

Promotion of Work Style Reforms in Response to the New Normal (Diversity, Work-Life Balance)



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

	Risks	Opportunities	Direction of Responses
Long Term	<ul style="list-style-type: none"> Human resources could become concentrated at companies that are progressive on diversity and work style reforms. Remote working could result in lower productivity (more difficult to manage operations and personnel, breakdowns in communication, problems with managing the working environment). 	<ul style="list-style-type: none"> The potential to secure excellent human resources, product development from a diverse perspective Higher productivity 	<ul style="list-style-type: none"> Create an environment where diverse human resources can leverage their capabilities Reform work style to heighten productivity

	External Environment	Stakeholders' Needs and Expectations	Medium-Term Targets
Medium Term	<ul style="list-style-type: none"> Calls to create diverse workplaces that encourage promotion among women, foreign nationals and mid-career hires Disasters and infectious disease prompting a sharp rise in remote working 	<ul style="list-style-type: none"> The provision of equal opportunity Provision of working environments that suit individual lifestyles and life events 	<ul style="list-style-type: none"> Creating workplaces where women and people with disabilities can leverage their capabilities Establishing flexible working styles that enhance productivity

Items	FY2021 Targets and Results		Self-Evaluation
Promotion of work style reforms	Ongoing implementation of work style reform measures	Creating a remote work environment that further enhances productivity	○
		Paid leave taken (administrative and engineering staff*1, manufacturing workers*2, medical workers*3): 17.8 days/year	△
Promotion of women's participation and advancement in the workplace	Measures based on our action plan to promote women's advancement	Conduct questionnaire survey on personal awareness/workplace climate Initiatives to promote the use of childcare leave	○
Promotion of employment of people with disabilities	Ongoing promotion of employment of people with disabilities	Percentage of employees with disabilities 2.44% (As of March 2022)	○

○: As planned △: Delayed

*1 Administrative and engineering staff: Employees who work in corporate planning, adjustment, research, auditing, and other professional and engineering categories

*2 Manufacturing workers: Employees engaged directly in manufacturing work or parts supply, equipment maintenance, testing or other supplementary work; also, employees who engage in supervision or instruction, technical instruction, or on-site support

*3 Medical workers: Employees who engage in medical and health-related work, such as doctors, pharmacologists and nurses



Basic Approach

Mitsubishi Motors views people as the key to creating sustainable growth and improving corporate value in the ever-changing automobile industry. We therefore believe in the importance of realizing an environment where each and every person can perform meaningful work and demonstrate his or her abilities, and where people can work enthusiastically and in good health, both physically and mentally.

The COVID-19 pandemic has prompted us to challenge the conventional approach toward "going to the office" to work, instead encouraging more flexible work styles that are less location- and time dependent. To leverage diverse human resources to create value, we are creating a working environment that helps individuals maximize their capabilities. In this way, we aim to achieve increases both in work productivity and quality of life, helping to realize a better work-life balance.

Initiatives toward a Flexible Working Style

To promote and implement flexible working styles that enable diverse employees to fulfill their potential, in FY2020 we established the Flexible Working Styles Consideration Committee, which is chaired by the Executive Officer, President & CEO. This committee has been discussing matters to be addressed over the medium to long term. Based on the direction of its initiatives, in FY2021 relevant departments within the Company took over the promotion items from the committee and are continuing the initiatives. Key initiatives are outlined below.

Area of work (remote work)	To provide a more comfortable working environment than before, we eliminated the maximum number of hours and days for remote work. In addition, we allow work to be conducted at any location, even outside the home, that meets requirements.
IT domain	Improve IT infrastructure and significantly increase the maximum number of VPN connections
Provide IT support tools	Introduce communication tools to enhance communication between at-home working and remote locations
Increase in IT literacy	Share knowledge and usage examples at the departmental level to promote the use of communication tools

Conducting Engagement Surveys

We have been conducting engagement surveys (employee surveys) since FY2013. We conduct these surveys to help us visualize the state of the Company, the organization as a whole and its employees. We also use the results to address issues and invigorate our people and organization.

