

# Corporate Governance

## 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 our basic framework for and views on corporate governance in the form of the "Corporate Governance Guidelines."

**(Reference)** Corporate Government Guidelines

[https://www.mitsubishi-motors.com/en/sustainability/strategy/policy\\_guideline/pdf/guideline.pdf](https://www.mitsubishi-motors.com/en/sustainability/strategy/policy_guideline/pdf/guideline.pdf)

## 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.

We have set out a policy for nominating candidates for Directors and for the composition and size of the overall Board.

As of June 19, 2025, the Board comprised 12 Members (2 female Members). 10 of the 12 Directors are Outside Directors with extensive experience and high levels of insight, and 5 of the Outside Directors are Independent Directors. We publish individual Directors' knowledge, experience, and expertise (skill matrix) on our website.

**(Reference)**

**Policy for the Nomination of Candidates for Directors**

[https://www.mitsubishi-motors.com/en/sustainability/strategy/policy\\_guideline/policy\\_nomination.html](https://www.mitsubishi-motors.com/en/sustainability/strategy/policy_guideline/policy_nomination.html)

**Composition of the Board**

<https://www.mitsubishi-motors.com/en/sustainability/governance/policy/composition.xlsx>

**Knowledge, experience, and expertise of the Board of Directors**

[https://www.mitsubishi-motors.com/en/sustainability/governance/policy\\_skill.html](https://www.mitsubishi-motors.com/en/sustainability/governance/policy_skill.html)

### Independence Standards and Qualification for Outside Directors

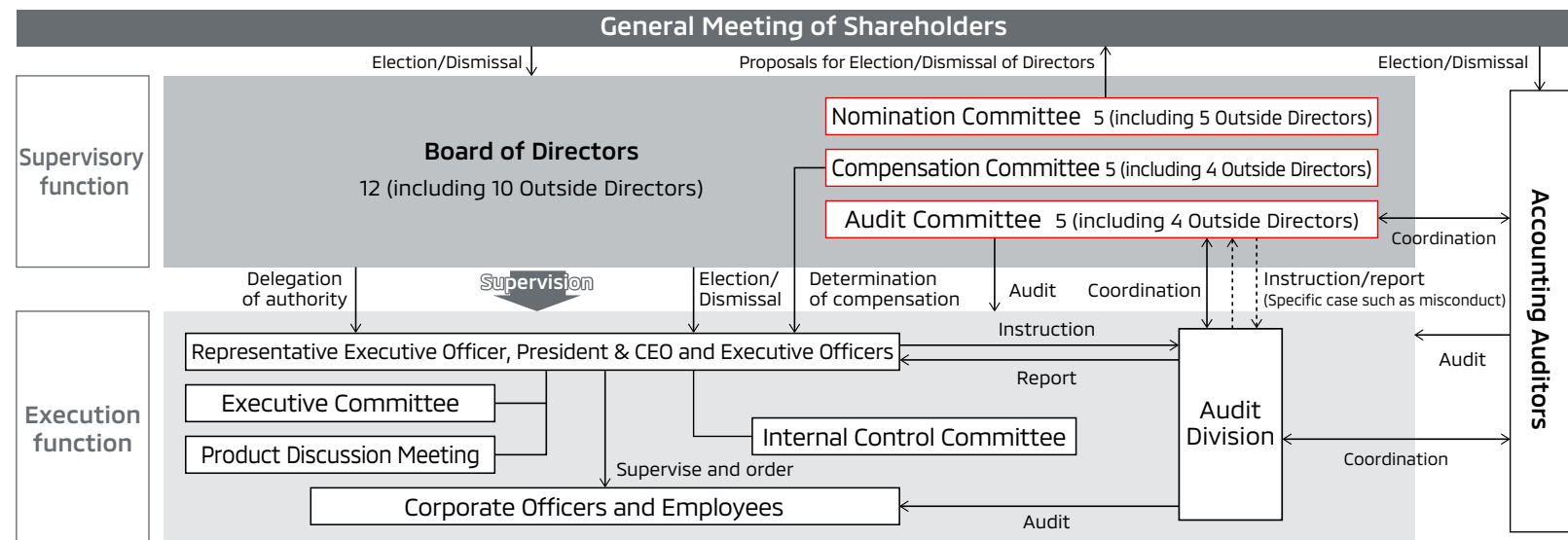
We have established independence standards for Outside Directors, and we appoint as Independent Directors those persons who are not at risk of having a conflict of interest with general shareholders.

**(Reference)**

**Corporate Government Guidelines "Independence Standards and Qualification for Outside Directors"**

[https://www.mitsubishi-motors.com/en/sustainability/strategy/policy\\_guideline/pdf/guideline.pdf](https://www.mitsubishi-motors.com/en/sustainability/strategy/policy_guideline/pdf/guideline.pdf)

### Corporate Governance and Business Execution Structures (June 19, 2025)



## Evaluation of Effectiveness of the Board of Directors

To improve the effectiveness of corporate governance, MITSUBISHI MOTORS annually evaluates the effectiveness of the Board of Directors by a questionnaire survey to all the Directors. The results are reported to the Board.

In FY2024, we conducted a questionnaire survey of the aspects listed below, for the purpose of enhancement of the 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 FY2024, based on opinions and feedback received from each Director:

- The Company's Board of Directors is generally judged to be effective.
- With the external factors becoming unclear, the importance of continuing to deepen discussions over the medium- to long-term, and big-picture management strategy was reconfirmed. For further improvement, it is important to advance the following initiatives:
  - Need further improvement in the quality of supervision and decision-making by continuously updating management-related information.
  - Need further enhanced explanation to stakeholders by deepening discussions on medium- to long-term, big-picture management strategy, and allocation of management resources.

