

# Mitsubishi Electric Group CSR Procurement Guideline

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Mitsubishi Electric Corporation

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# Introduction

The Mitsubishi Electric Group positions CSR initiatives as the basis of corporate management. We promote the "Corporate Mission" and the "Our Values" as our basic policy for CSR. With regard to efforts relating to ethics and legal compliance in particular, we are taking thorough measures such as to enhance the quality of education and strengthen internal control. In addition, we are actively developing initiatives for ensuring and improving product quality as well as activities for environmental preservation, social contribution and communication with stakeholders.

## 1. Purpose

**We, the Mitsubishi Electric Group, will contribute to the realization of a vibrant and sustainable society through continuous technological innovation and ceaseless creativity.**

## 2. Our Values

<b>Trust</b> We develop relationships based on strong mutual trust with all stakeholders including society, customers, shareholders, suppliers, and employees working together.
<b>Quality</b> We ensure the satisfaction of society and customers by providing products and services of the best quality.
<b>Technology</b> We provide society with new value by enhancing technology and onsite capabilities.
<b>Ethics and Compliances</b> We act with high ethical standards and comply with laws and social norms.
<b>Humanity</b> We prioritize health and safety, promote diversity, and respect personalities and human rights.
<b>Environment</b> We strive to protect and improve the global environment, doing so in harmony with nature.
<b>Society</b> We contribute to the development of a better society as a corporate citizen.

## 3. Commitment

**Changes for the Better**  
"Changes for the Better" represents the Mitsubishi Electric Group's attitude to "always strive to achieve something better", as we continue to change and grow. Each one of us shares a strong will and passion to continuously aim for change, reinforcing our commitment to creating "an even better tomorrow".

With the progress of globalization, we are required to fulfill our social responsibilities not only of our own company but also of our supply chain in promoting CSR activities. Under such social demands, we have for some time requested our suppliers to understand and proactively promote CSR activities based on Purchasing Policy and CSR Procurement Policy of the Mitsubishi Electric Group.

Under such circumstances, the Mitsubishi Electric Group has created the "Mitsubishi Electric Group CSR Procurement Guideline" to further promote CSR with our suppliers. We kindly request your agreement with the items stipulated in this Guideline as well as to continue proactively promoting CSR activities.

# **I . Objective and Scope of the Guideline**

The Mitsubishi Electric Group aims to become a "global environmentally advanced company" that contributes to the realization of a prosperous society that is compatible with sustainability, security, safety, and comfort, by pursuing sustainable growth throughout the group and enhancing corporate value. In order for an organization to fulfill its social responsibilities such as respect for human rights, consideration for safety and health, and compliance with laws and regulations, not only in-house but also in the supply chain, appropriate measures including promotion of "CSR Procurement" must be addressed. The Mitsubishi Electric Group regularly investigates and evaluates our suppliers' CSR efforts and requests corrective measures for items with a low evaluation. We would like to ask our suppliers for their support and cooperation as we aim to further promote our activities in partnership with our suppliers.

As we aim to encourage our suppliers to further promote and strengthen corporate CSR activities, we have based this Guideline on the RBA Code of Conduct (Version 6.0) formulated and announced by Responsible Business Alliance (RBA) and Responsible Business Conduct Guidelines issued by the material committee of Japan Electronics Information Technology Industries Association (JEITA).

The items relating to human rights in this Guideline are based on international human rights standards including the "ILO Declaration of Basic Principles and Rights in Labor" and the "Universal Declaration of Human Rights" which are both in accordance with the "Guidelines on Business and Human Rights Principles" and "Sustainable Development Goals (SDGs)" adopted by the United Nations. We ask our suppliers including their business partners for their understanding and support for the items in this Guideline. In accordance with the spirit of the Mitsubishi Electric Group's "Corporate Mission " and "Our Values," the Mitsubishi Electric Group's human rights policy was established in September 2017, and our business activities have a negative impact on human rights. We will increase our sensitivity to human rights and take appropriate measures to prevent such problems.

Please understand that the Guideline will be reviewed and revised according to the demands of the international community and will undergo changes according to the times.

## II . Requests to Suppliers

### 1.Understanding and respecting the Group’s Purchasing Policy and the CSR Procurement Policy

· Basic policy of the Mitsubishi Electric Group is to prioritize procurement from suppliers with a comprehensively high evaluation during supplier selection and evaluation. With the progress of globalization, the supply chain of the Mitsubishi Electric Group has expanded to various countries and we recognize that our supply chain may have issues concerning aspects such as labor laws and environment. In order to promote initiatives aimed at reducing risks in these areas, we ask our suppliers to understand Purchasing Policy and CSR Procurement Policy of the Group as well as to share this information within their supply chain.