With these surveys, we collect employee feedback on a wide range of topics, including management philosophy, diversity, work efficiency, supervisor management, customer orientation and finding the right person for the right job, helping us to identify areas of focus. In addition to the president and other members of the management team, as well as heads of departments and headquarters organizations, survey results are shared via the intranet with employees, to promote improvement initiatives at the company and organizational level. Data from the FY2021 survey were used to make decisions on HR system revisions and spring councils. Through such actions, we are working to continuously enhance engagement between employees and the Company.



Promoting Diversity

MITSUBISHI MOTORS aims to grow sustainably while responding to the significant changes in the business and market environment resulting from diversifying customer needs and technological innovation. To this end, we need employees with different values and ideas working together to create automobiles with new appeal and value. With respect for employee diversity including race, nationality, ethnicity, gender, sexual orientation, gender identity, age, ability or religion, we are making efforts to create environment where each person can energetically work without difficulty.

To promote and achieve diversity, we are pursuing Di@MoND activities by the Diversity Promotion Office based on the Diversity Promotion Policy we established in July 2014. By embracing diversity, our aim is to leverage employees' diverse characteristics in a

manner that will contribute to the mutual growth of the Company and each individual employee. Initially, Di@MoND activities prioritized women's participation and advancement in the workplace. Now, we are also working to provide working environments that are comfortable for all.

► Data (p. 124): Number of employees, number of employees by region, number of locally hired managerial employees at overseas subsidiaries, status of female management promotions, employee makeup, number of new graduates hired

Promoting Women's Participation and Advancement in the Workplace

We promote women's participation and advancement in the workplace as a priority issue. Since 2014, we have been selecting female managers and manager candidates to join the Working Women's Empowerment Forum, led by the Japan Institute for Women's

Empowerment & Diversity Management.

From 2017, we have also been sending manager candidates to seminars hosted by the Aichi Gender Equality Foundation.

As of April 2022, 8.3% (three) of the Company's executives were women, and we had 96 female managers, of whom 13 were division general managers. Based on the Act on Promotion of Women's Participation and Advancement in the Workplace, in April 2021 we formulated an action plan to promote women's advancement, setting 15% as our target ratio for female manager candidates, which we are working to achieve by March 2024.

Action Plan to Promote Women's Advancement [PDF](#) [5MB] (Japanese only)

► Data (p. 124): Status of female management promotions

Diversity Promotion Policy

We aim to respond to change and heighten organizational capabilities by incorporating diverse viewpoints and approaches through the different abilities and characteristics of each employee. In this way, we will create vehicles offering new levels of attractiveness and value. We are promoting Di@MoND (Diversity @MITSUBISHI MOTORS New Drive) activities to create an environment where employees can maximize their individual abilities and play an active role.



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TOPICS

MITSUBISHI MOTORS Selected as Constituent of MSCI Japan Empowering Women Index

We have been selected as a constituent member of the MSCI Japan Empowering Women Index (WIN) for the fifth year in a row, beginning in 2018. WIN is an index developed by MSCI Japan Inc. for supporting investment in the environment, society, and governance (ESG).

MSCI selects companies that lead their industries in promoting the hiring, continued employment, and advancement of women and diversity. MSCI makes its determinations based on data relating to the employment of women disclosed pursuant to the ACT on Promotion of Women's Participation and Advancement in the Workplace and information disclosed by companies for example.



Promoting a Work-Life Balance

MITSUBISHI MOTORS is enhancing our work-life balance assistance programs to accommodate the diverse work styles of our employees. In FY2017, we introduced the telecommuting and accompanying leave systems to accommodate diverse work styles and life events. In FY2018, we established the Work-life Balance Support Concierge within the Company, from which employees can seek advice on the programs suitable for their individual childcare and nursing care needs. Following feedback from employees who had sought advice, we relaxed the criteria for child nursing leave, short-term nursing care leave and the telecommuting system. In August 2021, we revised the telecommuting system in an effort to create an environment that fosters more productive and highly flexible working styles.

