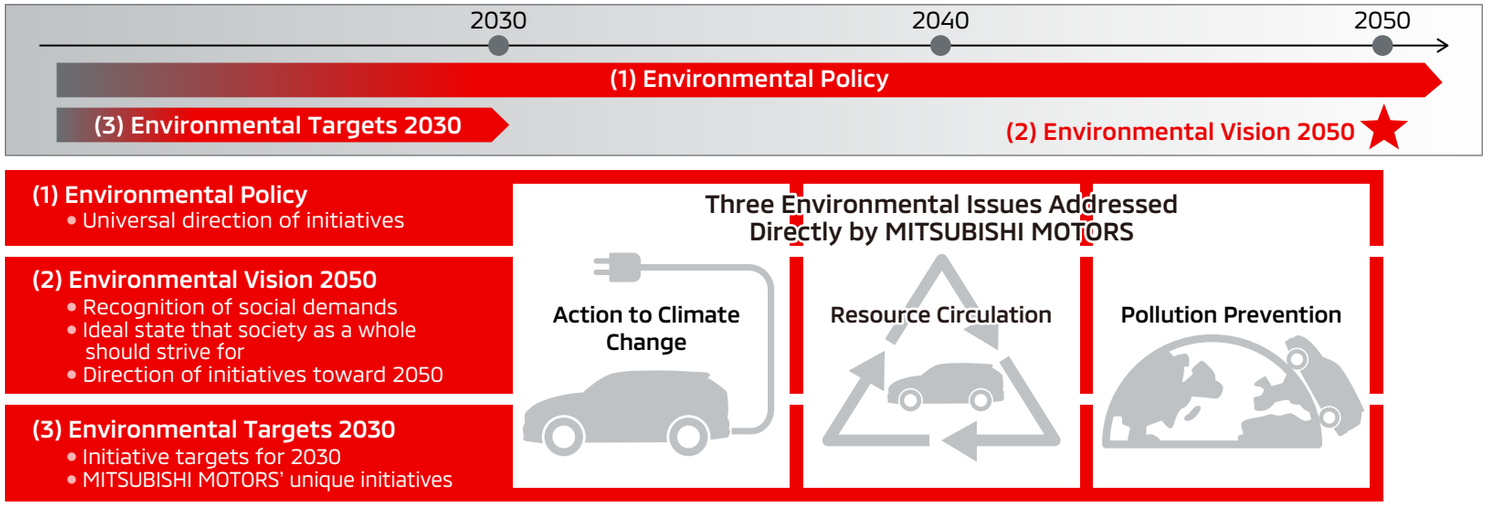
Environmental

Environmental Plan Package

Schematic of the Environmental Plan Package

Anticipating a time 30 years in the future, in October 2020 the MITSUBISHI MOTORS Group 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.

Structure of the Environmental Plan Package



Environmental Policy

The Group has 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.

Reference **Environmental Policy**
https://www.mitsubishi-motors.com/en/sustainability/strategy/policy_guideline/index.html

Environmental Vision 2050

The Group has 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. In terms of climate change, we have declared our commitment to achieving carbon neutrality as a company.

Environmental Targets 2030

The Group has formulated the Environmental Targets 2030, which specify the targets to be addressed in line with the direction of society and initiatives defined in the Environmental Vision 2050. In formulating the targets, we referred to scenarios published by the IEA (International Energy Agency) and the IPCC (Intergovernmental Panel on Climate Change), as well as international frameworks such as the SDGs and the Paris Agreement.

In February 2023, to demonstrate the Group's commitment to achieving carbon neutrality, we revised the Environmental Targets 2030 through a resolution by the Board of Directors, setting even higher targets for climate change countermeasures. For Scope 1*1 and Scope 2*2 CO_2 emissions, we have set targets equivalent to the 1.5˚C level of the SBT (Science Based Targets).*3

*1 Scope 1: A company's direct emissions (such as from burning fuel)
*2 Scope 2: Indirect emissions, resulting from electricity, heat or steam provided by another company
*3 SBT: Short for Science Based Targets, which are greenhouse gas emission reduction targets set by companies consistent with the Paris Agreement levels

Reference
Environmental Plan Package
Structure for Consideration in Formulation, Steps to Formulation
https://www.mitsubishi-motors.com/en/sustainability/environment/initiatives/index.html

Environmental Vision 2050 and Environmental Targets 2030

Environmental Vision 2050 Preamble

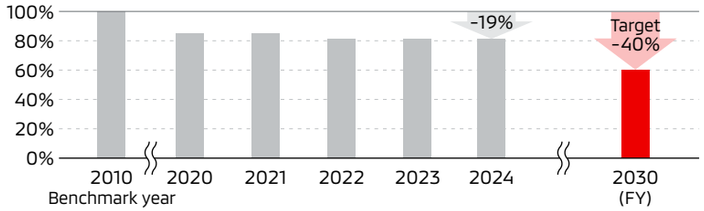
In December 2015, the Paris Agreement was adopted at COP21. Members of this accord agreed to curtail the rise in average global temperatures to 2℃ above levels before the Industrial Revolution and to work to keep the rise to 1.5℃. Given such social demands, MITSUBISHI MOTORS believes it can contribute 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.

Environmental Vision 2050		Environmental Targets 2030 (Targets 2030)
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.	Action to Climate Change	Average CO_2 emissions from new vehicles*1: -40% (compared with FY2010)
		Electrified vehicles*2 sales ratio: 50% FY2035 100%
		CO_2 emissions from business activities*3: -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
		Implementing measures to adapt to climate change
We will contribute to a resource-recycling-oriented society by minimizing input resources and maximizing resource efficiency.	Resource Circulation	Expanding adoption of non-fossil-based plastic
		Achievement of zero direct landfill waste (less than 0.5%)
		Reuse of batteries used in electrified vehicles
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.	Pollution Prevention	Conformance to regulations on use of substances of concern in products
	Environmental Management	Promoting Life Cycle Assessment (LCA)
		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

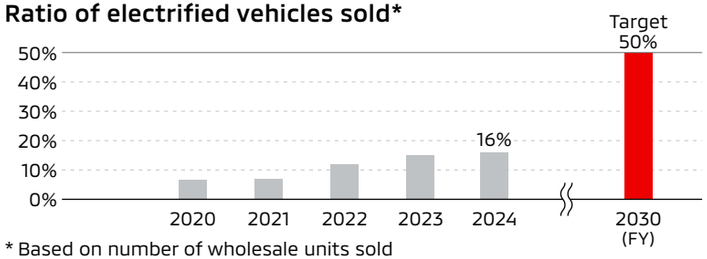
*1 CO_2 emissions per new vehicle while driving. Tank to Wheel
*2 Battery Electric vehicles, plug-in hybrid electric vehicles (PHEV), and hybrid electric vehicles
*3 Total of Scope 1 and Scope 2

Principal Results for FY2024

Average CO_2 emissions from new vehicles

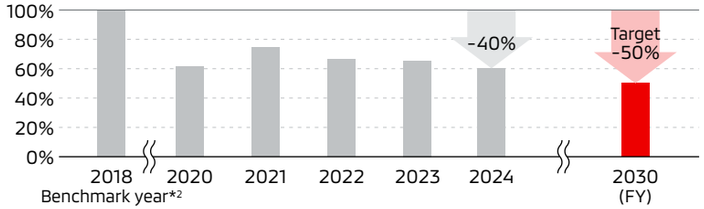


Ratio of electrified vehicles sold*



* Based on number of wholesale units sold

CO_2 emissions from business activities*1



*1 Scope 1 and Scope 2
*2 The officially reported emission volume of FY2018 (the benchmark year), was 588 thousand t-CO_2. This volume includes 43 thousand t-CO_2 emissions from some equity-method associates. For the purposes of target setting, we have revised our base figure to 545 thousand t-CO_2, as our current method of selecting environmental management target companies excludes these equity-method associates.

