance

CO₂ reduction image throughout supply chain



*2 Including new and stock vehicles



Targets
● 7.2
● 7.3



Target
● 9.4



Targets
● 13.1
● 13.2
● 13.3

to proactively introduce the electrified vehicles that best meet the energy situation, infrastructure development status, and customer needs of each country and region. In parallel with our electrification efforts, we will work to improve our fuel efficiency technologies for vehicles powered by internal combustion engines. In our business activities, in addition to reinforcing energy saving measures as well as pursuing productivity-enhancing technologies, we will promote fuel conversion and the development and introduction of next-generation production technologies.

Furthermore, we will expand the use of renewable energy, centering on the introduction and expansion of solar power generation facilities at major plants.

To achieve carbon neutrality throughout the supply chain, it is essential for us to reduce CO₂ emissions in the production phase of raw materials and parts, as well as in the transportation of products. We will promote activities to visualize and reduce CO₂ emissions in cooperation with our suppliers. At the product disposal stage, we will promote recycling of products and materials through the adaptation of low-CO₂ materials and recycling-conscious design.

We will also explore various carbon offset options for CO₂ emissions that cannot be ultimately reduced through these efforts.

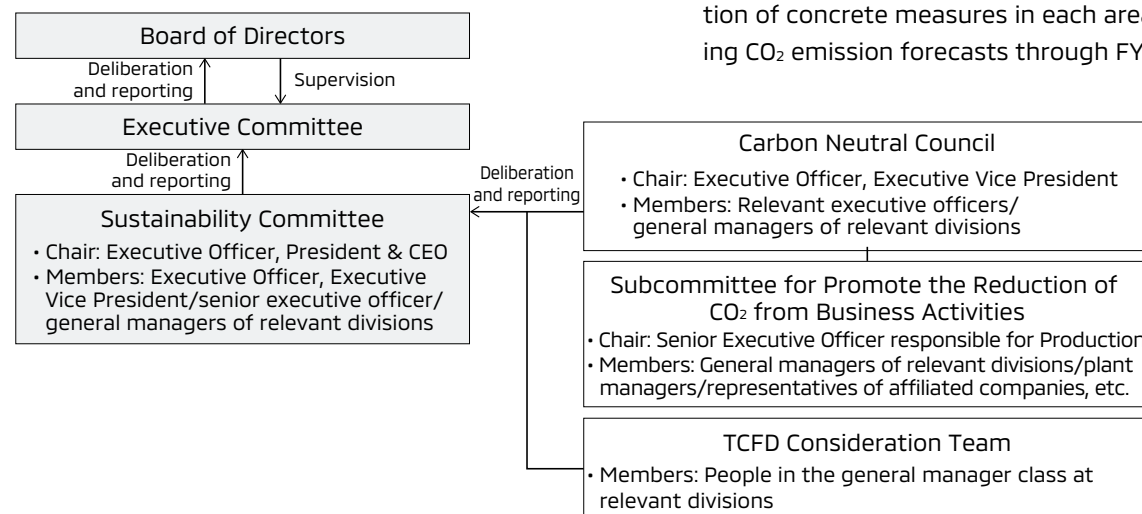
In addition, our electrified vehicles have large-capacity batteries that can be used in energy management and as emergency power sources in times of disaster. Through these measures, we are also engaging in measures to adapt to climate change.

As expectations for companies to curb climate change are expected to increase, we will continue reinforcing our efforts to further reduce CO₂ emissions.

Structure of Promoting Carbon Neutrality

We are making progress on “Responding to Climate Change and Energy Issues” under our framework for promoting sustainability. The Sustainability Committee, chaired by the Executive Officer, President & CEO, deliberates on climate change risk and opportunity assessments and response measures and checks progress and performance toward our “Environmental Targets 2030.”

Structure of Promoting Carbon Neutrality (As of April 2024)



In addition, in order to study specific measures and formulate medium- to long-term policies and targets for achieving carbon neutrality across the supply chain by 2050, we established the Carbon Neutrality Council under the Sustainability Committee. Members of this council, which is chaired by the Executive Officer, Executive Vice President, include Executive Officers in charge of management strategy, product strategy, production, procurement, logistics, and other areas.

In FY2023, we made progress toward achieving Environmental Targets 2030 through the accumulation of concrete measures in each area and estimating CO₂ emission forecasts through FY2030.

	Roles	Meeting frequency
Sustainability Committee	Monitoring Progress toward the Environmental Targets 2030	Three times a year
Carbon Neutral Council	Meets three to four times a year, formulating medium- to long-term policies and targets for achieving carbon neutrality by 2050	Three to four times a year
Subcommittee for Promote the Reduction of CO ₂ from Business Activities	Draft action plans for reducing CO ₂ in areas of business activity, promotion of specific measures, etc.	Twice a year
TCFD Consideration Team	Identify and assess climate- related risks and opportunities, consider scenario analysis, etc.	Meets as necessary



Targets
● 7.2
● 7.3



Target
● 9.4



Targets
● 13.1
● 13.2
● 13.3

Development and Spread of Electrified Vehicles

In our Environmental Targets 2030, MITSUBISHI MOTORS set the target of achieving a 40% reduction in average CO₂ emissions from new vehicles by 2030 (compared with FY2010 levels). To meet this target, we have raised our target ratio of electrified vehicle sales to 50% by 2030 and to 100% by FY2035. This change focuses our core technologies on responding to climate change and energy issues through electrified vehicles, which emit low CO₂ while driving, and concentrates on their development. Centering on our strength in plug-in hybrid electric vehicles (PHEV), we

will expand our lineup of electrified vehicles, thereby promoting their popularization and use in society and contributing toward the realization of a sustainable society.

Electric Vehicles (EV)

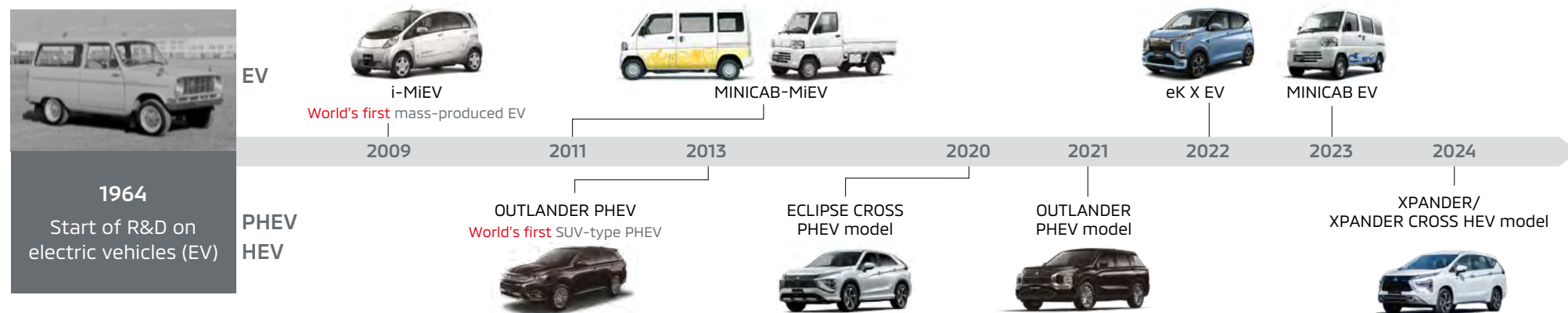
Electric vehicles (EV) are driven by electricity in battery, so they emit no exhaust gases such as CO₂ while driving.

We released the "i-MiEV" as the world's first mass-produced EV in 2009. In addition to its environmental performance, the "i-MiEV" performed better than conventional gasoline engine vehicles on quietness and acceleration starting from maximum

torque. In 2011, we launched the "MINICAB-MiEV," a Kei-car segment commercial electric EV. In 2012, we began offering the "MINICAB-MiEV TRUCK," also an EV in the Kei-car segment. These technologies are the foundation of next-generation EVs, such as PHEV.

We believe that expanding the lineup of Kei-car EVs, which are expected to be used in more everyday situations, will be the key to the spread of electrified vehicles. Accordingly, in June 2022 we launched the "eK X EV," a new EV in the Kei-car segment, and in December 2023 we launched the "MINICAB EV," new commercial EV in the Kei-car segment. We will continue to focus on the development of EV to contribute toward the realization of a carbon neutral society.

Our History of Developing Electrified Vehicles





Targets
● 7.2
● 7.3



Target
● 9.4



Targets
● 13.1
● 13.2
● 13.3

TOPICS

The "MINICAB EV," Our New Commercial Electric Vehicles in the Kei-Car Segment, Launches in Indonesia



The new "MINICAB EV," which launched in Japan in December 2023, is a commercial electric vehicle in the Kei-car segment. This model draws extensively on the development and maintenance expertise we have accumulated over the past 12 years with the "MINICAB-MiEV," which has sold some 13,000 units (as of end-October 2023). The "MINICAB EV" features substantial improvements, such as a driving range of 180km (in WLTC mode) on a single charge, up around 35% compared with previous models, as well as expanded safety and functional equipment.

In February 2024, MITSUBISHI MOTORS commenced sales in Indonesia of the "MINICAB EV" (known locally as the "L100 EV"), via its local joint venture, PT Mitsubishi Motors Krama Yudha Indonesia (MMKI).

As decarbonization efforts accelerate in various fields toward the realization of a carbon-neutral society by 2050, demand for commercial electric vehicles in the Kei-car segment is further increasing in the logistics industry and from local governments. Introducing the "MINICAB EV" will help reduce CO₂ emissions in the last mile of commercial use.

Plug-in Hybrid Electric Vehicles (PHEV)

PHEV are powered by electricity stored in batteries and by the motor, using the engine to generate electric power when the battery level is low. PHEV combine the powerful driving performance, high level of quietness, and driving stability characteristic of electric vehicles, without the concern that battery capacity will limit the vehicle's driving range.

Our journey in PHEV began with the "OUTLANDER PHEV" in 2013, followed by the "ECLIPSE CROSS PHEV model" in 2020 and the launch of the All-New "OUTLANDER PHEV model" in 2021. At low to medium speeds, the PHEV system uses electric power from the battery, but when the battery level is low, it generates electric power during operation using the engine while also supplying power to the motor and battery. Furthermore, during high-speed driving, the vehicle is driven by the engine and simultaneously assisted by the battery-powered motor. In this way, the drive mode is automatically selected according to the situation. CO₂ emissions are substantially lower than conventional gasoline engine vehicles, delivering outstanding environmental performance.



"ECLIPSE CROSS PHEV model" and
"OUTLANDER PHEV model"



Targets
● 7.2
● 7.3



Target
● 9.4



Targets
● 13.1
● 13.2
● 13.3

The Values Plug-in Hybrid Electric Vehicles (PHEV) Provide:

CO₂ Reduction

Production → Disposal

CO₂ emissions

■ Production/disposal ■ Driving



HEV*¹
High level of CO₂ emitted
during driving



PHEV
Relatively less CO₂ emitted
during production and driving*³



EV*²
Higher level of CO₂ emitted during production*³



Note: Based on MITSUBISHI MOTORS' estimate of actual CO₂ emissions in 2025. LCA values vary depending on such factors as CO₂ emissions during power generation and lifetime mileage.

Using the LCA*⁴ concept, which is based on calculations of total environmental impact from production to disposal, MITSUBISHI MOTORS believes PHEV system is the most environmentally friendly electrical drive systems.

*¹ Hybrid electric vehicle

*² Electric vehicle

*³ CO₂ emissions during driving include CO₂ emissions generated when electricity to charge the battery is generated.

*⁴ LCA stands for life cycle assessment, which is a technique for calculating the environmental impact of a product from manufacturing to disposal.

Driving Range

Powered 100% by electricity
for short trips



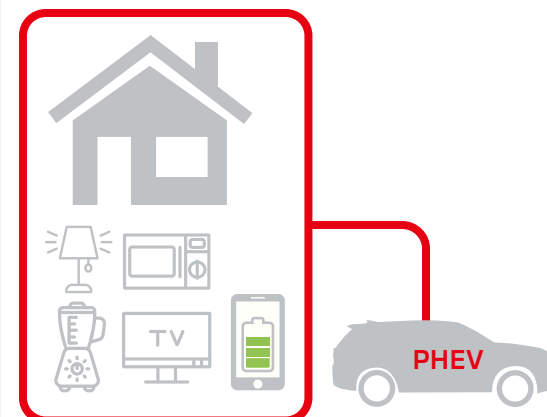
On longer trips, powered by electricity
and sometimes gasoline



It is possible to use only the electric motor without consuming gasoline for short trips, such as for everyday commuting and shopping. The motor and engine can also be used in combination to extend the driving range, using the engine to generate the electricity when battery levels run low.

Power Supply Capability

Supply electricity for up to **12 days**
(Based on general household consumption)



Via a bi directional (V2H*⁵) charger, the electricity in the battery and the engine's generating capabilities can be used in combination to supply electricity for up to 12 days*⁶. It can also be used as an emergency power source in times of disaster.

*⁵ Short for "vehicle to home," V2H is a system that enables electricity stored in a car's battery to be supplied to the home.

*⁶ For the All-New "OUTLANDER PHEV model" Potential supply capacity is calculated by MITSUBISHI MOTORS (calculations assume approximately 10 kWh per day for general household power consumption and do not include the conversion efficiency of the V2H equipment and/or similar device).



Targets
● 7.2
● 7.3



Target
● 9.4



Targets
● 13.1
● 13.2
● 13.3

Hybrid Electric Vehicles (HEV)

MITSUBISHI MOTORS' HEV system offers EV mode, series hybrid mode, parallel hybrid mode, and regenerative mode. The system automatically selects the optimal driving mode according to driving conditions and remaining drive battery capacity to achieve low fuel consumption and powerful and pleasant motor drive.

When starting off or at low speeds, in EV mode the vehicle runs on electric power alone, with the drive battery supplying power to the motor. In series hybrid mode, when the vehicle is climbing or accelerating, the engine is used to generate electricity, and the motor is used to drive the vehicle in combination with power from the drive battery. At higher speeds, the system switches to parallel hybrid mode, in which the car runs on engine power and is assisted by the motor. In regenerative mode, the vehicle recovers energy from deceleration, which it converts into electric power and stores in the drive battery.

In FY2023 we launched the "COLT HEV model" in Europe and the "XPANDER" and "XPANDER CROSS HEV model" in Thailand. In FY2024, we are launching the new "ASX HEV model," starting in Europe from June.

TOPICS

Launch of "XPANDER" and "XPANDER CROSS" HEV Models in Thailand

The "XPANDER" and "XPANDER CROSS" HEV models that launched in February 2024 are manufactured at Mitsubishi Motors (Thailand) Co., Ltd. (MMTh), our production and sales company in Thailand.

Our HEV system, derived from PHEV, delivers the environmentally friendly and pleasant driving experience that only an electric vehicle can offer. Based on the FF 2WD, the system enables safe and reliable driving with unique four-wheel control technology, including Active Yaw Control*1, ensuring optimal driving according to weather and road conditions with a variety of drive modes. Despite being an HEV, the user can also select an EV driving as a situationally appropriate override option, such as on early morning drives in quiet residential areas when engine noise may be a nuisance.

*1 Active Yaw Control: This function controls the yaw moment resulting from the difference in braking force and driving force between the left and right wheels to improve maneuverability and stability on slippery road surfaces and when cornering.



"XPANDER HEV model"



"XPANDER CROSS HEV model"

Promoting the Use of Electrified Vehicles as a Way of Adopting to Climate Change

By leveraging the large-capacity batteries on its electric vehicles (EV) and PHEV to supply electricity, we are contributing to measures in various countries and industries to adapt to climate change and energy issues. We are applying these to such areas as areas as energy management, V2X*2 and use as emergency power sources in times of disaster.

*2 A general term encompassing vehicle to home (V2H) and vehicle to grid (V2G), among others



Targets
● 7.2
● 7.3



Target
● 9.4



Targets
● 13.1
● 13.2
● 13.3

TOPICS

Launch of a Smart Charging Service Demonstration Project Employing Our Connected Technology for Electrified Vehicles

MITSUBISHI MOTORS, MC Retail Energy Co., Ltd., Kaluza Ltd. and Mitsubishi Corporation have begun a demonstration project to commercialize Japan's first smart charging service, which uses connected technology from our electrified vehicles.

Through this smart charging service, we aim to reduce energy costs for society as a whole and provide an attractive charging environment for users of electrified vehicles. The results of this demonstration project will be used in the development of this service.

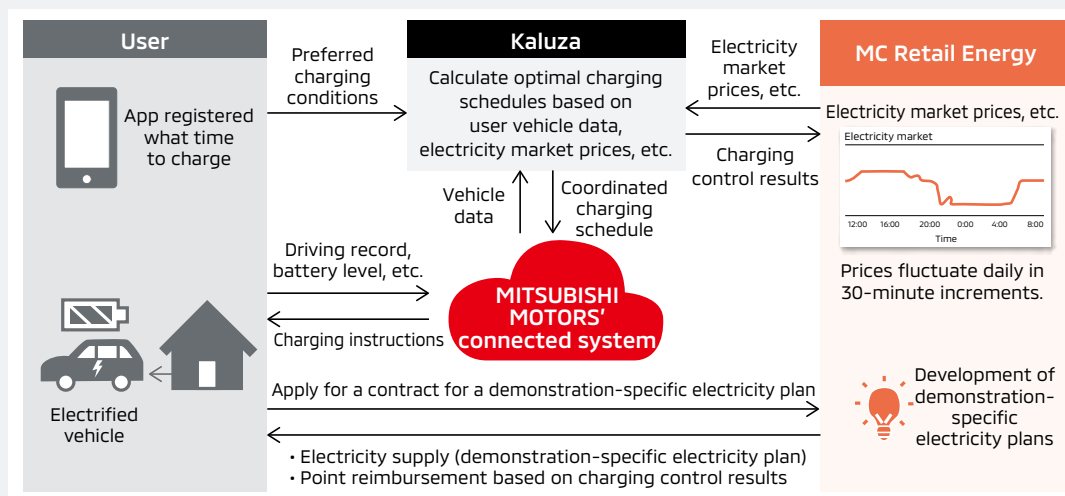
Overview of the Demonstration Project

The service automatically optimizes recharging for customers*¹ who own the "OUTLANDER PHEV model" at times when market prices of electricity are low. Charging takes place by the time specified by the customer, using

a smartphone app and normal home electrical circuitry. The recharging employs an EV recharging control platform provided by Kaluza, an OVO Group company in which Mitsubishi Corporation has an equity stake.

During the demonstration period, customers will be able to save on charging costs based on charging control results by subscribing to a demonstration-specific electricity plan that MC Retail Energy will develop for this service. The service enables direct charging control from the Kaluza platform to the vehicle through our connected system, eliminating the need for charging facilities with communication functions (smart charging facilities).

*¹ The service targets people who live in the service areas of TEPCO Power Grid, Inc. or Chubu Electric Power Grid Co., Inc., who register for our connected service ("MITSUBISHI CONNECT"), and who have regular home charging equipment installed.



TOPICS

Demonstration Testing of Two Concepts for Energy Storage Utilization in Conjunction with Chargers for Electrified Vehicles



Demonstration facility for utilizing used batteries

In January 2023, we installed demonstration facilities for two concepts linked to quick chargers and bi-directional chargers for electrified vehicles in the M-Tech Lab*², a smart grid demonstration facility at the Okazaki Plant, where we are conducting demonstration tests.



M-Tech Lab

Both systems utilize used battery modules. One is an energy storage system that connects to the power line of a quick charger and discharges stored power to reduce power peaks when fast-charging electrified vehicles. The other is an energy storage unit, which is connected to a bidirectional charger in a CHAdeMO*³ standard. This unit stores energy even when the electrified vehicles are away, facilitating efficient energy management. In the future, we will work with energy storage equipment manufacturers to introduce these systems at Group sales companies' shops and other locations.

*² M-Tech Lab: Test equipment for a smart grid demonstration, our first initiative utilizing used batteries, began operating in April 2012.

*³ CHAdeMO: A quick-charging system for electric vehicles, a global standard that Japan led the way in standardizing in 2010



Targets
● 7.2
● 7.3



Target
● 9.4



Targets
● 13.1
● 13.2
● 13.3

TOPICS

Launch of Joint Demonstration of Movable Storage Batteries Utilizing Used Batteries

In September 2023, MITSUBISHI MOTORS and Hitachi, Ltd. have begun a joint demonstration of "Battery Cube*¹," a movable storage battery that utilizes used batteries from electrified vehicles. This is part of an effort to realize a circular economy for batteries installed in electrified vehicles.

This demonstration, which aims to verify the practicality of the Battery Cube, employs used batteries from the OUTLANDER PHEV, our plug-in hybrid vehicle. The demonstration, which assumes power outages due to a disaster across a wide area, connects a V2X*² system from Hitachi Building Systems Co., Ltd. with the Battery Cube's CHAdeMO V2H*³ connector. Power from the Battery Cube is being used to drive the "Urban Ace HF," Hitachi's standard elevator. In addition to supplying power from electrified vehicles equipped with V2H functionality, which has been proven in the past, this combination using a Battery Cube should help to ensure continuous backup power supply in case of disaster.

We aim to begin working with Hitachi to reuse used batteries from electrified vehicles and commercialize Battery Cube in FY2024. We will work together to introduce Battery Cube to companies and local governments. We are also planning a joint demonstration for energy



Left: Battery Cube supplying electricity
Right: Used batteries inside the Battery Cube

management that connects electrified vehicles and Battery Cube with solar panels and other devices to make effective use of renewable energy. In addition to reusing batteries from electrified vehicles, we will study concepts for subsequent recycling, in line with our aim of realizing a circular economy for electrified vehicle batteries.

*1 Battery Cube: A registered trademark of Hitachi Building Systems Co., Ltd. in Japan

*2 V2X (Vehicle to X): A generic term for technologies that connect and interoperate between automobiles and various objects. In the energy field, V2X systems are being put to practical use to enable the mutual supply of electric power by connecting electric vehicles to homes, buildings, and grid systems.

*3 CHAdeMO V2H: A Vehicle to Home standard for CHAdeMO, a quick recharging method proposed as a standard by Japan's CHAdeMO Association.



Targets
● 7.2
● 7.3



Target
● 9.4



Targets
● 13.1
● 13.2
● 13.3

TOPICS

Demonstration Projects of Autonomous Street Lighting That Utilizes Used Batteries from Plug-in Hybrid Vehicles (PHEV)

MITSUBISHI MOTORS and MIRAI-LABO Co., Ltd. are developing an autonomous street lighting system using used batteries from PHEV in hopes of contributing to decarbonization through the increased use of renewable energy. Our autonomous street lighting systems store solar power generated during the day in used batteries from PHEV, using that power to illuminate LED lights at night. Since they do not require an external power supply, the streetlights do not go out in the event of a disaster or power failure. Used batteries mean that CO₂ emissions from battery production are lower than for streetlights using new batteries, and CO₂ emissions during operation are zero, as the electricity comes from solar power.

In FY2022 to FY2023, we commenced a demonstration project that involved installing 24 autonomous street lighting systems on the facilities of the Okazaki Plant, Mizushima Plant, Kyoto Plant, and Tokachi Research & Development Center. We are acquiring usage data on batteries and other components and verifying the practicality of the systems, looking at such factors as the number of non-sunlit days. We aim to bringing the system to market in FY2024.

Number of Autonomous Street Lighting Systems Installed (As of April 2024)

Locations	Number installed
Okazaki Plant	15
Mizushima Plant	2
Kyoto Plant	4
Tokachi Research & Development Center	3
Total	24



Okazaki Plant



Mizushima Plant



Kyoto Plant



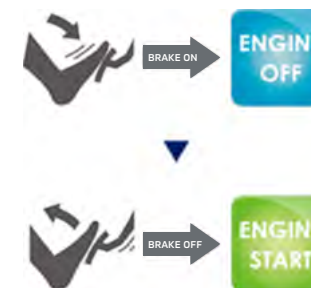
Tokachi Research & Development Center

Development of Improving Fuel Economy Technologies

MITSUBISHI MOTORS is continuously promoting the development of powertrain technologies to reduce fuel consumption and improve energy efficiency.

Idle Reduction System "AS&G" (Auto Stop & Go)

AS&G is an idle reduction system that automatically stops and starts the engine. This has a major effect on improving the fuel economy because no fuel is consumed when at a stop. When fitted with a coasting stop function, AS&G stops the engine while decelerating.



Deceleration Energy Recovery (Power Generation Control)

This technology involves the intensive charging of the battery using electric power generated while decelerating. This reduces the amount of power required from the engine, thereby improving fuel economy.

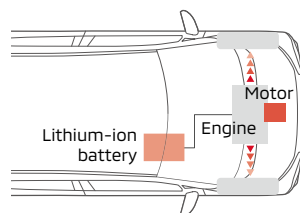


Hybrid System

The eK series (excluding the “eK WAGON”) uses MITSUBISHI MOTORS’ 12V BSG*¹ hybrid system. The power produced by regenerative energy during deceleration is used to efficiently charge the lithium-ion battery, and the motor assists the engine during acceleration to achieve torque and fuel-efficient driving and smooth engine stopping and starting.

The new “OUTLANDER” uses 48V BSG hybrid system specifications, generating more power from the energy of deceleration.

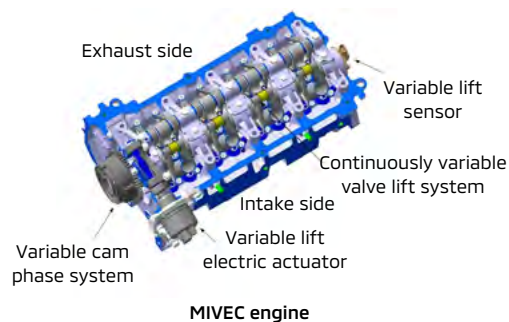
*¹ Short for “belt-driven starter generator,” the BSG adds motor functionality to the generator, using a belt drive to assist engine startup and providing power assistance.



Hybrid system on the “eK X”

Variable Valve Timing Mechanism

Mitsubishi Innovative Value timing Electronic Control System (MIVEC)



MIVEC engine

The MIVEC is a variable valve timing mechanism for minimizing fuel consumption. The intake valve lift is continuously varied according to the operating condition to minimize air intake energy loss, resulting in improved fuel efficiency.

Gasoline Direct-Injection Turbo Engine

The “ECLIPSE CROSS” adopts a 1.5L downsized direct-injection turbo engine (4B40). By precisely controlling in-cylinder injection and intake port injection based on driving circumstances, this engine delivers superior fuel economy and a clean exhaust gas. By combining an exhaust manifold integrated with the cylinder head, intake and exhaust MIVEC, and a compact turbocharger with an electric wastegate actuator, the engine optimizes supercharging pressure control to respond as the driver demands, thus delivering a comfortable and powerful driving.

The new “OUTLANDER” is also equipped with a next-generation 1.5L downsized direct injection turbocharged gasoline engine, which is an improved version of the 4B40 engine. Additionally, it is combined with a hybrid system that incorporates a 48V BSG. This system assists the engine during start-up and acceleration with the motor, achieving a high level of performance and fuel efficiency.



Direct injection turbocharged gasoline engine (4B40)

Clean Diesel Turbo Engines

The new “TRITON” we launched in Thailand in July 2023 is equipped with a new 2.4L diesel turbo engine. The weight and friction losses of the engine are reduced due to the optimally designed key components such as the cylinder block, piston and connecting rods. Additionally, the fuel injection system has been upgraded to the next generation, providing high performance while achieving excellent fuel efficiency and clean exhaust gas characteristics.

In February 2024, we added a higher-output version of the engine with a two-stage turbocharger. With a maximum output of 150 kW and maximum torque of 470 Nm, it delivers powerful acceleration and abundant torque that rises responsively from low to mid-range speeds.

New Gasoline Engine for Electrified Vehicles

The HEV models of “XPANDER” and “XPANDER CROSS” that went on sale in Thailand in February 2024 are powered by a newly developed 1.6L gasoline engine for electrified vehicles. A high expansion ratio cycle (Atkinson cycle*²) is used to improve combustion efficiency, and an electric water pump has been adopted for the first time in a MITSUBISHI MOTORS engine to eliminate the auxiliary drive belt and reduce mechanical losses.



1.6L gasoline engine for electrified vehicles

*² Atkinson cycle: A type of internal combustion engine that uses a higher expansion ratio than compression ratio to reduce exhaust heat and improve thermal efficiency.



Targets
● 7.2
● 7.3



Target
● 9.4



Targets
● 13.1
● 13.2
● 13.3

TOPICS

Equipped with a 2.4L Clean Diesel Turbo Engine

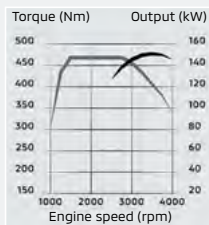


"TRITON"

After launching "TRITON" in Thailand in July 2023, MITSUBISHI MOTORS added a new variant in February 2024, which adopts a higher output version of its engine to respond to market diversification.

The new clean diesel engine with two-stage turbo-charger offers maximum output of 150 kW and maximum torque of 470 Nm. It delivers a powerful sense of acceleration and abundant torque that rises responsively from low to mid-range speeds.

In addition, the engine uses a "urea SCR*1 system" that purifies nitrogen oxides (NOx) emitted from diesel engines by using AdBlue, an aqueous urea solution, thereby achieving clean emissions along with low fuel consumption and high power output.



2.4L clean diesel turbo engine

*1 SCR: Selective catalytic reduction

*2 AdBlue®: A registered trademark of the German Association of the Automotive Industry (VDA)

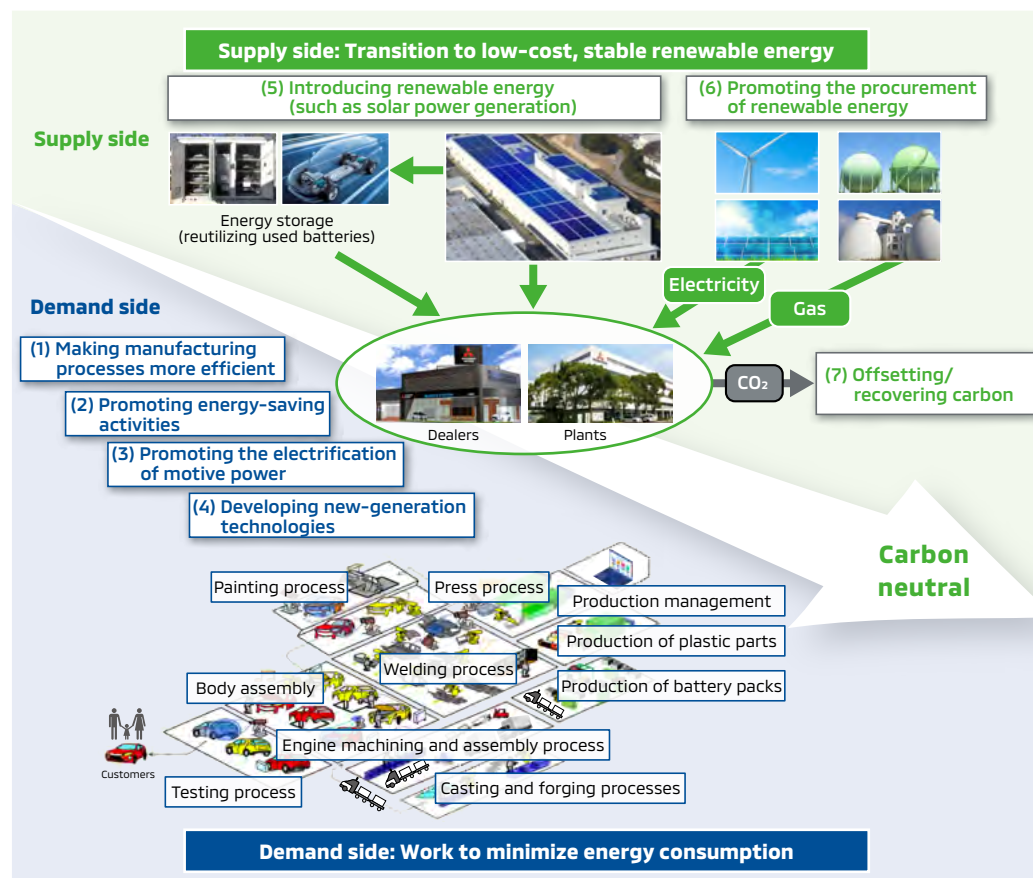
Taking the Initiative in Business Activities Toward Carbon Neutrality

To become carbon neutral, MITSUBISHI MOTORS will approach the issue from both the "demand side" (energy consumption) and the "supply side" (energy generation and procurement). To ensure our activities

are carried out systematically, we have formulated a medium- to long-term roadmap toward carbon neutrality. Following this plan, we are working to develop future technologies, improve production processes and expand the introduction of renewable energy.

We have established the CO₂ Reduction Promotion Subcommittee as an infrastructure of the Sustainability Committee. The subcommittee, which has mem-

"Seven Approaches" to Become Carbon Neutral





Targets
● 7.2
● 7.3



Target
● 9.4



Targets
● 13.1
● 13.2
● 13.3

bers from production, development and sales companies in Japan and overseas, aims to help the entire MITSUBISHI MOTORS Group achieve carbon neutrality in its business activities. The subcommittee shares information on the progress of action plans, actual CO₂ emissions, and other pertinent data. It also drafts reduction measures, considers future technologies, and deliberates the future energy mix.

(As of April 2024)

Subcommittee to Promote the Reduction of CO₂ (Chair: Senior Executive Officer in charge of Production)

Person in charge of the initiative: Division General Manager,
Production Strategy Planning Division

In charge of promoting overall activities
(Carbon Neutral Promotion Office)

Promotion structure and responsible parties

Production Engineering:
Division General Manager,
Production Engineering Division
Domestic plants: Plant managers
Overseas plants:
People in charge of production companies overseas
Development (business sites):
Division General Manager,
Development Management Division
Sales companies: Presidents of sales companies
Electricity procurement:
Division General Manager,
Procurement Communication Division
Gathering/sharing of information:
General Manager,
Sustainability Promotion Department

Introduction of Renewable Energy

MITSUBISHI MOTORS is actively seeking to use renewable energy in its operations, taking into consideration the energy situation at each site. To do so, we are introducing in-house renewable energy generation and purchasing renewable energy from energy suppliers.

We believe solar power offers us an important way to achieve carbon neutrality, and we are proactively introducing solar power generation at our locations. In addition, in FY2023 we began introducing CO₂-free electricity derived from renewable energy sources for some of our domestic production facilities.

TOPICS

Starting to Use Solar Power Generation Equipment (Rooftop of the Plant)

In FY2023, we introduced solar panels to supply 2.8MW of power at Mitsubishi Motors Philippines Corporation (MMPC), 1.7MW at Asian Transmission Corporation (ATC), and 1.3MW at the Mizushima Plant. We also added solar panels at other locations: 5.6MW at Mitsubishi Motors (Thailand) Co., Ltd. (MMTh), 2.0MW at MMTh Engine Co., Ltd. (MEC), and 5.6MW at PT MITSUBISHI Motors Kra-
ma Yudha Indonesia (MMKI), bringing total Group generating capacity to approximately 30MW.



Solar power system at MMTh's
No. 3 Plant

Initiatives at Manufacturing Plants

To reduce CO₂ emissions from production activities, we have established a medium- to long-term roadmap to achieve carbon neutrality in each area of production technology—pressing, welding, painting, assembly and powertrain—and we are developing future technologies and improving production processes to this end.

We are sharing good practices among all sites and incorporating a variety of plans into our annual capital investment plans at individual bases and implementing them. We are improving the efficiency of production equipment, using electric equipment instead of the use of fuels, steam or compressed air, and upgrading general equipment to more energy-saving models.

In energy-saving activities involving participants from production sites and production technology and motive power departments, we are working to improve the operation of energy-intensive processes such as painting and casting. We also review the operation and management of power supply equipment such as boilers and compressors, and strive to prevent air leaks and other losses. These activities focus on operational improvements following the introduction of new facilities.



Targets
● 7.2
● 7.3



Target
● 9.4



Targets
● 13.1
● 13.2
● 13.3

TOPICS

Optimizing Operational Control of the Painting Process (Okazaki Plant)

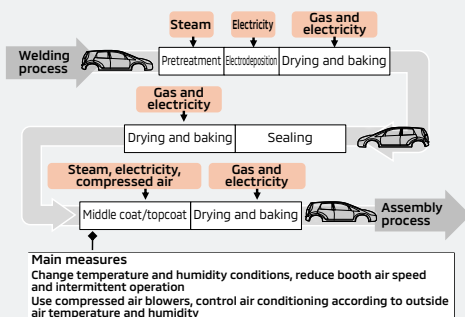
At the Okazaki Plant, MITSUBISHI MOTORS has substantially revised how we manage the painting process, and we are undertaking thorough initiatives toward energy conservation.

Quality control during the painting process requires that air control be closely monitored. We have carefully reviewed individual conditions and introduced revisions to temperature and humidity, reducing air speed and intermittent operation, employing blowers in processes that use compressed air, and controlling air conditioning in response to the temperature and humidity of the outside air.

As a result of these efforts, we expect to reduce energy consumption throughout the overall painting process by approximately 10% and reduce CO₂ emissions by 3,500 tons per year. Going forward, we will apply the knowledge we gain at the Okazaki Plant to other sites.



Bird's-eye view of the paint plant at the Okazaki Plant



Overview of the Painting Process and Energy Inputs

TOPICS

Efforts to Reduce Air Consumption (Kyoto Plant)

The compressors used to produce compressed air account for about 20% of the energy used by the Kyoto Plant. Accordingly, decreasing the plant's consumption of compressed air is a priority for reducing CO₂ emissions.

In FY2023, we focused on reducing the amount of compressed air wasted in the casting process. We introduce such measures as the intermittent use of air for cooling and cleaning. We also expanded the rotary water drainage system, which we found to be highly effective in FY2022, to other lines, and installed three new units. Furthermore, we upgraded our compressor, improving the energy efficiency of the compressed air supply.

These measures are expected to reduce compressor power consumption by more than 15% and CO₂ emissions by approximately 2,800 tons per year.



Upgraded inverter-type compressor

Office Initiatives

We are also promoting the use of renewable energy and introducing various types of energy-saving equipment in areas other than manufacturing, such as at R&D and head office locations.

Part of the electric power used at the Research and Development Building (Okazaki, Aichi Prefecture) and head office (Minato-ku, Tokyo) is supplied by renewable energy, thanks to the erection of rooftop solar power system and making use of the Tradable Green Certificates System*. Also, CO₂ emissions are being reduced by using energy-saving electrical equipment and air conditioners.

In July 2020, we began tracking electricity use and power generation per capita at our Research and Development Building, comparing these figures with other offices, and using digital signage to show year-on-year comparisons by month. In these ways, we are working to increase employee awareness about saving energy.



Digital signage at Research and Development Building (Okazaki)

* This system is used to trade environmental added value of renewable energy generated from natural energy sources using renewable energy certificates issued by a certificate issuer and confirmed by a third-party organization.



Targets
● 7.2
● 7.3



Target
● 9.4



Targets
● 13.1
● 13.2
● 13.3

Dealer Initiatives

mitsubishi motors encourages our dealers in Japan to acquire Eco-Action 21 certification and carry out activities such as reducing the amount of energy and water they use, lowering the amount of waste they produce, and promoting the widespread use of electrified vehicles.

Eco-Action 21 is an environmental management certification and registration system based on guidelines recommended by Japan's Ministry of the Environment. Eco-Action 21 has the following three features.

- The environmental management framework is easy for small and medium-sized businesses to configure and operate.
- The system enables organizations to track and manage their CO₂ emissions, working toward zero CO₂.
- The system facilitates thorough management of compliance with environmental laws and regulations.

For details on Eco-Action 21, please see the website of the system's central secretariat (only in Japanese).

(WEB) <https://www.ea21.jp/>

Dealers That Have Acquired "Eco-Action 21" Certification (As of March 1, 2024)

Company		
Aomori Mitsubishi Motor Sales Co., Ltd.	Toyama Mitsubishi Motor Sales Co., Ltd.	Kyushu Mitsubishi Motor Sales Co., Ltd.
Higashi Nihon Mitsubishi Motor Sales Co., Ltd.	Toyama Diamond Motors Co., Ltd.	Oita Mitsubishi Motor Sales Co., Ltd.
Ibaraki Mitsubishi Motor Sales Co., Ltd.	Kumamoto Mitsubishi Motor Sales Co., Ltd.	Sobu Mitsubishi Motor Sales Co., Ltd.
Kyoto Mitsubishi Motor Sales Co., Ltd.	Nagasaki Mitsubishi Motor Sales Co., Ltd.	Tokai Mitsubishi Motor Sales Co., Ltd.
Nishi Nihon Mitsubishi Motor Sales Co., Ltd.	Ishikawa Chuo Mitsubishi Motor Sales Co., Ltd.	Sunen Mitsubishi Motor Sales Co., Ltd.
Shiga Mitsubishi Motor Sales Co., Ltd.*1	Mie Mitsubishi Motor Sales Co., Ltd.	Gunma Mitsubishi Motor Sales Co., Ltd.

*1 Certification received for the Kyoto Mitsubishi Motor Sales Co., Ltd. Group

TOPICS

Rolling out the DENDO DRIVE STATION across Japan's Prefectures

Nationwide map of DENDO DRIVE STATIONS

We seek to put DENDO DRIVE STATIONS into operation in prefectures across Japan. DENDO DRIVE STATIONS are next-generation dealerships where visitors can experience the appeal of electrified vehicles, including their use as power sources in times of disaster and their contribution to the environment.