#### **【Purchasing Policy】**

Mitsubishi Electric Group purchases materials based on the following three basic policies.

##### 1. Easy Access and Equal Opportunity

To guarantee our customers the highest-quality products, we are constantly searching for new suppliers. We encourage business partners from all over the world, regardless of size, to contact us about submitting a quotation. The decision to embark on a new business relationship is made after careful consideration of three major factors: product price, product quality, and delivery performance. To ensure continued high quality and efficiency, we periodically review our relationships with our partners.

##### 2. Mutual Prosperity

We believe in long-term relationships built upon understanding and trust. This will allow the participation of our business partners during the product development stage, paving the way for mutual prosperity.

##### 3. Ecological Soundness

We are interested in the materials and manufacturing processes used by our suppliers. Because we value the environment, we buy only ecologically sound products. Our mission is to satisfy the needs of people around the globe. To meet their growing expectations, we must widen and strengthen our affiliations with companies all over the world. We are seeking cooperation, not just business, and are looking for potential partners who are willing to join us in our drive toward global prosperity.

#### **【CSR Procurement Policy】**

##### 1. Compliance with domestic and foreign laws/regulations and social standards

- (1) Ensuring compliance with laws and regulations
- (2) Respecting human rights and prohibiting discrimination, child labor, and forced labor
- (3) Creating proper work environments and giving consideration to safety and health

##### 2. Assurance of quality and safety of products and services

##### 3. Environmental considerations

- (1) Procuring materials with less negative impact on the environment
- (2) Ensuring strict management of harmful chemical substances based on an environmental management system

##### 4. Promotion of fair trade based on corporate ethics

- (1) Practicing honest trade on fair and equal footing, based on laws/regulations and agreements
- (2) Ensuring strict management and safeguarding of information by establishing an information security system
- (3) Thorough elimination of fraudulence, bribery, and other such conduct that violates corporate ethics

## **【Responsible Minerals Procurement】**

The Mitsubishi Electric Group aims for transparency in its supply chain to avoid any affiliation with armed groups that trade in conflict minerals\*1 as their source of funding. We also recognize the possibilities of human rights violations occurring in the severe labor conditions in cobalt mining sites as a major problem. The Group adheres to the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, and removes certain minerals from the supply chain in situations where their procurement encourages or contributes to serious human rights violations or environmental destruction.

\*1 Conflict minerals refers to gold, tin, tantalum, tungsten, and other minerals that have been determined by the U.S. State Department to be a source of support for armed groups when mined in the countries referred to above.

## **2. Understanding priority risks management and implementing CSR evaluation**

The Mitsubishi Electric Group has set priority issues in the supply chain as follows.

Environmental priority issues are outlined in the Green Procurement Standards Guide which we encourage for further reading.

- (1) Human Rights and Labor
- (2) Safety and Health
- (3) Fairness and Ethics
- (4) Product Quality and Safety
- (5) Information Security
- (6) Management Systems
- (7) Social Contribution

• In this Guideline, the above (1) - (5) and (7) explain the details of the priority issues and (6) explains the appropriate system for managing CSR activities. In accordance with this Guideline, we request our suppliers to survey (through site surveys, review of relevant documents, and interviews with relevant personnel) and promptly report any issues arising at their company and to work towards prevention and early detection/handling of compliance issues. We urge our suppliers to thoroughly disseminate this Guideline within their company and to their suppliers and to protect whistleblowers who report violations.

• In order to confirm the status of your company's CSR activities, we may ask you to submit a survey form or to cooperate with an onsite survey. New business partners, in particular, will be asked to submit a survey form at the beginning of the transaction.

• After we have received your answers for the survey form, we will inform you of the evaluation results for each priority issue. Evaluation rankings are shown in Table 1.

Table 1 Evaluation Results for Question III. Evaluation of CSR activities

A	B	C	D
Very Good	Good	Acceptable	Needs Improvement

• For items evaluated as "D", in principle, you will be required to submit a plan for improvement so that corrective measures can be completed within one year. The Group will engage in communication with our business partners concerning the corrective measures. We will not terminate partnerships if proper effort is being made towards improvement, but if there are any deliberate concealments or significant deviations from the procurement guidelines, termination of partnerships will be considered.

## **3. Confirming agreement to this Guideline**

If your company agrees with our Group's efforts and purposes outlined in this Guideline, please sign the "Consent Confirmation Form" on the last page of this Guideline and send it back to our office. (New business partners will be asked to submit, in principle.)

### III. Detailed Explanation of Core Principles

In this Guideline, the term "worker" includes temporary workers, migrant workers, student workers, contract workers, directly/indirectly employed workers and any other type of workers or employees. In addition, the term "workplace" includes the factory, production facility and warehouse.