Environmental Management

Basic Approach

Minimizing environmental impact is an essential element of the Group's sustainable growth. To this end, we recognize the importance of 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.

Reference
Environmental Data Related to Products and Business Activities: Environmental Accounting
https://www.mitsubishi-motors.com/en/sustainability/esg/index.html

Management Structure

Since 1993, we have been holding an Environmental Council, which is attended by the Representative Executive Officer, President & CEO and officers from each division. The Sustainability Committee, chaired by the Representative Executive Officer, President & CEO, has met since FY2017. This committee has specified environmental initiatives as key material issues for our Group, and it discusses our environmental policies and targets and confirms the progress and results from materiality initiatives such as the Environmental Targets 2030.

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, 2025)

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 (MMKI)
Vietnam	Mitsubishi Motors Vietnam Co., Ltd. (MMV)
Malaysia	MMC Manufacturing Malaysia Sdn. Bhd, (MMCMM)

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* certification, and they are engaging in environmental management.

* 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 March 31, 2025)

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. (Mizushima New Vehicle Inspection Plant, New Vehicle Inspection and Delivery Coordination Business Division)

Reference
P33 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 CO_2, 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.

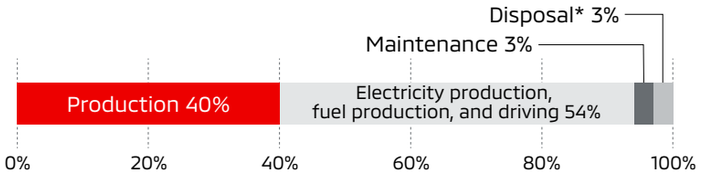
We use LCA to develop advanced parts, electrified vehicles and new-model vehicles that help address the issues related to climate change and energy. We compare life cycle CO_2 emissions with those of previous parts and vehicles, and use this information in our activities to reduce CO_2 emissions throughout the supply chain.

In light of growing interest in the environmental impact across the entire life cycle in individual countries 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.

Examples of LCA Implementation (FY2024)

Model	Objective
The 2025 model year "OUTLANDER PHEV"	• Assessing the effect of reductions from the previous model • Assessing the ratios for production, use and disposal

LCA results for the 2025 model year "OUTLANDER PHEV" (CO_2 emissions ratio)



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

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 FY2024, 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 initiatives aimed at achieving carbon neutrality.

Reference **Instilling Sustainability Awareness within the Company**
https://www.mitsubishi-motors.com/en/sustainability/strategy/management/index.html

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 FY2024, we were not subject to any fines or administrative orders stemming from violations of environmental laws and regulations*, nor any instances of exceeding statutory values. However, voluntary internal checks and monitoring activities uncovered 11 cases of legal non-compliance (including delays in issuing notifications and in conducting inspections). 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.

* 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.

Reference
Industrial associations, External initiatives on ESG that MITSUBISHI MOTORS supports and participates
https://www.mitsubishi-motors.com/en/sustainability/strategy/sankaku/index.html

Responding to Climate Change and Energy Issues

Progress in FY2024

-19%	Average CO_2 emissions from new vehicles (Tank to Wheel, compared with FY2010) [FY2023: -17%]
16%	Ratio of electrified vehicle sales [FY2023: 15%]
-40%*	CO_2 emissions from business activities (Scope 1 and 2 total emissions, compared with FY2018) [FY2023: -35%*]
29,713 thousand t-CO_2eq	Scope 3 emissions [FY2023: 31,743 thousand t-CO_2eq]
106 branches	Number of DENDO DRIVE STATIONs [FY2023: 97 branches]

Reference **Dealer Initiatives**
https://www.mitsubishi-motors.com/en/sustainability/environment/climate_change/index.html

- Expanded electrified vehicle lineup: Launched the “ASX HEV model” in Europe in June 2024, and the “XFORCE HEV model” in Thailand in March 2025.
- Introduction of renewable energy: Newly installed 0.5 MW of solar panels at the Kyoto Plant, bringing total power generation capacity across Group companies to approximately 33 MW.

Reference **Introduction of Renewable Energy**
https://www.mitsubishi-motors.com/en/sustainability/environment/climate_change/index.html

* 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-CO_2, which is calculated by subtracting 43 thousand t-CO_2, the emission amount made by the equity-method associates, from 588 thousand t-CO_2, the officially reported volume of FY2018 (the benchmark year).

Reference **Development of Improving Fuel Economy Technologies**
https://www.mitsubishi-motors.com/en/sustainability/environment/climate_change/index.html

Governance

Basic Approach

We recognize that addressing the globally shared challenge of achieving carbon neutrality by 2050 is a critically important initiative that will determine the future of the MITSUBISHI MOTORS Group. The Group positions climate change countermeasures as one of the key issues in formulating its business strategies. By incorporating measures to address climate-related risks and opportunities into the Environmental Plan Package, which sets forth the direction and goals of our environmental initiatives, and reflecting them in our business strategies, we are working to ensure sustainable business growth, reduce future risks, and enhance our resilience as a company.

Reference **P18 Environmental Plan Package**

Management Structure

a. Board’s oversight of climate-related risks and opportunities

The Group recognizes “responding to climate change and energy issues” as an important management issue and has 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

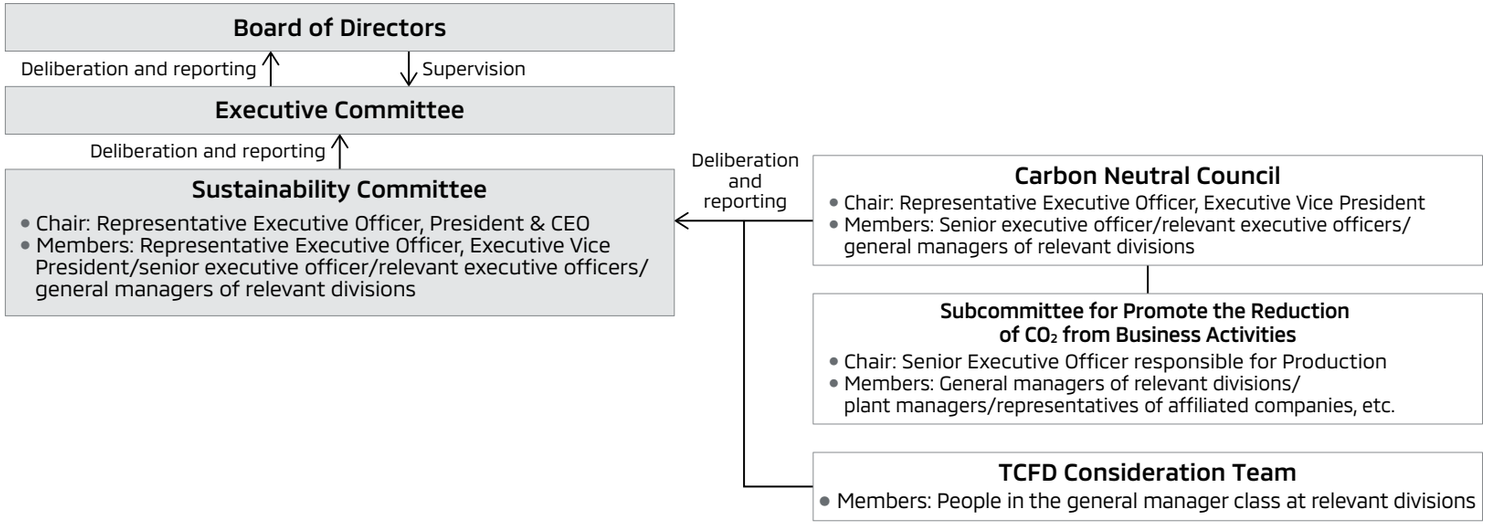
- Endorsement of TCFD recommendations
- Disclosure in line with TCFD recommendations
- Declaration of intent to achieve carbon neutrality by 2050 and revision of Environmental Vision 2050
- Revision of Environmental Targets 2030

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 Representative 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 Representative 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.