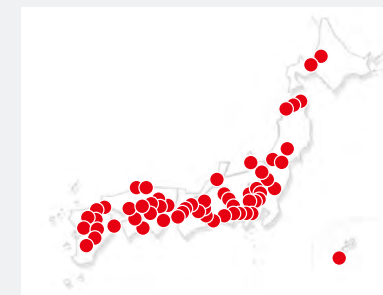
In FY2023, we opened four stations*², bringing the nationwide total to 97.

By deploying DENDO DRIVE STATION branches across Japan, we will increase the significance of electrified vehicles by diversifying their energy sources and communicating their value as sources of electric power in times of disaster.

Please see our website for details on our next-generation dealerships, called DENDO DRIVE STATIONS. (only in Japanese)

(WEB) <https://www.mitsubishi-motors.co.jp/carlife/phev/dendo/index.html>

*² The Shin-Nanbu Branch of Kumamoto Mitsubishi Motor Sales Co., Ltd., the Saga Branch of Kyushu Mitsubishi Motor Sales Co., Ltd., and the Auto Mall Tarami and Sasebo branches of Nagasaki Mitsubishi Motor Sales Co., Ltd.



Shin Nanbu Branch, Kumamoto Mitsubishi Motor Sales Co., Ltd.



Exterior



Lifestyle Corner

In a corner designed to look like a typical household dining area, we conduct a "1500W experience demonstration" to show how daily life can go one, even during disasters, by using just a 100V AC power supply (1500W) from an electrified vehicle.



Electrified Vehicle Charging Facilities

Electricity generated by the solar power system is used to charge electrified vehicles through V2H*³ equipment.

*³ V2H: Vehicle to home, V2H is a system that enables electricity stored in a car's battery to be supplied to the home.



Targets
● 7.2
● 7.3



Target
● 9.4



Targets
● 13.1
● 13.2
● 13.3

Physical Distribution

Capture and visualize Global Logistics CO₂ Emissions

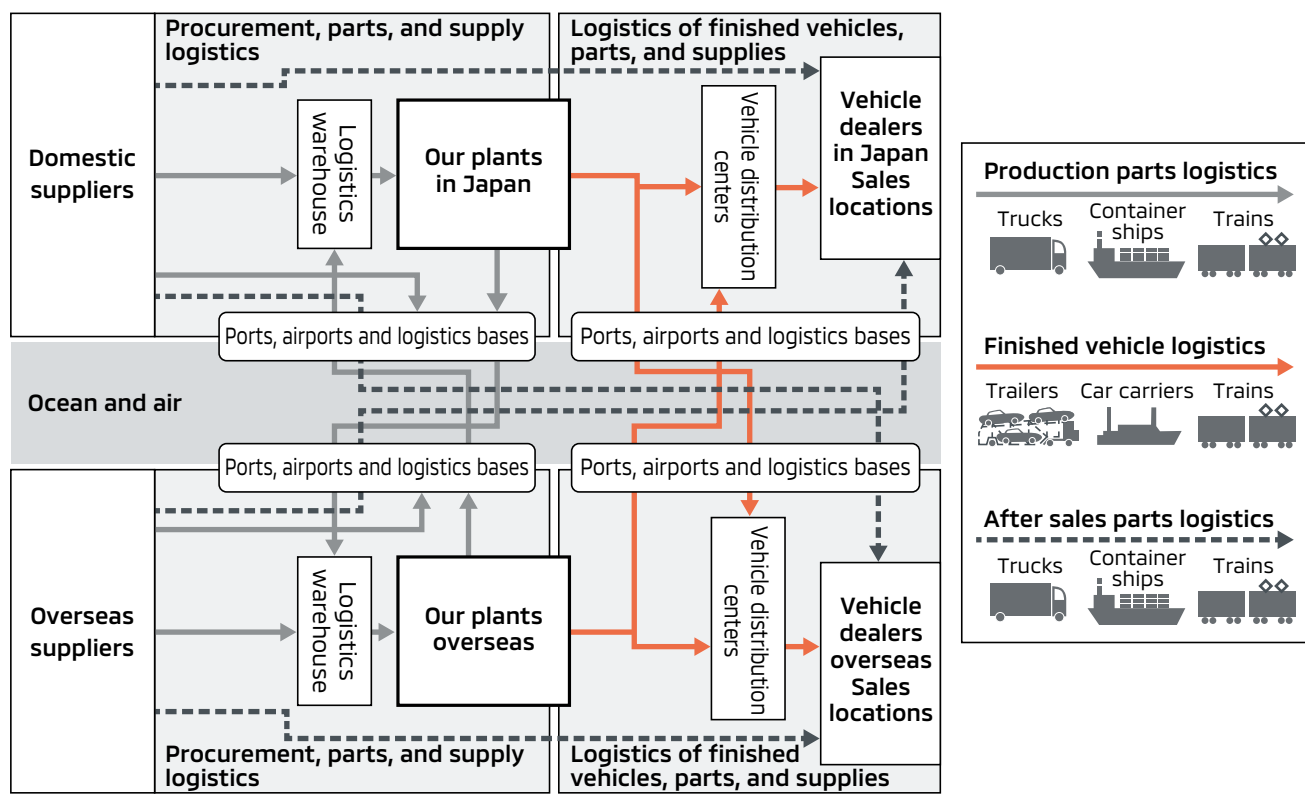
MITSUBISHI MOTORS is promoting to capture and visualize Global Logistics CO₂ emissions across the global supply chain, including overseas operations.

In addition to the ongoing efforts to understand Logistics CO₂ emissions from overseas production plants, in FY2023, we expanded the scope to include overseas vehicle sales subsidiaries. Furthermore, we are analyzing the visualized Logistics CO₂ emissions and promote initiatives to reduce emissions.

Working to Reduce CO₂ Emissions from Logistics

We are promoting initiatives to reduce Logistics CO₂ emissions in the transportation of production parts, after sales parts, and finished vehicles. Key logistics efficiency measures include not only improvements driven by our own efforts, such as packaging improvements and increasing transport loading rates, but also active and comprehensive initiatives through collaboration with logistics partners. These include promoting eco-driving, increasing the size of transport equipment, modal shifts, reducing transport distances through joint transportation with alliance partners, and shared use of logistics facilities. In addition to these proactive and comprehensive measures, we are considering collaborating more closely with logistics partners to encourage the introduction of vehicles that run on non-fossil fuels.

Schematic of Our Global Logistics Domain





Targets
● 7.2
● 7.3



Target
● 9.4



Targets
● 13.1
● 13.2
● 13.3

TOPICS

Initiatives to Reduce CO₂ Emissions in Parts and Finished Vehicle Transportation

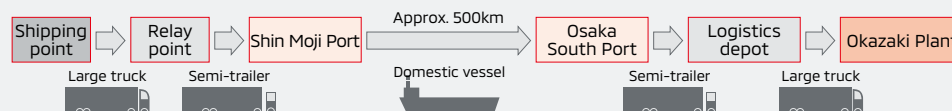
- Improvement Example 1: Enlarge transportation equipment: Introduced full trailers (Nakatsu, Oita Prefecture → Distribution center near MITSUBISHI MOTORS Mizushima Plant)



Distribution route: Nakatsu, Oita Prefecture → Distribution center near Mizushima Plant (Kurashiki, Okayama Prefecture), approx. 400 km

	Previously: Large trucks	After improvement: Full trailers	Improvement effect
Trips per month	40	22	Down by 18
Annual CO ₂ Emissions	228t-CO ₂	150t-CO ₂	Down by 78t-CO ₂

- Improvement Example 2: Modal Shift That Utilizes Domestic Vessels* (Shin Moji Port → Osaka South Port)



Target logistics route: Kitakyushu area → Okazaki Plant (Okazaki, Aichi Prefecture), approx. 750 km

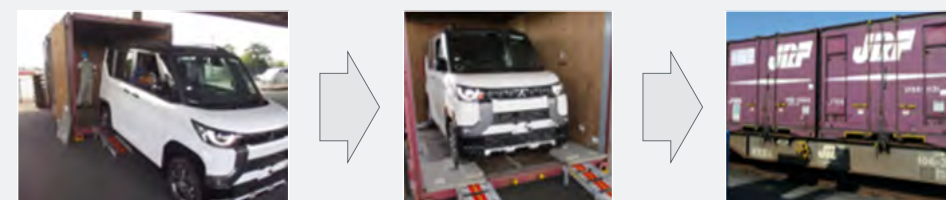
	Previously: Transported by large trucks	After improvement: Transported by domestic vessels	Improvement effect
Annual CO ₂ Emissions	265t-CO ₂	111t-CO ₂	Down by 154t-CO ₂

* Domestic vessel: Ship used for transport cargo within in Japan

In addition, our use of domestic vessels for modal shift (Shin Moji Port to Osaka South Port) was commended by the Director-General of the Maritime Bureau of the Ministry of Land, Infrastructure, Transport and Tourism as an excellent operator in the "FY2023 Eco-Ship Modal Shift Project" organized by the Japan Long-Course Ferry Association, and was awarded the "Eco-Ship Mark" certification.



- Improvement Example 3: Modal Shift: Use of Rail Freight Transportation (Mizushima Plant → Niigata Prefecture)



Target logistics route: Kurashiki Cargo Terminal Station → Niigata Cargo Terminal Station, approx. 790km

	Previously: Transported by trailer	After improvement: Transported by rail	Improvement effect
Annual CO ₂ Emissions	10.8t-CO ₂	2.4t-CO ₂	Down by 8.4t-CO ₂

Resource Recycling Initiatives

Progress in FY2023

Direct landfill waste
(Management Target
Companies: 20)
[FY2022: less than 0.5%]

Less than **0.5%**

- Promoted strengthening adoption of non-fossil-based plastic
- In 2023, installed demonstration equipment at the Okazaki Plant's M-Tech Lab for the demonstration of two concepts employing used batteries from electrified vehicles in conjunction with quick chargers and bidirectional chargers, and demonstrations are underway.
- In FY2022 and FY2023, installed 24 autonomous streetlights employing used batteries at our domestic facilities and conducted demonstration projects.

<Related pages>

P12 MITSUBISHI MOTORS' Materiality
P15, P17 Materiality

P23 Environmental Plan Package

P26 Environmental Management

P120 Environmental Data Related to Products and
Business Activities:

Generated waste, generated waste and externally
disposed waste (MITUBISHI MOTORS alone),
raw material inputs

Basic Approach

The rise in populations and economic growth in emerging markets is leading to a rise in the consumption of minerals, fossil fuels and other resources.

MITSUBISHI MOTORS is working to use fewer resources and use them more effectively in manufacturing process, so that we can add more value to

vehicles. This belief underpins our belief that effective resource use is an important priority. The Environmental Plan Package positions resource recycling as an environmental issue to engage in directly, and we are contributing to a resource-recycling-oriented society by minimizing input resources and maximizing resource efficiency.

Countries and industry groups are formulating various initiatives in order to promote automobile recycling and correct processing. In response, we set targets to improve the ease of recycling, reduce the use of lead, and introduce recycled parts for new vehicles when the "MITSUBISHI MOTORS Recycling Initiative" was established in 1998. We have continued to engage in this initiative.

Recycling-Based Design and Development

Under vehicle recycling legislation in Japan, Europe, China, and other countries, automobile manufacturers are obligated to consider recycling when developing products.

We conduct design and development that actively incorporates not just recycling, but all aspects of the 3Rs including reduction and reuse. We have implemented the 3Rs in the stage starting with conceptual design in accordance with our unique "Recycling Plan Guidelines."

With regard to wires and harnesses, and motors, we have improved detachability and ease of recycling in accordance with the "Harness Design Guidelines."

We are also promoting the increased use in other parts of recycled materials and non-fossil-based plastic used in vehicles, such as biomass plastics. Recycled

materials such as clothing are used for silencer parts such as dashboards, and biomass plastics are used for interior parts such as steering wheel garnishes.

At dealers, bumpers recovered or replaced during repairs are recycled for battery trays and other exterior parts.

TOPICS

Using Thermoplastic Resin

The "TRITON," which was launched in 2023, uses easily recyclable thermoplastic resin* for exterior and interior parts.

* Thermoplastic resin: A plastic that resists deforming at room temperatures, but softens and becomes easy to mold when heated, and hardens again when cooled

Main parts (indicated in green)
that use thermoplastic resin



Exterior



Interior


 Targets
 ● 12.2
 ● 12.5

Promote recycling of end-of-life vehicles

MITSUBISHI MOTORS encourages the recycling of end-of-life vehicles to reduce the environmental impact of waste from these vehicles. In Japan, the European Union (EU) and other regions, we promote recycling in accordance with the automobile recycling laws of each country. We comply carefully with the evolving automobile recycling laws that are being introduced in emerging countries in Asia.

The Environmental Targets 2030 identify the reuse of batteries used in electrified vehicles as one item to be addressed. From the perspective of conserving resources, we are undertaking initiatives to utilize used batteries.

Reuse of Batteries Used in Electrified Vehicles

Used electrified vehicle batteries retain sufficient storage capacity to make them useful for other applications, so from the perspective of conserving resources we are working to effectively reuse electrified vehicle batteries. To ensure these batteries can be effectively used for storage, we are conducting verification using a large-scale rooftop solar power system at the Okazaki Plant and built a power storage system that employs used batteries from the "OUTLANDER PHEV" (previous model).

In addition, we have begun a joint demonstration project with Hitachi, Ltd. of the Battery Cube^{*1}, a movable storage battery that utilizes used batteries from electrified vehicles. In this demonstration, used bat-

teries from our "OUTLANDER PHEV" (previous model) will be installed in the Battery Cube to verify its practicality in the event of a power outage caused by a wide-area disaster.

In January 2023, we installed equipment for the demonstration of two concepts employing used batteries in conjunction with quick chargers and bidirectional chargers at the Okazaki Plant, and we have begun the demonstration. Going forward, we will work with energy storage equipment manufacturers to introduce these systems at Group's sales companies' dealers and in other locations. (See P35 for details.)

^{*1} Battery Cube: Registered trademark in Japan of Hitachi High-Tech Corporation

In addition, with MIRAI-LABO Co., Ltd., we have begun the development of autonomous street lighting by reusing batteries from electrified vehicles. Our autonomous street lighting systems store solar power generated during the day in used electrified vehicle batteries, using that power to illuminate LED lights at night. From FY2022 to FY2023, we installed a total of 24 autonomous street lighting systems and conducted demonstration projects at the Okazaki Plant, the Mizushima Plant, the Kyoto Plant, and the Tokachi Research and Development Center, and we hope to begin commercial sales in FY2024.

In Japan, Europe and North America, we have begun creating a system for collecting used batteries. The aim is to develop recycling technologies for and properly dispose of batteries for electric vehicles and plug-in hybrid electric vehicles.

Response to Automobile Recycling Laws in Japan

Since the End-of-Life Vehicle Recycling Law was enacted in Japan in 2005, we have been accepting used automobile shredder residue (ASR^{*2}), airbags, and fluorocarbons for recycling.

Regarding ASR recycling, we participate in ART^{*3} in order to jointly process ASR. As a result of the creation of new processing facilities and other measures, the ASR recycling rate in FY2023 was 96.5%, substantially above the statutory standard of 70% in effect since 2015. We will continue to develop new recycling facilities to ensure the stable processing of ASR.

We outsource the treatment of airbags and fluorocarbons to the Japan Auto Recycling Partnership (JARP).

In FY2023, our effective recycling rate for end-of-life vehicles^{*4} exceeded 99%, surpassing the government's stipulated effective recycling rate of 95%.

^{*2} Automobile shredder residue

^{*3} Automobile Shredder Residue Recycling Promotion Team established by 13 companies, including Nissan Motor Co., Ltd., Mazda Motor Corporation and MITSUBISHI MOTORS.

^{*4} Effective recycling rate: The recycling rate for end-of-life vehicles. The ratio recycled in the dismantling and shredding process is approximately 83% (cited from the materials of the 3rd joint meeting of the Automobile Recycling Expert Committee of the Central Environmental Council and the Automobile Recycling Working Group of the Industrial Structure Council in May 2003), multiplied by the remaining ASR ratio of 17% and the ASR recycling rate for the relevant fiscal year.

Recycling Promotion in the EU

Response to the EU's Directive on the Recycling of End-of-Life Vehicles

In the EU, in accordance with the End-of-Life Vehicles Directive*¹ established in 2000, automobile manufacturers or importers must accept and recycle end-of-life vehicles.

MITSUBISHI MOTORS built a system of acceptance and recycling in line with the actual situation of EU member countries centering on our European subsidiary Mitsubishi Motors Europe B.V. (MME).

*¹ "Directive of the European Parliament and of the Council on End-of- Life Vehicles"

Provision of Dismantling Information

In the EU, automobile manufacturers must provide dismantling information for new model vehicles to treatment operators. We provide such information on a timely basis by using the International Dismantling Information System (IDIS) jointly developed by automobile manufacturers.

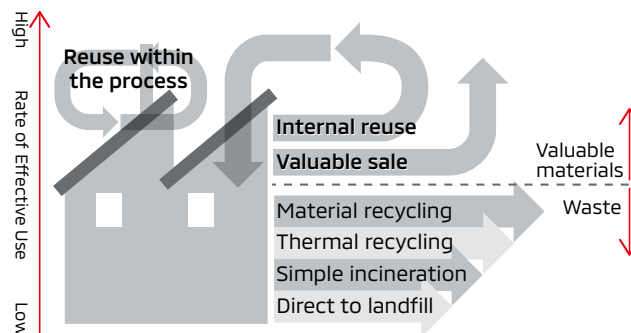
Response to the EU's Directives on Approval for Vehicle Models for Recyclability

In the EU, satisfying the minimum 95% recyclability rate is a requirement for type approval of vehicle models, and we established a system that satisfies the requirements of this directive. Our vehicles sold in the EU meet the requirements of the directive under this system.

Initiatives to Reduce Waste Generation and Reuse Resources in Production Activities

We are working to reduce the amount of waste generated through manufacturing by improving its production processes. As for the generated waste, we reduce treatment costs and continue to improve the sorting and treating methods to utilize it as resources.

Effective Use of Resources and Recycling



Responses Related to the Plastic Resource Circulation Act

In FY2023, our volume of industrial waste from products using plastic was 1,796 tons, and the recycling rate was 97%*².

We will continue to actively engage in the 3Rs (reduce, reuse, recycle) of waste plastic.

*² Scope of application: MITSUBISHI MOTORS CORPORATION

TOPICS

Reducing Waste Volume by Upgrading Sludge Dewatering Equipment (Okazaki Plant)

We replaced a sludge dehydrator and sludge conveying equipment at the Okazaki Plant's integrated wastewater treatment plant with equipment that uses a different treatment method, thereby reducing emissions of industrial waste and saving energy.

In the past, sludge was dewatered using a centrifugal separation method. To lower the sludge's moisture content, we introduced a screw-type dehydrator and switched to an energy-saving sludge conveying system. As a result of these equipment upgrades, we reduced the volume of sludge discharged from the integrated wastewater treatment facility by more than 30%, and electricity consumption was reduced by more than 50%.



Newly installed screw-type sludge dewatering equipment

Achievement of Zero Direct Landfill Waste

With regard to waste generated by our business activities, to achieve the goal set in Environmental Targets 2030 of "zero direct landfill waste (less than 0.5%)," we are working to reduce waste generated in external and reuse resources. In FY2023, our management target companies achieved zero direct landfill waste (less than 0.5%).

Prevention of Pollution



Progress in FY2023

- Obtained information on GADSL*¹ regulated substances and upgraded our management system in order to properly manage hazardous substances in products.

*1 Global Automotive Declarable Substance List, a list to facilitate the exchange of information on environmentally hazardous substances, created by consensus of a group of automotive manufacturers in various countries

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P118 Environmental Data Related to Products and Business Activities

(WEB) Atmosphere/Wastewater Quality/PRTR-designated Pollutants Data (FY2023 Results)
https://www.mitsubishi-motors.com/en/sustainability/esg/factory_archive2024.html

Basic Approach

Vehicles are products that can affect human health and biodiversity through the emission of environmental pollutants and chemical substances during business activities or product use.

MITSUBISHI MOTORS aims to contribute to the realization of a pollution-free society and has positioned it as one of the key challenges in its Environmental Plan Package. We are working to reduce the environmental impact of our products and the pollution resulting from our business activities.

In the stage of product development, along with reducing noxious components of exhaust gases and promoting the development of fuel economy improving technologies and electrification technologies, we strive to manage hazardous substances. In production processes, we are endeavoring to reduce air pollutants emitted from our plants by voluntarily enacting activity standards that are stricter than legal requirements. In order to reduce the impact on the environment from air pollutants and chemical substances, we engage in the prevention of pollution throughout all our business activities.

Purifying Exhaust Gas while Driving

In addition to developing and popularizing electrified vehicles, which emit little exhaust while driving, we are endeavoring to develop and improve gasoline and diesel vehicles that emit fewer hazardous substances.

Improving Gasoline Engine Vehicles

In the 1960s, emissions of carbon monoxide (CO), hydrocarbons (HC) and nitrogen oxides (NOx) were restricted by regulations, and those restrictions have gradually been tightened since.

We have taken various measures since such regulations were first introduced. Currently, our products are compliant with strict emission regulations, thanks to the advanced technologies such as electronically controlled fuel injectors for combustion control, gasoline particulate filter (GPF) systems, and improved catalyst technologies.

Improving Diesel Engine Vehicles

For diesel engine vehicles, emissions of CO, HC, NOx, and particulate matter (PM) *² have been regulated in some countries and regions, such as Japan, United States and European countries, since the 1970s.

Since such regulations were first introduced, we have taken measures including improving the combustion technology. To comply with these regulations, we have developed and produced clean diesel engines by systemizing combustion control technologies such as variable geometry turbocharger and high pressure fuel injection system, as well as after-treatment technologies such as NOx trap catalyst, diesel particulate filter, and urea selective catalytic reduction system.

*2 Micron-sized particles such as soot contained in exhaust gas



Target
● 3.9



Target
● 6.3



Targets
● 12.4
● 12.5

Clean Diesel Engine Systems

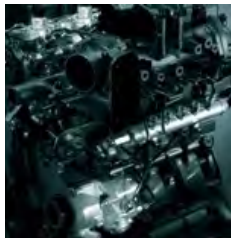
Variable Geometry (VG) Turbocharger

Continuously controlling the variable nozzle of the turbine optimally boosts power to the engine throughout its full operating range, improving fuel efficiency and reducing PM emissions.



Common Rail Fuel Injection System

Particulate matter and NOx, which can be generated through heterogeneous combustion, are suppressed by using a high-pressure fuel pump, common rail accumulator that stores highly pressurized fuel, and electronically controlled fuel injectors.



Diesel Particulate Filter (DPF)

DPF substantially reduces emissions of particulate matter by filtering and burning it.

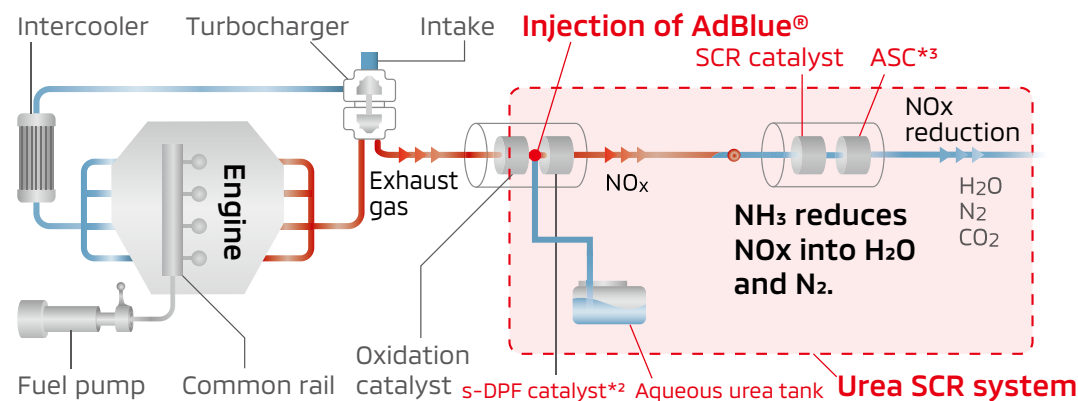


Urea Selective Catalyst Reduction (SCR) System

NOx from diesel engines' emissions are reduced and purified using an aqueous urea solution (AdBlue®*1), breaking them down into non-polluting nitrogen and water.

*1 Registered trademark of the Verband der Automobilindustrie (VDA)

[Clean Diesel Engine System (4N14 Engine)]



*2 s-DPF: DPF with surface-coated selective reduction catalyst

*3 ASC: Ammonia slip catalyst



Reduction of Hazardous Substances

In accordance with the reduction targets of the Japan Automobile Manufacturers Association, Inc. (JAMA) and the EU's end-of-life vehicles directive (a recycling law), MITSUBISHI MOTORS is working to reduce the use of four substances (lead, mercury, cadmium, and hexavalent chromium). We are also taking measures to comply with individual countries' regulations on the use of hazardous substances, such as the EU's end-of-life vehicles directive, the REACH regulation*¹ concerning substances and the Convention on POPs*².

At present, in addition to four substances and other heavy metals, the use of VOCs*³, bromine-based flame retardants and various other substances is regulated. Regulations similar to European ones are being enforced in developing countries in Asia as well.

We are working to voluntarily reduce hazardous substances by setting internal technical standards.

*1 REACH stands for "Registration, Evaluation, Authorisation and Restriction of Chemicals." Enacted on June 1, 2007, the REACH regulation is a general system to register, evaluate, authorize and restrict the use of substances

*2 Persistent Organic Pollutants

*3 Volatile Organic Compounds

►Data (p. 119): Emissions of Sulfur Oxide, Nitrogen Oxide, VOC (Volatile Organic Compounds) and Ozone-Depleting Substances

Management of Material Data by IMDS

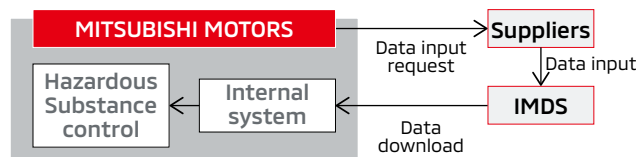
Data on the hazardous substances contained in vehicle parts delivered by suppliers are collected by the IMDS*⁴, an international system for collecting such data. Together with overseas, we utilize the collected data under a globally centralized internal system for reducing hazardous substances.

In cooperation with suppliers, we are complying with the REACH regulation, a general system for the registration, evaluation, authorization, and restriction of substances used in the EU.

We have improved our internal management system to properly manage hazardous substances in products by incorporating information on GADSL-regulated substances. We collect IMDS data inputted by suppliers and utilize the system to automatically determine the compliance status with regulations if any newly regulated substances are found in components, based on the content and materials used. We are also introducing component replacement and design changes in accordance with regulations.

*4 International Material Data System

Flow of Data Collection through IMDS



Reduction of In-Cabin VOCs

To provide customers with a healthy and safe cabin space, we work to reduce VOCs inside the cabin.

VOCs are organic compounds that are easily volatilized at room temperature such as formaldehyde and toluene. These compounds are thought to cause sick building syndrome, and may irritate the eyes, nose, and throat. In an automobile cabin, they are mainly generated by adhesives and paint used in interior parts.

Please see the JAMA website for details regarding the Voluntary Guidelines.

(WEB) <https://www.jama.or.jp/english/news/past/release/2005/050214.html>

Progress

We are working to develop materials with low VOC emissions to reduce in-cabin VOCs.

Example of Measures to Reduce VOCs

Carpet	Reduced aldehydes in pile adhesives
Seat	Reduced organic solvents in fabric adhesives
Ornaments	Reduced VOCs by using spun-dyed high-gloss interior parts

Target
● 3.9Target
● 6.3Targets
● 12.4
● 12.5

Preventing Air Pollution

Reduction of VOC Emissions from Production Processes

MITSUBISHI MOTORS is applying the waterborne 3WET paint method*¹ to the painting process to reduce VOC emissions. In Japan, we use this method at the Mizushima Plant and the Okazaki Plant. Overseas, the system is used on the No. 3 paint line at Mitsubishi Motors (Thailand) Co., Ltd. (MMTh).

We are also upgrading our robotic and other painting systems, reducing the amount of paint used by adjusting production lots and collecting more used thinner. Through these moves, we are reducing VOC emissions from vehicle production.

*¹ With this method, water-soluble paints are used for the middle and top coats. Solvent-based paint is used only for the clear overcoat.

► Data (p. 119): VOCs



Paint plant (MMTh)

Management of Air Pollutants

We follow laws and regulations to manage the concentrations and amounts of such air pollutants as nitrogen oxides (NOx), sulfur oxides (SOx) and soot emitted in production processes.

In addition, we are promoting the replacement of equipment that uses fossil fuels such as kerosene with electric devices, including electric heat pumps, to simultaneously reduce air pollutants and CO₂ emissions.

Management of Chemical Substances

Appropriate Management of Chemical Substances

We have introduced a chemical substance management system for using chemical substances. Before deploying substances, we examine their physical and chemical properties and the details of usage plans, as well as legal requirements, conduct risk assessments. Finally, we judge whether they can be introduced and educate workers well. We also use this system to conduct centralized management of the most recent Safety Data Sheet (SDS) information. In addition, we use data from this system to ascertain the quantity of PRTR*² substances used and report on their usage and emissions to Ministry of Economy, Trade and Industry, as well as other aspects of legal compliance.

*² PRTR: Pollutant Release and Transfer Register

Appropriate Management of Hazardous Waste

We manage hazardous waste to avoid importing or exporting hazardous waste that is restricted by the Basel Convention on the Control of Transboundary Movements of Hazardous and Their Disposal*³.

We also transport and treat waste produced in Japan appropriately, based on various legal requirements.

*³ This convention stipulates international frameworks and procedures related to restrictions on international transfer of a certain types of waste.

Appropriate Management of Waste Containing PCBs

Harmful polychlorinated biphenyls (PCBs) are contained as insulation oil in transformers and condensers that were manufactured a long time ago. We process waste containing PCBs appropriately, in accordance with the Act on Special Measures concerning Promotion of Proper Treatment of PCB Waste.

Conservation of Water Resources



Progress in FY2023

- Mitsubishi Motors (Thailand) Co., Ltd. (MMTh) has begun recycling condensate from air conditioners used at painting facilities.
- We installed a manhole-type oil-water separator at the Kyoto Plant-Kyoto.

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(WEB) Atmosphere/Wastewater Quality/PRTR-designated Pollutants Data (FY2022 Results)

https://www.mitsubishi-motors.com/en/sustainability/esg/factory_archive2023.html

Basic Approach

Due to the increasing population and changes in the natural environment caused by climate change, water supply and demand are becoming tighter in more regions, and social concern for the preservation of water resources are increasing.

MITSUBISHI MOTORS requires a large amount of industrial water, city water, and groundwater, etc., for the automobile production process and discharge of water into sewage lines and rivers, etc. In regions where water risk is high, it is essential to consider the impact that water withdrawal and discharge from our business activities have on the surrounding environment.

At each plant, we comply with various legal requirements, such as the one on the quality of discharged water. In addition, we work to reduce water withdrawal amounts and introduce water recycling technologies based on the status of water resource management in individual countries and regions.

Water is required for the operations of our business partners. We are aware of the importance of water risk management throughout the entire value chain.

Reduction of Water Withdrawal Volume

We are striving to reduce water withdrawal volumes by reusing washing water used in production processes for pre-washing and by circulating cooling water and temperature control water.

At the Okazaki Plant and at PT Mitsubishi Motors Krama Yudha Indonesia (MMKI), we have set up rain-water storage tanks in order to reuse rainwater.

At the Okazaki Plant, we have also set up equipment to filter groundwater so that it can be used to supply drinking water to employees and those who live nearby, in case any disasters occur.

► Data (p. 120): Withdrawn water volume

Water Withdrawal Source and Drainage of Each Plant

Plant	Water Withdrawal Source	Drainage
Okazaki Plant (Okazaki, Aichi Pref.)	Yahagi River	Kanda River Tributary → Kanori River
Kyoto Plant -Kyoto (Kyoto, Kyoto Pref.)	Lake Biwa	Sewage line
Kyoto Plant -Shiga (Konan, Shiga Pref.)	Lake Biwa	Sewage line
Mizushima Plant (Kurashiki, Okayama Pref.)	Takahashi River	Hakken River → Mizushima Port
Mitsubishi Motors (Thailand) Co., Ltd. (MMTh)	Nong Pla Lai Reservoir, etc.	Sewage line
PT Mitsubishi Motors Krama Yudha Indonesia (MMKI)	Lake Jatiluhur	Sewage line



Rainwater storage tanks (Okazaki Plant)



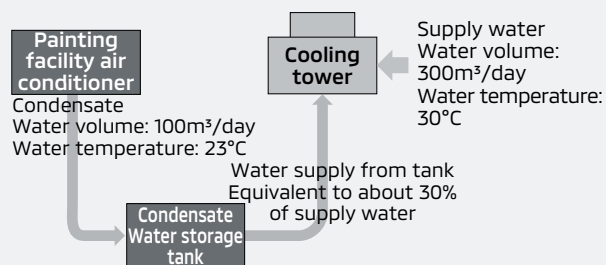
Groundwater membrane filtration equipment (Okazaki Plant)

TOPICS

Recycling Condensate from Air Conditioners Used at Painting Facilities (MMTh)

Mitsubishi Motors (Thailand) Co., Ltd. (MMTh) has begun recycling condensate from air conditioners used at its vehicle painting facilities.

The Thai environment is hot and humid throughout the year, so condensate is steadily obtained from the dehumidification process of air conditioners. This condensate is collected in a water storage tank and reused as part of the water supply to the cooling tower for the chillers, thereby reducing the water supply to the cooling tower by about 30%, or 100 m³/day. Furthermore, utilizing low-temperature (approx. 23°C) condensate helps to improve cooling towers' cooling efficiency.



Overview of condensate recycling



Installed condensate water storage tank

Reuse of Discharged Water

The MITSUBISHI MOTORS Group has introduced wastewater recycling technologies, taking into consideration the situation regarding water resource management at each facility location. Currently, discharged water recycling plants are operational at PT Mitsubishi Motors Krama Yudha Indonesia (MMKI) and Mitsubishi Motors (Thailand) Co., Ltd. (MMTh).

MMKI has been utilizing a water recycling plant since its establishment in 2017. In FY2023, its wastewater recycling rate reached 67%.

In addition, in January 2022 MMTh began operating its first discharged water recycling plant, in conjunction with the start of operations of a new paint plant. In FY2023, the wastewater recycling rate rose to 84%.



Wastewater recycling plant (MMTh)

► Data (p. 120): Withdrawn water volume

Prevention of Water Pollution

To prevent water pollution in areas surrounding plants, we measure and manage the quality of discharged water based on legal requirements. We also conduct surveys and confirmations regarding the quality of groundwater and soil pollution. In this way, we confirm that no toxic substances are being discharged to the outside area. In order to quickly detect abnormalities in discharge water quality due to such factors as rainfall, we set up a surface oil detector* in front of outlets leading from the plant to public water and continuously monitor discharge water conditions. We carry out continuous monitoring so that water discharged from

the plant does not affect the environment outside the site. In the event of an accident, we respond quickly to prevent pollution from spreading, report to the local authorities and disclose information to the community.

* Detects the presence of oil by capturing changes in reflectance as the reflectance of oil is greater than that of water



Observation well (Okazaki Plant)



Surface oil detector (Okazaki Plant)

TOPICS

Installation of a Manhole-Type Oil-Water Separator (Kyoto Plant)

At Kyoto Plant-Kyoto, we installed a manhole-type oil-water separator in front of the oil film detector as an enhanced measure to prevent the leakage of pollutants from road surfaces within the plant.

Oil film detectors have traditionally been used to monitor oil leakage from stormwater outlets at factories. However, after referring a "Non-Specified Pollution Source Countermeasures" case study of measures used for busy roads, factories, and commercial facilities, we installed a new manhole-type oil-water separator in front of the oil film detector in the rainwater drainage path. This allows for the separation and discharge of suspended solids and oil from road surface drainage during wet weather.



Manhole-type oil-water separator installed in the storm drainage path

Preservation of Biodiversity



Progress in FY2023

- Promoted preservation activities that leverage the results of ecosystem surveys at locations in Japan
 - Engaged in biotope* maintenance and rare plant cultivation at Kyoto Plant
 - At Kyoto Plant-Shiga, engaged in wetland conservation and cultivation of rare white egret flower
- Conducted tree-planting and cultivation activities in Japan and overseas
 - Planted and cultivated trees at Pajero Forest (Yamanashi Prefecture)
 - Conducted tree-planting activities at the Okazaki Outlander Forest (Aichi Prefecture)
 - Completed an afforestation project in the Philippines (planted a total of 78,700 trees over 100 hectares)

* A biotope is a space where organisms can live in natural surroundings.

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(WEB) Biodiversity Data

https://www.mitsubishi-motors.com/en/sustainability/esg/biodiversity-related_data/

Basic Approach

All living things are intricately connected in various relationships and live in balance. We benefit from this biodiversity in our lives.

The automotive industry both directly and indirectly impacts on biodiversity due to land use (including the construction of plants), the release of chemical substances from plants, and the greenhouse gas emitted from the use of our products and business activities. Meanwhile, climate change is transforming regional environments, which has a major direct impact on ecosystems. We believe it is a priority to enact climate change countermeasures, protecting biodiversity so that we can continue to enjoy its blessings.

We formulated the "MITSUBISHI MOTORS Group Guidelines for the Preservation of Biodiversity" in August 2010 and promote conservation activities.

Our business sites in Japan are not located in or adjacent to protected areas according to the Nature Conservation Act and prefectural codes. However, we conducted surveys on ecosystems in order to understand the impact our business activities have on biodiversity.

To protect water sources and fostering environmental awareness among our employees, we conduct forest preservation and interact with the local community through volunteer employee activities in Japan and overseas.

MITSUBISHI MOTORS Group Guidelines for the Preservation of Biodiversity

The MITSUBISHI MOTORS Group will continue to track and reduce its impact on biodiversity, recognizing that the activities of humankind can both benefit from and affect the diversity of living organisms. To this end, the entire Group will take on initiatives for preventing global warming and environmental contamination, and promote the recycling and efficient use of resources, while engaging in activities that pay consideration to biodiversity.

1. Consideration to biodiversity in business activities

We will track and reduce the impact of business activities on biodiversity by conserving energy, reducing the generation of waste, and curtailing the release of chemicals. At the same time, we will also pay consideration to neighboring communities when making use of land for factory construction and other purposes.

2. Consideration to biodiversity in products

We will promote fuel efficiency, exhaust gas countermeasures and recycling-friendly design of our products, while striving to select and use materials that pay consideration to the environment.

3. Education, understanding and self-awareness

We will continue to educate the entire Group from management to employees on the front lines to share a common understanding and develop a self-awareness of the relationship between business activity and biodiversity.

4. Cooperation and collaboration with society

These activities will be promoted in cooperation with all stakeholders including the supply chain, stockholders, local governments, local communities, non-profit organizations (NPOs) and non-governmental organizations (NGOs).

5. Information disclosure

We will strive to disclose and disseminate the content and results of these activities to customers and local communities.

Promoting Preservation Activities

Ecosystem Surveys at Business Sites in Japan

Production of vehicles requires large-scale plants. MITSUBISHI MOTORS believes that assessing the impact that the use of land in company business has on local biosystems is important to our biodiversity protection initiatives. Based on this concept, we conducted ecosystem surveys at our domestic business sites with largescale land, such as our factories with support from consultancies related to biodiversity. Ascertaining biosystems not only in domestic business sites but also in the surrounding environment by means of field surveys and documentary research leads to maintenance measures that are in harmony with local biodiversity.

Locations Where Ecosystem Surveys Were Conducted

Fiscal Year	Location
2013	Kyoto Plant-Shiga
2015	Okazaki Plant
2017	Mizushima Plant/Kyoto Plant-Shiga*
2018	Tokachi Research & Development Center
2019	Kyoto Plant-Kyoto
2021/2023	Kyoto Plant-Kyoto*

* A monitoring survey was conducted to confirm the preservation effects of the measures.

Kyoto Plant-Kyoto Cultivating Rare Plants in Cooperation with the Local Community

Based on an ecosystem survey conducted, we learned that the Kyoto Plant, which is located in urban Kyoto, serves as a refuge where certain plants and insects can survive locally, and we found that this area was an important environment in terms of preserving regional diversity. To create a habitat for dragonflies and other insects, we built a biotope in the "Plaza of Relaxation," a green space on the campus. The pond

in the square nurtures water lilies and oval-leaved pondweed, while the square nurtures species that are native to the city of Kyoto, such as the Blackberry lily, Eupatorium japonicum, and Asarum caulescens.

In March 2024, we renovated the biotope pond in the aim of further increasing biodiversity at the Kyoto Plant. The pond, which was shaped like a cube, was re-shaped to resemble the leaf of the Asarum caulescens. We also varied the depth of the water in different locations to create an environment conducive to a variety of aquatic life. An observation deck and a perimeter path were also installed to allow visitors to safely observe the area.



Renovated biotope pond



Observation deck and pond vegetation

Kyoto Plant-Shiga Preservation of Wetlands Where White Egret Flowers Bloom

We are working to protect the rare white egret flower by preserving wetlands located within the plant. Employees regularly remove invasive herbaceous plants such as broomsedge bluestem and maintain the wetland environment, which gives the white egret flower room to bloom every summer.