#### 1. Human Rights and Labor

##### [1-1] Core Principles

- (1) Prohibit forced and child labor and do not allow inhumane treatment.**
- (2) Eliminate discrimination in recruitment and employment and provide wages and benefits not less than the minimum limit prescribed by law.**
- (3) Comply with international standards relating to human rights and labor (\*1, 2).**

(\*1) International standards on human rights include: the Universal Declaration of Human Rights; the Convention on the Elimination of All Forms of Racial Discrimination; the International Covenant on Civil and Political Rights; the International Covenant on Economic, Social and Cultural Rights; the Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment; the Convention on the Elimination of All Forms of Discrimination Against Women; the United Nations Convention on the Rights of the Child; the Convention on the Rights of Persons with Disabilities; the International Convention for the Protection of All Persons from Enforced Disappearances; the Convention for the Suppression of the Traffic in Persons and of the Exploitation of the Prostitution of Others; and the United Nations Declaration on the Rights of Indigenous Peoples.

(\*2) International standards on labor include basic principles and rights for workers of the International Labor Organization (ILO) such as the ILO Core Labor Standards.

##### [1-2] Detailed Explanation

###### (1) Recruitment and employment

- ① Prohibit labor by trafficked persons, forced labor of any form, slave labor, indentured labor and penal labor in your company and your suppliers.
- ② Prohibit securing, destroying, concealing or confiscating the original documents of the worker's government issued identification card, passport, work permit or similar documentation, unless required by law.
- ③ All labor must be voluntary and workers must be free to leave their work at any time or to terminate employment.
- ④ When employing a worker, an employment notice written in his/her mother tongue and an employment contract or similar documentation explaining the employment conditions should be provided in advance (in the case of a foreign worker, before he/she leaves his country) along with a confirmation that the worker understands the employment conditions.
- ⑤ Confirm that agents, contractors, etc. used by the company are in compliance with the relevant provisions of this Guideline and local laws and regulations.

###### (2) Child labor / young workers

- ① Respect the rights of children and support their sound development by prohibiting child labor. ("Children" as used herein refers to any person who is under the age of 15, or under the age for completing compulsory education, or under the minimum age for employment in the relevant country, whichever is greatest.)
- ② Workers under the age of 18 (young workers) should not engage in work that may pose risks to health and safety, including night shifts and overtime work.
- ③ Protect the rights of students and properly manage student workers in accordance with applicable laws,

###### (3) Complying with working hours

- ① Working hours must comply with local laws and regulations, except for in emergencies or crises.

In addition, the international standard stipulates that "working hours should not exceed 60 hours per week including overtime hours." If international standards are stricter than local laws, please consider adopting the international standard as much as possible.

- ② Workers are required to take holidays (at least one day off every 7 days), breaks, vacations (including leave for injuries and maternity leave) in accordance with applicable local laws.

(4) Appropriate payment of wages to workers

- ① Compensation paid to workers must comply with all applicable wage laws, including laws on minimum wage, overtime work, and legally mandated benefits.
- ② Prohibit wage deductions as a form of disciplinary measure. However provided that if a reduction in salary for disciplinary purposes is permitted by domestic law and agreed in a freely negotiated collective agreement, reduction in salary is allowed.
- ③ For each salary period, workers must receive a salary statement including sufficient information to confirm the remuneration for the labor they provided.
- ④ Correctly calculate payroll deduction items and withholding taxes and pay them to the appropriate government agencies within the time limit specified by the local law.

(5) Humane treatment of workers

- ① Do not tolerate any form of inhumane treatment in the workplace, such as sexual harassment, sexual abuse, corporal punishment, mental/physical coercion, verbal abuse and intimidation.
- ② Do not impose unreasonable restrictions on movement within the workplace or on entering/exiting the company facilities.
- ③ When foreign workers are hired, if various fees related to employment (such as job placement fees, recruitment fees, passport and visa acquisition expenses, medical examination expenses, transportation/accommodation expenses to the working country which local workers would not pay for) have been covered by the worker, the company must repay the fees to the worker.

(6) Eliminating discrimination against workers

- ① Prohibit discrimination on the basis of race, skin color, age, gender, sexual orientation, gender identity, ethnicity or country of origin, disability, pregnancy, religion, political affiliation, union membership, military experience, protected genetic information, or marital status in employment practices such as recruitment and job seeking, promotion, compensation, training, wages, benefits, punishments,
- ② Prohibit medical examinations for workers or recruitment candidates that may be used for discrimination.
- ③ Respect the rights of women and ensure health and safety during pregnancy and after birth with respect to employment of female workers and to abide by all the relevant local laws on protection of employment, wages and welfare benefits.
- ④ Respect the rights of people with disabilities and the rights of social minorities such as ethnic/cultural minorities, sexual minorities (LGBT et al.) and migrant workers.
- ⑤ Provide reasonable accommodations for workers' religious practices.

