

Improvement of Product, Sales, and Service Quality

Progress in FY2022

- Product quality: Achieved objective for warranty claim rate of three months in service for new vehicles
- Sales quality: In the FY2022 Sales Satisfaction Index (SSI) survey, achieved targets in four*1 countries out of five*2 in the ASEAN region
- Service quality: In the FY2022 Customer Service Index (CSI) survey, achieved targets*1 in four countries out of five*2 in the ASEAN region

*1 Target: Achieve top three ranking in industry surveys, or in-house survey target adjusted to equivalent level.

*2 Five focus ASEAN countries: Thailand, Indonesia, the Philippines, Vietnam, Malaysia

Improving Product Quality

- Quickly and accurately analyze voices/opinions/complaints/issues from customers regarding troubles and product quality, and work on product quality improvement.
- Strengthened connected, electrification, and other new technologies.

Improving sales quality

- To achieve industry-leading sales quality, worked to improve the hospitality of sales staff, digitalize the negotiation process, and reinforce strengthen store facilities.
- Ranked No. 1 in Vietnam in industry survey for the first time
- In Thailand, Indonesia, and Malaysia, set and achieved targets through in-house surveys.

Improving service quality

- Working with new car sales department to improve the quality of customer service provided by dealer service staff, including booking service appointments, customer reception, and detailed explanations of maintenance, in order to improve CSI and retain customers until their next vehicle purchase.
- Ranked No. 1 in Vietnam in industry survey for the first time, and also achieved in-house survey target.
- In Thailand, Indonesia, and Malaysia, achieved in-house survey targets.
- Ranked No. 1 mass-market brand in the U.S. in J.D. Power's CSI survey. Improved customer satisfaction through local distributor's continuous effort to improve dealer operations, as well as prompt response to defects and recalls. Also succeeded to increase the number of service customers from the previous year.

<Related pages>

P15 MITSUBISHI MOTORS' Materiality
P21 Materiality

Basic Philosophy and Quality Policy

Based on the Quality Policy revised in April 2019, MITSUBISHI MOTORS adopted compliance as a fundamental requirement, and have been working on quality improvement in four categories: product quality, perceived quality, sales quality and service quality, to enhance quality at every touch point from the time to consider purchasing a product to the time to own the vehicle.

Product quality includes the initial quality that customers experience immediately after purchasing a new vehicle, and durability quality that customers experience through their ownership period. We sincerely listen to the opinions of customers and deal with any issues from the field, and are strengthening our system to make improvements quickly.

In addition, we are working on improvement in perceived quality such as the usability, comfort, and appearance that customers perceive when they see, feel, and use our products.

Quality Policy

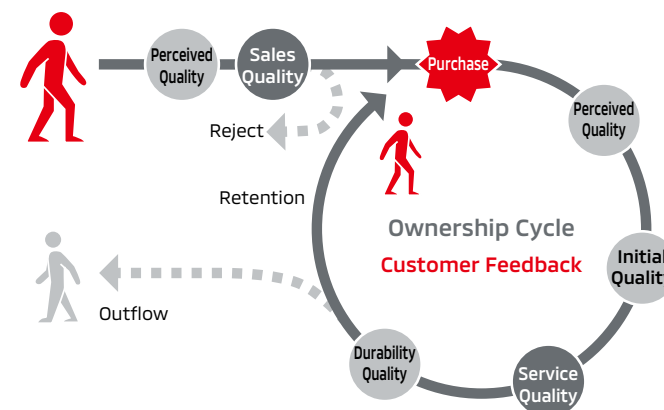
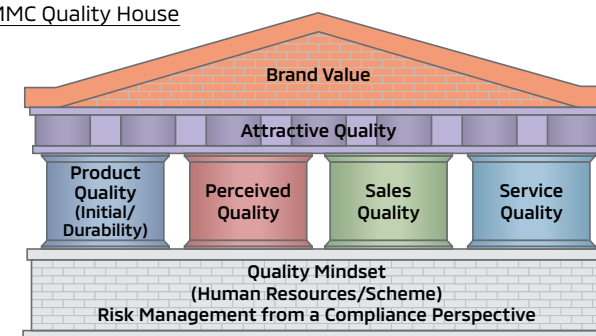
Quality is the fundamental requirement to support our business.

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

Regarding sales quality and service quality at dealers, we are continuously making improvements by listening closely to customers, making proposals and responding to their needs to achieve high levels of customer satisfaction. We aim for top-level quality from the customers perspective to ensure customer satisfaction at every touchpoint.

The Four Quality Pillars Supporting Brand Value

MMC Quality House



Improving Product Quality

Dealing appropriately not only with issues related to safety but also with opinions and complaints about merchantability is essential to improve customer satisfaction.

