

Labor Practices

Basic Policy on Human Resources

Basic Policy

Mitsubishi Electric actively recruits employees to maintain a proper personnel structure over the medium to long term, and to achieve further global expansion of its growth areas, which are centered on power systems, transportation systems, building systems, FA systems, automotive equipment, space systems, power devices, and air-conditioning systems.

Affiliated companies in Japan also implement plans for

continuous recruitment of employees from the standpoint of strengthening business, technological capabilities, marketing capacities, and manufacturing power. All recruitment activities are implemented in compliance with the guidelines on recruitment and selection of undergraduate and postgraduate students who are scheduled to graduate or complete their master's courses, outlined by the Japan Business Federation (Keidanren).

Active Employment on a Continuous Basis

Mitsubishi Electric plans to employ a combined total of 1,140 new graduates in October 2017 and April 2018. We have employed more than 1,000 new graduates every

year since fiscal 2013, and will continue to employ the same scale of people with an eye to achieving an even higher level of growth.

Recruitment plan of the Mitsubishi Electric Group (as of March 2017)

1. New graduates

(Unit: no. of people)

		October 2015 and April 2016 (result)	October 2016 and April 2017 (projection)	October 2017 and April 2018 (plan)
	Engineering positions	680	650	650
	Sales & administrative positions	250	220	220
	Technical positions	300	270	270
	Mitsubishi Electric	1,230	1,140	1,140
	Affiliated companies in Japan	April 2016 (result) 1,500	April 2017 (projection) 1,500	April 2018 (plan) 1,500
	Total	2,730	2,640	2,640

2. Mid-career Hires

(Unit: no. of people)

		Fiscal 2016 (result)	Fiscal 2017 (projection)	Fiscal 2018 (plan)
	Mitsubishi Electric	500	550	550
	Affiliated companies in Japan	1,200	1,200	1,000
	Total	1,700	1,750	1,550

Basic Personnel Data

Employment Situation

Employment situation of the Mitsubishi Electric Group

(1) Consolidated data

(as of March 31, 2017)

Segment	No. of employees (persons)
Energy & Electric Systems	45,286
Industrial Automation Systems	29,954
Information & Communication Systems	15,271
Electronic Devices	5,434
Home Appliances	25,713
Other	11,870
Common	5,172
Total	138,700

(2) Data for Mitsubishi Electric Corporation alone

(as of March 31, 2017)

No. of employees	Average age	Average number of years worked	Average annual income
33,977 employees (incl. 3,196 women) [7,543 employees]	40.2 years of age	16.4 years	7,957,132 yen

Segment	No. of employees (persons)
Energy & Electric Systems	8,516
Industrial Automation Systems	9,173
Information & Communication Systems	4,981
Electronic Devices	2,164
Home Appliances	5,009
Other	0
Common	4,134
Total	33,977

NOTES:

1. "Employees" refers to all personnel who are working. The number of temporary workers is indicated in terms of average number per year and provided in brackets ([]) as a separate number not included in the total number.
2. Average annual income includes bonuses and extra wages.
3. There is no difference in the amount of remuneration between men and women under Mitsubishi Electric's personnel treatment system.

Relationship with Labor Unions

Mitsubishi Electric Corporation and Mitsubishi Electric labor unions strongly realize that it is important for them to cooperate in promoting the company's growth and improving the working conditions of labor union members based on an awareness of the company's social mission and responsibility, and to form and maintain a labor-management relationship founded on mutual sincerity and trust. Based on this realization, they enter into a labor contract and mutually comply with the contract in good

faith.

Under the union-shop system, employees (excluding management level employees) become union members after completing a trial period, as a rule. To facilitate mutual negotiations, the company and labor unions establish a management council and labor council, and endeavor to seek resolutions by holding thorough rational discussions on equal footing, as a basic principle.

Workforce Diversity

Basic Policy

Within today's rapidly changing workforce environment, providing a workplace where employees can work to their full potential regardless of gender or age is essential to business development. Furthermore, it has become more vital than ever before to employ an even greater

diversity of people, given the increasingly aging and diminishing population in Japan. Based on this awareness, Mitsubishi Electric promotes employee diversity through the following measures.

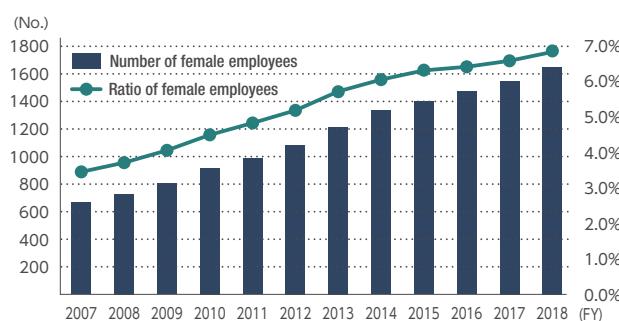
Women's Participation

To formulate and implement original measures that would help female employees and employees with children form a career while also enriching their personal lives, Mitsubishi Electric established the CP-Plan* Promotion Center within its Corporate Human Resources Division

in April 2006, with a mandate to promote recruitment, training, assignment, and institutional initiatives from a diversified perspective.

