

# Mitsubishi Electric Group Sustainability Report 2020

Highlights Edition



Streamlined  
and better  
quality work

Increased  
communication  
in workplaces

Enhanced  
work and life



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## Editorial Policy

Aiming to contribute to a more sustainable society, the Mitsubishi Electric Group renamed the "CSR Report" to the "Sustainability Report" in fiscal 2021.

This "Highlights Edition" of the Sustainability Report 2020 was created with the aim of communicating with stakeholders regarding the Mitsubishi Electric Group's sustainability and CSR efforts to realize a sustainable society. In addition to communicating the overall picture of CSR at the Mitsubishi Electric Group, we introduce our basic aspects of CSR materiality we identified in FY 2015. We endeavor to fulfill our responsibility of presenting information to the public in order to broaden our range of communication with stakeholders.

We appreciate any and all frank and honest feedback intended to further improve the report.

## Period Covered by the Report

April 1, 2019 – March 31, 2020

(next planned publication : September 2021)

\* Also includes some information on policies, targets, and plans for fiscal 2021 and thereafter.

## Reporting Medium

Non-financial information about the Mitsubishi Electric Group is disclosed in the section of the Sustainability website and "Sustainability Report", and environmental information is introduced in detail in the environment section of the website and "Environmental Report". The "Sustainability Report" is available on our website together with the "Sustainability Report Highlights Edition" aimed at communicating with stakeholders.

## Sustainability

<https://www.mitsubishielectric.com/en/sustainability/csr/index.page>



Website



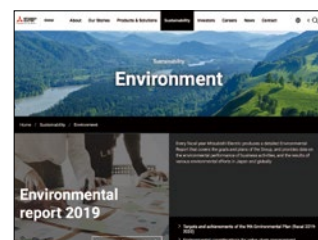
Sustainability Report



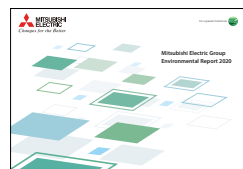
Highlights Edition

## Environment

<https://www.MitsubishiElectric.com/en/sustainability/environment/index.html>



Website



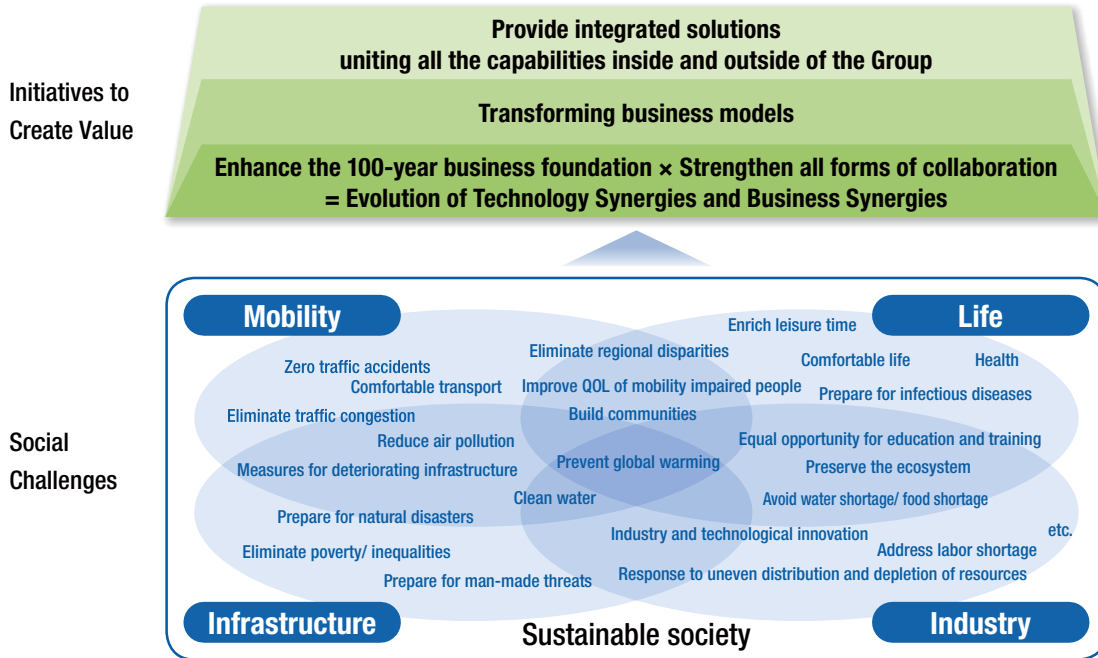
Environmental Report

For more information, please read P.26

# Corporate Strategy

The Mitsubishi Electric Group will provide integrated solutions to address diversifying social challenges, in the four fields of Life, Industry, Infrastructure and Mobility, uniting all the capabilities inside and outside of the Group. For this purpose, we will enhance our business foundation fostered over the past 100 years\* and further transform business models.

\*Business foundation fostered over the past 100 years: connection with customers, technologies, personnel, products, corporate culture, etc.

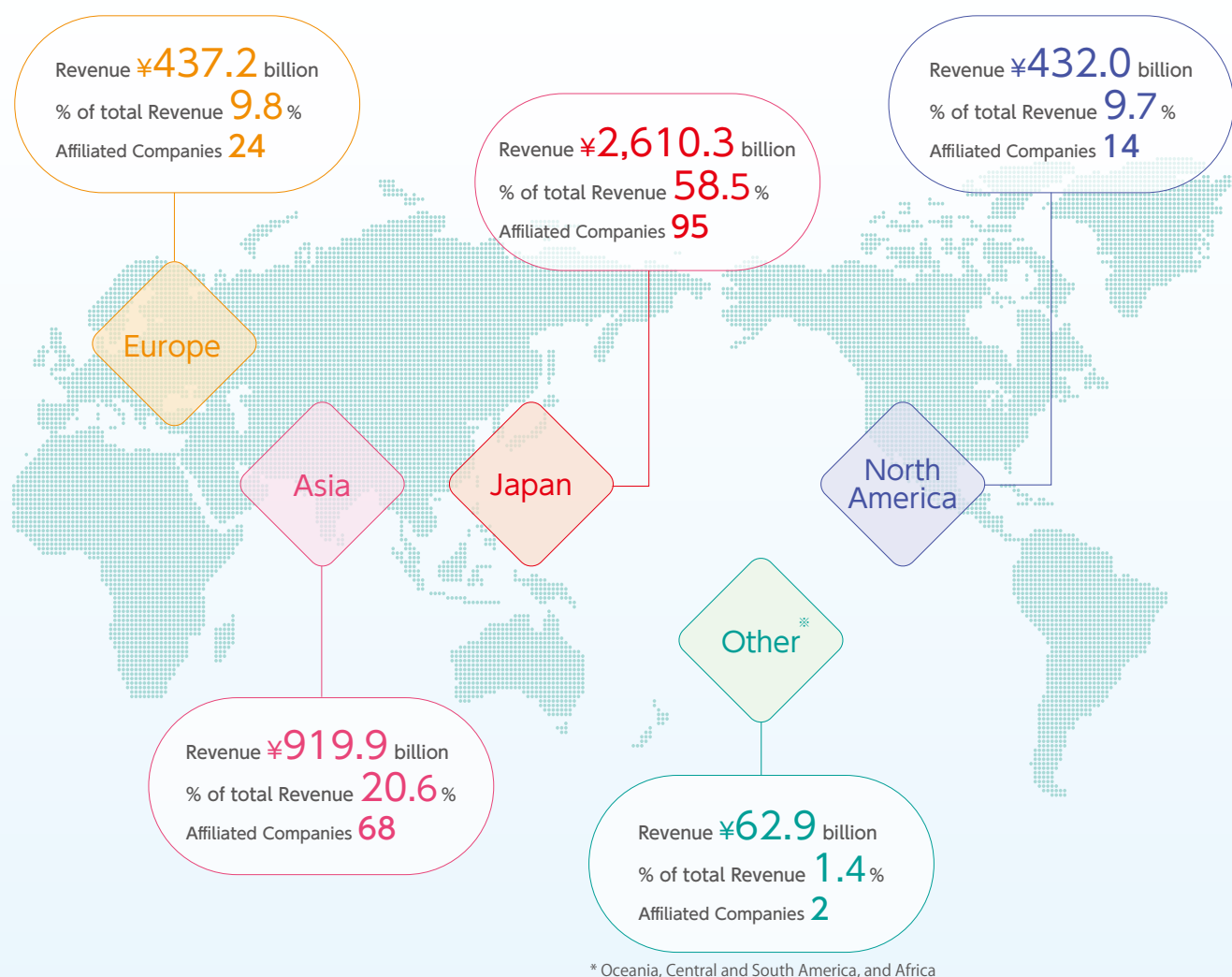


Based on its strategy, Mitsubishi Electric Group will pursue value creation for addressing social challenges, and contribute to achieving the 17 goals of the SDGs\*, through all corporate activities.

\*SDGs : "Sustainable Development Goals" adopted by the United Nations as goals to achieve towards 2030



# Global Operations



## Corporate Data (As of March 31, 2020)

Mitsubishi Electric Corporation

Tokyo Building, 2-7-3, Marunouchi, Chiyoda-ku, Tokyo 100-8310, Japan

President & CEO : Takeshi Sugiyama

Phone : +81 (3) 3218-2111

Established : January 15, 1921

Paid-in Capital : ¥175,820 million

Shares Issued : 2,147,201,551 shares

Consolidated Revenue : ¥4,462,509 million

Consolidated Total Assets : ¥4,409,771 million

Employees : 146,518

# Mitsubishi Electric Response to Novel Coronavirus (COVID-19)

## 1. Work arrangements

For business tasks that can be performed from home without a problem, staff are working from home. For work that is best performed in the office, Mitsubishi Electric is implementing thorough infection prevention measures to support staff who come into the office.

We will continue to promote the use of telework and online meetings as flexible and efficient work methods.

## 2. Infection prevention measures

Given concerns about the spread of COVID-19, the company is placing its highest priority on employees safety and health. In each workplace, we are working to maintain and strengthen infection prevention measures such as cleaning and disinfection, promotion of staggered work hours, and measures to ensure physical distancing.

## 3. Information sharing

The latest news regarding Mitsubishi Electric's response to the COVID-19 pandemic is shared on this website. <https://www.MitsubishiElectric.com/en/notice/covid-19/index.html>

## 4. New lifestyles and business styles

The attitudes of people worldwide are expected to change significantly due to the measures taken to prevent the spread of COVID-19. While incorporating these evolving values into our work styles and business methods, we will do our best to respond to changing public expectations and help solve social issues.