Regarding sold vehicles, MITSUBISHI MOTORS focus on troubles that occur within 3 and 12 months of sales, and are working on reducing initial issues. The quality division collaborates with R&D and production divisions to speed up resolution and reduce complaints from customers.

Regarding new models, to secure the initial quality, we hold a cross-functional activity called "Oobeya activities," where employees from various divisions including R&D, Production, Service, Quality, and Procurement divisions gather from when shipment starts to consider and implement countermeasures for any problems that may occur. This approach enable us to improve initial quality more quickly.

In addition, we are working or improving processes in the development stage to address issues that are not troubles, but that have caused customer dissatisfaction, so that they can be improved in future new models.

Vehicle Quality Evaluations and Guarantees Based on Customer Perspective

We evaluate quality using customer perspective quality evaluation system called AVES* on prototype vehicles under development, vehicles undergoing quality verification and production vehicles to be sold to customers.

The evaluation consists of a static evaluation, in which confirm the appearance of the interior and exterior, and a dynamic evaluation, in which the vehicle is actually driven and confirm noise, vibration, steering stability, and the operation of various in-vehicle functions. Evaluations are conducted from the customer's perspective by internal qualified experts called AVES evaluators, who confirm whether the targeted quality standards have been achieved.

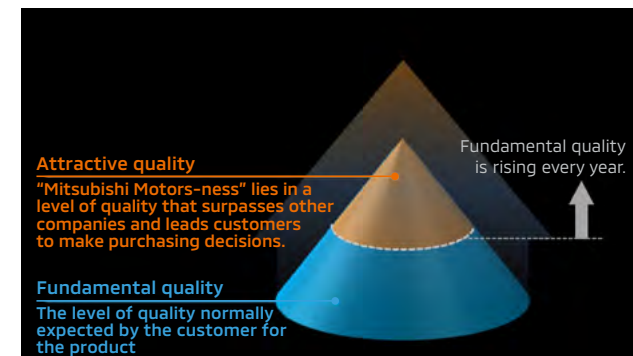
AVES plays an important role in "Start of production judgment" and "Delivery judgement" of new models, as well as in maintaining constant quality guarantees on production vehicles. Accordingly, these evaluations are performed thoroughly from the customers' perspective.

* AVES: Alliance Vehicle Evaluation Standard. Quality evaluation system used across the Renault-Nissan- Mitsubishi Alliance, in which evaluators who have in-house qualification evaluate vehicles in order to check more than 300 quality assessment criteria established from the customers' perspective.

Improving Perceived Quality

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

Philosophy of Improving Product Quality



Perceived quality consists of two qualities. The fundamental is "fundamental quality" which customers typically expect from a product, and unless this level is achieved, customers will not purchase. In addition, the quality level that allows customers to recognize that our quality exceeds that of other companies and gives them a sense of "MITSUBISHI MOTORS-ness" will lead to customers making purchasing decisions. This is the area of "attractive quality."

By improving "attractive quality," we create products that customers can sense and choose from our unique appeal. In addition, by improving "fundamental quality," we create products that can be used for a long time.

We will continue our efforts to improve the perceived quality to ensure that customers feel more satisfied than expected when they touch or continue to use our products in their daily lives, and that they repurchase our products.

In addition, we are working on improving the perceived quality through efforts such as developing colors and materials that are tailored to the specific needs of customers and are environmentally friendly in regional color design.

Improving Sales Quality

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

Cooperation with Domestic Sales Companies

Domestic sales companies are promoting IT-based business negotiation styles as part of their efforts to offer proposals that meet customer needs and provide a new business negotiation experience. For example, we have introduced tablet devices to provide visually appealing product descriptions and to conduct service quality surveys to customers who visit our stores. By promptly capturing customer feedback through these surveys, we are able to make timely improvements. Additionally, we share successful examples that have led to improved customer satisfaction with our nationwide sales companies, encourage them to engage in improvement activities and further enhance customer satisfaction.

Cooperation with Overseas Sales Companies

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

Sales companies in each country and region are working to digitalize the sales process. They are devising ways to further satisfy customers in each country and region, by conducting online negotiations and sales, and by introducing smartphone apps. We train salespeople both in person and online. In addition, we support sales companies' efforts to improve customer satisfaction by sharing good practices of their sales quality improvement activities in each country and region.

Appropriate Product and Service Information Disclosure

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

Improving Service Quality

At dealers, providing "Good quality service" from the customer's perspective is important from the time of vehicle purchase.

We are striving to improve our on-site customer support (communication skills and technical capabilities) in collaboration with our Japanese and overseas dealers, in order to ensure customer satisfaction and encourage repeat purchases.

