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Commitment of

# **Delivering Products which Help Prevent Traffic Accidents**

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

Risks	Opportunities	Direction of Responses
Long • An increase in serious accidents as society ages	• Maintain the brand and expand sales by introducing	<ul> <li>MITSUBISHI MOTORS' uniqueness: Environment x Safety,</li> </ul>
Term • A rise in accidents due to a surge in automobile owner-	advanced technologies	Security and Comfort
ship in emerging markets		

<ul> <li>Laws and regulations related to traffic accidents, height- ened government safety targets</li> <li>Increasingly stringent standards for information disclo- sure testing and assessment, such as NCAP</li> <li>Customers: Growing expectations for active safety technologies</li> <li>Customers: Growing expectations for active safety of mobility with the environment at the core of mobility with the environment at the core</li> </ul>		External Environme	nt	Stakeholders' Needs and Expectations	Medium-Term Targets
Term       • Increasingly stringent standards for information disclo-       • Local communities: Providing a safe means of mobil-       • of mobility with the environment at the core	Medi		ic accidents, height-		• Provide customers with safe, secure and comfortable means
Increasingly stringent standards for information disclo-	Term	rm ened government safety targets		technologies	of mobility with the environment at the core
sure testing and assessment, such as NCAP ity for all people		Increasingly stringent standards for			
		sure testing and assessment, such a	s NCAP	ity for all people	

Items FY2021 Targets and Results		Self- Evaluation
Delivering products which help prevent traffic accidents		

 $\bigcirc$ : As planned  $\triangle$ : Delayed

## Basic Approach

MITSUBISHI MOTORS is aware of its responsibility towards traffic safety as an automaker, and we have set "Delivering products which help prevent traffic accidents" as a key part of our sustainability activities.

Approximately 1.35 million people are lost in traffic accidents worldwide every year\* As vehicle ownership increases in emerging countries in particular, traffic accident fatalities are also on the rise. Reducing the number of traffic accidents is an urgent matter globally. A new target was adopted for Target 3.6 of the Sustainable Development Goals (SDGs) at the 74th UN General Assembly held in 2020. This target calls for halving the number of global deaths and injuries from road traffic accidents between 2021 and 2030.

We are upholding the safety philosophy towards a car society with zero traffic accidents. To this end, we are taking action from two perspectives: developing and disseminating safety technologies and promoting traffic safety education.

\*2018 World Health Organization (WHO) survey



Target

Governance

Social

Automobile Safety Framework



### Management Structure

With regard to product development, the product safety committee has established guidelines and a strategy for safe development based on the MITSUB-ISHI MOTORS' safety philosophy. The committee also formulated an automobile safety framework as our approach to safety technology. We are conducting initiatives based on three points: 1. technology to help prevent traffic accidents (active safety), 2. Technology to mitigate damage from traffic accidents (passive safety) and 3. Avoidance of dangers, both in hardware and software, assumed as industrial products (fundamental product safety).

We are also working to enhance the management structure by educating R&D personnel, promoting awareness of the safety philosophy and automobile safety framework.

Automobile Safety

Realizing zero accidents

mental Produc

MITSUBISHI MOTORS CORPORATION Sustainability Report 2022

# **Development of Safety Technology**

By reflecting a variety of safety technologies in our products, we aim to ensure our customers can drive in safety, security and comfort.

#### Active Safety Technology to Avoid Crashes

We are working to develop and install various active safety technologies to help to eliminate traffic accidents preemptively.

#### **Active Safety Technologies**

Using millimeter-wave radar and cameras, these technologies help to detect the risk of accidents and help prevent, avoid or mitigate damage.

#### **Examples of Preventive Safety Features**

Governance

Function	Description
Forward Collision Mitigation Brake System Forward Collision	Detects vehicles and pedestri- ans ahead. If there is a risk of collision, the system alerts the driver or applies the brakes to help avoid a collision or mitigate collision damage. Monitors two vehicles in front of
Prediction Warning	the traveler. It detects a change in the situation ahead which is difficult to see from the driver, and alerts the driver with an alarm and a display.
Lane Departure Warning System and Lane Departure Prevention Function	The warning system monitors the lane markers ahead of the vehicle and provides alarms and displays to alert the driver if the vehicle appears likely to drive out of the lane. In addition, the Lane Departure Prevention Function takes control of the brakes for a short period of time, helping to keep the vehicle in its lane.
Adaptive Cruise Control System	This system automatically follows the vehicle ahead by accelerating, decelerating or stopping. By helping to maintain a set distance between vehicles, the system reduces the burden on the driver.
Ultrasonic Misacceleration Mitigation System	When the driver drives forward or in reverse, the system helps to prevent acceleration caused by misoperation of the gear shift or accelerator pedal.
Automatic High Beam	Automatically switches between low beams and high beams by detecting whether there is an approaching vehicle or vehicle ahead, the ambient lighting con- ditions, and other factors, help- ing safer nighttime driving.



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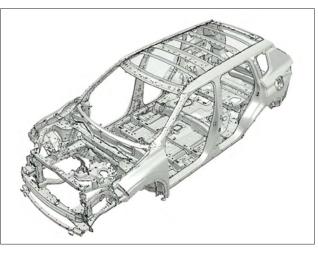


#### **Body Structures that Protect People**

In the event of a collision, it is crucial to have a vehicle body structure that mitigates the impact on passengers and provides adequate space. MITSUBISHI MOTORS has adopted the Reinforced Impact Safety Evolution (RISE) body, and enhance collision safety performance in all directions: front, rear, and sides.

For example, the All-New "Outlander gasoline model," which launched in North America in April 2021 and the All-New "Outlander PHEV Model," which also launched in Japan in December 2021, use a front-torear straight frame structure that can efficiently absorb collision energy. The vehicle interior (cabin) uses high-strength steel plates, as in the past. In addition, hot-stamped ultrahigh-tensile-strength steel is used to achieve enhanced passenger safety while reducing weight.

We are also pursuing safety with regard to pedestrians, as well as drivers and passengers. For example, we have adopted energy-absorbing structures in the hood, cowl top, windshield wipers and other parts to mitigate injury to pedestrians' heads. Energy- absorbing structures that help to protect pedestrians' legs are used in bumper faces and headlights, for example.



RISE Body used in the All-New "Outlander PHEV Model"

# Avoidance of Dangers Assumed as Industrial Products

On the hardware (physical) side, we use flame-retardant materials, employ isolation structures on high-voltage components and use other technologies to enhance safety and security.

On the software side, we use firewalls on vehicle networks and employ encrypted communications to reduce the risk of cyber threats via electrical equipment mounted in vehicles.

#### **Results of Major Third-Party Safety Evaluations**

	(). Number of Venicles receiving top rank / number of Venicles evaluated			
Region	Third-Party Evaluation	Rating	Model	
Japan	JNCAP*1	5☆	Outlander PHEV model	(1/3)
Australia	ANCAP*1	5☆	Eclipse Cross PHEV model	(3/4)
			Outlander gasoline model	
			Outlander PHEV model	
United States	IIHS*2	2022 Top Safety Pick+	Outlander gasoline model	(1/6)

(): Number of vehicles receiving top rank / number of vehicles evaluated

#### Period: May 2021 to June 2022

\*1 Abbreviation of New Car Assessment Program. An automobile safety testing and assessment program implemented by a third-party organization in each country or region.

\*2 Abbreviation of Insurance Institute for Highway Safety.

Safety support cars are vehicles equipped with advanced technologies that support safe driving. It is a new automotive safety concept, as an effort to help prevent traffic accidents among senior drivers, being promoted in Japan through collaboration between the government and private sectors. Vehicles are classified into the following categories: "Safety Support Cars" or and "Safety Support Cars S" (Basic, Basic +, and Wide) depending on the features in each vehicle. MITSUBISHI MOTORS is expanding its lineup of safety support cars.

MOTORS' Uniqueness'

#### Safety Support Car Models (as of June 2022)

Safety Support	Car S Wide Models
Outlander PHEV model	RVR
Eclipse Cross gasoline mode	1
Eclipse Cross PHEV model	
DELICA D:5	DELICA D:5 URBAN GEAR
eK X EV	eK X
eK WAGON	
eK X SPACE	eK SPACE
DELICA D:2	DELICA D:2 CUSTOM
MIRAGE	TOWN BOX
MINICAB VAN	MINICAB TRUCK

In addition, our forward collision mitigation braking system and pedal misapplication prevention device have been certified as achieving a certain degree of performance under the Ministry of Land, Infrastructure, Transport and Tourism's "Advanced Safety Technology Performance Evaluation Certification System."

#### Certified Models (As of June 2022)

-			
ollision Mitigation Braking System sion Mitigation Braking System			
Eclipse Cross gasoline model			
eK X			
eK SPACE			
TOWN BOX			
MINICAB TRUCK			

Pedal Misapplication Prevention Device				
Outlander PHEV model				
RVR				
Eclipse Cross gasoline model				
Eclipse Cross PHEV model				
DELICA D:5	MIRAGE			
eK X EV	eK X			
eK WAGON				
eK X SPACE	eK SPACE			
DELICA D:2	TOWN BOX			
MINICAB VAN	MINICAB TRUCK			

Vehicles That Pedal Misapplication Prevention Device can be retrofitted			
eK WAGON (2013–2019)	eK CUSTOM (2013-2019)		
eK SPACE (2014–2020)	eK SPACE CUSTOM (2014–2020)		
MIRAGE (from June 2012)	DELICA D:5 (from January 2007)		

# **Traffic Safety Education and Promotion**

The Company seeks to reduce the number of traffic accidents by conducting traffic safety education and promoting awareness. In these ways, we are working to raise safety awareness throughout society.

#### **Dissemination of Traffic Safety Information** Automobile Safety Facts Guide Website

We disseminate information on the proper use of equipment and other topics that require drivers' special attention so that drivers will use automobiles more safely.



Automobile Safety Facts Guide WEB https://www.mitsubishi-motors.co.jp/support/safety/ popup/index.html (This site is only available in Japanese.)

Social

Target • 3.6

Commitment of

Scope of Support Cars Expanded

Governance

# Improvement of Product, Sales, and Service Quality

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

Long	Risks	Opportunities	Direction of Responses
Term		<ul> <li>Enhance loyalty and win new customers by providing high quality are ducts and complete</li> </ul>	<ul> <li>Quality Policy*1</li> </ul>
	quality	high-quality products and services	

	External Environment	Stakeholders' Needs and Expectations	Medium-Term Targets
	• Increasingly diverse customer needs as vehicles become	<ul> <li>Customer perspective: Sense of satisfaction in relation</li> </ul>	Through quality MTP, earn top level customers evalua-
Medium	more advanced (electrification, intelligence)	to quality through various contact points with products	tions in our core market of "ASEAN5" (Thailand, Indone-
Term	Increase in vehicle off-board functions (connected, link	and MITSUBISHI MOTORS	sia, the Philippines, Vietnam and Malaysia)
	with smartphones)	Business perspective: Maintain and enhance manage-	
		ment to ensure against losing trust on the quality front	

Items	FY2021 Targets and Results	
Improving product quality	Ratio of defects identified within 3 months in service of new vehicle sale: Achieved reduction target	0
Improving sales quality	Achieved Sales Satisfaction Index (SSI) target (top three ranking in industry surveys) in three of five ASEAN5 countries*2	$\triangle$
Improving service quality	Achieved Customer Satisfaction Index (CSI) target (top three ranking in industry surveys) in two of five ASEAN5 countries*2	$\triangle$

 $\bigcirc$ : As planned  $\triangle$ : Delayed

\*1 Please see page 67.

\*2 Three countries of Indonesia, Philippians and Malaysia set internal target instead of industry survey because these countries were not conducted industry survey.

## **Basic Approach and Quality Policy**

Based on Quality Policy revised in April 2019, MITSUB-ISHI MOTORS are undertaking measures to improve quality in four categories: product quality, perceived quality, sales quality and service quality in order to enhance quality in all stages from when a customer first considers purchasing a product through the vehicle ownership period,

Product quality includes the initial quality that customers experience immediately after purchasing a new car, and durability quality that customers experience throughout the entire period of use and so we sincerely listen to the opinions of customers and correct any issues so that we can promptly make improvements.

In addition, we are working to improve perceived quality in terms of aspects such as the usability, comfort, and appearance that customers perceive when they observe, feel, and use our products.

With regard to sales quality and service quality demonstrated at sales companies, we listen closely to customers and make fitting proposals and responses to customer requests to achieve high levels of customer satisfaction.