Promoting Carbon Neutrality Structure (As of March 31, 2025)



	Roles	Meeting frequency
Sustainability Committee	Monitoring Progress toward the Environmental Targets 2030	Three times a year
Carbon Neutral Council	Formulating medium- to long-term policies and targets for achieving carbon neutrality by 2050	Three 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

Strategy

Risks and Opportunities

a. Short-, medium- and long-term climate-related risks and opportunities the organization has identified

The Group 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/CO_2 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.

* Electrified vehicles: Battery-powered electric vehicles, plug-in hybrid electric vehicles (PHEV), and hybrid electric vehicles (HEV)

Identified climate-related risks and opportunities

Type		Item	Assumed Impact on MITSUBISHI MOTOR'S Business Activities	Timing of the Impact*1	Degree of impact
Transition risks	Policy and legal	Strengthening of regulations for fuel economy/CO_2 and zero-emission vehicles	• Increased development/procurement/production costs to comply with stricter regulations • Increase in fines, credit purchase costs, and stakeholder litigation expenses due to non-fulfillment of regulations	Short/medium/long term	Large
		Introduction and expansion of carbon pricing	• 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	• Decline in the Company's competitiveness and market share due to delays in investment in electrification and other new technologies	Short/medium/long term	Medium
	Market	Changes in the energy mix	• 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	Small
		Tight supply and demand for raw materials (rare metals)	• 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	• 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	• Decline in our social image and share price	Short/medium term	Medium
Physical risks	Acute	Increasing frequency and intensity of meteorological disasters	• 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	• Rising (energy) cost of air conditioning to maintain the work environment and employee health • Difficulty in securing the water needed to manufacture automobiles due to depletion of water resources	Medium/long term	Small
		Rise in ocean levels	• 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	Medium/long term	Medium
Opportunities	Products and services	Growing demand for electrified vehicles	• Expand sales of electrified vehicles by improving product capabilities and taking advantage of government and municipal measures to promote electrified vehicles • Increase sales of electrified vehicles and V2X*2-related equipment/services in line with the growing value of electrified vehicles as energy infrastructure • Boost 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 sources	Advancement in energy technologies	• Reduce energy costs by promoting energy conservation activities and the introduction of renewable energy	Short/medium/long term	Medium

*1 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.
*2 A general term encompassing vehicle to home (V2H) and vehicle to grid (V2G), among others

b. Impact of climate-related risks and opportunities on the organization's business, strategy, and financial planning

With the vision of "creating vibrant society by realizing the potential of mobility," the Group 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.

c. Resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2℃ 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℃ 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.

The results of analysis related to the impact on our business of the associated risks and opportunities are as described on the following page.

*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 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℃ level.

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

Impact of Risks and Opportunities on the MITSUBISHI MOTORS Group's Business Activities

Scenario / Item		Risks/Opportunities		Impact on MITSUBISHI MOTORS' business	Key countermeasures
Less than 2°C	Strengthening of regulations for fuel economy/CO_2 and zero-emission vehicles	Risks	• Need for both developed countries and emerging markets to comply with stricter regulations • Increasing likelihood of noncompliance	• Higher development/procurement/production costs • Fines and credit purchase costs increase if regulations are not met	• Reduce costs by taking advantage of the alliance, such as by standardizing components • Promote electrification, including PHEV and EV
		Opportunities	• Growing demand for electrified vehicles	• Increased sales of electrified vehicles and expansion of the value chain related to electrified vehicles	• Promote new mobility businesses such as energy management using electrified vehicles and used batteries
	Introduction and expansion of carbon pricing	Risks	• Introduction and expansion of carbon taxes, causing carbon prices to rise	• Increased direct and indirect tax burdens and higher costs at the procurement, production and logistics stages	• Promote energy conservation activities and introduce renewable energy • Promote CO_2 reduction efforts in cooperation with suppliers
		Opportunities	• Promotion of energy-saving technologies • Increasing use of renewable energy	• Lower energy costs	
Growth	Increasing frequency and intensity of meteorological disasters (flooding, inundation)	Risks	• Increased possibility of factory damage and supply chain disruptions due to frequent and severe heavy rain and flooding	• Damage to production and development facilities • Lower earnings due to operational shutdowns due to damage to our own factories and suppliers	• Review BCP, assuming such factors as heavy rain and flooding • Promote risk mitigation initiatives in collaboration with suppliers
		Opportunities	• Greater demand for electrified vehicles, owing to growing need to secure emergency power sources	• Increased use of electrified vehicles that can help supply emergency power	• Reduce costs by taking advantage of the alliance, such as by standardizing components • Promote electrification of PHEVs and EVs equipped with external power supply features • Promote new mobility businesses such as energy management using electrified vehicles and used batteries

The MITSUBISHI MOTORS Group's Response Measures Based on Risks and Opportunities

The Group will incorporate measures to address climate-related risks and opportunities into our Environmental Plan Package 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 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 reinforce electrified vehicles (FY2026–FY2028). By FY2028, we plan to introduce nine electrified vehicle models. To date, we have introduced five: the "ASX PHEV/HEV models," the "COLT HEV model," the "XPANDER HEV model," the "XPANDER CROSS HEV model," and the "XFORCE HEV model." Including models launched prior to February 2023—the "MINICAB EV/L100 EV," "eK X EV," "OUTLANDER PHEV model", and "ECLIPSE CROSS PHEV model"—we offer a total of nine electrified vehicle models as of March 2025. In light of the global slowdown in the growth of battery EVs since 2024, we have adopted a policy of utilizing mainly OEM-supplied models from partners for battery EVs for the time being, and will concentrate our development efforts on PHEVs and HEVs, where we have a competitive advantage.

In our business activities, we are promoting energy minimization and the transition to renewable energy sources, and are working to reduce CO_2 emissions.

