

Basic policy on the Establishment of Internal Control Systems

1. System to ensure that performance of duties of Executive Officers and employees of the Company conforms to laws and the Articles of Incorporation
 - (1) In addition to establishing the Mitsubishi Motors Corporation Global Code of Conduct, building an organizational framework and implementing education and training for the observance of laws, the Articles of Incorporation, and social rules and manners, the Company established an internal contact point and uses information gathered through such means of prevention, correction and prevention of recurrence.
 - (2) The Company appoints Outside Directors to oversee the Company's management, and works to achieve successful oversight thorough audits by the Audit Committee, including Audit Committee Members who are Outside Directors.
 - (3) The Company's Internal Audit Division strictly audits whether the operational performance of the Company is in violation of laws, the Articles of Incorporation, Company regulations or other rules. If such department finds a problem, it is to report it to the relevant Directors or other parties and thereafter regularly confirm the status of improvement in regards to such issue.
 - (4) The Company's Internal Control Committee, which is chaired by the CEO and assigned the Executive Officer for Internal Control as a vice chairman, was established as a core organization that oversees matters related to internal control in compliance with Companies Act.

2. Rules and other systems concerning management of risk of losses by the Company
 - (1) For risks in the course of the Company's business, the Company has clearly established standards for agenda to the meetings of the Board of Directors and the Executive Committee meetings in the Rules of the Board of Directors and the Rules of the Executive Committee, respectively, and operates based on such.
 - (2) The Company appoints a person responsible for risk management at the organizational level in each department or other division of the Company and works to establish and strengthen its risk management system centered on such person.
 - (3) The Company has established an organization responsible for promoting risk management and works to set up and strengthen a companywide risk management framework.

 - (4) To prepare, in the case of the occurrence of an unforeseen incident, information is

promptly conveyed to Directors and others to set up a system that can respond promptly and accurately.

3. System to ensure that Executive Officers of the Company efficiently execute their duties

- (1) The Company works to maintain and improve management efficiency by establishing companywide management plans and clarifying specific business targets and execution methods for a functional organization. Directors regularly receives reports on the status of implementation.
- (2) The Company makes clear the responsibilities and authority of the Directors and Executive Officers, and promotes the efficient execution of the duties of the Board of Directors and the Executive Committee based on the Rules of the Board of Directors, the Rules of the Executive Committee and various other rules.
- (3) In order to set up a system for efficient organizational operation and business execution and establish a system facilitating rapid and agile decision-making for important issues for the Company, the Board of Directors broadly delegates the decision of business execution to Executive Officers, within the scope permitted by law, to ensure that the Executive Officers' performance of their duties is conducted efficiently.
- (4) The Company works to maintain and improve the clear and transparent delegation of authority standards in order to expedite decision-making and clarify the processes.

4. System for preservation and management of information concerning the execution of the duties of the Executive Officers of the Company

The Company prepare such information as documents or electronic data in accordance with Company regulations or other rules and appropriately manages by establishing a person in charge and stipulating the preparation method, preservation method, preservation period, copying and disposal method, and so forth based on the importance of the information.

5. System to ensure the proper operation of business in the Group

- (1) The Company ensures the proper operation of the business of the Group by stipulating the supervisory organization of each of its subsidiaries and the responsibilities and authority, management method and other matters related to management of its subsidiaries through its internal regulations and other rules.
- (2) The Company works to set up and enhance frameworks for proper business

execution, observance of the Mitsubishi Motors Corporation Global Code of Conduct and business audits by the Officers and employees of its subsidiaries in conformance with laws and the Articles of Incorporation through guidance and management of its subsidiaries in accordance with a subsidiary's size, business conditions and other factors.

- (3) The Company strives to set up and strengthen risk management systems at its subsidiaries through guidance for a subsidiary on implementation of risk management and other means, in accordance with a subsidiary's size, business conditions and various other factors.
- (4) The Company works to promote the strengthening, development and rationalization of its subsidiaries through guidance and management of a subsidiary, and other means in line with Rules of Management of Affiliated Companies and other internal regulations and rules, in accordance with a subsidiary's size, business conditions and various other factors.
- (5) The Company establishes Rules of Management of Affiliated Companies and other internal regulations and rules so that prior or subsequent explanations and reports are made to the Company concerning its subsidiaries' business, results, financial condition and other important information.
- (6) The Company and its subsidiaries establish the necessary organizations, internal regulations, etc. to ensure the adequacy of their respective financial information and to prepare and disclose reliable financial reports.

6. Directors and employees assist the duties of the Audit Committee of the Company

The Company has established an organization for assisting in the duties of the Audit Committee and has assigned full-time personnel thereto.

7. Independence of Directors and employees in the preceding paragraph from Executive Officers of the Company and ensuring effectiveness of instruction by the Audit Committee to such Directors and employees

- (1) Employees who assist the Audit Committee in its duties are not concurrently employees of any other Executive Officer or division and carry out such duties by receiving instructions exclusively from the Audit Committee.
- (2) The Company seeks the prior opinion of the Audit Committee concerning transfers of dedicated personnel to assist in the Audit Committee's duties. In addition, the Audit Committee conducts an evaluation of such fulltime personnel.

8. System for Directors (excluding Directors who are Audit Committee Members), Executive Officers, and employees of the Company, and Directors, Audit and Supervisory Board Members and other Officers and employees of the Company's subsidiaries, or persons receiving reports from the foregoing parties, to report to the Audit Committee and other systems for reporting to the Audit Committee

- (1) The Audit Committee Members of the Company attend meetings of the Board of Directors and other important meetings as a matter of course.
- (2) The Company is thorough in setting up and operating a framework for reliably providing the Audit Committee with important information from within the Company and its subsidiaries on management, compliance and various other matters.
- (3) Officers and employees of the Company and its subsidiaries promptly make appropriate reports on items related to the execution of their duties to the Audit Committee when required to do so.
- (4) Executive Officers shall immediately report to an Audit Committee Member any facts they discover that pose a risk of causing significant damage to the Company.

9. System to ensure that persons who have submitted a report described in paragraph 8 shall not receive any disadvantageous treatment due to submission of such report
The Company prohibits disadvantageous treatment of Officers and employees of the Company or its subsidiaries who have made reports directly or indirectly to the Audit Committee of the Company related to having given such report and makes this prohibition generally known among Officers and employees of the Company and its subsidiaries.

10. Procedure for advance payment or reimbursement of expenses incurred in the execution of their duties (limited to those relating to the execution of the duties of the Audit Committee) by Audit Committee Members of the Company, and other policies for processing expenses and debts incurred in the execution of such duties
When an Audit Committee Member of the Company requests an advance or other payment for expenses from the Company for the execution of their duties pursuant to Article 404(4) of the Companies Act, the Company promptly processes such expenses or debt after deliberation by the department in charge, except in cases where it is proven that the expenses or debt in such request were not necessary for the execution of the duties of such Audit Committee Member.

11. Other systems to ensure that the audits by the Audit Committee are conducted effectively

The Audit Committee of the Company aims for appropriate communication and effective execution of their auditing duties by engaging in regular exchanges of views with the CEO and by working to cooperate with the Internal Audit Division and the Accounting Auditor.

12. System to exclude anti-social forces

The Company and its subsidiaries take a resolute stance and response as an organization in its entirety, against illegal demands from anti-social forces that threaten to disrupt the order and safety of our society and will take measures to reject any relationship with anti-social forces.