

(Translation)

## Corporate Governance Report

Last Update: June 30, 2023

Mitsubishi Motors Corporation

Takao Kato, Director, Representative Executive Officer, President & CEO

Contact: IR Office; TEL: 03-3456-1111

The corporate governance of MITSUBISHI MOTORS CORPORATION (hereinafter referred to as the “Company”) is described below.

### **I. Basic Views on Corporate Governance, Capital Structure, Corporate Attributes, and Other Basic Information**

#### **1. Basic Views [Updated]**

Based on the following corporate principles (Vision and Mission), the Company considers compliance to be its highest priority and strengthen and enhance corporate governance on an ongoing basis as a priority for management, in order to meet the expectations of all of its stakeholders, including its shareholders and customers, with the aim of materializing the Company’s sustainable growth and improving its medium- to long-term corporate value.

##### Vision

Create vibrant society by realizing the potential of mobility

##### Mission

1. Provide new experiences for our customers with creative products and service excellence.
2. Make positive contributions to the sustainable development of our society.
3. Act sincerely as a trusted company.
4. Enhance stakeholder value by leveraging the Alliance.

In addition, the Company has put together its basic framework for and views on corporate governance in the form of “Corporate Government Guidelines” and publishes these guidelines on the Company’s website.

<https://www.mitsubishi-motors.com/en/sustainability/governance/guideline.pdf>

### **[Reasons for Non-compliance with the Principles of the Corporate Governance Code]**

#### **Supplementary Principle 4-11-1. Composition of the Board of Directors**

Although the Company has no Independent Directors with management experience in other companies, it has several Outside Directors with management experience in listed companies who utilize their considerable experience and knowledge in deliberation in meetings of the Board of Directors (hereinafter referred to as the

“Board”).

The Company will continue to build a structure with awareness of the balance and diversity of knowledge, experience and expertise, as well as the scale, of the Board as a whole.

The combination of skills, etc. that each Director of the Company possesses is as detailed below in “Supplementary Principle 4-11-1. Composition of the Board of Directors” in “Disclosure Based on the Principles of the Corporate Governance Code.”

The policies and procedures for nominating Directors are as detailed below in “Principle 3-1. Full Disclosure; (4) Policies and procedures for the appointment and dismissal of top management and nominating Director candidates” in “Disclosure Based on the Principles of the Corporate Governance Code.”

#### **[Disclosure Based on the Principles of the Corporate Governance Code]**

##### **Principle 1-4. Cross-Shareholdings**

The Company conducts cross-shareholdings only in cases where it has judged the holding of such shares to be necessary for maintaining medium and long-term business partnerships in the course of the Company’s business operations, and such partnerships are essential for sustainable growth and improvement of the medium and long-term corporate value of the Company. If such necessity is not verified, the Company strives to reduce such cross-shareholdings, including by selling the shares.

With respect to cross-shareholdings currently held, every year, at meetings of the Board, individual results of examination of the necessity of those holdings for the Company’s business purposes, the economic rationality with respect to the Company’s medium- and long-term goals, and other factors are reported, and the Board confirms the appropriateness of possession of the three types of shares being held. The Company will continue to conduct these examinations and those reports at the Board’s meetings.

When exercising voting rights related to cross-shareholdings, rather than uniformly making decisions for approval or disapproval using a fixed standard, with respect to the management policies, strategies and other guidelines of the investee company, the Company approves resolutions that it has determined will contribute to increasing corporate value in the medium and long-term and votes against resolutions that it has determined will impair value.

##### **Principle 1-7. Related Party Transactions [Updated]**

Transactions between the Company and Directors or Executive Officers that particularly compete with the Company’s business operations or conflict with the Company’s interests require prior resolution from, and after-the-fact reporting to, the Board in accordance with the rules of the Board (hereinafter referred to as the “Rules of the Board”). In addition, the Rules of the Board stipulate that Directors with a special interest in a resolution of the Board shall not participate in such resolution.

Furthermore, the Company conducts transactions with related parties, such as its Officers or major shareholders, based on the validation of multiple related departments and approval of the person in charge, pursuant to the delegation of authority rules (hereinafter referred to as the “DOA”), after the Company has sufficiently considered the economic rationality to confirm there is no harm to the Company’s interests, which is the same process the Company goes through with non-related parties.

## Supplementary Principle 2-4-1. Ensuring Diversity in the Promotion to Core Human Resources

[Updated]

### (1) Policies for ensuring diversity

The Company 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, the Company needs employees with different values and ideas working together to create automobiles with new appeal and value. With respect for employee diversity regardless of race, nationality, ethnicity, gender, sexual orientation, gender identity, age, ability, or religion, the Company is making efforts to create environment where each person can work with enthusiasm and without difficulty.

Please refer to “Promotion of Work Style Reforms in Response to the New Normal (Diversity, Work-Life Balance)” in the Sustainability Report of the Company.

<https://www.mitsubishi-motors.com/en/sustainability/pdf/report-2022/sustainability2022.pdf?211029#page=77>

### (2) Voluntary and measurable goals for ensuring diversity

#### (i) Women in management positions

Please refer to “Promoting women’s participation and advancement in the workplace” in “Promotion of Work Style Reforms in Response to the New Normal (Diversity, Work-Life Balance)” in the Sustainability Report of the Company.

<https://www.mitsubishi-motors.com/en/sustainability/pdf/report-2022/sustainability2022.pdf?211029#page=79>

For the percentage of female in management position, please refer to “5. Employees” in “I. Overview of the Company” of the FY2022 Annual Securities Report (Yuka Shoken Hokokusho).

<https://www.mitsubishi-motors.com/en/investors/library/yuka.html>

#### (ii) Mid-career hires in management positions

The Company does not have a specific numerical target for promoting mid-career hires to management positions at present as mid-career hires in management positions account for a decent percentage even without such numerical target. The Company will continue the effective use and promotion of mid-career hires to management positions.

Just for information, the ratios of mid-career hires among workers with a non-fixed term contract of employment, including those in management positions, during the period between FY2019 and FY2021 can be found in “FAQs” in “Recruiting Information” in “Company Information” on the Company’s website (in Japanese).

<https://www.mitsubishi-motors.com/jp/recruit/career/outline/faq.html>

#### (iii) Foreign nationals in management positions

The Company does not have a numerical target for promoting foreign nationals to management positions at present, as the Company has human resources of foreign nationality in Executive Officer and other management positions, and besides that locally hired employees have been promoted to management positions in overseas subsidiaries. The Company will continue the promotion of suitable human resources to management positions, regardless of their nationality, in line with its policies for promotion of diversity.

Just for information, the number of locally hired managerial employees at overseas subsidiaries can be found in “ESG Data (Human Resource-Related Data)” in the Sustainability Report of the Company.

<https://www.mitsubishi-motors.com/en/sustainability/pdf/report-2022/sustainability2022.pdf?211029#page=125>

(3) Status of implementation of policies for human resource development and internal environment development

Please refer to “Stepping up Human Resource Development” and “Human Resource-Related Data” in the Sustainability Report of the Company.

<https://www.mitsubishi-motors.com/en/sustainability/pdf/report-2022/sustainability2022.pdf?211029#page=83>

For indices and goals set based on the policies for human resource development and internal environment development, please refer to “II. Overview of Business; 2. Approach to and initiatives for sustainability; (3) Strategy on human capital (including diversity of human resources), indices and goals” of the FY2022 Annual Securities Report (Yuka Shoken Hokokusho).

<https://www.mitsubishi-motors.com/en/investors/library/yuka.html>

#### **Principle 2-6. Roles of Corporate Pension Funds as Asset Owners**

The Company has introduced the Defined Contribution Pension Plan to cover retirement benefits for employees, but the Defined Benefit Pension Plan is still used for those who are already entitled to receive the benefits.

The management and operation of the Defined Benefit Pension Plan is contracted and outsourced to an external asset management organization.

We regularly monitor the management status of the pension assets by appointing external advisors with advanced expertise and review the policy asset mix (compositional ratio of the policy asset) to achieve asset management targets.

#### **Principle 3-1. Full Disclosure**

(1) Company objectives, business strategies and business plans

(i) Corporate philosophy

The Company adopts the Three Corporate Principles of the Mitsubishi group (Corporate Responsibility to Society; Integrity and Fairness; and Global Understanding Through Business). In addition, in order to clarify the direction in which the Company should build on and its purpose of business continuation, the Company established, as stated in “1. Basic Views” of “I. Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information,” the Vision & Mission in April 2018, which is published on the Company’s website. All of the Company’s corporate activities are based on this Vision & Mission.

<https://www.mitsubishi-motors.com/en/company/philosophy/index.html>

(ii) Business strategies and business plans **[Updated]**

In March 2023, the Group unveiled “Challenge 2025,” the new mid-term business plan for FY2023 through FY2025. On the basis of the lean and agile business structure put in place through structural reforms enacted thus far, we will establish a stable revenue base through selection and concentration in our regional strategy and the continuation of company-wide revenue improvement activities.

Challenge 2025 is a business plan that leads to further growth and tackles challenges heading into the next generation by more consistent investment in research and development and capital investment. Please see the following website for details on Challenge 2025, the new mid-term business plan.