Terasu Guide projection signage system using light animation

### 1. Business style Transformation

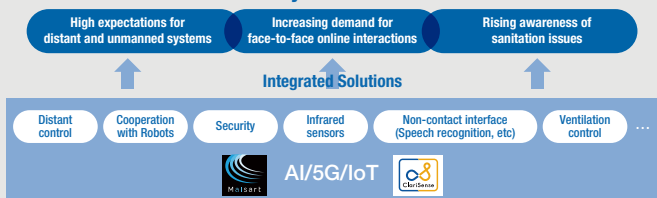
- Promote group wide work style transformation by enforcing remote work and fully leveraging online meeting tools.
- Quickly establish the systems of marketing, commercial transactions, servicing and user trainings in the digital environment to deal with rapidly changing values of humanity.

### 2. Providing Integrated Solutions to Current Social Issues

- Respond to changing demand and address social challenges by uniting all the capabilities inside and outside of the Group.

Example

#### A Shift In The Way We Communicate



※ As of July 2020

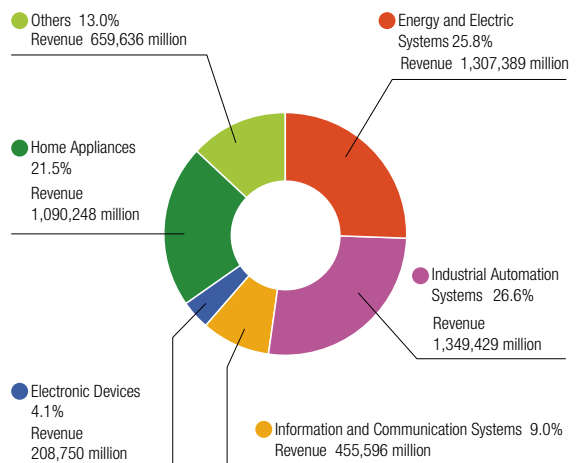
## Financial Results

### Performance for the Year Ended March 31, 2020

Years ended March 31	Yen (millions)	
	2019	2020
Revenue	¥4,519,921	¥4,462,509
Operating profit	290,477	259,661
Net profit attributable to Mitsubishi Electric Corp. stockholders	226,648	221,834
Total assets	4,356,211	4,409,771
Bonds and borrowings	298,438	267,008
Mitsubishi Electric Corp. stockholders' equity	2,399,946	2,429,743
Capital expenditure (Based on the recognized value of property, plant and equipment)	198,442	227,450
R&D expenditures	212,794	206,846
Per share Amounts:		
Earnings per share attributable to Mitsubishi Electric Corp. stockholders		
Basic	¥105.65	¥103.41
Diluted	105.65	103.41
Cash dividends declared	40	40
Statistical Information		
Operating profit ratio	6.4%	5.8%
Return on equity (ROE)	9.7	9.2
Bonds and borrowings to total assets	6.9	6.1

- The consolidated financial statements are prepared in accordance with International Financial Reporting Standards.
- The balance of bonds and borrowings and the ratio of bonds and borrowings to total assets include lease liabilities for the fiscal year ended March 31, 2019.
- R&D expenditures include elements spent on quality improvements which constitute manufacturing costs.
- Diluted earnings per share attributable to Mitsubishi Electric Corp. stockholders is equal to Basic earnings per share attributable to Mitsubishi Electric Corp. stockholders, as no dilutive securities existed.

### Revenue Breakdown by Business Segment



Note: Inter-segment sales are included in the amounts of the diagram above.

# Mitsubishi Electric's Business Segments

## Building Systems



### Providing safe and smooth vertical movement and building systems solutions that are environmentally friendly, secure, comfortable, and efficient

Over a million Mitsubishi Electric elevators and escalators are in operation in over 90 countries around the world, contributing to the safe and comfortable vertical movement of many people. What is more, by providing efficient control and management of building systems such as air conditioning and lighting, as well as the linking of security systems and various business systems, we offer building systems solutions that are environmentally friendly, secure, comfortable, and efficient.

Main products ■ Elevators ■ Escalators ■ Building management systems  
■ Building security systems

## Factory Automation Systems



### Underpinning global manufacturing by providing value-added products, solutions and services

We are a major FA supplier whose wide range of automation technologies from PLCs to laser processing machines underpin manufacturing. Our e-F@ctory concept also offers solutions to Digital Manufacturing challenges by utilizing FA and IT technologies to reduce the total cost of development, production and maintenance.

Main products ■ Edge and Programmable Logic Controllers (PLCs) ■ Servo systems  
■ Industrial and collaborative robots ■ Circuit breakers ■ Energy-saving support systems  
■ NC controllers ■ Laser processing machines ■ 3D (Metal) printers

## Public Systems



### Supporting a better tomorrow with cutting edge technologies at work in our everyday life

Our solutions cover a number of fields that underpin our everyday life, including advanced social infrastructure and public facilities and services. We enhance quality of living by creating solutions that are truly needed by society — everything from water environment systems, to solutions for making society safer and more secure, to providing video entertainment.

Main products ■ Water treatment technologies ■ Aircraft management systems  
■ Large screen video systems ■ Disaster information systems

## Energy Systems



### Building power infrastructure across the entire energy value chain as one of Japan's foremost power system suppliers

Energy systems represent a core business that Mitsubishi Electric has been engaged in since our founding. We have played a major role in the development of power infrastructure around the world in all phases, from power generation to transmission and distribution. With the growing demand for clean energy, Mitsubishi Electric is also actively developing new energy businesses, including smart grid-related products & solutions.

Main products ■ Turbine generators ■ Protection and control systems ■ Vacuum breakers  
■ Transformers ■ Substation systems ■ Grid stabilization systems ■ Switchgears  
■ Battery energy storage control systems ■ Power conversion systems  
■ Applied Superconductor products ■ Power ICT solutions

## Transportation Systems



### Mitsubishi Electric as a leader in railway solutions providing a full range of equipment and systems for rolling stock

We developed an unrivaled level of technical prowess from our involvement in the development of rolling stock and on ground systems for all of Japan's Shinkansen since it began service back in 1964. We are also utilizing our expertise in power and communications across various fields to improve energy efficiency. Our products have already been adopted by more than 30 countries around the world. Our goal is to support comfortable rail services in Japan and abroad that are both safe and energy efficient.

Main products ■ Propulsion systems ■ Air conditioning systems for rolling stock  
■ Rolling stock information management systems ■ Electricity control systems  
■ Train vision ■ Transportation planning and control systems

## Automotive Equipment



### Contributing to the advancements in motorization with a broad lineup of products

We were the first in the world to produce an electric power steering system and today many of our products hold a leading market share globally, enabling us to support the creation of safer, more secure, and more comfortable cars. We are helping make safer, more secure cars, by reflecting the various needs of the automobile society to automotive equipments, such as electric vehicles, hybrid electric vehicles, or automated cars.

Main products ■ Charging & Starting products ■ Electric power steering system products  
■ Engine management products ■ Car multimedia products ■ Electrification components  
■ ADAS products



### Space Systems

## Cutting edge technologies at work across the vast business fields in the space industry

We have participated in the development of more than 500 satellites in various countries around the world. We are able to conduct all aspects of satellite development in-house, including design, production, and testing using our test facilities that can reproduce the environment in space. We are also a world leader in large telescopes, too, having been involved with the Subaru Telescope in Hawaii and the ALMA Telescope in Chile.

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Main products ■ Satellites ■ Large telescopes ■ Onboard satellite equipment

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### Information & Communication Systems

## Making communications easier and more convenient with technologies that "send" information

We supply products for optical communication systems that enable high-speed transfers of content-rich data, such as HD videos, over the Internet using existing communications infrastructure. Through this business line, we are helping to make society a better place with an assortment of solutions, including video surveillance systems that make society safer and more secure as well as wireless communication systems for smart meters that optimize energy usage.

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Main products ■ Optical communication systems ■ Wireless communication systems ■ Video surveillance systems

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### Semiconductors & Devices

## Providing key devices underpinning a more affluent society, harnessing cutting edge technologies

We supply semiconductors and devices that make our lives more affluent as key devices in equipment used in a wide range of fields, from home electronics to space. In particular, power semiconductor devices are used in a truly wide range of fields, including home products, industrial equipment, electric vehicles, power control systems for traction, motor control systems, wind turbines, and photovoltaic systems. The performance of our products helps to lower energy usage in each of these fields, too.

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Main products ■ Power semiconductor modules ■ Optical devices ■ High frequency devices ■ TFT-LCD modules

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### Air Conditioning Systems

## Providing comfortable and energy-efficient air conditioning for industry and in our everyday life

We provide not only in Japan but around the world with a broad range of highly energy-efficient air conditioning systems created with comfortable indoor environments in mind, from the Kirigamine brand of room air conditioners to air conditioner systems for stores, offices and other buildings. At the same time, we also supply a number of low-temperature products and systems for use in areas from distribution to industry, including cool warehouses and cold storage, as well as ice makers, dehumidifiers and other equipment for warehouses, food processing plants and ice skating rinks.

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Main products ■ Room air conditioners ■ Commercial air conditioners ■ Low-temperature systems, water heaters, and industrial cooling and heating systems

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### Home Products

## Making the lives of our customers more comfortable

We supply an assortment of home electronics for the kitchen, living room, bedroom, and other locations. We will continue to make the lives of customers more comfortable by supplying products that meet and exceed customer expectations.

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Main products ■ LCD TVs ■ Refrigerators and freezers ■ Vacuum cleaners ■ Rice cookers

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### IT Solutions

## Providing IT solutions to make all aspects of our life more convenient, comfortable, and advanced

We deliver security technologies including encryption, IoT technologies, and cloud computing platforms to financial institutions, manufacturing plants, social infrastructure (transportation providers, airlines, airports, the power industry), developers, and others. In the process, our IT solutions underpin a more affluent life and society for all.

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Main products ■ Automated radar terminal systems ■ Flight information systems ■ Large-scale network systems ■ Large-scale security systems

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# President's Message

## Pursue Sustainable Growth by Contributing to Resolving Increasingly Diverse Social challenges



### Meeting the expectations of a global society

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I would like to express my deepest sympathy and condolences for all the people who have lost their lives to COVID-19, as well as for everyone who has suffered through the pandemic and their families and acquaintances. In addition, I would like to express my sincere gratitude and respect to everyone working on the front lines of the medical field and other fields to prevent the spread of disease and treat patients.