* Career management & Personal life well-balanced Plan

■ Basic data (Mitsubishi Electric alone)



Trend in the number of female employees (main career track)



Trend in the number of female managers (at or above managerial level)

Initiatives for Even Greater Participation of Women

• Career Forum for Young Female Employees

A career forum (CP-Plan Forum) is offered to young female employees, to actively inspire them to form a career around life events such as childbirth and childcare. Through a lecture personally given by the president on the managerial significance of promoting women's participation, stories of senior employees' personal experiences, and group discussions, the forum urges female employees to think and act on their own and promotes personal networking (attended by approx. 330 employees in FY2014, approx. 210 employees in FY2016, and approx. 120 employees in FY2017)

In addition to this forum that is held at the Head Office, exchange events are also held in some offices.

• Strengthening Management Capacities

Various efforts are made to raise management's awareness of women's participation and strengthen management capacities. For example, a mandatory curriculum on women's participation is included in the training program for newly appointed managers, to disseminate an understanding of the managerial significance of women's participation and considerations to be heeded in the management of female subordinates.

Labor Practices

• Handbook on Supporting Work/Childcare Balance for Employees and Supervisors

Various initiatives are in place so that employees who have taken childcare leave can smoothly return to the workplace and perform to the maximum of their ability while caring for their children. For example, a handbook is distributed both to these employees and their supervisors, and regulations require that these employees have the opportunity to meet with their supervisors periodically before and after returning to their positions.



Handbook on Supporting Work/
Childcare Balance for Employees
and Supervisors

• Training in management of female employees

A management training program for managers supervising female employees has been implemented in several research centers. It aims to strengthen management's capacity for maximizing the potential of female employees by promoting greater awareness of developing female employees as part of the medium to long-term workforce, while giving consideration to life events unique to women and providing an opportunity to think about how this can be done through their relationships with managers.



Training in management of female employees

• Active Recruitment of Female Students in Science (organization of events and production of pamphlets that specifically target women in science)

Mitsubishi Electric makes active efforts to recruit female students in science, based on a target of "achieving a more than 20% female ratio in new recruits from engineering fields by FY2021," as stated in the company's Action Plan, pursuant to the Act Concerning Promotion of Women's Career.

In addition to organizing the START LIVE large-scale seminar event where female students in science can

directly interact with Mitsubishi Electric employees, exchange forums are held between female students who major in science and female engineers at Mitsubishi Electric. In addition, pamphlets that introduce Mitsubishi Electric's female engineers are distributed, to actively disseminate a concrete image of women working at Mitsubishi Electric.



START LIVE event



Pamphlet for female science students

Principles and Initiatives for Developing Global Human Resources

■ To Become a Global Company that Employs Global Human Resources

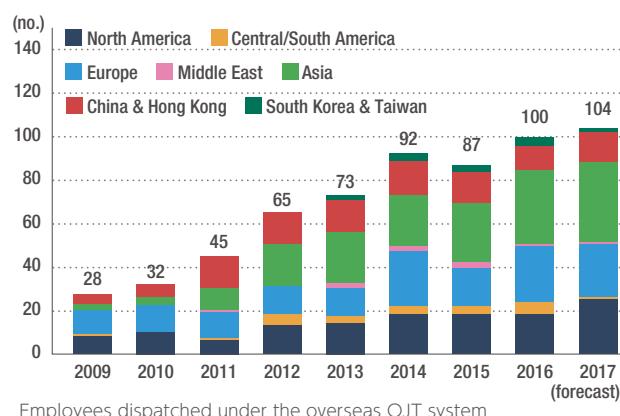
As a global company, Mitsubishi Electric has 213 consolidated affiliates in Japan and overseas, employing some 52,000 overseas employees, which corresponds to 38% of the total number of employees of the Group as a whole. Particular attention is given to personnel assignments and development, with the aim of becoming a corporate body where employees of the entire Group work in positions that are suitable for them, maximize their potential, and are able to realize their personal career plan. More than 100 overseas employees from ten to twenty countries are invited to receive training at a Mitsubishi Electric manufacturing facility (plant) in Japan every year, to acquire technologies, skills, and know-how. Upon their return to their companies, a cycle is put in motion that leads to greater independence of each overseas affiliate and greater employee engagement. An initiative is also in place to provide a roughly two-week training program in Japan to selected overseas employees who hold promise as future management executives. Participants, who acquire knowledge and a network of personal connections in Japan, return to their company and engage in greater levels of work. At the same time, companies in Japan are actively promoting the employment of foreign employees. Around 20 to 30 foreign employees are employed on a continuous basis every year, and a cross-cultural training program is offered regularly, to be attended in pairs with a senior Japanese employee from the same workplace, so that foreign employees can work actively and comfortably in Japan. Future initiatives will also provide training on Mitsubishi

Electric's corporate philosophy, including its corporate mission, values, and history.