(7) Formation and joining trade unions

- ① Respect the right of workers to form and join trade unions (or refrain from such activities) in accordance with local laws
- ② Do not provide unequal treatment between labor union workers / workers' representatives and workers not participating in the labor union.
- ③ Allow workers and/or their representatives to communicate with management about their work conditions, management practices and concerns, without fear of discrimination, retaliation, intimidation or harassment.

(8) Prohibit infringement of the rights of the local community

- ① Prohibit actions such as illegal eviction of local residents or significant destruction of the local living environment (\* 3) through activities including the manufacturing and distribution of procured goods.  
(\*3) The destruction of the local living environment can be caused by actions such as deforestation by illegal logging of trees which are raw materials for palm oil and paper products.



## 2. Health and Safety

### [2-1] Core Principles

- (1) Evaluate the potential harms and hazards in the workplace and work to eliminate or reduce them in order to prevent work-related accidents.**
- (2) Establish a mechanism for emergency preparedness and response with the assumption that disasters and accidents may happen.**
- (3) Evaluate the degree of health damage to workers in the workplace or while working, and take appropriate measures.**
- (4) Facilities and canteens used by the workers must be clean and satisfy safety / health standards.**

### [2-2] Detailed Explanation

- (1) Appropriate measures to ensure business safety and implementation of countermeasures prepared in case of emergency
  - ① Implement appropriate measures against the potential risks (electricity, other energy sources, fire, vehicles, and falling objects) that the workers are exposed to in the workplace, by appropriate design and management measures for the corresponding equipment and machinery. For example, using interlocks, control measures with protective walls and lockouts, as well as carrying out safety work by tagging out, and conducting ongoing safety education for workers. In addition, if the above measures are not enough to cope with danger properly, appropriate and effective personal protective equipment must be provided.
  - ② Prepare emergency response manuals for emergencies. The manual should include items on establishing and maintaining the fire detection systems, the fire alarm systems and the fire extinguishing systems, as well as reporting of emergency situations and emergency contact networks (including notification to external emergency agencies), evacuation methods and clear evacuation routes, appointment of emergency response team (ERT), provision of emergency response equipment (personal protective equipment), and conducting emergency response training and evacuation drills for all workers. In addition, in order to enable quick business restoration and continuation in the event of an emergency, it is necessary to formulate a business continuity plan (BCP) that includes saving backup data and having multiple manufacturing sites as well as multiple suppliers.
- (2) Appropriate response to work-related injuries or illnesses
  - ① Investigate and analyze the cause of work-related injuries and illnesses, as well as implement appropriate measures, provide necessary treatment to workers, and promote return to work.
  - ② As defined in local laws, conduct regular medical examinations, manage the health of workers, prevent illnesses, support early detection, and take careful consideration of the mental health of workers.
- (3) Response to health risks to workers in the workplace
  - ① Identify harmful factors (\* 4) in the workplace and evaluate the degree of health damages to the workers and take appropriate measures. Reduce exposure to workers by adopting engineering measures such as exhaust / ventilation equipment, and if such means are not adequate implement measures such as provision of personal protective equipment and job rotation.
  - (\*4) Harmful factors include soot and smoke, steam, dust, toxicant, radiation, lead and asbestos. Significant noise and stench can also be considered as being harmful to the human body.
  - ② Evaluate health risks to workers and implement appropriate measures for tasks that are physically burdensome such as transportation of heavy objects including raw materials, repetitive heavy physical labor, long standing work and hard assembling work.
- (4) Sanitation management of facilities and meals for workers
  - ① Provide sanitized toilets and cafeterias to workers. Drinking water, cooked meals, refrigerators, kitchens, etc. must comply with local hygiene standards.
  - ② If workers' dormitory facilities are provided, facilities should include appropriate emergency exits, hot water for bathing and showering, appropriate lighting, air conditioning, ventilation equipment and suitable space of adequate size which can be entered and exited freely.