<https://www.mitsubishi-motors.com/en/investors/corpmanage/plan.html>

As part of our capital-cost- and stock-price-conscious management, the Group adheres to a basic policy to maintain the stable distribution of profits to shareholders by achieving sound and sustainable growth and enhancing its corporate value while maintaining financial discipline; the Group has adopted free cash flow as one of its business performance indicators. Based on the policy above, the Group has centrally managed the funding needs of its business activities, including the development, manufacture and sale of vehicles, for new technologies, such as MaaS and CASE, and compliance with environmental regulations, and for the maintenance and renewal of outdated manufacturing facilities. In principle, these funding needs shall be covered by cash flows the Group newly generates each year. When necessary, however, the Group uses internal funds accumulated over past fiscal years, borrows from financial institutions, or issues commercial paper to finance additional funding needs. In addition, with the aim of strengthening our structure on a wide range of scales, including financial aspects, we have positioned EBITDA and the capital adequacy ratio as important indicators in the new mid-term business plan. In order to achieve sustainable growth when the automotive industry enters an era of great change, we will strive both to secure stable earnings and contribute to R&D expenses and capital investment. We have set EBITDA/its ratio as an indicator to measure progress and the capital adequacy ratio as an indicator to measure the safety of the Company. We will steadily implement each and every initiative to achieve these goals.

Our business performance recovered in FY2022, and we can expect to continue our sound financial position in the future. In response, the Company plans to return to paying dividends for the first time in three years and return profits to shareholders. We will continue working to maintain stable shareholder returns, which is one of the Company's top-priority issues.

(2) Basic views and guidelines on corporate governance

As set forth in "1. Basic Views" above.

(3) Policies and procedures for determining the remuneration of top management and Directors

As detailed below in "Section II. 1. Director and Executive Officer Remuneration; Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods."

(4) Policies and procedures for the appointment and dismissal of top management and nominating Director candidates

(Policy for the Nomination of Candidates for Directors)

Policy for the nomination of candidates for Directors is as shown on the Company's website.

[https://www.mitsubishi-motors.com/en/sustainability/governance/policy\\_nomination.html](https://www.mitsubishi-motors.com/en/sustainability/governance/policy_nomination.html)

(Composition and Size of the Board)

Composition and size of the Board are as shown on the Company's website.

[https://www.mitsubishi-motors.com/en/sustainability/governance/policy\\_nomination.html](https://www.mitsubishi-motors.com/en/sustainability/governance/policy_nomination.html)

(Policy for the Appointment of Executive Officers)

The Company shall appoint Executive Officers including Executive Officer, President & CEO (the "President") in light of their business execution capabilities and experience.

(Procedures)

Proposals for the appointment and dismissal of Directors proposed to the General Meeting of Shareholders shall be decided by the Nomination Committee after deliberation based on the nomination policy. Proposals for the appointment and dismissal of Executive Officers shall be approved by the Nomination Committee and then decided by the Board.

(5) Reasons for appointments of Directors

The reasons for the appointment of each Director candidate are presented in the Notice of the General Meeting of Shareholders.

<https://www.mitsubishi-motors.com/en/investors/stockinfo/meeting.html>

**Supplementary Principle 3-1-3. Initiatives on Sustainability [Updated]**

(1) Initiatives on sustainability

The Company has established the Sustainability Committee chaired by the President with the aim of promoting group-wide initiatives on sustainability. The Sustainability Committee implements a plan-do-check-act (PDCA) cycle by identifying materiality issues (i.e., important issues the Company should address in relation to the environment, society and governance), deliberating the goals of initiatives, and confirming their progress. Important matters, such as policies related to sustainability initiatives, are examined and reported in the Board meetings.

The Company flexibly reviews materiality issues as necessary, giving consideration to the most significant impact of the Company on society and stakeholders, including the economy, the environment and human rights. The Company aims to meet the needs and expectations of society and stakeholders by setting and reviewing, as well as working on, materiality issues. In FY2020, we reviewed our materiality issues in light of changes in social conditions caused by the aggravation of environmental problems and the COVID-19 pandemic. A review was also conducted in FY2022 based on the idea that securing competent and diverse human resources and improving their specialized skills are essential for the sustainable growth of the Company.

In response to climate change and the energy issue, which is one of the materiality issues, and in recognition of the significance of the impact of the risks and opportunities, the Company announced its "Environmental Plan Package"\*<sup>1</sup> in FY2020, specifying the goals to be achieved. Positioning climate change countermeasures as the most important issue, the Company declared in FY2022 that it aims to achieve carbon neutrality throughout its supply chain by 2050. Accordingly, it revised its Environmental Vision

2050 and reviewed the targets set in the Environmental Targets 2030, a milestone toward achieving carbon neutrality by 2050.

In addition, in FY2021 the Company expressed its support for the Task Force on Climate-related Financial Disclosures (TCFD) recommendations and is working on analysis of the impact of climate change on its business and finances (scenario analysis). The Company will reflect the results of its scenario analysis in its business strategies and will strive to enhance information disclosure in accordance with the TCFD recommendations.

The Company discusses medium- and long-term risks and opportunities, as well as the direction of responses, in social and governance materiality issues and reflects the results in the KPIs and goals for each business year.

\*Note 1: The Environmental Plan Package comprises the Environmental Policy, which incorporates our medium- to long-term perspective, the Environmental Vision 2050, which sets out our vision for society to be achieved by 2050 and directions for our initiatives, and the Environmental Targets 2030, which clarifies specific initiatives to be achieved by FY2030 in accordance with this vision. We have positioned the actions for climate change, resource circulation and pollution prevention as three environmental issues that we will directly address and have set specific targets for these themes. Details are published on the Company's website.

<https://www.mitsubishi-motors.com/en/sustainability/environment/initiatives/>

- The Company's initiatives on sustainability are detailed in its "Sustainability Report 2022," which is published on the Company's website.

<https://www.mitsubishi-motors.com/en/sustainability/>

- Details of the disclosure in accordance with the TCFD recommendations are posted in "Responding to Climate Change and Energy Issues" in the Sustainability Report 2022.

[https://www.mitsubishi-motors.com/en/sustainability/pdf/report-2022/sustainability2022-environment-climate\\_change.pdf](https://www.mitsubishi-motors.com/en/sustainability/pdf/report-2022/sustainability2022-environment-climate_change.pdf)

## (2) Investments in human capital and intellectual properties

### (i) Investments in human capital

The Company views the key to creating "sustainable growth" and "improving corporate value" in the automobile industry, where the operating environment is prone to significant changes, as "people." The Company is working to foster 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.

For the initiatives in this regard, please refer to "Promotion of Work Style Reforms in Response to the New Normal (Diversity, Work-Life Balance)," "Stepping up Human Resource Development," "Promoting Occupational Health and Safety," "Respect for Human Rights," and "Human Resource-Related Data" in the Sustainability Report of the Company.

<https://www.mitsubishi-motors.com/en/sustainability/pdf/report-2022/sustainability2022.pdf?211029>

For indices and goals concerning investments in human capital, please refer to "II. Overview of Business; 2. Approach to and initiatives for sustainability; (3) Strategy on human capital (including

diversity of human resources), indices and goals” in the FY2022 Annual Securities Report (Yuka Shoken Hokokusho).

<https://www.mitsubishi-motors.com/en/investors/library/yuka.html>

(ii) Investments in intellectual properties

The Company is committed to providing a sense of safety and peace of mind as well as joy to every driver and passenger, while meeting the desires of drivers to “broaden range of activity and take on different challenges.”

The Company is further refining its technologies related to reliability and driving performance it has accumulated to this date, and at the same time, proactively working on research and development with the aim of providing original products that has a strong presence as well as new value to take the lead in a new era. And the Company believes that it is indispensable to make investments in intellectual properties resulting from such research and development.

Based on the Company’s new mid-term business plan, intellectual property departments are playing a central role in planning and formulating the intellectual property strategy and pushing forward with registration of rights in patents, designs, and trademarks in Japan and overseas in a planned manner to maximize the effectiveness of investments, in close cooperation with development departments, design departments, product planning departments, etc. within the Company.

With respect to the patent strategy in particular, the Company defined the key technologies that make up the “characteristics unique to Mitsubishi Motors” as the Company’s original electric vehicle technologies (such as the plug-in hybrid electric vehicles [PHEV] system), four-wheel control technologies (Super All Wheel Control [S-AWC]) that improve the driving performance and provide piece of mind, durability and reliability, which can be relied on even under adverse conditions, and comfort technologies that realize comfortable and advanced vehicle interior spaces. With these technologies, the Company is working to establish a global patent portfolio.

The Company is also working on the design strategy, such as registration of rights in designs, which express the “characteristics unique to Mitsubishi Motors,” such as the Dynamic Shield front face design.

In addition, as part of its measures to protect intellectual property, the Company takes countermeasures against copies made by third parties, which make unauthorized use of intellectual property of the Company, and interacts with government agencies in Japan and overseas in cooperation with relevant industry associations.

Furthermore, the Company honors not only its own intellectual property but also that of third parties and proactively undertakes internal education and awareness-raising activities to prevent unintended infringement upon intellectual property rights of third parties by the Company.

**Supplementary Principle 4-1-1. Roles and Responsibilities of the Board**

The items that require a resolution of the Board pursuant to laws, regulations or provisions of the Articles of Incorporation, the items delegated to the Board by a resolution at a General Meeting of Shareholders, and certain material matters related to business management are resolved by the Board. Executive Officers are given the authorization to make decisions relating to the execution of business excluding any of the above matters. The



Rules of the Board stipulate the items that require a resolution of the Board and the items that require reporting at the Board meeting.

**Principle 4-9. Independence Standards and Qualification for Independent Directors**

The Company's criteria for evaluating the independence of Outside Directors are set forth below in "Other matters relating to Independent Officers."

Based on Supplementary Principle 4-8-1, the Company holds a "Roundtable Meeting of Independent Directors" composed only of Independent Directors approximately once a quarter, where person(s) responsible is/are invited from the executive side according to the agenda. From the perspective of actively contributing to discussions at Board meetings, the Roundtable Meeting serves as a place for exchanging information and sharing recognition from an independent and objective standpoint.