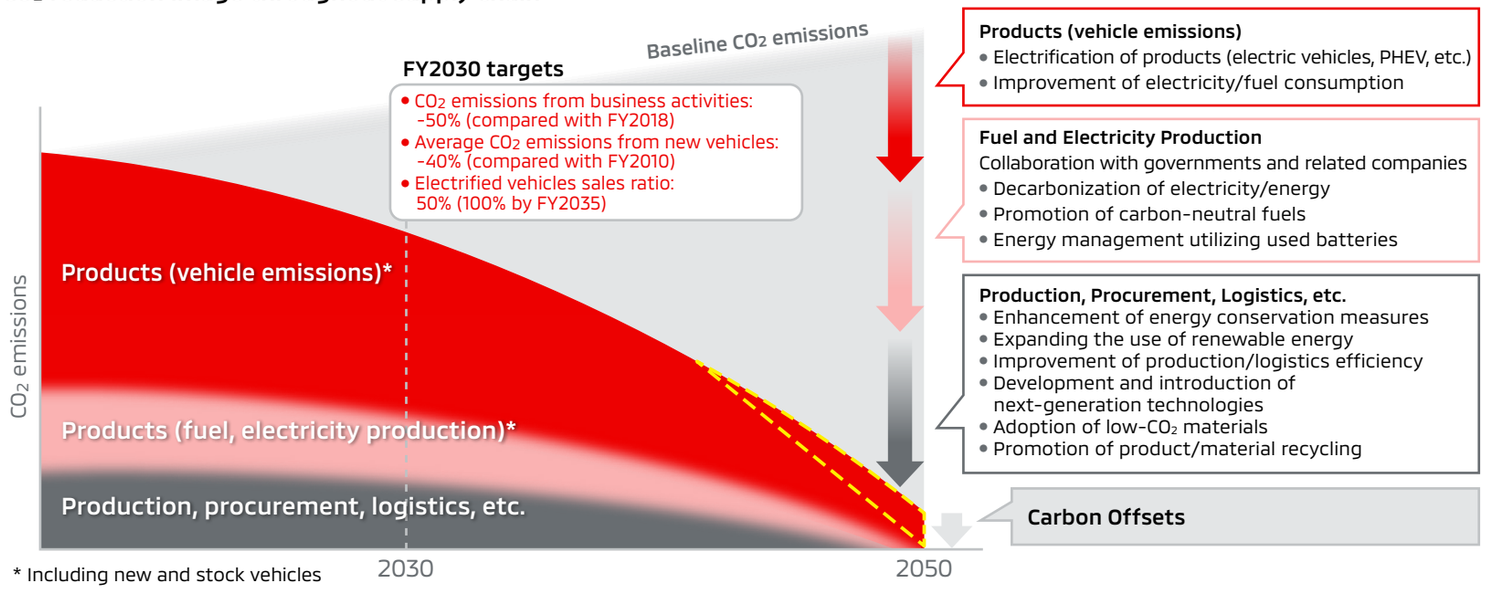
Across the supply chain, we will collaborate with business partners, related companies and organizations, and governments and municipalities to reduce CO_2 emissions at the production stage (through raw materials and parts) and in logistics (including products). We are also promoting renewable energy and charging infrastructure, utilize carbon-neutral fuel and promote V2X*.

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.

* V2X: A general term encompassing vehicle to home (V2H) and vehicle to grid (V2G), among others

Reference
P30 Promoting the Use of Electrified Vehicles as a Way of Adapting to Climate Change

CO_2 reduction image throughout supply chain



* Including new and stock vehicles

Risk Management

a. Organization's processes for identifying and assessing climate-related risks

The Group has 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."

Reference **Disclosure Based on the TCFD Recommendations**
https://www.mitsubishi-motors.com/en/sustainability/environment/tcfd/index.html

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

The MITSUBISHI MOTORS Group 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 have established "CO_2 emissions from business activities" for Scope 1 and 2*, and "average CO_2 emissions from new vehicles" and "ratio of electrified vehicle sales" for Scope 3* Category 11 (use of sold products) as key indicators for management and evaluation purposes.

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 "CO_2 emissions from business activities" as an indicator to measure progress in addressing the escalating climate.

To move forward on efforts to reduce CO_2 emissions, we introduced ICP (Internal Carbon Pricing: ¥18,000 per ton of CO_2) for domestic sites from FY2024, taking into account IEA and other international carbon prices. We use this as one of the factors for consideration when making decisions on capital investment.

* 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 Group calculates CO_2 emissions based on the GHG protocol. The table below shows the actual CO_2 emissions for Scope 1, 2, and 3 in FY2018 (the base year for our CO_2 emissions reduction target from business activities) and from FY2021 to FY2024.

To ensure our information is reliable and transparent, we have obtained independent third-party assurance for our Scope 1 and 2 emissions, as well as for Scope 3, Category 11 (use of sold products).

Scope 1, 2 and 3 Emission

	Unit	FY2018	FY2021	FY2022	FY2023	FY2024
Scope 1	x10^3 t-CO_2	119	92	95	90	85
Scope 2	x10^3 t-CO_2	469	319	271	264	243
Scope 3	x10^3 t-CO_2 eq	42,580	28,294	28,710	31,743	29,713
Total	x10^3 t-CO_2 eq	43,168	28,705	29,076	32,097	30,041

Reference

Third-Party Assurance (Scope 1 and Scope 2) (Scope 3)
https://www.mitsubishi-motors.com/en/sustainability/esg/index.html

c. Targets used by the organization to manage climate-related risks and opportunities and performance against targets

Major FY2030 Targets and Progress

Indicators	FY2030 Target	FY2035 Target	FY2024 Result
Average CO_2 emissions from new vehicles (Tank to Wheel)	-40% (Compared to FY2010)	—	-19% (Compared to FY2010)
Ratio of electrified vehicles sales	50%	100%	16%
CO_2 emissions from business activities (Total Scope1 and 2)	-50%(※) (Compared to FY2018)	—	-40% (Compared to FY2018)

* FY2018 Scope 1 and Scope 2 emissions of 588 thousand t-CO_2 include emissions of 43 thousand t-CO_2 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-CO_2.

FY2024 Initiatives

Product-related Initiatives

Development and Spread of Electrified Vehicles

In our Environmental Targets 2030, the Group set the target of achieving a 40% reduction in average CO_2 emissions from new vehicles by 2030 (compared with FY2010 levels). To meet this target, we are positioning electrified vehicles, which emit low CO_2 while driving, as a core technology in responding to climate change and energy issues, and are advancing their development while also aiming to raise the electrified vehicle sales ratio to 50% by FY2030 and to 100% by FY2035. 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.

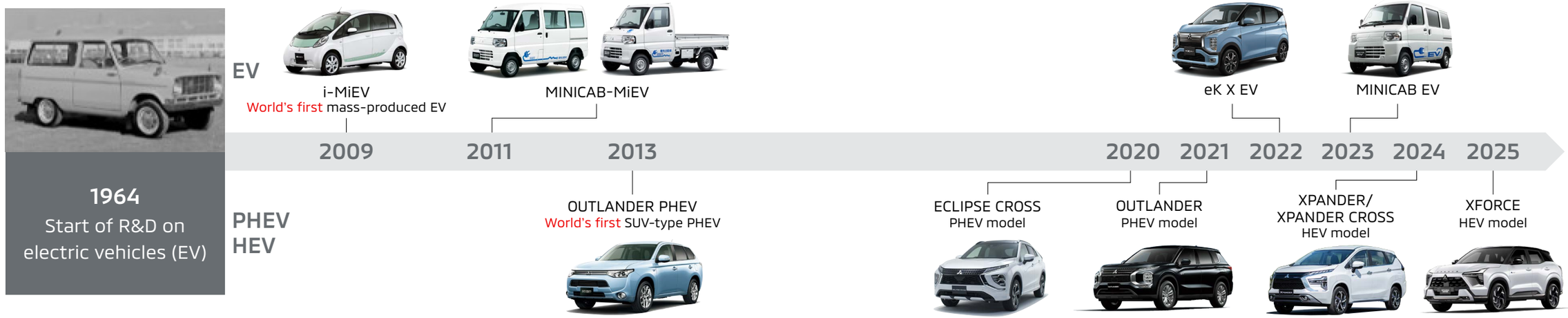
■ Electric Vehicles (EV)

Electric vehicles (EV) are driven by electricity in battery, so they emit no exhaust gases such as CO_2 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.