The Mitsubishi Electric Group gives the highest priority to the safety and health of customers, business partners, and other related parties, as well as employees and their families. Having taken adequate measures to prevent the spread the infection, such as thorough enforcement of remote work, and securing social distance in production, construction and service related departments, we will continue business that are necessary for fulfilling our responsibilities to society as a corporation in order to maintain people's lives, provide a stable supply of products, provide services, and support our customers.

The Mitsubishi Electric Group will celebrate its 100th anniversary in fiscal 2021. Since our foundation in 1921, we, the Mitsubishi Electric Group, have grown, contributing to society by offering products and services that meet the needs of the time.

Today's society is different; the pace of change continues to accelerate and social issues, such as climate change, depletion of resources, regional disparities, poverty, labor, and human rights, are coming to the forefront. We must aim to become a corporate group that can contribute to resolving such challenges by leveraging our strengths in technology, personnel, and products developed through experience in the history of 100 years.

Today, the development of companies requires both social contribution and corporate growth simultaneously, instead of only seeking their profits. In order to fulfill its responsibilities as a globally operating corporate citizen, the Mitsubishi Electric Group signed the UN Global Compact in 2018 to conduct corporate activities that align with the 10 principles in the 4 key areas of human rights, labor, environment, and anti-corruption.

In addition, since the formulation of the globally standardized goals called the Sustainable Development Goals (SDGs)\*, we feel that the relationship between corporate management and social issues is getting closer every year. The Mitsubishi Electric Group will contribute to meeting the 17 SDGs through all its corporate activities by taking advantage of the strengths of an integrated electronics and electrical manufacturer.

Furthermore, we take various matters related to our CSR materiality found in fiscal 2020 seriously and will work in earnest to prevent the same problems from recurring, fulfilling the roles of a company that is responsible for the global society.

\* The Sustainable Development Goals (SDGs) comprise a set of targets adopted by the U.N. General Assembly in 2015 as part of an action plan to be accomplished by 2030 that would end poverty, protect the planet and ensure prosperity for all.

### Manage a Business with Focus on Resolving Social Challenges

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In 2019, the Mitsubishi Electric Group announced that it will pursue value creation to resolve social issues based on the corporate strategy.

In formulating the strategy, our directors confirmed in many discussions that the Group should aim to become a corporation that resolves social issues through its business activities.



We have defined the four fields of Life, Industry, Infrastructure and Mobility in diversifying social challenges that the Mitsubishi Electric Group can contribute to. While enhancing the business foundation fostered over the past 100 years, we will also unite all the capabilities inside and outside of the Group to offer a total solution in the four fields through a transformation of business models.

In order to build new business models and accelerate the creation and development of new businesses, which are difficult under the existing framework, we established the Business Innovation Group in April 2020. With a mission to demonstrate the synergy of the Mitsubishi Electric Group's wide range of businesses, "From in the Home to the Outer Space," and to develop by itself businesses in new areas based on that foundation, the Business Innovation Group will contribute to society by creating new value.

Even for an integrated electronics and electrical manufacturer, however, there are not few issues that can be addressed only by the Mitsubishi Electric Group. We will proactively leverage open innovation initiatives with research institutions and startups having profound knowledge to promote business.

## Consistently promoting the four CSR materiality

We will continue to focus our efforts to the Mitsubishi Electric Group's four CSR materiality: "Realize a sustainable society," "Provide safety, security, and comfort," "Respect human rights and promote the active participation of diverse human resources," and "Strengthen corporate governance and compliance on a continuous basis."

In response to environmental issues, we have developed "Environmental Sustainability Vision 2050"\*<sup>1</sup> for 2050 and will promote a long-term approach. In addition to expressing approval of the recommendations by the TCFD\*<sup>2</sup> (Task Force on Climate-related Financial Disclosures) in 2019 as it emphasizes activities and information disclosure in line with international norms, the Group also has obtained certification from the SBT (Science Based Targets) initiative\*<sup>3</sup> in January 2020.

However, we have caused various incidents related to CSR materiality in fiscal 2020. One of such incidents is work-related issues that affected employees' lives or mental and physical health. The entire Group will be fully committed to achieving a workplace environment where all employees can maintain their physical and mental health and work actively with a sense of security to prevent the same incident from recurring. We have also caused a great inconvenience and anxiety to our stakeholders as a result of a quality control issue in which products that do not satisfy the agreement with customers were shipped as well as an illegal access issue related to information security. We also take the problem of a delay in reporting to customers and agencies concerned seriously. Our outside directors have given us much advice on these incidents and the entire Group will commit to prevent these problems from recurring.

\*<sup>1</sup> Jun 13, 2019 Mitsubishi Electric Unveils its Group's Environmental Sustainability Vision 2050

\*<sup>2</sup> TCFD (Task Force on Climate-related Financial Disclosures): A task force for disclosure of climate-related financial information led by the private sector, established at the request of the G20 finance ministers and governors of central banks

\*<sup>3</sup> SBT (Science Based Targets) initiative: An international initiative by the UN Global Compact (UNGC), the World Wide Fund For Nature (WWF), the CDP, and the World Resources Institute (WRI)

## Continue challenging to create value

Going forward, we must disclose appropriate information in a timely manner to our stakeholders. In addition to the results of our efforts, we will especially proactively communicate the process of making such efforts, including the Mitsubishi Electric Group's view and recognition of issues. As a result, we believe the point of contact with various stakeholders will increase, leading to increased possibilities for creating new value together.

It is also important to clearly present company policies and company-wide activities from the perspective of communication with employees. Since I was appointed as the president, I have visited many sites and held "President's Forum" to talk with employees, in which I directly communicate the company policies and gather opinions from a wide range of frontline staff. At the Mitsubishi Electric Group, our employees have had opportunities to discuss with each other through small-group activities and other opportunities. By taking advantage of such a corporate culture to accept differences with each other and think about what we should be like, we believe our workplaces will be united to show our strengths.

Fiscal 2021 marks Mitsubishi Electric's 100th anniversary. In order to support new values in society and also to realize a society that people desire, I believe the Mitsubishi Electric Group should use its full strength to contribute to resolving social issues. Meanwhile, I send a message to our employees with the hope that they will have a desire to tackle social issues at work based on their horizons broadened by regularly involving community, volunteer, or other activities and to continue their pursuit of searching for a better tomorrow.

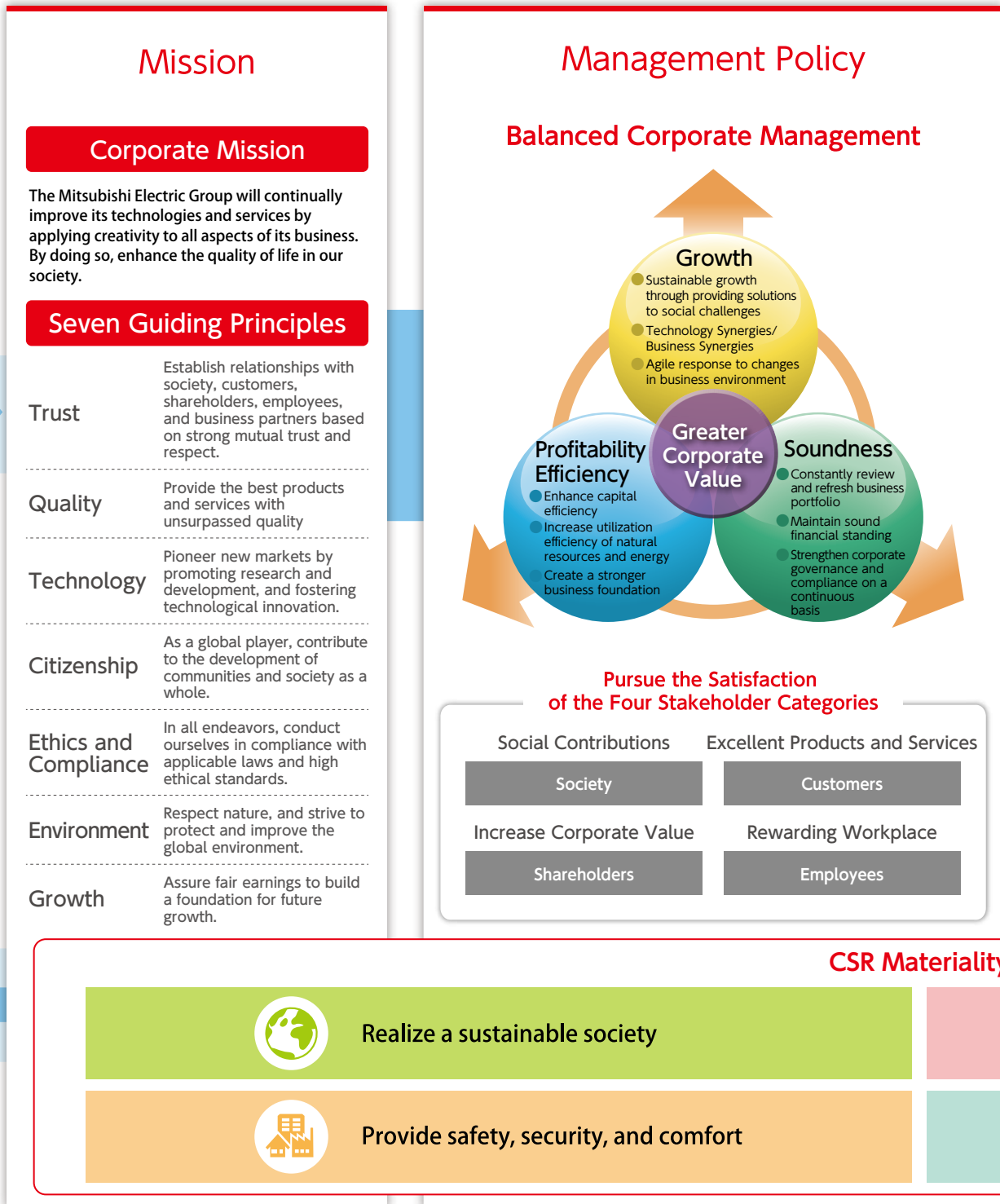
Nonetheless, we expect that measures to prevent the spread of the COVID-19 will bring dramatic changes to the values of humanity, including lifestyles, work styles, business styles, and communication methods. We will incorporate new values into our own working styles, while uniting all the capabilities inside and outside of the Group, in order to respond to changing demand and to address social challenges.