## 3. Fairness and Ethics

### [3-1] Core Principles

- (1) Prohibit corruption that violates corporate ethics, such as fraud and bribery.**
- (2) Conduct sincere, fair and equal transactions based on laws and contracts.**
- (3) Establish an appropriate management system to comply with laws and regulations related to import and export related business.**
- (4) Disclose appropriate information to stakeholders in accordance with applicable laws and regulation.**
- (5) Make efforts towards prohibiting the use of conflict minerals in cooperation with our business partners.**
- (6) Operate a highly effective reporting system and make efforts to detect and prevent the occurrence of misconduct at an early stage.**

### [3-2] Detailed Explanation

- (1) Acts of bribery, inappropriate donations and insider trading
  - ① Prohibit bribes and illegal political donations, and keep a sound and normal relationship with political and administrative officials.
  - ② Prohibit providing entertainment, gifts or other benefits to people, such as civil servants, customers and business partners both in Japan and abroad, in order to acquire and maintain transactions or other unfair profits.
  - ③ Prohibit trading of items such as company shares based on important undisclosed information concerning the business of customers etc. (insider trading).
- (2) Providing improper benefits to antisocial forces
  - ① Prohibit any form of relationship, including business activities, with antisocial forces that adversely affect the social order or healthy business. Prohibit providing benefits to antisocial forces.
- (3) Abusive behavior of superior bargaining position
  - ① Prohibit imposing unreasonable demands or using the superior bargaining position as the purchaser and thereby unilaterally decide the terms and conditions of transactions with suppliers.
- (4) Unreasonable transaction restrictions such as cartels and bid rigging
  - ① Prohibit acts which impede competition through Information exchanges / agreements on items such as price / quantity / sales area of products and services with competitor companies (i.e. cartels) or exchange information / negotiate for bidders and winning bids with other bidders (i.e. bid rigging).
- (5) Protection of intellectual property rights
  - ① Respect the intellectual property rights (such as patents, design rights, copyrights) of others, including customers and business partners, and prohibit misuse or unauthorized use of third party's intellectual property. Also, transfer of technology and know-how must be done in a method that protects intellectual property rights.
  - ② Do not violate intellectual property rights such as illegal copying of computer software or other copyrighted works.
- (6) Proper security export control
  - ① Develop a clear management system and carry out appropriate procedures regarding the export of technologies and goods regulated by laws and regulations (\* 5).  
(\*5) Products / parts, technologies, facilities, and software regulated by laws and ordinances on export restrictions under international agreement (such as the Wassenaar Arrangement on Export Controls for Conventional Arms and Dual-Use Goods and Technologies) as well as narcotics, explosives and items that infringe patent rights which are prohibited from being imported by the Customs Law.
- (7) Information disclosure to stakeholders
  - ① Public information on business activities, financial situation, company's products / services, business opportunities, positioning etc. should not be false or misleading.
  - ② Prohibit false/misleading descriptions regarding the quality, standards and other contents of the company's products / services to consumers or customers.

- (8) Prohibiting use of conflict minerals
  - ① Formulate policies on responsible mineral procurement, and if necessary, investigate the origin and distribution process of minerals to confirm that tantalum, tin, tungsten, gold, etc. in the products are not directly or indirectly funding armed group that are causing human rights violations in the Democratic Republic of Congo or neighboring countries etc. and are not funding conflict or crime.
- (9) Setting up a reporting desk for fraudulent activity
  - ① Protect the confidentiality and anonymity of your workers and whistleblowers of your business partners and establish a reporting system that allows them to express concern without fear of retaliation.
  - ② Prohibit retaliation against your workers and whistleblowers of your business partners on the grounds that they have reported concerns.

## 4. Product Quality and Safety

### [4-1] Core Principles

- (1) Comply with laws and regulations concerning product safety and comply with safety standards.**
- (2) Establish and operate a management system for product quality assurance.**

### [4-2] Detailed Explanation

- (1) Laws on product safety and securing safety
  - ① In Japan, the Electrical Appliance and Material Safety Act, Consumer Products Safety Act, Household Goods Quality Labeling Act, etc. can be cited and safety standards are stipulated by detailed rules of laws and regulations as well as standards such as JIS. Overseas safety standards include UL, BSI and CSA.
  - ② When designing a product, the product must be designed to ensure safety sufficiently, taking into consideration not only legal compliance but also common safety considerations. To ensure product safety, management of traceability (record of materials, parts, processes, etc.) and quick response to solving problems are necessary. Also, please report in advance changes in the manufacturing process such as the 4M (Man, Machine, Material, Method) or changes from the contents negotiated in the purchasing specification documents.
- (2) Product Quality Management System
  - ① The management system for promoting quality assurance activities includes contents on organizational structure, activity planning, sharing of responsibility, implementation procedure and management resources, Quality assurance activities are activities for continually improving quality assurance through PDCA cycles and includes creating, implementing, reviewing and maintaining the product quality policy.