Our History of Developing Electrified Vehicles



■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. CO_2 emissions are substantially lower than conventional gasoline engine vehicles, delivering outstanding environmental performance. In October 2024, we launched an upgraded version of the OUTLANDER PHEV with significantly extended EV driving range and improved acceleration performance.

“OUTLANDER PHEV”

■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 FY2024, we began launch of the new “ASX HEV model” in Europe and the new “XFORCE HEV model” in Thailand.

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

By leveraging the large-capacity batteries on its electric vehicles (EV) and PHEV and their power supply functions, we are promoting adaptation measures to climate change and energy issues in collaboration with other industries. We are applying these to such areas as energy management, V2X* and use as emergency power sources in times of disaster.

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

TOPICS

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

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*1, a smart grid demonstration facility at the Okazaki Plant, where we are conducting demonstration tests.

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*2 standard. This unit stores energy even when the electrified vehicles are away, facilitating efficient energy management. Through demonstration testing, we will establish technical requirements for safely and more effectively utilizing used batteries under various conditions. In the future, we will work with energy storage equipment manufacturers to introduce these systems at Group dealers' shops and other locations.

*1 M-Tech Lab: Test equipment for a smart grid demonstration, our first initiative utilizing used batteries, began operating in April 2012.
*2 CHAdeMO: A quick-charging system for electric vehicles, a global standard that Japan led the way in standardizing in 2010

Demonstration facility for utilizing used batteries

M-Tech Lab

TOPICS

Launch of a Commercial Smart Charging Service Employing Our Connected Technologies for Electrified Vehicles

MITSUBISHI MOTORS, MC Retail Energy Co., Ltd., Kaluza Japan, and Mitsubishi Corporation launched Japan's first* commercial smart charging service using connected technologies from our electrified vehicles in October 2024.

* As of July 2025, according to our research, this refers to the use of connected vehicle technologies in a controlled charging service.

Features of the Service

This service optimizes the charging of OUTLANDER PHEVs in line with electricity prices by connecting MITSUBISHI MOTORS' connected systems to an advanced energy software platform provided by Kaluza Japan. The service is available through subscriptions to MC Retail Energy's EV smart-charging plans for households.

■ Benefits to Customers

○ Daily smart charging
Simply by connecting OUTLANDER PHEVs to a home charging station and setting intended departure time via the smartphone app, customers can enable the system to automatically control the charging schedule.

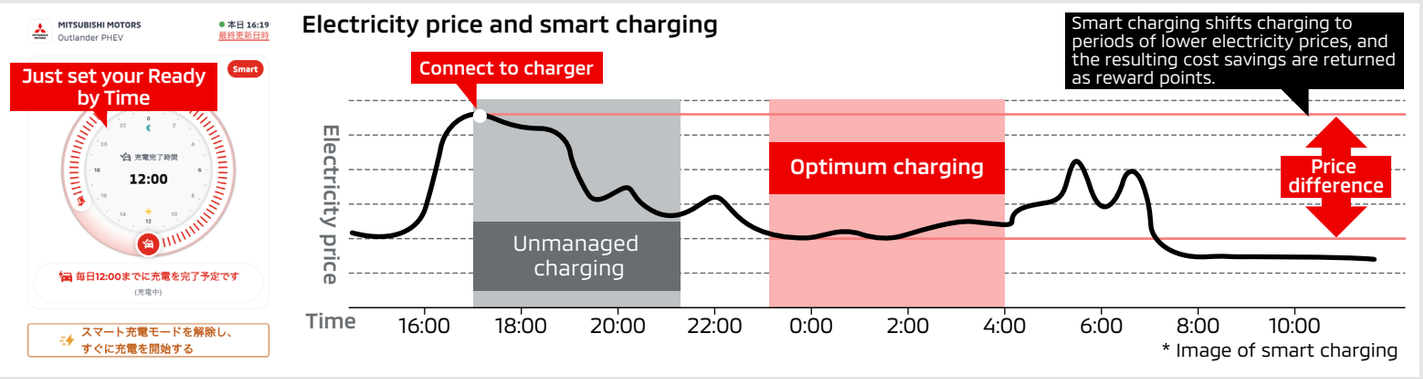
○ Points system based on use of controlled charging
Some of the cost savings achieved through optimized charging with this service will be returned to customers in the form of electricity-bill discounts.

■ Benefits to Society

○ Effective use of renewable energy
By charging during periods of low electricity prices, the system helps make use of surplus renewable energy and indirectly contributes to the more effective renewables.

○ Efficient "peak-hour" shifts
By controlling charging, this service helps to shift the hours of peak electricity loads and contributes to the efficient operation of power grid infrastructure.

Image of Peak Shifting



* Image of smart charging

TOPICS

Launch of Joint Demonstration of Movable Storage Batteries Utilizing Used Batteries

In September 2023, MITSUBISHI MOTORS and Hitachi, Ltd. began joint demonstration testing of the "Battery Cube"*, a movable storage battery that utilizes used batteries from electrified vehicles. In this demonstration, used batteries from OUTLANDER PHEVs are installed in the Battery Cube. In preparation for power outages during large-scale disasters, power from the Battery Cube is used to operate the "Urban Ace HF", Hitachi's standard elevator. In addition to supplying power from electrified vehicles equipped with V2H functionality, this combination using a Battery Cube should help to ensure continuous backup power supply in case of disaster.

We aim to commercialize Battery Cube with Hitachi in FY2025. We will work together to introduce Battery Cube to companies and local governments. We are also planning a joint demonstration for energy management that connects electrified vehicles and Battery Cube with solar panels and other devices to make effective use of renewable energy.

* Battery Cube: Registered trademark of Hitachi High-Tech Corporation in Japan

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

TOPICS

Launch of Self-Directed Light That Utilizes Used Batteries from Plug-in Hybrid Vehicles (PHEV)

MITSUBISHI MOTORS and MIRAI-LABO Co., Ltd. have been developing a self-directed light using used PHEV batteries aiming to contribute to decarbonization by promoting the use of renewable energy. Our self-directed lights store solar power generated during the day in used PHEV batteries, using the power to illuminate LED lights at night. Since they do not require an external power supply, they continue to operate independently in the event of a disaster or power failure. Used batteries mean that CO_2 emissions from battery production are lower than for streetlights using new batteries, and CO_2 emissions during operation are zero, as the electricity comes from solar power.

In FY2022 and FY2023, MITSUBISHI MOTORS conducted a demonstration project that involved installing 24 self-directed lights at the facilities of the Okazaki Plant, Mizushima Plant, Kyoto Plant, and Tokachi Research & Development Center. In March 2025, based on the results of the demonstration, we sold the first self-directed light to Okazaki City in Aichi Prefecture. As part of its Decarbonization Leading initiative, the city installed the light at the Social Welfare Council Service Center.