**Supplementary Principle 4-11-1. Composition of the Board of Directors**

The Company has defined that knowledge, experience, and expertise of Directors, which are deemed to be important for the Board of the listed company, engaged in global management in the automobile industry undergoing significant transformation as "management experience in listed companies," "expertise in the automobile field," "expertise in law, accounting and finance," and "knowledge in global situations, social and economic trends, etc." Knowledge, experience, and expertise of each Director are listed in the "Corporate Governance" page on the Company's website.

[https://www.mitsubishi-motors.com/en/sustainability/governance/policy\\_skill.html](https://www.mitsubishi-motors.com/en/sustainability/governance/policy_skill.html)

The Company will continue to build a structure with awareness of the balance and diversity of knowledge, experience and expertise, as well as the scale, of the Board as a whole.

Independent Directors with management experience in other companies are as referred to above in "Supplementary Principle 4-11-1. Composition of the Board of Directors" in "Reasons for Non-compliance with the Principles of the Corporate Governance Code."

The policies and procedures for nominating Directors are as detailed above in "Principle 3-1. Full Disclosure; Policies and procedures for the appointment and dismissal of top management and nominating Director candidates" in "Disclosure Based on the Principles of the Corporate Governance Code."

**Supplementary Principle 4-11-2. Status of Directors Concurrent Positions as Director of Other Listed Companies**

The status of concurrent position of Outside Directors at other companies is disclosed each year through the Notice of the General Meeting of Shareholders, the Annual Securities Report (Yuka Shoken Hokokusho), the Corporate Governance Report and other means.

**Supplementary Principle 4-11-3. Analysis and Evaluation of the Effectiveness of the Board**

**[Updated]**

To improve the effectiveness of corporate governance, the Company annually evaluates the effectiveness of its Board.

In FY2022, in pursuit of enhancing the oversight capability of the Board, the Company conducted individual interviews of all Directors in addition to the questionnaire survey about the aspects listed below, and the evaluation and analysis of which were reported to the Board on March 28, 2023. In the course of the evaluation this year, the Company employed an external consultant for the questionnaire survey and interviews to ensure in-depth analysis and evaluation along the latest corporate governance intelligence and secure objectiveness and transparency in the process.

<Aspects evaluated>

1. Structure and operations of the Board
2. Management and business strategy
3. Corporate ethics and risk management
4. Evaluation of management team and nomination and remuneration
5. Dialogue with shareholders
6. Committees

As a result, it was confirmed that the Board has improved on the structure, framework, and operations compared to the previous fiscal year and is sufficiently effective in total in its work. The following are the Board's strengths recognized through the evaluation:

- (i) Fostered respect and trust in the executive team's managerial efforts
- (ii) Steady and continuous work to improve its effectiveness and substantive discussions to improve corporate value
- (iii) Mutual trust among Directors based on the effective exercise of roles and responsibility by each of the diverse Outside Directors, with their distinguished personalities, acumen, and experiences

The evaluation also confirmed improvements in the following two issues identified in FY2021 through implementation of the action plan.

FY2021 Issue 1: Shift the focus of deliberations and discussions of the Board to broader matters

→ Enhanced reporting on matters that underpin the mid-term plan, such as products, technology, new businesses, and other matters

FY2021 Issue 2: Explore more opportunities to understand deeper the business environment and operations and obtain information about the background of the executive team's thoughts and decision-making regarding management matters, which should be the fundamentals for judgments and oversight by the Board

→ Inception of periodic reporting to the Board regarding business overviews and relevant topics, enhancement of informal discussions and the understanding of issues through continued regular Independent Directors' meetings, the holding of opportunities for richer communications between Directors and senior executives, visits by Directors to domestic and overseas sites, continued efforts for practical improvements in the operations of Board meetings, etc.

The FY2022 evaluation concluded that the Board has developed solid governance base around, among other

things, the structure, framework, and operations and should have more and even richer discussion about broader- and longer-perspective strategies of the Company.

Toward the further effectiveness of the above, the following points were identified as key aspects.

- (i) Development of a common understanding about environmental changes and management issues that the Company faces
- (ii) Formulation of a more robust outlook of the future of the relevant industry's structure surrounding automotive and mobility matters and the further deepening of insights about the Company's core competencies
- (iii) The importance of a greater variety of opportunities for interactive and multilateral communications and discussions between the Board and the executive teams for the purpose of helping adaptations to forthcoming changes in the world

The Company will endeavor continuously for more heightened effectiveness of the Board and enhanced corporate governance by incorporating the results of this evaluation into the agendas of Board meetings in FY2023 and other relevant efforts.

#### **Supplementary Principle 4-14-2. Director and Top Management Training [Updated]**

The Company intends to carry out training for Members of the Board, Executive Officers, and Corporate Officers, such as utilizing outside experts and external seminars and providing opportunities to explain topics such as financial matters and corporate governance, to ensure that Officers appropriately perform their roles and duties. The Company carried out training on internal controls, compliance, cyber security, and the legal responsibilities and obligations of Executive Officers in FY2022.

The Company intends to provide Outside Directors with the opportunity to inspect business locations in Japan and overseas and opportunities for dialogue to deepen their understanding of the Company's business, provide opportunities to prepare by distributing the resolution materials of Board meetings and explanatory materials beforehand and conducting explanations in advance as necessary, and take other measures in order to facilitate thorough discussion at Board meetings.

#### **Principle 5-1. Policy for Constructive Dialogue with Shareholders [Updated]**

The Company regards constructive dialogue with all shareholders and investors to be essential from the perspective of sustainable growth and medium- to long-term improvement of corporate value and will implement various measures to promote such dialogue.

##### **(1) Designation of Top Management to Supervise General Dialogue with Shareholders**

Appropriate persons among Directors and management will conduct a dialog with shareholders and investors under the supervision by the Executive Officer in charge of corporate strategy management.

##### **(2) Measures for Cooperation among Internal Departments**

At the Company, dialogue (meetings) with shareholders and investors will be handled by the department in charge of investor relations (hereinafter referred to as "IR") (for investors) and the department in charge of shares (for shareholders). These departments will cooperate to conduct various measures to promote

understanding of the Company by shareholders and investors and communicate with the corporate strategy management, public relations, finance, accounting and legal departments.

(3) Efforts to Enhance Methods of Dialogue

In addition to individual dialogues by each responsible department, top management will periodically visit domestic and international investors and participates in conferences held by securities companies. The Company will also work to enhance dialogue using General Meetings of Shareholders, factory tours in Japan and overseas and corporate briefings for investors. Additionally, in order for shareholders and investors to further their understanding of the Company's business, the Company will continuously work to enhance its website for investors to disseminate more easily understandable information outside the Company.

(4) Measures for Effective Feedback of Shareholder Views and Concerns

The results of IR activities will be compiled, focusing on the opinions and comments received, and reported to the Board twice a year. Matters of concern of shareholders and investors will be regularly reported (at least once each quarter) to top management, and a report to top management is made each time a report is issued by an analyst. In addition, the content of dialogue with individual investors will regularly be reported (at least one each half- year) to top management, depending on its importance. Moreover, top management will gain a direct understanding of the views and concerns of investors from their participation in investor visits in Japan and overseas, conferences held by securities companies, quarterly presentations of financial results and various other means.

(5) Measures to Control Insider Information

The types of information to be disclosed, basic principles, responsible persons, division in charge, timely disclosure process and other matters of the "Policy on Timely Disclosure of Material Information" are published on the Company's website. During the two weeks immediately preceding announcements of the full-year and quarterly financial results, the Company shall make absolutely no comments regarding its business performance estimates. In addition, insider information will be managed by thoroughly and clearly specifying its confidential classification.

(6) Dialogue with Shareholders, etc.

The Company is considering posting the status of dialogues with shareholders in the integrated report and on its website.

## 2. Capital Structure

Foreign Shareholding Ratio	10% or more but less than 20%
----------------------------	-------------------------------

### [Status of Major Shareholders] **[Updated]**

Name / Company Name	Number of Shares Owned	Percentage (%)
Nissan Motor Co., Ltd.	506,620,577	34.01
Mitsubishi Corporation	298,012,214	20.00
The Master Trust Bank of Japan, Ltd. (Trust account)	107,181,300	7.19
Mitsubishi Heavy Industries, Ltd.	21,572,455	1.44
CGMI PB CUSTOMER ACCOUNT	16,674,718	1.11
MUFG Bank, Ltd.	14,877,512	0.99
SBI SECURITIES Co., Ltd.	11,042,374	0.74
Custody Bank of Japan, Ltd. (Trust account)	8,583,200	0.57
STATE STREET BANK WEST CLIENT— TREATY 505234	8,138,200	0.54
THE BANK OF NEW YORK MELLON 140044	7,795,947	0.52

Controlling Shareholder (except for Parent Company)	—
Parent Company	None

### Supplementary Explanations

—
---

## 3. Corporate Attributes

Market Section to Be Listed	Tokyo Stock Exchange, Prime Market
Fiscal Year-End	March
Type of Business	Transportation Equipment
Number of Employees (consolidated) as of the End of the Previous Fiscal Year	1,000 or more
Sales (consolidated) as of the End of the Previous Fiscal Year	¥1 trillion or more
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	From 10 to less than 50

**4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder**

—

**5. Other Special Circumstances which may have a Material Impact on Corporate Governance**

—

**II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management**

**1. Organizational Composition and Operation**

Organizational Structure	Company with three committees
--------------------------	-------------------------------

**[Directors]**

Maximum Number of Directors Stipulated in Articles of Incorporation	No maximum setting
Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board	Chairperson of the Board
Number of Directors	13

**[Matters Concerning Outside Directors]**

Number of Outside Directors	11
Number of Outside Directors Designated as Independent Directors	5