► DATA (P125): Number of persons taking childcare leave and retention of returnees, people utilizing major programs to promote work-life balance

List of work-life balance assistance programs

	Programs	Overview
Childcare	Pregnancy leave	Can be taken for the designated period of time applied for in advance, between becoming pregnant and the day prior to maternity leave (may be taken multiple times)
	Maternity leave	Six weeks prior to birth and eight weeks after birth
	Childcare leave	Can be taken up to the end of April of the following fiscal year after the child's third birthday
	Child nursing leave	Can be taken until the end of the fiscal year of the child's 12th birthday (one child: up to 5 days; two and over: up to 10 days; first five days are paid in both cases)
	Reduced working hours for childcare	Four-, five-, six-, or seven-hour work shifts can be chosen until the end of the fiscal year of the child's 12th birthday (combined use with the flextime system is also available)
Nursing care	Nursing care leave	Aggregate total of three years can be taken per person receiving nursing care
	Short-term nursing care leave	If one person receiving nursing care: up to 5 days; if two or more people receiving nursing care: up to 10 days (first five days are paid in both cases)
	Reduced working hours for nursing care	Available until the reason for the nursing care no longer exists. Employees can elect to work, four-, five-, six-, or seven-hours per day, and are also eligible for flextime work.
Miscellaneous	Life plan leave	Employees can take up to 10 days leave per year for various predefined purposes such as receiving treatment for non-work-related injury/illness, caring for family, childcare, infertility treatment, participating in volunteer activities, and language studies
	Accumulation of unused paid leave	Employees can accumulate unused annual paid leave up to four days per year to a maximum of 40 days which can be used for predefined purposes. (E.g., receiving treatment for non-work-related injury/illness, caring for family, childcare, participating in volunteer activities, and infertility treatment)
	Flextime system	System that lets employees set their own working hours with no core time under predefined conditions on prescribed work days
	Telecommuting system (Revised in August 2021)	System that allows employees to work from a location other than their own or family home, as long as certain conditions are met, and to pay an allowance
	Reemployment system	Eligible for employees who resigned due to pregnancy, the birth of a child, childcare, nursing care, marriage, moving due to spouse work transfer, or other reasons recognized by the Company, with an applicable period within five years after resignation
	Accompanying leave	Temporary leave system for employees to accompany spouses who have been transferred in Japan or overseas or are studying abroad, with an applicable period of from one month to five years

Helping Employees to Balance Work and Childcare

We actively support employees who seek to balance work and childcare.

This support also extends to facilities, with on-site daycare centers having been established. Dia-Kids Okazaki was opened at the Okazaki site in April 2017, followed by Dia-Kids Tamachi at our head office building in February 2019.

During the COVID-19 pandemic, elementary and other schools were temporarily closed, and government authorities asked people to refrain from attending after-school children's clubs and the like, so some employees were compelled to take time off to care for their children. We addressed this issue with a system of special paid leave. This leave was provided in addition to annual paid leave and offered to help employees balance work and home life during the emergency.



Dia-Kids Tamachi, a day-care center for employees (within the head office building)



Dia-Kids Okazaki (within the Okazaki site)



Helping Employees to Balance Work and Nursing Care

As society ages, we believe it is important to help employees balance work and nursing care.

MITSUBISHI MOTORS has set up contact points where employees can consult with nursing care specialists as required via email or on the phone. Furthermore, we organize regular nursing care seminars delivered by outside instructors to provide basic information about how they can balance their work and nursing care. In FY2021, we held the seminars simultaneously in four regions (head office, Okazaki, Kyoto and Mizushima) online. They were attended by about 230 employees, primarily managers.