Self-directed light

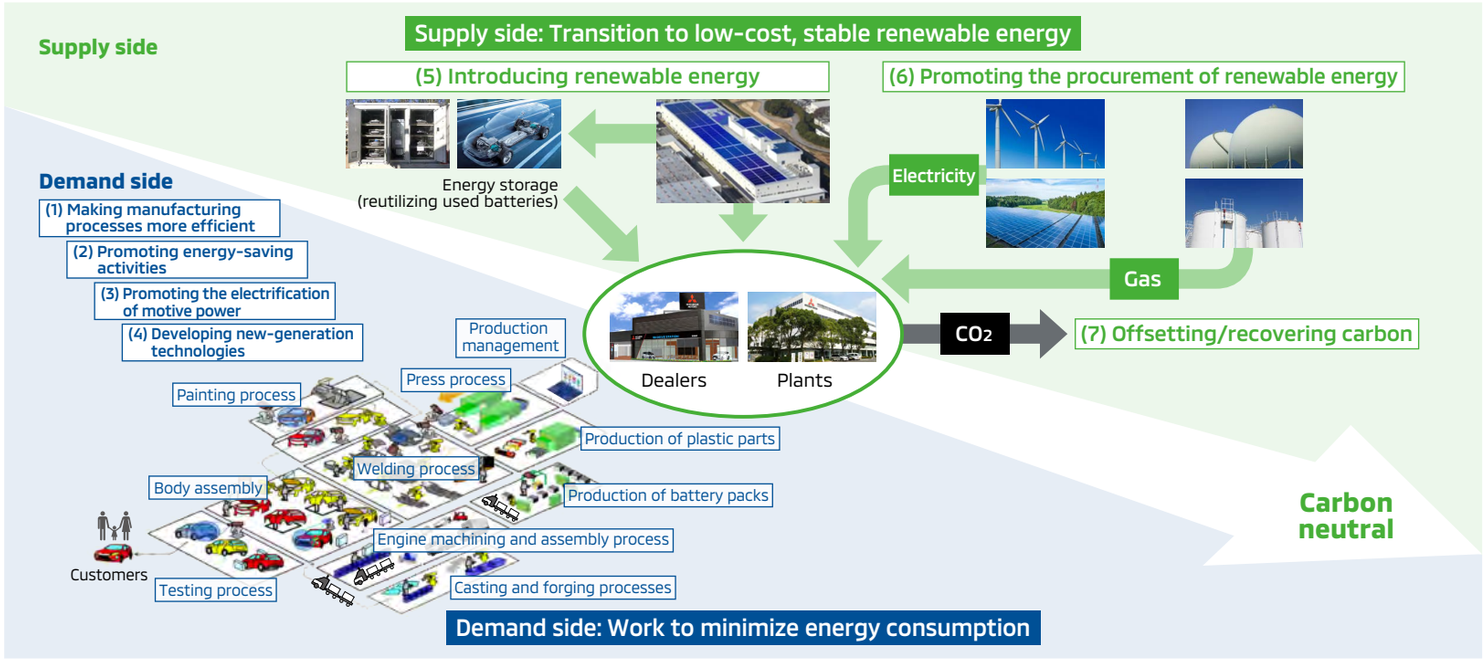
Business Activity Initiatives

Taking the Initiative in Business Activities Toward Carbon Neutrality

To achieve carbon neutral, the Group 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 Subcommittee to Promote the Reduction of CO_2 as an infrastructure of the Sustainability Committee. The subcommittee, which has members from production, development and dealers in Japan and overseas, aims to help the entire MITSUBISHI MOTORS Group achieve carbon neutrality in its business activities. Beside sharing information on the progress of action plans, actual CO_2 emissions, and other pertinent data, the committee also drafts reduction measures, considers future technologies, and deliberates the future energy mix.

“Seven Approaches” to Become Carbon Neutral



Promoting CO_2 Reduction in Business Activities Structure (as of April 2025)

Subcommittee to Promote the Reduction of CO_2
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, Vehicle Engineering Development Division 1
Dealers: Presidents of dealers
Electricity procurement: Division General Manager, Procurement Communication Division
Gathering/sharing of information: General Manager, Sustainability Promotion Department

Introduction of Renewable Energy

The MITSUBISHI MOTORS Group 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, we began introducing electricity derived from renewable energy sources for some of our domestic and overseas production facilities, and we plan to gradually expand this initiative going forward.

Reference **Introduction of Renewable Energy**
https://www.mitsubishi-motors.com/en/sustainability/environment/climate_change/index.html

Initiatives at Manufacturing Plants

To reduce CO_2 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 incorporating measures such as production efficiency improvements and the introduction of energy-saving equipment into our capital investment plans and implementing them to promote energy conservation in the production process. In energy-saving activities involving participants from production sites, production technology, and power supply department, we are working on operational improvements and loss prevention following the introduction of new equipment.

Reference **Initiatives at Manufacturing Plants**
https://www.mitsubishi-motors.com/en/sustainability/environment/climate_change/index.html

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, CO_2 emissions are being reduced at all our offices by using energy-saving electrical equipment and air conditioners.

* 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.

Reference **Office Initiatives**
https://www.mitsubishi-motors.com/en/sustainability/environment/climate_change/index.html

Dealer Initiatives

We encourage 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.

We are expanding the nationwide rollout of DENDO DRIVE STATIONs—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.

*Eco-Action 21 is a certification and registration system based on the Environmental Management Systems guidelines formulated by the Japanese Ministry of the Environment.

Reference **Eco-Action 21 central secretariat (only in Japanese)**
https://www.ea21.jp/

Reference **Dealer Initiatives**
https://www.mitsubishi-motors.com/en/sustainability/environment/climate_change/index.html

Dealers That Have Acquired "Eco-Action 21" Certification (As of the end of March 2025)

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

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

Physical Distribution

Capture and visualize Global Logistics CO_2 Emissions

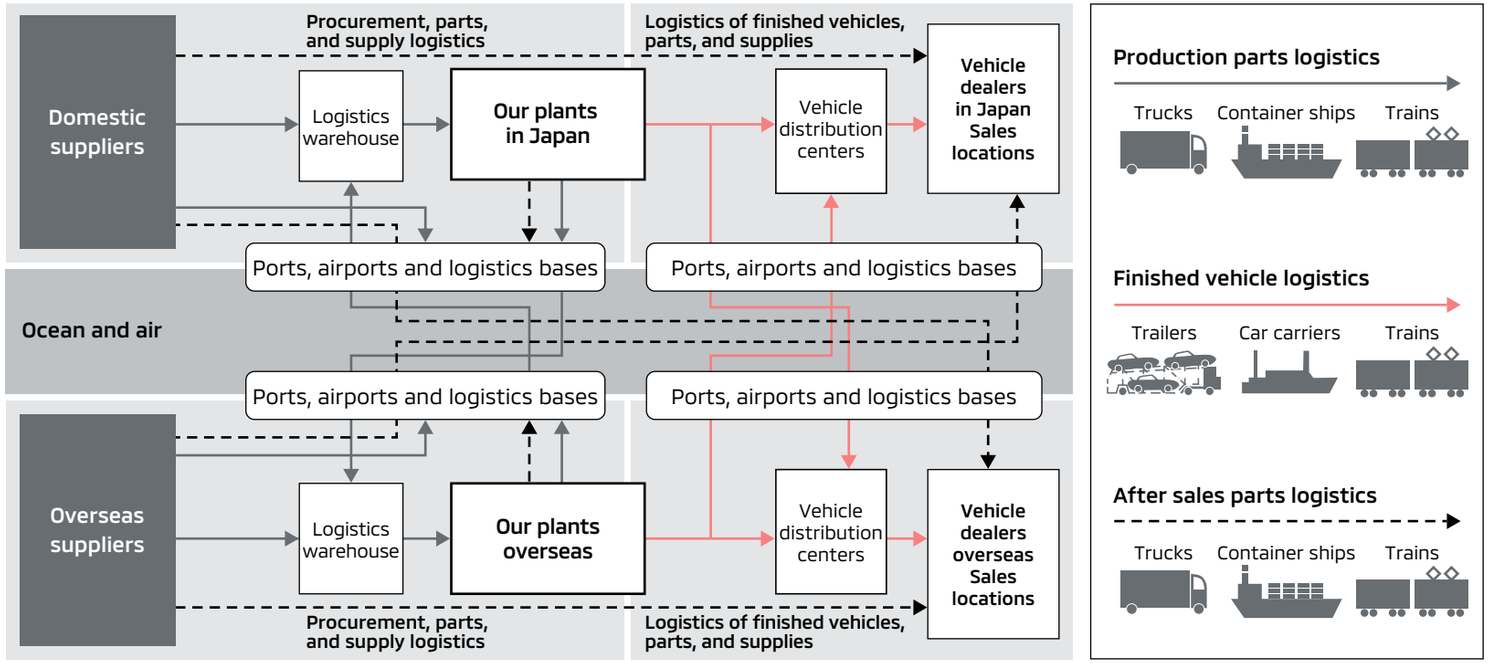
The Group is promoting initiatives to capture and visualize global logistics CO_2 emissions across the supply chain, including overseas operations. In addition to the ongoing efforts to understand logistics CO_2 emissions from overseas production plants, from FY2023, we expanded the scope to include overseas vehicle sales subsidiaries. Furthermore, we are analyzing the visualized logistics CO_2 emissions and promoting initiatives to reduce emissions.