Directors' Relationship with the Company (1) **[Updated]**

Name	Attribute	Relationship with the Company (*1)										
		a	b	c	d	e	f	g	h	i	j	k
Tomofumi Hiraku	Other											
Shunichi Miyanaga	From another company											
Main Kohda	Other											
Kenichiro Sasae	Other								△			
Hideyuki Sakamoto	From another company											
Yoshihiko Nakamura	Certified public accountant											
Joji Tagawa	From another company											
Takahiko Ikushima	From another company											
Takehiko Kakiuchi	From another company											
Kanetsugu Mike	From another company											

Junko Ogushi	Attorney-at-law																		
--------------	-----------------	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

- \* Categories for “Relationship with the Company”
- \* “○,” when the Director presently falls or has recently fallen under the category; “△,” when the Director fell under the category in the past;
- \* “●,” when a close relative of the Director presently falls or has recently fallen under the category; “▲,” when a close relative of the Director fell under the category in the past.
  - a. Executive of the Company or its subsidiaries
  - b. Executive or Non-Executive Director of a parent company of the Company
  - c. Executive of a fellow subsidiary company of the Company
  - d. A party whose major client or supplier is the Company or an executive thereof
  - e. Major client or supplier of the listed company or an executive thereof
  - f. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as a Director
  - g. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a legal entity)
  - h. Executive of a client or supplier company of the Company (which does not correspond to any of d, e, or f) (the Director himself/herself only)
  - i. Executive of a company, between which the Outside Directors are mutually appointed (the Director himself/herself only)
  - j. Executive of a company or organization that receives a donation from the Company (the Director himself/herself only)
  - k. Other

Directors’ Relationship with the Company (2) **[Updated]**

Name	Committee or Board			Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons for Appointment
	Nomination Committee	Compensation Committee	Audit Committee			
Tomofumi Hiraku	○			○	—	<p>■Reason for Appointment as Outside Director</p> <p>Although he does not have experience being involved in the management of a company other than by means of serving as an Outside Director, Mr. Hiraku has served in a series of important roles as Director-General of the Kansai Bureau and Director-General of the Manufacturing Industries Bureau for the Ministry of Economy, Trade and Industry (METI), and was engaged in energy policy at the Agency for Natural Resources and Energy, possessing broad experience and knowledge and a wide network across industrial fields; we expect that he will use these attributes to actively oversee management of the Company and provide</p>

Name	Committee or Board			Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons for Appointment
	Nomination Committee	Compensation Committee	Audit Committee			
						<p>advice and opinions as Director and Chairperson.</p> <p>■ Reason for Designation as an Independent Director, etc. There are no circumstances that would damage independence in any of the main elements for determining independence, such as a parent company's or sibling company's relationship with the Company, a business partner's relationship, or an immediate family member's relationship. Mr. Hiraku is neither significantly controlled by nor significantly controlling operational management of the Company. Accordingly, the Company has determined that Mr. Hiraku is independent from its management and has designated him as an Independent Director.</p>
Shunichi Miyanaga		○			—	<p>■ Reason for Appointment as Outside Director Mr. Miyanaga possesses considerable experience and knowledge obtained in corporate management in a manufacturing company, and we expect he will utilize those attributes to actively oversee management of the Company and provide advice and opinions.</p>
Main Kohda	○	○		○	—	<p>■ Reason for Appointment as Outside Director While she does not have experience being involved in the management of a company other than by means of serving as an Outside Director, Ms. Kohda possesses deep knowledge about</p>



Name	Committee or Board			Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons for Appointment
	Nomination Committee	Compensation Committee	Audit Committee			
						<p>international finance, keen acumen and objective perspective as a writer, and considerable insight and experience gained as a Member of the Council of the Ministry of Finance and the Ministry of Land, Infrastructure, Transport and Tourism, and we expect she will utilize those attributes to actively oversee management of the Company and provide advice and opinions.</p> <p>■ Reason for Designation as an Independent Director, etc. There are no circumstances that would damage independence in any of the main elements for determining independence, such as a parent company's or sibling company's relationship with the Company, a business partner's relationship, or an immediate family member's relationship. Ms. Kohda is neither significantly controlled by nor significantly controlling operational management of the Company. Accordingly, the Company has determined that Ms. Kohda is independent from its management and has designated her as an Independent Director.</p>
Kenichiro Sasae	○	○		○	Mr. Sasae had an advisory agreement with the Company that concluded in May 2019, but the remuneration amount under	<p>■ Reason for Appointment as Outside Director While he does not have experience being involved in the management of a company other than by means of serving as an Outside Director, Mr. Sasae served in a series of important roles at the</p>

Name	Committee or Board			Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons for Appointment
	Nomination Committee	Compensation Committee	Audit Committee			
					that agreement was less than the standard amount the Company sets for determining independence (over 10 million yen annually), and the Company has determined that it does not affect Mr. Sasae's independence.	<p>Ministry of Foreign Affairs and possesses broad international understanding and experience as a diplomat, and we expect he will utilize those attributes to actively oversee management of the Company and provide advice and opinions.</p> <p>■ Reason for Designation as an Independent Director, etc. There are no circumstances that would damage independence in any of the main elements for determining independence, such as a parent company's or sibling company's relationship with the Company, a business partner's relationship, or an immediate family member's relationship. Mr. Sasae is neither significantly controlled by nor significantly controlling operational management of the Company. Accordingly, the Company has determined that Mr. Sasae is independent from its management and has designated him as an Independent Director.</p>
Hideyuki Sakamoto	○				—	<p>■ Reason for Appointment as Outside Director Mr. Sakamoto has a wealth of knowledge and experience in the management of an automotive manufacturer that has expanded its business across the globe, and we expect that he will utilize those attributes to actively oversee management of the Company and provide</p>

Name	Committee or Board			Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons for Appointment
	Nomination Committee	Compensation Committee	Audit Committee			
						advice and opinions.
Yoshihiko Nakamura			○	○	—	<p>■ Reason for Appointment as Outside Director Although he does not have experience being involved in the management of a company other than by means of serving as an Outside Director, Mr. Nakamura has worked for many years as a certified public accountant and possesses extensive knowledge as a specialist in accounting audits; we expect that he will utilize those attributes to actively oversee management of the Company and provide advice and opinions.</p> <p>■ Reason for Designation as an Independent Director, etc. There are no circumstances that would damage independence in any of the main elements for determining independence, such as a parent company's or sibling company's relationship with the Company, a business partner's relationship, or an immediate family member's relationship. Mr. Nakamura is neither significantly controlled by nor significantly controlling operational management of the Company. Accordingly, the Company has determined that Mr. Nakamura is independent from its management and has designated him as an Independent Director</p>
Joji Tagawa		○			—	<p>■ Reason for Appointment as Outside Director Mr. Tagawa has a wealth of knowledge and</p>

Name	Committee or Board			Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons for Appointment
	Nomination Committee	Compensation Committee	Audit Committee			
						experience in the management of an automotive manufacturer that has expanded its business across the globe, and we expect that he will utilize those attributes to actively oversee management of the Company and provide advice and opinions.
Takahiko Ikushima			○		—	<p>■ Reason for Appointment as Outside Director</p> <p>Mr. Ikushima has a wealth of knowledge and experience at an automotive manufacturer that has expanded its business across the globe, and we expect that he will utilize those attributes to actively conduct oversee management of the Company and provide advice and opinions.</p>
Takehiko Kakiuchi	○				—	<p>■ Reason for Appointment as Outside Director</p> <p>Mr. Kakiuchi possesses considerable experience, achievements, and insight on global business management nurtured through his career as a corporate manager at a general trading company that operates worldwide, and we expect he will utilize those attributes to actively oversee management of the Company and provide advice and opinions.</p>
Kanetsugu Mike			○		—	<p>■ Reason for Appointment as Outside Director</p> <p>Mr. Mike has a wealth of experience and extensive knowledge as a manager of an international financial institution, and we expect he will utilize those attributes to actively conduct oversee management of the Company and provide</p>

Name	Committee or Board			Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons for Appointment
	Nomination Committee	Compensation Committee	Audit Committee			
						advice and opinions.
Junko Ogushi			○	○	—	<p>■Reason for Appointment as Outside Director While she does not have experience being involved in the management of a company other than by means of serving as an Outside Director, Ms. Ogushi has distinguished herself as a lawyer over a long period, and we expect that she will use her considerable experience and knowledge as a legal professional to actively oversee management of the Company and provide advice and opinions.</p> <p>■Reason for Designation as an Independent Director, etc. There are no circumstances that would damage independence in any of the main elements for determining independence, such as a parent company's or sibling company's relationship with the Company, a business partner's relationship, or an immediate family member's relationship. Ms. Ogushi is neither significantly controlled by nor significantly controlling operational management of the Company. Accordingly, the Company has determined that Ms. Ogushi is independent from its management and has designated her as an Independent Director.</p>

**[Committees]**

Members and chairperson of each committee

	All Members (No. of Members)	Full time Member (No. of Members)	Internal Director (No. of Members)	Outside Director (No. of Members)	Chairperson
Nomination Committee	5	0	0	5	Outside Director
Compensation Committee	5	0	1	4	Outside Director
Audit Committee	5	1	1	4	Outside Director

**[Executive Officers] [Updated]**

Number of Executive Officers	11
------------------------------	----

Concurrent Positions Held

Name	Right to Represent (Y/N)	Concurrently Serves as a Director (Y/N)			Concurrently Serves as an Employee (Y/N)
			Nomination Committee	Compensation Committee	
Takao Kato	Y	Y	×	○	N
Hiroshi Nagaoka	Y	N	×	×	N
Koji Ikeya	Y	N	×	×	N
Tatsuo Nakamura	Y	N	×	×	N
Noboru Tsuji	N	N	×	×	N
Mitsunori Kitao	N	N	×	×	N
Koichi Namiki	N	N	×	×	N
John Signoriello	N	N	×	×	N
Tomoo Yoshida	N	N	×	×	N
Ikuro Hirozane	N	N	×	×	N
Yoichi Yokozawa	N	N	×	×	N

**[Auditing Structure]**

Presence of Directors and employees who assist the duties of the Audit Committee (Y/N)	Y
--	---

Matters relating to the independence of such Directors and employees from Executive Officers

The Audit Committee Office was established as the secretariat assisting the Audit Committee, and dedicated personnel necessary to assist the Audit Committee Members are appointed by the head of the office. The Company seeks the opinion of the Audit Committee prior to transfers of personnel to the Audit Committee Office, and the Audit Committee Members conduct personnel evaluations of such employees.
--

Cooperation among Audit Committee Members, Accounting Auditors and Internal Audit Divisions

Cooperation between Audit Committee Members and Accounting Auditors
---

The Audit Committee Members work towards the mutual exchange of information by receiving information on the auditing system, auditing plans and the status of implementation of audits from the Accounting Auditor, and at the same time explaining their own auditing plans and audit implementation status. Moreover, the Audit Committee Members holds regular meetings with the Internal Audit Division and the Accounting Auditors; the Company believes the foregoing are effective forums for information exchange.