Employees clearing away
invasive herbaceous plants



White egret flower blooming

Forest Preservation Activities in Japan and Overseas

Since 2006, we have conducted forest preservation activities in the "Pajero Forest" (approx. 7.23 hectares) located in Hayakawa-cho, Yamanashi Prefecture, in collaboration with the town of Hayakawa and OISCA. As part of our FY2023 activities, in April new technical trainees helped maintain a forest trail, and in September, employees and their families joined them in September to extend the trail and build benches. In addition, in March 2023, we signed a "Forest Preservation Partnership Agreement" with Okazaki City, Aichi Prefecture, where the Okazaki Plant is located and as a part of the agreement, the designated city-owned forest in the Nukata area of Okazaki (approx. 50.7 hectares) was named "Okazaki Outlander Forest," and forest preservation activities have begun.

In collaboration with the Philippines Department of Environment and Natural Resources (DENR), Mitsubishi Motors Philippines Corporation (MMPC) initiated a reforestation project in March 2018, with a plan to plant a cumulative total of 100 hectares over a period of approximately five years. We completed this project in July 2023, having planted a total of 78,700 trees. That month, we planted bamboo, mangroves, and other trees on 38 hectares of land in Infanta, Quezon Province. Cultivating coastal forests in this way will also help prevent soil erosion in the surrounding area. With DENR's support, MMPC will continue to manage the forest, thereby contributing both to environmental protection and to the local community.



Trail maintenance in the Pajero
Forest



MMPC's afforestation project

Social

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Respect for Human Rights

Basic Approach, Human Rights Policy

Based on the idea that respect for human rights is the foundation of our business activities, MITSUBISHI MOTORS supports the "United Nations Global Compact (UNGC)," in which the United Nations advocates the 10 principles in the four categories of "human rights, labor, environment, and anticorruption." As a participating company, we support and respect international standards and norms such as "the International Bill of Human Rights," "the United Nations Guiding Principles on Business and Human Rights," "the ILO's Declaration on Fundamental Principles and Rights at Work," and "the Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises." 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.

We established our "Human Rights Policy" after consultation with experts and approval by the Executive Committee, with the aim of conducting our business activities in a manner that respects the human rights of our stakeholders. This policy outlines fundamental matters such as support and respect for international standards and norms regarding human rights, and matters for compliance. The policy also stipulates specific measures to prevent and reduce negative impacts on human rights, to provide remedial measures, and to provide education for officers and employees. This policy has been translated into English and made available on our website to all employees of Group companies in Japan and overseas.

In addition, laws and regulations requiring com-

panies to address human rights are being enacted in many countries, and the need to address human rights risks in the supply chain is rapidly increasing. Failure to comply with these laws and regulations in a timely and appropriate manner may not only violate laws and regulations, but may also cause damage to the Group's brand image due to loss of public trust and affect the Group's business activities, including production, development, purchasing, and sales, and may impact the Group's business performance, financial position, and cash flow.

Specifically, the automotive industry is now being required to address broader and more complex

matters, such as the move toward legislation of due diligence in the battery manufacturing process, particularly in Europe.

To appropriately respond to these demands, we are developing a due diligence policy, including a revised human rights policy.

In the MITSUBISHI MOTORS Global Code of Conduct, "Respect Human Rights and Diversity, Provide Equal Opportunity," specifies that discrimination, retaliation and harassment are not permitted in any form or to any extent, and that the diversity of suppliers, customers, executives, employees and local communities shall be respected in addition to respecting human rights.

Human Rights Policy

Our Human Rights Policy stipulates the following content, as well as items to be complied with and addressed.

- Recognition of initiatives on respect for human rights as essential factors in the fulfillment of our social responsibility
- Compliance with the Human Rights Policy by all of the executives and employees, and respect for fundamental human rights throughout our business activities
- Support and respect for international standards and norms
- Compliance with the national laws and regulations in each market where we operate
- Where conflict exists between internationally recognized human rights and national laws, seeking of ways to honor the principles of international human rights

[Compliance items]

1. Prohibition of Discrimination
2. Elimination of Unjustifiable Labor Practices
3. Freedom of Association, Labor and Management Dialogue
4. Ensuring Access to "Decent Work"
5. Community Involvement

[Initiatives]

1. Human Rights Due Diligence
 - MITSUBISHI MOTORS will identify, prevent, or mitigate negative impacts on human rights which may be caused by our business activities through the application and support of human rights due diligence processes.
2. Remediation
 - Where MITSUBISHI MOTORS identifies that it has caused or contributed to a negative impact on human rights, we will provide for or cooperate in remediation processes.
3. Ensuring Transparency and Accountability
 - MITSUBISHI MOTORS will provide appropriate education or training to all executives and employees.
 - We will ensure that our Group companies comply with this policy, and we will request that our business partners respect human rights.
 - We will disclose our initiatives on respect for human rights.

The full text of the Human Rights Policy, including annotations, can be found here

[WEB https://www.mitsubishi-motors.com/en/sustainability/society/human_rights/pdf/human_rights_policy.pdf](https://www.mitsubishi-motors.com/en/sustainability/society/human_rights/pdf/human_rights_policy.pdf)

Management Structure

MITSUBISHI MOTORS' efforts addressing respect for human rights are mainly focused on the sustainability, human resources, procurement and administration divisions, with the cooperation of external agencies. The Executive Officer in charge of sustainability, acting as the person in charge of promoting initiatives on respect for human rights, reports the status of human rights risk assessment and related measures to the Sustainability Committee,*1 which is held three times a year. Members of the Sustainability Committee share the details of these reports with their departments, promoting companywide efforts to respect human rights.

In addition, we have integrated the risk of human rights violations in value chain into the Internal Control Committee's scope of Company-wide risk management and positioned it as a priority risk with high potential impact and the urgent need for appropriate management*2.

As for the internal system for promoting an awareness of human rights, in FY2023 we conducted training by inviting external lectures for executives under the theme of "business and human rights," and the Corporate Officer in charge of human resources leads the promotion of awareness training. As one aspect of our human rights awareness education, human rights themes are incorporated into shared materials used in various training programs, and in each business site human resources department works to raise employees' human rights awareness. We also participate in events held by the Industrial Federation for Human Rights, Tokyo, and the Mitsubishi Group Human Rights Enlightenment Committee (organized by Mitsubishi Group companies), of which we are a member, and attend conferences and research meetings held by other external organizations. (In FY2023,

we spent a total of 83 days participating in training sessions.) We also use the latest information obtained through our participation in these events in our human rights awareness activities and utilize the knowledge we gain from these activities in our inhouse training programs.

*1 Please see page 9 for details on the Sustainability Committee.

*2 Please see page 104 for details on our internal control systems.

Human Rights Due Diligence

We have committed to identifying, preventing, or mitigating the negative impacts of its business activities on human rights through a system of human rights due diligence.

Based on this understanding, we conduct human rights assessments*3 as part of our human rights due diligence. In FY2021, we conducted human rights assessments at our headquarters and three domestic plants, and in FY2022, at Mitsubishi Motors (Thailand) Co., Ltd. (MMTh), our main production base in the ASEAN. During the assessments, we evaluated the human rights impact through employee involvement,

including one-on-one interviews between evaluation organization and employees with various attributes. Using an external assessment organization ensures the objectivity of assessments and keeps them consistent with international norms.

***3 Examples of assessment items: Wages (payroll records, over-time, unfair wage deductions), child labor (employment under 15), forced labor (freedom of movement and retirement), discrimination (harassment), health and safety (training and education, evacuation disaster prevention), and remedies (consultation services) are evaluated in consultation with an external evaluation organization, using ILO standards and industry initiatives as reference.**

Assessments conducted in FY2021 and FY2022 resulted in no violations that had a significant impact on the human rights of our business and employees.

In our human rights assessment activities, we are working to mitigate human rights risk through the following processes.

1. Summarize assessment results
2. Identify matters requiring improvement and the department in charge
3. Monitor implementation status
4. Report to the Sustainability Committee (improvement plans and monitoring)



Complying with the Human Rights Policy

Coinciding with Human Rights Day on December 10, to raise awareness, each year MITSUBISHI MOTORS' Executive Officer, President & CEO disseminates a message to all officers and employees regarding respect for human rights, emphasizing the importance of sincere words and actions, as well as enhancing awareness of our human rights policy and explaining the importance of our human rights initiatives.

Our policies and activities for promoting and realizing respect for human rights are described below.

Prohibiting Discrimination

We require executives and employees to respect diversity and to create equal opportunities with no allowance for unfair discrimination or harassment on bases such as race, skin color, nationality, ethnicity, family origin, sex, sexual orientation, gender identity, age, presence of disability, language or religion.

Also, we emphasize the importance of diversity in our training programs, and we encourage our employees to work together with respect for diverse values.

Eliminating Unjustifiable Labor Practices

We do not tolerate any unjustifiable labor practices such as slavery labor, child labor, forced labor, including human trafficking, and strives to eliminate such practices.

To ensure against such practices, we verify potential employees' ages to ensure statutory requirements are met when entering into labor agreements. We do not charge applicants and hired employees any fees and

costs related to recruitment. Pay slips clearly state any legal deductions; we do not make unfair deductions, but regularly pay employees their full dues. We do not retain employees' passports or other identifications or prevent them from movement. Employees are free to choose whether to enter or leave the dormitories.

Freedom of Association and Labor-Management Dialogue

We respect its employees' right to associate, and we engage in sincere dialogue with employees to resolve various types of issues. Regarding collective agreements with labor unions, we recognize employees' freedom to engage in legitimate union activity, including collective bargaining. We clearly state that employees who engage in such activities will not be subject to disadvantageous working conditions or other sanctions.

Ensuring Access to Decent (Rewarding and Humane) Work

To ensure decent work, in addition to complying with individual countries' laws and regulations, we conduct activities focused on respect for human rights, based on international norms (such as the International Bill of Human Rights and the ILO's Declaration on Fundamental Principles and Rights at Work). We have designed our personnel system to ensure that employees are compensated at a level that allows for a stable livelihood, while also providing higher rewards for employees who perform well. This system aims to improve employee motivation and enhance their abilities. To ensure that these efforts are appropriately evaluated, we hold annual labor-management

negotiations and implement reviews and revisions as necessary based on labor-management agreements.

►Data (p. 123): Wage levels

Community Involvement

In our efforts to maintain harmony with the local community, we contribute to society by utilizing each and every employee's skills and know-how as well as our technologies and products.

Consideration for Human Rights in Work and Investment

As we believe that positive relationships based on mutual understanding between employees and everyone in the community are essential to the sustainability of our business, when establishing business sites or related facilities, we give consideration to the cultural values of the country and region including customs and religions.

In-House Education and Training

In order to encourage all executives and employees to cultivate their respect for human rights, the Company is offering courses that deepen understanding toward human rights within its various training programs, including each job rank and entry-level employee training. In FY2023, we conducted a total of 680 hours of human rights training for 710 employees, including entry-level employees, mid-career employees and newly promoted managers (department general managers and section managers). In addition, the following training was conducted for executives.

Executives	Inviting outside lecturers to present on such topics as "business and human rights," an indispensable perspective for global corporate management
Newly promoted general managers	Raising awareness of social human rights issues required for workplace management, prevention of harassment, response in the event of occurrence, etc.
Newly promoted managers	Recent topics related to human rights, harassment prevention, responding to incidents when they occur, and the role of manager
Mid-career employees	Recent topics regarding human rights. The relation between our business and human rights, etc.
Entry-level employees	The significance of corporate initiatives regarding human rights. Fundamental knowledge regarding human rights, etc.

In addition to training programs tailored to each job rank and entry-level employee training, to promote awareness of sexual minorities among our employees, MITSUBISHI MOTORS has been conducting seminars at each business site since FY2018. In addition, we also conduct an internal e-learning course covering basic knowledge of LGBTQ issues.

Training Programs in FY2023	Number of Participants	Attendance Rate
Entry-level employee training	212	100%
Mid-career employee training (newly promoted)	206	100%
Newly promoted manager training	222	100%
Seminars to raise understanding of LGBTQ issues	125	—
LGBTQ e-learning course	9,381	—

Supply Chain Considerations

We conduct appropriate transactions, which includes not causing human rights violations against its business partners. We determine transaction prices and delivery dates following thorough consultation with individual suppliers.

In addition, we promote two-way communication with our business partners through management based on the Supplier CSR Guidelines.

The guidelines include provisions on respect for human rights, including the elimination of discrimination and the prohibition of child labor and forced labor, and we request that suppliers take human rights into consideration. To enhance the guidelines' effectiveness, we obtain Supplier Commitment agreements from our business partners.

In addition, based on their CSR evaluations by third-party organizations, we evaluate business partners on "labor and human rights," and we ask them to make improvements as necessary. Furthermore, we will use AI analytical tools to analyze human rights risks in our supply chain, and if any such risks are identified, we will take measures to improve them and publish them on our website.

Initiatives at Dealers

At dealers, we carry out initiatives to provide a work environment with consideration for the health and safety of employees and we prohibit acts that infringe on human rights.

Access to Remedy

In order to make timely responses in cases where a human rights related issue occurs within the company, we have established internal and external consultation offices (helplines) and the MITSUBISHI MOTORS Global Hotline, which offers assistance in multiple languages*¹ for whistle blowing and consultation for employees. The MITSUBISHI MOTORS Global Hotline has established contact points in 14 countries to handle reports from employees of the Company and its major affiliates in a total of 13 languages*².

We have also established the Customer Contact Center*³ for customers and the Business Partner Helpline*⁴ for suppliers. These hotlines receive reports and requests for consultations regarding human rights issues.

Confidentiality and user anonymity is guaranteed at all of these consultation offices. We ensure that whistleblowers and people who seek consultation are not treated unfairly or discriminately.

If it is determined that an investigation is necessary not only within the Company but also within the supplier, we will share and control information with the compliance staff of the supplier, and work with them to resolve the matter, agreeing in advance on prohibited actions, such as finding the informant or retaliating against the informant.

*1 For information on the establishment of Internal and External Consultation Offices (Helplines) and the MITSUBISHI MOTORS Global Hotline, please see page 107.

*2 The MITSUBISHI MOTORS Global Hotline is available in Japanese, English, Chinese (simplified and traditional), Korean, Tagalog, Indonesian, Thai, Vietnamese, German, Dutch, French and Spanish.

*3 For further information regarding the Customer Contact Center, please see page 86.

*4 For further information regarding the Business Partner Helpline, please see page 62.

Achieving a Sustainable Supply Chain



Progress in FY2023

Conducted supplier
CSR evaluations
by third-party organization
(Purchase amount basis)
[FY2022: 83%]

Cumulative **85%**

Conducted supplier process
audits
[FY2022: 80 cases]

101 cases/year

- Each year, we exchange opinions with suppliers and reinforce communications through fiscal year-end briefings during which we explain procurement policies.
- Supported business partners to undergo third-party evaluations to reinforce supply chain CSR

<Related pages>

P12 MITSUBISHI MOTORS' Materiality
P16, P18 Materiality

Basic Approach

MITSUBISHI MOTORS understands that our corporate activities affect many others, given that we and its major overseas production facilities have direct business relationships with approximately 800 companies, including suppliers of materials and parts, as well as companies that provide services, advertising, and logistics, and even more Tier 2 and other suppliers.

We also recognize that through collaboration throughout the supply chain, we can achieve carbon neutrality, improve quality, and contribute to local community development through local procurement.

Based on these understandings, all processes, from the procurement of raw materials to the manufacture of parts and products to the end delivery, require responsible behavior that takes such factors as the environment and human rights into account.

Specifically, we recognize of conducting various activities throughout the supply chain: efforts to mitigate global warming by reducing CO₂ emissions, quality-oriented improvement activities, eschewing the use of conflict minerals and other raw materials that cause social problems, quality and environmental management, compliance with the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade and the Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors, management of confidential information, and so on.

To achieve sustainable growth throughout the supply chain, we have formulated "Supplier CSR Guidelines" and work together with all our business partners on CSR initiatives.

As environmental countermeasure, which has become especially important in recent years, we have formulated "Green Procurement Guidelines" and are promoting initiatives throughout the supply chain. As compliance with both guidelines is a priority in our procurement activities, our executives take advantage of opportunities such as supplier briefings to request that the entire supply chain thoroughly comply with the guidelines.

In addition, we are promoting CSR activities in the supply chain while exchanging information with our alliance partner, Nissan Motor Co., Ltd.

Please see page 57 for details on Respect for Human Rights.

Management Structure

Establishment of guidelines and Getting Suppliers' Commitments on Them

To ensure compliance with our "Supplier CSR Guidelines" and "Green Procurement Guidelines," we have business partners submit "Supplier Commitment" to the "Supplier CSR Guidelines" and "Declarations of Conformity to Regulations on Substances of Concern" to the "Green Procurement Guidelines."

We ensure the effectiveness of our business partnerships by having new business partners submit these documents before commencing transactions, and by continuously confirming the status of the agreement afterwards.

Communicating with Suppliers

Providing suppliers with appropriate information and two-way communication is essential for supply chain management. At the end of every fiscal year, we hold a Suppliers Meeting to explain our procurement policies for next fiscal year. In FY2023, this meeting was held in March 2024 and attended by approximately 300 companies. Participated in the "MITSUBISHI MOTORS Council," a voluntary organization of around 180 supplier companies that facilitates small-scale meetings between the management teams of suppliers and our management team. (These small-scale meetings were held a total of nine times, involving approximately 20 companies each time.) The meetings help foster closer communication at the management level.



Target
3.9



Targets
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8.8



Targets
12.4
12.5

Establishing a Business Partner Helpline

As part of MITSUBISHI MOTORS' efforts to adhere to the METI guidelines, we have established a Business Partner Helpline for the suppliers of our procurement division.

The helpline receives opinions and comments from business partners, quickly identifies compliance issues or concerns, such as legal or regulatory infractions, unfair practices or human rights violations in our procurement activities, and promptly rectifies them, striving to achieve even fairer business transactions.

Ensuring Knowledge of the Guidelines within the Company

As part of managing our "Supplier CSR Guidelines" and "Green Procurement Guidelines," we work to ensure that the guidelines incorporate into our own company. We conduct training for all new employees involved in procurement (both entry-level employees and new mid-career employees), as well as training when employees are transferred from other divisions to the procurement division.

In addition, in FY2023, we provided education on initiatives aimed at reducing CO₂ emissions.

Supplier CSR Guidelines

Expansion of Guidelines

Through the "Supplier CSR Guidelines," we promote collaborative activities with our suppliers from the same point of view. The scope of these activities covers all suppliers and includes labor practices, environment management, and compliance.

Having reestablished these guidelines in February 2019, we have clarified CSR evaluations of business partners and the actions to be taken in the event of noncompliance. We have expanded these efforts to include our major overseas bases—Mitsubishi Motors (Thailand) Co., Ltd. (MMTh), PT Mitsubishi Motors Krama Yudha Indonesia (MMKI), Mitsubishi Motors Philippines Corp. (MMPC)—and received Supplier Commitment agreements from suppliers at our major overseas production bases.

[PDF](#) Supplier CSR Guidelines

Responsible Resource Procurement

The "conflict minerals" (tin, tantalum, tungsten and gold) and cobalt produced in the Democratic Republic

of the Congo and neighboring countries have become a source of funding for armed groups, resulting in serious violations of human rights.

To ensure that we are not complicit in human rights abuses through the procurement of these conflict minerals, we promote responsible procurement by clearly specifying in our Supplier CSR Guidelines the prohibition of child labor, forced labor, and the nonuse of conflict minerals as raw materials.

Enhancing CSR in the Supply Chain through Third-Party Evaluations

We, like our alliance partner Nissan Motor Co., Ltd., conduct third-party CSR evaluations in the four areas of the environment, labor and human rights, ethics,

Third-party evaluation items

21 Sustainability Criteria			
ENVIRONMENT	LABOR & HUMAN RIGHTS	ETHICS	SUSTAINABLE PROCUREMENT
Operations <ul style="list-style-type: none"> Energy Consumption & GHGs Water Biodiversity Local & Accidental Pollution Materials, Chemicals & Waste Products <ul style="list-style-type: none"> Product Use Product End-of-Life Customer Health & Safety Environmental Services & Advocacy 	Human Resources <ul style="list-style-type: none"> Employee Health & Safety Working Conditions Social Dialogue Career Management & Training Human Rights <ul style="list-style-type: none"> Child Labor, Forced Labor & Human Trafficking Diversity, Discrimination & Harassment External Stakeholder Human Rights 	<ul style="list-style-type: none"> Corruption Anticompetitive Practices Responsible Information Management 	<ul style="list-style-type: none"> Supplier Environmental Practices Supplier Social Practices

Source: EcoVadis

Target
3.9Targets
8.7
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and sustainable procurement, with the aim of raising the level of CSR activities at our suppliers. In FY2023, many business partners underwent third-party evaluations. MITSUBISHI MOTORS plans to continue expanding the number of business partners who undergo evaluations in FY2024, and we will focus on improving the scores of those partners who have already been evaluated (approximately 90% of all orders based on order value).

Efforts to Achieve Carbon Neutrality throughout the Supply Chain

We aim to become carbon neutral across the supply chain by 2050. To do so, it is essential that our suppliers reduce CO₂ emissions.

For FY2023, we held a briefing session in November for our business partners about initiatives in our business areas. In addition to engaging in communication with suppliers of products with high CO₂ emissions and asking them to reduce CO₂ emissions, we have also been enhancing our activities to assess the efforts, risks, and opportunities of our suppliers through the Carbon Disclosure Project (CDP)*¹ Supply Chain Program.

In FY2024 and beyond, we will continue to collaborate with our business partners to promote activities aimed at reducing CO₂ emissions throughout the supply chain.

*¹ An international environmental NGO that collects requests from institutional investors and others interested in environmental issues, and encourages major companies and organizations around the world to disclose environmental information, and evaluate

Green Procurement Guidelines

Expansion of Guidelines

In its Green Procurement Guidelines, we ask business partners to

- acquire and renew external certifications of environment management systems
- manage hazardous substances
- promote the 3Rs (reduce, reuse and recycle)
- submit LCA*² data to allow us to understand the lifecycle environmental impact
- reduce environmental impact in business activities
- reduce their environmental impact related to logistics

In addition to Japan, we have introduced the Green Procurement Guidelines at overseas production bases, adjusting the guidelines to account for actual conditions in each country and operational details at each location. These production bases are also applying the guidelines to their business partners.

PDF Green Procurement Guidelines

*² LCA stands for Life Cycle Assessment, which is a technique for calculating and evaluating the environmental impact of a product from manufacturing to disposal.

Collection of Materials and Hazardous Substance Data through IMDS

To encourage the management and reduction of hazardous substances, we promote management under the International Material Data System (IMDS). For this reason, we ask business partners to disclose data on environmentally hazardous substances for materials and parts by inputting them into IMDS in accordance with the "Green Procurement Guidelines." We also ask

them to establish a management system for environmentally hazardous substances.

Through these processes, we confirm compliance with regulations regarding hazardous substances used in parts and materials for new vehicles and mass production models.

Working with Suppliers to Improve Quality

We regularly conduct quality audits and quality self-check guidance with its suppliers as collaborative efforts to improve quality along the entire supply chain.

In FY2023, we conducted process audits for 80 suppliers at 101 plants, and indicated items were generally improved within three months. Process audits are conducted every one to three years, with the audit cycle set according to the results of the previous audit. Quality self-checks are performed by 329 business partners. Each company is working to improve the weak points found in the self-check. In addition, we are actively working to improve communication with suppliers and enhance quality by, for example, promoting improvements by disseminating the results of our self-check trend analysis to all suppliers.

We issue monthly Supplier Score Cards, which numerically represent suppliers' quality results. This approach has clarified issues for each company, making it easier to implement improvement measures quickly and accurately. In cases of particularly serious defects, we analyze the causes and examine the appropriateness of countermeasures in collaboration with business partners to prevent recurrence.



Target
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MITSUBISHI MOTORS cooperates on defect pre-
vention activities to keep defective parts from being
delivered and ensure we are able to provide custom-
ers new models with confidence.

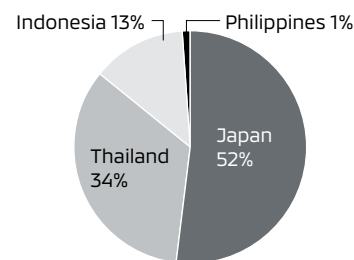
Promotion of Localization

To optimize costs at our overseas production bas-
es, our basic policy is to source from local suppliers
where possible, as long as such procurement is effec-
tive and the necessary technologies are in place.

For parts which are already locally procured, we also
promote the local procurement of the components
used within these parts, etc., to optimize costs further.

We conduct advance audits of the systems and
structures of new business partners, evaluating items
such as their development capabilities, production
capabilities, and quality management capabilities
and issuing improvement instructions if necessary.
We also provide support to local business partners
by serving as a go-between with Japanese business
partners, joint ventures with local business partners,
technical partnerships, and the like. We work to con-
tribute to local regions by creating local jobs and
improving local technical capabilities.

Country-Specific Parts Procurement Ratios by Production Base (FY2023)



Initiatives for Business Continuity Plans in the Supply Chain

A large-scale natural disaster, major outbreak of
infectious disease, or shortage of specific parts or
materials (such as semiconductors), could interrupt
the flow of parts from our suppliers. We might then
run the risk of business being suspended. To avoid or
mitigate such risks, as part of our business continuity
plans (BCPs) in the supply chain, we are taking mea-
sures to identify risks and impacts early on and to
find alternative production options for each business
partner and component.

Specifically, suppliers are asked to register Tier
2 to Tier N suppliers including overseas suppliers, in
addition to their factories, in the Supply Chain Risk
Management System so that target suppliers can be
narrowed down as soon as possible.

In addition, we have a system in place that allows
us and our business partners to share information
about the status of damage caused by disasters, the
impact of specific parts and material shortages, and
our response to production plans so that we can take
countermeasures.

Participating in Outside Initiatives

Mitigating and combating climate change requires
efforts that go beyond the scope of individual com-
panies. Entire industries and their supply chains must
work together to reduce CO₂ emissions.

As a member of the Japan Automobile Manufac-
turers Association, we participate via subcommittees
in discussions on industrywide policies and measures
in the area of procurement.

Human Resources Management

MMC WAY (Behavioral Guidelines)

MITSUBISHI MOTORS believes that “Human Resources” are the key to achieving sustainable growth and enhancing corporate value, especially amid a rapidly changing business environment.

Accordingly, we established the “MMC WAY” as a common action guideline that is shared among the organization and all employees who work here, and serves as a “Foundation” on which to proceed. As five years had passed since its formulation, and Company’s operating environment had changed during that time, so we thought it necessary to revise our action guidelines. For this reason, in FY2022, our president and top management team engaged in discussions to determine the ideal path for the Company, taking employee feedback into account. As a result, we have updated our behavioral guidelines, the “MMC WAY,” which outline the principles that the Company values.

As a company and as individuals, we will share the new “MMC WAY,” which embodies what is important in our lives, and work together as one to take on challenges as we work toward our goals.

The first two items in the new “MMC WAY” emphasize key values. They call on us to “think of our customers first” as the foundation for earning “society’s trust” and to “contribute to the advancement of society” through our corporate activities. These items incorporate the message that every employee must remember our raison d’être: satisfying customers and contributing to society through corporate activities.

With the other three items, we have expressed

important elements in the previous “MMC WAY” more specifically and clearly.

The “MMC WAY,” the behavioral guidelines that outline the principles that the Company values, is reflected in our personnel evaluation system. It introduces a multi-faceted competency evaluation based on three pillars: the “MMC WAY,” “Human Resource Development and Organizational Management,” and “Expertise.” This aims to encourage proactive employee growth.

When rolling out the MMC Way, in FY2022 we began holding on-site workshops. In FY2023, specific examples of actions for each item were discussed in order to lead to actions based on this philosophy and to improve understanding.

Results of Questionnaire Following On-Site Workshops on the MMC WAY

	Percentage of people responding “I understand the MMC WAY.”
FY2022	91.3%
FY2023	95.2%

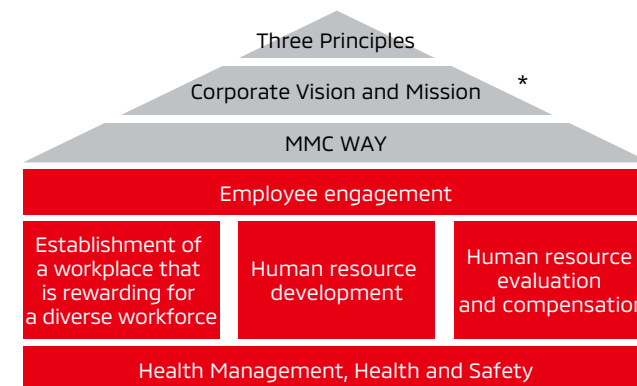
MMC WAY

1. Think of Our Customers, Strengthen Trust
2. Enrich Society
3. Welcome All Facts, Share Difficult News First
4. Conduct and Challenge Yourself Professionally
5. Respect All, Work as a Broader Team

Basic Framework

We are committed to human resource development that embodies the “MMC WAY,” our behavioral guidelines that are in place to carry out our Vision and Mission. We recognize the importance of providing an environment in which each individual can work with a sense of fulfillment, fully utilize their abilities, remain engaged, and maintain good physical and mental health and vigor, and we are promoting a variety of initiatives to this end.

Basic Framework



* For details on the Three Principles, Vision, and Mission, please refer to P8.

Establishment of a Workplace That Is Rewarding for a Diverse Workforce

To leverage diverse human resources to create value, we are creating a working environment that helps individuals maximize their capabilities. In this way, we aim to achieve increases both in work productivity and quality of life, helping to realize a better work-life balance. In parallel with the promotion of female employees, the utilization of senior human resources,

and the employment of people with disabilities, MITSUBISHI MOTORS is working to create a more comfortable workplace by promoting location-free work arrangements and a flexible work system that takes into consideration childcare and nursing care.

- Promoting diversity and inclusion, and enhancement of employee engagement: P68

Human Resource Development

At MITSUBISHI MOTORS, education structure is supported by three pillars: the "Three Principles," a statement of the Mitsubishi Group's management principles; our Corporate Vision and Mission; and the "MMC WAY," guidelines for daily behavior. We have put in place a training system that cultivates personnel in a systematic manner, from entry-level employees to general managers. We are working to enhance our educational programs in order to produce personnel who will grow through their work and become more active in the workplace. With the increase in overseas production and sales volume, we are focusing on efforts to develop human resources who can think and act from a global perspective, as well as implementing DX reskilling programs in line with the changing times. We are establishing "expertise," which refers to the specialized knowledge/skills and behavioral standards required in each organization, as one of our behavioral evaluation items. In addition, we will enhance educational measures in both on-the-job training and off-the-job training to promote the strengthening of expertise, and develop next-generation leaders.

- Stepping up Human Resource Development: P72

Human Resource Evaluation and Compensation

We have introduced multifaceted competency (behavioral) evaluation systems for general managers and section managers, as well as for general employees, based on a performance achievement evaluation using a target management system, the "MMC WAY," "Human

Resource Development and Organizational Management," and "Expertise," respectively.

We have positioned these systems as management-enhancing tools aimed at general managers and section managers with the objective of revitalizing the organization. In doing so, we aim to: (1) Share organizational objectives and foster a sense of responsibility for achieving these objectives, (2) Enhance incentives for achieving objectives, (3) Enforce mindset and behavior expected from employees, and (4) Make appointments and promotions according to merit.

For non-management personnel, our aims are (1) Sharing organizational objectives and instilling a sense of responsibility for achieving them, (2) Raising transparency and employee approval of evaluations and employee treatment, and (3) Promoting the establishment of shared values.

We introduced a remuneration system that allows for appropriate compensation based on the degree of contribution, and weight of the roles and responsibilities of each employee. We provide the system to enhance each employee's career and motivation. In conjunction with raises given annually based on individual performance, raises are also given according to advances in career.

We comply with local laws and regulations regarding wage levels and set wage levels according to job classifications, taking into consideration industry levels. There are no discrepancies in wages based on race, nationality, sex, or other such reasons.

- ▶ Data (p. 123): Wage levels

Health Management, Health and Safety

The well-being of each and every employee is a driving force for enhancing corporate value and achieving sustainable growth. We regard the preservation and enhancement of employee health as one of its important management challenges. We have set forth "The

Health Declaration" below and established a system to work together as one company at domestic locations, promoting health management. In addition, we believe ensuring the health and safety of employees is the foundation of corporate activities. Accordingly, based on a Health and Safety Management Policy we are undertaking related measures on an ongoing basis, including through offices for on-site cooperation.

- "Promoting Occupational Health and Safety": P75

Improving Employee Engagement

We have continued to conduct engagement surveys (employee awareness surveys) since FY2013. This survey aims to visualize the state of ourselves, the entire organization, and employees, and to address the challenges revealed by the results, thereby reinvigorating individuals and organizations and promoting an improvement in employee engagement.

Engagement is measured through two questions: "How happy are you working at MITSUBISHI MOTORS?" and "Do you recommend MITSUBISHI MOTORS as great place to work?" In addition, we ask a comprehensive set of questions about Company policies, management, decision-making speed, career, well-being, and more to gather employee feedback.

Based on the analysis of the survey results, we conducted feedback sessions with executives, department heads, and respective departments to promote actions for improving engagement. In particular, to improve organizational and human resource management, we held in-office workshops for heads of organizations and "Drive your team" seminars with outside experts to promote the quality of management. The survey results are also used as reference data during human resources development meetings attended by senior executives to discuss the future direction of human resources development. This helps us take action as a company to continuously enhance employee engagement.

Management Structure

MITSUBISHI MOTORS has established the Human Resources Development Council, consisting of the Executive Officer, President & CEO and other members of the management team to promote and implement human resources strategies that are linked to management strategies. Once a month, the council systematically discusses and examines issues, measures, and policies related to securing and developing human resources, which are directly related to corporate competitiveness.

We are formulating an optimal personnel plan that incorporates strengthening the expertise of each function that supports our business to develop powertrain control system for electric vehicles, expanding the scope of various elemental technologies, promoting carbon neutrality, driving digitalization, and exploring new business areas. We thoroughly analyze the internal and external environment and market trends surrounding our company, such as creating a rewarding workplace where employees can work with peace of mind and showcase their abilities, expanding opportunities for development, including education and training to encourage employee challenges and growth. Through open discussions at human resources development meetings, we review and evaluate existing measures and initiatives, as well as consider and deliberate new initiatives.

In FY2023, we started by recognizing and analyzing our current situation, including a distorted labor structure that strongly reflects our past his-

tory. We discussed a wide range of issues related to human resources to realize the objectives of the mid-term business plan, "Challenge 2025," while also conducting individual interviews with executives. We set the three pillars of our HR strategy as "build a better place to work," "enhance learning opportunities/reskilling programs," and "secure/cultivate a diverse workforce. In prioritizing issues and themes, we gave "quantity" issues particularly high priority. These include ongoing efforts to strengthen recruitment of mid-career workers and new graduates, early empowerment and retention of mid-career hires, utilization of senior human resources, and flexible operation of tenure for management positions in accordance with departmental conditions. In addition, going forward we will continue our discussions on "quality" issues, aiming to raise the level of internal human resources by enhancing human resource development.

HR Strategy under "Challenge 2025"

To support "Challenge 2025," the mid-term business plan that commenced in FY2023, it is vital to provide a workplace where our employees can work comfortably and demonstrate their capabilities. We also consider education and reskilling and securing a diverse workforce important in order to accelerate DX and new business initiatives so we can survive in an era of rapid change. To give direction to our HR strategy, we have set "build a better place to work," "enhance learning opportunities/reskilling programs," and "se-

cure/cultivate a diverse workforce" as priorities, and we are working to put measures into place.

Strategic HR Priorities
Build Better Place to Work <ul style="list-style-type: none"> ■ Adopt location-free work arrangements ■ Introduce flexible working style in consideration of childcare and family nursing care
Enhance Learning Opportunities/Reskilling Programs <ul style="list-style-type: none"> ■ Expand mutual talent exchanges between Japan and overseas and global career development programs ■ Launch digital reskilling programs to support DX ■ Embed technical expertise into HR system and processes
Secure/Cultivate Diverse Workforce <ul style="list-style-type: none"> ■ Implement flexible total rewards strategy and structure ■ Develop vibrant workplaces in which employees appreciate the differences to fulfill their potential

- Promoting diversity and inclusion, and enhancement of employee engagement: P68
- "Stepping up Human Resource Development": P72

Promoting Diversity and Inclusion, and Enhancement of Employee Engagement



Progress in FY2023

Percentage of female administrative and engineering staff*1
[FY2022: 13.1%] **13.7%**

Percentage of male employees taking childcare leave*2
[FY2022: 68.4%] **70.6%**

Percentage of employees with disabilities
[FY2022: 2.33%] **2.55%**

- Conducted a survey on attitudes toward diversity and work-life balance
- Implemented training on managers promoting male paternity leave

*1 Percentage of assistant managers

*2 The rate of people taking childcare leave and other leave for the purpose of childcare was calculated according to the Child Care and Family Care Leave Act.

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styles that are less location- and time dependent. To leverage diverse human resources to create value, we are creating a working environment that helps individuals maximize their capabilities. In this way, we aim to achieve increases both in work productivity and quality of life, helping to realize a better work-life balance.

Diversity Promotion Policy

We aim to grow sustainably while responding to the significant changes in the business and market environment resulting from diversifying customer needs and technological innovation. To this end, it is important for employees with different values and ideas to work together to create automobiles with new appeal and value. With respect for employee diversity including race, nationality, ethnicity, gender, sexual orientation, gender identity, age, presence of disability, or religion, we are making efforts to create environment where each person can energetically work without difficulty.

To promote and achieve diversity, we are pursuing Di@MoND activities by the Diversity Promotion Office based on the "Diversity Promotion Policy" we established in July 2014. By embracing diversity, our aim is to leverage employees' diverse characteristics in a manner that will contribute to the mutual growth of

the Company and each individual employee. Initially, Di@MoND activities prioritized women's participation and advancement in the workplace. Now, we are also working to provide working environments that are comfortable for all.

▶ Data (p. 122-123): Number of employees, number of employees by region, number of locally hired managerial employees at overseas subsidiaries, status of female managers, status of female executives, employee makeup, number of new graduates hired, number of mid-career employees

Building a Better Place to Work

Promoting Location-Free Work Arrangements

We introduced a telecommuting system in FY2021 with the aim of encouraging a work-life balance for each employee by enabling them to work more efficiently and flexibly. After the Japanese government reclassified COVID-19 as a Category 5 infectious disease in May 2023, we established a rule that people working in office positions should come to the office two days a week. The use of this program has continued to expand, and employee surveys have shown that working both at home and in the office allows

Basic Approach

Work-Life Balance

ITSUBISHI MOTORS believes in the importance of realizing an environment where each and every person can perform meaningful work and demonstrate his or her abilities, and where people can work enthusiastically and in good health, both physically and mentally.

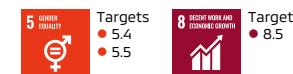
The COVID-19 pandemic has prompted us to challenge the conventional approach toward "going to the office" to work, instead encouraging more flexible work

Diversity Promotion Policy

We aim to respond to change and heighten organizational capabilities by incorporating diverse viewpoints and approaches through the different abilities and characteristics of each employee. In this way, we will create vehicles offering new levels of attractiveness and value. We are promoting Di@MoND (Diversity @MITSUBISHI MOTORS New Drive) activities to create an environment where employees can maximize their individual abilities and play an active role.



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them to take advantage of the characteristics of each environment and boosts levels of engagement. MIT-SUBISHI MOTORS believes that we are getting closer to our original goals in establishing this system.

With the recent growth in competition for employees, we have been considering the introduction of location-free working arrangements. We believe this more flexible work style could provide a framework for attracting highly specialized personnel and help us promote and maintain the employment of people with disabilities. We are flexible in our administration of the telecommuting system for employees who have childcare or nursing care commitments that re-

strict their ability to be physically present in the office, helping them to maintain a good work-life balance.

Introducing Flexible Working Styles in Consideration of Childcare and Family Nursing Care

We are enhancing our work-life balance assistance programs to accommodate the diverse work styles and life events of our employees. In FY2017, we introduced the telecommuting and accompanying leave systems. In FY2018, we established the "Work-life Balance Support Concierge" within the Company, from which employees can seek advice on the programs suitable for their individual childcare and nursing care

needs. Following feedback from employees, we relaxed the criteria for child nursing leave, short-term nursing care leave and the telecommuting system. We are also utilizing the telecommuting system to create an environment that fosters more productive and highly flexible working styles.

▶ Data (p. 123-124): Number of persons taking childcare leave and retention rate of returnees, number of persons who utilize major programs to promote work-life balance

Supporting Employees to Balance Work and Childcare

We actively support employees who seek to balance work and childcare.

We have established on-site daycare centers at our facilities. Dia-Kids Okazaki was opened at the Okazaki site in April 2017, followed by Dia-Kids Tamachi at our head office building in February 2019. Since FY2023, we have also offered "childcare counseling" by staff from both centers to all employees, providing individual consultations about childcare for employees and their families online or by phone.