National staff members now account for more than 40% of all executive officers (above the level of general manager) in overseas affiliates. Mitsubishi Electric continues to promote various human resources regardless national staff or expatriates of Mitsubishi Electric (Japan), for managerial positions in overseas affiliates.

● Dispatching employees under the overseas OJT system (2009 – 2017 (planned))

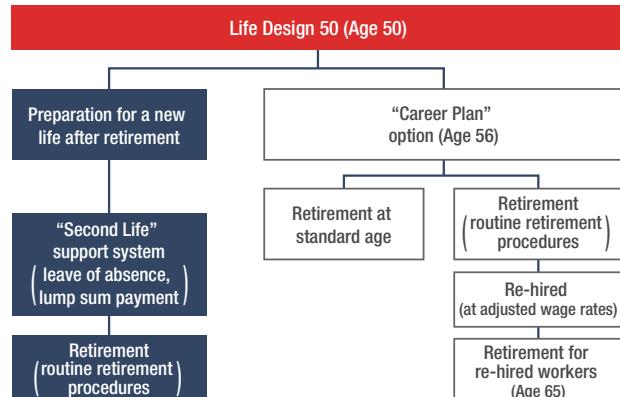
As part of the effort to develop human resources in Japan capable of working at the global level, Mitsubishi Electric employees are dispatched to affiliated companies under the overseas OJT system. In recent years, an average of 100 employees have been dispatched to various locations around the world every year.



Providing Diverse Employment Formats for Older Employees

In Japan, Mitsubishi Electric instituted a multi-track personnel system in fiscal 2002, which makes diverse employment formats possible by allowing employees aged 50 and over to choose from among a variety of options. The options include financial assistance for an employee's "second life" following retirement, a "second life" support program that provides two years of paid vacation, and extending employment up to the age of 65 through a re-employment program.

We also offer an annual "lifestyle design" training session at each of our business sites to employees turning 50 and their spouses. The sessions encourage employees to take an interest in planning the rest of their lives and designing a rewarding lifestyle by providing information on pensions and retirement benefits, social insurance, taxes, hobbies, health, and other topics, and by facilitating group discussions.



Multi-Track Personnel System from the Core Career Track
(for unionized workers)

Promoting Employment of People with Disabilities

The Mitsubishi Electric Group works to actively employ people with disabilities from the perspective of promoting CSR and diversity. Various barrier-free measures are also being taken to create a comfortable and accessible workplace environment for people with disabilities. In October 2014, Mitsubishi Electric established Melco Tender Mates Corporation, a special subsidiary* that specializes in businesses mainly suited to people with intellectual disabilities. As of March 15, 2017, people with disabilities comprised 2.13% of the total workforce at Mitsubishi Electric and Melco Tender Mates combined, well surpassing the statutory employment rate of 2.0%. The company name of Melco Tender Mates Corporation expresses the principle that able-bodied employees

and employees with disabilities are equal partners in the workplace and peers who mutually care for each other. The company began by engaging in the cleaning service, café, business card, food service, and health promotion (massage) businesses, and employed 33 people with disabilities as of March 15, 2017. It plans to establish a cookie factory as a second location in FY2018, and to gradually expand its businesses to increase its employment of employees with disabilities.

* Special subsidiary: A subsidiary which, if certain requirements are met, is regarded as the same business entity as its parent company and whose rate of employment of people with disabilities is calculated in consolidation with that of the parent company.



Cafe business



Cookie manufacturing



Business card production

Creating a Fulfilling Workplace

Basic Policy

In the context of intensifying global competition, the Mitsubishi Electric Group upholds a management policy of strengthening global business competitiveness toward achieving sustainable growth, and implements various management policies to realize the Group's growth strategy. Enhancing and creating measures that maximize employee achievements is essential for the Group to secure a sustainable advantage in competition with other companies.

Achievement = ability × motivation. To strengthen employee motivations, it is necessary to increase employee satisfaction (ES). Mitsubishi Electric believes

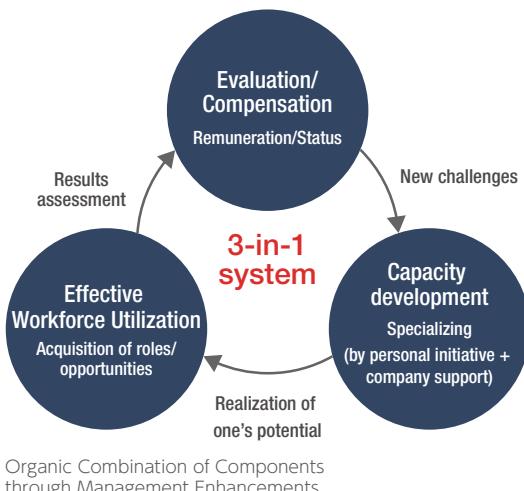
that increasing employee satisfaction leads to greater achievements by employees and organizations driven by increased employee motivation and productivity. This inevitably leads to greater customer satisfaction (CS), stronger competitiveness, and better performance. Employee satisfaction underlies Mitsubishi Electric's personnel policies. At the same time, there are policies such as those described below that are implemented in response to the trends of the times, social circumstances, and changes in the management environment and personnel frameworks.