#### Cooperation between Audit Committee Members and Internal Audit Divisions

Within the Internal Audit Division, the Company has established the Internal Audit Department and the Quality Audit Department as internal audit divisions of the Company. The Audit Committee Members regularly hold meetings with the Internal Audit Division to receive information regarding the auditing system, auditing plans, and internal audit results within the Company and at its affiliated domestic and overseas companies (hereinafter collectively referred to as the “Group”), and to provide feedback to the Internal Audit Division on the status of the Audit Committee Members’ audits.

Additionally, the Audit Committee summarizes audit activities it has conducted, including the details of reports received from the Internal Audit Division, and reports the results to the Board twice a year.

### [Independent Directors]

Number of Independent Directors	5
---------------------------------	---

#### Other Matters relating to Independent Directors

All Outside Directors who qualify to be an independent director are designated as Independent Directors. The independence standards for the Company’s Outside Directors are as follows.

#### Independence Standards for Outside Directors

The Company’s Outside Directors must occupy a neutral position, independent from the Company’s operational management and must not be:

- (1) An executive of a major shareholder\*1 of the Company;
- (2) (i) An executive of a major business partner\*2 of the Company, (ii) a company that considers the Company a major business partner, or (iii) a parent company or subsidiary of (i) or (ii) above;
- (3) An executive of a major lender\*3 of the Company, or their parent company or a subsidiary;
- (4) A person belonging to an auditing corporation that conducts statutory audits of the Company;
- (5) A consultant, accounting specialist such as a certified public accountant, or legal expert such as a lawyer who receives significant fees\*4 or other property from the Company other than their compensation as a Director (or, if it is an organization such as a corporation or partnership that receives such property, a person belonging to such organization);
- (6) An executive of another company that has relationship of mutual appointment of Directors with the Company;
- (7) An executive of an organization that receives large\*4 donations or aid from the Company;
- (8) A person who met the criteria set forth in any of (1) through (7) in the last three years;
- (9) A person whose close relative (within two degrees of relationship) currently meets the criteria set forth in any of (1) through (7);

- (10) A person who has served a total of more than eight years as an Outside Director; or  
 (11) Any other person who may be viewed as having a strong relationship with the Company when substantially or comprehensively taking into account other circumstances.

\*Note 1: Major shareholder means a party holding 10% or more of voting rights.

\*Note 2: Major business partner means a business partner of the Company where the trading volume exceeds 2% of the Company's annual consolidated net sales or the other company's annual consolidated net sales for the most recent business year.

\*Note 3: Major lender means a financial institution that lends money to the Company where the amount loaned exceeds 2% of the consolidated total assets of the Company at the end of the most recent business year.

\*Note 4: Consideration received from the Company is at least 10 million yen for the year.

### [Incentives]

Incentive Policies for Directors and Executive Officers	Introduction of Performance-based Remuneration System
---	---

#### Supplementary Explanation

The policy for initiatives for the grant of incentives to Directors and Executive Officers are summarized in the Annual Securities Report (Yuka Shoken Hokokusho).

Recipients of Stock Options	
-----------------------------	--

#### Supplementary Explanation

—

### [Director and Executive Officer Remuneration]

Disclosure of Individual Directors' Remuneration	Partial individual disclosure
Disclosure of Individual Executive Officers' Remuneration	Partial individual disclosure

#### Supplementary Explanation

Individual disclosure for persons whose total remuneration is to be 100 million yen or more is conducted in “4. Information about corporate governance, etc.” and in “IV. Information about Reporting Company” of the Annual Securities Report (Yuka Shoken Hokokusho).

<https://www.mitsubishi-motors.com/en/investors/library/yuka.html>

Policy on Determining Remuneration Amounts and Calculation Methods	Y
--	---

#### Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods **[Updated]**

The policy on determining remuneration amounts and calculation methods for Directors and Executive Officers in FY2022 are set forth in the Annual Securities Report (Yuka Shoken Hokokusho).



## **[Support System for Outside Directors] [Updated]**

As the organization working as the secretariat and providing support for Outside Directors, the Board and the Executive Committee secretariat supports the Board, the Corporate Governance Department supports the Nomination Committee and the Compensation Committee, and the Audit Committee Office supports the Audit Committee. Whenever a meeting of the Board or another committee is held, their respective secretariat sends materials in advance, as well as provides explanations in advance as may be necessary, to facilitate a thorough advance examination of the issues. The Audit Committee Office has the necessary number of employees assigned to it as dedicated personnel.

Additionally, the Company has put in place procedures to facilitate an effective audit function by Outside Directors, including providing Outside Directors with the opportunity to inspect business locations in Japan and overseas and opportunities for dialogue to deepen their understanding of the Company's business.

## **2. Matters on Functions of Business Execution, Auditing, Nomination and Remuneration Decisions (Overview of Current Corporate Governance System) [Updated]**

As part of the goal of further strengthening corporate governance, the Company takes the form of a company with three committees in order to: (i) make explicit the separation of supervisory and executive functions, (ii) work to further enhance supervisory functions and ensure thorough risk management to safeguard the soundness and transparency of management, and (iii) realize the agile execution of business to rapidly respond to changes in the business environment.

### **(1) Board and Directors**

The Board makes decisions on important management issues and oversees the execution of business by the Directors and Executive Officers. As described above, as of June 22, 2023, the Board consists of 13 Directors, 11 of whom are Outside Directors, with considerable experience and a high level of knowledge, etc. Furthermore, the Company has filed a notification with the Tokyo Stock Exchange (hereinafter referred to as the "TSE") to the effect that five of the Outside Directors are Independent Directors.

The status of attendance at Board meetings by each Director in FY2022 was as follows:

Tomofumi Hiraku	: 15 of 15 meetings (100%)
Takao Kato	: 14 of 15 meetings (93%)
Hitoshi Inada* <sup>1</sup>	: 12 of 12 meetings (100%)
Shunichi Miyanaga	: 14 of 15 meetings (93%)
Main Kohda	: 15 of 15 meetings (100%)
Kenichiro Sasae	: 14 of 15 meetings (93%)
Hideyuki Sakamoto	: 15 of 15 meetings (100%)
Yoshihiko Nakamura	: 15 of 15 meetings (100%)
Joji Tagawa	: 15 of 15 meetings (100%)
Takahiko Ikushima	: 15 of 15 meetings (100%)
Takehiko Kakiuchi* <sup>1</sup>	: 11 of 12 meetings (92%)
Kanetsugu Mike* <sup>1</sup>	: 12 of 12 meetings (100%)
Junko Ogushi* <sup>2</sup>	: —

\*Note 1: This Director's date of assumption of office was June 23, 2022, so the number of Board

meetings the Director was eligible to attend during FY2022 differs from that of the other Directors.

\*Note 2: This Director's date of assumption of office was June 22, 2023, so the Director was not eligible to attend Board meetings during FY2022.

## (2) Committees

The Board has the following three statutory committees, the majority of the members for which are Outside Directors, and thereby the Company has developed a system under which the Board oversees Directors and Executive Officers as well as facilitating the Company's corporate governance functions.

### (i) Nomination Committee

The Nomination Committee makes decisions on resolution proposals for the appointment and dismissal of Directors to be submitted to the General Meeting of Shareholders. The Nomination Committee is also responsible for approval of appointment and dismissal proposals for Executive Officers to be submitted by the President to the Board, and deliberation on matters concerning succession plans for the Company's President, etc. The Nomination Committee consists of five Outside Directors, and an Independent Director (Main Kohda) serves as the chairperson.

The status of attendance at Nomination Committee meetings by each committee member in FY2022 was as follows:

Main Kohda	: 10 of 10 meetings (100%)
Kenichiro Sasae	: 9 of 10 meetings (90%)
Hideyuki Sakamoto	: 10 of 10 meetings (100%)
Tomofumi Hiraku	: 10 of 10 meetings (100%)
Takehiko Kakiuchi* <sup>1</sup>	: 9 of 9 meetings (100%)

\*Note 1: This committee member's date of assumption of office was June 23, 2022, so the number of Nomination Committee meetings the committee member was eligible to attend during FY2022 differs from that of the other committee members.