On the working environment development front, to further encourage male employees to take childcare leave in accordance with the enforcement of the revised Childcare and Family Care Leave Act, in FY2023 we continued with training for managers, conducted seminars for expectant fathers and mothers, and offered e-learning programs. In addition, we are promoting initiatives

List of work-life balance assistance programs

	Programs	Overview
Childcare	Pregnancy leave	Can be taken for the designated period of time applied for in advance, between becoming pregnant and the day prior to maternity leave (may be taken multiple times)
	Maternity leave	Six weeks prior to birth and eight weeks after birth
	Spousal maternity leave	When a spouse gives birth, the employee can take up to two days of leave between the day before and 14 days after the date of birth or expected date of birth.
	Childcare leave	Can be taken up to the end of April of the following fiscal year after the child's third birthday
	Leave to care for newborns	Up to four weeks of leave can be taken within eight weeks of the (expected) date of birth. Partial employment during the leave period is also possible.
	Child nursing leave	Can be taken until the end of the fiscal year of the child's 12th birthday (one child: up to 5 days; two and over: up to 10 days; first five days are paid in both cases)
	Reduced working hours for childcare	Four-, five-, six-, or seven-hour work shifts can be chosen until the end of the fiscal year of the child's 12th birthday (combined use with the flextime system is also available)
Nursing care	Nursing care leave	Aggregate total of three years can be taken per person receiving nursing care
	Short-term nursing care leave	If one person receiving nursing care: up to 5 days; if two or more people receiving nursing care: up to 10 days (first five days are paid in both cases)
	Reduced working hours for nursing care	Available until the reason for the nursing care no longer exists. Employees can elect to work, four-, five-, six-, or seven-hours per day, and are also eligible for flextime work.
Miscellaneous	Life plan leave	Employees can take up to 10 days leave per year for various predefined purposes such as receiving treatment for non-work-related injury/illness, caring for family, childcare, infertility treatment, participating in volunteer activities, and language studies
	Accumulation of unused paid leave	Employees can accumulate unused annual paid leave up to four days per year to a maximum of 40 days which can be used for predefined purposes. (E.g., receiving treatment for non-work-related injury/illness, caring for family, childcare, participating in volunteer activities, and infertility treatment)
	Flextime system	System that lets employees set their own working hours with no core time under predefined conditions on prescribed work days
	Telecommuting system	System that allows employees to work from a location other than their own or family home, as long as certain conditions are met, and to pay an allowance
	Reemployment system	Eligible for employees who resigned due to pregnancy, the birth of a child, childcare, nursing care, marriage, moving due to spouse work transfer, or other reasons recognized by the Company, with an applicable period within five years after resignation
	Accompanying leave	Temporary leave system for employees to accompany spouses who have been transferred in Japan or overseas or are studying abroad, with an applicable period of from one month to five years



Dia-Kids Tamachi, a nursery school for employees (within the head office building)



Dia-Kids Okazaki (within the Okazaki site)



aimed at bringing the rate of male employees taking childcare leave close to that of female employees.

Supporting Employees to Balance Work and Nursing Care

As society ages, we believe it is important to help employees balance work and nursing care.

MITSUBISHI MOTORS has established a contact point that employees can use to contact nursing care specialists by e-mail or telephone as needed, and we continues to offer nursing care on-demand video seminars where employees can learn basic knowledge about balancing work and nursing care from outside lecturers.

In addition, in FY2023 we launched a new initiative, "short videos on nursing care," which cover key points of nursing care and can be viewed when convenient.

Creating an Environment That Welcomes Non-Japanese Employees

As part of the support offered to our workforce of non- Japanese employees, which is increasing year by year, we have established prayer rooms at our head

office and Okazaki sites that are available to people of all religions and denominations. These rooms are open to customers, suppliers and other stakeholders who visit our sites. A facility for cleansing parts of the body before worship has also been set up in the prayer room at the Okazaki site.

► Data (p. 122): Number of employees by region, number of locally hired managerial employees at overseas subsidiaries

Promote LGBTQ Awareness

Our human rights policy* defines "respect for human rights of our stakeholders" and states that we will not tolerate unfair discrimination or harassment based on such factors as gender, sexual orientation or gender identity, and will respect diversity. Furthermore, the MITSUBISHI MOTORS Global Code of Conduct, which all employees and executives are bound to comply with, clearly states: "Respect Human Rights and Diversity, Provide Equal Opportunity."

Based on these ideas and policies, we are striving to improve the workplace environment and internal systems in order to create a comfortable working environment where LGBTQ people can play an active role in the Company. In our employee system, the definition of marriage includes same-sex relationships, and employees in such relationships can take marriage and child-

care leave and use Company housing. Since FY2018, we have held seminars to help provide basic knowledge to aid in accurately understanding LGBTQ issues and increasing supporters known as "Allies." Approximately 125 people attended the seminar in FY2023. Some 9,381 employees took part in e-learning. Upon request, employees who have taken the course can receive "ally stickers" to make the promotion more visible.

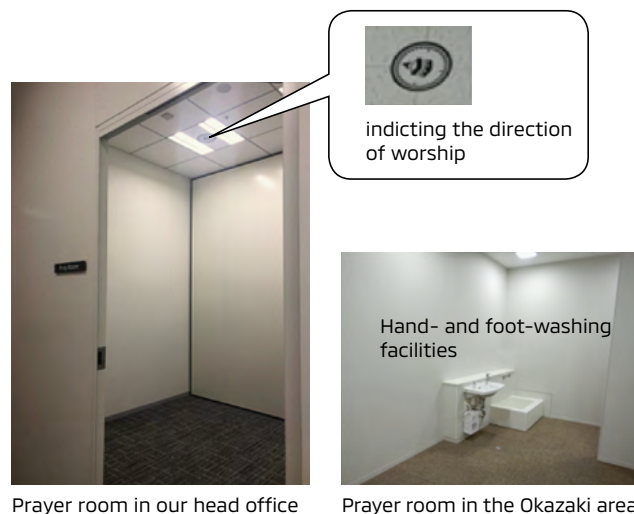
* See our website for details of our human rights policy.

(WEB) https://www.mitsubishi-motors.com/en/sustainability/society/human_rights/pdf/human_rights_policy.pdf

Participating in Initiatives Outside the Company

We have pledged our support to the Business for Marriage Equality campaign, which invites companies to join us in calling for equality in marriage.

Business for Marriage Equality is a campaign spearheaded by three Japanese non-profit organizations in an effort to visualize companies that support the legalization of same-sex marriage. We actively strive to fulfill its social responsibility and contribute to the achievement of the United Nations Sustainable Development Goals (SDGs). By endorsing this campaign, we aim to further contribute to SDGs goals 5 (Gender Equality) and 10 (Reduced Inequalities).



Prayer room in our head office

Prayer room in the Okazaki area

TOPICS

Awarded PRIDE Index Gold Rating

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 since FY2018. We will continue to create workplace environments that are friendly for all employees.

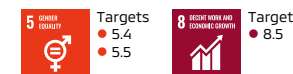


Securing/Cultivating a Diverse Workforce

Implementing a Flexible Total Rewards Strategy and Structure

To secure a diverse and broad range of human resources, we have introduced a role grading system as part of our management grade/compensation system.

The role grading system clarifies the link between roles and compensation, allowing employees to receive appropriate compensation according to their roles, making it possible to treat employees according



to the roles they are truly required to play, regardless of seniority. This arrangement makes it easier to secure, both internally and externally, the human resources needed for the Company's sustainable growth, in an environment where customer needs are diversifying and the market and business environment are changing markedly due to technological innovation and other factors.

Going forward, MITSUBISHI MOTORS plans to further invigorate the operation of the role grading that we have introduced, so that we can respond flexibly to changes in the surrounding environment.

Developing Vibrant Workplaces in Which Employees Appreciate Their Differences to Fulfill Their Potential

To promote the creation of an environment in which diverse human resources can play an active role, we are considering and implementing new initiatives to complement our existing activities.

In employing people with disabilities, in addition to promoting employment at special-purpose subsidiaries, the human resources and other internal departments are working together to encourage the employment and retention of people with disabilities at MITSUBISHI MOTORS itself, in order to promote inclusion in more workplaces. In addition, will review the nature of employment and working conditions, including the employment period, so that senior human resources can be more active than ever before. In the production division, we will work to create less-demanding jobs for senior personnel, while upgrading facilities to provide a comfortable working environment. In addition, we are plan to update and introduce IT tools in office divisions.

Promoting Women's Participation and Advancement in the Workplace

We promote "women's participation and advancement in the workplace" as a priority issue. Since 2014, we have been selecting female managers and manager can-

didates to join the Working Women's Empowerment Forum, led by the Japan Institute for Women's Empowerment & Diversity Management. From 2017, we have also been sending manager candidates to seminars hosted by the Aichi Gender Equality Foundation.

Based on the Act on the Promotion of Women's Active Engagement in Professional Life, in April 2024 we formulated an action plan to promote women's advancement. We are working to close the gaps in the female manager ratio and the ratio of women to indirect employees by March 2029.

Action Plan to Promote Women's Advancement [PDF](#) [5MB]
(only in Japanese)

► Data (p. 122): Status of Women Promoted to Management and Executive Positions

TOPICS

Inclusion in the "Morningstar Japan ex-REIT Gender Diversity Tilt Index"

MITSUBISHI MOTORS has been selected as one of the constituent stocks in the "Morningstar Japan ex-REIT Gender Diversity Tilt Index," which was designed by Morningstar for environmental, social, and governance (ESG) investing.

We rated in "Group 1," the highest rating on a five-tier scale, in an index that focuses on companies with a well-established gender diversity policy that is ingrained in their corporate culture and that promise equal opportunities for employees regardless of gender.

Promoting Employment of People with Disabilities

Aiming to achieve a workplace where everyone can work, we actively hire people with disabilities in a wide range of occupations. In FY2023, the percentage of employees with disabilities at MITSUBISHI MOTORS (Non-consolidated) was 2.55%, which exceeds the statutory level. We will continue to promote additional employment while improving the work environment.

On a non-consolidated basis, MITSUBISHI MOTORS employ 190 people with disabilities, including

physical, mental and intellectual abilities. We have installed multi-purpose toilets that are accessible for ostomates and wheelchair users, and are working to create a workplace that takes into consideration employees with disabilities.

We also promote the employment of people with disabilities through MITSUBISHI MOTORS WING (In January 2024, this subsidiary changed its name.), a special-purpose subsidiary established as MMC WING in April 2007. This company employs a total of 70 workers with intellectual, physical, and mental developmental disabilities at the Okazaki and Mizushima plants, as well as the Kyoto Plant, as of October 2023. Now in its 17th year since establishment, MITSUBISHI MOTORS WING has received many inquiries about employment from "Hello Work" Public Employment Security Offices, the prefectural employment and support center for disabled persons, and special needs schools, and has established a high profile in the region. To help support the employment of people with disabilities, we proactively accept requests from employment support facilities and special needs schools to try on-site training, teaching people with disabilities opportunities about group activities and work processes.

Also, as the presence of supportive instructors is essential for promoting and providing stable employment for people with disabilities, in FY2021 we started to offer an internship program for university students preparing for employment to help them understand the work of instructors as an opportunity to come into contact with a diverse range of people and occupations.

► Data (p. 124): Employment of people with disabilities

Increasing Employment of Senior Workers

With the goal of handing down skills and technologies and securing a talented workforce that makes the most of its knowledge and experience, we operate a program to continue employing senior workers after their retirement. As of March 2024, there were 848 reemployed workers, engaged in handing down techniques and training the next generation.

Strengthening Human Resource Development



Progress in FY2023

Total training hours per year* **128,254 hours**
[FY2022: 117,845 hours]

Yearly training time per employee* **1.16 days**
[FY2022: 1.08 days]

Yearly training cost per employee* **¥ 8,877**
[FY2022: ¥9,414]

- Introduced a new learning platform to personalize employee training, centrally manage attendance history and trends, and provide employees with opportunities for autonomous career development.
- Implemented follow-up measures aimed at making mid-career hires more effective immediately
- Rolled out a DX reskilling program throughout the Company

* Training led by the Human Resources Division (excluding division-specific training)

<Related pages>

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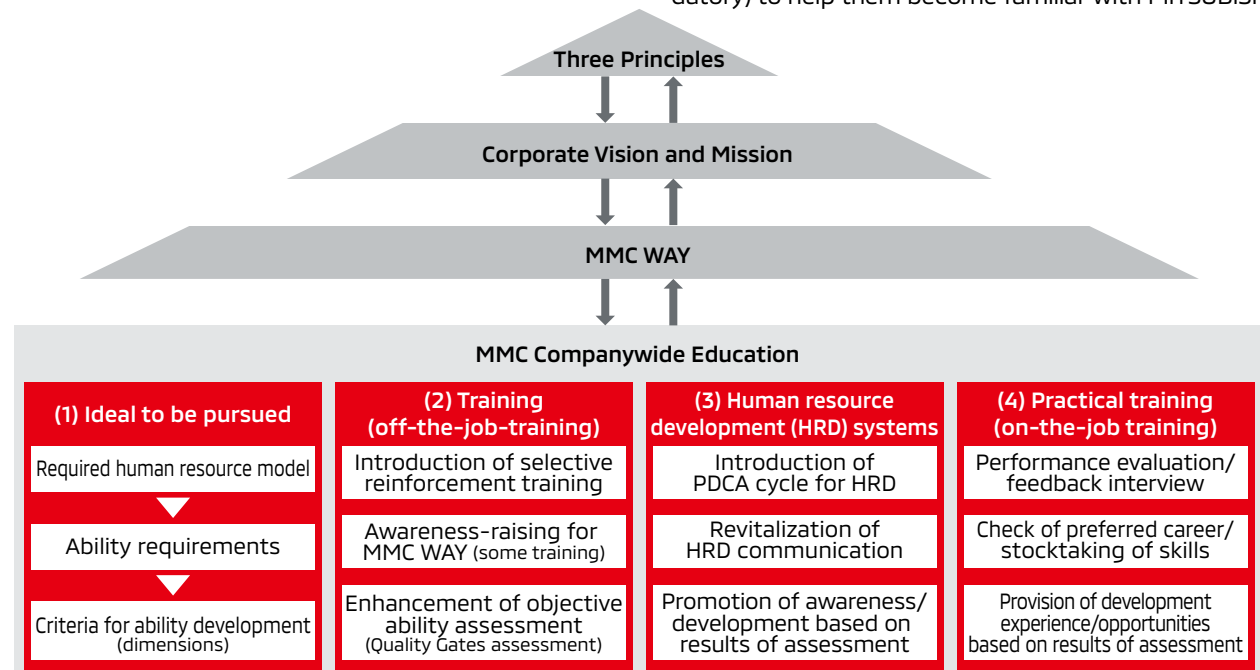
P122 Human Resources-Related Data

Basic Approach and Policy

MITSUBISHI MOTORS' educational three pillars are the "Three Principles," a statement of the Mitsubishi Group's management principles; our Corporate Vision and Mission; and the "MMC WAY," guidelines for daily behavior. We have clarified the abilities and skills necessary to put these principles or behavior into practice. We also specified the ideal model for each job classification and introduced respective curricula based on both.

We also provide opportunities for employees to discuss their personal vision for the future during annual interviews with their superiors. Doing so can help employees gain a better understanding of their future career, leading to their next stage of growth.

The Pillars of Education



Based on the education pillars, sections in charge of education with the Human Resources Division have put in place a training program for the systematic development of human resources, from entry-level employees to general managers.

We are striving to enhance our educational programs in order to produce people who will grow through their work and become more active in the workplace.

We plan and implement a variety of employee training programs, including not only training curriculum based on employee job classification, but also selective training for managers, training for all employees utilizing e-learning, and selective training in which employees voluntarily choose a program to attend. As the number of mid-career hires has expanded in recent years, in FY2023 we strengthened our workplace induction system (making mentoring and one-on-one training mandatory) to help them become familiar with MITSUBISHI

MOTORS and leverage their skills more quickly. We also implemented follow-up measures for mid-career hires, such as create opportunities for on-site understanding through plant and development facility tours, holding group training sessions to foster ties among employees who joined the Company at the same time. Furthermore, we introduced the DX reskilling program mentioned in our mid-term business plan for all employees.

MITSUBISHI MOTORS' Education Program

Job Classification (required human resource model)	Training for each job rank				Training across all job ranks	Global		
	Training for newly promoted employees	Reinforcement training	Training for candidates for promotion	Institutional training		Mindset/ Skills	English	
General managers (M1) (innovation leader)	Training for newly Promoted M1	Selective reinforcement raining (e-Learning)		Evaluator Training	Training for mid-career employees	Selective training (GCDP*3 program, etc.)	Training for expats to be dispatched to foreign affiliates	Measures for improving TOEIC score (TOEIC score range from 300 to 695)
Section managers (M2) (management professional)	Training for newly promoted M2	Leadership training for organizational transformation Selective reinforcement training (e-Learning)	Training for M1 candidates (assessment)					
Assistant Manager (a leader of practical work)	Training for newly promoted Assistant Manager	Training for M2 candidates	Training for M2 candidates (assessment)	Training for mentors of new graduates	Engineer training	Global mindset training*2		
Main Staff (a key player in the execution of work)	Training for newly promoted Main Staff	Training for Assistant Manager candidates						
Staff (a professional in the operational work)	Entry-level employee training	Third year training*1 Second year training						
Clerical Staff (efficiently carries out operations)	Entry-level employee training	Third year training*1 Second year training				Global mindset training*2		

*1 Mid-career employees undergo fundamental business skills follow-up training corresponding to third year training.

*2 To be conducted within third year training and entry-level employee training program, respectively.

*3 GCDP: Global Career Development Program

Enhancement of Education and Reskilling Programs

Expanding Mutual Talent Exchanges between Japan and Overseas and Global Career Development Programs

In line with increases in both overseas production and sales volumes, we are placing emphasis on develop-

ing human resources who are capable of adopting a transglobal perspective and performing in the global business field. English language skills are essential when working with stakeholders outside Japan, so we offer employees training designed to systematically improve their English skills, including beginner and intermediate courses aimed at improving basic skills. We also run the Global Career Development Program (GCDP), which dispatches young employees, mainly to our mainstay ASEAN region, for one or two years (one year of work experience at a local affiliate or one year of language training plus one year of work experience at a local affiliate). In FY2022, we established a new open call for applications, allowing any employee who meets the requirements to apply.

We are also expanding this policy to our overseas affiliates to promote human resource development. In FY2023, we began dispatching employees from our affiliates to the Company for training.

Launching Digital Reskilling Programs to Support DX

The automotive industry is undergoing a once-in-a-century transformation, and the business environment is changing dramatically on a daily basis due to advances in IT/digital technology. In addition, we believe we need to build a foundation to promote digital transformation in anticipation of the shift to Generation Z, the digital natives who will become the core of the car-buying and car-using population. Against this backdrop, all Board members have discussed our vision for the next 15 years in the IT/Digital area and consider it important for all employees to be literate in IT and digital technologies in order to make the most of the power of technology and move forward into the future. For this reason, we have made "digitalization/expansion into new business areas" a key activity theme and one of the main challenges of "Challenge 2025," our mid-term business plan. In FY2023, as the first step in developing digital human resources, we conducted "IT/



digital literacy improvement training" (six hours in total) for all executives and indirect employees to foster a change-oriented mindset among all employees. In the future, we will define the image of IT/Digital human resources required for MITSUBISHI MOTORS and implement the education necessary for the development of more advanced digital human resources in stages.

Embedding Technical Expertise into HR Systems and Processes

In our FY2022 revisions to the HR system, we added the category of "expertise" as a behavioral assessment item. Our intent is to generate more results and improve the performance of each employee by evaluating the degree to which they have acquired the specialized knowledge and skills required by each organization and the degree to which they have put this expertise into practice. The system uses expertise to link recognition and motivation, practice and feedback, skill development and growth, and these are connected to salary increases and promotions in the form of evaluation results. By repeating this cycle through annual evaluations, we hope to create opportunities for career advancement and new challenges based on the growth of expertise.

When we first introduced the system in FY2022, we established Company-wide standards and conducted evaluations on a trial basis. However, we have put in place department-specific evaluation standards throughout FY2023, and we introduced the system officially in January 2024. Based on these standards, individual departments and the Company as a whole will work to enhance training measures, both on and off the job, to enhance expertise.

Cultivating Next-Generation Leaders

To cultivate the next generation of leaders, we believe in a combination of systematic training and practical

experience. We have introduced a selective program (the Leadership Development Program) for managers and above to cultivate next-generation leaders.

The program, which lasts approximately seven months, defines the desired image of a leader for each position. It supports step-by-step growth through the acquisition of knowledge and training in thinking skills necessary for future management responsibilities.

In addition, we hold an "advance review meeting for personnel assignments to key positions" as part of our talent management efforts, through which we aim to systematically develop and assign management personnel. This meeting, which is attended by the president, vice president, and executive officers, discusses succession plans for people in "key positions," which include executive officers, presidents of affiliated companies, and general managers of internal divisions. Succession plans, which form the basis for discussion, are updated annually by the head of each division, and are prepared jointly with the human resources department by listing three tiers of personnel both within and outside the division in question: candidates for succession in one to two years, candidates for succession in three to five years, and people with the potential to become candidates at some point in the future.

Each division also prepares a general manager succession plan every year, and holds a personnel meeting with the general manager and the human resources department to discuss the assignment and training of candidates for the next fiscal year.

Supporting Career Formation

Career Development

Regarding career formation, we have put in place a system which enables employees to proactively set their own goals based on their achievements, capabilities, and life plans, while elevating their capacity to achieve these goals.

As a specific career development method, employees participate in interviews with their superiors every year. The interviews are held based on their Career Development Plans in which employees describe a future career course they hope to take and their medium- to long-term career design by reflecting on their past career. The aim of this interview is to have employees build an objective picture of their challenges and then proceed along a career path they have formed for themselves with conviction and a high degree of motivation.

We have created a "second assignment system," in which employees are rotated across departments three to five years after their initial assignment. This approach aims to develop new-graduate office workers into human resources with a broad range of knowledge and insight as well as a broad network of contacts within the Company and a perspective of overall optimization through experience in multiple departments.

We are also working to develop human resources with diverse experience and a high level of expertise through intradepartmental rotations, job rotations to other departments with which they have a business relationship, and by dispatching people from the sales department to sales companies.

Supporting Lifelong Education

In accordance with the Revised Act for the Stabilization of Employment of Older Persons, which went into effect in April 2021, we are promoting the reemployment of retirees aged 60 and over to steadily pass on the skills, knowledge and experience of our skilled workers.

We are also working to support the lifelong career development of our employees. For instance, we regularly hold Good Life Seminars, a joint undertaking with the labor union geared toward employees aged 50 and over, where we give post-retirement life planning advice.

FY2023 Good Life Seminars

Number of seminars	4 in total across the company
The number of participants	83

Promoting Occupational Health and Safety



Progress in FY2023

Overall accident rate*1
[FY2022: 0.31]

0.33

Accident rate with loss of
workdays*2
[FY2022: 0.06]

0.08

New mental health patient
incidence rate*3
[FY2022: 0.76%]

0.84%

Attendance at
"safety training schools"
(of which, 3,546 attended
remote safety training schools)
[FY2022: 7,228]

3,857 people

- Operated "remote safety training schools," which enhance the ability to predict danger through visual experiences
- Assessed compliance with safety-related laws and regulations at each factory, as well as technical centers, parts centers and subsidiaries and affiliates in Japan
- Promoted an outside EAP*4, a type of "mental health program"

*1 Number of accidents with or without loss of workdays per 1 million working hours

*2 Number of accidents with loss of workdays per 1 million working hours

*3 (Total number of new mental health patients ÷ total number of workers)×12

*4 Short for Employee Assistance Program. This employee support program seeks to improve individual and workplace health by implementing organizational mental health measures, offering health consultations on individual physical or mental health issues, and addressing compliance and other issues.

<Related pages>

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P16, P18 Materiality

P65 Human Resources Management

P122 Human Resources-Related Data

Basic Approach

MITSUBISHI MOTORS believes ensuring the health and safety of employees is the foundation of corporate activities. Accordingly, based on a Health and Safety Management Policy we are undertaking related measures on an ongoing basis, including through offices for on-site cooperation.

Health and Safety Management Policy

Basic Policy

1. We will undertake companywide activities with emphasis on each process of the PDCA cycle to eliminate workplace risks and hazards with safety taking priority over all else. Within each activity, confirmation, follow-up, and improvement will be carried out successively and continuously.
2. Workplace supervisors from senior management down will implement comprehensive health and safety management measures under their own responsibility with an awareness that ensuring health and safety is the foundation of management. They will strive to create a workplace culture of discipline with consideration for others and a strict attitude of not engaging in, not allowing others to engage in, and not overlooking unsafe conduct. All workplace supervisors will also work to create a workplace culture that fosters open communication where subordinate personnel feel that they can say anything through honest dialogue at any time and to raise awareness of health and safety.
3. Each employee shall observe basic rules and conduct guidelines relating to safety to protect their own safety and endeavor to create healthy workplaces with no accidents by conducting on health and safety activities in cooperation with all MITSUBISHI MOTORS personnel with a strong commitment to complying with decisions that they have made and decisions that have been made by others.
4. Companywide efforts shall be made to create clean and comfortable work environments, prevent disease, and promote the health and physical well-being of each employee.
5. Health and safety management shall be implemented in accordance with the MITSUBISHI MOTORS Health and Safety Management System.

Management Structure

At MITSUBISHI MOTORS, the "Central Production Committee" comprises the lead officer, heads of production sites, and labor union representatives. The committee meets annually to assess the status of measures taken over the year to address such issues as occupational safety, traffic safety, natural disaster preparedness and health management and

sets quantitative targets for health and safety in the coming year, determines priority measures and takes action to achieve the targets.

Each time a workplace accident occurs, the situation is reported to the Executive Officer, President & CEO and other members of senior management, and we respond according to their instructions such as ascertaining current conditions and introducing measures to prevent recurrence.

Initiatives to Ensure Workplace Safety

MITSUBISHI MOTORS works to create safe and secure workplaces where all employees can dedicate themselves to their work with a feeling of reassurance. In particular, we strive to prevent accidents in production sites, which account for most workplace accidents. In order to prevent these, we make an all-employee effort to identify unsafe conditions and make improvements. Additionally, we create safe workplaces by carrying out mutual safety checks at production sites by senior officials and workplace supervisors to identify hazards. Other measures include adopting improvement proposals and requests raised by employees.

We conduct "safety training schools" at business sites to give participants experience with dangerous situations. At some business sites we have "remote safety training schools," where participants are exposed to such situations via video. In FY2023, 3,795 people attended these schools. In addition, 62 employees participated in hands-on training sessions at an outside facility to increase their sensitivity to potential hazards that could be present on a daily basis.

In addition, 17,960 employees participated in other programs, including training to become chemical substance managers and obtain other safety qualifications.

In FY2023, our overall accident rate was 0.33, which is slightly lower than the average for the Japanese automobile industry, at 0.38, but exceeds our target, of 0.28. Looking at these accidents by contributing factor, unsafe conditions was an issue in eight of the 12 instances, so mutual safety inspections were conducted in which safety staff from other offices inspected offices where accidents had occurred. Mutual inspections encourage new insights from a third-party perspective and the discovery of hazard-

ous areas, helping us to eliminate unsafe conditions.

To ensure the safety of workers at production sites, we follow risk assessment procedures based on the Industrial Health and Safety Act when installing or modifying equipment, jigs, and tools to prevent occupational accidents. Through a process covering risk discovery, analysis, and evaluation, appropriate countermeasures are implemented for the identified risks.

As for assessing our compliance with safety-related laws and regulations, we use checklists to conduct self-checks of each workplace and to conduct reciprocal checks on other workplaces to ensure thorough compliance. We are increasing the thoroughness of our compliance. In FY2020, we checked technical centers and parts centers. In FY2021, we expanded the scope to include subsidiaries and affiliates in Japan, and by the end of FY2024 we will complete physical checks at all relevant locations. At our overseas plants, compliance assessments were performed at Mitsubishi Motors (Thailand) Co., Ltd. (MMTh), PT Mitsubishi Motors Krama Yudha Indonesia (MMKI) and Mitsubishi Motors Philippines Corp. (MMPC).

►Data (p. 124): Accident rate

Promoting Health Management

The well-being of each and every employee is a driving force for enhancing corporate value and achieving sustainable growth. We regard the preservation and enhancement of employee health as one of its important management challenges. We have set forth "The Health Declaration" below and established a system to work together as one company at domestic locations, promoting health management. In March 2024, 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, for the second year in a row.



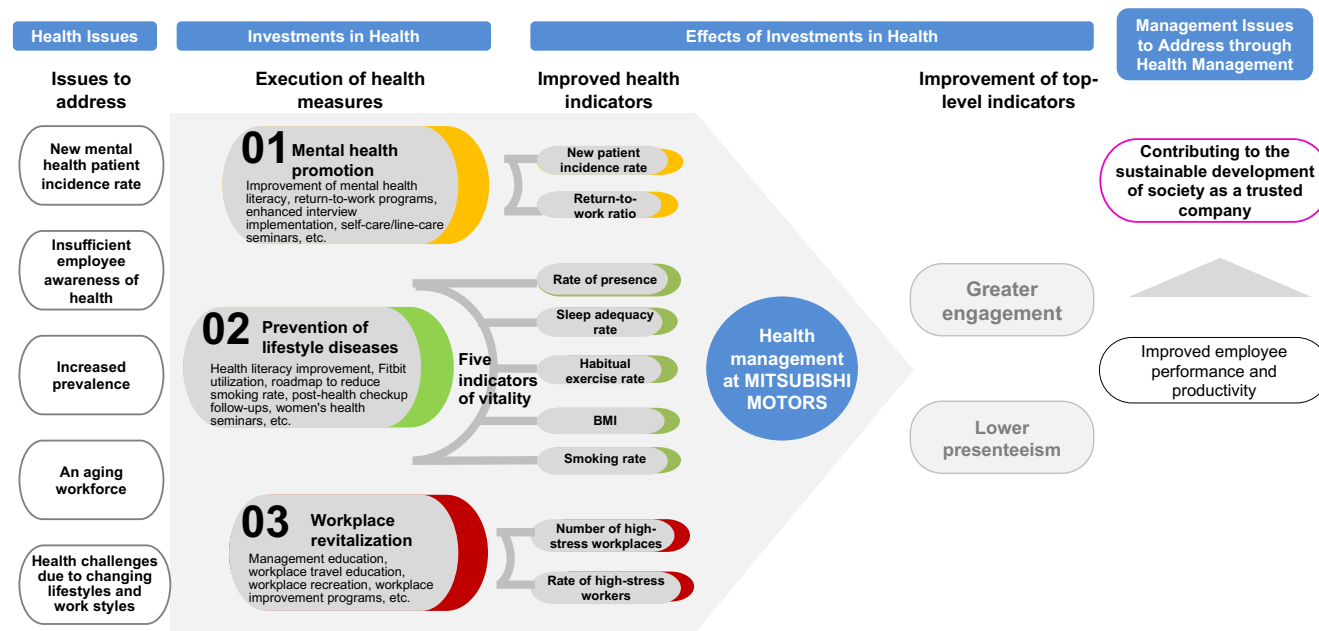
"The Health Declaration" of MITSUBISHI MOTORS

The foundation for our employees having fulfilling work and personal lives is the mental and physical health of all employees and their families as well as the creation of an environment that allows them to work enthusiastically. MMC will actively promote each employee's health.

As part of our efforts to promote health management, we have identified issues that we aim to resolve through health management, created a health management strategy map to clarify our health management strategy and story, and are implementing measures and specific initiatives to resolve various health issues.

Given that mental health issues have accounted for roughly half of all absences due to illness in recent years, we have positioned mental health measures as a company-wide priority issue and have introduced an outside Employee Assistance Program (EAP), a type of "mental health program." We also offer consultation on individual issues, provide mental health education and offer support programs to improve the workplace. Improvements to the workplace environment include training to improve communication in the workplace, such as assertive communication and resilience, as well as workplace environment improvement programs. However, in FY2023 the number of new employees

Health Management Strategy Map



absent from work due to mental illness increased 11% compared with last fiscal year, and work-related concerns continued to account for around 80% of all cases. Accordingly, in FY2024 MITSUBISHI MOTORS will continue to prioritize prevention with the aim of encouraging care of subordinates by superiors and improving workplace environments. As self-care, we have established external counseling services as a point of contact for employees to easily consult with someone about their concerns. We also conduct interviews with industrial doctors and counselors for employees who are estimated to have high levels of stress based on the results of the annual stress checks. In addition, we provide "all-hands counseling" to employees who have just joined us, who are not used to their work and do

not feel comfortable asking for advice, in an effort to prevent the onset of mental illnesses.

Labor-Management Relations

We support the basic principles of the Universal Declaration of Human Rights, the United Nations Global Compact, the Core Labor Standards of the International Labour Organization and the OECD Guidelines for Multinational Enterprises. Furthermore, by complying with national labor laws and regulations at each business location, we guarantee fundamental labor rights to employees.

Our labor agreement stipulates that the labor union has the three rights of labor (the right to organize, the right to collective bargaining, and the right to collective action).

As of April 2024, all employees except officers and managers had joined our labor union.

Status of Labor-Management Communications

The labor-management council is regularly held as an opportunity for labor management discussions. These discussions aim to share information about issues such as working conditions and the working environment, and labor and management then work together to solve these issues.

In particular, at a "central management council" that meets three times a year, we share information about the management environment, short-, medium-, and long-term company policies and directions. At this meeting, labor and management take part in spirited discussions on measures to invigorate various policies, the utilization of human resources, and other issues.

Including this meeting, in FY2023, 62 discussions were held between our headquarters and union headquarters, and many discussions were also held between offices and union branches in each business site.

For important topics such as major changes in working conditions, we organize a labor-management expert committee and make decisions after careful consideration and discussions and management. We are also working to build good relationships with labor unions at overseas affiliates in accordance with the labor laws and regulations of each country. No serious worker rights violations or labor disputes have occurred at any of our locations. In addition, to prevent inhumane working conditions involving working hours, we have repeated labor-management consultations and management of working hours to ensure against excessive working hours.

Delivering Products Which Help Prevent Traffic Accidents



Progress in FY2023

Safety Support Car S Wide
Models
[FY2022: 16 vehicle models]

18 vehicle models

Models Certified by the Ministry
of Land, Infrastructure,
Transport and Tourism (MLIT)
as Having Forward Collision
Mitigation Braking
[FY2022: 15 vehicle models]

13 vehicle models

Models Certified by the MLIT
as having Pedal Misapplication
Prevention Devices
[FY2022: 16 vehicle models]

16 vehicle models

Models adopting the Collision
Safety Technology "RISE"
(Excluding Vehicle Models
Provided by OEM)
[FY2022: 12 vehicle models]

13 vehicle models

- The new "TRITON" (launched in February 2024) and "MINICAB EV" (launched in December 2023) are certified as Safety Support Car S Wide models
- The new "TRITON" (launched in February 2024) and "MINICAB EV" (launched in December 2023) employ RISE collision safety technology.

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Basic Approach

MITSUBISHI MOTORS is aware of its responsibility towards traffic safety as an automaker, and we have identified "Delivering products which help prevent traffic accidents" as a key part of our sustainability activities.

Approximately 1.19 million people were killed in traffic accidents worldwide in 2021. Although the annual number dropped by around 5% between 2010 and 2021, many lives are still lost every year.* Reducing the number of traffic accidents and, in turn, traffic accident fatalities is an urgent matter globally. A target was adopted for Target 3.6 of the Sustainable Development Goals (SDGs) at the 74th UN General Assembly held in 2020. This target calls for halving the number of global deaths and injuries from road traffic accidents between 2021 and 2030.

We have set our safety philosophy towards a car society with zero traffic accidents. Our work on this area is expanding in two aspects: development and dissemination of safety technologies and also education of road traffic safety.

* 2023 World Health Organization

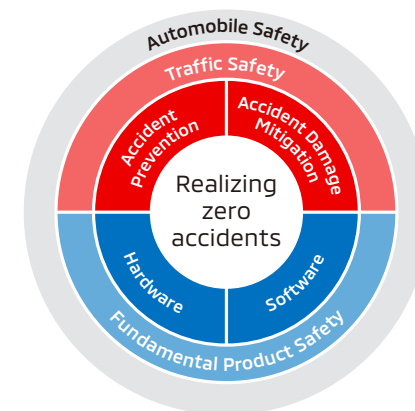
Management Structure

With regard to product development, the product safety committee has established guidelines and a strategy for safety technology development based on the MITSUBISHI MOTORS' safety philosophy. The committee also formulated an automobile safety philosophy framework as our approach to safety technology. We are conducting initiatives primarily focused on three points:

1. Technology to help prevent traffic accidents (active safety)
2. Technology to mitigate damage from traffic accidents (passive safety)
3. Mitigation of dangers, both in hardware and software, in the situation of daily use (fundamental product safety)

We are also working to enhance the management structure by educating R&D personnel, promoting awareness of the safety philosophy and automobile safety philosophy framework.

Automobile Safety Philosophy Framework





Development of Safety Technology

By reflecting a variety of safety technologies in our products, MITSUBISHI MOTORS aims to help our customers drive with peace of mind, confidence, and comfort.

Active Safety Technology

We are working to develop and install various active safety technologies to help to eliminate traffic accidents preemptively.

MITSUBISHI MOTORS Safety Sensing [MMSS]

Using millimeter-wave radar and cameras, these technologies help to detect the risk of accidents and help prevent, avoid or mitigate damage.

Examples of Active Safety Features

Function	Description
Forward Collision Mitigation System	Monitors the distance and relative speed of vehicles, pedestrians, and people riding bicycles that are detected ahead. It also monitors pedestrians at night. When the system determines that there is a risk of collision, it alerts the driver with an alarm and information screen display, and activates brake control to assist in collision avoidance or reduce collision damage.
Emergency Assist for Pedal Misapplication	Helps to detect obstacles such as walls when moving forward or backward, and vehicles and pedestrians when moving forward. If the accelerator pedal is pressed too hard due to a misstep or other operational error, the system alerts the driver with an alarm and information screen display. It also suppresses motor output and activates brake control to assist in collision avoidance or to mitigate damage due to collision.
Lane Departure Warning System and Lane Departure Prevention Function	When the vehicle is detected as about to depart from its lane, the system alerts the driver by causing the steering wheel to vibrate. The system also briefly controls the brakes to help the vehicle return to its lane.
Automatic High Beam	Helps to detect the brightness of the road ahead, oncoming vehicles, and the surrounding area. By switching between high and low beams, the system enhances visibility in the distance and reduces the chance of forgetting to switch beams or the need to operate the system manually.
Forward Collision Prediction Warning	Helps to detect relative distance and relative speed to the vehicle ahead and, when detected, alerts the driver when it is judged that there is a risk of collision.
Traffic Sign Recognition System	Helps to recognize traffic signs showing speed limits and other information and displays this information on-screen and on the head-up display.
Driver Attention Alert	When the manner in which the steering wheel is operated causes the system to detect that the driver's attention is faltering, the system sounds an alarm and displays a warning message on the information screen, suggesting "Why don't you take a break?" This helps prevent accidents caused by driving fatigue.

Note: On-board functions and detection targets vary depending on the vehicle model.

These systems are driver aids only and are not a substitute for safe and careful driving or visual confirmation. Under certain circumstances, these systems may not detect other vehicles, pedestrians, or objects correctly.

Scope of Support Cars Expanded

Safety support cars are vehicles equipped with advanced technologies that help to support safer driving. It is a new automotive safety concept, as an effort to help prevent traffic accidents among senior drivers, being promoted in Japan through collaboration between the government and private sectors. Vehicles are classified into the following categories: "Safety Support Cars" or and "Safety Support Cars S" (Basic, Basic +, and Wide) depending on the features in each vehicle. We are expanding our lineup of Safety Support Car S Wide Models.

Safety Support Car Models (As of April 2024)

Safety Support Car S Wide Models
OUTLANDER PHEV model
ECLIPSE CROSS PHEV model
ECLIPSE CROSS gasoline model
RVR
TRITON
DELICA D:5
DELICA D:5 URBAN GEAR
DELICA D:2
DELICA D:2 CUSTOM
Delica Mini
eK X EV
eK X
eK WAGON
eK SPACE
TOWN BOX
MINICAB EV
MINICAB VAN*
MINICAB TRUCK*

* Some grades are excluded.

In addition, MITSUBISHI MOTORS' forward collision mitigation braking system and pedal misapplication prevention device have been certified as achieving a certain degree of performance under the Ministry of Land, Infrastructure, Transport and Tourism's "Advanced Safety Technology Performance Evaluation Certification System."

Certified Models (As of April 2024)

(Forward Vehicles) Forward Collision Mitigation Braking System
(Pedestrians) Forward Collision Mitigation Braking System

OUTLANDER PHEV model
ECLIPSE CROSS PHEV model*¹
ECLIPSE CROSS gasoline model*¹
DELICA D:5*²
DELICA D:5 URBAN GEAR*²
eK X EV
eK X
eK WAGON
eK SPACE
Delica Mini
DELICA D:2
DELICA D:2 CUSTOM
MINICAB TRUCK*³

*¹ For some grades, forward vehicles only

*² Forward vehicles only

*³ For some grades only

Pedal Misapplication Prevention Device

OUTLANDER PHEV model
ECLIPSE CROSS PHEV model
ECLIPSE CROSS gasoline model
RVR*⁴
DELICA D:5*⁴
DELICA D:5 URBAN GEAR*⁴
eK X EV
eK X
eK WAGON
eK SPACE
Delica Mini
DELICA D:2
DELICA D:2 CUSTOM
TOWN BOX
MINICAB VAN*⁵
MINICAB TRUCK*⁵

*⁴ Forward only

*⁵ For some grades only

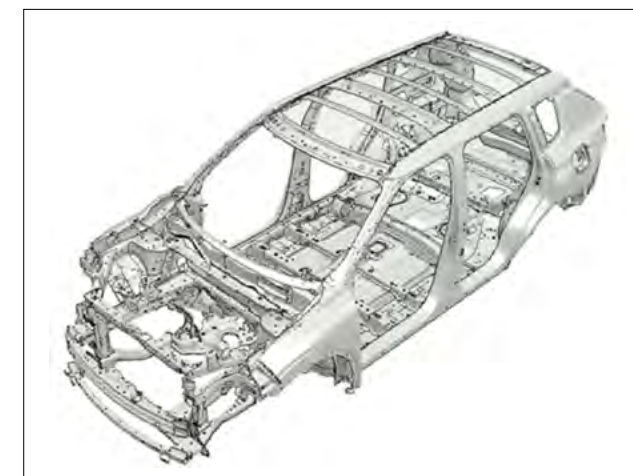
Vehicles which Pedal Misapplication Prevention Device can be retrofitted

eK WAGON (2013–2019)
eK CUSTOM (2013–2019)
eK SPACE (2014–2020)
eK SPACE CUSTOM (2014–2020)
MIRAGE (2012–2023)
DELICA D:5 (from 2007)

Body Structures

In the event of a collision, it is crucial to have a vehicle body structure that mitigates the impact on passengers and provides adequate space. We have adopted the Reinforced Impact Safety Evolution (RISE) body, and enhance collision safety performance in all directions: front, rear, and sides.