Inheriting Service Skills in Japan

We have established unique service skill certification program for dealer staff. We offer an appropriate training for each certificated staff member to enhance their capabilities of actual customer services. To ensure uninterrupted education even when affected by the COVID-19 pandemic, we have been focusing on well-de-

veloped e-learning and online training. We will continue striving to make further improvements in training.

Additionally, from FY2023 we will resume in-person education, aiming to provide an even more comprehensive training.

We have seven Technical Centers across Japan and organizes technical meet-ups, seminars and technical expert visits, supporting dealers for highly technical advice and swift customer service.

Inheriting Service Skills Overseas

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

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

Use of Customer Voice

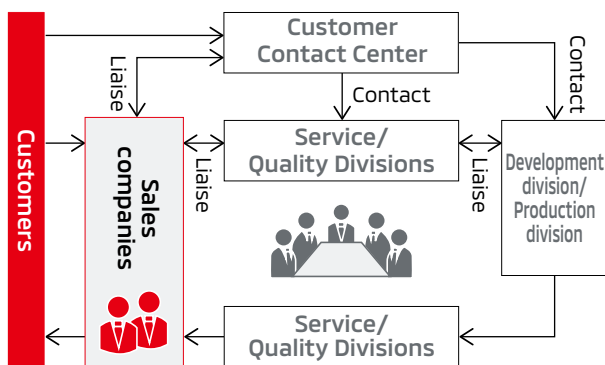
Our mission is to provide customers with a rich experience and satisfy them with their car life through attractive products and excellent after-sales services. To this end, we collect and analyze valuable customer feedback received from domestic and overseas sales companies and customer service centers, and our quality, development, production, sales, and service division work together to earnestly improve quality.

Improving Quality through Customer Voice

Dealers conduct detailed interviews with customers regarding troubles and the conditions in which they occurred.

This information provided to us by dealers is shared primarily by the quality department with related departments.

In addition, by using the system to analyze issues occurring in specific models, customer complaints of troubles (quality information), and repair records, we can quickly grasp troubles information and take countermeasures, which leads to quality improvement.



Customer Service Center initiatives

To serve more customers, MITSUBISHI MOTORS' Customer Contact Center receives inquiries via phone, email, and chat, including on weekends and holidays. The various comments and information from customers are managed in a database. Of the comments and information, matters regarding quality and issues are addressed in collaboration with dealers and are used for further quality improvements. In addition, feedbacks and complaints about merchantability and specifications, are shared with relevant divisions and used to improve product appeal even further. Note-

worthy comments and opinions including those that are particularly important are periodically reported to the top management.

In addition, we do not outsource the work of our customer Service center, instead our employees communicate directly with customers, maintaining a high quality of response, while also ensuring that customer feedback is accurately reflected in our products through smooth cooperation with each responsible department.

This leads to improvements in products and services.

Customer Support for Recalls and Other Field Campaigns

We have systems to provide information to customers timely in the case of implementing field campaigns such as recalls for safety issues. We send direct mail to affected customers and advise to have the vehicle inspected and repaired (free of charge) at the dealer as soon as possible. We also post information on our website so that customers can check whether their vehicles are subject to a recall and the status of repairs.

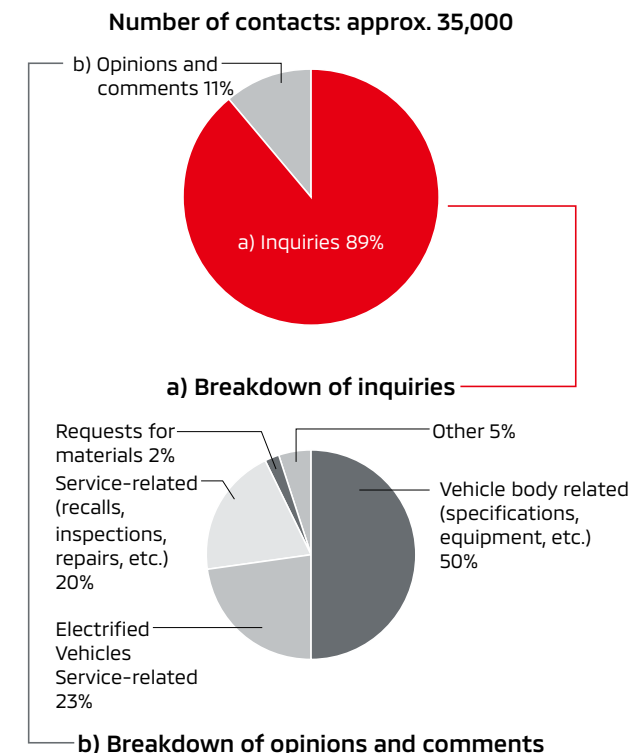
Refer to the site below for recall information.