Compensation System Based on Individual Job Descriptions and Performance

In Japan, Mitsubishi Electric has adopted a compensation system with a view to developing a corporate culture in which employees recognize organizational targets as well as their own roles, work to raise their own value, and take on the challenge of difficult goals.

Under this compensation system, employee performance is emphasized, with appropriate assessment given to employees who contribute substantially to management and participate actively in it. Bonuses are awarded for outstanding service. In order to increase understanding of employees about the operation of the system, we fully disclose its evaluation methods and standards, conduct surveys on the functioning of the system to gauge employee opinion on it, provide a system for handling complaints, and otherwise work to increase understanding and acceptance by employees and further enhance operations.

We are committed to making the system function effectively by organically combining and harmonizing the three components of the system, evaluation/compensation, capacity development, and effective workforce utilization, in order to provide opportunities for employees to develop their own skills and advance their careers.



Transfer Opportunities at the Request of Employees

In order to optimize our human resources and provide transfer opportunities at the request of employees, Mitsubishi Electric instituted an intranet-based recruitment system and a system that allows employees to publicize their request to be transferred.

Specifically, we launched Job-Net on our company intranet to allow employees to build a career plan on their own. The site posts information on recruitment and skill development training at Mitsubishi Electric and Group companies as well as companies outside the Group.

Promoting Communication in the Workplace

At Mitsubishi Electric in Japan, each employee sets individual goals based on the policies and objectives of the organization or division to which they belong. To encourage two-way communication between employees and their managers we have implemented and continue to maintain a regular interview-based system of communication. In the regularly-scheduled interviews, employees and managers discuss such topics as the employee's development and training based on evaluation of performance, and the placement and utilization of human resources, thereby helping promote improved communication in the workplace. We also place value on a corporate culture in which labor and management share an understanding of the status of business, management strategies, and personnel management policies, working together to address issues through labor-management meetings and committees.

Motivating Employees with Bonuses for Inventions (in Japan)

In line with provisions in the Japanese Patent Law, Mitsubishi Electric has established an employee invention bonus system to motivate employees to create inventions. Regarding inventions made by employees during the course of their work, the Company pays patent filing and registration bonuses to those employees as a reward. If the inventions are out-licensed to another company, the relevant employees also receive utilization bonuses from the Company. If inventions that have contributed to the Company's business win an award from outside the Company, the relevant employees receive a cash reward appropriate to the award, with no upper limit set. Furthermore, to maintain fairness and transparency of the system, the criteria of the employee invention bonus system is disclosed, an Invention Consultation Committee is established to deliberate on petitions from employees concerning their bonus, and an Invention Evaluation Committee is established to discuss the amount of cash reward to disburse for inventions that contribute to business.

In addition to the above, a program for rewarding outstanding inventions and industrial designs also encourage inventions by employees. Each year, this program honors inventions and industrial designs, and those that are judged as especially outstanding receive commendation from the president.

* An easy-to-understand description of the employee invention bonus system and its provisions are posted on the company Intranet for access by all employees.

Maintaining a Favorable Working Environment

Basic Policy

Japan's working population is expected to dramatically decrease in conjunction with its aging and declining population, and there is apt to be a further increase in the number of employees, both men and women, who work while caring for children or elderly members of their family. In order for Mitsubishi Electric to survive through the tough international competition and realize

sustainable growth under these circumstances, it will be essential to create a working environment where all employees can work to their full potential within their limited time.

Various initiatives are in place at Mitsubishi Electric to create a working environment where all employees can work actively while maintaining a good work-life balance.