For example, the "OUTLANDER gasoline model," which launched in North America in April 2021 and the "OUTLANDER PHEV model," which also launched in Japan in December 2021, use a front-to-rear straight frame structure that can help to efficiently absorb collision energy. The vehicle cabin uses hot-stamped ultra-high-tensile-strength-steel to enhance passenger safety while reducing weight in addition to conventional high-tensile-strength-steel.



RISE Body used in the "OUTLANDER PHEV model"



MITSUBISHI MOTORS is also pursuing safety technology with regard to pedestrians, as well as drivers and passengers. For example, we have adopted energy-absorbing structures in the hood, cowl top, wind-shield wipers and other parts to mitigate injury to pedestrians' heads. Energy-absorbing structures that help to protect pedestrians' legs are used in bumper faces and headlights, and so on.

Models Adopting (As of April 2024)*1

Reinforced Impact Safety Evolution (RISE)
OUTLANDER PHEV model
ECLIPSE CROSS PHEV model
ECLIPSE CROSS gasoline model
RVR
TRITON
DELICA D:5
DELICA D:5 URBAN GEAR
Delica Mini
eK X EV
eK X
eK WAGON
eK SPACE
MINICAB EV

*1 Excluding models provided by OEM

Third-Party Evaluations of Safety Performance

Mitsubishi Motors has earned high marks for safety in automobile assessment programs conducted by Japan's JNCAP*2 and other public agencies in Japan and overseas.

Key Evaluation Results (as of April 2024)*3

Third-Party Evaluation		Rating	Model	Number of vehicles with the highest rating/number of vehicles evaluated
Japan	JNCAP*2	5☆	OUTLANDER PHEV model ECLIPSE CROSS gasoline model eK X EV	3/5
ASEAN	ASEAN NCAP*2	5☆	TRITON ECLIPSE CROSS gasoline model	2/3
Australia	ANCAP*2	5☆	OUTLANDER PHEV and gasoline models TRITON*5	2/2
United States	NCAP*2	5☆	ECLIPSE CROSS gasoline model	1/4
	IIHS*4	TSP+	–	0/6
Latin America	Latin NCAP*2	5☆	OUTLANDER PHEV and gasoline models	1/1

*2 New Car Assessment Program

*3 Excluding models provided by OEM

*4 The US Insurance Institute for Highway Safety (IIHS) conducts a comprehensive evaluation of safety performance. TSP+ (Top Safety Pick+) is the highest rating.

*5 Double-cab models are eligible.

Mitigation of Dangers in Daily Use

On the hardware (physical) side, MITSUBISHI MOTORS uses flame-retardant materials, employs isolation structures on high-voltage components and uses other technologies to enhance safety and security.

On the software side, we use firewalls on vehicle networks and employ encrypted communications to reduce the risk of cyber threats via electrical equipment mounted in vehicles.

Traffic Safety Education and Promotion

We seek to reduce the number of traffic accidents by conducting traffic safety education and promoting awareness. In these ways, we are working to raise safety awareness throughout society. We also aim to reduce the number of traffic accident fatalities and injuries through collaboration among industry, government, and academia.

See “Social Contribution Activities” on page 92 for details of these activities.

Dissemination of Traffic Safety Information

Automobile Safety Facts Guide Website

We disseminate information on website on the proper use of equipment and other topics that require drivers' special attention so that drivers will use automobiles more safely.



Automobile Safety Facts Guide

(WEB) <https://www.mitsubishi-motors.co.jp/support/safety/popup/index.html>
(only in Japanese)

Promoting Collaboration among Industry, Government, and Academia in the ASEAN Region

Thailand Road Traffic Safety Forum

We participated in presentations and panel discussions on traffic accident data analysis at the Thailand Road Traffic Safety Forum, the first meeting of which was hosted by the Thailand Accident Research Center (TARC) and held in March 2024. This forum brings together government agencies involved in road traffic safety in Thailand, such as the Ministry of Transport, the Ministry of Public Health, and the police, as well as universities, research institutes, and automakers, to discuss ways to reduce the number of traffic fatalities. By actively promoting such industry-government-academia collaboration activities, we contribute to research, analysis, and the formulation of measures to reduce the number of fatalities and injuries resulting from traffic accidents, including fatal accidents involving motorcycle riders, which are uniquely common in the ASEAN region.



Panel discussion at the 1st Thailand Road Traffic Safety Forum

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>

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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.

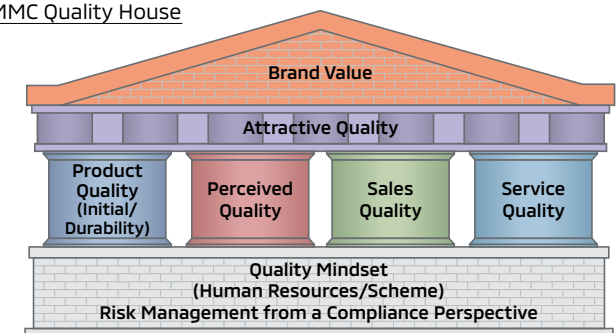
by listening closely to customers, making proposals and responding to their needs to achieve high levels of customer satisfaction.

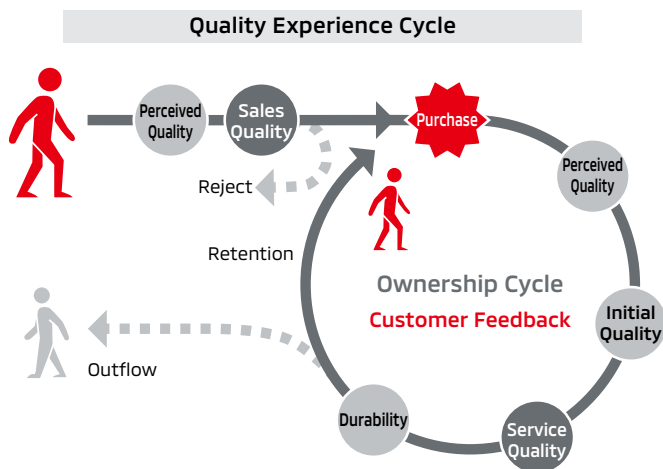
Based on our mid-term business plan, "Challenge 2025," we have also updated our mid-term quality plan, called "Quality MTP," and have started activities.

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

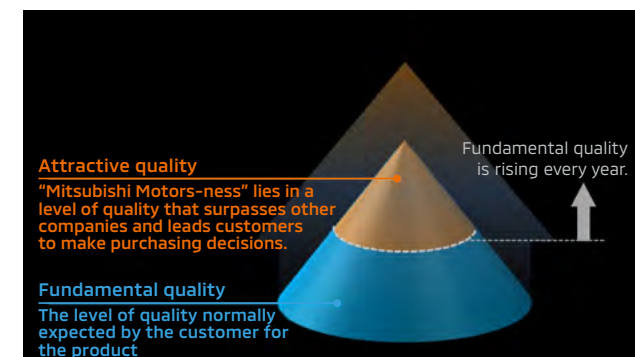
Improving Perceived Quality

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

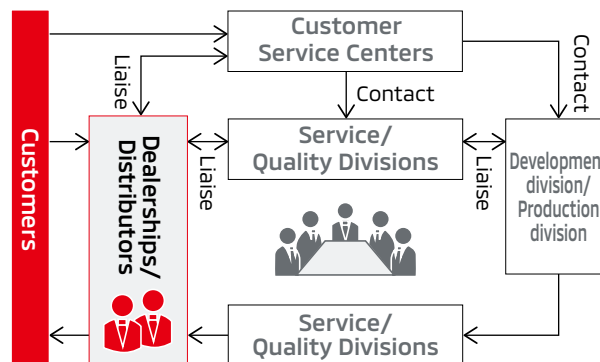
Our mission is to provide customers with a rich experience and satisfy them with their car life through attractive products and excellent after-sales services. To this end, we collect and analyze valuable customer feedback received from domestic dealers and overseas distributors and our customer service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

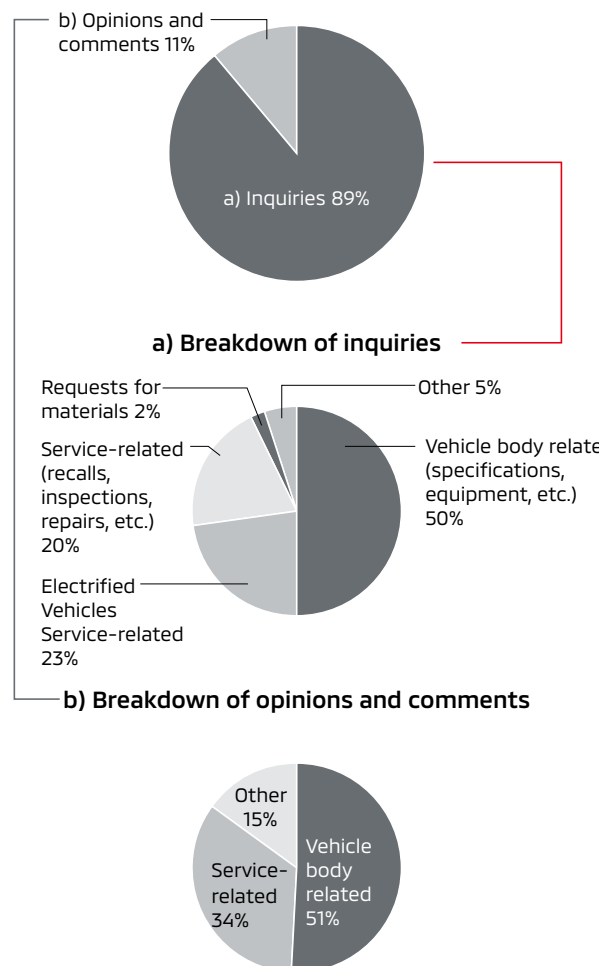
Recalls in FY2023*

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.

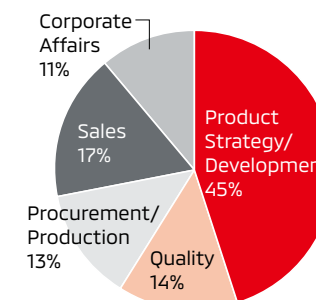
Developing Customer Orientation

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.

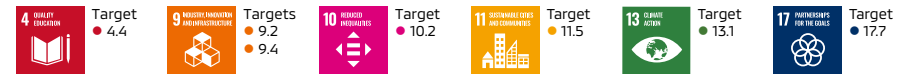
As of April, 2024, we have 63 qualification holders, ranking 11th among Japanese companies and 2nd among Japanese automakers*3. Additionally, approximately 70% of our qualification holders work in departments related to manufacturing and quality, utilizing their broad knowledge and sensitivity to manufacture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

*3 Research by Japan Industrial Association

Advisory specialist for consumers' affairs



Contribution to Local Economy through Business Activities



Progress in FY2023

Annual employment Number of local employees (including non-full-time employees) (Thailand, Indonesia, the Philippines, Vietnam) [FY2022: 11,000 people]

13 thousand people

Annual vehicle exports Of which, Thailand: 301,000 vehicles Indonesia: 115,000 vehicles [FY2022: 384,000 vehicles]

41.6 thousand units

- Employment creation in the ASEAN: Continued to create local employment at four consolidated companies in Thailand, Indonesia, the Philippines, and Vietnam
- Major human resource development and technology transfers in the ASEAN: provided scholarships to vocational training schools and technical universities, provided training vehicles, conducted education and training courses (Thailand, Indonesia, the Philippines, Vietnam)
- Major exports to the ASEAN: Continued to export vehicles from Thailand and Indonesia (exported vehicles: [Thailand]: TRITON, PAJERO SPORT, MIRAGE, Attrage [Indonesia]: XPANDER)
- Started joint study of Kei-car segment commercial electric vehicle in Thailand and Indonesia with logistics companies and state-owned postal service. Also began projects to install solar power systems at hospitals in Thailand, projects to install rooftop solar power systems at factories in Indonesia and the Philippines, and promoted other activities to help realize a carbon-neutral society.

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Basic Approach

MITSUBISHI MOTORS has been developing business in the ASEAN since prior to the rise of motorization, and we have grown up alongside these countries while developing close ties with the region based on the idea that "regional development" is "MITSUBISHI MOTORS development."

In this region, where we have undertaken business activities for many years, we are working proactively to address local social issues. To promote joint growth, we will invigorate the region, cultivate the market, understand consumers' needs and reinforce our own brand. In these ways, we believe we can simultaneously achieve regional development and our own development. "Challenge 2025," the midterm business plan, calls for the concentration of management resources on the ASEAN—a core area of business. In addition, in the aim of achieving further growth MITSUBISHI MOTORS will conduct higher and stable spending on R&D and capex, which will include increased expenditure on electrification, IT and new business as a proportion of total expenditure. One of our material issues is "contribution to local economy through business activities." Through the development of our business in the ASEAN region, we will contribute to the regional economy and aim to grow together by creating employment, investment, technology transfer, and exports, as well as cultivating human resources to support the automotive industry (supporting the growth of human resources who are responsible for the regional economy).^{*1}

In addition, by responding to social needs specific to the ASEAN, we will engage in initiatives that leverage our technologies and services in the areas of the environment and social contribution, as well.^{*2}

^{*1} Please see page 12 for details on identifying material issues

^{*2} Please see pages 89–91 for specific examples

Management Structure

Local subsidiaries take charge of planning and implementing activities in line with initiatives that target material issues in the ASEAN, such as "contribution to local economy through business activities." Our sales division, which maintains administrative and supervisory functions, is responsible for promoting these initiatives. In the four countries where our production bases are located, we check every six months with the local subsidiaries on the rate of progress and results of initiatives, reporting to the management team via the Sustainability Committee.

Employment

Our mid-term business plan, "Challenge 2025," which started in FY2023, positions the ASEAN region as a core region for our business. In Indonesia and Vietnam, we launched the new "XFORCE" SUV, an internal combustion engine vehicle. In Thailand and the Philippines, we have started production and sales of the new-model "TRITON" pickup truck. We have also been working to reflect a series of policies announced in various countries to promote the realization of a carbon-neutral society. In Thailand, we have started producing and selling the "XPANDER" series HEV model and sales of the "XPANDER" series HEV model started, and in Indonesia, we have begun production and sales of the "L100 EV (MINICAB EV)", our first electric vehicle outside of Japan. Through these business activities, in addition to generating business profits for companies, we expect to create new jobs in the ASEAN region. We employed approximately 13 thousand people in FY2023, in the four countries where we have production bases: Thailand, Indonesia, the Philippines and Vietnam. In FY2024, we will continue to create local employment in line with our business plans.



Target
● 4.4



Targets
● 9.2
● 9.4



Target
● 10.2



Target
● 11.5



Target
● 13.1



Target
● 17.7

Human Resource Development

In the ASEAN, which is working to become more industrially advanced, MITSUBISHI MOTORS helps by providing experience in automobile manufacturing, sales and service. In addition to cultivating specialized expertise and skills, we cultivate people who are involved in manufacturing and foster local economic growth.

- In Thailand, we implemented an internship program for 36 students recruited from seven industrial universities to cultivate human resources who will become local economic leaders.
- In Indonesia, we conducted training to enhance operational skills for 310 local employees according to their business level.
- In the Philippines, 16,183 local employees took education and training aimed at enhancing their operational skills and productivity, thereby enhancing their expertise.
- In Vietnam, we provided training to 564 employees with the intention of strengthening the work skills and enhancing the expertise of local employees according to their position and field.

In FY2024, we plan to continue providing training courses and OJT according to conditions in each country.

Investment

We continue to make capital investments in plants, which support local economic growth.

Our mid-term business plan, "Challenge 2025," positions the ASEAN region as our core business region. There, we plan to promote the continuous launch of new products and the production and introduction of electric vehicles suitable for each market. To this end, we plan to continue investing in R&D and making capital expenditures in the ASEAN region at a stable and higher level than in the past.

	Key Investment Projects
From FY2019 FY2023 Results	Indonesia: Expansion of facilities to increase production capacity (Increased production capacity from 160,000 vehicles in FY2019 to 220,000 units in FY2020) Thailand: Updated existing paint plant Philippines: Equipped plant to promote the export of commercial vehicles to ASEAN countries
Future Plans	Vietnam: Consider new plant

Technology Transfer

We continue to support the enhancement of manufacturing capabilities and strengthening of competitiveness through local production in various countries, with a focus on the ASEAN, our driver of growth.

In FY2023, we promoted the overseas transfer of manufacturing technologies, including electrified vehicles developed in Japan, through the preparation for production of new models such as the "TRITON"

new pickup truck; the "XFORCE," a compact SUV; the "MINICAB EV," which is our first electric vehicle to be produced overseas; and the "XPANDER HEV."

To enhance manufacturing competitiveness, we have introduced the Buddy system (sharing a common destiny), which has gained traction. This allows for the implementation of various measures to enhance competitiveness and the transfer of expertise, from the start-up of new model vehicles to mass production, making improvements and imparting expertise in such areas as quality control and logistics. In Thailand, we have brought the automation of welding and painting up to the same level as Japan, and promoted the training of robot engineers.

In addition, we are actively promoting the adoption of solar power generation in our efforts to create environmentally friendly factories. Going forward, we will promote the construction and expansion of solar panels at our plants in Thailand, Indonesia, and the Philippines, and we will continue to transfer the solar power generation and energy storage technologies and know-how cultivated in Japan to our overseas production bases.

Furthermore, to help local people acquire technological expertise, we provided scholarships and training vehicles to technical universities and vocational training schools in Thailand, Indonesia, the Philippines, and Vietnam. In addition, we have organized online seminars for teachers to help vocational school students working in the automotive industry understand the latest technologies and industry needs. Through these efforts, we promote local technology transfer by providing multifaceted support, as needed.

In FY2024, we will continue to support the advancement of the regional manufacturing industry.



Target
● 4.4



Targets
● 9.2
● 9.4



Target
● 10.2



Target
● 11.5



Target
● 13.1



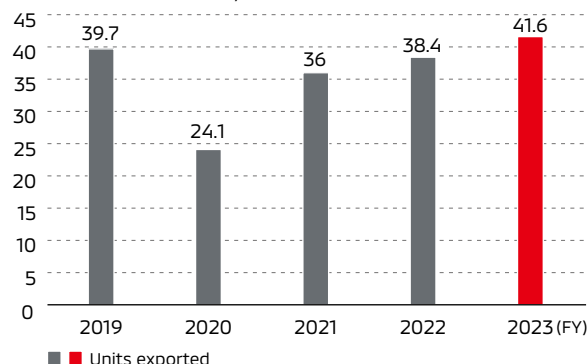
Target
● 17.7

Export

Exports generate foreign currency, which supports the continuous growth of the local economy. MIT-SUBISHI MOTORS' overseas production bases, Mitsubishi Motors (Thailand) Co., Ltd. (MMTh) and P.T. Mitsubishi Motors Krama Yudha Indonesia (MMKI), are leveraging their strategic locations to export our mainstay models, such as pickup trucks and SUVs, both throughout the ASEAN region and globally.

Units Exported from the ASEAN Region

(Tens of thousands of vehicles)



Environmental and Social Contribution

As the importance of complying with environmental regulations in the ASEAN region gains importance, we are leveraging our electric vehicle technology and expertise, as well as working with our partners in each region, to realize sustainable business in the region and to promote efforts to realize a carbon-neutral society.

Realizing a Carbon-Neutral Society through Our Products

Our Electric Vehicle (Battery EV) Strategy

- As in FY2022, in Thailand we conducted demonstration experiments using our Kei-car commercial electric vehicle, the "MINICAB EV," in collaboration with national postal services and logistics companies to lay the foundation for the spread of EVs.
- In Indonesia, In February 2024 we produced the "L100 EV (MINICAB EV)," a Kei-car segment commercial electric vehicle.

Promoting Adoption of Hybrid Electric Vehicles (HEVs)

- In Thailand, we launched an HEV model in the "XPANDER" series in February 2024.



Charging of "MINICAB EV," which are being used in a joint study in Thailand



The "L100 EV (MINICAB EV)," our Kei-car segment commercial electric vehicle that launched in Indonesia



An HEV model in the "XPANDER" series that launched in Thailand

Promoting the Spread of Renewable Energy

- In Thailand, we are promoting "Solar for Lives" activities to install solar power generation systems at local hospitals.*1
- In Indonesia, we have installed solar panels on the

roof of a paint plant at PT Mitsubishi Motors Krama Yudha Indonesia (MMKI).*2 (5.6MW, commenced operation in February 2024)

- In the Philippines, we have installed solar panels at a plant of Mitsubishi Motors Philippines Corp. (MMPC).*3 (2.8MW, began operating on a trial basis in February 2024)



Hospital with a rooftop solar power system installed as part of the "Solar for Lives" environmental project



Solar panels on the roof of MMKI's plant



Solar panels erected on the roof of MMPC's plant

*1 Launched in 2022, Solar for Lives is an activity promoted by MMTh in collaboration with partners and national institutions, including the Thai Ministry of Public Health, the Electricity Generating Authority (EGAT), and the Thailand Greenhouse Gas Management Organization (TGO). We are donating a total of THB60 million (approx. ¥220 million) to be spent on solar power generation systems to 40 community hospitals in Thailand by 2032. This activity is expected to reduce carbon dioxide (CO₂) emissions from 40 hospitals by 17,300 tons/year. Since its launch in 2022, the system has been installed at a total of eight hospitals.

*2 This is the second MMKI initiative since the program was launched in FY2022, based on the Indonesian government's policy of becoming carbon neutral by 2060.

*3 MMPC is working in accordance with the Philippine government's target of reducing greenhouse gas emissions by 75% by 2030.

Promoting Social Contribution Activities

Progress in FY2023

Disaster cooperation
agreements in place
with municipalities
[FY2022: 250]

Total of **255**

Total social contribution
expenditures
[FY2022: ¥416 million]

¥**384** million

Participants in social
contribution activities
[FY2022: Cumulative total
of 58,767]

Cumulative total of
61,475 people

Hours spent on social
contribution activities*1
[FY2022: 69,933 hours]

50,178 hours

- Promoted the DENDO Community Support Program
 - Promoted activities in the "STEP" field
 - Expanded forest preservation activities
- *1 Activities during working hours

<Related pages>

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Social Contribution Activities Report

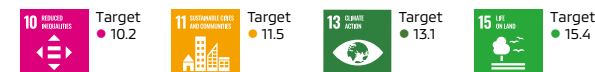
(WEB) <https://www.mitsubishi-motors.com/en/sustainability/contribution/report/>

Basic Approach and Policies

In accordance with the Social Contribution Activities Policy formulated on the basis of MITSUBISHI MOTORS' vision and mission, we will contribute to a sustainable society by promoting social contribution activities through collaboration and cooperation with local governments and affiliated companies where we operate aiming to address problems facing diversified local communities, prevent environmental issues of global scale such as climate challenge and realize a carbon-neutral society.

Social Contribution Activities Policy

To address diversifying social issues, MITSUBISHI MOTORS carries out its STEP social contribution activities, focused on four main themes, standing for the first letters of Society, Traffic safety, Environment and People. Based on this policy, we will continue to contribute to society by utilizing each and every employee's skills and know-how as well as our technologies and products, aiming to create a better society where people can hope for a better future.



Logo Mark for Social Contribution Activities

The figure shows how our circle of activity in STEP areas expands outward from the center.



(WEB) <https://www.mitsubishi-motors.com/en/sustainability/society/contribution/index.html>

Breakdown of Social Contribution Expenditures

in FY2023*2 (¥ million)

Category	Amount
Society	126
Traffic safety	5
Environment	33
People	182
Support for disaster-stricken areas, support measures to address COVID-19	36
Total expenditure	384

*2 Social contribution expenditures including donations as well as in-kind benefits and free use of company facilities converted into monetary equivalents.

Society

DENDO Community Support Program

As an activity that takes advantage of the features of MITSUBISHI MOTORS products, we have signed an agreement with local governments to cooperate in case of contingencies and provide assistance through the utilization of Mitsubishi Plug-in Hybrid Electric Vehicles (PHEV), which uses regenerative braking to convert the energy expended coming to a stop into electricity for use later, including charging the battery.*¹ With the "power of PHEVs to drive" and the "power of electricity," we will continue to support the security of the lives of local residents.

*¹ Regenerative Braking provides a minimal charge to the vehicle and is not a substitute for charging or refueling your vehicle.

Our Activities

1. Agreements for Cooperation During Disasters Between Local Governments

At the request of local governments that have experienced power outages due to disasters, MITSUBISHI MOTORS, together with its affiliated dealers, has been promoting initiatives to conclude disaster cooperation agreements with local governments nationwide so that "OUTLANDER PHEV" and other electrified vehicles that can be recharged to be provided to affected areas and evacuation centers as soon as possible.

We will continue to engage in activities in cooperation with local governments to contribute to the security of local residents through the utilization of electrified vehicles.

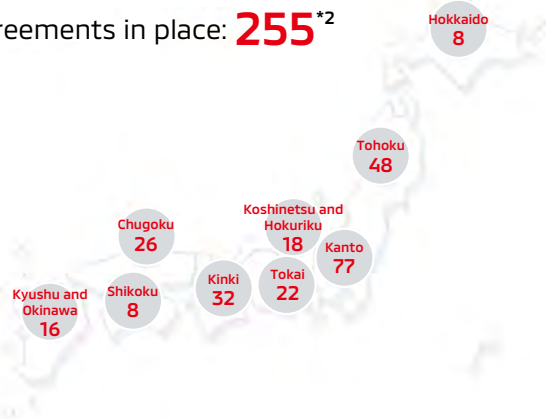


A signing ceremony in Tokyo's Setagaya Ward (November 2023)

Agreements in Place with Municipalities around Japan (As of May 31, 2024)

Municipalities with

agreements in place: **255**^{*2}



◆ Recent agreement status (only in Japanese)

(WEB) <https://www.mitsubishi-motors.co.jp/carlife/phev/dcsp/>

*² Excluding two-party agreements between affiliated dealers and municipalities

2. Cooperation with the Ministry of Land, Infrastructure, Transport and Tourism project "Connection Test from Electrified Vehicles to Medical Devices"

In preparation for long-term power outages caused by natural disasters and so on, power supply for medical equipment is required to be secured for persons requiring medical care who use ventilators and other medical equipment at home.

The Ministry of Land, Infrastructure, Transport and Tourism (MLIT) conducts connection tests to determine precautions for safely supplying power to medical equipment from motorized vehicles in case no other stable power source can be secured during a disaster. We participated in this test with our "MINICAB EV*³."

Manual for the Use of Power Transfer from Electrified Vehicles to Medical Devices in Case of Disaster (issued in March 2022)* will be revised by MLIT based on the results of the connection test, and will be pub-



Target
● 10.2



Target
● 11.5



Target
● 13.1



Target
● 15.4



The MINICAB-EV, which supplies power



Checking the supplied power

lished mainly for local government officials and users of medical devices (patients themselves and their relatives and so on).

*³ The warning statement "Never use medical equipment" in the "MINICAB EV" operation manual "100V AC power supply (1500W) (in the interior equipment section)" shall remain in place and will not be changed regardless of the results of the connection test.

3. Electrified vehicles supply power to traffic signals during disaster drills simulating a power outage.

Large-scale comprehensive disaster drills were conducted in cooperation with the public and private sectors in the Marunouchi area of Tokyo in September 2023, marking the 100th anniversary of the Great Kanto Earthquake throughout the entire city.

We participated in a "traffic light outage drill," simulating a traffic light outage due to a power outage and restoring power to the traffic lights by supplying power from an electrically powered vehicle. On the day of the drill, police officers gave hand signals to two traffic signals on Marunouchi Gyoko-dori that had lost



Connecting to an outlet inside the vehicle



Traffic signal resumes operation, using the power supplied

power, and then plugged in the OUTLANDER PHEV's in-car power outlet to start supplying power to the traffic signals to confirm that they were restored.

4. Signing Comprehensive Collaborative Agreement to Realize Carbon-Neutral Society

In November 2023, MITSUBISHI MOTORS concluded a "Collaboration Agreement for the Realization of a Carbon Neutral Society" with Kyoto City, Kyoto Prefecture. Through the agreement, both parties will leverage their knowledge and experience to jointly promote various initiatives toward the realization of a carbon neutral society by 2050. We have also concluded cooperative agreements with Kurashiki City and Okazaki City, where our production facilities are located, to realize a carbon-neutral society and initiatives are underway with their municipalities as well.

Through the Collaboration Agreement, spread of electric vehicles shall be the key to our endeavor to cooperate in building a decarbonized society.

Main collaboration items:

- (1) Realization of a carbon-neutral society in the region
- (2) Promotion of spread of electrified vehicles
- (3) Fostering understanding of the usefulness of electric vehicles for decarbonization and disaster preparedness
- (4) Agreements between the two parties that contribute to the achievement of objectives other than those listed in the preceding items.



Signing ceremony with the city of Kyoto (November 2023)



Launch of a demonstration project for autonomous street lighting in cooperation with the city of Okazaki, Aichi Prefecture (April 2023)

Traffic safety

Conducting the "Vehicle School" for Traffic Safety

We are implementing "Kuruma no Gakko," a program in which participants think about traffic safety, learn together and have fun together.

In FY2023, with the aim of helping to reduce traffic accidents caused by erroneous driving, "Support Car Test Ride" was carried out five times in collaboration with local governments, sales companies, and police stations in Okazaki City, Aichi Prefecture, Kyoto City, and Kurashiki City, Okayama Prefecture, with a total of approximately 700 participants joining the test rides, including a driving ability assessment, car simulator, checking blind spots from the driver's seat, and experiencing the Emergency Assist for Pedal Misapplication of the Safety Support Car (SUPPORT CAR).



Riding together in a safety support car

Traffic Safety Awareness Activities in Our Operation areas

In FY2023, traffic safety awareness activities were conducted for passing vehicles and pedestrians during commuting and school hours, and traffic guidance was provided for children on their way to and from school. In addition, local traffic safety awareness events held



Employees serving as safety sentries



Target
● 10.2



Target
● 11.5



Target
● 13.1



Target
● 15.4

by local traffic safety associations and police stations were attended by a total of 266 employees on four occasions in collaboration with the local community.

Traffic Safety Awareness for Children

Website for Children "Do You Know the Answer? Traffic Safety Quiz"

We post a regular feature on its "Why, Why, Car Development Research Kids" website to elementary school age children. The website includes a web-page about traffic safety using a quiz format to introduce traffic rules and manners they should follow when walking or riding a bicycle in their day-to-day activities.



"Do You Know the Answer? Traffic Safety Quiz"

(WEB) <https://www.mitsubishi-motors.com/jp/sustainability/contribution/people/kids/anzen/> (only in Japanese)

Environment

Forest Preservation Activities

In March 2023, as part of our initiatives to carbon offsetting through forest preservation, we signed a "Forest Preservation Partnership Agreement" with Okazaki City, Aichi Prefecture, where the Okazaki Plant is located. The designated city-owned forest has been named "Okazaki OUTLANDER Forest," and forest preservation activities have begun.

Forest preservation activities include environmental education, thinning, tree planting, and underbrush cutting to foster environmental awareness among employees. In FY2023, in terms of the "Pajero Forest," where MITSUBISHI MOTORS has been working with the OISCA Foundation since 2006 to preserve the forest in Hayakawa-cho, Yamanashi Prefecture, we confirmed that natural vegetation has been restored and biodiversity has increased. The employees also restored and extended the boardwalk using thinned wood and built benches to be placed in the forest for visitors to take a short rest.



Participants repairing and extending walkways using thinned wood



Group photo of participants in the tree-planting activity

Donating Seedlings as part of Our Environmental Preservation Activities in the Philippines

Asian Transmission Corp. (ATC), our automotive parts production base in the Philippines, has been engaged in greening activities toward the goal of planting a total of 25,000 seedlings over a period of five years starting in FY2018, which marked its 45th anniversary.

In FY2023, which marked the sixth year of our activities, we continued to plant trees cooperating with schools and local governments to protect a lush green environment, planting a cumulative total of 27,109 saplings.

People

Supporting the Education of Elementary, Junior and Senior High School Students

We support the education of the children who will take responsibility for the next generation through factory tours (where elementary school students can experience production sites) and a hands-on lesson program, in which employees visit elementary schools to conduct lessons. We also host career counseling studies to encourage junior and senior high school students to think about the future and broaden their horizons.

In FY2023, the activities were attended by approximately 30,400 elementary, junior and senior high school students.



Factory tour for elementary school students

Conduct Joint Industry-Academia Projects with Vocational Schools and Art Universities

From March 2023, we have participated in a corporate collaboration class hosted by Tokyo Communication Arts, a vocational college.

In April, we initiated a joint industry-university project (class) with the Department of Production Design at Tama Art University. Our designers provided guidance both online and on-site, and the students planned and proposed new lifestyle mobility with the theme of "a car to be released under the Mitsubishi brand in the future (tentative title)," imagining the image of the brand in the future.



Target
● 10.2



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● 15.4



Designers providing guidance on-site

Educational Support in Asia

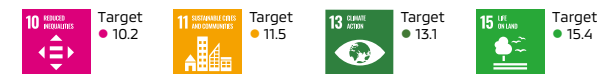
In Thailand, Indonesia, Vietnam, and Malaysia, we take part in various efforts to help children who have difficulty accessing education for economic reasons. We provide scholarships to junior high school, high school and university students; donate learning tools to orphanages; donate teaching vehicles that can help cultivate high-quality future talent for the automotive industry; and host interns.

Run Charity Marathon in Thailand and Raise Donation to a Medical Institution

In FY2023, Mitsubishi-Motors (Thailand) Company Limited (MMTh), a production and sales company in Thailand, and Mitsubishi-Motors (Thailand) Foundation (MMTF), a non-profit organization, organized the "Mitsubishi-Motors Charity Run 2023. MMTh and MMTF donated a total of 700,000 baht to Wat Yannasanwararam Hospital in Chonburi Province to support the purchase of medical equipment.



Making the donation



Holding a First Aid Workshop in Vietnam

From April to May 2023, Mitsubishi-Motors Vietnam Company Limited (MMV), a local production and sales company in Vietnam, collaborated with local dealers and Survival Skills Vietnam, a local NPO that provides first aid education. In fiscal 2023, workshops on CPR were held three times with approximately 530 participants.



Participants ensuring that the airway is clear

The recipients of donations and matching gifts are selected based on their alignment with the focus areas of MITSUBISHI MOTORS Social Contribution Activities Policy, business continuity, regular activity reports and track record. In addition, we hold debriefing sessions for our employees by the recipients of our support, and we communicate with them to link our activities with theirs.

Through this support, MITSUBISHI MOTORS and MITSUBISHI MOTORS STEP Funds aim to continue with activities that meet local needs and contribute to the development of the local community.

mainly in Hayakawa-cho, located in the prefecture of Yamanashi, where we carry out our forest conservation activities.

In addition, we have been engaging in "Employee Presenter Program" through which our employees hand out a set of forest wooden building blocks to nurseries and kindergartens of their choice (usually choice from their childhood memories) through our internal donation funds.

In FY2023, we presented blocks to 60 kindergartens and nursery schools. The blocks have been donated to 585 kindergartens since 2010.

MITSUBISHI MOTORS STEP Funds and Matching Gift Program

The MITSUBISHI MOTORS STEP Funds, introduced in April 2009, is a structure through which employees of MITSUBISHI MOTORS Group companies can continuously participate in social contribution activities by voluntarily donating fixed sums to the funds. These funds are then used for to support activities in developing countries and areas struck by the Great East Japan Earthquake, in line with the purposes of MITSUBISHI MOTORS social contribution activities. In addition, to demonstrate it values employees' motivation to contribute to society and to support more people, the Company matches donations made through the MITSUBISHI MOTORS STEP Funds.



Engaging in the "Forest Wooden Building Block Project" for Children

The concept of this project is to present nurseries and kindergartens near Company business sites with cozy wooden building blocks for enhancing the children's creativity through block play, which are made of Japanese cypress comes from forestry thinning operations



Building blocks made from thinned cypress

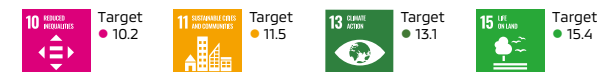
Support for Construction of Secondary School Buildings in the Philippines

With the aim of improving children's learning environment, we constructed a school building to open one secondary school in Samar, Republic of the Philippines while donating 40 chairs with tables, a projector, and other equipment through cooperation with World Vision Japan, an international NGO.



The opening ceremony

The Supported	Main Activities
■ World Vision Japan	Donations for activities in developing countries that address local issues such as water and sanitation, health, and nutrition to prevent HIV/AIDS, malaria and other infectious diseases, as well as education and school construction to create an environment where children can grow up healthy and thrive.
■ OISCA	Donation to activities to promote the greening of the earth through planting saplings by children overseas
■ Kindergarten, Nursery School, and Others in the Vicinity of Our Business sites	Donation of building blocks made of natural solid cypress wood thinned from forests in Yamanashi Prefecture and our original car-shaped cases to kindergartens and nursery schools as educational toys



Support for Disaster-Stricken Areas

In the event of natural disasters and other emergencies, MITSUBISHI MOTORS provide various forms of support, such as monetary donations, free loan of vehicles, and employee volunteer work.

Support for the 2024 Noto Peninsula Earthquake

We donated 10 million yen to support reconstruction of the affected areas of the Noto Peninsula Earthquake that occurred in January 2024.

In addition, at the request of the Niigata Prefectural Government, two OUTLANDER PHEVs and two ECRIPSE CROSS PHEVs were loaned to a community center in Kashiwazaki City to be used for recharging mobile phones in areas with power outages, along with "free quick recharge service" and "free recharge service for smartphones" at 26 new car dealerships in Niigata, Toyama, Ishikawa and Fukui prefectures.

Furthermore, at the request of Kurashiki City, one "DELICA D:5" was lent free of charge. The DELICA D:5 will be utilized for one year as a means of transportation for Kurashiki City employees who provide health care support to victims of the disaster in Suzu City, Ishikawa Prefecture.



Removing mud from under the floor

Dispatch of Volunteers to Areas Affected by Heavy Rain

In June 2023, heavy rains, attributed to the rainy season front and Typhoon No. 2, inundated a wide area in eastern Aichi Prefecture, and some areas in Okazaki City, Aichi Prefecture were submerged in water.

A total of 206 employees (for six days) from various departments of Okazaki Works were dispatched

to engage in volunteer activities such as removing household goods and clearing away soil to help restore the affected areas.

Providing a Number of Vehicles to Assist Flood Affected Areas in Australia

From May to July 2023, Mitsubishi Motors Australia Limited (MMAL), an Australian sales company, collaborated with Disaster Relief Australia (DRA), an Australian disaster relief organization, to support emergency and recovery needs in areas of the country affected by the flooding.

MMAL provided 30 vehicles, among them a "TRITON" pickup truck and a "PAJERO SPORT" sport utility vehicle, to support DRA's recovery operation, including debris removal and transportation. In May and July of the same year, seven staff members volunteered as disaster relief volunteers including the company's CEO.

Main Support in FY2023

Implementation Period	Support	Support Recipient
January 2024	<ul style="list-style-type: none"> Donated ¥10 million in relief funds Donated two vehicles, an "OUTLANDER PHEV" and an "ECLIPSE PHEV" Collaborated with the city of Kurashiki and donated a "DELICA D:5" 	Municipalities Affected
May 2023 to March 2024	<ul style="list-style-type: none"> Provided 30 vehicles, including "TRITON" and "PAJERO SPORT" models A total of seven disaster-aid volunteers participated (May and July 2023) 	Disaster Relief Australia
June 2023	<ul style="list-style-type: none"> A total of 206 employee volunteers participated in earth removal and other activities in the city of Okazaki. 	Okazaki

Please see the following website for details on our disaster relief support.

[WEB https://www.mitsubishi-motors.com/en/sustainability/contribution/society/relief/](https://www.mitsubishi-motors.com/en/sustainability/contribution/society/relief/)

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Corporate Governance

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Basic Approach and Policies

Based on MITSUBISHI MOTORS' Vision and Mission, we consider compliance to be of topmost importance and are making the ongoing reinforcement and improvement of governance a management priority, in order to meet the expectations of shareholders, customers and all other stakeholders, and to achieve sustainable growth and increase in corporate value over the medium to long term.

In addition, we have put together its basic framework for and views on corporate governance in the form of "Corporate Government Guidelines" and publish these guidelines on our website.

PDF Corporate Governance Guidelines

System of Corporate Governance

We have adopted the form of a company with a Nomination Committee, etc., as part of its efforts to enhance our corporate governance and clearly separate supervisory and execution function, and in order to achieve swift execution of business in quick response to environmental changes and to ensure the soundness and transparency of management through further strengthening of supervision and implementation of more thorough risk management.