Working to Reduce CO_2 Emissions from Logistics

The Group is promoting initiatives to reduce Logistics CO_2 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. We have been implementing these initiatives proactively for some time. 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.

Reference Physical Distribution
https://www.mitsubishi-motors.com/en/sustainability/environment/climate_change/index.html

Schematic of Our Global Logistics Domain



Initiatives throughout the Supply Chain

The Group aims to become carbon neutral across the supply chain by 2050. To do so, it is essential that our suppliers reduce CO_2 emissions.

In November 2023, we held a briefing session for our suppliers to share the Group's initiatives toward carbon neutrality and deepened communication with suppliers handling items with high CO_2 emissions and emissions reduction. By the end of FY2024, we had supported concrete activities to reduce CO_2 emissions at three supplier companies. We also invited suppliers to our in-house exhibition showcasing energy-saving products, services, and technologies, with 44 companies participating. Furthermore, following FY2023, we continued in FY2024 to use the CDP* Supply Chain Program to better understand our suppliers' initiatives, as well as related risks and opportunities.

In FY2025 and beyond, we will continue to collaborate with our business partners to promote activities aimed at reducing CO_2 emissions throughout the supply chain.

* 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

Reference P46 Green Procurement Guidelines

Resource Recycling Initiatives

Progress in FY2024

Less than 0.5% Direct landfill waste (Management Target Companies: 20) [FY2023: less than 0.5%]

- Expanded adoption of non-fossil-based plastic
- Conducted demonstration equipment at the Okazaki Plant's M-Tech Lab for demonstration experiments using storage batteries with the two concepts of employing quick chargers for electrified vehicles and integrating the use of bidirectional chargers
- Sold the first self-directed light using reused batteries from electrified vehicles (sold to Okazaki City, Aichi Prefecture in March 2025)

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.

The MITSUBISHI MOTORS Group is working to use fewer resources and use them more effectively in automobile manufacturing processes so that we can add more value to vehicles. We therefore see the effective use of resources as an important priority. The Environmental Plan Package positions resource recycling as an environmental issue for our Group to engage with 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 are also expanding adoption of non-fossil-based plastic such as recycled materials and biomass plastics in vehicles. Recycled used clothing materials 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 use in battery trays and other exterior parts. We plan to carry out further development to continue to expand our adoption of non-fossil-based plastic.

Reference **Recycling-Based Design and Development**
https://www.mitsubishi-motors.com/en/sustainability/environment/resource/index.html

Promote Recycling of End-of-Life Vehicles

The Group 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 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.

In addition, with MIRAI-LABO Co., Ltd., we have developed a self-directed light that reuse batteries from electrified vehicles. Our self-directed lights store solar power generated during the day in used batteries from electrified vehicles and use that power to illuminate LED lights at night. In FY2022 and FY2023, we installed and performed verification testing of 24 self-directed lights at our Okazaki Plant, Mizushima Plant, Kyoto Plant, and Tokachi Research & Development Center. In March 2025, we began selling these self-directed lights, with the first unit installed at the Okazaki City Social Welfare Council Service Center.

In addition, in Japan, Europe and North America, the Group has begun creating a system for collecting used batteries. The aim is to develop recycling technologies for and to 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*1), airbags, and fluorocarbons for recycling.

Regarding ASR recycling, we participate in ART*2 in order to jointly process ASR. As a result of the creation of new processing facilities and other measures, the ASR recycling rate in FY2024 was 96.7%, 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 FY2024, our effective recycling rate for end-of-life vehicles*3 exceeded 99%, surpassing the government's stipulated effective recycling rate of 95%.

*1 Automobile shredder residue

*2 Automobile Shredder Residue Recycling Promotion Team established by 12 companies, including Nissan Motor Co., Ltd., Mazda Motor Corporation and MITSUBISHI MOTORS.

*3 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* established in 2000, automobile manufacturers or importers must accept and recycle end-of-life vehicles.

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

* "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 the type approval of vehicle models, and the Group has established a system that satisfies the requirements of this directive. MITSUBISHI MOTORS Group vehicles sold in the EU meet the requirements of the directive under this system.

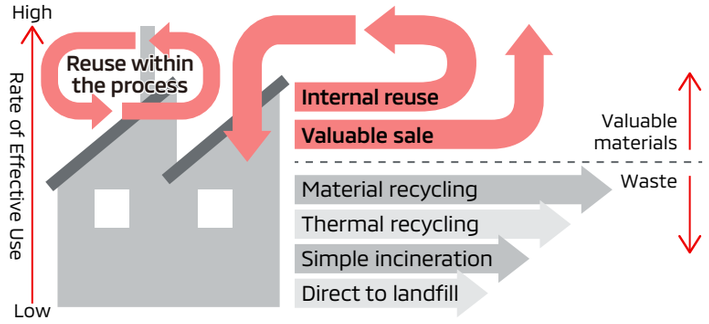
Initiatives to Reduce Waste Generation and Reuse Resources in Production Activities

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.

Reference

Initiatives to Reduce Waste Generation and Reuse Resources in Production Activities
https://www.mitsubishi-motors.com/en/sustainability/environment/resource/index.html

Effective Use of Resources and Recycling



Responses Related to the Plastic Resource Circulation Act

In FY2024, we achieved a recycling rate of 100% for industrial waste from products using plastic (hereinafter "waste plastic"). We will continue to promote the recycling of waste plastic and maintain this 100% recycling rate*.

Volume of industrial waste from products using plastic and recycling rate (Okazaki Plant, Mizushima Plant, Kyoto Plant)

	FY2023	FY2024
Volume of waste	1,796t	1,973t
Recycling rate	97%	100%

* Recycling rates were calculated using the recycling rate calculation method specified by the Japan Automobile Manufacturers Association

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 FY2024, our management target companies achieved zero direct landfill waste (less than 0.5%).

Prevention of Pollution

Progress in FY2024

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

* 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

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.

The Group aims to contribute to the realization of a pollution-free society and has positioned this 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. Throughout all of our business activities, we are carrying out initiatives aimed at reducing the impact on the environment from chemical substances.

Reference **Purifying Exhaust Gas while Driving**
https://www.mitsubishi-motors.com/en/sustainability/environment/pollution/index.html

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) *1, the Group 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*2 concerning substances and the Convention on POPs*3.