### (ii) Compensation Committee

The Compensation Committee deliberates and determines the policy for determining matters such as the remuneration of Directors and Executive Officers, as well as matters such as the details of individual remuneration. The Compensation Committee consists of four Outside Directors and one Internal Director, and an Outside Director (Shunichi Miyanaga) serves as the chairperson.

The status of attendance at Compensation Committee meetings by each committee member in FY2022 was as follows:

Shunichi Miyanaga	: 9 of 9 meetings (100%)
Main Kohda	: 9 of 9 meetings (100%)
Kenichiro Sasae	: 8 of 9 meetings (89%)
Joji Tagawa	: 9 of 9 meetings (100%)
Takao Kato	: 8 of 9 meetings (89%)

(iii) Audit Committee

Among other activities, the Audit Committee audits the execution of duties by Directors and Executive Officers, supervises the status of the formulation and operation of the internal control system and prepares audit reports. Additionally, the Audit Committee conducts internal investigations on matters that the Board or the Audit Committee deems inappropriate for the executive side to conduct. The Audit Committee consists of four Outside Directors and one Internal Director, and an Independent Outside Director (Yoshihiko Nakamura) serves as the chairperson.

The status of attendance at Audit Committee meetings by each committee member in FY2022 was as follows:

Yaeko Takeoka* <sup>1</sup>	: 15 of 15 meetings (100%)
Yoshihiko Nakamura	: 15 of 15 meetings (100%)
Takahiko Ikushima	: 15 of 15 meetings (100%)
Kanetsugu Mike* <sup>2</sup>	: 11 of 12 meetings (92%)
Hitoshi Inada* <sup>2</sup>	: 12 of 12 meetings (100%)

\*Note 1: Ms. Takeoka retired as an Audit Committee member on June 22, 2023.

\*Note 2: This committee member's date of assumption of office was June 23, 2022, so the number of Audit Committee meetings the committee member was eligible to attend differs from that of the other Directors.

For more information on activities of the Board and each committee, please refer to "4. Information about corporate governance, etc." in "IV. Information about Reporting Company" of the FY2022 Annual Securities Report (Yuka Shoken Hokokusho).

<https://www.mitsubishi-motors.com/en/investors/library/yuka.html>

(3) Executive Officers

The Board make decisions on items that require a resolution of the Board pursuant to laws, regulations or provisions of the Articles of Incorporation, items delegated to the Board by a resolution at a General Meeting of Shareholders, and certain material items related to business management. Executive Officers are given the authorization to make decisions relating to the execution of business excluding any of the above items.

Executive Officers are responsible for making decisions on business execution delegated by the Board. The President is appointed as the head of the executive departments by a resolution of the Board. As of June 22, 2023, there are 11 Executive Officers (including the President).

(4) Overview of the Decision-Making Process in the Execution of the Business of the Company and Related Committees

Important matters on management are decided after deliberation at the Executive Committee (EC), which is composed of all Executive Officers and chaired by the President.

Important matters relating to product development projects are decided after deliberation at the Product Decision Meeting (PDM).

Additionally, matters related to internal control are decided after deliberation at the Internal Control Committee.

Each of these committees are chaired by the President and the relevant Executive Officers serve as members.

In the execution of business, in addition to the President, who is the head of the Executive Officers, Executive Officers, who have authority and responsibilities as persons in charge with respect to the execution of business within the scope of their duties, are also appointed. Moreover, the Company has systematized decision making authority based on the Delegation of Authority (DOA) Rules and defined the matters delegated and their scope. The Company also established decision making procedures for major matters and is working to speed up business execution and improve the transparency of the decision making process.

## (5) Audits

### (i) Audit Committee Audits

The Company's Audit Committee gathers information and conducts organizational audits in relation to the implementation and operation status for internal control systems (including internal controls pertaining to financial reporting), such as those for main affiliates in Japan and overseas, status of progress with and operation of compliance activities, verification of the appropriateness of risk evaluations, and risk management frameworks and the like, through Audit Committee meetings that are held monthly, in principle, and other meetings with Internal Audit Divisions, interviews with Executive Officers, and the like, based on audit policy and audit plans.

### (ii) Internal Audits

The Company has established internal audit departments (the Internal Audit Department and the Quality Audit Department) in the Internal Audit Division (an independent organization reporting directly to the President) and these departments systematically conduct internal audits based on the annual audit plan.

As of the end of March 2023, the Internal Audit Division consists of 24 members\* with specialties, including those with a variety of managerial experience, certified internal auditors, and eligible internal auditors. The Internal Audit Department (consisting of 15 members\*) conducts audits to determine whether operational management of the Group is being conducted with transparency using appropriate processes. The Quality Audit Department (consisting of six members\*) conducts audits regarding the proper execution of the Group's work related to product quality.

The results of the internal audit conducted by the Internal Audit Division are reported to the President and the Audit Committee.

Besides coordinating meetings with the Audit Committee six times a year and holding regular meetings with full-time Audit Committee Members once a month, the Internal Audit Division also exchanges information at three-way audit meetings with full-time Audit Committee Members and Accounting Auditors.

\*Note: As of June 30, 2023, the Internal Audit Division consists of 25 members (15 from the Internal Audit Department, 7 from the Quality Audit Department, and 3 from the Division itself).

(iii) Accounting Audits

a. Name of audit corporation

Ernst & Young ShinNihon LLC

b. Period of continued auditing

37 years

c. CPAs conducting audits

Designated and Engagement Partners Hirohisa Fukuda, Takeshi Saida, and Taichi Muto.

d. Organization of assistants relating to the audit work

CPAs: 17; Other: 86

e. Audit corporation appointment and dismissal policy

The Audit Committee shall dismiss the Accounting Auditor based on the unanimous agreement of all Audit Committee Members if the Accounting Auditor is found to fall under the particulars provided in any of the Items in Article 340(1) of the Companies Act.

In addition, if the Audit Committee determines it is necessary, such as if there is an impediment to the Accounting Auditor's performance of duties, the Audit Committee may propose dismissing or not rehiring the Accounting Auditor as an agenda item for a General Meeting of Shareholders. Decisions on the appointment of Accounting Auditors are made based on the above policy and the results of an evaluation using the Accounting Auditor Evaluation Standards set forth by the Audit Committee.

f. Evaluation of audit corporations by the Audit Committee

The Audit Committee conducts annual evaluations of the audit corporation's quality control, audit team suitability, appropriateness of audit fees, effectiveness of communication with the Audit Committee, effectiveness of communication with top management, appropriateness of group audits and appropriate evaluation of the risk of misconduct by, and qualifications of, the audit corporation, based on the Accounting Auditor Evaluation Standards.

(6) Status of Development of a Risk Management Framework

The Company has established a risk management system for the entire Group and is promoting its improvement through three risk management activities: "priority risk management," "departmental risk management" and "affiliated company risk management."

For priority risk management, the Company selects risks faced by the entire Group with a high level of potential impact and high urgency and is working to minimize risk at as early a stage as possible by establishing a "risk owner" for each risk.

For departmental risk management, under the "risk supervisors" appointed at headquarters and each manufacturing site, the Company goes through the "Plan-Do-Check-Action" or PDCA cycle of identification of each inherent risk, evaluation, planning and implementation of countermeasures, and monitoring, with the intention of minimizing risk.

For affiliated company risk management, the Company regularly checks the status of activities (such as measures for various risks at the Group and business continuity plan (hereinafter referred to as “BCP”) improvement) and proposes and guides improvements as necessary.

As a new strengthening measure, the Internal Control Promotion Office was established in FY2022. As risks that are intricately intertwined with strategy, finance, operational and hazard risks (geopolitical risks, risks related to economic security, risks related to business and human rights, etc.) have surfaced in recent years, the Company has established a system to expand the scope of risks for management.

These risk management initiatives are regularly reported to the Board as major internal control activities, and their efficacy is verified.

In addition, the Company operates an emergency information contact system to enable swift communication of information to the management, and speedy and accurate response in the event unforeseen circumstances occur. In particular, in order to establish a crisis management system that can respond to the occurrence of a serious incident, the Company has created and revises as necessary an emergency response manual, which provides for the setup of an emergency response organization and clarification of the chain of command. The Company has also prepared a system to take appropriate measures in response to the reporting of a serious incident.

The Company’s basic policy in times of disaster, such as earthquake or other natural disaster or an outbreak of infectious disease, is to ensure the safety of customers and employees and their families and to assist local communities. The Company prepares disaster countermeasures and BCPs to this end.

As disaster countermeasures, the Company conducts drills in communicating among various manufacturing facilities and Group companies on the basis of a presumed emergency.

As preparations for the possibility that employees will be unable to return to their homes and need to stay at headquarters for a three-day period (this assumption is based on the Tokyo Metropolitan Government’s Ordinance for Measures Concerning Stranded Persons), the Company conducts initiatives for communicating with local municipal authorities in order to ensure means through which stranded employees can communicate with their families and receive emergency supplies.

As BCPs, the Company has formulated plans of operation in the case of a large-scale earthquake or major outbreak of infectious disease. The Company works to improve these BCPs through regular drills and communication among individual regions.

Further, in light of the COVID-19 pandemic, the Company newly established a “BCM (Business Continuity Management) Committee” in FY2020 and has endeavored to promote BCM activities on a regular basis.

(7) Execution of Limitation of Liability Agreements with Directors

The Company has entered into agreements with all non-executive Directors limiting their liability as provided in Article 423 (1) of the Companies Act to the greater of seven million yen or the minimum amount prescribed in Article 425 (1) of the Companies Act.

### 3. Reasons for Adoption of Current Corporate Governance System

Presented at the beginning of “2. Matters on Functions of Business Execution, Auditing, Nomination and Remuneration Decisions (Overview of Current Corporate Governance System)” above.