Takeshi Sugiyama  
President & CEO

# Initiatives to Create Value

The Mitsubishi Electric Group has taken on the challenge of resolving diversifying social challenges including environmental issues and resource and energy issues through its products, systems and services. In doing so, it promotes initiatives to create values, such as simultaneous achievement of "sustainable society," and "safety, security, and comfort." In these ways, the Mitsubishi





Electric Group pursues the sustainable growth of the entire Group.

Meanwhile, by pursuing sustainable growth of the Group through all its corporate activities including initiatives to create value, the Group will also contribute to achieving the SDGs, common global goals.

## Contribute through all corporate activities

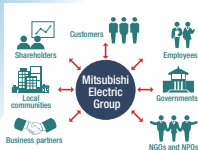
### SUSTAINABLE DEVELOPMENT GOALS



### Initiatives That Support Business



Environment  
 Social Governance

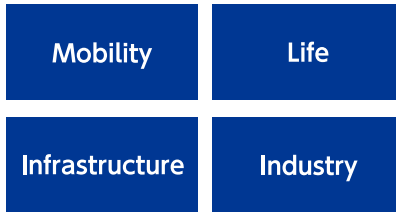


## Contribute through value creation

### Focusing on the SDGs



### The four fields



### Initiatives to Create Value



Sustainable Growth



- Respect human rights and promote the active participation of diverse human resources
- Strengthen corporate governance and compliance on a continuous basis

Diversifying social challenges

# CSR Materiality

The Mitsubishi Electric Group regards its corporate social responsibility (CSR) initiatives as the foundation of its corporate management. The Mitsubishi Electric Group identified CSR materiality in order to realize the further integration of CSR with management and the long-term advancement of CSR initiatives.

The Group will continue to pursue its initiatives for addressing the four material issues in cooperation with business partners along the supply chain.



## Realize a Sustainable Society

**Environmental Sustainability Vision 2050**

**Environmental Declaration**

Protect the air, land, and water with our hearts and technologies to sustain a better future for all.

To solve various factors that lead to environment issues, the Mitsubishi Electric Group shall unite the wishes of each and every person, and strive to create new value for a sustainable future.

**Three Environmental Action Guidelines**

- 1 Apply diverse technologies in wide-ranging business areas to solve environmental issues
- 2 Challenge to develop business innovations for future generations
- 3 Publicize and share new values and lifestyles

**Key Initiatives**

- Climate Change Measures
- Resource Circulation
- Live in Harmony with Nature
- Long-term Activities
- Innovation
- Nurturing Human Resources
- Understanding Needs
- Co-create and Disseminate New Values
- Live in Harmony with the Region

Environmental Sustainability Vision 2050

Under its Environmental Vision 2021 formulated as a goal for fiscal 2021, the Mitsubishi Electric Group has been carrying out initiatives to realize a low-carbon, recycling-based society that functions in harmony with nature.

The Group has formulated its Environmental Sustainability Vision 2050 to clarify the Group's stance on addressing long-term environmental issues and creating new value for a sustainable future toward 2050.

### Reasons why is it important

Environmental issues including climate change and resource and energy issues are global issues. The Mitsubishi Electric Group will contribute to solving these issues with the aim of realizing a sustainable society.

## Main FY2021 targets

Provide products and services that contribute to Goal 7, "Affordable and clean energy," and Goal 13, "Climate action," of the SDGs



Reduce CO<sub>2</sub> emissions from product usage

More than **35%**

reduction compared to FY2001 by FY2021

Reduce CO<sub>2</sub> emissions from production

Less than **1.47**

million tons by FY2021 (CO<sub>2</sub> equivalent)

## Financial information based on recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)

The Mitsubishi Electric Group has expressed its support for the recommendations of the TCFD (Task Force on Climate-related Financial Disclosures). In line with these recommendations, the Group discloses relevant information on climate change.

### Strategy for Climate Change

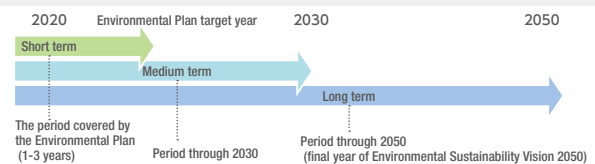


\*1 Science Based Targets (Greenhouse gas reduction targets that are scientifically consistent with the long-term goals of the Paris Agreement) \*2 Applied the IEA 450 scenario, etc.  
\*3 Applied the IPCC RCP 8.5 scenario, etc. \*4 This conclusion is based on the scenario, and the future outlook may differ.

### Overview of risk and opportunity assessment through scenario analysis

Through scenario analysis, we assess the corporate activities of the Group in terms of risks and opportunities.

The assessment is made based on two scenarios: a scenario to keep the increase in the global average temperature to below 2°C above pre-industrial levels (2°C scenario\*) and a scenario in case the temperature rises nearly 4°C as a result of continuing the conventional global warming countermeasures (4°C scenario\*). The period covered by the scenario analysis is up to 2050, and the periods are classified as shown below.



As a result of this assessment of climate-related risks and opportunities and our initiatives toward them, the Mitsubishi Electric Group can be said to have resilience against such risks under both the 2°C and the 4°C scenarios and the opportunity for sustainable growth through the solving of social issues arising from climate change\*\*.

For more information, see Environment.



CSR Materiality

<https://www.MitsubishiElectric.com/en/sustainability/csr/management/materiality/index.html>

Environment

<https://www.MitsubishiElectric.com/en/sustainability/environment/index.html>

Responsibility to customers

<https://www.MitsubishiElectric.com/en/sustainability/csr/social/index.html#responsibility>



## Provide Safety, Security, and Comfort



"kizkia" video analysis solution

Since our inception, the Mitsubishi Electric Group has been contributing to society primarily by offering products and services.

We constantly strive to increase customer satisfaction and contribute to social prosperity in all aspects of our business, from the production of high-quality, easy-to-use products to after-purchase support and response to major issues.

### Reasons why is it important

Various issues are becoming evident due to urbanization and other reasons. The Mitsubishi Electric Group will provide safety, security, and comfort while contributing to solving issues with a focus on city development.

## Main FY2021 targets

Provide products and services that contribute to Goal 11, "Sustainable cities and communities," of the SDGs



Make Group-wide efforts to investigate the cause of serious malfunctions, and implement recurrence prevention measures

Ensure safety through risk assessment

Maintain  
**100%**

Implementation of risk assessments of target home electronic products

### 1. The results of re-examination of the quality assurance system of Mitsubishi Electric and its subsidiaries

Mitsubishi Electric and its subsidiaries, etc. have been found to have committed misconduct with regard to quality control for certain products and have submitted inadequate applications to the relevant authority regarding product certification. In addition to thoroughly reviewing and reinforcing the creation of a quality culture in the organization and strengthening the quality control system, we will strive to ensure compliance once again and strengthen internal control.



Aug 2, 2019 The Results of the Re-examination of the Quality Assurance System of Mitsubishi Electric and its Subsidiaries (In Japanese text)

### 2. About the failure in shipping inspection for certain power semiconductor products of Mitsubishi Electric

During November 2014 to June 2019, Mitsubishi Electric's Power Device Works shipped certain power semiconductor\* products it manufactured without carrying out shipping inspections in accordance with the specification agreed with the customer. This incident was found in the course of the ongoing strengthening of quality control following the efforts described in 1 above made across the entire Group. In addition to thoroughly reviewing and reinforcing the creation of a quality climate in the organization and further strengthening the quality control system, we will strive for quick information sharing.

\* A semiconductor device that efficiently controls power by converting electricity from AC to DC or raising or lowering the voltage.



Feb 10, 2020 About the Failure in the Shipping Inspection of Certain Power Semiconductor Products of Mitsubishi Electric (In Japanese text)



## Respect Human Rights and Promote the Active Participation of Diverse Human Resources



Work Style Reform initiatives

The Mitsubishi Electric Group respects the human rights of all peoples in countries and regions where it engages in business, based on a conscious awareness of its widespread interaction with people and society. It is also promoting Work Style Reforms so that a diverse range of human resources can play an active role.

### Reasons why is it important

Human rights and diversity are global issues. As a global company, the Mitsubishi Electric Group will grapple with these issues. Diversity is also crucial for creating innovation, which is the source of the Group's strength.

## Main FY2021 targets

Provide anti-harassment education for all employees

Attendance rate of

**100%**

Enhancement of a reporting system with respect to human rights violations

Increase the ratio of women among new recruits in engineering fields

FY2022 target of

**20%**  
or higher

## Initiatives to prevent recurrence of work-related issues

The Mitsubishi Electric Group has experienced work-related issues that affected employees' lives or mental and physical health. Although the Group implemented prevention measures on each occasion, another work-related issue occurred in fiscal 2020. We took this seriously, deeply regretted that our past initiatives had not been sufficient, and determined preventive measures including new initiatives.

The Group considers the prevention of recurrence of work-related issues as its top management priority, and as a whole, makes every effort to create a work environment where all the employees can maintain mental and physical health and work actively with a sense of security. Specifically, the Group will work together to deploy a variety of measures to innovate the workplace culture, including measures to respond to power harassment and mental health issues, to prevent long working hours and to properly manage working hours.

Item	Initiatives
Workplace culture innovation (measures to respond to power harassment) (measures to respond to mental health issues)	Deployment of the Mitsubishi Electric Workplace Culture Innovation Program <ul style="list-style-type: none"> <li>● Enhance anti-harassment education and strengthening of evaluation when assigning leaders, including managers</li> <li>● Quantitative workplace culture analysis through attitude survey and continuous improvement based on analysis results</li> <li>● Enhance measures to identify and address the workload and mental conditions of individuals at an early stage</li> <li>● Engage in thorough and appropriate care of employees with mental health issues (Inspect operations and thoroughly reimplement Mitsubishi Electric Return to Work Support Guidelines)</li> <li>● Enhance consultation channels (establishment of multiple channels), etc.</li> </ul>
Measures against long working hours	<ul style="list-style-type: none"> <li>● Reduce long working hours and continue proper tracking of working hours</li> <li>● Implement appropriate health measures such as consultation by company medical advisors</li> </ul>

Jan 10, 2020 Initiatives to Prevent Recurrence of Work-Related Issues (In Japanese text)



CSR Materiality

<https://www.MitsubishiElectric.com/en/sustainability/csr/management/materiality/index.html>

Labor practices

<https://www.MitsubishiElectric.com/en/sustainability/csr/social/index.html#labor>

Governance

<https://www.MitsubishiElectric.com/en/sustainability/csr/governance/index.html>



## Strengthen Corporate Governance and Compliance on a Continuous Basis



Board of Directors' meeting

To realize sustained growth and increase corporate value, the Mitsubishi Electric Group works to maintain the flexibility of its operations while promoting management transparency. These endeavors are supported by an efficient corporate governance structure that clearly defines and reinforces the supervisory functions of management while ensuring that the company is responsive to the expectations of customers, shareholders, and all of its stakeholders. Additionally, the Mitsubishi Electric Group recognizes that not only ethics and legal compliance, but also compliance in the wider sense of the term that includes the perspective of corporate ethics, are the foundation of the Group's continued existence.