Support for Flexible Working Styles

• Development and Availability of Childcare and Family-Care Programs in Japan

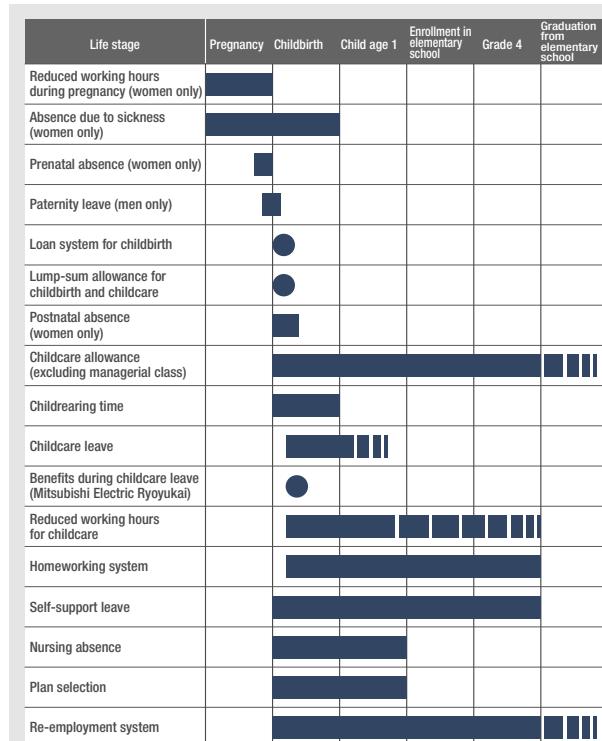
Mitsubishi Electric is making every effort to fully establish a work-life balance support system that more than satisfies the legal requirements, and to develop workplace conditions that allow employees to comfortably do their jobs and raise children or care for elderly family members. Our childcare leave program can be extended to the month of March following the child's first birthday, or until the end of September at the longest. We also have a program that allows employees to work shorter days when raising their children, and this program can be extended up until the end of March in the year the child graduates from elementary school. Our family-care leave program allows employees with families that meet the requirements to take a leave of absence for as long as two years. It also allows employees to work shorter days for up to three years to help them take care of their families. In addition, when the employee is the spouse of an expectant mother, the spouse may take up to five days of special paid leave. There is also a program to provide the spouse with special paid leave to use in certain circumstances such as to participate in a child's school event, a "work-at-home" program for employees providing family care, as well as a re-hiring system for employees who have temporarily left the company to provide family care.

Furthermore, in fiscal 2017, we have made it possible for employees to take half-day absences from work to care for elderly family members or attend to a sick child, and have introduced a reduced working hour system that allows employees to work shorter hours on a certain day of every week, as one form of reducing working hours for family care. We have also relaxed the requirements for our work-at-home program so that employees may work at home up to two days a week, and expanded the scope of childcare to include children until they have finished primary school.

To raise employee awareness of these initiatives, we actively disseminate relevant information through a portal

site, which features a range of information on work-life balance, such as a list of support systems for employees raising children (see chart below), and interviews with working mothers. We make this information available to employees, managers, and new hires, aiming to create an environment that is conducive to using these support systems. Along with enhancing our programs, we will work to foster a workplace culture in which employees can enrich their personal lives while advancing their careers.

As of April 2017



Work-life balance support measures related to childcare

● Diamond Kids Day-care Centers

To support the career development of employees raising children, Mitsubishi Electric opened Diamond Kids, an onsite day-care center, in Kamakura City, Kanagawa Prefecture and Amagasaki City, Hyogo Prefecture on October 1, 2014, with an enrollment of approximately 10 children in each center.

By providing its services in locations adjacent to a Mitsubishi Electric workplace on days and during hours

corresponding to the workplace, catering to extended hours, and ensuring security measures that prevent intrusion by suspicious individuals as well as accident prevention measures, Diamond Kids offers a childcare environment that allows employees to fully concentrate on their jobs without worrying about their children. It also promotes employees' return to work after taking a leave, by accepting children all year round.

Name	Diamond Kids Shonan	Diamond Kids Itami
Location	5-1-1 Ofuna, Kamakura City, Kanagawa Prefecture Within the Information Technology R&D Center	6-9-22 Tsukaguchi-honmachi, Amagasaki City, Hyogo Prefecture Within the Mitsubishi Electric Health Insurance Association Itami General Gymnasium BRIO
Facility area	Floor space: approx. 100m ²	
Enrollment capacity	Approx. 10 children	
Children's ages	Ages 0 (children over 57 days old) up to enrollment in primary school	
Eligibility	Mitsubishi Electric employees (not restricted to women)	
Operating hours	8:00 – 18:00 (extended hours up to 21:00)	

● Other Programs

Flextime

Flextime allows employees to decide on their working hours for themselves so that they may improve their productivity and exercise creativity, and thereby achieve a good balance between their corporate life and personal life. The program may be utilized depending on the specific duties and job performance of each employee. Working hours are divided into "core time" and "flexible time." Core time is a band of time during which all employees must be present in the office as a rule unless special circumstances exist. Flexible time is a band of time within which employees may choose when they arrive and depart from the office in consideration of the progress of their work and fluctuations in workloads. Specific time bands are determined by each office.

Self-support leave

Employees who do not use up their annual paid vacation time by the end of the fiscal year may accumulate up to 20 days of unused vacation time and carry them over to the next fiscal year and onward.

Those who receive company approval to take more than three days off from work to recuperate from an illness, engage in family care, take part in a volunteer activity, etc., may acquire a self-support leave.

