

<Organizational Changes on June 1, 2023>

Daihatsu to Reorganize Development and Regulation Approval Structures in Response to Procedural Irregularities in Approval Application

Daihatsu Motor Co., Ltd. (Daihatsu) sincerely apologize once again for betraying the trust of our customers and other stakeholders and causing great inconvenience and concern with the procedural irregularities in approval application.

Daihatsu recognize that these procedural irregularities in the area of vehicle safety are unacceptable. The Independent Third-Party Committee will fully clarify the nature of the irregularities, identify their root cause and recommend measures to prevent the recurrence based on them. Daihatsu intends to consider in sincerity recommendations to be submitted by the committee for preventing recurrence and promptly implement recurrence prevention measures.

Daihatsu believes that one of the causes of the irregularities was that verification was insufficient due to all of the operations related to collision safety being in a single department (performance development, evaluation, and approval). In addition, Daihatsu believe that the improvements that can be implemented at this time should be started at the earliest date, as long as they do not hinder the activities of the third-party committee. To improve the structure, Daihatsu will implement organizational changes on June 1, 2023, and separate the Vehicle Development Division's functions for performance development, evaluation, and approval. The approval function, which especially requires objective judgements, will be assigned to a newly established group. The Quality Assurance Division will also be integrated into the new group to reinforce company-wide quality management.

With the determination to reform the company as not to repeat the same problems, Daihatsu will put its utmost effort in investigating the true cause and preventing recurrence, with listening to the voice of the front line, to restore the trust of customers and other stakeholders.

1. Quality Management Group (newly established)

- (1) The Quality Assurance Division will become independent from the Sales & Customer Service Group **to newly establish the Quality Management Group** with the aim of reinforcing the company-wide quality management function (Executive Vice President Hiromasa Hoshika will serve as the chief officer).
- (2) **The Regulation & Certification Department will be transferred from the Mobility Development Group to the Quality Management Group to clearly separate development and approval functions** with the aim of reinforcing the level of objectivity in compliance with regulation approval.

2. Mobility Development Group

- (1) **The development and evaluation functions of the Vehicle Performance Development Division will be separated** into the Vehicle Performance Development Division and the Vehicle Performance Evaluation Division with the aim of reinforcing the development structure by clarifying each division's role.