### Reasons why is it important

Corporate governance and compliance are fundamental preconditions for a company's continued existence. The Mitsubishi Electric Group will continue to strengthen these areas.

## Main FY2021 targets

Maintain a 100% attendance in e-learning programs on compliance

Maintain rate of

**100%**

Provide proper information to directors at the proper time, conduct a review of the board of directors, and analyze and evaluate the review

Enhancement comprehensive cybersecurity measures

1. Technical measures,
2. Thorough document management,
3. Framework upgrading Enhancement

## Potential for leaks of personal data and confidential corporate information due to unauthorized system access

We sincerely apologize for any inconvenience and/or concern experienced by our customers and society as a result of the potential data leak incident caused by unauthorized system access, as reported in January 2020.

On June 28, 2019, after detecting and investigating suspicious activity involving computer terminals at Mitsubishi Electric, it was determined that data had been taken through unauthorized system access by a third party. The investigation took some time because it was a sophisticated attack that bypassed monitoring and detection measures, and the logs that would have identified the affected files were deleted by the hacker on some terminals. The finding was that personal data and confidential corporate information may have been leaked externally.

The Mitsubishi Electric Group deeply regrets not being able to prevent such a situation, and reaffirms that cyber security is an important management issue as stated in the Cyber Security Management Guidelines of the Ministry of Economy, Trade and Industry of Japan. Going forward, we will deploy stronger and more nimble information security measures globally. The Group has established the Corporate Information Security Division, which is a unified organization under the direct control of the president, in order to continually ascertain and manage risks and prevention measures within the Group. We continue to work on information security measures to prevent any such incident from reoccurring. The Group also shares its knowledge to help society as a whole counter today's increasingly sophisticated and diversified cyber-attacks.



Jan 20, 2020 Potential for leaks of personal data and confidential corporate information due to unauthorized system access <first report> (In Japanese text)

Feb 10, 2020 Potential for leaks of personal data and confidential corporate information due to unauthorized system access <second report> (In Japanese text)

Feb 12, 2020 Potential for leaks of personal data and confidential corporate information due to unauthorized system access <third report> (In Japanese text)

# CSR Management

## Management

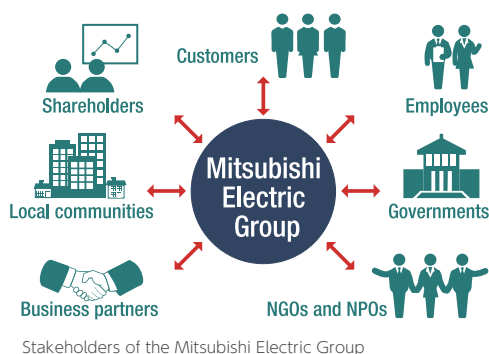
### Principles of CSR

The Mitsubishi Electric Group regards its corporate social responsibility (CSR) initiatives as the foundation of its corporate management, and upholds its Corporate Mission and Seven Guiding Principles as the basic policies of its CSR. Particularly with respect to initiatives related to ethics and legal compliance, Group-wide efforts are made to enforce measures such as enhancing training and strengthening internal controls. Active measures are also taken to ensure and improve quality assurance, environmental preservation activities, philanthropic activities, and communication with stakeholders.

### Stakeholders of the Mitsubishi Electric Group

To achieve sustainable growth, the Mitsubishi Electric Group must maintain communication with its various stakeholders. We have a corporate social responsibility to incorporate the expectations, requests, and opinions of each stakeholder into our corporate activities, and to increase our positive effect on society while reducing any negative effects.

To help maintain communication with stakeholders, we have taken the "Four Satisfactions" as a management policy, with the aim of providing satisfaction to all of our stakeholders, including society, customers, shareholders, and employees.

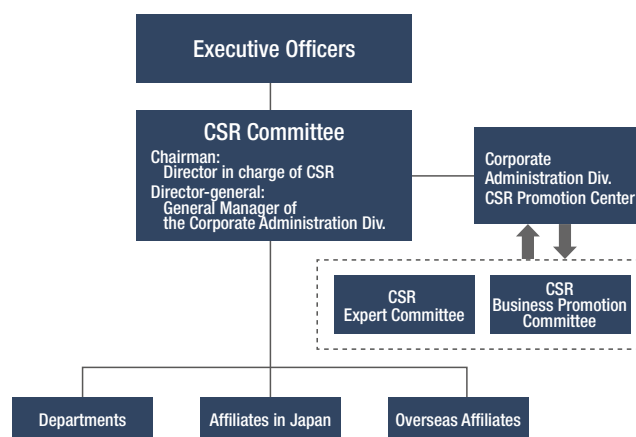


### Promotional System for CSR

The policies and planning for the CSR activities of the Mitsubishi Electric Group are decided by a CSR Committee appointed by Mitsubishi Electric's executive officers. The Committee is composed of the heads of Mitsubishi Electric's management departments (21 members in charge of environmental, social and governance aspects from divisions such as Corporate Strategic Planning and Corporate Human Resources), and discusses the results of activities performed during the previous fiscal year, decisions on future activity plans, and responses to law amendments, from a perspective that spans the entire Mitsubishi Electric Group. The details of CSR Committee meetings are reported to the senior executives through the Executive Officers' Meeting and the Audit Committee.

Knowing that CSR activities are directly linked to corporate management, each department responsible for ethics and legal compliance, quality assurance and improvement, environmental conservation and philanthropy activities, and communication with stakeholders implements their own initiatives, based on the CSR policy of the Mitsubishi Electric Group.

In addition to the CSR Committee that is generally held once a year, various activities are also promoted and implemented in communication with the CSR Expert Committee and CSR Business Promotion Committee, which are convened as a forum for sharing and executing the policies and plans established by the CSR Committee.



CSR Promotion System





Management

<https://www.MitsubishiElectric.com/en/sustainability/csr/management/management/policy/index.html>

Measures for Internal Dissemination

<https://www.MitsubishiElectric.com/en/sustainability/csr/management/communication/measures/index.html>

### Main agenda of the CSR Committee (held in April 2020)

- Report on achievements made in the previous fiscal year and activities planned in the current fiscal year
- Responses to the sustainable development goals (SDGs)
- Further enhanced information disclosure that takes into account ESG (environment, social, governance) investment
- Human rights initiatives
- Responses to TCFD



CSR Committee

## Main Initiatives

### Participation in the UN Global Compact

In May 2018, the Mitsubishi Electric Group signed the UN Global Compact (UNGC) aimed at promoting CSR activities based on international norms.

By signing the UNGC, the Group pledges to make continued efforts toward sustainable growth by complying with the ten principles in the four areas of human rights, labor, environment and anti-corruption to the extent that it can influence society. Efforts will be made to enhance the Group's activities by maintaining close communication with UN organizations and relevant initiatives.



### Expression of approval of the TCFD recommendations

The Mitsubishi Electric Group has expressed approval of the recommendations by TCFD (Task Force on Climate-related Financial Disclosures) and has been promoting initiatives and disclosing information according to its recommendations.



## Main External Evaluation

### CDP

Mitsubishi Electric was selected as the highest rating "A List company" from CDP for "Water Security" for four consecutive years.



### SBT

It is recognized that the Mitsubishi Electric Group's greenhouse gas reduction targets for 2030 are based on scientific grounds to "Holding the increase in the global average temperature to well below 2° C above pre-industrial levels" as stipulated in the Paris Agreement. We have obtained certification from the SBT (Science Based Targets) initiative.



### EcoVadis

Mitsubishi Electric has been awarded the top-rank Gold Rating in corporate social responsibility (CSR) by EcoVadis, the global CSR assessment agency. Mitsubishi Electric scored especially highly in the categories of environment and sustainable procurement. The Gold Rating places Mitsubishi Electric among the top 5 percent of all companies assessed by EcoVadis.



## CSR Materiality and SDGs Management

### CSR Materiality


Considering requests from the Global Reporting Initiative (GRI)\*, social trends and the business environment, in fiscal 2016 the Mitsubishi Electric Group identified CSR materiality, initiatives, and targets / Key Performance Indicators (KPI) to fulfill the materiality towards realizing the further integration of CSR with management and the long-term advancement of CSR initiatives.

We will implement activities to continuously improve our performance related to CSR materiality, initiatives, and targets / Key Performance Indicators (KPI) based on the PDCA (Plan-Do-Check-Action) Cycle approach.

\* An international body that proposes shared global guidelines for corporate sustainability reporting

#### CSR materiality

#### Reasons why is it important

 <p><b>Realize a sustainable society</b></p>	<p>Environmental issues including climate change and resource and energy issues are global issues. The Mitsubishi Electric Group will contribute to solving these issues with the aim of realizing a sustainable society.</p>
 <p><b>Provide safety, security, and comfort</b></p>	<p>Various issues are becoming evident due to urbanization and other reasons. The Mitsubishi Electric Group will provide safety, security, and comfort while contributing to solving issues with a focus on city development.</p>
 <p><b>Respect human rights and promote the active participation of diverse human resources</b></p>	<p>Human rights and diversity are global issues. As a global company, the Mitsubishi Electric Group will grapple with these issues. Diversity is also crucial for creating innovation, which is the source of the Group's strength.</p>
 <p><b>Strengthen corporate governance and compliance on a continuous basis</b></p>	<p>Corporate governance and compliance are fundamental preconditions for a company's continued existence. The Mitsubishi Electric Group will continue to strengthen these areas.</p>

### The Mitsubishi Electric Group and the SDGs

In 2015, the countries of the United Nations General Assembly adopted the Sustainable Development Goals (SDGs). The Mitsubishi Electric Group views these SDGs as an important agenda, the realization of which society seeks.

Under its corporate mission that "The Mitsubishi Electric Group will continually improve its technologies and services by applying creativity to all aspects of its business. By doing so, we enhance the quality of life in our society" the Group aims to contribute to solving social issues. This policy corresponds to what the globally shared goals of the SDGs aim to achieve.