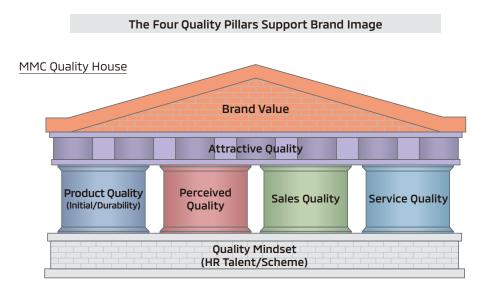
We strive to achieve the highest levels of quality from the customer's viewpoint so that we can achieve customer satisfaction during every point of contact with customers.

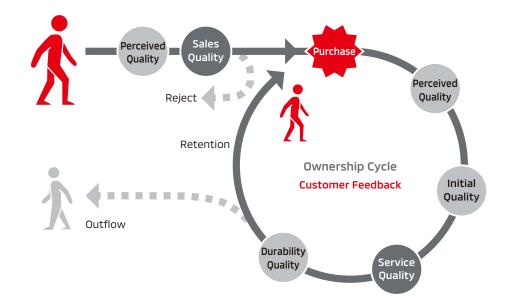
#### **Quality Policy**

Governance

Quality is the fundamental requirement to support our business.

- 1. Commit to excellence in Product, Sales, and Service Quality exceeding customer expectations
- 2. Focus on Quality of Management to continuously improve overall company performance.
- 3. Comply with laws and global regulations to gain trust on MMC quality.





#### Improving Product Quality

Dealing appropriately not only with defects related to safety but also with regard to points raised and complaints about products is essential to improving customer satisfaction.

Regarding vehicles that have been sold, MITSUB-ISHI MOTORS is taking measures to reduce initial quality issues with a focus on defect incidents that occurred within three months to twelve months after sale. We have accelerated the speed of resolution through collaboration between the quality and development and production divisions, helping to reduce customer complaints.

Furthermore, to improve the initial quality of its new vehicles, we hold cross-functional "oobeya (large room) activities," where employees from various divisions (including development, production, service, quality control and procurement) meet in one room from the point at which shipment starts to consider countermeasures to address any problems that may occur. This approach allows initial quality to be improved more quickly.

Also, addressing issues that are not defects but that can cause customer dissatisfaction helps to improve processes during the development stage so new vehicles can be improved.

# Vehicle Quality Evaluations and Guarantees Based on a Customer Perspective

We are implementing a quality evaluation standard based on a customer perspective customer's point of view called AVES\* to ensure full quality assessments evaluation on prototype vehicles under development, vehicles undergoing quality verification and production vehicles sold to customers.

Assessments AVES evaluations includes static evaluations (interior and exterior appearances) and dynamic evaluations (when driving drivability). Dynamic evaluations check such aspects as noise, vibration, steering stability and various in-vehicle equipped functions. AVES assessors evaluators (specially qualified Company personnel) perform assessments evaluations in the customer's perspective and checking achievement of various criteria against guality standards.

AVES plays an important role in deciding whether to produce or start production of new models, as well as in maintaining quality guarantees on production vehicles. Accordingly, these assessments are evaluations are performed rigorously according to a rigorous customer perspective the customer's point of view. \* AVES is a quality evaluation system used across the Renault-Nissan- Mitsubishi alliance, in which specially trained experts assess evaluates vehicles using more than 300 quality assessment evaluation criteria established from the customer's perspective.

#### **Improving Perceived Quality**

We are taking measures from the development stage to improve quality with an emphasis on customer perceptions in order to achieve high levels of customer satisfaction not only at the time of purchase, but throughout the car life after purchase.



Good stance Integration Consistency Secure operation Intuitive layout

#### **Improving Sales Quality**

Good texture

We aim for top level customer's satisfaction and act in concert with sales companies to improve the quality of sales and become a brand that customers support and identify with.

#### Cooperation with Domestic Sales Companies

One of the measures that domestic sales companies are taking is the provision of proposals and a new sales pitch experience tailored to customer needs by promoting sales pitch styles using IT. For example, sales companies introduced tablet PCs to provide visual and easy to understand product explanations and have customers that come to the sales outlets use the tablets to respond to questionnaires regarding the quality of service in order to make timely improvement. Further improvements in customer

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satisfaction are being made through the timely sharing with nationwide sales companies of best practices that have resulted in higher customer satisfaction.

#### **Cooperation with Overseas Sales Companies**

Cooperation with sales companies in each country and region is essential for achieving high customer satisfaction overseas. MITSUBISHI MOTORS provides product information to sales companies on a daily basis. In addition, we hold periodic online meetings with sales companies in individual countries, and strives to gather comments and opinions from local customers, such as market information and product requests gathered through interviews. In these ways, we strive to gather input from local customers.

Sales companies in each country and region are working to digitalize the sales process. They are devising ways to further satisfy customers in each country and region, by conducting online negotiations and sales, and by introducing smartphone apps. In response to COVID-19, we are conducting online training for sales staff. In addition, we support sales companies' efforts to improve customer satisfaction by sharing good practices of their sales quality improvement activities in each country and region.

# Appropriate Product and Service Information Disclosure

In compliance with the laws and regulations of each country and region, we strive to provide product and service information and labeling displays.

# Improving Service Quality

At the service site of the sales company that is the touch point with the customer, it is important to deliver "Good quality service" from the customer's perspective, from purchasing of the car.

We, hand in hand with partners in Japan and global dealers, are improving our capabilities of customer services, such as communication and technical skills, to deliver more satisfaction than customers expectation.

#### Transferring Skills, in Japan

We have established its unique certification program for dealer staff. And it is offering an appropriate training for each staff member according to their skills. It is, after all, enhancing their capabilities of actual customer services. As COVID-19 has made it difficult to conduct group training, we are working to enhance e-learning and online training courses using the Internet to ensure that training is not interrupted.

We have 7 Technical Centers across Japan and organizes technical meet-ups, seminars and technical expert visits, supporting dealers from various perspectives including highly technical advice. It ends up swift response to customers.

#### **Transferring Skills, Global**

To ensure the same and high-quality customer services around the world, We have been introducing its global-common-standard training and certification program for automobile technicians aiming to advanced customer services.

As in Japan, online training in other countries is also available via internet. It delivers ceaseless opportunity for dealer staff to sophisticate their competence in spite of the COVID-19 pandemic. Supporting from our technical experts are, of course, available at global dealerships regarding such as highly technical advice.

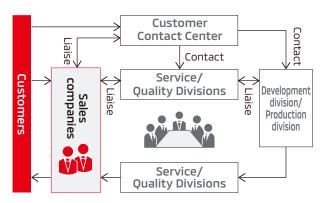
# Use of Customer Voice

The Group's mission is to provide customers with rich experience and satisfaction in their lives with cars by offering attractive products and excellent after-sales service. For that reason, we gather and analyze valuable customer comments and opinions received by domestic and overseas sales companies and by our Customer Contact Center. Our quality control, development, production, sales, and service divisions work together to actively improve quality.

#### Improving Quality through Customer Voice

Sales companies hold specific interviews with customers on defects and related conditions. The quality sections have a system in place for sharing information received from sales companies with relevant divisions.

Also, by using a newly introduced system to analyze issues found in specific models, indications of defects from customers (quality information) and repair records, we can identify defect information and take countermeasures at an early stage to improve quality.



#### Major Activities of the Customer Contact Center

MITSUBISHI MOTORS' Customer Contact Center accepts inquiries every day including weekends and holidays. The various comments and information from customers are managed in a database. Of the points raised, matters regarding defects are addressed in order to resolve customer problems in collaboration with sales companies and are used for further quality enhancements. In addition, feedbacks as well as opinions about product functionality, or opinions about specifications, are shared with relevant divisions and used to improve product capabilities even further. Noteworthy comments and opinions including those that are particularly important are periodically reported to management.

Rather than outsourcing the operations of our Customer Contact Center, we have our employees communicate directly with customers. This approach allows us to maintain a high level of customer service quality and to accurately translate customer feedback into product and service improvements through smooth cooperation with each internal department.

#### Customer Support for Recalls and Other Market Responses

We have systems in place to provide information to customers in a timely manner in the case of market responses such as recalls as a result of defects that involve safety. We send direct mail to users of the affected vehicles and provide information on obtaining free inspections and repairs to be performed at a sales company at an early time. We also post information on our website so that customers can check whether their vehicles are subject to a recall and the status of repair implementation.

Refer to the site below for information on recalls. (WEB) http://www.mitsubishi-motors.co.jp/support/recall/ This site contains the Japanese market information (only in Japanese).

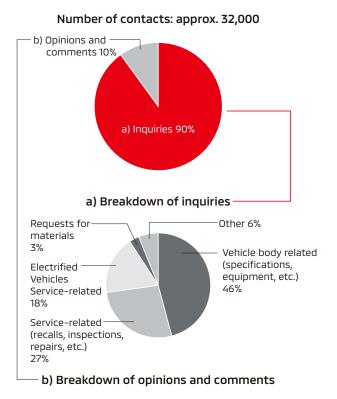
#### Domestic Cases and Number of Vehicles Involved in

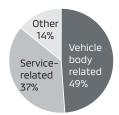
Recalls, Improvement Measures, ar	nd Service Campaigns	
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	No. of cases	No. of units	
FY2017	27 cases	Approx. 629,000 units	
FY2018	13 cases	Approx. 298,000 units	
FY2019	15 cases	Approx. 590,000 units	
FY2020	19 cases	Approx. 655,000 units	
FY2021	13 cases	Approx. 492,000 units	

# Contacts Received at the Customer Contact Center in FY2021

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#### **Management Structure**

MITSUBISHI MOTORS analyzes quality information in order to realize "Top level quality from customer viewpoint" and we set specific objectives for which we investigate and implement policies toward realization while regularly on the status of improvements.

Also, regarding information from customers about vehicle defects provided by sales companies, we have established systems for immediate policy consultation, establishment and enactment by regularly gathering and sharing information.

Organization	Meeting Frequency	Chair	Members	Objective
Quality Strategy Committee (QSC)	Quarterly	Division general manager of TCS*1 Division	Directors in charge of de- velopment and production, division general managers related to sales, service and product quality	Deliberation and decision of strategic topics in quality relating to sales, service and products
Quality of Management Committee (QMC)	Quarterly	Top management of QMS* <sup>2</sup>	Division and plant general managers, responsible per- son of direct departments	Sharing of best practices related to en- hancing companywide management qual- ity, responding to external examinations, reporting on items requiring correction and lateral deployment
Quality Management Meeting (QMM)	Monthly	Division general manager of TCS Division	Division general managers and supervisors in specialist positions (section head or higher) of divisions related to product quality	Confirmation of progress toward prod- uct quality targets, consideration and deliberation concerning effectiveness of improvement measures, provision of a fo- rum for resolution in the event of defects

\*1 Total customer satisfaction

\*2 The Executive Officer, President & CEO or an executive designated by the Executive Officer, President & CEO

### QMS\*<sup>3</sup> ISO 9001 Initiatives

We believe that ongoing improvements in companywide management quality are essential to achieving excellence in product, sales, and service quality exceeding customer expectations. Accordingly, all departments across the Company are earning ISO 9001 certification, not only those involved directly in product quality or sales and service quality.

Governance

Ongoing improvements in management quality means the following.

- 1) Prepare and implement annual plans with quantitative targets
- 2) Confirm progress at first-half and full-year management reviews
- 3) Share opportunities for improvement through internal audits
- 4) Use certification bodies to conduct examinations (surveillance, recertification)

Overseas production bases are obtaining ISO 9001 certification in the same way. We will continue this initiative to ensure that the products we produce and sell around the world exceed customers' expectations for product quality, as well as sales and service quality. \*3 Quality Management System

## **Developing a Quality-Oriented Mindset**

Commitment of

Since FY2014, MITSUBISHI MOTORS has been holding Quality Forums in all domestic business locations in connection to activities that lead to increased quality in products, people and the Company as each employee individually reassesses and improves the quality of their work.

We also introduced Quality Forums in FY2018 at two overseas business locations: Mitsubishi Motors (Thailand) Co., Ltd. (MMTh) and Mitsubishi Motors Krama Yudha Indonesia (MMKI). We plan to expand this activity going forward.

Given the constraints we faced during COVID-19, in FY2021 we also launched a dedicated website and continued the activities online.

#### Number of Participants in Quality Forums

	Domestic forums	Overseas forums (Thailand, Indonesia)
FY2017	2,810	_
FY2018	4,550	1,880
FY2019	6,200	800*1
FY2020	6,200* <sup>2</sup>	2,310*2
FY2021	6,000*²	2,850* <sup>2</sup>

\*1 Due to COVID-19, held only in Indonesia \*2 Due to COVID-19, held online

#### Assessing the Needs of Customers

We are promoting an awareness activity called "Customer Voice Seminar," whose objective is to give individual employees the opportunity to learn customers' needs by listening to actual comments and opinions of customers.