Board of Directors and Directors

Policy for the Nomination of Candidates for Directors and Composition of Members of the Board

The Board makes decisions on important management issues and oversees the execution of business by Executive Officers.

In order for the Board to objectively and multi-dimensionally deliberate on management policies and execution of specific matters, and to appropriately supervise the execution status of operation by Executive Officers, it shall be important that the appropriate number of Directors, internal or outside, with diversity in terms of knowledge, experience, expertise and background, engage in vigorous discussions from a variety of perspectives. To this end, candidates for Directors shall be nominated.

In accordance with the above, the independence and diversity of the Board shall be ensured as follows.

In order to strengthen the supervisory function of the Board, the majority of Board members shall be Outside Directors. Furthermore, in order to fulfill their duties from an independent and objective standpoint, at least one-third of the Directors shall be Independent Directors, and consideration shall be given to their total term of office. In addition, the majority of the Nomination, Compensation, and Audit Committees, respectively, shall be Outside Directors, and in principle, the chairperson of each committee shall be an Outside Director.

Outside Directors shall be nominated based on their di-

verse knowledge, experience, and expertise, which cannot be obtained from Internal Directors alone, for example, specialists in law, accounting, finance, etc., persons with management experience at global companies above a certain size, and persons with a wealth of knowledge of world affairs or social and economic trends, etc. Importance shall be placed on their eagerness to devote the necessary time and efforts to understand the business of the Company as a group, and discuss the direction the Company as a group should take, and to express their opinions to the management without hesitation. In addition, the diversity of backgrounds such as gender, age, and internationality shall be also taken into account, as it shall be recognized that multiple perspectives contribute to business promotion and appropriate supervision and auditing.

As for Internal Directors, Executive Officer, President & CEO, and a person who can appropriately serve as a member of the Audit Committee based on his or her execution experience of operation at we shall be nominated.

Also, it shall be ensured that the Board is composed of the number of people who can openly and constructively discuss and exchange opinions.

We have formulated the following policy for nominating candidates for Directors and the composition and size of the overall Board of Directors.

As of June 20, 2024, the Board comprised 13 Members (2 female Members). 11 of the 13 Directors are Outside Directors with extensive experience and high levels of insight, and 5 of the Outside Directors are Independent Outside Directors.

We publish individual Directors' knowledge, experience and expertise (skill matrix) in our composition of members of the board (page 111) and on our website.

(WEB) https://www.mitsubishi-motors.com/en/sustainability/governance/policy_skill.html

Independence Standards and Qualification for Outside Directors

We have established independence standards for Outside Directors as follows, and we appoint as independent directors those persons who are not at risk of having a conflict of interest with general shareholders. <Independence standards and Qualification for Outside Directors>

The Outside Directors of MITSUBISHI MOTORS shall not be any of the following and shall be in a neutral position independent from our management.

1. An executive of a major shareholder* of the Company

* a major shareholder: a shareholder who owns a 10% or greater share of voting rights

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2. An executive of a major business partner*¹ of the Company, or of a company for which the Company is a major business partner, or the parent company or subsidiary of such a company
3. An executive of a major lender*² to the Company or the parent company or subsidiary of such a company
4. A person affiliated with an auditing firm that conducts statutory audits of the Company
5. A consultant, an accounting professional such as a certified public accountant, or a legal professional such as an attorney-at-law who receives a large amount*³ of monetary consideration or other property other than compensation of Members of the Board from the Company (in the event such property is received by a corporation, association or other group, then any person belonging to such group)
6. An executive of a company with which we share a Director
7. An executive of an organization that is receiving a large donation or grant*³ from the Company
8. A person to whom any of one through seven has applied during the past three years
9. A person with a close relative (second degree of kinship) to whom any of one through seven applies
10. A person whose total period in office as an Outside Director exceeds eight years
11. Other persons for whom the possibility of a relationship with the Company appears strong under substantive and comprehensive consideration of the situation

*1 a major business partner: a major client of the Company with annual transactions valued at 2% or more of our consolidated net sales in the most recent fiscal year, or a major supplier to us with annual transactions valued at 2% or more of the supplier's consolidated net sales in the most recent fiscal year

*2 a major lender: a financial institution that provides the Company with loans amounting to 2% or more of the Company's consolidated total assets at the end of the most recent fiscal year

*3 large amount: an amount of consideration received from the Company that is 10 million yen or more

Analysis and Evaluation of the Effectiveness of the Board of Directors

To improve the effectiveness of corporate governance, MITSUBISHI MOTORS annually evaluates the effectiveness of the Board by conducting a questionnaire-based survey of all its Directors. The results of this survey are reported to the Board.

In FY2023, we conducted a survey of all Directors under the following scope for the purpose of enhancement of Board's oversight capability.

<Aspects evaluated>

1. Structure and operations of the Board
2. Management and business strategy
3. Corporate ethics and risk management
4. Monitoring of the management team
5. Dialogue with shareholders
6. Committees

Below is a summary of the effectiveness of the Board in FY2023, taking into account the comments received from each Director.

- The Company's Board of Directors is generally judged to be effective.
- The importance of deepening discussions on medium- to long-term and big-picture management strategies was confirmed. The importance of further improvement by promoting the following initiatives was noted.
 - Deeper sharing and understanding of management-related information as a basis for improving the quality of discussion, supervision, and decision-making
 - Creating concrete opportunities for strategy discussions, including setting relevant agendas

Based on the above summary and recognition of issues, the Board is considering proceeding with the following actions.

- Expand opportunities for discussion of management-related information, such as management and business environment and the status of business execution in key divisions
- Further enhance opportunities for strategic discussions through the establishment of agendas such as key regional strategies, capital strategies, and human resource strategies
- Make the criteria for submission of proposals to the Board more suitable in terms of enhancing discussions as a management board on medium- to long-term, broad-based management strategies

Through these efforts, we will further improve the effectiveness of the Board and continue to strengthen corporate governance.

Committees

The Board has the following three statutory committees, which supervise Directors and Executive Officers together with the Board. Each committee is composed of a majority of Outside Directors, and the Chairpersons of each committee are Outside Directors. Through this, a system is in place in which corporate governance functions in a fair and transparent manner.

Nomination Committee

The Nomination Committee makes decisions on proposals for the appointment and dismissal of Members of the Board to be proposed to the General Meeting of Shareholders, approves proposals for the appointment and dismissal of Executive Officers proposed by the President to the Board, and discusses succession planning for MITSUBISHI MOTORS' President. The committee is composed of five Outside Directors, and an Independent Outside Director (Ms. Main Kohda) serves as the chairperson.



In FY2023, the Nomination Committee met 11 times, determining agenda item for the election of Directors to be proposed to the General Meeting of Shareholders, and deliberated on approval of the proposal for the election of Executive Officers to be proposed by the President to the Board, and on succession planning for the President, and other matters.

Compensation Committee

The Compensation Committee deliberates and determines the policy regarding determination of remuneration of Directors and Executive Officers, as well as the details of individual remuneration. The committee is composed of four Outside Directors and one Internal Director. An Outside Director (Mr. Shunichi Miyana-ga) serves as the chairperson.

The Compensation Committee met 9 times in FY2023. The Committee deliberated on the determination of the individual Compensation Plan for Directors and Executive Officers, review of the current Compensation Plan for Directors, and other matters.

Audit Committee

Among other activities, the Audit Committee audits the execution of duties by Directors and Executive Officers, supervises the status of the formulation and operation of the internal control system and prepares audit reports. Additionally, the Audit Committee conducts internal investigations on matters that the Board or the Audit Committee deems inappropriate for the executive side to conduct. The Audit Committee consists of four Outside Directors and one Internal Director, and an Independent Outside Director (Mr. Yoshihiko Nakamura) serves as the chairperson.

In FY2023, the Audit Committee met 15 times. The status of Audit Committee audits outlined on page 102.

Executive Officers

The Board makes decisions on matters that require a resolution of the Board pursuant to laws, regulations or provisions of the Articles of Incorporation, matters delegated to the Board by a resolution at a General Meeting of Shareholders, and certain material matters related to business management. Executive Officers are given the authorization to make decisions relating to the execution of business excluding any of the above matters.

Executive Officers are responsible for making decisions on business execution delegated by the Board. The President is appointed as the head of the execu-

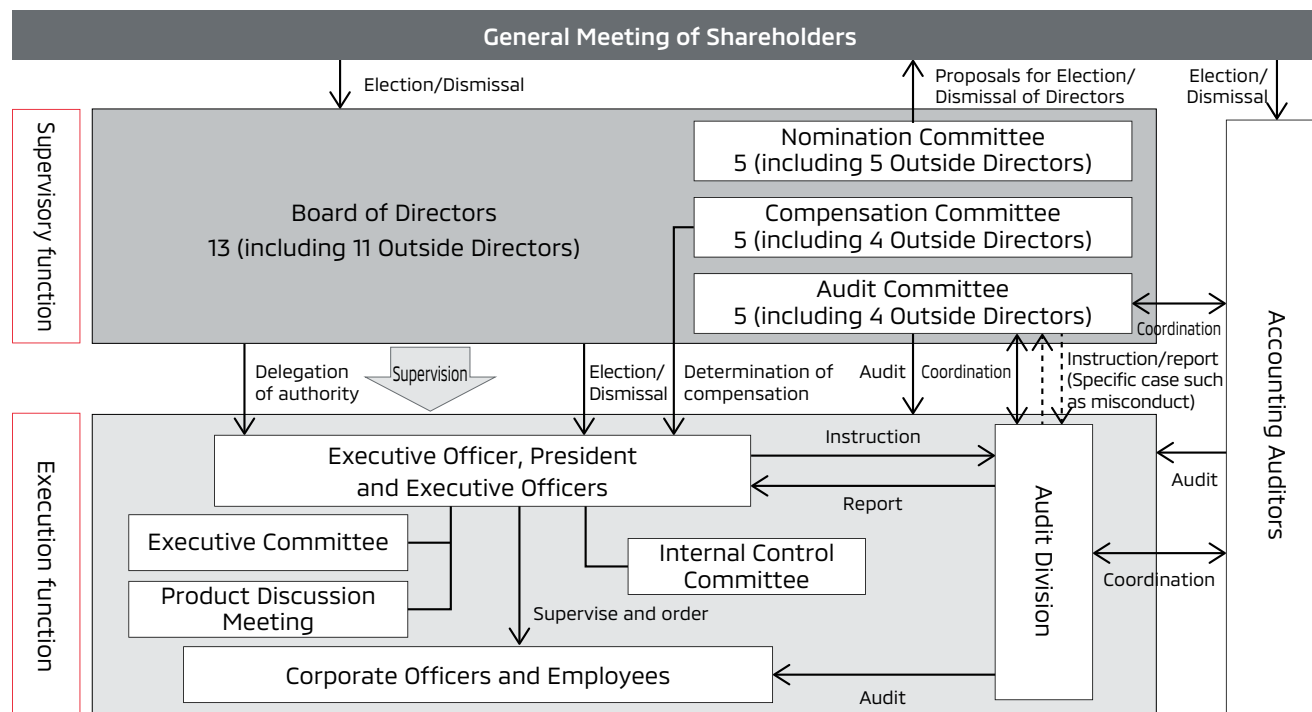
tive departments by a resolution of the Board.

As of June 20, 2024, there are 10 Executive Officers (including the President).

Outline of Decision-Making Process for Business Execution and Various Committees

When executing business, the Executive Officer, Executive Vice President is positioned as the responsible person with authority and responsibility for business execution within the scope of duties, in addition to the President who is the head of the executive department. In addition, delegation of decision-making authority is systematized based on the Delegation

Corporate Governance and Business Execution Structures (June 20, 2024)



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of Authority Rules, in which items subject to delegation and their scope are defined, and decision-making procedures for major matters are formulated to speed up business execution and improve the transparency of the decision-making process.

Important matters on management are decided after deliberation at the Executive Committee, which is composed of all Executive Officers and chaired by the President.

Important matters relating to product development projects are decided after deliberation at the Product Decision Meeting.

Additionally, matters related to internal control are decided after deliberation at the Internal Control Committee.

Each of these committees are chaired by the President and the relevant Executive Officers serve as members.

Conflicts of Interest

Transactions between MITSUBISHI MOTORS and Directors or Executive Officers that particularly compete with our business operations or conflict with our interests require prior resolution from, and after-the-fact reporting to, the Board in accordance with the rules of the Board (hereinafter referred to as the "Rules of the Board"). In addition, the Rules of the Board stipulate that Directors with a special interest in a resolution of the Board shall not participate in such resolution.

Furthermore, we conduct transactions with related parties, such as its Officers or major shareholders, based on the validation of multiple related departments and approval of the person in charge, pursuant to the Delegation of Authority Rules, after we have sufficiently considered the economic rationality to confirm there is no harm to our interests, which is the same process we go through with non-related parties.

Status of Audit Committee Audits and Internal Audits

Status of Audit Committee audits

Based on its audit policies and audit plans, the Audit Committee of us, collects information by holding its meeting once a month in principle, having meetings with internal audit divisions, and interviewing Executive Officers and Corporate Officers, and performs systematic audits. Such information includes the status of the development and maintenance of the internal control systems (including internal controls over financial reporting) at us and its major affiliated domestic and overseas companies, the progress and implementation status of compliance activities, the validation of risk assessment, and the risk management system.

In the Audit Committee during the fiscal year under review, resolutions made concerning the audit policies and audit plans; audit methods; the assignment of audit duties; reports made the status of the improvement and maintenance of the internal control systems; the appropriateness of accounting auditors' audit plans, auditing methods, and results; communications in relation to Key Audit Matters (KAM); and the status of duties executed by the Full-time Member of the Audit Committee.

In addition to the meetings above, based on its audit policies and audit plans, the Audit Committee held 6 meetings (approximately 90 minutes per meeting) with the internal audit divisions during the year, performed audits, and collected information on the operating status of internal controls through the divisions. The Audit Committee also interviewed Executive Officers and others 10 times during the year (approximately 90 minutes per interview) to confirm how

our group's major subsidiaries and affiliates in Japan and overseas as well as divisions address issues on the development and operation of the internal control system, compliance, risk management, etc.

In addition to the meetings above, full-time Members of the Audit Committee attended important meetings including meetings of Executive Committee; inspected important approval/decision documents; interviewed Executive Officers and Corporate Officers; visited and audited, or conducted hearings with our major business locations and its major subsidiaries and affiliates in Japan and overseas; provided training for and had liaison meetings with auditors of subsidiaries and affiliates in Japan; and held the tripartite audit meetings (Audit Committee, Accounting Auditors and internal audit divisions). The status of duties executed by full-time Members of the Audit Committee is reported in the meeting of the Audit Committee.

The status of activities carried out by the Audit Committee is reported to the Board twice a year. The Audit Committee also exchanges opinions with Executive Officer, President to communicate its findings every year.

Status of internal audits

We have established internal audit departments (the Internal Audit Department and the Quality Audit Department) in the Internal Audit Division (an independent organization reporting directly to Executive Officer, President & CEO) and these departments systematically conduct internal audits based on the annual audit plan.

As of the end of March 2024, the Internal Audit Division consists of 24 members with specialties, including those with a variety of managerial experience, certified internal auditors, and qualified internal auditors. The Internal Audit Department (consist-

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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

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 "CO₂ 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.

Internal Control



Target
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Target
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Basic Approach, Policies and Organization

Based on the “Basic Policy on the Establishment of Internal Control Systems”^{*} resolved at the Board of Directors, MITSUBISHI MOTORS monitors the status of operations and strives to improve and reinforce internal control systems.

We recognize the gravity of its improper conduct in fuel consumption testing, on top of past quality problems. As one of its priority measures aimed at regaining trust, in FY2017 we appointed a Global Risk Control Officer to manage compliance and operational, hazard risks and report regularly to the Board of Directors on governance improvement measures. (In FY2023, the title was changed to the Executive Officer for Internal Control Promotion/General Administration/Corporate Affairs.) Furthermore, in order to reinforce, and improve the efficiency of, its handling of internal controls based on laws and regulations, it revised its internal control system. In the revised system, the J-SOX Promotion Committee, under the direct control of the Executive Officer, Executive Vice President (CFO), handles internal control related to financial reporting in accordance with the Financial Instruments and Exchange Act. The Internal Control Committee, chaired by the Executive Officer, President & CEO and vice-chaired by the Executive Officer in charge of Global Risk Control, promotes internal control related to the Companies Act. This Internal Control Committee confirms and evaluates the contents reported and/or resolved at subcommittees in each internal control field, such as Compliance, Information Security, Business Continuity Management (BCM), and J-SOX, in accordance with the “Basic Policy on the Establishment of Internal Control Systems.”

From FY2022, we expanded the scope of risks covered to address the new risks that have emerged in recent years and are intricately intertwined with multiple risk factors (strategy, finance, operational and hazard risks) for a single event. In addition, we have established the Internal Control Promotion Of-

fice under the supervision of the Executive Officer for Internal Control Promotion/General Administration/Corporate Affairs to identify and prevent potential risks, respond to emergencies when risks materialize, and make our major risks visible.

We have been working to establish a global internal control structure by gradually establishing and operating internal control committees from FY2018 at main affiliates in Japan and overseas. In addition, we have established a system in which a designated department is responsible for the overall management of each affiliated company, and related internal departments support the responsible department according to their roles, providing various support, checks and balances, and supervision to strengthen the affiliate and promote its development. Furthermore, internal rules have been established to ensure that important information at subsidiaries is reported to MITSUBISHI MOTORS in a timely and appropriate manner, and subsidiaries operate in accordance with these rules. To ensure the appropri-

ateness of financial reporting, a specialized organization has been set up under the J-SOX Promotion Committee described above. This organization follows up on and gathers information about systems in place at MITSUBISHI MOTORS and its affiliates, the scope of evaluation, the evaluation status of companies subject to evaluation, the improvement status and other matters.

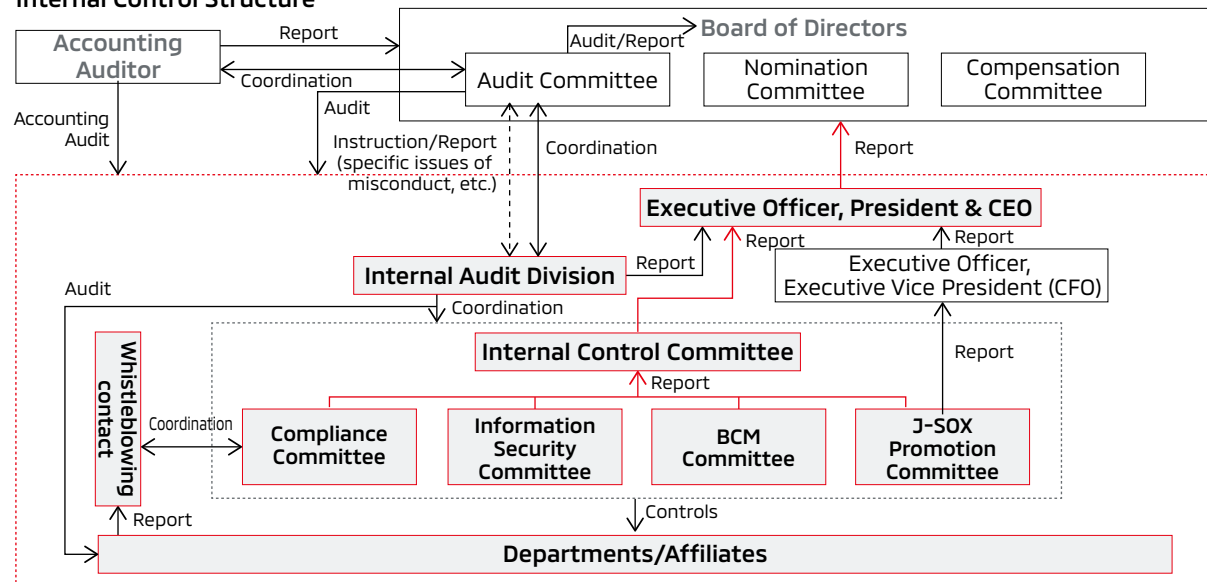
We have also positioned the Internal Audit Division as independent of business execution. The Internal Audit Division coordinates with other committees, including the Internal Control Committee, with the aim of achieving effective and efficient internal control system operation.

Going forward, we will continue with initiatives to further reinforce governance by working to ensure compliance with laws and regulations and to promote proper, effective business execution in line with changes in the domestic and overseas environments.

^{*} See Corporate Governance Report for “Basic Policy on the Establishment of Internal Control Systems” PDF

[PDF https://www.mitsubishi-motors.com/en/sustainability/pdf/governance.pdf](https://www.mitsubishi-motors.com/en/sustainability/pdf/governance.pdf)

Internal Control Structure



Risk Management



Basic Approach and Policies

MITSUBISHI MOTORS has defined a policy for the management of business risks in the form of the “Basic Policy on the Establishment of Internal Control Systems,” and promotes risk management activities throughout the entire MITSUBISHI MOTORS Group. We consider it one of our most critical management issues to appropriately assess risks to the MITSUBISHI MOTORS Group’s business, prevent risks from occurring, and engage in appropriate management to minimize the impact of risks if they do occur.

Development of Risk Management Framework

We have put in place and works to improve our risk management system for the entire Group through three types of risk management activities: “priority risk management,” “divisional risk management” and “affiliated company risk management.”

For priority risk management, we select risks that the entire MITSUBISHI MOTORS Group faces directly, that have a high potential impact and a high degree of urgency. For each risk, we assign “risk owners,” and work as quickly as possible to mitigate these risks.

In divisional risk management, we have appointed risk management officers to each division or plant. These officers work to mitigate risks through repeated application of the PDCA cycle involving identifying and evaluating each risk, devising and implementing countermeasures, and monitoring.

Affiliated company risk management involves regular confirmation by MITSUBISHI MOTORS of the status of initiatives addressing various risks faced by subsidiaries and associates and activities such as Business Continuity Planning (BCP) improvements. Improvement suggestions and guidance are provided as required.

As a new strengthening measure, the Internal Control Promotion Office was established in FY2022. As geopolitical risks, risks related to economic security, risks related to business and human rights, etc. that are intricately intertwined with strategy, finance, operational and hazard risks, have surfaced in recent years, the Company has established a system to manage risks with expanded scope.

These risk management initiatives are regularly reported to the Board as major internal control activities and their effectiveness is confirmed.

We are working on disaster countermeasures and Business Continuity Management (BCM) in line with our basic policy to prepare disaster such as earthquake or other natural disaster or an outbreak of infectious disease—to ensure the safety of customers, as well as employees and their families, and provide mutual support to local communities.

In FY2020, we established the “BCM Committee” as a permanent meeting body. In 2022, we consolidated our existing internal initiatives to strengthen BCM activities during normal times and take measures across the company.

In order to establish a system to ensure an appropriate response, we have created an emergency response manual which provides for the setup of an emergency response organization and the chain of command. In addition, a company-wide BCP operating procedures are also in place.

We conduct company-wide BCP drills annually, in which a company-wide BCP headquarters is set up, employees’ safety and damage situations are reported from each plant, and instructions are given by the company-wide BCP headquarters, under the assumption that an emergency has occurred.

In order to prepare for unforeseen contingencies, we operate emergency contact system that enable the rapid communication of information to the senior management, as well as a swift and accurate response.

We have built stockpiles as preparations against the possibility that employees will be unable to return to their homes for a three-day period (in accordance with the Metropolitan Tokyo Ordinance on Measures for Stranded Persons). At plants, we are also working with neighboring municipalities to improve stockpiles and welcome visitors.

Compliance



Basic Approach and Policies

Corporate activities are closely interlinked with various laws and public systems such as those related to the environment, labor, and consumer protection.

Corporate activities must be carried out in compliance with these laws and systems. MITSUBISHI MOTORS recognizes that the failure to appropriately comply with these laws, regulations, and systems would not only impede its business continuity, but would also place significant burdens on society and the environment.

In order to fulfill its social responsibilities as a company by not only complying with laws, international rules, and internal regulations but also by respecting changing social norms to the greatest degree possible, we have issued a "Global Code of Conduct" to serve as a standard of conduct for all executives and employees. We are also redoubling our efforts to enhance our compliance framework and employee training, including those at our major affiliates in Japan and overseas. We review the "Global Code of Conduct" as necessary. In 2019, we made revisions to clarify our policy on respect for human rights and anti-corruption initiatives.

MITSUBISHI MOTORS Global Code of Conduct

[Principle]

MITSUBISHI MOTORS Group Companies (collectively herein referred to as "MITSUBISHI MOTORS Group" or "Company") have set this Global Code of Conduct that all MITSUBISHI MOTORS Group executives and employees must follow in order to fulfill our social responsibilities as a company.

This Global Code of Conduct applies to all MITSUBISHI MOTORS Group executives and employees. Each member of the Company is charged with responsibility to comply this Global Code of Conduct.

1. Comply with all Laws and Rules

We shall comply with all applicable laws and regulations of the country where the Company conducts business as well as all Company policies and rules.

suppliers, and other third parties. We shall not participate in or endorse any corrupt practices including bribery, directly or indirectly such as through a third party.

2. Promote Safety

We shall maintain and promote a healthy work environment, and engage in safe work practices. We are also committed to ensuring the safety of our customers and passengers, and continually promoting the safety of products.

7. Be Transparent and Accountable

We shall maintain accounts and records relating to corporate management with integrity, and disclose Company's business activities fairly and transparently to our stakeholders, including shareholders, customers, employees, and local communities with timely and properly manner.

3. Avoid Conflict of Interest

We shall act in the best interests of the Company, and shall not behave, act, or use any information contrary to the Company's interests. Furthermore, we shall strive to avoid any conduct that may be considered a conflict of interest.

8. Respect Human Rights and Diversity, Provide Equal Opportunity

We shall respect the human rights and diversity of suppliers, customers, other executives, colleagues, and local communities. We shall never tolerate discrimination, retaliation or harassment in any form or degree.

4. Prohibit Association with Anti-Social Forces

We shall never have any association with anti-social forces whatsoever. We shall not participate in acts of terrorism, drug dealings, money laundering, and other individual or organized criminal activities.

9. Be Environmentally Responsible

We shall strive to take into consideration environmental conservation when developing products and providing services, and promote recycling, as well as resource and energy savings.

5. Preserve Company Assets

We shall safeguard the Company's assets, and shall never use the said assets, including funds, confidential business information, physical properties and intellectual properties without permission.

10. Be Active and Report Violations

We shall carry out our work in accordance with this Global Code of Conduct. When we have come to know any violation of this Global Code of Conduct, we shall immediately report it to the Company, and the executives and employees who have come forward with such information based on their own beliefs shall be infallibly protected from any form of retaliation.

6. Be Impartial and Fair

We shall maintain impartial and fair relationship with public servants as well as business partners, including dealers,

Compliance officers work closely with the code leaders to prevent compliance violations within their departments. When a compliance violation occurs, compliance officers take corrective actions, measures to prevent recurrence and confirm its effectiveness, and implement horizontal dissemination, then report to the Executive Officer for Internal Control.

As for internal controls related to financial reporting, we verify compliance structures and proce-

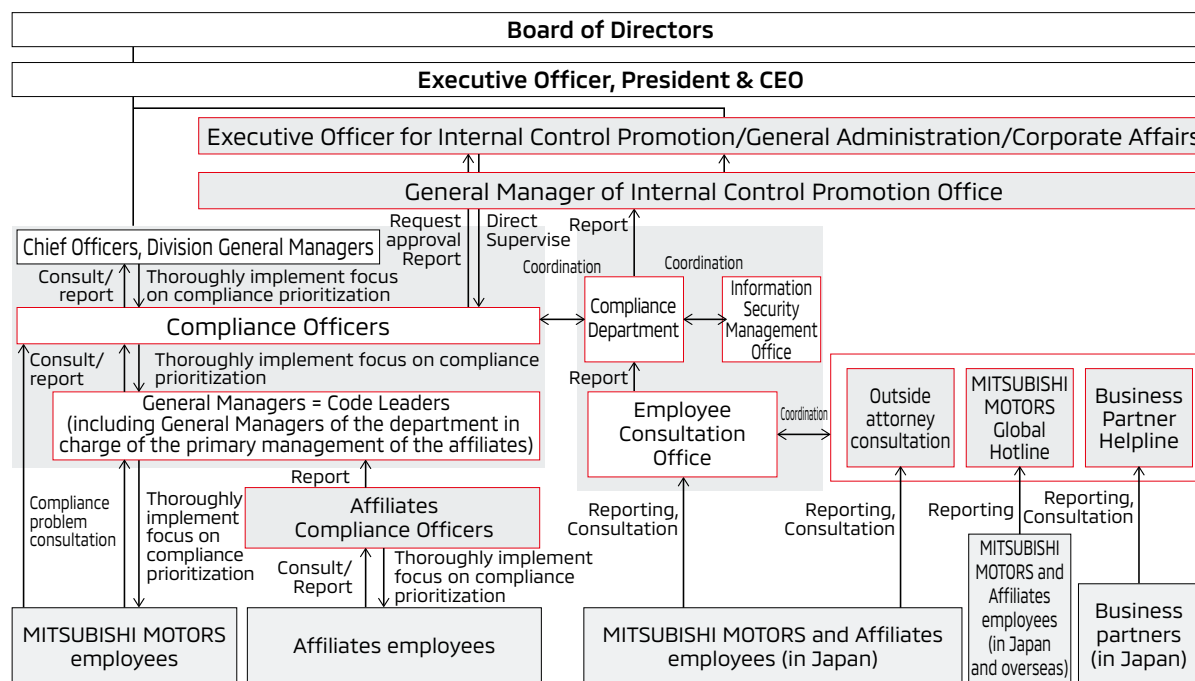
In FY2023, we experienced no serious compliance infractions that might damage our credibility with customers, investors, or other parties.

To prevent and promptly detect improper conduct, MITSUBISHI MOTORS has established an internal consultation office (Employee Consultation Office) allowing employees of us or its subsidiaries and associates in Japan to report or consult about such conduct. We have set up an external consultation office, the "MMC Hotline," staffed by outside attorneys, as well as the MITSUBISHI MOTORS Global Hotline, accessible to employees both in Japan and overseas. We have also established a Business Partner Helpline designated to be used by our business partners in Japan.

In a survey we conducted in February 2023 to promote the early detection and prevention of compliance violations, 93.7% of the approximately 5,000 employees who participated in the survey indicated that they were “aware of the hotlines.”

In FY2023, these offices fielded 104 reports or consultations. Offices endeavor to swiftly resolve issues raised in reports and consultations after first seeking to confirm the facts through an investigation by the Employee Consultation Office or by enlisting the assistance of relevant compliance officers. Any

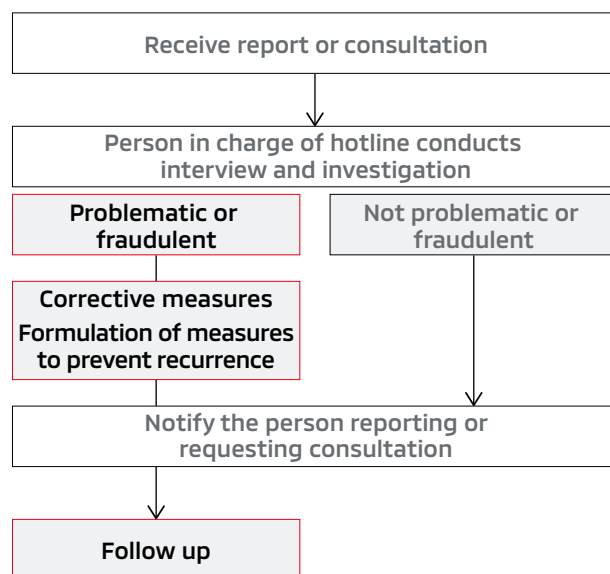
Organizational Framework for Promoting Compliance




Target
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Target
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reports or consultations that raise concerns about compliance issues or corporate risks are immediately reported to the Executive Officer for Internal Control and Audit Committee Members. After receiving instructions on how to respond, offices endeavor to resolve the issues. When we receive a report or consultation via a hotline, we promptly conduct an interview or other investigation. If a violation is found, an incident report is filed, and corrective measures and measures to prevent recurrence are implemented.



In handling such information and in investigating the relevant facts, we established our “Compliance-Oriented Whistleblowing Operation Procedure” and made company personnel aware of the provision in order to ensure that persons who seek consultation are not treated unfairly.

“The MITSUBISHI MOTORS Global Hotline” established in FY2018 was set up within an outside

firm providing such services. This makes it possible to file anonymous reports. Systems for identifying and managing risks of the entire group have been put in place, too, with MITSUBISHI MOTORS headquarters even able to check details of reports from subsidiaries and associates.

Number of Reports/Consultations Fielded by Consultation Offices by Category (FY2023, 104 reports)

Item	Number
Corporate/business proposals	3
Workplace environment	19
Labor relations	3
Human relations/harassment	40
Compliance, violations of operational rules, fraud	32
Others	7

Out of total 104 reports and consultations received in FY2023, the results of the investigation revealed 6 cases of compliance problems, including violations of laws and regulations and harassment. We instructed the relevant departments to promptly take corrective actions and confirmed that they were implemented without fail.

Education and Training

Every fiscal year we formulate compliance-related education and training programs, and offer them to employees stratified by each job rank. Each division also draws up and conducts its own measures under the direction of the compliance officer.

Specifically, in order to improve the compliance awareness of all employees, when new graduates or

mid-career recruits join us, they receive training regarding our history of compliance problems and the lessons to be learned from it. This training is repeated when employees are given promotions, helping reinforce employees’ sense of compliance. Furthermore, similar training is also offered in some Japanese subsidiaries, fostering such sense for the group as a whole.

We also provide all our employees with e-learning opportunities, including courses on the basics of compliance, as well as education on information security, the so-called “36 Agreement” and other aspects of employment management.

On and around Safety Pledge Days,* each individual division voluntarily holds events to reaffirm the day’s significance. Workplace discussions are also held at the same time to talk about business ethics issues faced in the workplace and workplace culture.

In addition, we provide easy-to-understand compliance-related information by posting a Compliance Newsletter on our intranet every month.

In addition to the above, as a measure to raise awareness further, in FY2023 we hosted a lecture on business and human rights, given by an outside expert. Assertive communication training by outside instructors was provided to managers at the department manager level and above to help improve workplace management. Outside instructors also provided communication training to newly appointed managers to enhance workplace communication and support remote work.

* To prevent past incidents, such as the regrettable recall coverup, from being forgotten over time, in October 2004 we designated January 10 and October 19 as “Safety Pledge Days.” These days were chosen because two fatal accidents involving large trucks manufactured by Mitsubishi Fuso, a former MITSUBISHI MOTORS division, occurred on these days.


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Anti-Corruption

Policies and Approach

The “Global Code of Conduct” clearly stipulates that MITSUBISHI MOTORS executives and employees shall comply with laws and regulations and shall maintain fair and equitable relationships with public servants and business partners. Moreover, we have built and operate a system that is designed to prevent corruption.

Management Structure

We implement e-learning programs for all employees to familiarize them with the Global Code of Conduct and allows them to review the code at any time by distributing pamphlets containing this code and posting it to a smartphone app (for managers and above). We also communicate the code across the group, distributing the pamphlets to subsidiaries and associates in Japan, and in electronic form to subsidiaries and associates overseas.

We have formulated the “MITSUBISHI MOTORS GLOBAL ANTI-BRIBERY POLICY” as a global guideline for the prevention of bribery and corrupt practices. This policy states clearly that we tolerate absolutely no bribery or corrupt practices. In our efforts to reinforce measures for preventing bribery and corrupt practices throughout the Group, we require subsidiaries and associates in Japan and overseas to comply with the same policies. We also ask our suppliers, contractors, procurement partners, dealers and outside agents to comply with applicable laws and regulations related to bribery and with individual companies’ anti-bribery policies.

In particular, we have formulated control regulations and operational standards on the provision and receipt of gifts or business entertainment for public servants, prohibiting the improper provision of such gifts or business entertainment to public servants or their receipt from public servants. When providing gifts or business entertainment to public servants, a preemptive application must be made to the general manager of the Legal Department, and must be provided only if approval is received. We have put in place management and operational standards in addition to those for public servants. These standards expressly prohibit the provision of gifts or business entertainment that is illegal or goes beyond generally accepted bounds and the receipt of illicit payoffs. In addition to this, we provide guidelines for the scope of exceptions to the above and make filing of an application compulsory to ensure transparency. In case these standards are violated, a system is in place for internal reporting and the formulation and implementation of measures to prevent recurrence.

Since many employees in sales sites directly handle money with customers, there is a heightened risk of improper conduct such as embezzlement. At our domestic sales subsidiaries we conduct regular education and training to instill thorough awareness of our compliance policies and prevent improper activity. Each sales subsidiary implements site audits regularly. As part of our internal auditing of affiliated companies in Japan, our Internal Audit Division also conducts operational audits of domestic sales subsidiaries. Audit results are reported to our President & CEO, and the results are also shared with our Domestic Sales Division. We follow up the progress of action plans for improvement.

We work to thoroughly prevent corruption at overseas subsidiaries and associates by assigning oversight to their executives and employees. Prior to their appointment, we provide training on legal risks, including the prohibition and prevention of corruption.

When conducting audits of overseas subsidiaries, our Internal Audit Division also verifies the progress of efforts to prevent bribery and other corrupt practices.

In FY2023, no fine or any other punishment was imposed on us by regulatory authorities for corrupt practices. No executives and employees have been disciplined for corrupt practices.

Political Involvement (Political Contributions)

We respect the requirements set forth in the Global Code of Conduct to “comply with all laws and rules,” “be impartial and fair” and “be transparent and accountable,” and maintain appropriate relationship with politics.

Recognizing that reasonable expenditures are required to appropriately maintain a democratic government, we consider making political contributions to be one aspect of its social responsibility. When making such contributions, we do so in accordance with the Public Offices Election Act, the Political Funds Control Act, and other laws and regulations related to politics. We also ensure to follow our own internal rules for approval.

In FY2023, we donated ¥13.9 million to the People’s Political Association.

Target
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Information Security

mitsubishi motors recognizes its social responsibility to adequately protect its important information assets (information and the IT systems, equipment, media, facilities, and products that handle this information) in the course of its business activities in order to gain the trust of all its stakeholders. We are promoting the following information security measures.

- Putting in place and reviewing internal regulations related to information security
- Strengthening management of information assets and measures to counter ransomware due to malware infections and cyber attacks
- Regularly conducting drills based on the assumption of an incident at CSIRT*, the organization that prevents security incidents and responds promptly to incidents when they do occur
- Providing employees with e-learning about information security, e-mail-based training, and alerts via our intranet
- Monitoring information security activities by the Information Security Committee

*CSIRT: Computer Security Incident Response Team

Protection of Personal Information

Based on our Privacy Policy, we have built a management framework by establishing internal rules and taking other measures. We also conduct ongoing education, such as through the use of e-learning for employees. In addition, rules on personal informa-

tion protection are tend to be strengthened around the world. We coordinate with our bases in individual countries, putting in place systems to respond appropriately with their laws and regulations on the protection of personal information.

We did not receive any appeals related to breaches of customer privacy or loss of customer data in FY2023.

Security Export Control

We sincerely believe in the importance of strict security export controls to prevent the proliferation of weapons of mass destruction and the excessive accumulation of conventional weapons in order to maintain international peace and security.

To conduct strict export controls, we have established "Security Export Control Regulations." We ensure the legality of our export transactions through our management system, with its the Security Export Control Committee, led by the Executive Officer, President & CEO, who serves as chief security export control officer.

Approach to Taxation

We recognize that proper tax payment in all operating countries is one of key elements of corporate social responsibility for multinational companies.

We have established the following Global Tax Policy to promote tax compliance in business activities. In line with this policy, we have created a governance system

and strive to maintain proper tax payments in compliance with international rules and national regulations.

Global Tax Policy for MITSUBISHI MOTORS Group

1. Tax compliance

The MITSUBISHI MOTORS Group (hereinafter simply referred to as "MITSUBISHI MOTORS") pledges to pursue proper tax payments all over the world based on the "MITSUBISHI MOTORS Global Code of Conduct." This means MITSUBISHI MOTORS maintains appropriate and timely tax payments by understanding the intent and purpose of the Base Erosion and Profit Shifting (BEPS) Action Plan, which was developed and publicized by the OECD and G20 countries, as well as by complying with tax regulations in all countries and regions in which it conducts businesses, tax treaties, and other international tax regulations related to its business. In addition, MITSUBISHI MOTORS pledges not to use any tax havens or loopholes that are against the intentions and purposes of laws.

2. Corporate governance on tax matters

- (1) MITSUBISHI MOTORS recognizes corporate governance on tax matters as an infrastructure to promote tax compliance and tax planning and, under the initiative of top management, pursues the optimization of governance systems to secure the accuracy and transparency of accounting and tax-related information.
- (2) The MITSUBISHI MOTORS Group makes disclosures to all relevant taxation authorities and discloses appropriately and in a timely manner the BEPS transfer pricing documentation and other information required for submission by multinational enterprises.