■ Utilization status of childcare and family care programs (by Mitsubishi Electric employees)

(Unit: No. of employees)

No. of employees who have taken a leave	FY2015			FY2016			FY2017		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Childcare leave	10	204	214	11	215	226	12	237	249
Acquisition rate of leave of absence (%)	—	100%	—	—	99%	—	—	98%	—
Reduced working hours for childcare	6	318	324	6	341	347	5	348	353
Reduced working hours during pregnancy	—	11	11	—	8	8	—	13	13
Family care leave	7	5	12	5	4	9	3	4	7
Reduced working hours for family care	1	2	3	4	5	9	5	4	9
Prenatal and postnatal absence	—	112	112	—	138	138	—	142	142
Paternity leave	566	—	566	643	—	643	658	—	658
Nursing absence	17	11	28	13	5	18	18	8	26

- **Creating a Working Environment where Work-Life Balance Can Be Achieved by Everyone through a "Reform of Working Styles"**

Since fiscal 2017, Mitsubishi Electric promotes a "reform of working styles" as a management policy, and strives to create a working environment where work-life balance can be achieved by everyone by "creating a corporate culture that places even greater emphasis on achievements and efficiency" and "reforming employees' attitudes toward work."

We are creating a working environment that encourages

each and every employee to be strongly aware of operational efficiency and productivity and to produce the best possible results in a limited amount of time. We are also developing IT tools and other infrastructure environments, with the aim of offering new, efficient working styles, such as by promoting working at home and on business trips, and participation in Web conferences at one's desk.



"Reform of Working Styles"

- **President's Forum on Working Style Reforms**

To accelerate the promotion of working style reforms in each office, a dialogue meeting titled "President's Forum on Working Style Reforms" has been held in sequence in each area since February 2017 as an opportunity for the president and employees to engage in dialogue on working style reforms. In these meetings, the thoughts

of top management about working style reforms, and the direction the company aims to take, are conveyed directly to employees by the president. The meetings also collect onsite feedback on the issues each office faces in promoting reforms and corporate matters, collecting and incorporating them into viable policies.



President's Forum



Supporting Career Development

Basic Policy

"A company is its people, and cannot grow without their growth. The development and utilization of human resources is the source of a company's development, and education is a fundamental undertaking that creates the foundation of management."

Under this principle, the Mitsubishi Electric Group believes

it is important to link the expertise, skills, and mentality it has cultivated as an organization to maintaining and strengthening corporate competitiveness and contributing to society. By adding new values at times and achieving further growth, we actively promote the human resource development of all our employees.

Human Resources Development System Supports the Career of Employees

Mitsubishi Electric's training system for employees in Japan consists of passing down everyday business know-how and acumen through on-the-job training. Knowledge and skills that are difficult to acquire through on-the-job training as well as career development are provided through off-the-job training on a supplementary basis. Off-the-job training consists of conferring information on ethics, legal compliance, and other matters. Exceptional teachers from inside or outside the company provide expertise and skills training, or motivational education. Tests and competitions to improve skill levels are conducted, and practical training or international study

opportunities at overseas sites and universities in Japan and abroad are provided. Emphasis is also placed on a managerial training program that focuses on training individuals for the core management positions that drive our businesses, and on developing core personnel and leaders.

With regard to new graduate employees and mid-career recruits, we provide company orientation and training sessions to elicit their consciousness as workers and educate them on basic knowledge, management principles, compliance, and other matters.

• Self-Development Support Program

Mitsubishi Electric instituted a self-development support program that supports employees' voluntary skills development based on a human resource development system that allows employees to take the initiative to actively develop their own skills.

The program provides support in the form of money and time for participants in educational programs inside and outside the company and also pays bounties to employees that have acquired certain external certifications. The program is intended to foster a corporate culture in which each and every employee independently and actively takes on the challenge of developing their skills to reach higher goals as a professional.

• Stratified Training Program

In fiscal 2012, Mitsubishi Electric introduced Value-up Training, a stratified training program intended for employees at certain junctures in their career (at ages 25, 30 and 40), to provide an awareness and understanding of the qualities and roles that are expected of them at those ages.

The program aims to strengthen young employees' capacity for work, or the mentality, knowledge, and skills they need to fulfill their duties, and medium-level and veteran employees' capacity for development, or their skills to convey their working capacity to the younger generation (subordinates and juniors) and enhance their capacity for work. Through this program, we will make continued efforts to strengthen the working capacity of each employee and create a culture for development in the workplace as a whole.

• Promoting Systematic and Efficient Skills Development

Mitsubishi Electric introduced to its operations in Japan a point system for employee training, to promote systematic and efficient skill and capability development by tracking the progress of ability-building activities by its employees, particularly its young employees. Each training course is worth a certain number of points. Employees receive the relevant points upon completing each course, and aim to achieve their individually recommended total number of points.



Point System for Employee Training

• Passing on Technological Skills, Knowledge, and Know-how

In order to pass on the skills possessed by highly experienced employees to younger technicians at Japan production sites accompanying the company's generational shift, we have developed a training program that allows the skills of accomplished employees to be learned in one-on-one settings. Technical skills are also passed on to young technicians through various measures such as installing technical help desks through which newer employees can consult with highly experienced employees through the company's intranet.