We incorporate this approach into the new employee training curriculum for new graduates and mid-career hires. We also provide numerous opportunities to take on customer perspectives, including through training for promoted personnel and voluntary training courses.

At the same time, we conduct and regularly update the video site for our Customer Voice Seminar on the employee intranet. With this system, people working from home or taking breaks from other tasks can view the content at any time.

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#### Improvement of Customer Focus

For desired employees,, we are supporting the acquisition of Consumer Affairs Advisor qualification, which is a business qualification from the Prime Minister and Minister of Economy, Trade and Industry, with the objective of considering needs from the perspective of consumers and improving the quality of products and services.

As of April 1, 2022, 62 qualification holders have enrolled, making MITSUBISHI MOTORS 12th in the list of companies with the largest number of qualification holders.\*<sup>3</sup> Around 70% of these people are from manufacturing and quality-related departments, demonstrating a wide-ranging interest in and awareness of automaking from a customer perspective. \*3 According to research by Japan Industrial Association

#### **Consumer Affairs Advisor qualification holders**



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 Target • 11.5
 17 MORESSINS MORTHE COLLS • 17.7

13 Adda Target • 13.1

# Contribution to Local Economy through Business Activities

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

	Risks	Opportunities	Direction of Responses
Long Term	ASEAN region, leading to concerns about labor shortages	<ul> <li>Strengthen management base by developing human resources.</li> <li>Ongoing capital expenditure could improve the working environment and raise productivity and efficiency.</li> </ul>	<ul> <li>We will develop our business in pace with the region. We aim to grow along with the region through development and by resolving issues.</li> </ul>

	External Environment	Stakeholders' Needs and Expectations	Medium-Term Targets
Mediun Term	<ul> <li>In the ASEAN region</li> <li>Promoting initiatives toward a carbon-neutral society</li> <li>Multiple free trade agreement networks are being expanded, facilitating exports and imports.</li> </ul>	resource development, investment, technology transfer,	<ul> <li>Conducting business with an emphasis on contributing to all stakeholders and society</li> <li>Concentration of management resources with a busi- ness focus on the ASEAN region</li> </ul>

Items	FY2021 Targets and Results	Self- Evaluation
Employment	Continuous creation of local employment: Created local employment for 12,000 people in Thailand, Indonesia, the Philippines and Vietnam (including non-full-time employees)	-
Human resource development	Support for the development of personnel responsible for the development of the local economy: <representative examples="" of="" training=""> Sales and service training for dealer staff, business-level-enhancement seminars for local employees, "manufacturing training" to enhance technical skills</representative>	0
Investment Continuous implementation of capital investment that supports the growth of the local economy: -Principal investment plans> Established a new paint plant in Thailand, considered a new plant in Vietnam		0
Technology transfer	By continuing with local production, support advances in the local manufacturing industry: <major projects=""> Established at a new paint plant in Thailand; in Thailand, Indonesia, the Philippines and Vietnam, provided scholarships to vocational training schools and technical universities, provided training vehicles, and conducted online courses</major>	0
Export	Supporting growth of the local economy through the acquisition of foreign currency by means of export: <number exported="" of="" vehicles=""> Exported 319,000 vehicles from Thailand and 42,000 from Indonesia</number>	-
Environment and social contribution	<ul> <li>Leverage our technologies and services to help resolve local social issues:</li> <li>Started joint study of Kei-car segment commercial BEV in Thailand and Indonesia with logistics companies and state-owned postal service</li> <li>Began environmental contribution project to install rooftop solar power systems at hospitals in Thailand</li> <li>Installed DENDO DRIVE HOUSE, a vehicle-to-home (V2H) system that stores electricity generated by solar panels in electrified vehicles, at the headquarters of a sales distributor in Indonesia</li> <li>In Indonesia, donated three "Outlander PHEV" vehicles to support COVID-19 vaccine transportation</li> </ul>	_

 $\bigcirc$ : As planned  $\triangle$ : Delayed -: Results confirmed only

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#### Target • T1.5 13 cmm • T3.1 • T3.1

#### **Basic Approach**

MITSUBISHI MOTORS has been developing business in the ASEAN region since prior to the rise of motorization, and we have grown up alongside these countries while developing close ties with the region based on the idea that "regional development" is "MITSUBISHI MOTORS development."

In this region, where we have undertaken business activities for many years, we are working proactively to address local social issues. We aim to grow together, invigorate the region, cultivate the market, understand consumers' needs and reinforce our own brand. In these ways, we believe we can simultaneously achieve regional development and our own development. Our current medium-term business plan, "Small but Beautiful," calls for the concentration of management resources on the ASEAN region-a core area of business-and providing the products of choice for customers that they need in order to achieve further growth. One of our material issues is "contribution to the local economy through business activities." In accordance with this aim, by developing our business in the ASEAN region, we will contribute to the local economy through employment, human resource development, investment, technology transfer and exports.\*1

In addition, by responding to social needs specific to the ASEAN region, we will engage in initiatives that leverage our technologies and services in the areas of the environment and social contribution, as well.\*<sup>2</sup> \*1 Please see page 15 for details on identifying material issues

\*I Please see page 15 for details on identifying material issues \*2 See pages 74–75 for specific examples.

# Management Structure

Local subsidiaries take charge of planning and implementing activities in line with initiatives that target material issues in the ASEAN region. Our sales division, which maintains administrative and supervisory functions, is responsible for promoting these initiatives. In the four countries where our production bases are located (Thailand, Indonesia, the Philippines and Vietnam), every six months we check with local subsidiaries on the rate of progress and results of initiatives, reporting to the management team via the Sustainability Committee.

# Employment

Markets in the ASEAN region have been affected by the COVID-19 pandemic. To help reinvigorate the economy and facilitate growth, we believe it is our mission to continue to create employment in the region. We employ approximately 12,000 people in the four countries where we have production bases: Thailand, Indonesia, the Philippines and Vietnam. In FY2022, we will use local human resources in line with our business plans.

### **Human Resource Development**

In the ASEAN region, which is working to become more industrially advanced, we help by providing experience in automobile manufacturing, sales and service. In addition to cultivating specialized expertise and skills, we cultivate people who are involved in manufacturing and foster local economic growth. In FY2021, we maintained strict COVID-19 precautions, conducting some training online and providing OJT in other areas, depending on the individual companies' circumstances.

- In Thailand, we conducted online sales and service training for around 40,000 employees and dealer staff.
- In Indonesia, we conducted online training for local employees according to their business level.
- In the Philippines, approximately 150 employees received manufacturing training in the aim of enhancing the production division's capabilities, boosting their level of specialization.

In FY2022, we plan to continue providing training courses and OJT according to conditions in each country.

#### Investment

We continue to make capital investments in plants, which support local economic growth. In Thailand, where our largest overseas production base is located, we opened a new paint plant in FY2021. We are installing a rooftop solar power system as our efforts to reconfigure our manufacturing structure to reduce environmental impact.

 4 such ● 4.4
 9 such such = 9.2 ● 9.4
 9.2 ● 9.4
 10 such = 10.2 ● 9.2 ● 9.4
 Target ● 10.2
 11 such such = 11.5 ● 10.2
 Target ● 11.5
 13 such = 12.5 ● 11.5
 Target ● 13.1
 17 such = 12.5 ● 13.1

## **Technology Transfer**

By continuing with local production, one of the roles played by our production sites in the ASEAN region is technology transfer, through which we support the advancement of the local manufacturing sector. MIT-SUBISHI MOTORS is also working to make its plants more competitive by transforming the value chain, such as by raising quality and lowering costs.

In FY2021, we consolidated two superannuated paint plants in Thailand into one new paint plant, completed paint renovation.

In addition to the conventional practice of automating application of the middle and top coats, the new plant is the first in the ASEAN region to introduce automated technology for applying sealants to the entire vehicle and for painting interior panels, significantly improving production efficiency and competitiveness compared to the previous plant.

On the environmental front, the use of a reverse osmosis treatment system allows up to 75% of wastewater to be recycled. Also, the use of water-based paints and cartridge-type coating machines reduces emissions of volatile organic compounds (VOCs) by 50%. The effect of consolidating the plants was to reduce CO<sub>2</sub> emissions by 30% and lowering environmental impact, as well. (All data are in comparison with FY2017 levels.)

We are also promoting the adoption of renewable energy. The installation of a rooftop solar power system on our new paint shop will help to reduce CO<sub>2</sub> emissions by 1,700t or more a year.

We have offered scholarships to technical universities and vocational training schools in Thailand, Indonesia and the Philippines. We also provided training vehicles, conducted online training and provided instructors for online seminars, supporting vocational training with an eye to technology transfer.

In FY2022, we will continue to support vocational training and efforts to make our factories more competitive. Through these efforts, we aim to enhance the local manufacturing industry.

# Export

Exports generate foreign currency, which supports the continuous growth of the local economy. Mitsubishi Motors (Thailand) Co., Ltd. (MMTh) is our largest overseas production base. Leveraging this strategic location, we export key models (including pickup trucks and SUVs) to ASEAN countries and globally. As in FY2020, the market remained difficult in FY2021 due to COVID-19. However, we exported around 320,000 vehicles from Thailand and approximately 40,000 units of "XPANDER," a compact MPV, from Indonesia. In FY2022, we will continue to enhance a mutually comprehensive structure for production within the ASEAN region, as well as maintaining exports to other ASEAN countries and the rest of the world.



New "XPANDER"

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# **Environmental and Social Contribution**

In the ASEAN region, meeting to environmental regulation is becoming a more important issue than ever. In response to calls for the realization of a carbon-neutral society, we are leveraging our strengths in electrification technologies and expertise to help resolve local social issues.

In FY2021, we commenced joint studies with national postal services and a logistics company in Thailand and Indonesia using our Kei-car segment commercial BEV, the "MINICAB-MiEV." In addition, in Thailand we collaborated with the government on a project called Solar for Lives. In the aim of lowering CO<sub>2</sub> emissions, we started to install rooftop solar power systems at hospitals. In Indonesia, we donated three "Outlander PHEVs," participating in a government-led effort to support the transport of COVID-19

vaccines. In FY2022, we will continue to promote electrified vehicles in the ASEAN region and engage in activities that help reduce environmental impact.



Charging of "MINICAB-MiEVs," which are being used in a joint study



Hospital with a rooftop solar power system installed as part of the "Solar for Lives" environmental project

# 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

MOTORS' Uniqueness

Commitment of

	Risks	Opportunities	Direction of Responses
Long	<ul> <li>Human resources could become concentrated at com- panies that are progressive on diversity and work style</li> </ul>	<ul> <li>The potential to secure excellent human resources, product development from a diverse perspective</li> </ul>	<ul> <li>Create an environment where diverse human re- sources can leverage their capabilities</li> </ul>
	reforms.	<ul> <li>Higher productivity</li> </ul>	Reform work style to heighten productivity
Term	<ul> <li>Remote working could result in lower productivity (more difficult to manage operations and personnel, breakdowns in communication, problems with managing the working environment).</li> </ul>		

Term	External Environment	Stakeholders' Needs and Expectations	Medium-Term Targets
	Calls to create diverse workplaces that encourage promo-	The provision of equal opportunity	<ul> <li>Creating workplaces where women and people with</li> </ul>
	tion among women, foreign nationals and mid-career hires		disabilities can leverage their capabilities
	Disasters and infectious disease prompting a sharp rise in	Provision of working environments that suit individual life-	<ul> <li>Establishing flexible working styles that enhance</li> </ul>
	remote working	styles and life events	productivity

Items	FY2021 Targets and Results		
		Creating a remote work environment that further enhances productivity	0
Promotion of work style reforms	Ongoing implementation of work style reform measures	Paid leave taken (administrative and engineering staff*1, manufacturing workers*2, medical workers*3): 17.8 days/year	
Promotion of women's participation and	Measures based on our action plan to promote women's	Conduct questionnaire survey on personal awareness/workplace climate	0
advancement in the workplace	advancement	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)	0

 $\bigcirc$ : As planned  $\triangle$ : 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

Governance

Target

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#### **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 comfort- able working environment than before, we eliminated the maxi- mum 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 sig- nificantly 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 ex- amples at the departmental level to promote the use of communi- cation tools

# **Conducting Engagement Surveys**

Governance

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. Sustainat Managen



## **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

#### **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.



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. 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

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.