At present, in addition to four substances and other heavy metals, the use of VOCs*4, 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.

The Group is working to voluntarily reduce hazardous substances by setting internal technical standards.

*1 Directive of the European Parliament and of the Council on "End-of-Life Vehicles"
*2 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
*3 Persistent Organic Pollutants
*4 Volatile Organic Compounds

Reference
Environmental Data Related to Products and Business Activities: Emissions of Sulfur Oxide, Nitrogen Oxide, VOC (Volatile Organic Compounds) and Ozone-Depleting Substances
https://www.mitsubishi-motors.com/en/sustainability/esg/index.html

Management of Material Data by IMDS

To manage and reduce the amount of hazardous substances contained in vehicle parts delivered by suppliers, data regarding these substances are collected by the IMDS*, 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.

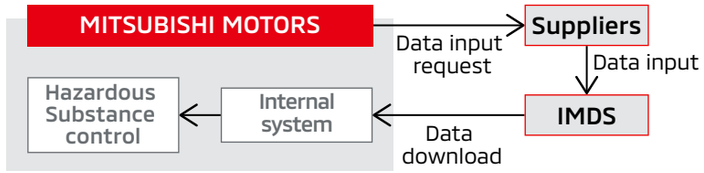
We ask business partners to disclose data on environmentally hazardous substances for materials and parts by inputting them into IMDS in accordance with the "Green Procurement Guidelines." We also ask them to establish a management system for environmentally hazardous substances. In cooperation with 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 reflect updates to information on GADSL-regulated substances in our internal management system to properly manage hazardous substances in products. 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.

* International Material Data System

Reference **P46 Green Procurement Guidelines**

Flow of Data Collection through IMDS



Reduction of In-Cabin VOCs

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.

In addition to implementing reduction measures for VOC sources, we also take advance measures to respond to VOC regulations, not only those of JAMA but also of future European regulations. We strive to provide customers with healthy and safe cabin spaces.

Reference

Japan Automobile Manufacturers Association Voluntary Guidelines for Reducing Vehicle Cabin VOC Concentration Levels
https://www.jama.or.jp/english/news/past/release/2005/050214.html

Preventing Air Pollution

Reduction of VOC Emissions from Production Processes

To reduce VOC emissions, the Group is applying the waterborne 3WET paint method* to the painting process. In Japan, we use this method at the Mizushima Plant and the Okazaki Plant. Overseas, the system is used in two painting plants in 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.

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

Reference

Environmental Data Related to Products and Business Activities
https://www.mitsubishi-motors.com/en/sustainability/esg/index.html

Management of Air Pollutants

The Group follows 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, to simultaneously reduce air pollutants and CO_2 emissions, we are promoting the replacement of equipment that uses fossil fuels such as kerosene with electric devices, including electric heat pumps.

Management of Chemical Substances

Appropriate Management of Chemical Substances

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

We will continue to appropriately manage chemical substances from the perspectives of ensuring occupational health and safety and preventing environmental pollution.

* PRTR: Pollutant Release and Transfer Register

Appropriate Management of Hazardous Waste

The Group manages 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*.

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

* 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. Our Group processes 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 FY2024

- PT Mitsubishi Motors Krama Yudha Indonesia (MMKI) and Mitsubishi Motors (Thailand) Co., Ltd. (MMTh) began operating wastewater recycling plants (Wastewater recycling rates in FY2024: MMKI 75%, MMTh 79%)

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 is increasing.

The MITSUBISHI MOTORS Group requires a large amount of industrial water, city water, and groundwater, and the like for automobile production and it discharges water into sewage lines and rivers, etc. In regions with high water risk, 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 each country and region.

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.

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

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 rainwater 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.

Reference **Reduction of Water Withdrawal Volume**
https://www.mitsubishi-motors.com/en/sustainability/environment/water/index.html

Rainwater storage tank (Okazaki Plant)

Groundwater membrane filtration equipment (Okazaki Plant)

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 wastewater recycling plant since its establishment in 2017. In FY2024, its wastewater recycling rate reached 75%. MMTh put its wastewater recycling plant into operation in January 2022, and in FY2024, its wastewater recycling rate was 79%.

Wastewater recycling plant (MMTh)

Prevention of Water Pollution

A report regarding the results of our water pollution prevention initiatives is available on our website.

Reference **Prevention of Water Pollution**
https://www.mitsubishi-motors.com/en/sustainability/environment/water/index.html

Preservation of Biodiversity

Progress in FY2024

- Promoted preservation activities that leverage the results of ecosystem surveys at locations in Japan
- Conducted tree-planting and cultivation activities in Japan and overseas


Biotope (Kyoto Plant-Kyoto)


Tree-planting activities at MMTh (Thailand)

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

Examples of Preservation of Biodiversity Activities

Main implementing body	Location of activities	Activity details
MITSUBISHI MOTORS	Kyoto Plant-Kyoto	Developed a biotope in the on-site green space and cultivated rare plant species in collaboration with the City of Kyoto.
	Kyoto Plant-Shiga	Maintained an on-site wetland and worked to protect the white egret flower, a rare plant species.
	Hayakawa-cho, Yamanashi Prefecture	Concluded a new agreement with Hayakawa-cho, and OISCA Japan regarding the “Third Phase of Pajero Forest Activities” and carried out forest preservation activities.
	Okazaki City, Aichi Prefecture	Signed a “Forest Preservation Partnership Agreement” with Okazaki City and conducted forest preservation activities in the jointly operated “Okazaki OUTLANDER Forest.”
Mitsubishi Motors (Thailand) Co., Ltd. (MMTh)	Khlung District, Chanthaburi Province, Thailand	Conducted planting and nurturing of mangroves in cooperation with the Department of Marine and Coastal Resources, Ministry of Natural Resources and Environment.

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. MITSUBISHI MOTORS Group believes it is a priority to enact climate change countermeasures, protecting biodiversity so that we can continue to enjoy its blessings.

The Group formulated the “MITSUBISHI MOTORS Group Guidelines for the Preservation of Biodiversity” in August 2010 and promotes conservation activities.

Reference
MITSUBISHI MOTORS Group Guidelines for the Preservation of Biodiversity
https://www.mitsubishi-motors.com/en/sustainability/strategy/policy_guideline/index.html

Promoting Preservation Activities

Ecosystem Surveys at Business Sites in Japan

Production of vehicles requires large-scale plants. MITSUBISHI MOTORS Group believes that assessing the impact that the use of land in company business has on local biosystems is important to our biodiversity protection initiatives.

Our business sites in Japan are not located in or adjacent to protected areas as defined by the Nature Conservation Act or prefectural ordinances. However, in keeping with the spirit of these laws, we conducted ecosystem surveys at domestic sites that use large plots of land, such as plants, with the support of biodiversity-related research firms.

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.

Biodiversity Protection Initiatives

Based on the results of ecosystem surveys conducted at our domestic business sites, we are engaged in biodiversity conservation activities. To protect water sources and foster environmental awareness among our employees, we are engaged in forest preservation activities both in Japan and overseas.

Reference **Preservation of Biodiversity**
https://www.mitsubishi-motors.com/en/sustainability/environment/biodiversity/index.html

Support for External Initiatives

We expressed our support for the intent of the “Keidanren Declaration for Biodiversity and Guideline” formulated by Keidanren and joined the Keidanren Initiative for Biodiversity Conservation in 2010.

Reference **Keidanren Initiative for Biodiversity Conservation**
https://www.keidanren-biodiversity.jp/logo_en.php