Board of Directors Composition (as of June 20, 2024)

Target
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Outside Outside director **Indep.** Independent director Male Female

Name	Position	Attributes	Committees	Tenure as Director (As of June 20, 2024)	Reasons for Appointment	Knowledge, experience, and expertise*			
						Persons with management experience in a listed company	Persons with expertise in the automotive field	Persons with expertise in legal, accounting or finance	Experts on world affairs or social and economic trends
Tomofumi Hiraku	Member of the Board Chairman of the Board	Outside Indep.	Nomination Committee	3 years	He has extensive experience, knowledge and personal networks across industries at large, having held important posts such as Director-General, Kansai Bureau and Director-General, Manufacturing Industries Bureau at the Ministry of Economy, Trade and Industry, as well as having been involved in energy policy planning at the Agency for Natural Resources and Energy. As such, MITSUBISHI MOTORS appointed him as an Outside Director with the expectation that with these qualities, he will be able to actively supervise the MMC's management and offer advice and recommendations to MMC as the Chairperson of the Board of Directors meeting.				●
Takao Kato	Member of the Board		Compensation Committee	5 years	He has many years of experience and insight concerning management of MMC's global business, including experience of serving as President of PT Mitsubishi Motors Krama Yudha Indonesia, one of MMC group's largest overseas manufacturing bases. In addition, he has been engaged in MMC's management since June 2019 as CEO. As such, MMC appointed him as a Member of the Board with the expectation that he will play an important role in the decisions in significant matters and business execution of MMC.		●		
Hitoshi Inada	Member of the Board		Audit Committee (Full time Member)	2 years	He has achievements, considerable experience and insight gained over many years in legal affairs, compliance, and corporate governance at a general trading company that operates worldwide and at MMC. As such, MMC appointed him as a Member of the Board with the expectation that he will apply this experience and insight to the management of MMC.			●	
Shunichi Miyanaga	Member of the Board	Outside	Compensation Committee (Chairperson)	10 years	He has considerable experience, achievements and insight nurtured through his longstanding career in corporate management at the manufacturing company that operates worldwide. As such, MMC appointed him as an Outside Director with the expectation that with these qualities, he will be able to actively supervise MMC's management and offer advice and recommendations to MMC.	●			
Main Kohda	Member of the Board	Outside Indep.	Nomination Committee (Chairperson) Compensation Committee	6 years	She has keen acumen and an objective perspective as an author in addition to deep knowledge about international finance as well as considerable insight and experience gained as a Member of the Council of the Ministry of Finance and the Ministry of Land, Infrastructure, Transport and Tourism. As such, MMC appointed her as an Outside Director with the expectation that with these qualities, she will be able to actively supervise MMC's management and offer advice and recommendations to MMC.				●
Kenichiro Sasae	Member of the Board	Outside Indep.	Nomination Committee Compensation Committee	5 years	He has a broad international understanding as a diplomat and considerable insight and experience, having held important posts at the Ministry of Foreign Affairs. As such, MMC appointed him as an Outside Director with the expectation that with these qualities, he will be able to actively supervise MMC's management and offer advice and recommendations to MMC.				●
Hideyuki Sakamoto	Member of the Board	Outside	Nomination Committee	5 years	He has considerable insight and experience gained as a member of the management team of an automobile manufacturer that operates worldwide. As such, MMC appointed him as an Outside Director with the expectation that with these qualities, he will be able to actively supervise MMC's management and offer advice and recommendations to MMC.		●		
Yoshihiko Nakamura	Member of the Board	Outside Indep.	Audit Committee (Chairperson)	4 years	He has considerable knowledge as a specialist in accounting and auditing, having been active as an accountant for many years. As such, MMC appointed him as an Outside Director with the expectation that with these qualities, he will be able to actively supervise MMC's management and offer advice and recommendations to MMC.			●	
Joji Tagawa	Member of the Board	Outside	Compensation Committee	4 years	He has considerable insight and experience gained as a member of the management team of an automobile manufacturer that operates worldwide. As such, MMC appointed him as an Outside Director with the expectation that with these qualities, he will be able to actively supervise MMC's management and offer advice and recommendations to MMC.		●		
Takahiko Ikushima	Member of the Board	Outside	Audit Committee	4 years	He has considerable insight and experience gained as a member of the management team of an automobile manufacturer that operates worldwide. As such, MMC appointed him as an Outside Director with the expectation that with these qualities, he will be able to actively supervise MMC's management and offer advice and recommendations to MMC.			●	
Takehiko Kakiuchi	Member of the Board	Outside	Nomination Committee	2 years	He has considerable experience and achievements as a manager in a general trading company that operates worldwide and extensive insight into global business management. As such, MMC appointed him as an Outside Director with the expectation that with these qualities, he will be able to actively supervise MMC's management and offer advice and recommendations to MMC.	●			
Kanetsugu Mike	Member of the Board	Outside	Audit Committee	2 years	He has considerable experience and extensive insight as a manager of an international financial institution. As such, MMC appointed him as an Outside Director with the expectation that with this experience and insight, he will be able to actively supervise MMC's management and offer advice and recommendations to MMC.	●			
Junko Ogushi	Member of the Board	Outside Indep.	Audit Committee	1 year	She has considerable expert knowledge and extensive insight as a legal specialist, having been active as an attorney at law for many years. As such, MMC appointed her as an Outside Director with the expectation that with these qualities, she will be able to actively supervise MMC's management and offer advice and recommendations to MMC.			●	

Note: The knowledge, experience, and expertise indicated here do not represent all the knowledge, experience and expertise possessed by each Director.

For directors' career summaries, visit:

<https://www.mitsubishi-motors.com/en/company/director/>

Disclosure Based on the TCFD Recommendations



Support for the TCFD Recommendations

With the issue of climate change growing increasingly serious, the Financial Stability Board established the Task Force on Climate-related Financial Disclosures (TCFD), which in 2017 announced its recommendations. These recommendations encourage companies to disclose information related to climate change so that investors can appropriately assess climate-related risks and opportunities.

Recognizing the potential of climate change to present medium- to long-term risks and opportunities that affect its business domains, in July 2021 MITSUBISHI MOTORS expressed its support for the TCFD Recommendations. Accordingly, we are analyzing the impact of climate change on our businesses and finances (scenario analysis). We will reflect the results of scenario analysis in our management strategies to enhance the resilience of our strategies and improve information disclosure in accordance with the TCFD Recommendations.

Governance

a. Board's oversight of climate-related risks and opportunities

We recognize "responding to climate change and energy issues" as an important management issue and have accordingly identified it as one of our materiality issues. The Board of Directors makes decisions on important matters related to environmental initiatives, including those related to climate change, and oversees their execution. The Board of Directors approved the "Environmental Vision 2050" and "Environmental Targets 2030," which were revised in FY2022, and these measures were announced.

Examples of climate change-related issues discussed or reported by the Board of Directors

- Endorsement of TCFD recommendations
- Disclosure in line with TCFD recommendations
- Declaration of intent to achieve carbon neutrality by 2050 and revision of Environmental Vision 2050
- Revision of Environmental Targets 2030

b. Management's role in assessing and managing climate-related risks and opportunities

To address climate change and energy issues, we have established the Sustainability Committee, chaired by the executive officer, president & CEO, who also holds top responsibility for initiatives related to climate change. The committee evaluates climate-related risks and opportunities, discusses response measures, and reviews progress and achievements in line with the Environmental Targets 2030. We have established the Carbon Neutrality Council under the Sustainability Committee. This council is chaired by the Executive Officer, Executive Vice President and consists of executives responsible for management strategy, products, manufacturing, procurement and logistics. This organization formulates medium- to long-term policies and goals based on the assessment of climate-related risks and opportunities, considering specific response measures in each area. These policies, goals, and their progresses are reported by the respective heads of each area at the Sustainability Committee for review and deliberation. The organization generally meets three times per year, and particularly important matters are deliberated and decided by the Board of Directors.

Please see P30 for details on the structure of promoting carbon neutrality.



Targets
● 7.2
● 7.3



Target
● 9.4



Targets
● 13.1
● 13.2
● 13.3

Strategy

a. Short-, medium- and long-term climate-related risks and opportunities the organization has identified

MITSUBISHI MOTORS considers climate-related risks and opportunities to be an important perspective in the formulation of our business strategy. We are

identifying and evaluating short-, medium-, and long-term risks and opportunities, as well as analyzing the impact on our business based on multiple climate scenarios. We are also considering countermeasures in response to these risks and opportunities. As particularly high-impact migration risks, we identified the “strengthening of regulations for fuel economy/CO₂

and zero-emission vehicles” and the “introduction and expansion of carbon pricing.” We identified “increasing frequency and intensity of meteorological disasters” as a physical risk. While these risks may affect our business in various ways, we recognize that responding appropriately to these risks will lead to greater sales of electrified vehicles and new business opportunities.

Identified climate-related risks and opportunities

Type		Item	Assumed Impact on MITSUBISHI MOTOR'S Business Activities	Timing of the Impact*	Degree of impact
Transition risks	Policy and legal	Strengthening of regulations for fuel economy/CO ₂ and zero-emission vehicles	<ul style="list-style-type: none">Increased development/procurement/production costs to comply with stricter regulationsIncrease in fines, credit purchase costs, and stakeholder litigation expenses due to non-fulfillment of regulations	Medium/long term	Large
		Introduction and expansion of carbon pricing	<ul style="list-style-type: none">An increasing tax burden on our emissions due to the introduction and expansion of carbon taxes and other sorts of carbon pricing, as well as higher prices on carbon, and higher costs due to a price shift toward the procurement, production and logistics stages	Medium/long term	Large
	Technology	Investment in new technologies	<ul style="list-style-type: none">Decline in the Company's competitiveness and market share due to delays in investment in electrification and other new technologies	Medium/long term	Medium
	Market	Changes in the energy mix	<ul style="list-style-type: none">Higher energy costs due to a rise in electricity prices resulting from the increased introduction of renewable energy and carbon-neutral sources of electricity, such as hydrogen	Medium/long term	Medium
		Tight supply and demand for raw materials (rare metals)	<ul style="list-style-type: none">Rise in the cost of raw materials (such as rare metals) and components due to growing demand for storage batteries	Medium/long term	Medium
		Changes in user awareness and behavior	<ul style="list-style-type: none">Decrease in sales volume due to the development of public transportation infrastructure and the proliferation of sharing in urban areas	Medium/long term	Medium
	Reputation	Increasingly stringent assessment by ESG rating institutions and stakeholders	<ul style="list-style-type: none">Decline in our social image and share price	Short/medium term	Medium
Physical risks	Acute	Increasing frequency and intensity of meteorological disasters	<ul style="list-style-type: none">Damage to buildings, facilities, and vehicles in inventory caused by typhoons and torrential rains, and the suspension of operations at production facilities due to supply chain disruptions (delays in the supply of parts stemming from damage to suppliers and the disruption of transportation routes)	Short/medium/long term	Large
	Chronic	Rise in average temperatures	<ul style="list-style-type: none">Rising (energy) cost of air conditioning to maintain the work environment and employee healthDifficulty in securing the water needed to manufacture automobiles due to depletion of water resources	Short/medium/long term	Small
		Rise in ocean levels	<ul style="list-style-type: none">Increased flooding and surge in the instance of storms due to rising sea levels, resulting in operational shutdowns at manufacturing facilities and increased investment in disaster countermeasures	Short/medium/long term	Medium
Opportunities	Products and services	Growing demand for electrified vehicles	<ul style="list-style-type: none">Expand sales of electrified vehicles by improving product capabilities and taking advantage of government and municipal measures to promote electrified vehiclesIncrease sales of electrified vehicles and V2X-related equipment/services in line with the growing value of electrified vehicles as energy infrastructureBoost sales of electrified vehicles that can help supply power in response to growing demand to securing sources of emergency power in times of disaster	Medium/long term	Large
	Energy source	Advancement in energy technologies	<ul style="list-style-type: none">Reduce energy costs by promoting energy conservation activities and the introduction of renewable energy	Medium/long term	Medium

* Timing of the impact

Short term: Up to three years; medium term: three to 10 years; long-term: more than 10 years. Some issues impacts have already occurred as a result of the recent international situation.



Targets
● 7.2
● 7.3



Target
● 9.4



Targets
● 13.1
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● 13.3

b. Impact of climate-related risks and opportunities on the organization's business, strategy, and financial planning

With the vision of "creating a vibrant society by realizing the potential of mobility," MITSUBISHI MOTORS aims to enhance our corporate value over the long term by providing products with value that is unique to MITSUBISHI MOTORS through contributions to carbon neutrality and other efforts. As society-wide efforts to achieve carbon neutrality accelerate, we recognize that climate-related matters may affect our business, strategies, and financial plans, so we periodically review our strategies and plans as appropriate based on climate change risks and opportunities.

Impact on strategies and plans

Business area	Recognized impact	Incorporation into strategies and plans
Products and services	To realize a carbon-neutral society, various countries and regions are strengthening regulations for fuel economy/CO ₂ and zero-emission vehicles. These will affect our product development, production and procurement strategies.	In 2020, we formulated the Environmental Targets 2030, which set the target of achieving a 40% reduction in CO ₂ emissions from new vehicles (compared with FY2010 levels) and a target ratio of electrified vehicle sales of 50% by FY2030. In February 2023, we set a new target, raising our target ratio of electrified vehicle sales to 100% by FY2035. Meanwhile, in our mid-term business plan, "Challenge 2025" we set a target of introducing nine electrified vehicle models by FY2028.
Supply chain, value chain	In the automobile manufacturing and sales business, greenhouse gases such as CO ₂ are emitted not only during the manufacture of products, but throughout the entire value chain. As climate change advances, the worldwide risk of increasingly frequent and severe occurrences, such as typhoons and floods, is mounting. If our supply chain or value chain is affected by such events, our plants' operations and sales could be affected.	We revised our Environmental Targets 2030 in February 2023, adding the procurement target of "promoting CO ₂ reduction activities with major business partners," and the logistics target of "promoting CO ₂ reduction activities in cooperation with transportation companies."
Investment in R&D	We are promoting investment in R&D to address increasingly stringent and new regulations for fuel economy/CO ₂ and zero-emission vehicles in the countries and regions where we operate. These moves will affect our R&D costs for electrified vehicles and other products.	In our mid-term business plan, "Challenge 2025," we are budgeting ¥70.0 billion in R&D expenses related to electrification in FY2025. We have also earmarked ¥55.0 billion in capital expenditures related to electrification.
Adaptation and mitigation measures	Our business could be affected by countries and regions introducing or expanding carbon taxes and emissions trading systems, as well as by rising energy costs.	In 2020, we formulated the Environmental Targets 2030 and set the goal of reducing CO ₂ emissions from our business activities "by 40% compared to FY2014." In February 2023, we raised this figure to "a reduction of 50% compared to FY2018," the SBT* target equivalent to a 1.5°C level.

*3 SBT: Short for Science Based Targets, which are greenhouse gas emission reduction targets set by companies consistent with the Paris Agreement levels


Targets
● 7.2
● 7.3

Target
● 9.4

Targets
● 13.1
● 13.2
● 13.3

c. Resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario

Based on climate scenarios and future information from organizations such as the International Energy Agency (IEA), the Intergovernmental Panel on Climate Change (IPCC), and the Network for Greening the Financial System (NGFS), MITSUBISHI MOTORS considered the "less than 2°C scenario*¹," which assumes actions by society to avoid climate change as of 2030 and 2050. We also looked at a "growth scenario*²," which assumes national policies continue to grow more stringent. Under these scenarios, we examined the risks and opportunities, focusing on areas with significant impact on our business activities.

In FY2023, we conducted an analysis of not only the risks, but also the impact on our opportunities to expand our sales as a result of increased demand for electrified vehicles. We have expanded the scope of analysis to include overseas suppliers, and country- and region-specific scenario analysis is underway. The results of analysis related to the impact on our business of the associated risks and opportunities are as described below.

*1 Referenced the IEA's Announced Pledges Scenario (APS), the IPCC's "RCP4.5," the NGFS' "Net Zero 2050," etc.

*2 Referenced the IEA's Stated Policies Scenario (STEPS), the IPCC's "RCP8.5," the NGFS' "Current Policies," etc.

Impact of Risks and Opportunities on MITSUBISHI MOTORS' Business Activities

	Scenario	Risks/Opportunities		Impact on MITSUBISHI MOTORS' business	Key countermeasures
	Item				
Less than 2°C	Strengthening of regulations for fuel economy/CO ₂ and zero-emission vehicles	Risks	<ul style="list-style-type: none"> Need for both developed countries and emerging markets to comply with stricter regulations Increasing likelihood of noncompliance 	<ul style="list-style-type: none"> Higher development/procurement/production costs Fines and credit purchase costs increase if regulations are not met 	<ul style="list-style-type: none"> Reduce costs by taking advantage of the alliance, such as by standardizing components Promote electrification, including PHEV and EV Promote new mobility businesses such as energy management using electrified vehicles and used batteries
		Opportunities	<ul style="list-style-type: none"> Growing demand for electrified vehicles 	<ul style="list-style-type: none"> Increased sales of electrified vehicles and expansion of the value chain related to electrified vehicles 	
	Introduction and expansion of carbon pricing	Risks	<ul style="list-style-type: none"> Introduction and expansion of carbon taxes, causing carbon prices to rise 	<ul style="list-style-type: none"> Increased direct and indirect tax burdens and higher costs at the procurement, production and logistics stages 	<ul style="list-style-type: none"> Promote energy conservation activities and introduce renewable energy Promote CO₂ reduction efforts in cooperation with suppliers
		Opportunities	<ul style="list-style-type: none"> Promotion of energy-saving technologies Increasing use of renewable energy 	<ul style="list-style-type: none"> Lower energy costs 	
Growth	Increasing frequency and intensity of meteorological disasters (flooding, inundation)	Risks	<ul style="list-style-type: none"> Increased possibility of factory damage and supply chain disruptions due to frequent and severe heavy rain and flooding 	<ul style="list-style-type: none"> Damage to production and development facilities Lower earnings due to operational shutdowns due to damage to our own factories and suppliers 	<ul style="list-style-type: none"> Review BCP, assuming such factors as heavy rain and flooding Promote risk mitigation initiatives in collaboration with suppliers
		Opportunities	<ul style="list-style-type: none"> Greater demand for electrified vehicles, owing to growing need to secure emergency power sources 	<ul style="list-style-type: none"> Increased use of electrified vehicles that can help supply emergency power 	<ul style="list-style-type: none"> Reduce costs by taking advantage of the alliance, such as by standardizing components Promote electrification of PHEV/EV Promote new mobility businesses such as energy management using electrified vehicles and used batteries



MITSUBISHI MOTORS' Response Measures Based on Risks and Opportunities

MITSUBISHI MOTORS will incorporate measures to address climate-related risks and opportunities into our Environmental Plan Package*¹ and business strategies, which set forth the direction and goals of our environmental initiatives. In this way, we are promoting initiatives to reduce future risks, ensure sustainable business growth and enhance our resilience as a company.

On the product front, we will take our own plug-in hybrid electric vehicles (PHEV) and commercial electric vehicles in the Kei-car segment as a starting point, and leveraging the Allian's technologies. We will develop electrified vehicles*² and promote fuel-efficient internal combustion vehicles, proactively introducing electrified vehicles that optimally meet customers' needs, taking into consideration the energy situation and infrastructure development status in each country and region. Working toward carbon neutrality is one of the key challenges stated in "Challenge 2025," our mid-term business plan. We will develop electrified vehicles and step up our efforts in the Alliance as we work toward the second phase of our plan to re-inforce electrified vehicles (FY2026–2028). By FY2028, we plan to introduce nine electrified vehicle models. To date, we have introduced three: the "ASX PHEV/HEV models," the "COLT HEV model," and the "XPANDER/XPANDER CROSS HEV model."

In our business activities, we will seek to minimize energy use and transition to renewable sources of energy to reduce CO₂ emissions.

Across the supply chain, we will collaborate with business partners, related companies and organiza-

tions, and governments and municipalities to reduce CO₂ emissions at the production stage (through raw materials and parts) and in logistics (including products). We will also promote renewable energy and charging infrastructure, utilize carbon-neutral fuel and promote V2X*³.

We believe the spread of electrified vehicles represents a chance to do new business in the form of reuse of used batteries, energy management, and data business using vehicle driving and battery data, and in collaboration with our partners and municipalities we will grow a mobility business that contributes toward the realization of a carbon-neutral society, which represents a unique opportunity for us as an automotive maker, into a fourth pillar of revenue after vehicle sales, financing (leasing), and after sales*⁴.

*¹ Please see page 23 for details on the Environmental Plan Package.

*² Electrified vehicles: Battery-powered electric vehicles, plug-in hybrid electric vehicles (PHEV), and hybrid electric vehicles (HEV)

*³ V2X: A general term encompassing vehicle to home (V2H) and vehicle to grid (V2G), among others

*⁴ Please see page 34 for details on the mobility business.

Risk Management

a. Organization's processes for identifying and assessing climate-related risks

We have established a cross-functional team under the Sustainability Committee to conduct scenario analysis based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). We have identified and assessed climate-related risks and opportunities that could affect our business, considering their potential occurrence and impact levels.

We have incorporated goals and action plans for addressing climate-related risks and opportunities that have a particularly significant impact, and are monitoring progress through the Sustainability Committee.

b. Organization's processes for managing climate-related risks

The climate-related risks, opportunities, and corresponding measures identified by the Sustainability Committee have been assigned to responsible executives at the executive officer level. We have set KPI and are implementing a PDCA cycle. Additionally, reports on critical risks and opportunities requiring prompt action are provided to the Board of Directors, which decides on appropriate responses.

In FY2018, we identified material issues that we should address, involving various problems related to fields of the environment, society, and governance. We have positioned "responding to climate change and energy issues" as one of the most critical material issues, and we are stepping up our efforts in this regard across the Group.

c. How process of identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management

Risks affecting our business are managed throughout the Group and include risks related to the effects of climate change. In addition, the Internal Control Committee manages operational hazard risk, based on the annual "Companywide Risk Survey."

Please see P105 for our Group's risk management framework, including the Internal Control Committee.



Targets
● 7.2
● 7.3



Target
● 9.4



Targets
● 13.1
● 13.2
● 13.3

Metrics and Targets

a. Metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process

MITSUBISHI MOTORS formulated the Environmental Plan Package in 2020. Through electrified vehicles and the increased use of renewable energy, we aim to become carbon neutral by 2050 and contribute to the realization of a society that is resilient to climate change. We also formulated the "Environmental Targets 2030," which clarifies specific initiatives to be achieved by 2030 in accordance with this vision. As major indices to be monitored and evaluated under "Action to Climate Change," we set a target for Scope 1 and 2*1 in the category of "CO₂ emissions from our business activities." We also set a target of reducing emissions under Scope 3*1, Category 11 (use of sold products), which accounts for around 70% of total emissions throughout our supply chain, as well as "reduction in CO₂ emissions from new vehicles" and "ratio of electrified vehicles sales."

In an effort to reinforce sustainable management, aimed at ensuring the Group's sustainable growth, in FY2022 we added ESG-related items to an index used to determine the medium- to long-term performance-linked compensation for executive officers. In relation to the environment, we introduced "CO₂ emissions from business activities" as an indicator to measure progress in addressing the escalating climate.

To move forward on efforts to reduce CO₂ emissions, we will introduce internal carbon pricing (¥18,000 per ton of CO₂) for domestic sites from FY2024, taking into account IEA and other international carbon prices. We will use this as one of the

factors for consideration when making decisions on capital investment.

*1 Scope 1: A company's direct emissions (such as from burning fuel)
Scope 2: Indirect emissions, resulting from electricity, heat or steam provided by another company
Scope 3: Indirect emissions other than Scope 1 and Scope 2
(Such as emissions due to the use of sold products)

b. Scope 1, 2 and 3 GHG emissions and related risks

MITSUBISHI MOTORS calculates CO₂ emissions based on a GHG protocol. The table below shows actual CO₂ emissions in Scope 1, 2, and 3 for the period from FY2019 to FY2023.

To ensure our information is reliable and transparent, we have obtained independent third-party certification for our Scope 1 and 2 emissions. Please see P138 for details.

<Scope 1, 2 and 3 Emissions >

	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Scope1	x10 ³ t-CO ₂	110	80	92	95	96
Scope2	x10 ³ t-CO ₂	416	285	319	271	264
Scope3	x10 ³ t-CO ₂ eq	35,429	20,286	28,294	28,710	31,914
Total	x10 ³ t-CO ₂ eq	35,955	20,651	28,705	29,076	32,274

c. Targets used by the organization to manage climate-related risks and opportunities and performance against targets.

We are promoting a host of measures based on the Environmental Plan Package, which we formulated in 2020. We are developing electrified vehicles and technologies to improve fuel efficiency, introducing energy-saving equipment in production processes and using renewable energy in factories, offices and dealerships.

The Environmental Plan Package comprises the Environmental Policy, which incorporates our me-

dium- to long-term perspective, the Environmental Vision 2050, which sets out our vision for society to be achieved by 2050 and directions for our initiatives, and the Environmental Targets 2030, which clarifies specific initiatives to be achieved by FY2030 in accordance with this vision. We have positioned the actions for climate change, resource circulation and pollution prevention as three environmental issues that we will directly address and have set specific targets for these themes.

As we position "action to climate change" as a topmost priority, in September 2022 we stated our aim of achieving carbon neutrality throughout the supply chain by 2050, and we revised the Environmental Vision 2050 accordingly. In March 2023, we announced revised Environmental Targets 2030 to serve as a milestone along the path to achieving carbon neutrality by 2050.

Major FY2030 Targets and Progress

Indicators	FY2030 Target	FY2035 Target	FY2023 Result
Average CO ₂ emissions from new vehicles (Tank to Wheel, Compared to FY2010)	-40%		-17%
Ratio of electrified vehicles sales	50%	100%	15%
CO ₂ emissions from business activities (Total Scope1 and 2, compared to FY2018)	-50%*2		-34%

*2 FY2018 emissions of 588 thousand t-CO₂ include emissions of 43 thousand t-CO₂ from certain equity-method associates. In March 2023, we reviewed our targets in line with the latest perspectives on selecting companies subject to environmental management. After subtracting emissions from these equity-method associates, we revised our base figure to 545 thousand t-CO₂.

ESG Data

Environmental Data Related to Products and Business Activities

Sales of Electrified Vehicles

(FY)

	Unit	2019	2020	2021	2022*2	2023
Total electrified vehicles	Vehicles	75,143	64,561	65,496	97,831	120,070
Electrified vehicle sales ratio	%	7	8	7	12	15
Plug-in hybrid electric vehicles (PHEV)	Vehicles	47,758	35,553	43,021	60,683	53,330
Japan	Vehicles	4,970	5,629	11,663	21,544	17,201
Overseas	Vehicles	42,788	29,924	31,358	39,139	36,129
Electric vehicles (EV)	Vehicles	1,015	1,566	839	10,461	7,360
Japan	Vehicles	901	1,517	690	9,790	7,328
Overseas	Vehicles	114	49	149	671	32
Hybrid electric vehicles (HEV)	Vehicles	26,370	27,442	21,636	26,325	52,962
Japan	Vehicles	26,370	27,442	21,636	22,105	49,299
Overseas	Vehicles	0	0	0	4,220	3,663
Others*1	Vehicles	—	—	—	362	6,418
Global sales (including vehicles with internal combustion engines)	Vehicles	1,126,843	801,442	936,749	834,172	815,533

*1 Vehicles received from Renault on an OEM basis (HEV, PHEV)

*2 Revised some sales in overseas

Product Fuel Economy and CO₂ Emissions (Corporate Average)*3

		Unit	2019	2020	2021	2022	2023
Japan (fuel economy)	Passenger vehicle	km/L	19.3	20.2	20.5	22.8	21.4
United States (fuel economy)	Import passenger vehicle	mpg	45.4	45.5	45.3	42.2	54.6
	Light truck	mpg	35.9	36.8	35.8	37.5	39.6
Europe (CO₂ emissions)*4	Passenger vehicle (Production facility: MMC)	g-CO ₂ /km	115.6	99.6	93.0	46.0	—
	Passenger vehicle (Production facility: MMTh*5)	g-CO ₂ /km		104.2	115.3	114.9	—
China (fuel economy)	Import vehicle	L/100km	12.0	—	—	—	—
	Local production vehicle	L/100km	7.2	7.5	7.89	7.4	7.1

*3 Values reported publicly in respective countries and regions. Values are by model year in Japan and the United States and by Calendar year in Europe and China.

*4 Driving mode: NEDC Mode (until 2020), WLTP Mode (from 2021)

*5 Mitsubishi Motors (Thailand) Co., Ltd.

Business Activity Indicators

CO₂ emissions

(FY)

	Unit	2019	2020	2021	2022	2023
Production	x10 ³ t-CO ₂	464	312	358	314	306
Non-production	x10 ³ t-CO ₂	62	53	53	52	54
Japan	x10 ³ t-CO ₂	348	246	277	226	230
Asia	x10 ³ t-CO ₂	173	116	132	138	128
Others	x10 ³ t-CO ₂	5	3	2	2	2
Scope 1 (direct emissions)	x10 ³ t-CO ₂	110	80	92	95	96
Scope 2 (indirect emissions)	x10 ³ t-CO ₂	416	285	319	271	264
(Scope 1+2) Total	x10 ³ t-CO ₂	526	365	411	366	360
Scope 3	x10 ³ t-CO ₂ eq	35,429	20,286	28,294	28,710	31,743
(Scope 1+2+3) Total	x10 ³ t-CO ₂ eq	35,955	20,651	28,705	29,076	32,103

Target sites: Environmental management target companies for each fiscal year (including MITSUBISHI MOTORS)

Ratio of data coverage obtained from environmental management target companies: 100% Please see page 26 for the 20 environmental management target companies in FY2023.

We have adjusted the requirements for environmental management target companies, removing equity-method associates from this scope from FY2021. Totals (Scope 1+2) for FY2019–2020 include CO₂ emissions from equity-method associates (35 thousand t-CO₂ in FY2019, 28 thousand t-CO₂ in FY2020).Of the environmental management system target companies in FY2023, 97% of sites by CO₂ emissions conversion base have acquired ISO 14001 or other environmental management system certification.

CO₂ emission factors

- Based on "Greenhouse Gas Emissions Conversion, Reporting, and Announcement System based on the Act on Promotion of Global Warming Countermeasures" (as of April 2024)
- Overseas electricity emission factors use values for individual electric power companies. Some bases use emission factors obtained annually from the IEA's "CO₂ Emissions from Fuel Combustion" or its "Emission Factors."

Scope 3 Breakdown

(FY)

Category		Unit	2019	2020	2021	2022	2023	Coverage
1	Purchased goods and services	x10 ³ t-CO ₂ eq	6,331	4,043	5,495	6,806	7,890	Consolidated (only production)
2	Capital goods	x10 ³ t-CO ₂ eq	319	310	150	121	411	2019-2022: Non-consolidated 2023: Consolidated
3	Fuel energy not included in Scope 1 or 2	x10 ³ t-CO ₂ eq	49	36	44	70	72	Consolidated
4	Upstream transportation and distribution	x10 ³ t-CO ₂ eq	1,174	541	1,049	1,622	2,212	Consolidated
5	Waste generated in operations	x10 ³ t-CO ₂ eq	21	11	15	15	24	2019-2022: Consolidated (only production) 2023: Consolidated
6	Business travel	x10 ³ t-CO ₂ eq	4	4	4	4	12	Consolidated
7	Employee commuting	x10 ³ t-CO ₂ eq	14	13	13	13	12	Consolidated
8	Upstream leased assets	x10 ³ t-CO ₂ eq	—	—	—	—	—	—
9	Downstream transportation and distribution	x10 ³ t-CO ₂ eq	—	—	—	—	—	—
10	Processing of sold products	x10 ³ t-CO ₂ eq	—	—	—	—	—	—
11	Use of sold products	x10 ³ t-CO ₂ eq	26,833	14,927	20,981	19,530	20,056	All destination
12	End-of-life treatment of sold products	x10 ³ t-CO ₂ eq	671	382	529	517	527	All destination
13	Downstream leased assets	x10 ³ t-CO ₂ eq	—	—	—	—	—	—
14	Franchises	x10 ³ t-CO ₂ eq	13	19	14	12	527	2019-2022: Some dealers in Japan 2023: All dealers in Japan and overseas
15	Investment	x10 ³ t-CO ₂ eq	—	—	—	—	—	—

Energy Input (Primary and Secondary Energy)

(FY)

	Unit	2019	2020	2021	2022	2023
Total amount	PJ*	9.5	7.0	8.2	8.2	7.5
Production	PJ	8.3	5.9	7.0	7.0	6.5
Non-production	PJ	1.2	1.1	1.2	1.2	1.0
Japan	PJ	6.6	4.9	5.6	5.5	5.1
Asia	PJ	2.8	2.0	2.5	2.6	2.3
Others	PJ	0.1	0.1	0.1	0.1	0.1

Target sites: Environmental management target companies for each fiscal year (including MITSUBISHI MOTORS)
Ratio of data coverage obtained from environmental management target companies: 100%
Please see page 26 for the 20 environmental management target companies in FY2023.

* 10¹⁵ joules Unit calorific value: Quoted from the "Act on the Rational Use of Energy"

SO_x (Sulfur Oxide)

(FY)

	Unit	2019	2020	2021	2022	2023
Total emissions	t	163	125	50	30	25

Target sites: Environmental management target companies for each fiscal year (including us)
Ratio of data coverage obtained from environmental management target companies: 100%
Please see page 26 for the 20 environmental management target companies in FY2023.
Calculation method: calculated the weight of sulfur contained in the used fuel and converted the weight into sulfur dioxide (SO₂)

NO_x (Nitrogen Oxide)

(FY)

	Unit	2019	2020	2021	2022	2023
Total emissions	t	61	44	58	59	58

Target sites: Environmental management target companies for each fiscal year (including us)
Ratio of data coverage obtained from environmental management target companies: 100%
Please see page 26 for the 20 environmental management target companies in FY2023.
Calculation method: Fuel usage volume calculated using the Ministry of the Environment's "Environmental Activity Evaluation Program" emission factor

VOC (Volatile Organic Compounds)

(FY)

	Unit	2019	2020	2021	2022	2023
Total emissions	t	2,243	1,227	1,511	1,667	1,822

Target site: Okazaki Plant, Mizushima Plant, Suiryō Plastic Co. Ltd.

Emissions of Ozone-Depleting Substances

MITSUBISHI MOTORS estimates its FY2023 emissions less than 0.1t (HCFC equivalent).

Generated Waste

(FY)

	Unit	2019	2020	2021	2022	2023
Total emissions	x10 ³ t	202	109	143	141	167
Production	x10 ³ t	194	103	137	134	162
Non-production	x10 ³ t	8	6	6	7	5

Target sites: Environmental management target companies for each fiscal year (including MITSUBISHI MOTORS)
Ratio of data coverage obtained from environmental management target companies: 99.7%
Please see page 26 for the 20 environmental management target companies in FY2023.

Generated Waste and Externally Disposed Waste

(FY)

	Unit	2019	2020	2021	2022	2023
Total amount produced	x10 ³ t	89	58	85	84	107
Externally disposed waste	x10 ³ t	53	40	54	60	93
Internal recycle	x10 ³ t	36	18	31	24	14

Target site: Okazaki Plant, Mizushima Plant, Kyoto Plant

Raw Material Input

(FY)

	Unit	2019	2020	2021	2022	2023
Iron and Aluminum	x10 ³ t	141	97	117	139	127
Resin	x10 ³ t	2.1	1.1	2.4	2.9	3.0

Target site: Okazaki Plant, Mizushima Plant, Kyoto Plant

Withdrawn Water Volume

(FY)

	Unit	2019	2020	2021	2022	2023
Total amount	x10 ³ m ³	5,915	4,420	4,640	4,659	4,268
Production	x10 ³ m ³	5,654	4,188	4,389	4,405	4,030
Non-production	x10 ³ m ³	261	232	251	254	238
City water	x10 ³ m ³	988	718	383	438	390
Industrial water	x10 ³ m ³	3,280	2,594	2,938	2,907	2,816
Underground water	x10 ³ m ³	1,647	1,108	1,319	1,314	1,062

Target sites: Environmental management target companies for each fiscal year (including us)
Ratio of data coverage obtained from environmental management target companies: 99%
Please see page 26 for the 20 environmental management target companies in FY2023.
• PT Mitsubishi Motors Krama Yudha Indonesia (MMKI) recycles and reuses some of its wastewater. In FY2023, roughly 216 thousand m³ of water was recycled. (Roughly 5% of total MITSUBISHI MOTORS Group water withdrawal.)

Wastewater Volume

(FY)

	Unit	2019	2020	2021	2022	2023
Total amount	x10 ³ m ³	4,104	3,266	3,316	3,311	3,093
Production	x10 ³ m ³	3,843	3,034	3,254	3,238	3,037
Non-production	x10 ³ m ³	261	232	62	73	56
Sewage	x10 ³ m ³	2,041	1,713	1,581	1,410	1,298
Public waters	x10 ³ m ³	2,063	1,553	1,735	1,901	1,795

Target sites: Environmental management target companies for each fiscal year (including us)
Ratio of data coverage obtained from environmental management target companies: 91%
Please see page 26 for the 20 environmental management target companies in FY2023.
• Includes some estimated figures.

Environmental Accounting

Environmental Conservation Costs

(FY)

Category	Main Initiatives Details		Unit	2021		2022		2023	
				Investment	Cost	Investment	Cost	Investment	Cost
Business Area Cost	Pollution Prevention Cost	Preventing air pollution, water pollution and soil pollution	Million yen	591	658	616	663	186	702
	Global Environmental Conservation Cost	Preventing global warming and the ozone depletion	Million yen	78	10	183	56	373	19
	Resource Circulation Cost	Reduction, proper disposal and recycling of the waste	Million yen	0	732	0	754	92	654
Upstream/Downstream Cost	Withdrawing used bumpers and corresponding automobile recycling law		Million yen	0	1,430	1	1,287	0	1,202
Administration Activity Cost	Maintaining certification of ISO14001, educating employees and monitoring		Million yen	30	561	66	551	96	571
R&D Cost	Research and development about reductions in environmental impact of products such as improving fuel economy and exhaust gas measures		Million yen	661	27,691	822	41,908	1,013	53,675
Social Activity Cost	Hands-on environmental lessons, supporting global environmental activity, donation to environmental groups and disclosing environmental information		Million yen	0	241	0	269	15	199
Environmental Remediation Cost	Compensation for environmental damage by business activities		Million yen	0	2	0	1	0	1
Total			Million yen	1,359	31,324	1,688	45,489	1,775	57,023

	Unit	Capital investment	R&D cost	Capital investment	R&D cost	Capital investment	R&D cost
<Reference> MITSUBISHI MOTORS Group-wide capital investment, R&D cost	100 Million yen	627	907	786	1,072	936	1,146

Target site: MITSUBISHI MOTORS

Economic Benefit Associated with Environmental Conservation Activities (Actual Benefits)

(FY)

Category	Details of Benefit	Unit	2021	2022	2023
Revenue	Operating revenue from the sale of recycled waste products and used products produced through key business	Million yen	2,540	2,518	2,346
Cost Reduction	Energy expense saving through energy conservation	Million yen	(1,636)	(4,463)	1,165
	Water expense saving through water conservation	Million yen	14	(7)	21
	Disposal cost saving through lower resource input or recycle	Million yen	(72)	(141)	29
	Packaging materials cost saving through recycling	Million yen	379	120	122
Total		Million yen	1,225	(1,973)	3,683

Target site: MITSUBISHI MOTORS

Human Resource-Related Data

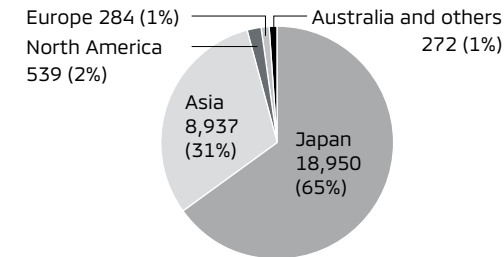
Number of Employees (persons)

			FY2019	FY2020	FY2021	FY2022	FY2023
Number of employees (nonconsolidated)	Regular employees	Male	12,848	12,403	12,309	12,139	12,248
		Female	1,559	1,548	1,520	1,532	1,596
		Total	14,407	13,951	13,829	13,671	13,844
	Non-regular employees	Male	2,806	2,215	3,045	3,076	3,157
		Female	470	359	396	454	480
		Total	3,276	2,574	3,441	3,530	3,637
	Of which, parttime employees	Male	35	78	318	341	348
		Female	77	68	79	91	86
		Total	112	146	397	432	434
		Grand total	17,795	16,671	17,667	17,633	17,915
Number of employees (consolidated)	Regular employees		32,171	30,091	28,796	28,428	28,982
	Non-regular employees (Percentage of non-regular employees)		7,558 (19.0%)	6,434 (17.6%)	7,948 (21.6%)	8,123 (22.2%)	8,967 (23.6%)
		Total	39,729	36,525	36,744	36,551	37,949
Number of Employees by Region	Japan	Regular employees	—	—	—	18,847	18,950
		Non-regular employees	—	—	—	4,261	4,432
		Total	—	—	—	23,108	23,382
	Asia	Regular employees	—	—	—	8,518	8,937
		Non-regular employees	—	—	—	3,744	4,411
		Total	—	—	—	12,262	13,348
	North America	Regular employees	—	—	—	508	539
		Non-regular employees	—	—	—	50	49
		Total	—	—	—	558	588
	Europe	Regular employees	—	—	—	291	284
		Non-regular employees	—	—	—	57	56
		Total	—	—	—	348	340
	Australia and others	Regular employees	—	—	—	264	272
		Non-regular employees	—	—	—	11	19
		Total	—	—	—	275	291

(As of each fiscal year-end)

* From FY2023, the numbers of non-regular employees (parttime employees, fixed-term employees, dispatched employees, etc.) are shown as the annual average number of employees.