## 5. Information Security

### [5-1] Core Principles

- (1) Take measures to protect against threats on computer networks and manage them so as not to cause damage to the company and other companies.**
- (2) Protect personal information of all stakeholders involved in transactions, including customers, suppliers, consumers and workers.**
- (3) Establish a mechanism for managing and appropriately protecting confidential information.**

### [5-2] Detailed Explanation

- (1) Protection against computer network threats

- ① Implement information security measures so that customer information and confidential information will not be leaked to the outside by computer viruses or cyber-attacks.
  - ② Management of information security should include items on organizational structure, role and responsible authority, policy and implementation procedure, audit and review. In the unlikely event where information has been leaked to the outside, implement countermeasures such as establishing an organizational group for investigating the cause of the leak and converging damages.
- (2) Protection of personal information
- ① Personal information must be dealt with properly according to the laws of each country / region.
  - ② Establish and operate a management mechanism to protect the personal information of stakeholders related to transactions, such as customers, suppliers, consumers and workers, from illegal or unfair acquisition, use, disclosure or leakage. Management systems should include the creation of policies to be observed by workers as well as how to plan actions, implement initiatives, audit and review the policies.
- (3) Management of confidential information
- ① Establish a mechanism to manage confidential information and protect sensitive information from leaking.
  - ② Confidential information received from customers / business partners must be properly managed along with your company's confidential information.
  - ③ Prohibit illegally acquiring, using or disclosing confidential information of a third party.

## 6. Management Systems

### [6-1] Core Principles

- (1) Establish a management system in the areas of labor and human rights, safety and health, the environment and ethics in relation to the contents of this Guideline.**
- (2) Communicate the requirements of this Guideline to our business partners and regularly monitor their compliance status.**

### [6-2] Detailed Explanation

- (1) Establishing a CSR management system for the company
- ① Inform workers on items including corporate CSR policies approved by management, compliance with these guidelines and efforts to continuously improve in the local language through actions such as posting notices in the work place.
  - ② Identify, understand and monitor applicable laws, regulations and customer requirements.
  - ③ Identify the risks related to labor and human rights, safety and health and ethics, and their degree of impact, occurrence frequency and take appropriate measures against them.
  - ④ Create goals for improvement and implementation plans (including periodic evaluation for achieving goals).
  - ⑤ Provide training to managers and workers in order to implement policies and improvement targets.
  - ⑥ Evaluate the degree of understanding of workers concerning efforts in the fields described in this Guideline, and obtain feedback to build a process for continuous improvement.
  - ⑦ Corrective measures must be taken against noncompliance items found by internal and external assessments, surveys and audits.
  - ⑧ The content of the activities described in this Guideline should be recorded as much as possible. In addition, internal and external documents and records including personal information and confidential business information must be properly managed based on applicable laws and company management requirements.
- (2) CSR efforts for our business partners
- ① If your company has its own policies and guidelines, propose clear and accurate information to business partners concerning initiatives, expectations and achievements based on them.

- ② Please communicate with your major suppliers to promote the contents of this Guideline. Also, if necessary, please conduct a questionnaire survey and/or a site visit survey to confirm the risks appropriately. If there is a problem, please encourage your supplier to make improvements.

## 7. Social Contribution

### [7-1] Core Principles

- (1) Voluntarily conduct activities, as much as possible, that contribute to the development of the international community and local communities.

### [7-2] Detailed Explanation

#### (1) Implementing social contribution activities

- ① Actively and continuously support the community using own management resources. In general, this refers to the following activities.
- Social contribution activities related to own operations and technologies
  - Social contribution activities related to own facilities and human resources
  - Social contribution through monetary donation

For example, activities may include collaboration with the local community on disasters, worker volunteering, supporting activities by NPOs and NGOs, providing donations and information dissemination / introduction. It is necessary to decide on the range of activities that can be carried out by the company and to actively engage in these social contribution activities.

## IV. Environmental Initiatives

Based on its environmental policy in which it commits itself to respect nature, as well as not only preserve but also enhance the ecosystem, Mitsubishi Electric Group has established the Environmental Vision 2021, which sets the goals of creating a low-carbon, recycling-based society where people live in harmony with nature for the period from 1993 to 2021. Furthermore, Mitsubishi Electric Group also established in 2019 the Environmental Sustainability Vision 2050, which defines the environmental activities for after 2021. This new vision defines the Group's future course for implementing key activities toward 2050 in order to reduce its environmental impact and fortify the foundation of comprehensive environmental management. These activities are based on the Group's Environmental Declaration "Protect the air, land, and water with our hearts and technologies to sustain a better future for all" and its Three Environmental Action Guidelines established as follows: 1. Apply diverse technologies in wide-ranging business areas to solve environmental issues, 2. Challenge to develop business innovations for future generations, and 3. Publicize and share new values and lifestyles.