Through our numerous businesses and the entirety of our corporate activities, including environment, social and

governance (ESG)-related activities, the Mitsubishi Electric Group is contributing to meeting the 17 SDGs.



#### The SDGs (Sustainable Development Goals)

The SDGs are a set of global goals that are to be achieved between 2016 and 2030. They were adopted by the United Nations General Assembly in September 2015 as a successor to the Millennium Development Goals (MDGs) that were formulated in 2001, and are composed of 17 goals and 169 targets for achieving a sustainable world.

Two key principles of the SDGs (Sustainable Development Goals) are that they seek change in developed countries, including Japan, and that they pledge "no one will be left behind" in the implementation of their initiatives. In Japan, the SDGs Promotion Headquarters has been established, chaired by the Prime Minister and composed of all ministers in the Cabinet Office, to formulate implementation guidelines and promote initiatives for the SDGs.



## Focusing on the SDGs

In fiscal 2019, we decided on goals that we would address on a priority basis to further contribute to the SDGs.

As a result of an internal and external survey to confirm SDGs that they have high expectations for contribution by the Mitsubishi Electric Group which was conducted in the course of developing the goals, it was found that they expect us to contribute more through business activities. We decided to address energy, infrastructure and the environment on a priority basis to further contribute to the SDGs as these are the areas where all the businesses of the Group are involved in and the Group will further focus on them.

- Goal 7: Affordable and Clean Energy
- Goal 11: Sustainable Cities and Communities
- Goal 13: Climate Action

By further promoting initiatives to create value for these goals to which we can contribute significantly as a comprehensive electrical and electronics manufacturer, we will make a specific contribution to achieving the SDGs.

In doing this, the Mitsubishi Electric Group will integrate the concept of the SDGs into its management strategy and contribute to the SDGs that we will prioritize through the CSR materiality initiatives of "Realize a Sustainable Society," and "Provide Safety, Security, and Comfort."



CSR materiality and SDGs



## Progress of Initiatives to Address the SDGs

The Mitsubishi Electric Group is conducting measures in a variety of forms to make our employees aware of the background to the adoption of the Sustainable Development Goals (SDGs) and to entrench the individual goals themselves, in order to deepen understanding of the SDGs among each of them. Considering how the Mitsubishi Electric Group could contribute, the Group's CSR committee, CSR expert commit-

tee and CSR business promotion group commenced reviews by devising potential responses by their own companies. In fiscal 2019, we decided on SDGs that we could implement on a priority basis.

With achievement of the goals we share globally as our objective, we will maintain our efforts to bolster management as we work to make everyone throughout the company fully cognizant of our SDGs and integrate the thinking behind them into our operations.

### Main initiatives to the present

- Lecture presentation for executives by Toshio Arima, a board member of Global Compact Network Japan (fiscal 2018)
- Reflecting of SDGs in our business strategy (fiscal 2018, fiscal 2019, fiscal 2020, fiscal 2021)
- Holding lecture presentations regarding the SDGs for research and development divisions (fiscal 2018, fiscal 2020)
- Promoting understanding about the SDGs through internal newsletters (fiscal 2018, fiscal 2019, fiscal 2020, fiscal 2021)
- Education of staff to advance the SDGs during training of CSR personnel (fiscal 2018, fiscal 2019)
- SDGs training (fiscal 2019, fiscal 2020)



SDGs Training

## Initiatives Related to the 17 SDGs

The Mitsubishi Electric Group, as a comprehensive electrical and electronic manufacturer, handles a wide range of technologies, products, and services, ranging from familiar home electronics products to satellites and projects on a national scale. As such, we believe that we can also greatly contribute toward meeting the 17 Sustainable Development Goals (SDGs).

 <p><b>1 NO POVERTY</b></p> <p><b>No Poverty</b></p> <p>We are working to end poverty by creating employment through the global expansion of our business, and launching initiatives including the establishment of social infrastructure and philanthropic activities.</p>	 <p><b>2 ZERO HUNGER</b></p> <p><b>Zero Hunger</b></p> <p>We are contributing to solving food-related issues through measures including the provision of IT support for agriculture via ICT and positioning satellites, improving productivity in foodstuffs factories through FA, and supplying refrigeration and freezing technologies for food.</p>	 <p><b>3 GOOD HEALTH AND WELL-BEING</b></p> <p><b>Good Health and Well-being</b></p> <p>We contribute to improving health and well-being through transportation safety support systems that help to cut down traffic accidents, as well as through cutting-edge Air conditioning Systems that contribute to the advancement of treatment.</p>	 <p><b>4 QUALITY EDUCATION</b></p> <p><b>Quality Education</b></p> <p>In addition to providing technological assistance to developing nations and supporting remote education through our communication and IT technologies, we are contributing to fostering the next generation and beyond through activities that contribute to society.</p>
 <p><b>5 GENDER EQUALITY</b></p> <p><b>Gender Equality</b></p> <p>We are supporting the social empowerment of women through providing ICT services and supplying home appliances, and we are promoting the further advancement of women within the Group.</p>	 <p><b>6 CLEAN WATER AND SANITATION</b></p> <p><b>Clean Water and Sanitation</b></p> <p>The Group has technology for treating and purifying water, and supplies technologies and systems whose purpose is to deliver safe water.</p>	 <p><b>7 AFFORDABLE AND CLEAN ENERGY</b></p> <p><b>Affordable and Clean Energy</b></p> <p>We are working to develop technologies and systems that will help produce a smart, energy-conserving, and energy-creating society — technologies, products, and services that we are endeavoring to make widely available.</p>	 <p><b>8 DECENT WORK AND ECONOMIC GROWTH</b></p> <p><b>Decent Work and Economic Growth</b></p> <p>Through our FA and AI technologies, we are working to contribute to increased productivity and the provision of desirable working environments throughout the Group.</p>
 <p><b>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</b></p> <p><b>Industry, Innovation and Infrastructure</b></p> <p>The Group supports manufacturing through its factory automation business, and nurtures development in the industrial field through technological innovation.</p>	 <p><b>10 REDUCED INEQUALITIES</b></p> <p><b>Reduced Inequalities</b></p> <p>In cooperation with our stakeholders, we are contributing to realizing discrimination-free societies that respect human rights.</p>	 <p><b>11 SUSTAINABLE CITIES AND COMMUNITIES</b></p> <p><b>Sustainable Cities and Communities</b></p> <p>We provide safety, security, and comfort to people's lives through our work in the disaster-prevention and infrastructure-development fields.</p>	 <p><b>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</b></p> <p><b>Responsible Consumption and Production</b></p> <p>We are endeavoring to reduce the volume of resources used in manufacturing and to recycle spent products. Additionally, we are also pushing to reduce the volume of final waste disposed and to be environmentally friendly in our resource procurements.</p>
 <p><b>13 CLIMATE ACTION</b></p> <p><b>Climate Action</b></p> <p>We are working to identify a total valuation of our CO<sub>2</sub> and other greenhouse gas emissions in order to set our goals for reductions.</p>	 <p><b>14 LIFE BELOW WATER / 15 LIFE ON LAND</b></p> <p><b>Life below Water / Life on Land</b></p> <p>We develop and supply observation satellites that deliver information about ocean and forest conditions, and furthermore promote initiatives at our offices aimed at harmonizing their activities with the local environment.</p>	 <p><b>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</b></p> <p><b>Peace, Justice</b></p> <p>Based on laws and international norms, we are working to improve both our supply chains and areas including human rights, labor, the environment and the prevention of corruption on a global scale.</p>	 <p><b>17 PARTNERSHIPS FOR THE GOALS</b></p> <p><b>Partnerships for the Goals</b></p> <p>We are contributing to the achievement of the SDGs through partnerships with entities including governments, universities, research institutes, companies, and NGOs, pushing ahead with open innovation and other initiatives.</p>



## Initiatives that Contribute to Addressing Social Issues

Business Group Headquarters	Social Issues for Which Risks and Opportunities Have Been Recognized and Evaluated	Focusing on the SDGs
Public Utility Systems Group	<ul style="list-style-type: none"> <li>• Appropriate use of water</li> <li>• Optimal use of energy</li> <li>• Addressing climate change</li> <li>• Measures against air, water, and soil pollution</li> <li>• Waste reduction/management</li> <li>• Sustainable use and development of resources</li> </ul>	
Energy & Industrial Systems Group	<ul style="list-style-type: none"> <li>• Optimal use of energy</li> <li>• Introduction of clean energy</li> <li>• Sustainable use and development of resources</li> <li>• Proper management of chemical substances</li> <li>• Addressing climate change</li> <li>• Air, water, and soil pollution countermeasures</li> <li>• Strengthening of global partnerships</li> </ul>	
Building Systems Group	<ul style="list-style-type: none"> <li>• Optimal use of energy</li> <li>• Development and dissemination of innovative infrastructure</li> <li>• Development of safe, secure, comfortable and sustainable cities</li> <li>• Waste reduction</li> </ul>	
Electronic Systems Group	<ul style="list-style-type: none"> <li>• Creating secure, safe and comfortable sustainable cities</li> <li>• Addressing climate change</li> <li>• Prevention of deforestation</li> </ul>	
Living Environment & Digital Media Equipment Group	<ul style="list-style-type: none"> <li>• Optimal use of energy</li> <li>• Introduction of clean energy</li> <li>• Development of safe, secure, comfortable and sustainable cities</li> <li>• Sustainable use and development of resources</li> <li>• Proper management of chemical substances</li> <li>• Addressing climate change</li> </ul>	
Factory Automation Systems Group	<ul style="list-style-type: none"> <li>• Sustainable use and development of resources</li> <li>• Proper management of chemical substances</li> <li>• Addressing climate change</li> <li>• Measures against air, water, and soil pollution</li> <li>• Addressing the declining labor force population</li> </ul>	
Automotive Equipment Group	<ul style="list-style-type: none"> <li>• Improvement in health and welfare</li> <li>• Development and dissemination of innovative infrastructure</li> <li>• Development of safe, secure, comfortable and sustainable cities</li> <li>• Proper management of chemical substances</li> <li>• Addressing climate change</li> </ul>	
Semiconductor & Device Group	<ul style="list-style-type: none"> <li>• Appropriate use of water</li> <li>• Proper management of chemical substances</li> <li>• Addressing climate change</li> <li>• Preservation of biodiversity</li> </ul>	
Information Systems & Network Service Group	<ul style="list-style-type: none"> <li>• Optimal use of energy</li> <li>• Introduction of clean energy</li> <li>• Waste reduction and management</li> <li>• Sustainable use and development of resources</li> <li>• Addressing climate change</li> </ul>	

## Management of the CSR Materiality

In fiscal 2016, the Mitsubishi Electric Group identified the CSR materiality, initiatives to fulfill the materiality, and key performance indicators (KPI). In fiscal 2017, it announced its performance in regard to those initiatives and carried out a review of each initiative and KPI.

