

## Human Resources Management

### Human Resources Strategy

mitsubishi motors believes that "human resources" are the key to achieving sustainable growth and enhancing corporate value, especially amid a rapidly changing business environment.

In FY2022, our president and management team engaged in discussions to determine the ideal path for the Company, taking employee feedback into account. As a result, we have updated our behavioral guidelines, the "MMC WAY," which outline the principles that the Company values.

As a company and as individuals, we will share the new "MMC WAY," which embodies what is important in our lives, and work together as one to take on challenges as we work toward our goals.

Furthermore, we will continue to create fulfilling workplaces and invest in human resource development as the basis for putting the "MMC WAY" into practice.

< Strategic Human Resources Priorities >

- Build a better place to work
- Enhance learning opportunities/reskilling programs
- Secure/cultivate a diverse workforce

### The Type of People We Look for (MMC WAY)

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

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

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

The "MMC WAY," our behavioral guideline for employees, is reflected in the personnel evaluation system. It introduces a multi-faceted competency evaluation based on three pillars: the "MMC WAY," "human resource development and organizational management," and "expertise." This aims to promote the dissemination of shared values and encourage proactive employee growth.

### MMC WAY

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

### Promotion Structure

MITSUBISHI MOTORS has established the Human Resources Development Council, consisting of the Executive Officer, President & CEO and other members of the management team to promote and implement human resources strategies that are linked to management strategies. The council continues to discuss and examine the development of human resources at various levels, from securing excellent personnel to nurturing individuals from young and mid-level professionals to management leaders.

We are formulating an optimal personnel plan that incorporates strengthening the expertise of each function that supports our business to develop powertrain control system for electric vehicles, expanding the scope of various elemental technologies, promoting carbon neutrality, driving digitalization, and exploring new business areas. We recognize that personnel are the source of the Company's competitiveness and

treasure. Therefore, we are working to create a workplace where employees can work with peace of mind and showcase their abilities, expanding opportunities for development, including education and training to encourage employee challenges and growth, and analyzing the internal and external environment and market trends surrounding the Company to attract talented individuals. Through open discussions at human resources development meetings, we review and evaluate existing measures and initiatives, as well as consider and deliberate new initiatives.

For FY2023, we are making preparations to implement specific measures that will support the mid-term business plan, "Challenge 2025," with a focus on the following key areas of our human resource strategy: "Build a better place to work," "Enhance learning opportunities/reskilling programs," and "Secure/cultivate a diverse workforce."

In particular, we will organize specific operational policies for free location and work arrangements that take into consideration childcare and nursing care, implement training programs to strengthen next-generation leadership, promote personnel exchange with overseas affiliates for the purpose of utilizing the Group's human resources on a global basis, and create an environment in which diverse human resources, including women, elderly persons, and persons with disabilities, can play an active role.

## Conducting Engagement Surveys

The Company has continued to conduct engagement surveys (employee surveys) since FY2013. This survey aims to visualize the state of the Company, the entire organization, and employees, and to address the

challenges revealed by the results, thereby reinvigorating individuals and organizations and promoting an improvement in employee engagement.

Based on the analysis of the survey results, we have conducted feedback sessions with executives, department heads, and respective departments to promote actions for improving engagement. In particular, to enhance the organization and human resource management, we organized workplace workshops and internal seminars, such as "Drive your team," for department heads to improve the quality of management. The survey results are also used as reference data during human resources development meetings attended by senior executives to discuss the future direction of human resources development. This helps us take action as a company to continuously enhance employee engagement.

Additionally, to improve employee engagement, we believe that "proactive career development support" is crucial. With this in mind, in FY2022 we established a new open application framework for the Global Career Development Program (GCDP), an overseas work training program for young employees, allowing any employee who meets the requirements to apply.

## Human Resource Evaluation

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

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

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

## Fair Compensation System

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

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

▶Data (p. 125): Wage levels