Regarding environmental initiatives please comply with the "Mitsubishi Electric Group - Green Accreditation Guideline".

<Green Accreditation Guideline - Contents >

### I. Green Procurement Approach

#### 1. Objectives and Sphere of Application

- (1) Green Procurement Objectives
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#### 1. Survey Targets

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- (1) Green Accreditation Flow
- (2) Supplier Response Procedures
- (3) Points of Attention, etc.

#### 3. Green Accreditation Expiration Date

### III. Requests to Suppliers

#### 1. Request for Cooperation in Green Accreditation

#### 2. Requests for Understanding and Guarantees regarding Environmental Hazard Substances and Cooperation in Content Surveys

#### 3. Bans and Reduction of Environmental Hazard Substance Content

#### 4. Resource Conservation Efforts

#### 5. Energy Conservation Efforts

#### 6. CO<sub>2</sub> and other Greenhouse Gases Emissions Reduction Efforts

#### 7. Environmental Impact Reduction through Partnerships with Suppliers

#### 8. Collect End of Life Materials

#### 9. Promote Green Procurement

#### 10. Sign Agreements to Reduce Environmental Impact

## V. Responding to the “Questionnaire III. (Actions for CSR)”

1. If in agreement with the contents described in this Guideline, please sign the "Consent Confirmation Form" included in the final page and submit the questionnaire.
2. Please obtain the "Questionnaire for Mitsubishi Electric Group *Green Certification* and *CSR Procurement*" from our website and respond to the questionnaire.
3. If your business partner is a trading company, please ask the supplier (for example the manufacturer) to answer the survey.
4. Please confirm that there are no missing entries and submit the survey to our office which requested your cooperation. Please submit the survey form outputted by the client application or Excel data.
5. The validity period of the survey results will, in principle, be the end of the fiscal year after three years from the certificate issuance date. However, if the survey is revised due to demands from the international society, a further response may be requested.

## VI. Contact

For Inquiries Concerning this Guideline:

Corporate Purchasing Div., Mitsubishi Electric Corporation

E-mail: [Pud.Greenprocurement@mf.MitsubishiElectric.co.jp](mailto:Pud.Greenprocurement@mf.MitsubishiElectric.co.jp)

## History of revisions

First Edition June 2018

2<sup>nd</sup> Edition January 2021

<Revisions from First Edition>

No	Chapter	Section	Page Number	Line number	Revisions
1	Introduction		1	3	Change from “Seven Guiding Principles” to” “ Our Values “
2			1	8	Insert Mitsubishi Electric Group’s “Purpose,” “Our Values,” and “Commitment”
3	I . Objective and Scope of the Guideline		2	13	Change from “the Supply Chain CSR Promotion Guide Book” to Responsible Business Conduct Guidelines
4			2	21-22	Change from “Seven Guiding Principles” to” “ Our Values “
5	II . Requests to Suppliers	【Responsible Minerals Procurement】	4	5	Insert “The Group adheres to the OECD Due Diligence Guidance”
6	III. Detailed Explanation of Core Principles	1. Human Rights and Labor [1-2] (1)①	5	27	Insert “in your company and your suppliers.”
7		1. Human Rights and Labor (4)②	6	9-11	Insert “However provided that if a reduction in salary for disciplinary purposes is permitted by domestic law and agreed in a freely negotiated collective agreement, reduction in salary is allowed.”
8	IV. Environmental Initiatives		12	2-14	The sentence was changed in accordance with Our Environmental Vision 2050 issued in June 2020.
9	V. Responding to the “Questionnaire III. (Actions for CSR)”		13	11	Insert “Please submit the survey form outputted by the client application or Excel data”



# Mitsubishi Electric Group CSR Procurement Guideline (2<sup>ND</sup> Edition) Consent Confirmation Form

Please have this form signed by the responsible person (person in charge of your department) to confirm the company's consent concerning the contents of this Guidelines. By signing this form, the Mitsubishi Electric Group will confirm that the company has acknowledged to adhere to the contents of this Guideline concerning the products, materials and services you provide to the Group.

Date :

Name of Company :

Address :

Name of Relevant Department :

Name of Responsible Person (handwritten name or printed name with personal seal) :

TEL :

E-mail :

**【Concerning Privacy】**

With respect to the personal information included in this form, Mitsubishi Electric Group agrees to use it only for purposes concerning transactions with the Group. (Confirmation of consent concerning this is made by the signature or seal stamp in the personal information above.)

The personal information received will be handled with extreme care and will be used only for the purpose promised.

- Administrator of business partner's personal information :  
Corporate Purchasing Div., Mitsubishi Electric Company

Please turn in this form to the Group office which requested the company's confirmation.