MITSUBISHI MOTORS CORPORATION Sustainability Report 2022

	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	Nursing care leave	Aggregate total of three years can be taken per person receiving nursing care			
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.			
Miscella- neous	Life plan leave	Employees can take up to 10 days leave per year for various predefined purposes such as receiv- ng treatment for non-work-related injury/illness, caring for family, childcare, infertility treat- nent, 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 Compa- ny, with an applicable period within five years after resignation			
	Accompanying leave	Temporary leave system for employees to accompany spouses who have been transferred in Ja- pan or overseas or are studying abroad, with an applicable period of from one month to five years			

#### List of work-life balance assistance programs

Programs

Maternity leave

Childcare Pregnancy leave

# commodate 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.

**Promoting a Work-Life Balance** 

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

Six weeks prior to birth and eight weeks after birth

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 ac-

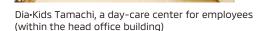
nant and the day prior to maternity leave (may be taken multiple times)

#### 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 Okazaki (within the Okazaki site)

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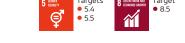
Overview

Can be taken for the designated period of time applied for in advance, between becoming preg-

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#### 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

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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**

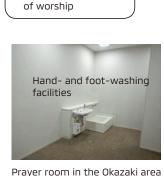
As part of the support offered to our workforce of non- Japanese employees, which is increasing year by year, we have established prayer rooms at our head office and Okazaki sites that are available to people of all religions and denominations. These rooms are open to customers, suppliers and other stakeholders 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

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Signs on the ceiling

indicting the direction

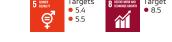


Prayer room in our head office building

rayer room in the Okazaki area

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## 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

Governance

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.

Governance

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# Stepping up Human Resource Development

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

Risks	Opportunities	Direction of Responses
ent, causing productivity to fall and weaken-		<ul> <li>Enact measures to enhance managers' ability to manage</li> </ul>
oonse to social or environmental changes competitiveness.	<ul> <li>Enhanced competitiveness due to an increase in highly specialized personnel</li> </ul>	<ul> <li>Augment the skills needed to respond flexibly to changes in the environment</li> </ul>

	External Environment	Stakeholders' Needs and Expectations	Medium-Term Targets	
Term		<ul> <li>Secure personnel who have strong management capa- bilities</li> </ul>	<ul> <li>Increase managers' management and HR develop- ment skills</li> </ul>	
	<ul> <li>A rapidly changing environment surrounding the auto industry (CASE, MaaS)</li> </ul>	<ul> <li>Provide training that matches the environment and the times</li> </ul>	<ul> <li>Improve training methods to match the environment and the times</li> </ul>	

Items	FY2021 Targets and Results	Self- Evaluation
Finding the best mix of online and face-to-face training	Conduct online training through interactive communication using conference tools to make the training more effective In the second half, conducted face-to-face training (with thorough infection control measures in place)	0
	Conduct training on a trial basis with a view to a companywide rollout Planned and conducted selective training for managers	0
	Introduced a cross-mentoring system for new employees in addition to the existing mentoring system, with the aims of revitalizing commu- nication in the remote work environment and helping employees gain traction early on in the workplace and making them more competitive.	

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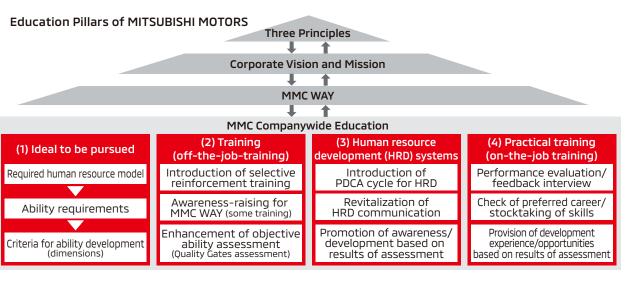
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 $\bigcirc$ : As planned  $\triangle$ : Delayed

# **Basic Approach**

MITSUBISHI MOTORS' educational system is supported by three pillars: the Three Principles, a statement of the Mitsubishi Group's management principles; our Corporate Vision and Mission; and the MMC WAY, guidelines for daily behavior. We have clarified the abilities and skills necessary to put these principles or behavior into practice. We also specified the ideal model for each job classification and introduced respective curricula based on both.

Employees also discuss their personal vision for the future during annual interviews with their superiors. Sharing such visions between superiors and subordinates leads to achievement of human resource development with deeper understanding. MITSUBISHI MOTORS CORPORATION Sustainability Report 2022



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#### **MMC WAY**

MITSUBISHI MOTORS has summarized the attitudes and actions that employees need to practice to fulfill our mission. We have encapsulated this information into concrete and easy-to-understand keywords and shared them with employees as the "MMC WAY."

In FY2022, the Executive Officer, President & CEO and other members of the management team discussed the ideal standards of MITSUBISHI MOTORS in light of changes in the automotive industry and the environment surrounding our company. After listening to employees' opinions, we revised the MMC WAY, comprising five key items.

The first two items in the new MMC WAY emphasize key values. They call on us to "think of our customers first" as the foundation for earning "society's trust" and to "contribute to society" through our corporate activities. These items incorporate the message that every employee must remember our raison d'être: satisfying customers and contributing to society through corporate activities.

With the other three items, we have expressed important elements in the previous MMC WAY more specifically and clearly.

All executives and employees will share in the new MMC WAY, which incorporates what is important in our lives as a company and as human beings, and we will work together as one to take on the challenge of reaching our goals.

#### MMC WAY

- 1. Think of Our Customers, Strengthen Trust
- 2. Enrich Society
- 3. Welcome All Facts, Share Difficult News First
- 4. Conduct and Challenge Yourself Professionally
- 5. Respect All, Work as a Broader Team

## **Management Organization**

In FY2021, we established the HR System Review Committee to identify issues with the current HR system and ensure fair and stable operation of the system, with compensation commensurate with job responsibilities and performance. The committee is made up of the Executive Officer, President & CEO and other members of the management team. Reflecting the committee's review results, we are introducing a new HR system in FY2022. In FY2022, we also established the HR Development Council as a successor to this committee, with the same members, to discuss and consider measures for cultivating young employees and executives. At present, we are working to optimize our personnel plan, striving to reinforce expertise in each department while determining the best balance with fixed costs. In addition, we are moving forward with recruitment to expand our development of electrified vehicle power train control systems and technical expertise in other fields, as well as to promote digital transformation (DX).

Meanwhile, we are looking into the continuous upskilling of IT/digital personnel and the implementation of digital literacy and reskilling for employees outside the IT department. We also dispatch employees for language and other training to the ASEAN region, which is a key geographic region for us, and welcome trainees from affiliated companies in the ASEAN region. Preparations are underway to begin training-oriented personnel exchanges among affiliated companies.

Social



#### **Training and Education**

#### MITSUBISHI MOTORS' Education Program

Based on the education pillars, sections in charge of education with the Human Resources Division have put in place a training program for the systematic development of human resources, from entry-level employees to general managers.

We plan and implement a variety of employee training programs, including not only training curriculum based on employee job classification, but also selective training for managers, training for all employ-

		Training for e	each job rank				Glot	bal
Job Classification (required human resource model)	Training for newly promoted employees	Reinforcement training	Training for candidates for promotion	Institutional training	Train across ran	all job	Mindset/ Skills	English
General managers (M1) (innovation leader)	Training for newly Promot- ed M1	Selective reinforce- ment raining (e-Learning)		Follow-up training ment and target 8 Feedback intervi			Training	A
Section managers (M2) (management professional)	Training for newly promot- ed M2	Leadership training for organizational transformation Selective rein- forcement train- ing (e-Learning)	Training for M1 candidates (assessment)	-ollow-up training on commit- ment and target & MMC WAY Feedback interview training	Га		for expats to be foreign affilia ective training (G	Measures for improving
Assistant Manager (a leader of practical work)	Training for newly promot- ed Assistant Manager	Training for M2 candidates	Training for M2 candidates (assessment)		Training for mid		p*3	ng TOEIC score
Main Staff (a key player in the execution of work)	Training for newly promot- ed Main Staff	Training for Assistant Manager candidates Good com- municator development training			tor mid-career employees Training for mentors of	Engineer training	program, etc.)	re (TOEIC score range
Staff (a professional in the operational work)	Entry-level employee training	Third year training*1 Second year training				Global mindset training*2	e from 300 to	
Clerical Staff (efficiently carries out operations)	Entry-level employee training	Third year training*1 Second year training			S.		Global mindset training*2	695)

\*1 Mid-career employees undergo fundamental business skills follow-up training corresponding to third year training.
 \*2 To be conducted within third year training and entry-level employee training program, respectively.
 \*3 GCDP: Global Career Development Program

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ees utilizing e-learning, and selective training in which employees voluntarily choose a program to attend.

# Consideration for Training Methods in Response to a Changing Environment

To respond to the changing environment and boost its organizational capabilities, MITSUBISHI MOTORS has put in place a training system that cultivates personnel in a systematic manner, from entry-level employees to general managers.

By introducing a telecommuting system in FY2021, we paved the way for expanding our training methods in preparation for a post-pandemic world. We expanded the online training that we put in place in the previous fiscal year, moving from a listening-based approach to one that uses conferencing tools to foster group work and real-time guestion-and-answer sessions. As such training is not location-specific, people from different worksites can participate at the same time, which encourages interaction among locations. While ensuring pandemic-protection measures are in place, we are also gradually reintroducing group training, depending on the training's objective. For example, we are conducting some parts of new-employee training face to face. We will continue to strengthen our educational system with the aim of developing human resources capable of responding flexibly and autonomously to changes in the environment.

The ability of each individual is the key to corporate growth in a situation where the future is difficult to predict. Recognizing this, we will continue to study and implement mechanisms that help employees cope with changes in the environment and support their personal growth.

▶Data (p. P125): FY2020 training results

#### Commitment of Top Management

Social



#### Fostering Global-Minded Human Resources

In line with increases in both overseas production and sales volumes, we are placing emphasis on developing human resources who are capable of adopting a transglobal perspective and performing in the global business field.

English language skills are essential when working with people outside Japan, so we offer employees training designed to systematically improve their English skills, including beginner and intermediate courses aimed at improving basic skills. We also offer local language courses for employees who will be stationed in non-English-speaking countries.

In addition to language training, we run a program in which younger employees are dispatched to non-English-speaking emerging countries for three years (one year of language training + two years of work experience at a local affiliate). Plans are also in place for training programs at overseas subsidiaries.

#### Supporting Lifelong Education

In accordance with the Revised Act for the Stabilization of Employment of Older Persons, which went into effect in April 2021, we are promoting the reemployment of retirees aged 60 and over to steadily pass on the skills, knowledge and experience of our skilled workers.

We are also working to support the lifelong career development of our employees. For instance, we regularly hold Good Life Seminars, a joint undertaking with the labor union geared toward employees aged 50 and over, where we give post-retirement life planning advice.

#### FY2021 Seminars for Future Good Life

Number of seminars	4 in total across the company
The number of participants	55

# Career formation and evaluation

#### **Personnel System**

Regarding career formation, we have put in place a system which enables employees to proactively set their own goals based on their achievements, capabilities, and life plans, while elevating their capacity to achieve these goals.

As a specific career development method, employees participate in interviews with their superiors every year. The interviews are held based on their Career Development Plans in which employees describe a future career course they hope to take and their medium- to long-term career design by reflecting on their past career. The aim of this interview is to have employees build an objective picture of their challenges and then proceed along a career path they have formed for themselves with conviction and a high degree of motivation.

We have introduced multifaceted competency (behavioral) evaluation systems for general managers and section managers, as well as for general employees, based on a performance achievement evaluation using a target management system, the MMC WAY (our action guidelines), human resource development and organizational management, and expertise, respectively.

We have positioned these systems as management-enhancing tools aimed at general managers and section managers with the objective of revitalizing the organization. In doing so, we aim to: (1) Share organizational objectives and foster a sense of responsibility for achieving these objectives, (2) Enhance incentives for achieving objectives, (3) Enforce mindset and behavior expected from employees, and (4) Make appointments and promotions according to merit.

For non-management personnel, our aims are (1) Sharing organizational objectives and instilling a sense of responsibility for achieving them, (2) Raising transparency and employee approval of evaluations and employee treatment, and (3) Promoting the establishment of shared values.

### Fair Compensation System

We introduced a remuneration system that allows for appropriate compensation based on the roles, degree of contribution, and weight of the roles and responsibilities of each employee. We provide the system to enhance each employee's career and motivation. In conjunction with raises given annually based on individual performance, raises are also given according to advances in career.