Technical Help Desks

• Mitsubishi Electric Group Skills Competition

A skills competition is held annually as a measure to strengthen the skills of the Mitsubishi Electric Group, with the aim of "handing down skills and raising skills to even higher levels," "further creating a climate that respects skills," and "developing top-level engineers."



Mitsubishi Electric Group Skills Competition

Ensuring Occupational Safety & Health

Basic Policy

Mitsubishi Electric adheres to the basic policy of placing priority on protecting the safety and health of its employees, above all else. Based on the recognition that health and safety management is essential to business management, we are committed to establishing an atmosphere that prioritizes occupational safety and health in all social and corporate environments, and achieving

healthy corporate management.

This basic policy underlies our Company-wide Five-year Plan (current plan covering the five years from FY2018 to FY2022), which defines priority measures in safety and health management, respectively, and by which we implement specific activities toward the achievement of annual targets.

Promotional Framework

The Mitsubishi Electric Group actively promotes safety and health activities across the entire Group under the strong leadership of the top management, such as by regularly holding the Mitsubishi Electric Group Health Convention with the attendance of management executives from Mitsubishi Electric and Group companies in Japan. Ongoing efforts are made to strengthen the safety and health management framework, as Mitsubishi Electric and Group companies cooperate in exchanging information, engage in education activities, and implement various safety measures. Active communication is also held with

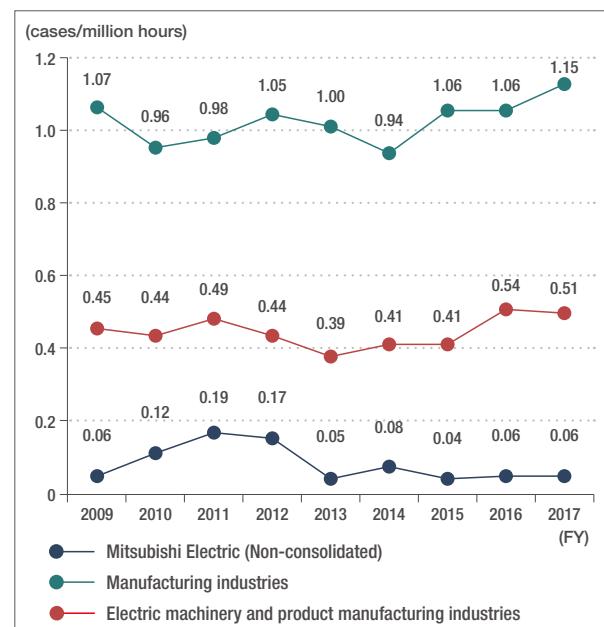
employees through meetings with labor unions and the Safety and Health Committee, and labor-management efforts are made to promote both top-down and bottom-up activities that aim to raise the level of safety and health.

In the event of an industrial accident, safety measures are immediately taken by the department where the accident occurred. At the same time, efforts are made to prevent similar accidents by delegating a third party to conduct safety inspections, and laterally disseminating case examples of disasters and countermeasures.

Occupational Safety and Health Management System

In 2009, Mitsubishi Electric introduced a program for internal accreditation of the Occupational Safety and Health Management System (OSHMS*). Under the program, each office creates a PDCA cycle for safety and health activities based on the Mitsubishi Electric Group's requirements for safety and health management, such as in regard to the development of a management framework in each office governed by a safety and health supervisor and the implementation of risk assessments and other relevant activities.

The goal is to have all Mitsubishi Electric offices acquire accreditation, pass a surveillance inspection after two years, and a renewal inspection every four years, which will raise the occupational safety and health management level of the company as a whole. As a result of this initiative, we have achieved one of the lowest frequency rates and severity rates of industrial accidents (number of people killed or injured in a fatal accident or an accident that requires time off from work per 1 million hours of work, and number of working days lost per 1,000 hours) in the industry.



Frequency of Labor Accidents
(Number of accidents requiring a leave, per million hours)

* OSHMS (Occupational Safety and Health Management System)

Thorough Safety and Health Education

The Mitsubishi Electric Group implements safety and health education that matches its business characteristics and social environment, including stratified programs and occupation-specific programs, in addition to education programs prescribed by law. As a common feature of the Group, Mitsubishi Electric and Group companies in Japan also provide safety and health education based on an internal e-learning system, which has been instrumental in promoting greater understanding of the principles and concept of safety and health to more than 100,000 employees, managers, and supervisors every year. Furthermore, efforts are also made to strengthen employee safety education through risk simulation, such as by installing a "safety room."

● "Danger simulation room" at Mitsubishi Electric's Himeji Works

To increase employee sensitivity to danger, a danger simulation room was created in 2011, where education is provided to all onsite employees and employees of affiliated companies (approx. 6,000) every year. Its facilities are being upgraded in sequence, such as by adding a slipping and falling simulation machine, a machine that simulates gear accidents, and a facility for engaging in finger-pointing safety confirmation.