CSR Materiality	Initiatives
 <p><b>Realize a Sustainable Society</b></p>  	<ul style="list-style-type: none"> <li> <b>Realization of Environmental Vision 2021<sup>※1</sup></b> <ul style="list-style-type: none"> <li>• Contributing to realizing a low-carbon society</li> <li>• Contributing to creating a recycling society</li> <li>• Contributing to realizing a symbiotic society</li> </ul> </li> <li> <b>Contribution through products and services</b></li> </ul>
 <p><b>Provide Safety, Security, and Comfort</b></p> 	<ul style="list-style-type: none"> <li> <b>Product development that places top priority on customer safety</b></li> <li> <b>Provision of products and services that reflect customers' needs</b></li> <li> <b>Continuous implementation of education on quality principles that place top priority on customers</b></li> <li> <b>Contribution through products and services</b></li> </ul>
 <p><b>Respect Human Rights and Promote the Active Participation of Diverse Human Resources</b></p>	<ul style="list-style-type: none"> <li> <b>Promote human rights initiatives that are based on international norms</b></li> <li> <b>Realization of workplace environments conducive to work-life balance</b></li> <li> <b>Promotion of diversity through the employment and utilization of diverse human resources</b></li> <li> <b>Promotion of occupational health and mental and physical health</b></li> </ul>
 <p><b>Strengthen Corporate Governance and Compliance on a Continuous Basis</b></p>	<ul style="list-style-type: none"> <li> <b>Active dialogue with stakeholders</b></li> <li> <b>Corporate management with a sound oversight function</b></li> <li> <b>Thorough compliance</b></li> <li> <b>CSR procurement (environment, quality, human rights, compliance, etc.)</b></li> </ul>

※1 : Environmental Vision 2021: The long-term environmental management vision of the Mitsubishi Electric Group, aiming 2021 as the target year.

※2 : Aichi Targets: 20 targets for stopping biodiversity loss agreed upon at COP10 ※3 : Number of accidents causing lost worktime per 1 million hours



By upholding the Corporate Mission and Seven Guiding Principles as its basic CSR policy, the Group will continue to pursue its initiatives for addressing the four CSR materiality in cooperation with business partners along the supply chain, with the aim of becoming a global leading green company that contributes to a diverse society.

FY 2021 Targets/Key performance indicators (KPI) (quantitative targets are shown in brackets)	Scope
<ul style="list-style-type: none"> <li>Reduce CO<sub>2</sub> emissions from production (less than 1.47 million tons by FY2021 (CO<sub>2</sub> equivalent))</li> <li>Reduce CO<sub>2</sub> emissions from product usage (more than 35% reduction compared to FY2001 by FY2021)</li> </ul>	All Mitsubishi Electric Group companies (Japan, overseas)
<ul style="list-style-type: none"> <li>Reduce resource inputs (more than 40% reduction compared to FY2001 by FY2021)</li> <li>Improve the final disposal rate of waste materials (Mitsubishi Electric and domestic affiliates to maintain a rate of less than 0.1%, and overseas affiliates to halve the rate to less than 0.5% by FY2021)</li> <li>Reduce water usage per unit of sales (by 1% per annum compared to FY2011 in FY2021)</li> </ul>	All Mitsubishi Electric Group companies (Japan, overseas)
<ul style="list-style-type: none"> <li>Increase the number of participants in outdoor classrooms and satoyama preservation activities (cumulative total of more than 51,000 participants by FY2021)</li> <li>Enhance the level of biodiversity protection activities by offices in line with the Aichi Targets*2</li> </ul>	All Mitsubishi Electric Group companies (Japan, overseas) Mitsubishi Electric
<ul style="list-style-type: none"> <li>Provide products and services that contribute to Goal 7, "Affordable and clean energy," and Goal 13, "Climate action," of the SDGs</li> <li>Maintain the reduction of CO<sub>2</sub> during product usage (more than 70 million tons by FY2001 standards)</li> </ul>	All Mitsubishi Electric Group companies (Japan, overseas)
<ul style="list-style-type: none"> <li>Ensure safety through risk assessment (maintain 100% implementation of risk assessments of target home electronic products)</li> <li>Strengthen the quality control system to confirm that products definitely meet customer specifications</li> </ul>	All Mitsubishi Electric Group companies (Japan, overseas)
<ul style="list-style-type: none"> <li>Develop key persons who are capable of incorporating customer needs into quality (maintain 100% rate of development in all target departments in Japan)</li> <li>Make Group-wide efforts to investigate the cause of serious malfunctions, and implement recurrence prevention measures</li> <li>Boost response capabilities by accelerating the company-wide sharing of information on serious malfunctions</li> </ul>	Mitsubishi Electric Group companies (Japan)
<ul style="list-style-type: none"> <li>Maintain 100% rate of participation in quality e-learning programs (maintain rate of 100%)</li> <li>Provide level-specific group training and lecture programs regarding quality principles (create quality culture)</li> </ul>	All Mitsubishi Electric Group companies (Japan, overseas)
<ul style="list-style-type: none"> <li>Provide products and services that contribute to Goal 11, "Sustainable cities and communities," of the SDGs</li> </ul>	All Mitsubishi Electric Group companies (Japan, overseas)
<ul style="list-style-type: none"> <li>Promotion of ongoing human rights awareness activities</li> <li>Enhancement of a reporting system with respect to human rights violations</li> </ul>	All Mitsubishi Electric Group companies (Japan, overseas)
<ul style="list-style-type: none"> <li>Provide lectures on human rights awareness and anti-harassment training programs for new employees and those for newly appointed managers</li> <li>Provide anti-harassment education for all employees (Attendance rate of 100%)</li> </ul>	Mitsubishi Electric
<ul style="list-style-type: none"> <li>Strengthen and continue to promote the Work Style Reforms initiatives on the goal of the reforms, "realizing a workplace that helps all employees work proactively," and based on the new perspectives for the policy of activities since fiscal 2021 "Deepening of communication in the workplace, Business transformation by streamlining operations and improving quality aspects"</li> </ul>	All Mitsubishi Electric Group companies (Japan, overseas)
<ul style="list-style-type: none"> <li>Promote diversity by employing and utilizing diverse human resources in response to regional and operational circumstances</li> </ul>	All Mitsubishi Electric Group companies (Japan, overseas)
<ul style="list-style-type: none"> <li>Employ people with disabilities beyond the statutory employment rate (higher than 2.2%)</li> </ul>	Mitsubishi Electric Group companies (Japan)
<ul style="list-style-type: none"> <li>Increase the ratio of women among new recruits in engineering fields (FY2022 target of 20% or higher)</li> </ul>	Mitsubishi Electric
<ul style="list-style-type: none"> <li>Systematically dispatch employees to overseas OJT programs and language programs (The programs for FY2021 canceled due to the spread of COVID-19)</li> </ul>	Mitsubishi Electric
<ul style="list-style-type: none"> <li>Promote safety management and health enhancement activities</li> </ul>	All Mitsubishi Electric Group companies (Japan, overseas)
<ul style="list-style-type: none"> <li>Promote safety and health education, and maintain a rate of lost worktime injuries*3 that falls below the industrial average (below 0.58)</li> <li>Improve lifestyle habits and realize a health-conscious company by implementing Mitsubishi Electric Group Health Plan 21 (MHP21) Stage III activities (rate of 73.0% or higher of employees maintaining proper body weight; rate of 39.0% or higher of employees who exercise regularly; rate of 20.0% or lower of employees who smoke; rate of 25.0% or higher of employees who perform dental care at least three times a day; rate of 85% or higher of employees who get enough rest by sleeping properly)</li> </ul>	Mitsubishi Electric Group companies (Japan)
<ul style="list-style-type: none"> <li>Hold a dialogue on CSR with stakeholders more than once a year (more than once/year)</li> </ul>	All Mitsubishi Electric Group companies (Japan, overseas)
<ul style="list-style-type: none"> <li>Hold dialogues with stakeholders through the general meeting of shareholders, corporate strategy presentation meetings, financial results presentation meetings, individual meetings and other such information meetings, and IR activities in Japan and overseas</li> </ul>	All Mitsubishi Electric Group companies (Japan, overseas)
<ul style="list-style-type: none"> <li>Provide proper information to directors at the proper time, conduct a review of the board of directors, and analyze and evaluate the review</li> </ul>	Mitsubishi Electric
<ul style="list-style-type: none"> <li>Provide orientation training and other compliance education and training to directors and executive officers as appropriate at the proper time</li> </ul>	Mitsubishi Electric
<ul style="list-style-type: none"> <li>Establish internal regulations and frameworks needed to ensure proper operations of the Mitsubishi Electric Group, conduct internal audits of their operational status, and regularly report audit results to the audit committee via the executive officer in charge of auditing</li> </ul>	All Mitsubishi Electric Group companies (Japan, overseas)
<ul style="list-style-type: none"> <li>Compliance training on a continuous basis <ul style="list-style-type: none"> <li>Provide compliance education that utilizes diverse methods, on a continuous basis</li> </ul> </li> </ul>	All Mitsubishi Electric Group companies (Japan, overseas)
<ul style="list-style-type: none"> <li>Maintain a 100% attendance in e-learning programs on compliance (maintain rate of 100%)</li> </ul>	Mitsubishi Electric
<ul style="list-style-type: none"> <li>Fair competition (prevention of antimonopoly violations) <ul style="list-style-type: none"> <li>Establish and thoroughly implement bribery prevention measures: provide practical training on an ongoing basis, conduct monitoring with an eye toward establishing regulations and rules</li> </ul> </li> </ul>	All Mitsubishi Electric Group companies (Japan, overseas)
<ul style="list-style-type: none"> <li>Corruption prevention (prevention of bribery) <ul style="list-style-type: none"> <li>Enhance bribery prevention measures: provide bribery prevention education, conduct monitoring with an eye toward establishing regulations and guidelines</li> </ul> </li> </ul>	All Mitsubishi Electric Group companies (Japan, overseas)
<ul style="list-style-type: none"> <li>Enhancement comprehensive cybersecurity countermeasures 1. Technical measures, 2. Thorough document management, 3. Framework upgrading</li> </ul>	All Mitsubishi Electric Group companies (Japan, overseas)
<ul style="list-style-type: none"> <li>Ensure obtaining a consent form for the CSR procurement guidelines (Obtain by the end of September 2021)</li> </ul>	All Mitsubishi Electric Group companies (Japan, overseas)
<ul style="list-style-type: none"> <li>Ascertain material human rights violation risks (forced labor on foreign workers, dangerous and injurious work) in the supply chain and continue activities for corrective action</li> </ul>	Mitsubishi Electric Group companies (Japan)

# Philanthropic Activities



## Our Philosophy

As a corporate citizen committed to meeting societal needs and expectations, the Mitsubishi Electric Group will make full use of the resources it has at hand to contribute to creating an affluent society in partnership with its employees.