### III. Implementation of Measures for Shareholders and Other Stakeholders

#### 1. Efforts to Stimulate the General Shareholder Meetings and Facilitate the Exercise of Voting Rights

[Updated]

	Supplementary Explanations
Early Dispatch of Notice of Annual General Meetings of Shareholders (“Notice”)	In order to secure sufficient time for shareholders to consider proposals, the Company discloses and dispatches Notices as early as possible. Prior to the dispatch of Notices, the materials for the General Meetings of Shareholders are electronically provided on the Company’s website as well as on the Timely Disclosure Network (hereinafter referred to as “TDnet”) operated by the TSE.
Scheduling Annual General Meetings of Shareholders Avoiding Peak Days	Held to avoid peak days.
Allowing Electronic Exercise of Voting Rights	The Company has enabled the electronic exercise of voting rights (via the Internet) since the 45th Ordinary General Meeting of Shareholders held on June 25, 2014.
Participation in Electronic Voting Platform	The Company has been participating in an electronic voting platform for institutional investors operated by Investor Communications Japan, Inc. (hereinafter referred to as “ICJ”) since the 45th Ordinary General Meeting of Shareholders held on June 25, 2014.
Providing Notice (Summary) in English	The Company posts Notices in English on its website as well as on the Timely Disclosure Network (hereinafter referred to as “TDnet”) operated by the TSE and the voting platform for institutional investors operated by ICJ promptly after the disclosure of Notices in Japanese in an effort to disclose information to overseas and foreign investors.
Other	- Ordinary General Meetings of Shareholders are streamed live on the Internet for shareholders. (Japanese version only) - The Company makes available partially edited recordings of each meeting for approximately one month after the close of that meeting.

#### 2. IR Activities [Updated]

	Supplementary Explanations	Explanation by Representative in Person
Preparation and Publication of Disclosure Policy	The Company has prepared the “Policy on Timely Disclosure of Material Information” which is published on its website.	—
Regular Investor Briefings for Analysts and Institutional Investors	The Company holds yearly and quarterly financial results meetings.	Yes
Regular Investor Briefings for Overseas Investors	The Company holds overseas roadshows (visits to investors) and participates in IR conferences, etc. for overseas investors. The Company also conducts simultaneous translation in Japanese and English at its presentations of financial results and publishes on the Company’s website written English-language explanatory materials and English-language explanatory videos for financial results announcements.	Yes
Posting of IR Materials on Website	In the investors section of the Company’s website, the Company sets forth a message from the top management, its corporate profile, the mid-term business plan, financial results	—

	<p>information and explanatory materials (including on-demand streaming of the financial results presentations), annual securities reports (Yuka Shoken Hokokusho), integrated reports, sustainability reports, Notices of, and Notices of resolutions for, Annual General Meetings of Shareholders, stock price and share information, credit rating information, the “Policy on Timely Disclosure of Material Information,” matters relating to corporate governance, and various other types of information.</p> <p>(Japanese)  <a href="https://www.mitsubishi-motors.com/jp/investors/">https://www.mitsubishi-motors.com/jp/investors/</a>  (English)  <a href="https://www.mitsubishi-motors.com/en/investors/">https://www.mitsubishi-motors.com/en/investors/</a></p>	
Establishment of Department and/or Manager in Charge of IR	The Company has established the IR Office as a specialized department. There are six staff members as of April 30, 2023.	—
Other	The Company holds briefings, facility tours, test drive events and other events for shareholders and investors as appropriate to deepen understanding of its business activities.	—

### 3. Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanations
Stipulation of Internal Rules for Respecting the Position of Stakeholders	<p>The Company has established a “Human Rights Policy” for the purpose of conducting business activities that respect human rights. Additionally, the Company respects the position of its stakeholders and, to fulfill its corporate social responsibility (hereinafter referred to as “CSR”), has established the Mitsubishi Motors Corporation Global Code of Conduct as a standard with which all Officers and employees of the Company must comply. These policies have been rolled out to, and must be observed by, its entire Group.</p> <p>Mitsubishi Motors Corporation Human Rights Policy  <a href="https://www.mitsubishi-motors.com/en/sustainability/society/human_rights/pdf/human_rights_policy.pdf">https://www.mitsubishi-motors.com/en/sustainability/society/human_rights/pdf/human_rights_policy.pdf</a>  Mitsubishi Motors Corporation Global Code of Conduct  <a href="https://www.mitsubishi-motors.com/en/sustainability/pdf/report-2021/sustainability2021-governance-compliance.pdf">https://www.mitsubishi-motors.com/en/sustainability/pdf/report-2021/sustainability2021-governance-compliance.pdf</a></p>
Implementation of Environmental Preservation Activities, CSR Activities, etc.	<p>The Company strives to meet the needs and expectations of stakeholders by assessing the impact on stakeholders and the Company and flexibly setting and reviewing materiality issues while considering business strategies.</p> <p>The Company prepares a Sustainability Report on specific activities each year and discloses them inside and outside the Company on its website.  <a href="https://www.mitsubishi-motors.com/en/sustainability/">https://www.mitsubishi-motors.com/en/sustainability/</a></p>
Development of Policies on Information Provision to Stakeholders	<p>In connection with its goal of appropriate and timely disclosure of information that may have an effect on the investment decisions of shareholders and investors, the Company has prepared and announced its “Policy on Timely Disclosure of Material Information.” This policy stipulates the types of information to be disclosed, basic rules for disclosure, persons and departments in charge of disclosure, the disclosure process and various other matters.</p>



## **IV. Matters Related to the Internal Control System**

### **1. Basic Views on Internal Control System and the Progress of System Development**

**[Updated]**

The Company has created the Vision & Missions so that looking into the future all employees of the Group can act as a unit with a shared concept. Additionally, the Company has established MMC WAY, which represents the frame of mind and behavior that each one of its employees should be in for Missions in order to realize the Vision, and the Mitsubishi Motors Corporation Global Code of Conduct serves as the foundation for these provisions and the norms to be followed by Officers and employees.

The Board passed a resolution to adopt the “Basic Policy on Internal Control Systems” in order to establish a system to ensure appropriateness of operations.

The revision of the Basic Policy on Internal Control Systems resolved by the Board on May 23, 2022, are shown below.

1. System to ensure that performance of duties of Executive Officers and employees of the Company conforms to laws and the Articles of Incorporation
  - (1) In addition to establishing the Mitsubishi Motors Corporation Global Code of Conduct, building an organizational framework and implementing education and training for the observance of laws, the Articles of Incorporation, and social rules and manners, the Company established an internal contact point and uses information gathered through such means for the prevention, correction and prevention of recurrence.
  - (2) The Company appoints Outside Directors to oversee the Company’s management, and works to achieve successful oversight thorough audits by the Audit Committee, including Audit Committee Members who are Outside Directors.
  - (3) The Company’s Internal Audit Division strictly audits whether the operational performance of the Company is in violation of laws, the Articles of Incorporation, Company regulations or other rules. If such department finds a problem, it is to report it to the relevant Directors or other parties and thereafter regularly confirm the status of improvement in regards to such issue.
  - (4) The Company’s Internal Control Committee, which is chaired by the President and assigned the Executive Officer for Internal Control / Corporate Affairs as a vice chairman, was established as a core organization that oversees matters related to internal control in compliance with Companies Act.
2. Rules and other systems concerning management of risk of losses by the Company
  - (1) For risks in the course of the Company’s business, the Company has clearly established standards for agenda to the Board meetings and the Executive Committee meetings in the Rules of the Board and the Rules of the Executive Committee, respectively, and operates based on such.
  - (2) The Company appoints a person responsible for risk management at the organizational level in each department or other division of the Company and works to establish and strengthen its risk management system centered on such person.
  - (3) The Company has established an organization responsible for promoting risk management and works to set up and strengthen a companywide risk management framework.
  - (4) To prepare, in the case of the occurrence of an unforeseen incident, information is promptly conveyed to Directors and others to set up a system that can respond promptly and accurately.
3. System to ensure that Executive Officers of the Company efficiently execute their duties
  - (1) The Company works to maintain and improve management efficiency by establishing companywide management plans and clarifying specific business targets and execution methods for a functional organization. Directors regularly receives reports on the status of implementation.
  - (2) The Company makes clear the responsibilities and authority of the Directors and Executive

- Officers, and promotes the efficient execution of the duties of the Board and the Executive Committee based on the Rules of the Board, the Rules of the Executive Committee and various other rules.
- (3) In order to set up a system for efficient organizational operation and business execution and establish a system facilitating rapid and agile decision-making for important issues for the Company, the Board broadly delegates the decision of business execution to Executive Officers, within the scope permitted by law, to ensure that the Executive Officers' performance of their duties is conducted efficiently.
  - (4) The Company works to maintain and improve the clear and transparent delegation of authority standards in order to expedite decision-making and clarify the processes.
4. System for preservation and management of information concerning the execution of the duties of the Executive Officers of the Company
- The Company prepare such information as documents or electronic data in accordance with Company regulations or other rules and appropriately manages by establishing a person in charge and stipulating the preparation method, preservation method, preservation period, copying and disposal method, and so forth according to the importance of the information.
5. System to ensure the proper operation of business in the Group
- (1) The Company ensures the proper operation of the business of Group by stipulating the supervisory organization of each of its subsidiaries and the responsibilities and authority, management method and other matters related to management of its subsidiaries through its internal regulations and other rules.
  - (2) The Company works to set up and enhance frameworks for proper business execution, observance of the Mitsubishi Motors Corporation Global Code of Conduct and business audits by the Officers and employees of its subsidiaries in conformance with laws and the Articles of Incorporation through guidance and management of its subsidiaries in accordance with a subsidiary's size, business conditions and other factors.
  - (3) The Company strives to set up and strengthen risk management systems at its subsidiaries through guidance for a subsidiary on implementation of risk management and other means, in accordance with a subsidiary's size, business conditions and various other factors.
  - (4) The Company works to promote the strengthening, development and rationalization of its subsidiaries through guidance and management of a subsidiary, and other means in line with Rules of Management of Affiliated Companies and other internal regulations and rules, in accordance with a subsidiary's size, business conditions and various other factors.
  - (5) The Company establishes Rules of Management of Affiliated Companies and other internal regulations and rules so that prior or subsequent explanations and reports are made to the Company concerning its subsidiaries' business, results, financial condition and other important information.
  - (6) The Company and its subsidiaries establish the necessary organizations, internal regulations, etc. to ensure the adequacy of their respective financial information and to prepare and disclose reliable financial reports.
6. Directors and employees assist the duties of the Audit Committee of the Company
- The Company has established an organization for assisting in the duties of the Audit Committee and has assigned full-time personnel thereto.
7. Independence of Directors and employees in the preceding paragraph from Executive Officers of the Company and ensuring effectiveness of instruction by the Audit Committee to such Directors and employees
- (1) Employees who assist the Audit Committee in its duties are not concurrently employees of any Executive Officer or division and carry out such duties by receiving instructions exclusively from the Audit Committee.
  - (2) The Company seeks the prior opinion of the Audit Committee concerning transfers of dedicated personnel to assist in the Audit Committee's duties. In addition, the Audit