[\(WEB\) http://www.mitsubishi-motors.co.jp/support/recall/](http://www.mitsubishi-motors.co.jp/support/recall/)
This site contains the Japanese market information (only in Japanese).

Number of Recalls/Service Campaigns and Affected Vehicles in Japan

	No. of cases	No. of units
FY2018	13 cases	Approx. 298,000 units
FY2019	15 cases	Approx. 590,000 units
FY2020	19 cases	Approx. 655,000 units
FY2021	13 cases	Approx. 492,000 units
FY2022	13 cases	Approx. 142,000 units

Contacts Received at the Customer Contact Center in FY2022



Management System

MITSUBISHI MOTORS analyzes quality information to realize “Being evaluated as top-level quality by customers,” and set specific objectives, discuss and implement countermeasures, and regularly follow up with the status of improvements.

Also, regarding information from customers about vehicle issues provided by dealers, we have established systems for quick discussion, decision, and implementation, by collecting and sharing information with related departments on a daily basis.

Meeting	Meeting Frequency	Chair	Members	Objectives
Quality Strategy Committee (QSC)	Quarterly	The Executive Officer, President & CEO or directors in charge*1	Executive Vice President responsible for Engineering, Senior Executive Officer responsible for Production, division general managers related to sales, service and product quality	Deliberation and decision of strategic topics in quality relating to sales, service and products
Quality of Management Committee (QMC)	Quarterly	Top management of QMS*2	Division and plant general managers, responsible person of direct departments	Sharing of best practices related to enhancing companywide management quality, responding to external examinations, reporting on items requiring correction and lateral deployment
Quality Management Meeting (QMM)	Monthly	Top management of QMS*2	Division general managers and supervisors in specialist positions (section head or higher) of divisions related to product quality	Confirmation of progress toward product quality targets, consideration and deliberation concerning effectiveness of improvement measures, provision of a forum for resolution in the event of troubles

*1 If delegated by the Executive Officer, President & CEO

*2 The person responsible for quality management system implementation, designated by the Executive Officer, President & CEO or the Executive Officer, President

QMS*3 ISO 9001 Initiatives

To achieve “product quality and sales/service quality that exceeds customer expectations,” continuous improvement of company-wide management quality is essential. Therefore, not only divisions directly involved in product quality and sales/service quality, but all divisions are working on management quality improvement throughout the company, and have obtained ISO 9001 certification.

To continuously improve management quality, we are implementing the following.

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

In addition, our overseas production plants have similarly obtained ISO9001 certification, and continue our initiatives to ensure that our products, produced and sold around the world, have product quality and sales and service quality that exceed customer expectations.

*3 Quality Management System

Developing Quality Mindset

Since FY 2014, MITSUBISHI MOTORS has been holding Quality Forums in all business locations in Japan as part of our initiatives to encourage each employee to review and improve the quality of their work, thereby leading to quality improvements in products, human resource, and ultimately company's brand power and reliability.

Since FY2018, we have expanded the Quality Forum to our overseas locations, Mitsubishi Motors (Thailand) Company Limited (MMTh) and PT. Mitsubishi Motors Kurama Yudah Indonesia (MMKI), and it has become well established. We are planning to expand this initiative to other locations in the future.

Amid restrictions due to COVID-19, in FY2022, we have resumed physical exhibitions in addition to on-line exhibitions on a dedicated website.

Number of Participants

	Domestic forums	Overseas forums (Thailand, Indonesia)
FY2018	4,550	1,880
FY2019	6,200	800*1
FY2020	6,200*2	2,310*2
FY2021	6,000*2	2,850*2
FY2022	6,800*2	2,700*2

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

*2 Due to COVID-19, held online

Understanding Customer Needs

We are conducting an educational activity called "Customer Voice Seminar" with the aim of giving each employee an opportunity to think about customer needs by listening to actual "customer voices."

For new employees and Mid-career employees, we incorporate it into the introductory training curriculum, and also provide many opportunities to consolidate a customer-oriented mindset, such as training for promoted employees and voluntary participation courses.

In addition, we have set up and regularly update a "Customer Voice Course" video site on our intranet, which enables employees to watch them at any time while working from home or during their free time at work.

Developing Customer Orientation

We are supporting employees interested in acquiring Advisory specialist for consumers' affairs qualification, which is a business qualification from the Prime Minister and Minister of Economy, Trade and Industry, with the objective of considering needs from the consumers' perspective and improving the quality of products and services.

As of April 1, 2023, we have 60 qualification holders, making us 12th among Japanese companies and 2nd among Japanese automakers*3. In addition, approximately 70% of our qualification holders work in departments related to manufacturing and quality, and utilize their wide range of knowledge and sensibilities in manufacturing vehicles from the customer's perspective.

*3 Research by Japan Industrial Association

Advisory specialist for consumers' affairs