We comply with local laws and regulations regarding wage levels and set wage levels according to job classifications, taking into consideration industry levels. There are no discrepancies in wages based on race, nationality, sex, or other such reasons. Data (p. 125): Wage levels

Governance

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Target • 8.8

# Promoting Occupational Health and Safety

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

	Risks	Opportunities	Direction of Responses
Long Term	of people with lifestyle diseases or mental	<ul> <li>Ensure business stability by creating safe and secure workplaces and promoting physical and mental health</li> <li>Protect employee health and work through measures to halt infectious disease</li> </ul>	<ul> <li>Create an environment where employees can work safely and be physically and mentally healthy</li> </ul>

	External Environment	Stakeholders' Needs and Expectations	Medium-Term Targets
Mealum	health disorders and lifestyle diseases	<ul> <li>Help employees respond to environmental, age and lifestyle changes</li> </ul>	<ul> <li>Prevent mental health disorders stemming from environmental changes, and maintain employees' physical and mental health</li> </ul>
Term	<ul> <li>Threats from infectious diseases on a global scale</li> </ul>	<ul> <li>Ensure thorough measures to halt infections</li> <li>Calls for business continuity</li> </ul>	<ul> <li>Promote health and safety management systems and ensure com- pliance with safety-related laws and regulations</li> </ul>

Items	FY2021 Targets and Results	
Creation of safe workplaces Ongoing measures for the creation of safe workplaces: Overall accident rate*1 0.20 (result)		0
Promote physical and mental health	Ongoing promotion of employees' physical and mental health: New mental patient incidence rate* <sup>2</sup> 0.62% (result)	×

 $\bigcirc$ : As planned  $\times$ : Failed to meet target

\*1 Number of accidents with or without loss of workdays per 1 million working hours

\*2 (Total number of new mental health patients ÷ total number of workers)×12

Social



## **Basic Approach**

MITSUBISHI MOTORS believes ensuring the health and safety of employees is the foundation of corporate activities. Accordingly, we have established a Health and Safety Management Policy and are undertaking related measures on an ongoing basis, including through offices for on-site cooperation.

#### **Basic Policy**

- 1. We will undertake companywide activities with emphasis on each process of the PDCA cycle to eliminate workplace risks and hazards with safety taking priority over all else. Within each activity, confirmation, follow-up, and improvement will be carried out successively and continuously.
- 2. Workplace supervisors from senior management down will implement comprehensive health and safety management measures under their own responsibility with an awareness that ensuring health and safety is the foundation of management. They will strive to create a workplace culture of discipline with consideration for others and a strict attitude of not engaging in, not allowing others to engage in, and not overlooking unsafe conduct. All workplace supervisors will also work to create a workplace culture that fosters open communication where subordinate personnel feel that they can say anything through honest dialogue at any time and to raise awareness of health and safety.
- 3. Each employee shall observe basic rules and conduct guidelines relating to safety to protect their own safety and endeavor to create healthy workplaces with no accidents by conducting on health and safety activities in cooperation with all MITSUBISHI MOTORS personnel with a strong commitment to complying with decisions that they have made and decisions that have been made by others.
- 4. Companywide efforts shall be made to create clean and comfortable work environments, prevent disease, and promote the health and physical well-being of each employee.
- 5. Health and safety management shall be implemented in accordance with the MITSUBISHI MOTORS Health and Safety Management System.

## **Management Organization**

The Central Production Committee comprises the lead officer, heads of production sites, and labor union representatives. The committee meets annually to assess the status of measures taken over the year to address such issues as occupational safety, traffic safety, natural disaster preparedness and health management and sets quantitative targets for health and safety in the coming year, determines priority measures and takes action to achieve the targets.

Each time a workplace accident occurs, the situation is reported to the Executive Officer, President & CEO and other members of senior management, and the Company responds according to their instructions.

# Initiatives to Ensure Workplace Safety

We work to create safe and secure workplaces where all employees can dedicate themselves to their work with a feeling of reassurance. In particular, we strive to prevent accidents in production sites, which account for most workplace accidents. In order to prevent these, we identify unsafe conditions in all work situations and make improvements. Additionally, we create safe workplaces by carrying out mutual safety checks at production sites by senior officials and workplace supervisors to identify commonly overlooked hazards. Other measures include adopting improvement proposals and requests raised by employees. We also established "safety training schools" at each business site to raise hazard awareness and conduct hands-on hazard training so that all emCommitment of Pursuing "MITSUBISHI Top Management MOTORS' Uniqueness"

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ployees can experience firsthand such hazardous situations as pinching, being caught up in equipment, becoming wounded and falling. In FY2021, 2,842 people took part in this training.

In addition, some of our business sites are operating "remote safety training schools," which enhance the ability to predict danger through visual experiences.

In FY2021, our accident rate was 0.20, which is substantially lower than the average for the Japanese automobile industry, at 0.47, and meets our target, of 0.26. However, as previously, unsafe conditions are the cause of most accidents, in FY2022 we will again work to enhance the ability to predict danger and take synchronized, companywide, in-depth efforts to eradicate unsafe conditions by identifying potential accidents at each business site and ensuring that facilities are intrinsically safe.

As for assessing our compliance with safety-related laws and regulations, we use checklists to conduct self-checks of each workplace and to conduct reciprocal checks on other workplaces to ensure thorough compliance. In FY2020, we began conducting checks at technical centers and parts centers, as well. In FY2021, we expanded the scope of verification to include domestic associates to ensure compliance with laws and regulations. At our overseas plants, compliance assessments were performed at Mitsubishi Motors (Thailand) Co., Ltd. (MMTh), Mitsubishi Motors Philippines Corp. (MMPC) and P.T. Mitsubishi Motors Krama Yudha Indonesia (MMKI). Data (p. 125): Accident rate

#### Mental and Physical Health Initiatives

For the purpose of maintaining and improving the mental and physical health of our employees, MIT-

SUBISHI MOTORS prioritizes two key measures: guidance on preventing lifestyle-related diseases and measures for maintaining good mental health.

Given that mental health issues account for more than half of absences due to illness, we have positioned mental health measures as a company-wide priority issue and have introduced an outside Employee Assistance Program\* (EAP), a type of mental health program. We also offer consultation on individual issues, provide mental health education and offer support programs to improve the workplace. However, in FY2021 the number of new sick days taken due to mental illness rose 12% year on year, and work-related concerns continued to account for around 80% of all cases. Accordingly, in FY2022 we will continue to prioritize prevention with the aim of providing care for individuals, encouraging care of subordinates by superiors, and improving workplace environments. Meanwhile, we arrange face-to-face sessions with industrial physicians or counselors for employees determined to be experiencing high levels of stress based on the results of annual stress checks. We also conduct training to enhance workplace communications, and conduct a program delivered by outside counselors to improve workplace environments. In our efforts to create an environment that facilitates consultation, we facilitate individual consultations with outside counselors. We have also established a helpdesk where employees can consult with attorneys and other specialists.

\* This employee support program seeks to improve individual and workplace health by implementing organizational mental health measures, offering health consultations on individual physical or mental health issues, and addressing compliance and other issues.

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## **Responses to COVID-19**

We have been affected by the COVID-19 pandemic in a variety of ways. Recognizing that business continuity and the health of our employees are topmost priorities, we have taken swift measures while remaining abreast of government trends and other developments in Japan and overseas.

#### Specific Initiatives

- Daily disinfection of common areas
- Installation of shielding curtains on production lines
- Temperature checks of employees and visitors
- Erection of shields in the cafeteria, spacing out seating, encouraging silence while eating, and other measures



Shields in the cafeteria (Mizushima Plant)



Seats in the dining area are numbered, making it easier to maintain a seating record (Okazaki Plant).



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#### **Preventing and Containing Infection**

To protect the health of our employees, we have notified all employees about efforts to prevent and contain infection.

- A call for attention to efforts to prevent and contain infection and instructions for how to respond if feeling ill or if infected or in close contact with those who are
- Consistent rules to apply when working at all sites, such as social distancing at business sites and offices, temperature checks and cafeteria measures
- Details about the Ministry of Health, Labour and Welfare's enhanced quarantine measures in relation to employee business travel to and from overseas locations, danger levels for infection around the world and other precautions

# Workplace Vaccinations to Prevent the Spread of COVID-19

In an effort to reduce the burden on local communities and accelerate the COVID-19 vaccine rollout, the Japanese government asked some companies to conduct workplace vaccinations. In June 2021, MITSUBISHI MOTORS received such a request, and by November we had completed vaccinations of all who requested them. The rollout of a third round of workplace vaccinations began in March 2022.

# Implementation of Telecommuting to Prevent the Spread of Infection

We recommended teleworking for employees concerned about the high risk of infection from using public transport, as well as employees with existing illnesses that placed them at increased risk from the disease. We also monitor conditions at headquarters (Tokyo) and in other prefectures, maintaining the ratio of people telecommuting in each area at a certain level.

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## Labor-Management Relations

The Company supports the basic principles of the Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises, and the United Nations Global Compact, and guarantees fundamental labor rights to employees. Our labor agreement stipulates that the labor union has the three rights of labor (the right to organize, the right to collective bargaining, and the right to collective action).

As of April 2022, our labor union had 12,859 members, which accounts for all employees except officers and managers.

#### Status of Labor-Management Communications

The labor-management council is regularly held along with collective bargaining as an opportunity for labor management discussions. These discussions aim to share information about issues such as working conditions and the working environment, and labor and management then work together to solve these issues.

In FY2021, 40 discussions were held between the Company headquarters and union headquarters, and many discussions were also held between offices and union branches in each business site.

For important topics such as major changes in working conditions, we organize a labor-management expert committee and make decisions after careful consideration and discussions and management.

We are also working to build good relationships with labor unions at overseas affiliates in accordance with the labor laws and regulations of each country.

# **Respect for Human Rights**

# **Basic Approach**

Based on the idea that respect for human rights is the foundation of our business activities, MITSUBISHI MOTORS supports the United Nations Global Compact (UNGC), in which the United Nations advocates the 10 principles in the four categories of human rights, labor, environment, and anticorruption. As a participating company, we support and respect international standards and norms such as "the International Bill of Human Rights," "the ILO's Declaration on Fundamental Principles and Rights at Work," "the United Nations Guiding Principles on Business and Human Rights" and "the Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises." Based on the 10 principles of the UNGC, as a good corporate citizen we will continue our activities toward the realization of the sustainable growth of society.

As a global company, we believe that respect for human rights and anti-corruption initiatives are very important.

Based on this belief, we established our Human Rights Policy after consultation with experts and approval by the Executive Committee, with the aim of conducting our business activities in a manner that respects the human rights of our stakeholders. This policy outlines fundamental matters such as support and respect for international standards and norms regarding human rights, and matters for compliance. The policy also stipulates specific measures to prevent and reduce negative impacts on human rights, to provide remedial measures, and to provide education for officers and employees. This policy has been translated into English and made available on our website to all employees of Group companies in Japan and overseas.

In the MITSUBISHI MOTORS Global Code of Conduct, "Respect Human Rights and Diversity, Provide Equal Opportunity," specifies that discrimination, retaliation and harassment are not permitted in any form or to any extent, and that the diversity of suppliers, customers, executives, employees and local communities shall be respected in addition to respecting human rights.

# Human Rights Policy

Our Human Rights Policy stipulates the following items.

- Recognition of initiatives on respect for human rights as essential factors in the fulfillment of our social responsibility
- Compliance with the Human Rights Policy by all of the executives and employees, and respect for fundamental human rights throughout our business activities
- Support and respect for international standards and norms
- Compliance with the national laws and regulations in each market where we operate
- Where conflict exists between internationally recognized human rights and national laws, seeking of ways to honor the principles of international human rights

- [Compliance items]
- 1. Prohibition of Discrimination
- 2. Elimination of Unjustifiable Labor Practices
- 3. Freedom of Association, Labor and Management Dialogue
- 4. Ensuring Access to "Decent Work"
- 5. Community Involvement

#### [Initiatives]

- 1. Human Rights Due Diligence
  - Mitsubishi Motors will identify, prevent, or mitigate negative impacts on human rights which may be caused by our business activities through the application and support of human rights due diligence processes.
- 2. Remediation
  - Where Mitsubishi Motors identifies that it has caused or contributed to a negative impact on human rights, we will provide for or cooperate in remediation processes.
- 3. Ensuring Transparency and Accountability
  - Mitsubishi Motors will provide appropriate education or training to al executives and employees.
  - We will ensure that our Group companies comply with this policy, and we will request that our business partners respect human rights.
  - We will disclose our initiatives on respect for human rights.

The full text of the Human Rights Policy, including annotations, can be found here:

(WEB) https://www.mitsubishi-motors.com/en/sustainability/ society/human\_rights/pdf/human\_rights\_policy.pdf

#### Management System

MITSUBISHI MOTORS' efforts addressing respect for human rights are mainly focused on the sustainability, human resources and procurement departments. The executive in charge of sustainability, acting as the person in charge of promoting initiatives on respect for human rights, reports the status of human rights risk assessment and related measures to the Sustainability Committee, which is held three times a year. Members of the Sustainability Committee share the details of these reports with their departments, promoting companywide efforts to respect human rights.