## Our Policies

- We shall carry out community-based activities in response to societal needs in the fields of social welfare and global environmental conservation.
- We shall contribute to developing the next generation through activities that support the promotion of science and technology, culture and arts, and sports.



Philanthropic Activity Expenditures **Approx. 1.11 billion yen**

\* The amount spent by Mitsubishi Electric Corporation (includes philanthropic-related expenses such as internal programs and product donations)

## Support for Novel Coronavirus (COVID-19) Measures

Here are some of the main activities supported by the Mitsubishi Electric Group in response to the COVID-19 pandemic. The Group will continue to support activities like these.

- Support for organizations that help prevent the spread of infection and organizations that support medical personnel (90 million yen)
- Donations to organizations that support at-risk children and their families through the SOCIO-ROOTS Fund (approx. 20 million yen)
- Provision of educational support for children by making the content of Science Workshops available free of charge
- Support for medical mask distribution (100,000 masks)
- Production of face guards for workers and donation to neighboring municipal governments (10,000 guards)
- Support for the Hubei Red Cross Society from Mitsubishi Electric (China) Co., Ltd. (1 million yuan)
- Financial support for Italian medical institutions from Mitsubishi Electric Europe B.V. (Total 200,000 Euro)
- Support for local organizations from the Mitsubishi Electric America Foundation (1.3 million dollars)
- Support for healthcare from the Mitsubishi Electric Thai Foundation (2.4 million baht)



Presentation of a donation from the Mitsubishi Electric Thai Foundation to the Chaipattana Foundation



Donated face guards



Science Workshop content, "Let's Have Fun with Programming"

\*As of July 2020





## Social Welfare

### Building a Society where Everyone can Enjoy an Active Life

The Mitsubishi Electric Group is undertaking support activities in the social welfare field, striving to help build a society where everyone can enjoy an active life. Envisioning a society where "no one will be left behind", as advocated by the Sustainable Development Goals, the Group is working to realize an Inclusive Society with disabilities, support for their independent lifestyles, as well as to children who need assistance.

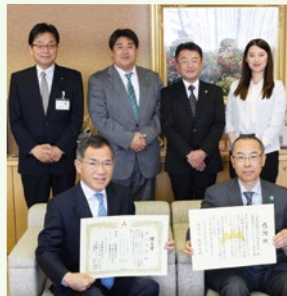
### Mitsubishi Electric SOCIO-ROOTS Fund Fiscal 2020 Donation Results



### Case Studies

#### Mitsubishi Electric SOCIO-ROOTS Fund

Mitsubishi Electric supports social welfare facilities and organizations through the Mitsubishi Electric SOCIO-ROOTS Fund, a gift program in which the Corporation matches employee donations. As of March 2020, the fund had made donations to about 2,100 organizations, and had collected a cumulative total of approximately 1.37 billion yen.



#### Donation to Local Welfare Facilities for People with Disabilities (Fukuyama Works)

The Fukuyama Works matched funds raised by employees and donated the combined amount to two local facilities in Fukuyama City: the Physical Education Center for Persons with Disabilities, and the Support Facility for Persons with Disabilities. In response to these efforts to help build a more inclusive society, the Works received a message from the City, "We thank you for this heartwarming support based on the goodwill of both employees and the company, and it will substantially benefit our facility users." By conducting activities like these at sites across Japan, the Group will continue to support local social welfare facilities.



## Global Environmental Conservation

### Thinking about the Future of the Planet

The Mitsubishi Electric Group promotes employee-led environmental conservation activities, which are carried out in cooperation with government bodies and local communities. It also holds outdoor workshops for children to nurture their love of nature.

### Main Activities in 2020



### Case Studies

#### Satoyama Woodland Preservation Project

The Mitsubishi Electric Group has conducted the Satoyama Woodland Preservation Project since October 2007, encouraging employees to help restore nature spots such as parks, forests, and rivers around our business locations. The aims are to repay nature for all the bounties it offers and the diversity of life it supports, and to contribute to the communities where the Group's business sites are located. With the cooperation of NPOs and local governments, employees carry out activities tailored to the situations in their local communities, under the motto "Steady and Sustained."



#### Rural Conservation Activities at the Rachihama Disaster Prevention Green Space in Fukushima Prefecture (Tohoku Branch Office / Koriyama Area)

In October 2016, acorns were collected in areas struck by the 2011 Great East Japan Earthquake. After being sprouted and raised by employees in their homes, the saplings were recently planted in the Rachihama Disaster Prevention Green Space, located in Shinchi Town, Soma District, Fukushima Prefecture. The aim is to ensure that the saplings grow big and tall, one day becoming a magnificent coastal disaster prevention forest. Volunteers are being recruited group-wide to continue the regular conservation activities at this location.





## Science and Technology

### Developing Future Engineers

As part of its efforts to develop the next-generation, Mitsubishi Electric is making efforts to foster future engineers, such as providing science workshops and educational support for children.

### Mitsubishi Electric Science Workshop Program Fiscal 2020 Results



### Case Study

#### Mitsubishi Electric Science Workshops

Since 2009, the Mitsubishi Electric Science Workshops have enabled children to experience basic scientific principles related to electricity, heat, sound, light, wind, communications and programming.

The workshops convey the joy of science through experiments and observations, show the relationships between the basic scientific principles taught and real products, and help the children realize how the products are useful in society.



#### Let's Use Computer Programming to Operate an Elevator! (Inazawa Works)

At Inazawa Works, a plant that develops and manufactures elevators, a workshop was held for elementary school students. A model was used to explain how an elevator works, and the students were able to try their hands at computer programming to control the elevator speed and floor stops.

Under the instruction of new employees, the children participated in experiments and quizzes. They were able to have fun while learning basic elevator principles and discovering the joy of customized machine operation through programming.



## Culture, Arts and Sports



### Looking to realize the Inclusive Society

While helping to raise the profile of sports for people with disabilities, Mitsubishi Electric is striving to help build an inclusive society where everyone respects and appreciates each other.

### Case Study

#### Going Up Campaign Cross-Country Tour

Starting in the autumn of 2016, the Mitsubishi Electric Group has been striving to increase the popularity of sports played by people with disabilities and help realize a more inclusive society. The Going Up Campaign Cross-Country Tour was launched to allow the public to experience parasports as the tour passed through cities across Japan. The tour visited 42 prefectures, and more than 110,000 people participated.



Workshops held across Japan to allow people to experience sports for people with disabilities, including wheelchair basketball

#### Going Up Campaign for Schools

Since 2018, workshops have been provided to elementary schools in Tokyo, under the Going Up Campaign for Schools initiative, allowing students to experience wheelchair basketball. The workshops are registered as an education support program in Tokyo, and they have been provided to approximately 3,400 students at 39 elementary schools in Tokyo.



Promoting a more inclusive society through school programs

# Mitsubishi Electric Group CSR Initiatives

## List of information included in website/Highlights Edition

◎ = Included in both website and Highlights Edition ● = Included in website only ○ = Also partially included in Highlights Edition

Corporate Data/Financial Highlights		◎	
Global Operations		Highlights Edition only	
President's Message		◎	
CSR at Mitsubishi Electric Group	Corporate Strategy	◎	
	Mitsubishi Electric's Business Segments	◎	
	Initiatives that Contribute to Addressing Social Issues	○	
	CSR Management	Initiatives to Create Value	◎
		Initiatives Related to the Value Chain	●
		Management	◎
		CSR Materiality and SDGs Management	◎
		Initiatives/External Evaluation	○
		Process of Identification and Review of CSR Materiality	●
		Management of CSR Materiality	○
	CSR Materiality	◎	
	Initiatives to Address the SDGs	●	
	Communication with Stakeholders	Status of Communication	●
		Results of Reader Surveys	●
Dialogues with Experts		●	
Measures for Internal Dissemination		○	
Governance	Corporate Governance	○	
	Compliance	○	
	Tax Policy	●	
	Risk Management	●	
	Our Approach to Information Security	○	
	Research and Development	●	
	Intellectual Property	●	
	Communication with Shareholders and Investors	●	
Environment	●		
Social	Responsibility to Customers	○	
	Human Rights	○	
	Labor Practices	○	
	Supply Chain Management	○	
	Philanthropic Activities	○	
About the Report	○		
Guideline Comparison Tables	ISO26000	●	
	GRI Standards	●	
	Japan MOE Guideline Comparison Table	●	
ESG Survey Index	●		

More information related to Sustainability/CSR at the Mitsubishi Electric Group is published on our website.



**Sustainability**  
<https://www.MitsubishiElectric.com/en/sustainability/csr/index.html>

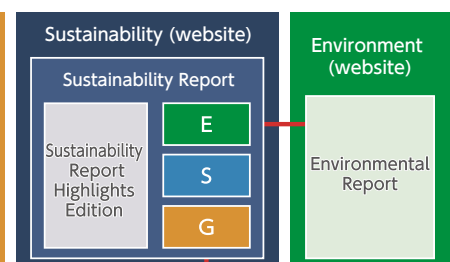
**Environment**  
<https://www.MitsubishiElectric.com/en/sustainability/environment/index.html>

**Company**  
<https://www.MitsubishiElectric.com/en/about/index.html>

### Financial Information



### Non-financial Information



Overview of Sustainability/CSR-related information disclosure

# MITSUBISHI ELECTRIC CORPORATION

[www.MitsubishiElectric.com](http://www.MitsubishiElectric.com)



**for a greener tomorrow**

Eco Changes is the Mitsubishi Electric Group's environmental statement, and expresses the Group's stance on environmental management. Through a wide range of businesses, we are helping contribute to the realization of a sustainable society.



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