<p>Committee conducts an evaluation of such full- time personnel.</p> <p>8. System for Directors (excluding Directors who are Audit Committee Members), Executive Officers, and employees of the Company, and Directors, Audit and Supervisory Board Members, and employees of the Company’s subsidiaries, or persons receiving reports from the foregoing parties, to report to the Audit Committee and other systems for reporting to the Audit Committee</p> <p>(1) The Audit Committee Members of the Company attends meetings of the Board and other important meetings as a matter of course.</p> <p>(2) The Company is thorough in setting up and operating a framework for reliably providing the Audit Committee with important information from within the Company and its subsidiaries on management, compliance and various other matters.</p> <p>(3) Officers and employees of the Company and its subsidiaries promptly make appropriate reports on items related to the execution of their duties to the Audit Committee when required to do so.</p> <p>(4) Executive Officers shall immediately report to an Audit Committee Member any facts they discover that pose a risk of causing significant damage to the Company.</p> <p>9. System to ensure that persons who have submitted a report described in paragraph 8 shall not receive any disadvantageous treatment due to submission of such report The Company prohibits disadvantageous treatment of Officers and employees of the Company or its subsidiaries who have made reports directly or indirectly to the Audit Committee of the Company related to having given such report and makes this prohibition generally known among Officers and employees of the Company and its subsidiaries.</p> <p>10. Procedure for advance payment or reimbursement of expenses incurred in the execution of their duties (limited to those relating to the execution of the duties of the Audit Committee) by Audit Committee Members of the Company, and other policies for processing expenses and debts incurred in the execution of such duties When an Audit Committee Member of the Company requests an advance or other payment for expenses from the Company for the execution of their duties pursuant to Article 404(4) of the Companies Act, the Company promptly processes such expenses or debt after deliberation by the department in charge, except in cases where it is proven that the expenses or debt in such request were not necessary for the execution of the duties of such Audit Committee Member.</p> <p>11. Other systems to ensure that the audits by the Audit Committee are conducted effectively The Audit Committee of the Company aims for appropriate communication and effective execution of their auditing duties by engaging in regular exchanges of views with the President and by working to cooperate with the Internal Audit Division and the Accounting Auditor.</p> <p>12. System to exclude anti-social forces The Company and its subsidiaries take a resolute stance and response as an organization in its entirety, against illegal demands from anti-social forces that threaten to disrupt the order and safety of our society and will take measures to reject any relationship with anti-social forces.</p>
---

**2. Basic Views on Eliminating Anti-Social Forces**

As stated above in “12.System to exclude anti-social forces.”
---

## **V. Other**

### **1. Adoption of Anti-Takeover Measures**

Adoption of Anti-Takeover Measures	Not Adopted
------------------------------------	-------------

Supplementary Explanation
---------------------------

—

### **2. Other Matters Concerning the Corporate Governance System**

The Company shall conduct timely disclosure based on the “Policy on Timely Disclosure of Material Information” set forth below.

#### Policy on Timely Disclosure of Material Information

##### 1. Objectives of the Policy

The Company believes that, in order to fulfill its social responsibilities, it is important that it achieves accountability by disclosing timely and appropriate information to its stakeholders. Furthermore, the Company believes that achieving this will contribute to increasing management transparency.

Therefore, the Company has decided to carefully comply with the TSE’s “Rules Concerning Timely Disclosure” and to formulate and carefully follow a policy which clearly states the types of information to be disclosed, the basic principles of disclosure, the responsible persons, division in charge, the disclosure process and various other matters.

##### 2. Types of Disclosed Information

The information covered by this policy shall include “information related to the Company’s business, operations, or performance which has a significant effect on securities investment decisions” (hereinafter referred to as “material information”) that the TSE requires to be disclosed in a timely and appropriate manner based on its “Rules Concerning Timely Disclosure.”

##### 3. Basic Principles of Disclosure

The Company shall comply with the following four basic principles when engaging in the timely disclosure of material information.

###### (1) Transparency

Disclose information in accordance with the facts regardless of its content.

###### (2) Timeliness

Disclose information in a timely manner and without delay.

###### (3) Fairness

Endeavor to ensure that information is transmitted fairly to our various stakeholders.

###### (4) Continuity

Ensure continuity of the contents of the information disclosed.

##### 4. Person Responsible for the Timely Disclosure of Material Information

The person responsible for handling information has been appointed in accordance with TSE rules.

##### 5. Roles of the Division in Charge of Timely Disclosure

The division in charge of IR activities shall also be in charge of timely disclosure and shall fulfill the following roles.

###### (1) Liaison with the TSE

Liaison with the TSE regarding the timely disclosure of material information.

###### (2) Disclosure of material information

The persons responsible shall disclose information for decisions on material information, facts which occur regarding material information and Company earnings information in a timely and appropriate manner. They shall carry out the process from gathering to disclosure of material information as shown in the attachment.

###### (3) Maintenance of the timely disclosure structure

- Preparation and improvement

The persons responsible shall develop and, as necessary, improve the disclosure structure, for example by establishing information transmission routes for the timely and appropriate disclosure of material information.

- Education about the significance of timely disclosure

Educate executives and regular employees about the significance of timely disclosure of material information.

#### 6. Other Policies

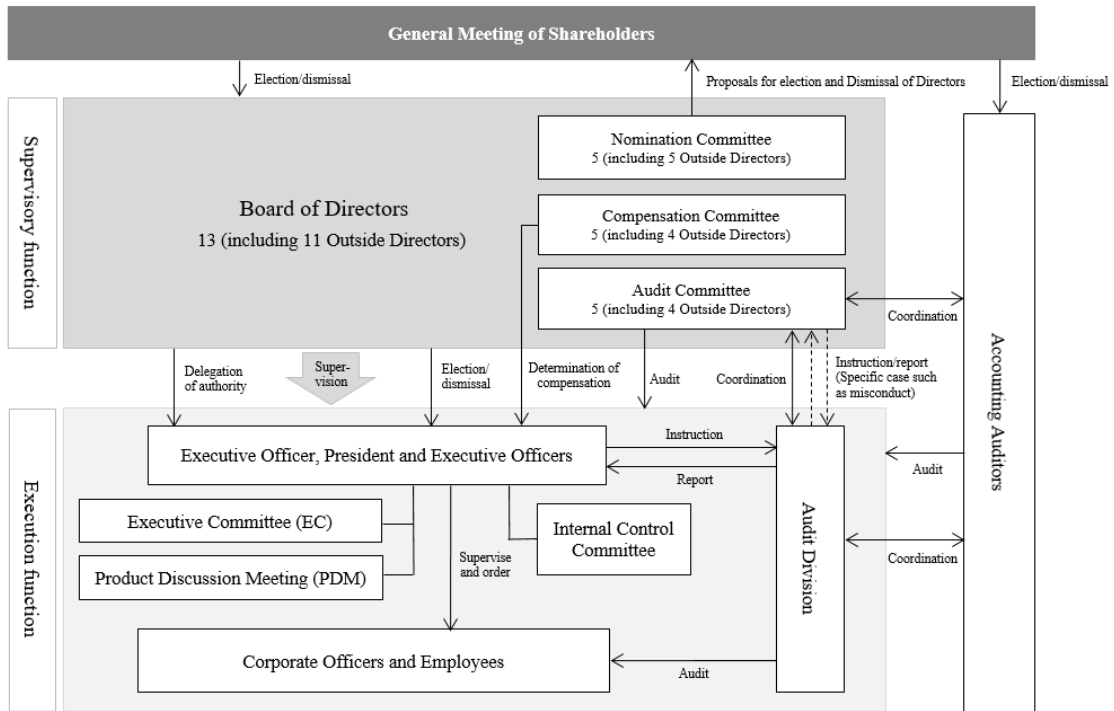
##### (1) Handling the spread of market rumors

As a general rule, the Company shall not comment on inquiries about market rumors. However, if the Company judges that not responding to the rumor could have a serious impact on the Company, it shall correspond with external parties in an appropriate manner.

##### (2) Establishment of a silent period

The Company shall make absolutely no comments regarding its business performance estimates during the two weeks immediately preceding announcements of the full-year and quarterly business results.

## Corporate Governance and Business Execution Structures [Updated]



## Material Information Timely Disclosure Process (Flow Chart)