We regard human rights violations as a risk to our corporate survival. Accordingly, we are strengthening our efforts to address risks related to business and human rights in our risk management initiatives, which are integral part of our internal control systems<sup>\*1</sup>.

As for the internal system for promoting an awareness of human rights, the Corporate Officer in charge of human resources leads the promotion of awareness training. As one aspect of our human rights awareness education, human rights themes are incorporated into shared materials used in various training programs, and in each business site human resources department works to raise human rights awareness.

We also participate in events held by the Industrial Federation for Human Rights, Tokyo, and the MItsubishi Group Human Rights Enlightenment Committee (organized by Mitsubishi Group companies), of which we are a member, and attend conferences and research meetings held by other external organizations. (In FY2021, we spent a total of 64 days participating in training sessions.) We also use the latest information obtained through our participation in these events in our human rights awareness activities and utilize the knowledge we gain from these activities in our inhouse training programs.

\*1: For details on our internal control systems, please go to P110.

## Human Rights Due Diligence

Through a human rights due diligence framework, we work to identify negative impacts our business activities have on human rights and strive to prevent or mitigate such impacts.

We recognize that the human rights of our employees, including working conditions, health and safety, are a high-impact risk that we bring through our business activities. Based on this understanding, as part of our human rights due diligence we conducted a human rights assessment<sup>\*2</sup> at our headquarters and three plants in Japan in the second half of FY2021. We conducted the assessment using an external evaluation organization to ensure objectivity and consistency with international norms.

As a result of this assessment, we identified several areas for improvement, including work rules and employee dormitory management. However, none of these items had a material impact on our business or employees.

Based on the findings of the FY2021 human rights assessment and the points raised by the evaluation body, we will promptly implement measures and continue to work toward reducing human rights risks.

\*2 Examples of assessment items: employment contracts, working hours, wages, child labor, forced labor, fundamental rights at work, discrimination, health and safety, remedial measure



#### <FY2021 Results>

- STEP 1 Determined human rights issues to be addressed by the Company based on international norms and guidelines
- STEP 2 Identified working conditions and health and safety of employees as risks with a major human rights impact
- STEP 3 Assessment conducted by external organization at headquarters and three plants in Japan (Okazaki Plant, Kyoto Plant, Mizushima Plant)
- STEP 4 Based on the assessment results, enact measures to mitigate and prevent human rights risks
- STEP 5 Monitor mitigation and preventive measures for effectiveness (from FY2022)

# Complying with the Human Rights Policy

Coinciding with Human Rights Day on December 10, to raise awareness, each year MITSUBISHI MOTORS' Executive Officer, President & CEO disseminates a message to all officers and employees regarding respect for human rights and emphasizing the importance of sincere words and actions, and awareness raising.

Our policies and activities for promoting and realizing respect for human rights are described below.

#### **Prohibiting Discrimination**

The Company requires executives and employees to respect diversity and to create equal opportunities with no allowance for unfair discrimination or harassment on bases such as race, skin color, nationality, ethnicity, family origin, sex, sexual orientation, gender identity, age, disability, language or religion.

Also, we emphasize the importance of diversity in our training programs, and we encourage our employees to work together with respect for diverse values.

#### Eliminating Unjustifiable Labor Practices

The Company does not tolerate slavery labor, including human trafficking, child labor, forced labor or other unjustifiable labor practices, and strives to eliminate such practices.

To ensure against such practices, we verify potential employees' ages to ensure statutory requirements are met when entering into labor agreements. We do not charge applicants or employers any fees related to recruitment. Pay slips clearly state any legal deductions; we do not make unfair deductions, but regularly pay employees their full dues. We do not retain employees' passports or other identifications or prevent them from movement. Employees are free to choose whether to enter or leave the dormitories.

### Freedom of Association and Labor–Management Dialogue

The Company respects its employees' right to associate, and we engage in sincere dialogue with employees to resolve various types of issues. Regarding collective agreements with labor unions, we recognize employees' freedom to engage in legitimate union activity, including collective bargaining. We clearly state that employees who engage in such activities will not be subject to disadvantageous working conditions or other sanctions.

# Ensuring Access to Decent (Rewarding and Humane) Work

To ensure decent work, in addition to complying with individual countries' laws and regulations, we conduct activities focused on respect for human rights, based on international norms (such as the International Bill of Human Rights and the ILO's Declaration on Fundamental Principles and Rights at Work). Specifically, we ascertain the living wage and ensure that we pay salaries that satisfy this requirement. In addition, in our production processes we take gender and age into consideration when devising work content. Data (p. 125): Wage levels

#### **Community Involvement**

In our efforts to maintain harmony with the local community, we contribute to society by utilizing each and every employee's skills and know-how as well as our technologies and products.

# Consideration for Human Rights in Work and Investment

As we believe that positive relationships based on mutual understanding between employees and everyone in the community are essential to the sustainability of our business, when establishing business sites or related facilities, we give consideration to the cultural values of the country and region including customs and religions. F

### In-House Education and Training

In order to encourage all employees to cultivate their respect for human rights, the Company is offering courses that deepen understanding toward human rights within its training programs tailored to each job rank, beginning with entry-level employee training. In FY2021, we conducted a total of 470 hours of human rights training for 490 employees, including entry-level employees, mid-career employees and newly promoted managers (department general managers and section managers). Details of the training are described below.

Newly	Raising awareness of social and internal
promoted	human rights issues required for workplace
general	management, sharing information to pro-
managers	mote respect for human rights, etc.
Newly	Recent topics regarding human rights.
promoted	Prevention harassment.
managers	The roles of managers, etc.
Mid-career employees	Recent topics regarding human rights. The relation between our business and human rights, etc.
Entry-level employees	The significance of corporate initiatives regarding human rights. Fundamental knowledge regarding human rights, etc.

To promote awareness of sexual minorities among our employees, we have been conducting seminars at each business site since FY2018. In addition, we also conduct an internal e-learning course covering basic knowledge of LGBTQ issues.

Training Programs Number of Attendance in FY2021 Participants Rate Entry-level employee training 100% 105 Mid-career employee training 100% 178 (newly promoted) 100% Newly promoted manager 209 training \_\*1 Seminars to raise understand-364 ing of LGBTQ issues \_\*1 LGBTQ e-learning course 7.003

\*1 Attendance ratio not disclosed for voluntary attendance

#### Supply Chain Considerations

MITSUBISHI MOTORS conducts appropriate transactions, which includes not causing human rights violations against its business partners. We determine transaction prices and delivery dates following thorough consultation with individual suppliers.

In addition, we promote two-way communication with our business partners through management based on the Supplier CSR Guidelines.

The guidelines include provisions on respect for human rights, including the elimination of discrimination and the prohibition of child labor and forced labor, and we request that suppliers take human rights into consideration. To enhance the guidelines' effectiveness, we obtain Supplier Commitment agreements from our business partners.

#### **Requests to Sales Companies**

At sales companies, we carry out initiatives to provide a work environment with consideration for the health and safety of employees and we prohibit acts that infringe on human rights.

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#### Access to Assistance

Governance

In order to make timely responses in cases where a human rights related issue occurs within the company, we have established internal and external consultation offices (helplines) and the MITSUBISHI MOTORS Global Hotline, which offers assistance in multiple languages<sup>\*2</sup> for whistle blowing and consultation for employees. The MITSUBISHI MOTORS Global Hotline has established contact points in 10 countries to handle reports from employees of the Company and its major affiliates in a total of 13 languages<sup>\*3.</sup>

We have also established the Customer Contact Center<sup>\*4</sup> for customers and the Business Partner Helpline<sup>\*5</sup> for suppliers. These hotlines receive reports and requests for consultations regarding human rights issues.

Confidentiality and user anonymity is guaranteed at all of these consultation offices. We ensure that

people who seek consultation are not treated unfairly.

- \*2 For information on the establishment of Internal and External Consultation Offices (Helplines) and the MITSUBISHI MOTORS Global Hotline, please go to P114.
- \*3 The MITSUBISHI MOTORS Global Hotline is available in Japanese, English, Chinese (simplified and traditional), Korean, Tagalog, Indonesian, Thai, Vietnamese, German, Dutch, French and Spanish.
- \*4 For further information regarding the Customer Contact Center, please go to P95.
- \*5 For further information regarding the Business Partner Helpline, please go to P70.

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# Achieving a Sustainable Supply Chain

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

			Direction of Responses
Term • W	Ve could lose social credibility if we were to infringe on hu- nan rights in our procurement of raw materials and parts. Ve could be complicit in infringement on human rights or nvironmental destruction	<ul> <li>Maintain social credibility through responsible behavior in the supply chain</li> </ul>	<ul> <li>CSR procurement (consideration on the ethics front)</li> </ul>

Modium	External Environment	Stakeholders' Needs and Expectations	Medium-Term Targets
Term	<ul> <li>Growing awareness of human rights in international society</li> </ul>	<ul> <li>Expectations of business continuity and enhanced trust</li> </ul>	<ul> <li>Collaboration and communication with business partners</li> </ul>

Items	FY2021 Targets and Results	
Reinforcement of CSR in the supply chain	Support for supplier CSR evaluations by third-party organization: Explained the purpose of CSR evaluations to business partners, and conducted such evaluations at 70% of business partners (based on purchase amounts)	0

 $\bigcirc$ : As planned  $\triangle$ : Delayed

## **Basic Approach**

In April 2018, MITSUBISHI MOTORS, Renault and Nissan established the APO (Alliance Purchasing Organization), a joint purchasing organization that integrates the three companies' purchasing functions. This organization carries out its activities with the three shared pillars of trust, respect, and transparency as its basic principles. The alliance members are exchanging information on CSR activities in the supply chain, as well, and moving forward with these activities.

The Company and its overseas production bases conduct business directly with around 800 compa-

nies, including suppliers of raw materials and parts and business partners providing services, advertising and logistics. We recognize that the Company's business activities have a significant impact on these companies, as well as on an even greater number of Tier 2 and other suppliers.

Based on this understanding, all processes, from the procurement of raw materials to the manufacture of parts and products to the end delivery, require responsible behavior that takes such factors as the environment and human rights into account.

To achieve sustainable growth throughout the supply chain, we have formulated Supplier CSR Guide-

lines and work together with all our business partners on CSR initiatives.

In response to one aspect of our CSR activities that become of particular importance in recent years, the environment, we have formulated Green Procurement Guidelines and are promoting initiatives throughout the supply chain. As compliance with both guidelines is a priority in our procurement activities, our executives take advantage of opportunities such as supplier briefings to request that the entire supply chain thoroughly comply with the guidelines.

For details on respect for human rights, please see P90.

# Commitment of

• 12.4 • 12.5



# **Management System**

## Formulating Guidelines and Confirming Them through Agreements and Declarations of Conformity

To ensure compliance with its Supplier CSR Guidelines and Green Procurement Guidelines, MITSUBISHI MO-TORS has business partners submit Supplier Commitment to the Supplier CSR Guidelines and Declarations of Conformity to Regulations on Substances of Concern to the Green Procurement Guidelines.

We ensure the effectiveness of our business partnerships by having new business partners submit these documents before commencing transactions, and by continuously confirming the status of the agreement afterwards.

#### **Communicating with Suppliers**

Providing suppliers with appropriate information and two-way communication is essential for supply chain management. At the end of every fiscal year, we hold a Suppliers Meeting to make our policy for the next fiscal year well-known. Last fiscal year, this meeting was held on March 29, 2022 and attended by approximately 300 companies. We also participate in the MITSUBISHI MOTORS Cooperation Council, a voluntary organization of around 200 supplier companies that facilitates small-scale meetings between the management teams of suppliers and our own Company.

MITSUBISHI MOTORS CORPORATION Sustainability Report 2022

(These small-scale meetings were held a total of nine times, involving approximately 20 companies each time.) The meetings help foster closer communication at the management level.

#### Establishing a Business Partner Helpline

As part of our efforts to adhere to the METI guidelines, we have established a Business Partner Helpline for the suppliers of our procurement division.

The helpline receives opinions and comments from business partners, quickly identifies compliance issues or concerns, such as legal or regulatory infractions or unfair practices in our procurement activities, and promptly rectifies them, striving to achieve even fairer business transactions.

### **Ensuring Knowledge of the Guidelines within** the Company

As part of managing the Supplier CSR Guidelines and the Green Procurement Guidelines, we work to ensure that the guidelines are known within the Company. As part of the education we provide, we conduct training for all new employees involved in procurement (both entry-level employees and new midcareer employees), as well as training when employees are transferred from other divisions to the procurement division.