Increasing Employment of Senior Workers

With the goal of handing down skills and technologies and securing a talented workforce that makes the most of its knowledge and experience, we operate a program to reemploy senior workers after their retirement. As of March 2022, there were 718 reemployed workers, engaged in handing down techniques and training the next generation.

Promoting Employment of People with Disabilities

Aiming to achieve a workplace where everyone can work, we actively hire people with disabilities in a wide range of occupations. As of April 2022, the percentage of employees with disabilities at the Company was 2.41%, which exceeds the statutory level. We will continue to promote additional employment while improving the work environment.

On a consolidated basis, the Company employs* 185 people with disabilities, including physical, mental and intellectual abilities. At our head office, we have installed wheelchair- and ostomate-compatible toilet facilities, creating a working environment amenable to employees with disabilities.

We also promote the employment of people with disabilities through MMC WING, a special-purpose subsidiary established in April 2007. This company employs 65 workers* with intellectual disabilities at the Okazaki and Mizushima plants.

MMC Wing, now in its 15th year since establishment, has received many inquiries about employment from "Hello Work" Public Employment Security Offices, the prefectural employment and support center for disabled persons, and special needs schools, and has established a high profile in the region. To help support the employment of people with disabilities, we proactively accept requests from employment support facilities and special needs schools to try on-site training, teaching people with disabilities opportunities about group activities and work processes.

As the presence of supportive instructors is essential for promoting and providing stable employment for people with disabilities, in FY2021 we offered an internship program for university students preparing

for employment to help them understand the work of instructors as an opportunity to come into contact with a diverse range of people and occupations.

* As of April 2022

▶ Data (p. 125): Number of hired people with disabilities

Global Action

As part of the support offered to our workforce of non- Japanese employees, which is increasing year by year, we have established prayer rooms at our head office and Okazaki sites that are available to people of all religions and denominations. These rooms are open to customers, suppliers and other stakeholders who visit our sites. A facility for cleansing parts of the body before worship has also been set up in the prayer room at the Okazaki site.

▶ Data (p. 124): Number of employees by region, number of locally hired managerial employees at overseas subsidiaries



Prayer room in our head office building

Prayer room in the Okazaki area



Promote LGBTQ Awareness

Our human rights policy defines "respect for human rights of our stakeholders" and states that we will not tolerate unfair discrimination or harassment based on such factors as gender, sexual orientation or gender identity, and will respect diversity. Furthermore, the MITSUBISHI MOTORS Global Code of Conduct, which all employees and executives are bound to comply with, clearly states: "Respect Human Rights and Diversity, Provide Equal Opportunity."

Based on these ideas and policies, we are striving to improve the workplace environment and internal systems in order to create a comfortable working environment where LGBTQ people can play an active role in the Company. In our employee system, the definition of marriage includes same-sex relationships, and employees in such relationships can take marriage and childcare leave and use Company housing. Since FY2018, we have held seminars to help provide basic knowledge to aid in accurately understanding LGBTQ issues and increasing supporters known as "Allies." Approximately 364 people attended the seminar in FY2021. In FY2021, for the third year we provided an e-learning course, "Understanding the Basics of LGBTQ," which was taken by around 7,000 employees. Upon request, employees who have taken the course can receive "ally stickers" to make the promotion more visible.

TOPICS

Awarded PRIDE Index Gold Rating

Developed by "work with Pride," a voluntary organization in Japan, PRIDE Index is an indicator for rating workplace initiatives for sexual minorities, including LGBTQ. For four consecutive years, since 2018, we have been awarded the "gold" rating. We will continue to create workplace environments that are friendly for all employees.



Participating in Initiatives Outside the Company

The Company is a member of the "policy advocacy team" of the Japan Automobile Manufacturers Association, Inc. This team, which is made up of people in charge of human resources at individual companies, participates in efforts to propose legal amendments and policies on new working styles. In FY2021, the team compiled recommendations and requests regarding the five days of mandatory paid leave stipulated in the Labor Standards Act.