Preservation of Biodiversity

Target ● 15.5

Medium- to Long-Term Visions for Material Issues and FY2021 Results

	Risks	Opportunities	Direction of Responses
Long Term	● The loss of ecosystems could lead to environmental changes that raise the uncertainty and cost of procuring resources. ● Land use for business operations could cause ecosystem losses, reducing our corporate image.	● Prevent resource procurement uncertainties and rising procurement costs ● Prevent a decline in the corporate image by alleviating and recovering from the impact on ecosystems due to land use for business operations	● Based on the impact climate change, resource extraction and pollution have on the ecosystem (species extinction and change, reductions and disappearance of habitat and migratory regions), we will address these issues to help reduce ecosystem losses. ● Enact measures that are in harmony with local biodiversity.

	External Environment	Stakeholders' Needs and Expectations	Medium-Term Targets
Medium Term	● Enhanced international conservation in accordance with an assessment report published in May 2019 by IPBES*1 ● Consideration on adopting a "post-2020 biodiversity framework" at the 15th Conference of the Parties to the UN Convention on Biological Diversity scheduled for 2022	● Mounting demands for environmental consideration ● Growing ESG investment (investors promoting changes in corporate activities)	● Promote climate change countermeasures and initiatives targeting resource recycling and the prevention of pollution ● Promote community-based initiatives to address environmental issues

Items	FY2021 Targets and Results	Self-Evaluation
Promote preservation activities that leverage the results of ecosystem surveys at locations in Japan	Nurture and protect indigenous species at business sites in Japan: At the Kyoto Plant, continued to manage a biotope*2 and cultivated rare aquatic plants At Kyoto Plant-Shiga, engaged in wetland conservation and cultivation of rare white egret flower Conduct tree-planting and cultivation activities in Japan and overseas: Planted and cultivated trees at Pajero Forest (Yamanashi Prefecture) Conducted an afforestation project in Thailand	○

○: As planned △: Delayed

*1 IPBES: the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services
*2 A biotope is a space where organisms can live in natural surroundings.

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Basic Approach

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

MITSUBISHI MOTORS 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 the company's products and business activities. Meanwhile, climate change is transforming regional environments, which has a major direct impact on ecosystems. We believe it is a priority to enact climate change countermeasures, protecting biodiversity so that we can continue to enjoy its blessings.

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

None of our business sites in Japan are located in or adjacent to protected areas according to the Nature Conservation Act and prefectural codes. However, we conducted surveys on ecosystems in order to understand the impact our business activities have on biodiversity.

We are collaborating with OISCA to preserve forests in Hayakawa-cho, Yamanashi Prefecture, while interacting with the local community through volunteer employee activities. These activities aim to protect metropolitan water sources and spread awareness of the environment among our employees.

We are also promoting preservation activities at affiliated companies overseas.

MITSUBISHI MOTORS Group Guidelines for the Preservation of Biodiversity

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

1. **Consideration to biodiversity in business activities**
   We will track and reduce the impact of business activities on biodiversity by conserving energy, reducing the generation of waste, and curtailing the release of chemicals. At the same time, we will also pay consideration to neighboring communities when making use of land for factory construction and other purposes.
2. **Consideration to biodiversity in products**
   We will promote fuel efficiency, exhaust gas countermeasures and recycling-friendly design of our products, while striving to select and use materials that pay consideration to the environment.
3. **Education, understanding and self-awareness**
   We will continue to educate the entire Group from management to employees on the front lines to share a common understanding and develop a self-awareness of the relationship between business activity and biodiversity.
4. **Cooperation and collaboration with society**
   These activities will be promoted in cooperation with all stakeholders including the supply chain, stockholders, local governments, local communities, non-profit organizations (NPOs) and non-governmental organizations (NGOs).
5. **Information disclosure**
   We will strive to disclose and disseminate the content and results of these activities to customers and local communities.

Promoting Preservation Activities by Utilizing Ecosystem Surveys at Domestic Business Sites

Ecosystem Surveys at Business Sites in Japan

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

Locations Where Ecosystem Surveys Were Conducted

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

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

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

Based on an ecosystem survey conducted, we learned that the Kyoto Plant serves as a refuge where certain plants and insects can survive locally, and we found that this area was an important environment in terms of preserving regional diversity. To create a habitat for dragonflies and other insects, we built a biotope in the "Plaza of Relaxation," a green space on the campus, and rare aquatic plants such as water lilies and oval-leafed pondweed are being cultivated in a pond within the plaza. The pond has little or water flow, so requires regular human intervention to maintain water quality. In March 2022, employees participated in a *kai-bori* (pond draining and cleaning) event to protect the pond ecosystem.

During the pond draining and cleaning, we conducted a biological monitoring survey, which identified two new species: the *Cloeon dipterum* (a relative of the mayfly) and the *Anax nigrofasciatus* (a type of dragonfly). We believe these species may have begun to use the ponds as a result of aquatic plantings in the biotope.

Relaxation Plaza

Employees engaged in pond draining and cleaning

Cloeon dipterum larva

Anax nigrofasciatus larva

The seedlings of the rare aquatic plants were separated out by "Sustainable Kyoto," an environmental education center within the Kyoto City Southern Clean Center. Seeds of oval-leafed pondweed that grew well in the pond were collected, and some of them were returned to "Sustainable Kyoto" in November 2021. "Sustainable Kyoto" will provide these seeds to companies and schools in the city of Kyoto that cooperate in raising and propagating rare aquatic plants.

Oval-leafed pondweed (left) and harvested seeds (right)

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

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

Employees clearing away invasive herbaceous plants

White egret flower blooming

Overseas Preservation Activities

Mitsubishi Motors (Thailand) Co., Ltd. (MMTh) and a non-profit organization, the Mitsubishi Motors Thailand Foundation (MMTF), are working with Thailand's Royal Forest Department and the Thailand Greenhouse Gas Management Organization to revitalize an area of forest under the "60 Rai Reforestation" Project to commemorate MMTh's 60th anniversary. In FY2021, we planted 12,000 trees to revitalize an area of forest covering 60 rai (9.6 hectares) in eastern Chonburi and Sa Kaeo provinces. In FY2022, we will plant trees on 40 rai (6.4 hectares) in Nakhon Ratchasima Province. Employees from MMTh and people from the local community will continue working together to cultivate an awareness of regional environmental preservation.

Planting trees in Thailand (Chonburi Province)