# **Supplier CSR Guidelines**

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#### **Expansion of Guidelines**

Through the Supplier CSR Guidelines, we promote collaborative activities with our suppliers from the same point of view. The scope of these activities covers all domestic suppliers and includes labor practices, environment management, and compliance.

Having reestablished these guidelines in February 2019, we have clarified CSR evaluations of business partners and the actions to be taken in the event of noncompliance. We have expanded these efforts to include our major overseas bases–Mitsubishi Motors Thailand (MMTh), Mitsubishi Motors Krama Yudha Indonesia (MMKI) and Mitsubishi Motors Philippines Corporation (MMPC)-and received Supplier Commitment agreements from suppliers at our major overseas production bases.

PDF Supplier CSR Guidelines

#### Policies on Conflict Minerals

The "conflict minerals" (tin, tantalum, tungsten and gold) and cobalt produced in the Democratic Republic of the Congo and neighboring countries have become a source of funding for armed groups, resulting in serious violations of human rights.

To ensure that we are not complicit in human rights abuses through the procurement of these conflict minerals, we promote responsible procurement by clearly specifying in our Supplier CSR Guidelines the prohibition of child labor, forced labor, and the nonuse of conflict minerals as raw materials.



# Improving CSR Activities in the Supply Chain through Third-Party Evaluations

MITSUBISHI MOTORS conducts third-party evaluations in cooperation with Renault and Nissan, our alliance partners, with the aim of improving suppliers' CSR activities. In FY2021, many of our suppliers underwent third-party evaluations. Approximately 70% of suppliers have now been evaluated (based on purchasing amounts) since the start of these activities. We will further increase the number of suppliers undergoing evaluations in FY2022. We will also ask suppliers that have already been audited to improve/re-apply for audits in order to improve their evaluation scores.

# Efforts to Become Carbon Neutral throughout the Supply Chain

The Company aims to achieve carbon neutral by 2050. To do so, it is essential that our suppliers reduce  $CO_2$  emissions.

In FY2021, we communicated with key suppliers about our directions for lowering  $CO_2$  emissions.

By participating in the CDP\* supply chain program, in FY2022 we intend to increase our understanding of the status of business partners' initiatives, risks and opportunities, and to enhance communication through briefings for suppliers. Our goal is for these activities to provide a springboard for promoting CO<sub>2</sub> reduction activities among our suppliers.

Third-party evaluation items

21 Sustainability Criteria			
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	<ul> <li>Human Resources</li> <li>Employee Health &amp; Safety</li> <li>Working Conditions</li> <li>Social Dialogue</li> <li>Career Management &amp; Training</li> <li>Human Rights</li> <li>Child Labor, Forced Labor &amp; Human Trafficking</li> <li>Diversity, Discrimination &amp; Harassment</li> <li>External Stakeholder Human Rights</li> </ul>	<ul> <li>Corruption</li> <li>Anticompetitive Practices</li> <li>Responsible Information Management</li> </ul>	<ul> <li>Supplier Environmental Practices</li> <li>Supplier Social Practices</li> </ul>

\* An international environmental NGO that collects requests from institutional investors and others interested in environmental issues, and encourages major companies and organizations around the world to disclose and evaluate environmental information

## **Green Procurement Guidelines**

Governance

#### **Expansion of Guidelines**

In its Green Procurement Guidelines, we ask business partners to acquire and renew external certifications of environment management systems, as well as to manage hazardous substances, promote the 3Rs (reduce, reuse and recycle), submit LCA data to allow us to understand the lifecycle environmental impact, reduce environmental impact in business activities, and reduce their environmental impact related to logistics.

In addition to Japan, we have introduced the Green Procurement Guidelines at overseas production bases, adjusting the guidelines to account for actual conditions in each country and operational details at each location. These companies are also applying the guidelines to their business partners.

PDF Green Procurement Guidelines

#### Collection of Materials and Hazardous Substance Data through IMDS

To encourage the management and reduction of hazardous substances, we promote management under the International Material Data System (IMDS). For this reason, we ask business partners to disclose data on environmentally hazardous substances for materials and parts by inputting them into IMDS in accordance with the Green Procurement Guidelines. We also ask them to establish a management system for environmentally hazardous substances.

Through these processes, we confirm compliance with regulations regarding hazardous substances used in parts and materials for new vehicles and vehicles in ongoing production.

#### Source: EcoVadis

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# Working with Suppliers to Improve Quality

MITSUBISHI MOTORS regularly conducts quality audits and quality self-check guidance with its suppliers as collaborative efforts to improve quality along the entire supply chain.

In FY2021, we conducted process audits for 41 suppliers at 47 plants, and indicated items were generally improved within three months. We conducted process audits remotely when COVID-19 made it difficult to suppliers' worksites in person. Quality selfchecks were performed by 329 business partners. In these ways, we seek to enhance communication with business partners and increase quality.

We periodically issue Supplier Score Cards, which numerically represent suppliers' quality results. This approach has clarified issues for each company, making it easier to implement improvement measures quickly and accurately. In cases of particularly serious defects, we analyze the causes and examine the appropriateness of countermeasures in collaboration with business partners to prevent recurrence.

We cooperate on defect prevention activities to keep defective parts from being delivered and ensure we are able to provide new models with confidence.

# Promotion of Localization

To optimize costs at overseas production bases, our basic policy is to source from local suppliers where possible, as long as such procurement is effective and the necessary technologies are in place.

For parts which are already locally procured, we also promote the local procurement of the components used within these parts, etc., to optimize costs further.

We conduct advance audits of the systems and structures of new business partners, evaluating items such as their development capabilities, production capabilities, and quality management capabilities and issuing improvement instructions if necessary. We also provide support to local business partners by serving as a go-between with Japanese business partners, joint ventures with local business partners, technical partnerships, and the like. We work to contribute to local regions by creating local jobs and improving local technical capabilities.

# Country-Specific Parts Procurement Ratios by Production Base (FY2021)



# Initiatives for Business Continuity Plans in the Supply Chain

A large-scale natural disaster, major outbreak of infectious disease, or shortage of specific parts or materials (such as semiconductors), could interrupt the flow of parts from our suppliers. We might then run the risk of business being suspended.

To avoid or mitigate such risks, as part of our business continuity plans (BCPs) in the supply chain we are taking measures to identify risks and impacts early on and to find alternative production options for each business partner and component.

Specifically, by having business partners register with our Supply Chain Risk Management System, we can monitor the status of damage and risk—not only at suppliers' plants, but also at Tier 2 and other suppliers.

In addition, we have registered suppliers with the Supplier Simultaneous Survey System so that in the event of an earthquake of intensity 5 or higher on the Japanese seismic intensity scale or other contingencies, we can assess the damage and risk, as well as the impact on our production.

# Participating in Outside Initiatives

Curbing and combating climate change require efforts that go beyond the scope of individual companies. Entire industries and their supply chains must work together to reduce CO<sub>2</sub> emissions.

As a member of the Japan Automobile Manufacturers Association, we participate via subcommittees in discussions on industrywide policies and measures in the area of procurement.

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# **Promoting Social Contribution Activities**

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

	Risks	Opportunities	Direction of Responses
Long Term	<ul> <li>An increase in large-scale disasters due to climate change</li> <li>Disparities in economic development and</li> </ul>	<ul> <li>Provide reassurance and support safety through further expansion of disaster cooperation agreements and by quickly putting support systems in place in times of disaster</li> </ul>	<ul> <li>Create structures to provide electrified vehicles swiftly in times of disaster</li> </ul>
	inequality	<ul> <li>Contribute to communities' social development through ongo- ing activities that meet regional needs</li> </ul>	<ul> <li>Leverage individual employees' skills and know-how as well as our products for continuous development of the community</li> </ul>

	External Environment	Stakeholders' Needs and Expectations	Medium-Term Targets
Medium Term	<ul> <li>Around the world, subsequent disasters stemming from extreme weather, such as heat waves, droughts and flooding due to heavy rains</li> </ul>	<ul> <li>Expectations of disaster support in emergencies and recon- struction support</li> </ul>	<ul> <li>Promote the conclusion of disaster cooperation agreements</li> <li>In STEP fields, leverage individual employees' skills and knowhow as well as our products to continue engagement in social contribution activities</li> </ul>

Items		FY2021 Targets and Results	Self- Evaluation
Promote ongoing activities that address	Increase the number of disaster cooperation agreements concluded	Target: 150 Actual: 190	0
social issues and regional needs	Promote activities in the "STEP" field	Target: Continue conducting activities in response to the "new normal" Actual: Considered moving activities online and conducted activities	0

 $\bigcirc: \mathsf{As} \ \mathsf{planned} \ \ \bigtriangleup: \mathsf{Delayed}$ 

# **Basic Approach and Policies**

In accordance with the Social Contribution Activities Policy formulated on the basis of MITSUBISHI MO-TORS' vision and mission, we are promoting activities such as concluding disaster cooperation agreements that leverage the features of our plug-in hybrid electric vehicles (PHEVs).

In FY2022, we worked to conclude disaster cooperation agreements with all prefectural governments to increase awareness of the effectiveness of PHEVs in times of disaster. In addition, we are strengthening cooperation among Group companies to conduct activities more in line with local needs.

#### Social Contribution Activities Policy

To address diversifying social issues, MITSUBISHI MO-TORS carries out its STEP social contribution activities, focused on four main themes, standing for the first letters of Society, Traffic safety, Environment and People. Based on this policy, we will continue to contribute to society by utilizing each and every employee's skills and know-how as well as our technologies and products, aiming to create a better society where people can hope for a better future.





#### Logo Mark for Social Contribution Activities

The figure shows how our circle of activity in STEP areas expands outward from the center.



#### **Breakdown of Social Contribution Expenditures**

in FY2021*1	(¥ million)
Society	9
Traffic safety	5
Environment	236
People	95
Support for disaster-stricken areas, support measures to address COVID-19	260
Total expenditure	605

\*1 Social contribution expenditures including donations as well as in-kind benefits and free use of company facilities converted into monetary equivalents.

#### Number of Participants in Social Contribution Activities and Activity Time in FY2021\*2

Number of employees participating	Cumulative total of
	50,576
Time employees spent on activities	32,228 hours

\*2 Activities during working hours

# Society

#### **DENDO Community Support Program**

By entering into disaster cooperation agreements with municipalities and loaning them roving COVID-19 vaccine vehicles, MITSUBISHI MOTORS is helping municipalities with its PHEVs, which can generate power and be tapped as sources of electricity.

By combining the power of PHEVs to provide transportation and the power of electricity, we are making people's lives safer and more secure. For details, please see the feature on P21 and our website. (WEB) https://www.mitsubishi-motors.co.jp/carlife/phev/dcsp/ (This site is only available in Japanese.)



Disaster cooperation agreement

#### MMC and MLIT Sign Agreement to Collaborate on Verification Test

Throughout Japan, drainage facilities are growing dilapidated and are expected to require upgrades. An increase in flood damage in recent years has prompted calls to upgrade and augment drainage facilities, but reducing the costs of doing so has been an issue. To address this situation, the Ministry of Land, Infrastructure, Transport and Tourism is leading an effort to use mass-produced engines to power the pumps used at these drainage facilities. In this manner, the project seeks to keep costs down and upgrade drainable facilities efficiently. In a verification test for this project and aimed at considering technological developments, MITSUBISHI MOTORS is participating by providing the diesel engines mass-produced for its "DELICA D:5" to power the pumps.

In a verification test performed in February 2022 by the Public Works Research Institute in the city of Tsukuba, Ibaraki Prefecture, diesel engines were used to drive drainage pumps, which successfully drained the water from a reservoir in the test facility.





"DELICA D:5" engines driving drainage pumps

Water being drained during the verification test

#### Participating in Joint Research on a System to Get Manhole Pumps Started in the Event of a **Disaster-Related Power Failure**

In recent years, the number of manhole pump outages due to power outages has increased due to frequent windstorms and floods, and this has become a social problem. To address this issue, in September 2021 we joined a joint research project on a system to get manhole pumps started in the event of a disaster-related power failure. The aim is to use electric vehicles (EVs) and plug-in hybrid electric vehicles to power the manhole pumps needed to move water in the event of a disaster-related power outage.

In this study, we are conducting verification tests in the cities of Kawasaki and Hamamatsu in collaboration with pump manufacturers and parties for development of a system that combines electrified vehicles, solar

power generation and portable storage batteries to contribute to a decarbonized society. By building this system, we aim to be environmentally friendly and contribute to the safety and security of people's lives.