If the company is unable to confirm consent concerning the contents of this Guideline, please explain the reason(s).

(Reason(s) for non-consent)

**【Table】 Comparing Code of Conducts**

Guideline Items	RBA (ver6.0)	JEITA Responsible Business Conduct Guidelines (ver1.0)	Tokyo 2020 Olympic and Paralympic Games Sustainable Sourcing Code		
Human Rights and Labor	A-1 Freely chosen employment	2.Human Rights and Labor	(2-1) Prohibiting Forced Labor	4. Standard (3) ① Compliance with and respect for international human rights standards	
	A-2 Young workers		(2-2) Prohibiting Child Labor and Respecting the Rights of Young Workers	4. Standard (3) ② Ban on discrimination and harassment	
Human Rights and Labor	A-3 Working hours	2.Human Rights and Labor	(2-3) Decent Working Hours	4. Standard (3) ③ Ban on violation of the rights of local residents, etc.	
	A-4 Wages and benefits		(2-4) Adequate Wages and Allowances	4. Standard (3) ④ Respect for women's rights	
	A-5 Humane treatment		(2-5) Prohibiting Inhumane Treatment	4. Standard (3) ⑤ Respect for the rights of persons with disabilities	
	A-6 Non-discrimination		(2-6) Prohibiting Discrimination	4. Standard (3) ⑥ Respect for children's rights	
	A-7 Freedom of association		(2-7) Freedom of Association and Right to Collective Bargaining	4. Standard (3) ⑦ Respect for the rights of social minorities	
				4. Standard (4) ① Compliance with and respect for international labour standards	
				4. Standard (4) ② Freedom of association and the right of collective bargaining	
Health and Safety	B-1 Occupational safety	3. Health and Safety	(3-1) Occupational Safety		
	B-2 Emergency preparedness		(3-2) Emergency Preparedness		
	B-3 Occupational injury and illness		(3-3) Occupational Injury and Illness		
	B-4 Industrial hygiene		(3-4) Industrial Hygiene		
	B-5 Physically demanding work		(3-5) Physically Demanding Work		
	B-6 Machine safeguarding		(3-6) Machine Safeguarding		
	B-7 Sanitation, food, and housing		(3-7) Health and Safety at Facilities		
	B-8 Health and safety communication		(3-8) Health and Safety Communication (3-9) Worker Health Management		
Fairness and Ethics	D-1 Business integrity	5. Fair Trading and Ethics	(5-1) Preventing Corruption	4. Standard (5) ① Prevention of corruption	
	D-2 No improper advantage		(5-2) Prohibiting Inappropriate Provision and Improper Benefit		4. Standard (5) ② Fair business practices
	D-3 Disclosure of information		(5-3) Fair Information Disclosure		4. Standard (5) ③ Use of raw materials with no involvement with a conflict or crime
	D-4 Intellectual property		(5-4) Respecting Intellectual Property		4. Standard (5) ④ Protection of intellectual property rights
	D-5 Fair business, advertising and competition		(5-5) Conducting Fair Business		4. Standard (5) ⑤ Responsible marketing
	D-6 Protection of identity and non-retaliation		(5-6) Protecting Whistleblowers		6. Setting a grievance office
	D-7 Responsible sourcing of minerals		(5-7) Responsible Minerals Procurement		
Product Quality and Safety		6. Quality and Safety	(6-1) Ensuring Product Safety (6-2) Quality Management (6-3) Providing Accurate Information on Products and Services		
Information Security	D-8 Privacy	7. Information Security	(7-1) Defense from Cyber Attack (7-2) Protecting Personal Information (7-3) Preventing Leak of Confidential Information	4. Standard (5) ⑥ Proper management of information	
Management Systems	E-1 Company commitment	Section 2: Establishing a Management System	A. Establishing a Management System	5. Verification Proceed	
	E-2 Management accountability and responsibility		B. Supplier Management		
	E-3 Legal and customer requirements		C. Proper Import/Export Control		
	E-4 Risk assessment and risk management		D. Establishing a Grievance Mechanism		
	E-5 Improvement objectives		E. Disclosing the Activities		
	E-6 Training (including B-8)				
	E-7 Communication (including B-8)				
	E-8 Worker feedback, participation and grievance				
	E-9 Audits and assessments				
	E-10 Corrective action process				
	E-11 Documentation and records				
	E-12 Supplier responsibility				
Others *Included in list of requested items for suppliers		1. Respecting the Laws and Internationally Recognized Standards	4. Standard (1)	① Compliance with laws and regulations ② Ban on retaliatory actions	

\* 「Contribution to society and region」 is referred from Supply-Chain CSR Deployment Guidebook (JEITA).