Number of Employees by Region in FY2023 (28,982 consolidated)



Number of Locally-Hired Managerial Employees at Overseas Subsidiaries

		FY2019	FY2020	FY2021	FY2022	FY2023
Number of managerial employees	Persons	1,098	1,018	1,099	1,174	1,230
	Ratio	10.2%	10.6%	11.5%	12.3%	12.3%
Number of employees		10,736	9,631	9,549	9,581	10,032

Number of Management*

		FY2019	FY2020	FY2021	FY2022	FY2023
Persons	Male	1,775	1,567	1,512	1,515	1,574
	Female	83	70	81	98	106
Total		1,858	1,637	1,593	1,613	1,680
Female management ratio		4.5%	4.3%	5.1%	6.1%	6.3%

* Figures are as of end-March. Ratio is calculated based on the number of all managerial employees including Corporate Officers in the non-consolidated.

Number of Executives

		Jul. 2020	Jul. 2021	Jul. 2022	Jul. 2023	Jul. 2024
Persons	Male	22	22	22	21	19
	Female	4	2	2	2	3
Female executive ratio		15.4%	8.3%	8.3%	8.7%	13.6%

Employee Composition (non-consolidated)

		FY2019	FY2020	FY2021	FY2022	FY2023
Average age	Male	41.4	41.1	41.9	42.3	42.5
	Female	38.1	37.5	38.5	38.8	39.1
Average years of service	Male	16.2	15.8	15.9	15.8	15.8
	Female	11.6	11.1	11.7	11.9	11.8
Number of employees who have left the company	Retirement	381	203	191	298	217
	Voluntary retirement (Percentage of voluntary retirement)* ¹	303 (2.1%)	305 (2.2%)	418 (3.0%)	392 (2.9%)	354 (2.6%)
	Involuntary retirement	14	11	10	13	5
	Work transfer, other	37	483	25	36	25
	Total	735	1,002	644	739	601

*1 Ratio of voluntary retirement in a year among those enrolled at the end of the fiscal year

Number of New Graduates Hired

		FY2019	FY2020	FY2021	FY2022	FY2023
University graduate/ Master's degree or above	Male	229	204	42	104	150
	Female	76	76	16	23	26
Junior college/ vocational school graduates	Male	1	0	5	2	2
	Female	0	0	5	0	0
High school graduates/other	Male	138	182	54	74	75
	Female	16	9	1	4	3
Total	Male	368	386	101	180	227
	Female	92	85	22	27	29

Number of Mid-Career Employees

		FY2019	FY2020	FY2021	FY2022	FY2023
Administrative and engineering staff	Male	152	6	70	248	377
	Female	44	4	14	56	68
Manufacturing workers	Male	0	1	0	0	3
	Female	0	0	0	0	0
Total	Male	152	7	70	248	380
	Female	44	4	14	56	68

Wage Levels

(As of April 1, 2024)

		Monthly compensation	Comparison with local minimum wage* ²
Starting salary	High school graduate Administrative and Engineering staff	¥191,100	115%
	High school graduate Manufacturing Worker	¥196,000	118%
	Technical college graduate	¥209,700	116%
	Junior college graduate	¥194,500	108%
	University graduate	¥246,700	136%
	Master's degree	¥263,000	146%
	Doctor of Philosophy	¥289,200	160%
Ratio of Performance-Linked Compensation	General Manager	Maximum of 37% of annual basic salary	
	General Manager (responsible for specific duties)	Maximum of 32% of annual basic salary	
	Manager	Maximum of 22% of annual basic salary	

*2 Minimum wages are calculated based on the minimum wage in Aichi Prefecture (¥1,027/hour) for high school graduates and the minimum wage in Tokyo (¥1,113/hour) for non-high school graduates as of April 2024, assuming eight-hour work days and 20.3 days per month.

Salary levels are based on job classification, so there is no disparity in salary based on race, nationality, gender or other factors among people performing the same job.

		FY2023
Average salary of all employees	(annual)	¥7,863,000
Percentage of women's salaries to men's salaries	(annual)	78.9%

Working Hours and Ratio of Paid Leave Taken (annual)

	FY2019	FY2020	FY2021	FY2022	FY2023
Total working hours per person per year	2,013.6 hours	1,880.8 hours	1,960.3 hours	1,946.7 hours	1,947.6 hours
Overtime worked per person per year	288.6 hours	221.4 hours	248.7 hours	298.9 hours	297.5 hours
Ratio of annual paid leave taken* ³	100.6%	99.2%	89.5%	94.8%	93.4%

*3 Days of annual paid leave taken during the year

(days carried forward from the previous year + days granted for the current year) ×100
Days of annual paid leave granted for the current year

Number of Persons Taking Childcare Leave

		FY2019	FY2020	FY2021	FY2022	FY2023
Number of persons taking childcare leave	Male	49	35	88	128	126
	Female	145	46	68	57	66
	Total	194	81	156	185	192

Retention Rate of Returnees from Childcare Leave

	FY2019	FY2020	FY2021	FY2022	FY2023
Retention rate of returnees* ⁴	97.7%	96.0%	95.0%	94.0%	91.8%

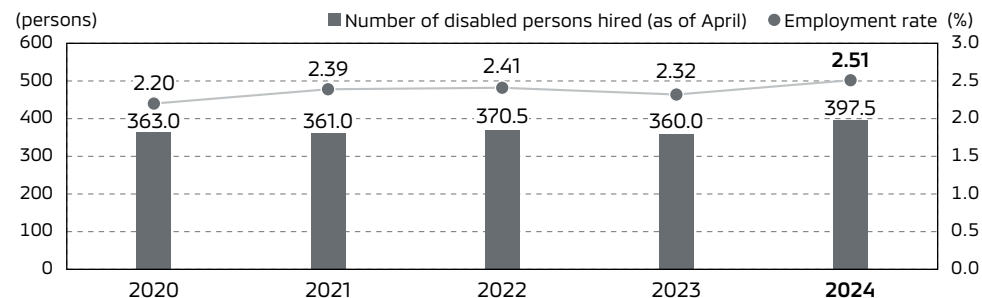
*4 Total number of employees still employed 12 months after returning to work from childcare leave
Total number of employees whose childcare leave ended during the previous reporting period ×100

Number of Persons Who Utilize Major Programs to Promote Work-Life-Balance

FY2023 Results		Male	Female	Total
Childcare	Pregnancy leave	—	8	8
	Maternity leave	—	83	83
	Spousal maternity leave	179	—	179
	Childcare leave	126	66	192
	Childcare leave at birth	69	—	69
	Child nursing leave	492	198	690
	Reduced working hours for childcare	18	196	214
Nursing care	Nursing care leave	6	4	10
	Short-term nursing care leave	291	74	365
	Reduced working hours for nursing care	2	3	5
Miscellaneous	Life plan leave	179	42	221
	Accumulation of unused paid leave	776	68	844
	Flextime system (including managerial employees)*1	6,278	1,154	7,432
	Reemployment system Number of employees registered as candidates for re-hiring under the reemployment system (Returnees in FY2022)	5 (0)	6 (2)	11 (2)
	Accompanying leave (Returnees in FY2022)	2 (0)	9 (1)	11 (1)

*1 With regard to the flextime system, the number of employees eligible to use the system (as of April 1, 2023)

Employment of People with Disabilities*2, 3



*2 The number of persons hired and the employment rate are calculated in accordance with the "Act to Facilitate the Employment of Persons with Disabilities," with the employment of one person with a severe physical or intellectual disability being counted as two persons.

*3 In principle, employment of a one with reduced working hour worker is calculated as 0.5 persons. However, one part-time worker with a severe physical or intellectual disability is counted as one person.

FY2023 Training Led by the Human Resources Division

Number of employees who took courses during the year (total)	9,010
Total number of hours attended	128,254 hours
Total training expenses	¥122,890,000
Number of course hours/days attended per employee*4	9.3 hours/1.16 days
Training expenses per employee*5	¥8,877

*4 Total number of hours attended/Number of regular employees (non-consolidated)

*5 Total training expenses/ Number of regular employees (non-consolidated)

Accident Rate (Accident Frequency)

	FY2019	FY2020	FY2021	FY2022	FY2023
Overall accident rate*6	0.42	0.30	0.20	0.31	0.33
Accident rate with loss of workdays*7	0.10	0.00	0.03	0.06	0.08

*6 Number of accidents with or without loss of workdays per 1 million working hours

*7 Number of accidents with loss of workdays per 1 million working hours

Number of Out of Operations, and Global Lost Work Days

	FY2021	FY2022	FY2023
Number of out of operations	0	0	0
Total number of out of operation days	0	0	0

Employee Shareholding Association

	As of March 2024
Number of members of the employee shareholding association	871
Membership rate	5.8%
Shares owned	1,986,026

Governance-Related Data

Overview of Corporate Governance (As of end of FY2023)

Organizational form	Company with a Nomination Committee, etc.
Board of Directors members	13
Outside directors	11
Of whom, independent directors	5
Number of Board of Directors meetings	17
Ratio of attendance at Board of Directors meetings	97%
Of which, ratio of attendance by outside directors	97%
Chairperson of the Board of Directors	Chairman of the Board
Statutory committees	Nomination Committee, Compensation Committee, Audit Committee
Nomination Committee	5 (including 5 outside directors) Chairperson: Outside director (independent director)
Compensation Committee	5 (including 4 outside directors) Chairperson: Outside director
Audit Committee	5 (including 4 outside directors) Chairperson: Outside director (independent director)

Total Compensation in FY2023

Information related to total compensation is disclosed in the Annual Securities Report.

(WEB) https://www.mitsubishi-motors.com/en/investors/library/pdf/20240621yuka_e.pdf

Compliance-Related Data

■ Number of reports to or consultations with the hotline

	Targets	FY2019	FY2020	FY2021	FY2022	FY2023
Employee Consultation Office (helpline)	MITSUBISHI MOTORS, affiliated companies	166	112	109	74	74
Outside attorney consultation (helpline)	MITSUBISHI MOTORS, affiliated companies	4	2	5	3	7
MITSUBISHI MOTORS Global Hotline	MITSUBISHI MOTORS, affiliated companies	25	14	19	16	20
Business Partner Helpline	—	3	4	1	1	3

■ Number of compliance infractions

		Targets	FY2019	FY2020	FY2021	FY2022	FY2023
Serious violations that damage trust with customers, investors, etc.		MITSUBISHI MOTORS, affiliated companies	0	0	0	0	0
Improper conduct related to human rights violations	Sexual harassment	MITSUBISHI MOTORS	7	0	5	0	5
		Affiliated companies	5	1	1	2	1
	Bullying	MITSUBISHI MOTORS	3	1	1	6	2
		Affiliated companies	2	4	1	1	2
	Violation of the Labor Standards Act.	MITSUBISHI MOTORS	24	13	23	12	6
		Affiliated companies	0	2	2	5	3

GRI Standards Reference Chart

GRI 1: Foundation 2021

Statement of use	MITSUBISHI MOTORS has referred to GRI standards and reports the information contained in this reference chart for the period from April 1, 2023 to March 31, 2024.
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GRI 2: General Disclosures 2021

Item	Index for applicable pages
1. The organization and its reporting practices	
2-1 Organizational details a. Its legal name b. Its nature of ownership and legal form c. The location of its headquarters d. Its countries of operation	Corporate Overview Securities Report (P4-5) Description of business, (P6-8) Status of subsidiaries and associates
2-2 Entities included in the organization's sustainability reporting	Editorial Policy Securities Report (P6-8) Status of subsidiaries and associates
2-3 Reporting period, frequency and contact point a. The reporting period for, and the frequency of, its sustainability reporting b. The reporting period for its financial reporting and, if it does not align with the period for its sustainability reporting, explain the reason for this c. The publication date of the report or reported information d. The contact point for questions about the report or reported information	Editorial Policy
2-4 Restatements of information	N/A
2-5 External assurance a. Its policy and practice for seeking external assurance b. A link or reference to the external assurance report(s) or assurance statement(s), and what has been assured and on what basis	Third-Party Assurance
2. Activities and workers	
2-6 Activities, value chain and other business relationships a. The sector(s) in which it is active b. Its value chain c. Other relevant business relationships d. Significant changes compared to the previous reporting period	Social>Achieving a Sustainable Supply Chain Securities Report (P4-5) Description of business

Item	Index for applicable pages
2-7 Employees <ul style="list-style-type: none"> a. The total number of employees, and a breakdown of this total by gender and by region b. The total number of permanent employees and temporary employees, and a breakdown by gender and by region 	Corporate Overview ESG Data > Human Resource-Related Data Securities Report (P11-12) Employees
2-8 Workers who are not employees <ul style="list-style-type: none"> a. The total number of workers who are not employees and whose work is controlled by the organization b. The methodologies and assumptions used to compile the data c. Significant fluctuations in the number of workers who are not employees during the reporting period and between reporting periods 	—
3. Governance	
2-9 Governance structure and composition <ul style="list-style-type: none"> a. Its governance structure, including committees of the highest governance body b. The committees of the highest governance body that are responsible for decision-making on and overseeing the management of the organization's impacts on the economy, environment, and people c. The composition of the highest governance body and its committees 	Governance > Corporate Governance > System of Corporate Governance Governance > Internal Control Sustainability Management > Our approach to and framework for promoting sustainability > Framework for promoting sustainability Corporate Governance Report (P●) Corporate Governance and Business Execution Structures
2-10 Nomination and selection of the highest governance body <ul style="list-style-type: none"> a. The nomination and selection processes for the highest governance body and its committees b. The criteria used for nominating and selecting highest governance body members 	Governance > Corporate Governance > System of Corporate Governance Corporate Governance Report (P●-●) I. Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management
2-11 Chair of the highest governance body <ul style="list-style-type: none"> a. Whether the chair of the highest governance body is also a senior executive in the organization 	Governance > Board of Directors composition Securities Report (P64) Information about corporate governance, etc.
2-12 Role of the highest governance body in overseeing the management of impacts <ul style="list-style-type: none"> a. The role of the highest governance body and of senior executives in developing, approving, and updating the organization's purpose, value or mission statements, strategies, policies, and goals related to sustainable development b. The role of the highest governance body in overseeing the organization's due diligence and other processes to identify and manage the organization's impacts on the economy, environment, and people c. The role of the highest governance body in reviewing the effectiveness of the organization's processes, and the frequency of this review. 	Securities Report (P21-25) Business-related risks, (P64-107) Information about corporate governance, etc. Governance > Corporate Governance Sustainability Management > Our approach to and framework for promoting sustainability
2-13 Delegation of responsibility for managing impacts <ul style="list-style-type: none"> a. How the highest governance body delegates responsibility for managing the organization's impacts on the economy, environment, and people b. The process and frequency for senior executives or other employees to report back to the highest governance body on the management of the organization's impacts on the economy, environment, and people 	Securities Report (P64-107) Information about corporate governance, etc. Sustainability Management > Our approach to and framework for promoting sustainability > Framework for promoting sustainability Governance > Corporate Governance > System of Corporate Governance Disclosure Based on the TCFD Recommendations > Governance

Item	Index for applicable pages
2-14 Role of the highest governance body in sustainability reporting a. The process for reviewing and approving the reported information, including the organization's material topics by the highest governance body	Sustainability Management>Our approach to and framework for promoting sustainability>Framework for promoting sustainability
2-15 Conflicts of interest a. The processes for the highest governance body to ensure that conflicts of interest are prevented and mitigated b. Whether conflicts of interest are disclosed to stakeholders	Governance>Corporate Governance>System of Corporate Governance Corporate Governance Report (P●-●) I. Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information
2-16 Communication of critical concerns a. Whether and how critical concerns are communicated to the highest governance body b. The total number and the nature of critical concerns that were communicated to the highest governance body during the reporting period	Governance>Risk Management>Development of Risk Management Framework Governance>Compliance>Management Structure Disclosure Based on the TCFD Recommendations>Governance
2-17 Collective knowledge of the highest governance body a. Measures taken to advance the collective knowledge, skills, and experience of the highest governance body on sustainable development	Corporate Governance Report (P●-●) Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information Governance>Corporate Governance>System of Corporate Governance
2-18 Evaluation of the performance of the highest governance body a. The processes for evaluating the performance of the highest governance body in overseeing the management of the organization's impacts on the economy, environment, and people b. Whether the evaluations are independent or not, and the frequency of the evaluations c. Actions taken in response to the evaluations, including changes to the composition of the highest governance body and organizational practices	Governance>Corporate Governance>System of Corporate Governance Corporate Governance Report (P●-●) Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information
2-19 Remuneration policies a. The remuneration policies for members of the highest governance body and senior executives b. How the remuneration policies for members of the highest governance body and senior executives relate to their objectives and performance in relation to the management of the organization's impacts on the economy, environment, and people	Message from the President & CEO Governance>Executive Remuneration Corporate Governance Report (P●) Incentives Securities Report (P100-106) Compensation, etc. of corporate officers
2-20 Process to determine remuneration a. The process for designing its remuneration policies and for determining remuneration b. The results of votes of stakeholders (including shareholders) on remuneration policies and proposals	Governance>Executive Remuneration Governance>Corporate Governance>System of Corporate Governance Corporate Governance Report (P●) Incentives Securities Report (P100-106) Compensation, etc. of corporate officers
2-21 Annual total compensation ratio a. The ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual) b. The ratio of the percentage increase in annual total compensation for the organization's highest-paid individual to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual)	—

Item	Index for applicable pages
4. Strategy, policies and practices	
2-22 Statement on sustainable development strategy a. A statement from the highest governance body or most senior executive of the organization about the relevance of sustainable development to the organization and its strategy for contributing to sustainable development	Message from the President & CEO
2-23 Policy commitments a. Its policy commitments for responsible business conduct b. Its specific policy commitment to respect human rights c. Links to the policy commitments d. The level at which each of the policy commitments was approved e. The extent to which the policy commitments apply to the organization's activities and to its business relationships f. How the policy commitments are communicated to workers, business partners, and other relevant parties	Sustainability Management>Corporate Philosophy and Policy Environment>Environmental Plan Package>Environmental Policy Environment>Preservation of Biodiversity>Basic Approach>MITSUBISHI MOTORS Group Guidelines for the Preservation of Biodiversity Social>Respect for Human Rights>Human Rights Policy Social>Achieving a Sustainable Supply Chain>Basic Approach Social>Promoting Diversity and Inclusion, and Enhancement of Employee Engagement>Basic Approach>Diversity Promotion Policy Social>Promoting Occupational Health and Safety>Basic Approach>Health and Safety Management Policy Social>Improvement of Product, Sales, and Service Quality>Basic Philosophy and Quality Policy Social>Promoting Social Contribution Activities>Basic Approach and Policies>Social Contribution Activities Policy Governance>Corporate Governance>Basic Approach and Policies Governance>Internal Control>Basic Approach and Policies Governance>Risk Management>Basic Approach and Policies Governance>Compliance>Basic Approach and Policies>Global Code of Conduct Governance>Compliance>Anti-Corruption>Policies and Approach Governance>Compliance>Approach to Taxation>Global Tax Policy Privacy Policy
2-24 Embedding policy commitments a. How it embeds each of its policy commitments for responsible business conduct throughout its activities and business relationships	Sustainability Management>Framework for promoting sustainability Social>Respect for Human Rights Social>Achieving a Sustainable Supply Chain>Management Structure Governance>Compliance Securities Report (P14-20) Approach to and initiatives for sustainability
2-25 Processes to remediate negative impacts a. Its commitments to provide for or cooperate in the remediation of negative impacts that the organization identifies it has caused or contributed to b. Its approach to identify and address grievances, including the grievance mechanisms that the organization has established or participates in c. Other processes by which the organization provides for or cooperates in the remediation of negative impacts that it identifies it has caused or contributed to d. How the stakeholders who are the intended users of the grievance mechanisms are involved in the design, review, operation, and improvement of these mechanisms e. How the organization tracks the effectiveness of the grievance mechanisms and other remediation processes	Environment>Environmental Management>Environmental Risk Management Social>Respect for Human Rights>Human Rights Policy Social>Respect for Human Rights>Human Rights Due Diligence Social>Respect for Human Rights>Access to Remedy Governance>Compliance>Establishment of Internal and External Consultation Offices

Item	Index for applicable pages
2-26 Mechanisms for seeking advice and raising concerns	Environment>Environmental Management>Environmental Risk Management Social>Respect for Human Rights>Access to Remedy Social>Achieving a Sustainable Supply Chain>Management Structure>Establishing a Business Partner Helpline Governance>Compliance>Establishment of Internal and External Consultation Offices
2-27 Compliance with laws and regulations a. The total number of significant instances of non-compliance with laws and regulations during the reporting period b. The total number and the monetary value of fines for instances of noncompliance with laws and regulations that were paid during the reporting period	Environment>Environmental Management>Environmental Risk Management Governance>Compliance
2-28 Membership associations a. Industry associations, other membership associations, and national or international advocacy organizations in which it participates in a significant role	Sustainability Management>Our approach to and framework for promoting sustainability>Participation in External Organizations Environment>Environmental Management>Participation in External Associations and Initiatives Social>Respect for Human Rights>Management Structure Social>Achieving a Sustainable Supply Chain>Participating in Outside Initiatives Social>Promoting Diversity and Inclusion, and Enhancement of Employee Engagement>Participating in Initiatives Outside the Company
5. Stakeholder engagement	
2-29 Approach to stakeholder engagement	Sustainability Management>Stakeholder Engagement
2-30 Collective bargaining agreements a. The percentage of total employees covered by collective bargaining agreements	Social>Promoting Occupational Health and Safety>Labor-Management Relations

GRI 3: Material topics 2021

Item	Index for applicable pages
3-1 Process to determine material topics	Sustainability Management>MITSUBISHI MOTORS' Materiality
3-2 List of material topics a. List of material topics b. Changes to the list of material topics compared to the previous reporting period	Sustainability Management>MITSUBISHI MOTORS' Materiality
3-3 Management of material topics a. The actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on their human rights b. Whether the organization is involved with the negative impacts through its activities or as a result of its business relationships c. Its policies or commitments regarding the material topic d. Actions taken to manage the topic and related impacts e. Information about tracking the effectiveness of the actions taken f. How engagement with stakeholders has informed the actions taken and how it has informed whether the actions have been effective	Sustainability Management>MITSUBISHI MOTORS' Materiality Top Pages of Performance Reports for Each Material Issue P29, 45, 48, 52, 54, 61, 68, 72, 75, 78, 83, 89, 92, 99

Item		Index for applicable pages
Economical		
GRI201: Economic performance 2016		
201-1	a. Direct economic value generated and distributed b. Where significant, report EVG&D separately at country, regional, or market levels, and the criteria used for defining significance	Securities Report (P1-12) Overview of the Company Securities Report (P111) Consolidated statement of income Social > Promoting Social Contribution Activities > Basic Approach and Policies
201-2	a. Risks and opportunities posed by climate change that have the potential to generate substantive changes in operations, revenue, or expenditure	Environment > Responding to Climate Change and Energy Issues Environment > Environmental Plan Package > Environmental Targets 2030 Disclosure Based on the TCFD Recommendations > Strategy Securities Report (P21-25) Business-related risks
201-3	a. If the plan's liabilities are met by the organization's general resources, the estimated value of those liabilities b. If a separate fund exists to pay the plan's pension liabilities, its explain c. If a fund set up to pay the plan's pension liabilities is not fully covered, explain the strategy, if any, adopted by the employer to work towards full coverage, and the timescale, if any, by which the employer hopes to achieve full coverage d. Percentage of salary contributed by employee or employer e. Level of participation in retirement plans	Securities Report (P143-145) Retirement benefits
201-4	a. Total monetary value of financial assistance received by the organization from any government during the reporting period b. The information in 201-4-a by country c. Whether, and the extent to which, any government is present in the shareholding structure	—
GRI 202: Market Presence 2016		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	ESG Data > Human Resource-Related Data
202-2	Proportion of senior management hired from the local community	ESG Data > Human Resource-Related Data
GRI 203: Indirect Economic Impacts 2016		
203-1	Infrastructure investments and services supported	Social > Contribution to Local Economy through Business Activities > Basic Approach
203-2	Examples of significant identified indirect economic impacts of the organization, including positive and negative impacts	Social > Delivering Products Which Help Prevent Traffic Accidents Social > Contribution to Local Economy through Business Activities > Basic Approach Social > Promoting Social Contribution Activities
GRI 204: Procurement Practices 2016		
204-1	Proportion of spending on local suppliers	Social > Achieving a Sustainable Supply Chain > Promotion of Localization
GRI 205: Anti-corruption 2016		
205-1	Operations assessed for risks related to corruption	Governance > Compliance > Anti-Corruption
205-2	Communication and training about anti-corruption policies and procedures	Social > Achieving a Sustainable Supply Chain > Supplier CSR Guidelines Governance > Compliance > Anti-Corruption

Item		Index for applicable pages
205-3	Confirmed incidents of corruption and actions taken	Governance > Compliance > Anti-Corruption
GRI 206: Anti-competitive Behavior 2016		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Governance > Compliance > Management Structure
GRI 207: TAX 2019		
207-1	Approach to tax	Governance > Compliance > Approach to Taxation
207-2	Tax governance, control, and risk management	Governance > Compliance > Approach to Taxation
207-3	Stakeholder engagement and management of concerns related to tax	Governance > Compliance > Approach to Taxation
207-4	Country-by-country reporting	—
Environment		
GRI 301: Materials 2016		
301-1	Materials used by weight or volume	ESG Data > Environmental Data Related to Products and Business Activities
301-2	Percentage of recycled input materials used to manufacture the organization's primary products and services	—
301-3	Reclaimed products and their packaging materials	Environment > Resource Recycling Initiatives
GRI302: Energy 2016		
302-1	Energy consumption within the organization	ESG Data > Environmental Data Related to Products and Business Activities
302-2	Energy consumption outside of the organization	ESG Data > Environmental Data Related to Products and Business Activities
302-3	Energy intensity	—
302-4	Reduction of energy consumption	ESG Data > Environmental Data Related to Products and Business Activities
302-5	Reductions in energy requirements of products and services	ESG Data > Environmental Data Related to Products and Business Activities
GRI 303: Water and Effluents 2018		
303-1	Interactions with water as a shared resource	Environment > Conservation of Water Resources
303-2	Management of water discharge-related impacts	Environment > Conservation of Water Resources
303-3	Water withdrawal	Environment > Conservation of Water Resources ESG Data > Environmental Data Related to Products and Business Activities
303-4	Water discharge	Environment > Conservation of Water Resources ESG Data > Environmental Data Related to Products and Business Activities WEB > Atmosphere/Wastewater Quality/PRTR-designated Pollutants Data
303-5	Water consumption	ESG Data > Environmental Data Related to Products and Business Activities
GRI 304: Biodiversity 2016		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Environment > Preservation of Biodiversity
304-2	Significant impacts of activities, products, and services on biodiversity	Environment > Preservation of Biodiversity

Item		Index for applicable pages
304-3	Habitats protected or restored	Environment>Preservation of Biodiversity
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	WEB>ESG Data>Biodiversity Data
GRI305: Emissions 2016		
305-1	Direct GHG emissions (Scope 1)	Disclosure Based on the TCFD Recommendations>Metrics and Targets ESG Data>Environmental Data Related to Products and Business Activities
305-2	Energy indirect GHG emissions (Scope 2)	Disclosure Based on the TCFD Recommendations>Metrics and Targets ESG Data>Environmental Data Related to Products and Business Activities
305-3	Other indirect GHG emissions (Scope 3)	Disclosure Based on the TCFD Recommendations>Metrics and Targets ESG Data>Environmental Data Related to Products and Business Activities
305-4	GHG emissions intensity	ESG Data>Environmental Data Related to Products and Business Activities
305-5	Reduction of GHG emissions	Environment>Environmental Plan Package>Environmental Targets 2030 ESG Data>Environmental Data Related to Products and Business Activities Identifying Materiality
305-6	Emissions of ozone-depleting substances (ODS)	ESG Data>Environmental Data Related to Products and Business Activities
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Environment>Prevention of Pollution>Preventing Air Pollution ESG Data>Environmental Data Related to Products and Business Activities WEB>ESG Data>Atmosphere/Wastewater Quality/PR-TR-designated Pollutants Data
GRI 306: Waste 2020		
306-1	Waste generation and significant waste-related impacts	Environment>Resource Recycling Initiatives
306-2	Management of significant waste-related impacts	Environment>Resource Recycling Initiatives
306-3	Waste generated	Environment>Resource Recycling Initiatives ESG Data>Environmental Data Related to Products and Business Activities
306-4	Waste diverted from disposal	WEB>ESG Data>Atmosphere/Wastewater Quality/PR-TR-designated Pollutants Data
306-5	Waste directed to disposal	WEB>ESG Data>Atmosphere/Wastewater Quality/PR-TR-designated Pollutants Data
GRI 307: Environmental Compliance 2016		
307-1	Non-compliance with environmental laws and regulations	Environment>Environmental Management>Environmental Risk Management
GRI 308: Supplier Environmental Assessment 2016		
308-1	New suppliers that were screened using environmental criteria	Social>Achieving a Sustainable Supply Chain
308-2	Negative environmental impacts in the supply chain and actions taken	Social>Achieving a Sustainable Supply Chain

Item		Index for applicable pages
Social		
GRI 401: Employment 2016		
401-1	Total number and rate of new employee hires during the reporting period, by age group, gender and region	ESG Data > Human Resource-Related Data
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	ESG Data > Human Resource-Related Data Securities Report (P143-145) Retirement benefits
401-3	Total number of employees that took parental leave, by gender	ESG Data > Human Resource-Related Data
GRI 402: Labor/Management Relations 2016		
402-1	Minimum notice periods regarding operational changes	Social > Promoting Occupational Health and Safety > Labor-Management Relations
GRI 403: Occupational Health and Safety 2018		
403-1	Occupational health and safety management system	Social > Promoting Occupational Health and Safety > Basic Approach Social > Promoting Occupational Health and Safety > Management Structure
403-2	Hazard identification, risk assessment, and incident investigation	Social > Promoting Occupational Health and Safety > Initiatives to Ensure Workplace Safety
403-3	Occupational health services	Social > Promoting Occupational Health and Safety > Management Structure
403-4	Worker participation, consultation, and communication on occupational health and safety	Social > Promoting Occupational Health and Safety > Management Structure
403-5	Worker training on occupational health and safety	Social > Promoting Occupational Health and Safety > Initiatives to Ensure Workplace Safety
403-6	Promotion of worker health	Social > Promoting Occupational Health and Safety > Initiatives to Ensure Workplace Safety
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Social > Promoting Occupational Health and Safety > Initiatives to Ensure Workplace Safety
403-8	Workers covered by an occupational health and safety management system	Social > Promoting Occupational Health and Safety > Basic Approach
403-9	Work-related injuries	Social > Promoting Occupational Health and Safety > Initiatives to Ensure Workplace Safety ESG Data > Human Resource-Related Data
403-10	Work-related ill health	Social > Promoting Occupational Health and Safety > Initiatives to Ensure Workplace Safety
GRI 404: Training and Education 2016		
404-1	Average hours of training per year per employee	ESG Data > Human Resource-Related Data
404-2	Programs for upgrading employee skills and transition assistance programs	Social > Stepping up Human Resource Development
404-3	Percentage of employees receiving regular performance and career development reviews	Social > Stepping up Human Resource Development
GRI 405: Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	Governance > Board of Directors Composition ESG Data > Human Resource-Related Data
405-2	Ratio of basic salary and remuneration of women to men	Social > Human Resources Management > Basic Framework > Human Resource Evaluation and Compensation ESG Data > Human Resource-Related Data
GRI 406: Non-discrimination 2016		
406-1	Incidents of discrimination and corrective actions taken	—

Item		Index for applicable pages
GRI407: Freedom of Association and Collective Bargaining 2016		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Social>Promoting Occupational Health and Safety>Labor-Management Relations
GRI 408: Child Labor 2016		
408-1	Operations and suppliers at significant risk for incidents of child labor	Social>Respect for Human Rights>Complying with the Human Rights Policy Social>Achieving a Sustainable Supply Chain>Supplier CSR Guidelines
GRI 409: Forced or Compulsory Labor 2016		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Social>Respect for Human Rights>Complying with the Human Rights Policy Social>Achieving a Sustainable Supply Chain>Supplier CSR Guidelines
GRI 410: Security Practices 2016		
410-1	Security personnel trained in human rights policies or procedures	N/A
GRI411: Rights of Indigenous Peoples 2016		
411-1	Incidents of violations involving rights of indigenous peoples	N/A
GRI 412: Human Rights Assessment 2016		
412-1	Operations that have been subject to human rights reviews or impact assessments	Social>Respect for Human Rights>Human Rights Due Diligence
412-2	Employee training on human rights policies or procedures	Social>Respect for Human Rights>Management Structure Social>Respect for Human Rights>Complying with the Human Rights Policy
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Social>Respect for Human Rights>Complying with the Human Rights Policy
GRI413: Local Communities 2016		
413-1	Operations with local community engagement, impact assessments, and development programs	Environment>Environmental Management>Promoting Environmental Preservation Activities Rooted in the Local Community Environment>Preservation of Biodiversity>Promoting Preservation Activities Social>Contribution to Local Economy through Business Activities Social>Promoting Social Contribution Activities
413-2	Operations with significant actual and potential negative impacts on local communities	N/A
GRI 414: Supplier Social Assessment 2016		
414-1	New suppliers that were screened using social criteria	Social>Achieving a Sustainable Supply Chain>Management Structure
414-2	Negative social impacts in the supply chain and actions taken	Social>Respect for Human Rights>Complying with the Human Rights Policy>Supply Chain Considerations Social>Achieving a Sustainable Supply Chain>Basic Approach Social>Achieving a Sustainable Supply Chain>Supplier CSR Guidelines Social>Achieving a Sustainable Supply Chain>Efforts to Achieve Carbon Neutrality throughout the Supply Chain, Green Procurement Guidelines

Item		Index for applicable pages
GRI 415: Public Policy 2016		
415-1	Political contributions	Governance > Compliance > Political Involvement (Political Contributions)
GRI416: Customer Health and Safety 2016		
416-1	Assessment of the health and safety impacts of product and service categories	Social > Delivering Products Which Help Prevent Traffic Accidents Social > Improvement of Product, Sales, and Service Quality Securities Report (P4-5) Description of business
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Social > Improvement of Product, Sales, and Service Quality > Use of Customer Voice Recall Information (only in Japanese)
GRI 417: Marketing and Labeling 2016		
417-1	Requirements for product and service information and labeling	Social > Improvement of Product, Sales, and Service Quality
417-2	Incidents of non-compliance concerning product and service information and labeling	Governance > Compliance > Management Structure ESG Data > Governance-Related Data
417-3	Incidents of non-compliance concerning marketing communications	Governance > Compliance > Management Structure ESG Data > Governance-Related Data
GRI 418: Customer Privacy 2016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Governance > Compliance > Protection of Personal Information

SASB Standards Reference Chart

Table 1. Sustainability disclosure topics and accounting metrics

Topic	Accounting metrics	Unit of measure	Code	Index for applicable pages
Product safety	Percentage of vehicle models rated by NCAP programs with an overall 5-star safety rating, by region	Percentage (%)	TR-AU-250a.1	Social > Delivering Products Which Help Prevent Traffic Accidents > Development of Safety Technology
	Number of safety-related defect complaints, percentage investigated	Number, Percentage (%)	TR-AU-250a.2	Social > Improvement of Product, Sales, and Service Quality > Use of Customer Voice Social > Improvement of Product, Sales, and Service Quality > Management System > QMS ISO 9001 Initiatives
	Number of vehicles recalled	Number	TR-AU-250a.3	Social > Improvement of Product, Sales, and Service Quality > Use of Customer Voice
Labor practices	Percentage of active workforce covered under collective bargaining agreements	Percentage (%)	TR-AU-310a.1	Social > Promoting Occupational Health and Safety > Labor-Management Relations
	(1) Number of work stoppages (2) Total days idle	Number, days idle	TR-AU-310a.2	ESG Data > Human Resource-Related Data
Fuel economy & use-phase emissions	Sales-weighted average passenger fleet fuel economy, by region	Mpg, L/km, gCO ₂ /km, km/L	TR-AU-410a.1	ESG Data > Environmental Data Related to Products and Business Activities > Product Fuel Economy and CO ₂ Emissions (Corporate Average)
	Number of vehicles sold (1) zero emission vehicles (ZEV) (2) hybrid vehicles (3) plug-in hybrid vehicles	Number	TR-AU-410a.2	ESG Data > Environmental Data Related to Products and Business Activities > Sales of Electrified Vehicles
	Discussion of strategy for managing fleet fuel economy and emissions risks and opportunities	N/A	TR-AU-410a.3	Environment > Responding to Climate Change and Energy Issues > Development and Spread of Electrified Vehicles Environment > Responding to Climate Change and Energy Issues > Promoting the Use of Electrified Vehicles as a Way of Adopting to Climate Change Environment > Responding to Climate Change and Energy Issues > Development of Improving Fuel Economy Technologies Disclosure Based on the TCFD Recommendations > Strategy
Materials sourcing	Description of the management of risks associated with the use of critical materials	N/A	TR-AU-440a.1	Social > Achieving a Sustainable Supply Chain > Supplier CSR Guidelines
Materials efficiency & recycling	Total amount of waste from manufacturing, percentage recycled	Metric tons (t), Percentage (%)	TR-AU440b.1	ESG Data > Environmental Data Related to Products and Business Activities
	Weight of end-of-life material recovered, percentage recycled	Metric tons (t), Percentage (%)	TR-AU440b.2	N/A
	Average recyclability of vehicles sold	Percentage (%) per Sales-Weighted Metric Ton (t)	TR-AU-440b.3	Environment > Resource Recycling Initiatives > Recycling-Based Design and Development Environment > Resource Recycling Initiatives > Promote recycling of end-of-life vehicles

Table 2. Activity Metrics

Activity metrics	Unit of measure	Code	Index for applicable pages
Number of vehicles manufactured	Number	TR-AU-000.A	Corporate Overview
Number of vehicles sold	Number	TR-AU-000.B	Corporate Overview

Third-Party Assurance

Of MITSUBISHI MOTORS environmental data related to products and business activities, we have obtained third-party assurance of our CO₂ emissions from business activities and energy input related to production and non-production divisions in FY2023 (CO₂ emissions (Scope 1+2) of 340x10³t-CO₂, energy input of 7.2PJ).

Manufacturing Sites

Country	Company Name
Japan	MITSUBISHI MOTORS (Okazaki Plant, Mizushima Plant, Kyoto Plant-Kyoto, Kyoto Plant-Shiga), Suiryō Plastics Co., Ltd.
Thailand	Mitsubishi Motors (Thailand) Co., Ltd. (MMTh) MMTh Engine Co., Ltd. (MEC)
Philippines	Mitsubishi Motors Philippines Corporation (MMPC) Asian Transmission Corporation (ATC)
Indonesia	PT Mitsubishi Motors Krama Yudha Indonesia (MMKI)
Vietnam	Mitsubishi Motors Vietnam Co., Ltd. (MMV)
Malaysia	MMC Manufacturing Malaysia Sdn. Bhd, (MMCMM)

Non-Production Sites (Research & Development)

Country	Company Name
Japan	Research & Development Center, EV Research & Development Center, Kyoto Research & Development Center, Tokachi Research & Development Center



No. 1811004807

Greenhouse Gas Emissions Verification Report

To: Mitsubishi Motors Corporation

1. Objective and Scope

Japan Quality Assurance Organization (hereafter "JQA") was engaged by Mitsubishi Motors Corporation (hereafter "the Company") to provide an independent verification on "FY2023 Environmental Impact Report (Summary of calculation results)" (hereafter "the Report"). The content of our verification was to express our conclusion, based on our verification procedures, on whether the statement of information regarding Greenhouse Gas emissions from Scope 1 & 2 (hereafter "Scope 1 & 2 GHG emissions"), and Energy consumption in the Report was correctly measured and calculated, in accordance with the "Environmental information aggregation guidelines" (hereafter "the Rule"). The purpose of the verification is to evaluate the Report objectively and to enhance the credibility of the Report.

*The fiscal year 2023 of the Company ended on March 31, 2024.

2. Procedures Performed

JQA conducted verification in accordance with "ISO 14064-3" for Scope 1 & 2 GHG emissions and with "ISAE3000" for Energy consumption, respectively. The scope of this verification assignment covers Scope 1 & 2 GHG emissions (energy-derived CO₂) and Energy consumption. The verification was conducted to a limited level of assurance and quantitative materiality was set at 5 percent of the total emissions in the Report. The organizational boundaries of this verification include 5 domestic and 7 overseas manufacturing sites, and 4 non-production (Research & Development) domestic sites of the Company.

Our verification procedures included:

- Performing validation of integrated functions to check the Rule.
- Visiting 2 domestic sites, Okazaki Plant and Kyoto Plant - Shiga, selected by the Company.
- On-site assessment to check the Report scope and boundaries; source of Scope 1 & 2 GHG emissions and Energy consumption; monitoring points; monitoring and calculation system; and its controls for overall.
- Vouching: Cross-checking the data against evidence.

3. Conclusion

Based on the procedures described above, nothing has come to our attention that caused us to believe that the statement of the information regarding Scope 1 & 2 GHG emissions and Energy consumption in the Report, is not materially correct, or has not been prepared in accordance with the Rule. The Scope 1 & 2 GHG emissions in FY2023 are 340,458t-CO₂.

4. Consideration

The Company was responsible for preparing the Report, and JQA's responsibility was to conduct verification of Scope 1 & 2 GHG emissions and Energy consumption in the Report only. There is no conflict of interest between the Company and JQA.

Sumio Asada, Board Director
For and on behalf of Japan Quality Assurance Organization
1-25, Kandasudacho, Chiyoda-ku, Tokyo, Japan
June 14, 2024