E-learning of Safety and Health Education



"Danger Simulation Room"

Health Management Initiatives toward a Healthy Company

Since 2002, Mitsubishi Electric and its Group companies in Japan have carried out the Mitsubishi Electric Group Health Plan 21 (MHP21) intended for their 100,000-some employees and their families, as a three-party cooperation project (Collaborative Health) with the labor union and health insurance union. MHP21 promotes a review of lifestyle habits from an early stage, as a means for preventing lifestyle-related diseases and thereby improving Quality of Life (QOL), and for realizing a "health-oriented company." Under the slogan, "Change Your Lifestyle Habits, Extend Your Healthy Years," MHP21 involves setting company-wide improvement goals in five health categories—maintaining proper body weight, creating an active lifestyle, stopping smoking, maintaining proper dental care, and sleeping properly—and evaluating the degree of achievement of these goals every year. After implementing Stage I of the plan over ten years and Stage II over five years, a new five-year plan was launched in 2017 as Stage III, with a focus on strengthening individual approaches based on health data, introducing an award system for healthy offices, promoting cooperation between Mitsubishi Electric and Group

companies, and otherwise revitalizing Group activities as a whole.

The MHP21 activities, which we have been carrying out for over ten years, have been recognized by the First Smart Life Project Award sponsored by the Ministry of Health, Labour and Welfare, and they received the Minister's Award for Excellence in the corporation category.

Mitsubishi Electric was also recognized under the Large Enterprise Category (White 500) of the Certified Health and Productivity Management Organization Recognition Program that was launched in fiscal 2018 by the Ministry of Economy, Trade and Industry.

Group companies overseas are likewise taking initiatives to maintain and promote health among their employees, in consideration of the health situation in their respective countries.



Targets and results of MHP21 activities

MHP21 activities Priority items	Before commencement of activities (FY2002)	Stage I Final year (FY2012)	Stage II Final year (FY2017)	Stage III Target (FY2018 – 2022)
People maintaining proper body weight* ¹	73.0%	71.7%	70.4%	73% or more
People who have an active lifestyle* ²	11.7%	16.2%	24.1%	39% or more
Smokers	40.0%	27.6%	24.7%	20% or less
People who brush their teeth three times a day or more	13.3%	20.5%	22.5%	25% or more
People who get enough sleep and are well rested* ³	–	–	–	85% or more

*1 BMI of 18.5 or more and less than 25.0

*2 30 minutes or more of exercise twice a week or more, or an average of 10,000 steps (1 hour of walking) or more per day

*3 Included from Stage III

VOICE (In charge of safety and health)

Sakkarin Lajoy (In charge of safety Siam Compressor Industry Co., Ltd. (Thailand))



Employee safety and health is a priority concern at Siam Compressor Industry. In fact, our company has won the Safety National Award in Thailand seven times since 2009. The award is composed of four elements: legal compliance, safety and health management systems, exemplary management teams, and best practices that serve as a reference for other companies. As a best practice that serves as a reference for other companies, our Unsafe Room has been recognized as a new method of education. Based on the concept of "learning by experiencing" unsafe environments, the Unsafe Room contributes to safety education not only for our employees, but also employees from other companies who visit our company. In consideration of the importance of safety, we also produce and provide educational tools to ten vocational colleges.

Promoting Mental Health Care

Mental health care is a top priority for health management in the Mitsubishi Electric Group. By establishing a counseling program that includes an industrial physician and/or counselor and other such initiatives, active efforts are made to help employees cope with everyday worries related to work and family and other emotional issues. Also through a legislated stress check system, and through telephone and e-mail counseling provided by an employee assistance program (EAP*), importance is placed on the primary prevention of employee mental health disorders.

Employees who return to work after taking a mental health leave are fully supported by the receiving department, personnel department, and industrial physician based on the Mitsubishi Electric Guidelines for Return-to-Work Support, and every effort is made to facilitate their return to their workplace and prevent any relapse.

Furthermore, by appointing dedicated counselors in the Mitsubishi Electric head office, focused care is also provided to employees posted outside of Japan, where working and living environments largely differ from Japan. In terms of education, line-care and self-care training are repeatedly implemented through lectures and internal e-learning programs, to provide knowledge of mental health and strengthen responses to mental health among managers and employees.

* EAP (Employee Assistance Program): a program that provides support to employees



Mental Health Care Education

Creating Comfortable Workplace Environments

The Mitsubishi Electric Group recognizes that people spend a large part of their lives at their place of employment, so we make people-friendly enhancements to the workplace environment and promote the creation of pleasant spaces that also give consideration to elderly people and people with disabilities. By establishing voluntary standards (workplace environment standards) for air, lighting, noise, and facilities, and by working to achieve each standard, Mitsubishi Electric pursues ongoing efforts to create comfortable workplace environments.