

Third-Party Opinion



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The Sustainability Report 2021 follows the two-part structure, with the first part introducing corporate philosophy and strategies, and the second part reporting broadly on ESG activities, although in terms of content, several changes are observed. The following three points particularly impressive.

First of all, I observe in many places MMC's efforts to clarify "MITSUBISHI MOTORS-ness" and communicate to readers the direction the Company is aiming for. Notably, the "Commitment of Top Management" section elaborates on the concept of "selection and concentration," a basic policy under the current mid-term business plan. This section outlines the Company's focuses on elements that support its strategies: a business structure centered on the ASEAN region, electric vehicle technologies concentrated on PHEVs, and response to innovation by leveraging the alliance. The message clearly and fully expresses how the Company is leveraging these aspects to provide value to customers, that is "MITSUBISHI MOTORS-ness." In a way that embodies this, I think it is also effective in deepening the reader's understanding that the feature article covered various challenges in pursuing new mobility with focus on PHEV. The product superi-

ority in terms of life cycle CO₂ is also summarized in a very easy-to-understand manner.

Second, the medium- to long-term timeline has been strengthened. As shown in the conceptual diagram of "Reflecting Medium- to Long-term Perspectives when Setting Annual Targets Related to Material Issues," the Environmental Vision 2050 has been newly incorporated into the timeline for 2030 set in view of the targeted year of SDGs, thus establishing a new long-term timeline. There are some cases where there are too many visions added after the fact and the whole picture becomes unclear, but MITSUBISHI MOTORS' approach that allows "long-term" to become ambiguous according to social issues, and prioritizes integration. I think that allows the definition of "long-term" to become flexible to accommodate changes in social changes and prioritize integration is easy to understand and can be highly appreciated, although I presume that it was difficult to reach consensus internally. Furthermore, for each and every Materiality, this report adopts an across-the-board perspective on mid- to long-term risks and opportunities and is organized to show long-term risks, opportunities, response policies, medium-term targets and their background external environment and stakeholder expectations by theme. This style demonstrates that response to the TCFD framework is already being rolled out across the Company.

Finally, MITSUBISHI MOTORS clarifies flexible stance toward reviewing its material issues in response to changes in the external environment. In this year's report, in light of the aggravation of environmental problems and the spread of the COVID-19, the impact on the company of "Prevention of pollution" has been raised, and "Work style reform" and "Diversity" have been merged. It can be said to be a presentation of a model for the debate over the review of the material issues in response to changes in the external environment.

In this way, I feel that the differentiating factors of your report have become clearer in this issue, in terms of such factors as identity, medium- to long-term perspective, and dynamic materiality. Going forward, it is expected that the story will be strengthened and pursued by taking advantage of these. It is necessary to devise ways to bring out long-term growth strategies through "your company's uniqueness," such as the advantages in the ASEAN market, leading electric technology centered on PHEV, and the potential of Alliance. For example, raising the impact of "Prevention of pollution" on the company" by reviewing the material issues can be evaluated as an indication of the stance of emphasizing the minimization of negative impact, but I think it was because the Company was conscious of the ASEAN market. In order to make the flexible Materiality structure a strength, it is desirable to describe the background of the review in conjunction with growth strategies.

Improvements are being made to the ESG activity report in the second half of this report, such as adding a medium- to long-term perspective as described above. But as a reader, I would like to ask to prioritize, such as changing the weighting in the form of linking to the first half of this report. Regarding E, while the progress of TCFD etc. can be appreciated, there seems to be room for improvement in the connection with the first half of this report, especially the consistency with the long-term direction indicated by the Environmental Plan Package. As for S, I think it is also effective to promote the uniqueness of your company by communicating more information on technology and quality related to safety and security such as ADAS as a differentiating factor including Alliance. Regarding "people," I would also like to expect Mitsubishi Motors' approach to be strengthened from the perspective of continuing to enhance human capital as an intangible asset. I look forward to seeing how the report progresses further.