Power being supplied on a trial basis by a plug-in hybrid electric vehicle

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Social



# Traffic safety

#### Operating the "Kuruma no Gakko" of Traffic Safety Classroom

MITSUBISHI MOTORS is implementing "Kuruma no Gakko," a program in which participants think about traffic safety, learn and have fun together.

In FY2021, with aiming for reduction of the number of traffic accidents caused by mis-operation while driving, we conducted a "diagnosis of driving capability" to measure the level of attention required for driving and helped people experience the collision prevention assist function of a safety support car by having them ride inside it. While exercising due caution to prevent COVID-19 infections, we held a Kuruma no Gakko

course in Yakage-cho, Okayama Prefecture, which was attended by 12 people. Approximately 40 people attended our course at the Mizushima Plant in April 2022.



Riding together in a safety support car

#### Traffic safety around business sites

Employees serve as traffic safety sentries on the roads around our business sites, helping to ensure safe commutes to and from school and work. We also conduct patrols in collaboration



Employees serving as safety sentries

with local traffic safety associations and police. In addition to heightening awareness of traffic safety, patrol local areas, check locations that are susceptible to accidents, and inspect traffic safety facilities and install footprint stickers to call attention to pedestrian stops. In FY2021, cumulative total of 398 employees took part in 19 such activities across our business sites.

# Traffic Safety Awareness for Children

Website for Children "Do You Know the Answer? Traffic Safety Quiz"

We set up the web-page on the website "Why, Why, Car Development Research Group" that provide information on the automobile industry to elementary school age children, there is a web-page about traffic safety using a quiz format to introduce traffic rules and manners they should follow when walking or riding a bicycle in their day-to-day activities.



"Do You Know the Answer? Traffic Safety Quiz" (WEB) https://www.mitsubishi-motors.com/jp/sustainability/ contribution/people/kids/anzen/ (This site is only available in Japanese.)

Environment

#### **Forest Preservation Activities**

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

In FY2021, we halted employee volunteer activities to prevent the spread of COVID-19, but we did mow areas where this work was needed to nurture saplings.

In addition, we were designated a "Green Partner 2022" under a program sponsored by the Forestry Agency called "Forest x Decarbonization Challenge 2022." We were recognized as a company that contributes to decarbonization through forest maintenance.





Trimming undergrowth in planted areas

"Green Partner 2022," indicating contribution to decarbonization through forest maintenance

### Start of the 60 Rai Reforestation Project in Thailand to Commemorate MMTh's 60th Anniversary

In September 2021, Mitsubishi Motors (Thailand) Co., Ltd. (MMTh) and a non-profit organization, the Mitsubishi Motors Thailand Foundation (MMTF) worked with Thailand's Royal Forest Department and the Thailand Greenhouse Gas Management Organization to revitalize an area of forest covering 60 rai (9.6 hectares) in Chonburi and Sa Kaeo provinces. This was the start of the 60 Rai Reforestation Project to commemorate MMTh's 60th anniversary by planting a total of 12,000 trees. In recognition of these efforts, MMTh received the "Forest Revitalization & Forestry Resource Development Award" from Thailand's Royal Forest Department.



Afforestation activities per-

formed on two occasions

"TRITON" vehicles transporting seedlings to the planting site

Managem



# People

#### Supporting the Education of Elementary, Junior and Senior High School Students

We support the education of the children who will take responsibility for the next generation through factory tours (where elementary school students can experience manufacturing sites) and a hands-on lesson program, in which employees visit elementary schools to conduct lessons. We also host career counseling studies to encourage junior and senior high school students to think about the future and broaden their horizons.

In FY2021, we conducted these activities remotely due to COVID-19. The activities were attended by approximately 28,200 elementary, junior and senior high school students.





Factory tour for elementary school students

Junior high school student taking part remotely in a company visit

# Participating in a Joint Industry–Academia Project with a Vocational School and an Art University

To help nurture students with an interest in car design, in April 2021 we took part in a joint industry-ac-

ademia with the design departments of HAL College of Technology & Design and Tama Art University. Our designers provided online guidance, and the students envisioned the future 10 years



Online lectures on concept planning and sketch development

from now, planning and proposing new lifestyle mobility utilizing electrification and 4WD technologies for our positive and adventurous users. The project concluded with student presentations in September 2021 that were used to determine grand prix winners.

#### **Educational Support in Asia**

In Thailand, Indonesia, the Philippines, Vietnam, and Malaysia, we take part in various efforts to help children who have difficulty accessing education for economic reasons. We provide scholarships to junior high school, high school and university students; donate learning tools to orphanages; donate teaching vehicles that can help cultivate high-quality human resources for the automotive industry; and host interns. We are also actively providing support online in the face of COVID-19.

#### Donating a "TRITON" Pickup Truck to a Community Learning Center in Malaysia

In October 2021, Mitsubishi Motors Malaysia (MMM) donated a "TRITON" pickup truck to the Dignity Farm School, a community learning center for economically disadvantaged people in the state of Pahang.

Dignity Farm School offers a youth education program where students can learn natural farming methods and agricultural skills. The donated "TRITON" will be used for agricultural activities and for commuting to school for the indigenous minority people (Orang Asli) in the Malay Peninsula.



Making the donation



The donated "TRITON"

#### Vocational Training in the Philippines

In May and June 2021, Mitsubishi Motors Philippines Corp. (MMPC) conducted vocational training for a total of 22 universities and technical colleges, including Bataan Peninsula State University and Laguna State Polytechnic College. In the same year, MMPC signed a memorandum of understanding with universities and vocational schools in the Philippines to support the education of young people who will be responsible for

the future. MMPC provided online vocational training to ensure that students did not miss any opportunities to acquire knowledge and skills amid the COVID-19 pandemic.



Online vocational training

# MITSUBISHI MOTORS STEP Funds and Matching Gift Program

The MITSUBISHI MOTORS STEP Funds, introduced in April 2009, is a structure through which employees of Mitsubishi Motors Group companies can continuously participate in social con-



tribution activities by voluntarily donating fixed sums to the funds. These funds are then used for to support activities in developing countries and areas struck by the Great East Japan Earthquake, in line with the purposes of MITSUBISHI MOTORS social contribution activities. In addition, to demonstrate it values employees' motivation to contribute to society and to support more people, the Company matches donations made through the MITSUBISHI MOTORS STEP Funds.

The recipients of donations and matching gifts are selected based on their alignment with the fo-

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MOTORS' Uniqueness" Manag



cus areas of our Social Contribution Activities Policy, business continuity, regular activity reports and track record. Recipients of our support hold debriefing sessions for employees, and engage in dialogue with them, linking our activities to theirs.

Through this support, we aim to continue with activities that meet local needs and contribute to the development of the local community.

#### Support Recipient

- World Vision Japan
- The MICHINOKU Future Fund
- OISCA
- Kindergartens, Nursery schools, elementary schools, etc., near our workplaces

### Engaging in the "Forest Wooden Building Block Project" for Children

The concept of this project is to present nurseries and kindergartens near Company business sites with cozy wooden building blocks for enhancing the children's creativity through block play, which are made of Japanese cypress comes from forestry thinning operations mainly in Hayakawa-cho, located in the prefecture of Yamanashi, where we carry out our forest conservation activities.

In addition, we have been engaging in "Employee Presenter Program" through which our employees hand out a set of forest wooden building blocks to nurseries and kindergartens of their



Building blocks made from thinned cypress

choice (usually choice from their childhood memories) through our internal donation funds.

In FY2021, we presented blocks to 60 kindergartens and nursery schools. The blocks have been donated to 465 kindergartens since 2010.

### Support for Disaster-Stricken Areas

In the event of natural disasters and other emergencies, we provide various forms of support, such as monetary donations, free loan of vehicles, and employee volunteer work.

Mitsubishi Motors Krama Yudha Sales Indonesia (MMKSI) donated three "TRITON" pickup trucks and one "PAJERO SPORT," as well as money, to humanitarian aid organizations Aksi Cepat Tanggap (ACT) and United Volunteer Otomotif (UVO) to support the victims of the Mount Semeru eruption that occurred in December 2021 on the East Java, Indonesia.



A "TRITON" in use in the disaster area

# Supporting Measures to Address COVID-19

We are loaning out "Outlander PHEV" vehicles free of charge to municipalities to help in providing COVID-19 vaccines.

Our plug-in hybrid electric vehicles (PHEVs) facilitate the administration of vaccines in several ways. In addition to transporting medical personnel, they are used to keep vaccines cool during transport and as a backup power source at vaccination sites, taking advantage of the PHEVs' ability to supply power.

Overseas affiliates provided vehicles, medical equipment and monetary donations to government-related organizations and medical institutions.

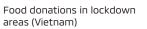
In addition, we donated food to needy families in lockdown areas, and donated computers and peripherals to an orphanage for use as online learning tools during the pandemic.



Providing a venue for vaccinations (the gymnasium at our Okazaki Plant)



Providing "TRITON" models specially fitted with medical equipment (Thailand)



 Support for COVID-19 Relief Measures
 (WEB) https://www.mitsubishi-motors.com/en/sustainability/ contribution/society/relief/covid-19/

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Governance

#### Main Support in FY2021 (Measures to Address Disasters and COVID-19)

	Support		Support Recipient
March 2022	Humanitarian crisis in Ukraine	Donated 1 million euros	United Nations High Commissioner for Refugees (UNHCR)
February 2022	Typhoon No. 22 in the Philippines	Donated 1 million pesos	Philippine Red Cross
		Donated packages containing vitamins, masks and disinfectant	Hospitals in Jakarta, Indonesia
December 2021	COVID-19	Donated two medical devices to monitor patients' heartbeats, blood pres- sure and other information	Duy Anh City Health Center, Binh Duong Province, Viet- nam
	Eruption of Mount Meru, Indonesia	Provided three TRITON and one PAJERO SPORT vehicles, made monetary donation	Aksi Cepat Tanggap, United Volunteer Otomotif, a hu- manitarian aid organization in Indonesia
November 2021	COVID-19	<ul> <li>Donated 30 sets of online learning tools, including computers, printers, projectors and one-year Internet data plans</li> <li>Donated masks</li> </ul>	Ten orphanages in Jakarta and surrounding areas of Indonesia
October 2021	COVID-19	Donated food product sets	Economically disadvantaged children in Malaysia
		Donated 1,000 packages of daily necessities, such as medical masks and food	Five vaccination site in Jakarta and surrounding areas of Indonesia
		Donated medical equipment and food	People in Vietnam living in lockdown areas, medical staff and security forces
August 2021		<ul> <li>Loaned one TRITON and two Outlander vehicles</li> <li>Donated 20,000 Malaysian ringgit</li> </ul>	Mercy Malaysia, an NPO
		Donated the equivalent of 43,000 Malaysian ringgit in tents, tables, chairs and portable air conditioning units	COVID-19 assessment centers, Malaysia
		Provided three specially equipped TRITON vehicles to transport patients	Covid-19 Relief Effort by Rueng Lao Chao Nee, Thailand
		Provided a total of 24 vehicles, including TRITON, EXPRESS and Outlander models	Disaster Relief Australia
July 2021 (	COVID-19	Donated 10,000 antigen test kits	Ministry of Transportation, Indonesia
		Donated 500 sets of oxygen concentrators	Ministry of Industry, Indonesia
		<ul> <li>Donated 500 sets of personal protective equipment (PPE)</li> <li>Donated 300 sets of toys</li> </ul>	COVID-19 emergency hospitals in Indonesia
June 2021 COVID-19		Loaned Outlander PHEV vaccine support vehicles	Sakahogi-cho, Gifu Prefecture
	COVID-19	<ul> <li>Donated one TRITON</li> <li>Donated 200 million Vietnamese dong to purchase COVID-19 vaccines and defray other expenses</li> </ul>	Binh Duong Fatherland Front Committee
		<ul> <li>Donated 30 sets of online learning tools, including computers, printers, projectors and one-year Internet data plans</li> <li>Donated masks</li> </ul>	Ten orphanages in Jakarta and surrounding areas of Indonesia
May 2021	COVID-19	Loaned Outlander PHEV vaccine support vehicles	Otofuke-cho, Hokkaido; Okazaki City, Aichi Prefecture; Gamagori City, Aichi Prefecture; Konan City, Shiga Pre- fecture; Kurashiki City, Okayama Prefecture; Soja City, Okayama Prefecture
		<ul> <li>Donated drinking water and N95 masks</li> <li>Donated 10 tons of cardboard for production of paper medical beds</li> </ul>	Medical institutions in Thailand
	COVID-19	Loaned Outlander PHEV vaccine support vehicles	Minato-ku, Tokyo
April 2021		Donated three Outlander PHEVs	Indonesian Ministry of Health, Ministry of State Enter- prises (BUNM), Indonesian Red Cross Society