Based on the above summary and identified issues, the Board is considering the following actions:

- Expand reporting and discussion on management-related information.
  - Upgrade the report contents and discussions of key divisions' business status updates.
- Further enhance discussions for future business plans.

Through these initiatives, we will continuously improve the effectiveness of the Board and enhance corporate governance.

## Committees

The Board has the following three statutory committees, which supervise Directors and Executive Officers together with the Board. More than half of the members of each committee are Outside Directors, and the Chairpersons of each committee are Outside Directors. Through this, fairness and transparency are ensured and a system is in place that corporate governance effectively functions.

### 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 Representative Executive Officer, President & CEO to the Board, and discusses succession planning for MITSUBISHI MOTORS' President.

In FY2024, in addition to regular agenda items such as the determination of nomination of candidates for Director and approval of proposals for the election of Executive Officers, the Committee also deliberated on the evaluation and succession planning for the President.

## 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.

In FY2024, the Committee deliberated on the determination of individual Compensation Plan for Directors and Executive Officers, the addition of KPIs for medium- to long-term performance-linked compensation, and the appropriateness of the Company's remuneration level for Directors and Executive Officers based on external benchmarks, and other matters.

### Audit Committee

The Audit Committee audits the execution of duties of the Members of the Board and Executive Officers, supervises the status of implementation and operation of internal control systems, and prepares audit reports; furthermore, it implements internal investigations into matters for which the Board of Directors determined that it is unreasonable for the person who executes the business to conduct an investigation.

(Reference) P82 Status of Audit Committee audits

### Configuration and Number of Meetings of Each Committee (FY2024)

	Number of committee members	Chair	Meetings convened
Nomination Committee	Outside directors: 5	Independent Outside Director (Ms. Main Kohda)	8
Compensation Committee	Outside directors: 4 Internal directors: 1	Outside Director (Mr. Shunichi Miyanaga)	6
Audit Committee	Outside directors: 4 Internal directors: 1	Independent Outside Director (Mr. Yoshihiko Nakamura)	15

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 Representative Executive Officer, President & CEO is appointed as the head of the executive departments by a resolution of the Board.

As of June 19, 2025, there are 10 Executive Officers (including the Representative Executive Officer, President & CEO).

Outline of Decision-Making Process for Business Execution and Various Committees

When executing business, the Representative Executive Officer, President & CEO, Representative 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 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 Representative Executive Officer, President & CEO. 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 Representative Executive Officer, President & CEO 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 Executive Officers, Directors 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.

Support System for Outside Directors

We provide various opportunities for Outside Directors to deepen their understanding of the Company so that they can actively express their opinions at Board of Directors and fully participate in decision-making.

Examples of Initiatives

- Site visits to business locations in Japan and overseas
- Opportunities for dialogue to deepen understanding of MITSUBISHI MOTORS’ operations
- Advance distribution of agenda-related materials and prior briefings as necessary

Reference Corporate Governance Report  
<https://www.mitsubishi-motors.com/en/sustainability/pdf/governance.pdf>

Status of Audit Committee Audits and Internal Audits

Status of audits by Audit Committee

Based on its audit policies and audit plans, the Audit Committee recognizes its primary responsibility as monitoring and verifying the execution of duties by Directors and Executive Officers, the effectiveness of the internal control system, and the appropriateness of the audits by the Accounting Auditor, and carries out the following activities.

- 1. In addition to working with the Audit Division, the Committee engages in dialogue with a wide range of executive divisions to understand the effectiveness and issues of the Company's internal control systems. It confirms the executive divisions' evaluations of effectiveness, recognition of issues, and the status of their initiatives to address those issues.
- 2. For operations that may involve significant risks to the Company's business, the Committee obtains a thorough understanding of specific business processes. In FY2024, the Committee conducted hearings on a series of business processes related to the Road Transport Vehicle Act from this perspective.

In principle, the Audit Committee meets monthly and convened 15 times in FY2024.

The specific matters discussed by the Audit Committee in FY2024 are as follows.

15 Resolutions :

Audit policy and audit plan, audit methods, resolutions on the assignment of audit duties, appointment of the Accounting Auditor, consent to accounting auditor's audit remuneration, revision of evaluation criteria for the Accounting Auditor, preparation of the audit report, etc.

4 Deliberations :

Provision of non-assurance services by the Accounting Auditor, etc.

34 Reports :

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)

In addition to the above, the Audit Committee primarily conducts the following activities throughout the year.

- Exchanges of opinions with the Representative Executive Officer, President & CEO (twice a year)
- Hearings with Executive Divisions (five times a year)
- Meetings with the Internal Audit Division (six times a year)
- Meetings with the Internal Control Division (twice a year)
- Reports on Audit Committee activities to the Board of Directors (twice a year)

In addition to the meeting 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; provided training for and had liaison meetings with auditors of subsidiaries and affiliates in Japan; and held tripartite audit meetings (Audit Committee, Accounting Auditors, and Internal Audit Division). In FY2024, in order to verify the effectiveness of the internal control system across the corporate group, we placed particular focus on on-site visits or interviews with major business locations and its major subsidiaries and affiliates in Japan and overseas.

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 Representative Executive Officer, President & CEO) and these departments systematically conduct internal audits based on the annual audit plan. The results are reported to

the Representative 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.

As of the end of March 2025, the Internal Audit Division consists of 26 members with specialties, including those with a variety of managerial experience, Certified Internal Auditors (CIA), and Qualified Internal Auditors (QIA). The Division conducts audits covering MITSUBISHI MOTORS and its subsidiaries and affiliates in Japan and overseas. The Internal Audit Department (consisting of 17 members) focuses on assessing whether operational management of the Group is conducted with transparency using appropriate processes. The Quality Audit Department (seven members) audits the appropriateness of product quality-related activities by the same entities.

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.