Human Rights

Mitsubishi Electric Group Human Rights Policy

Protection of human rights and support for internationally agreed human rights are imperatives for the Mitsubishi Electric Group’s business activities. Accordingly, as members of the Group, we recognize our duty to prevent any complicity with human rights violations.

On that basis, the Mitsubishi Electric Group enacted its Corporate Ethics and Compliance Statement in 2001 and pledged that all executives and members of the Group “will conduct ourselves always with a respect for human rights, will not discriminate based on nationality, race, religion, gender, or any other reason.”

As the Mitsubishi Electric Group continues to expand its business globally, in accordance with the spirit of the Mitsubishi Electric Group’s “Purpose” and “Our Values,” it has established this Human Rights Policy and shall raise awareness of human rights among its members and make sure to properly deal with related incidents in order to ensure that its business activities do not have a negative impact on human rights.

Management System Related to Respecting Human Rights

In order to undertake human rights due diligence and other measures based on the United Nations Guiding Principles on Business and Human Rights, etc., the Mitsubishi Electric Group has been implementing the Plan-Do-Check-Act (PDCA) cycle, in which the results of human rights initiatives are confirmed and policies and plans are considered and approved in a meeting of the Sustainability Committee held every year.

In fiscal 2023, the Group will establish the Human Rights Subcommittee as a permanent organization that is subordinate to the Sustainability Committee to determine potential improvements, solutions for issues, and other matters related to human rights initiatives, and to take rapid action. The Human Rights Subcommittee will be headed by the Senior General Manager of the Sustainability Planning Division, and will be composed of the heads of the Corporate Strategic Planning Division, the Corporate Human Resources Division, the Corporate Purchasing Division, the Corporate Legal & Compliance Division, the Corporate Risk Management Division, the Corporate Economic Security Division, and the Global Planning & Administration Department.

Since human rights issues are related to a broad range of fields, the Group will establish a system for it to clarify the responsible division, work on initiatives, and report the status of progress to the Sustainability Committee. In addition, the Executive Officers and Directors will receive reports on initiatives as necessary and supervise them, thereby strengthening the integration of human rights initiatives.

Human Rights Impact Assessment

In order to enhance the objectivity and transparency of the Mitsubishi Electric Group’s human rights initiatives, in February 2022 we joined the Responsible Business Alliance (RBA), an alliance that promotes corporate social responsibility in the global supply chains. We commit to progressively align our own operations with the provisions of the RBA Code of Conduct, to promote continuous improvement of our sustainability efforts.

Mitsubishi Electric Group Human Rights Policy

In fiscal 2022, we carried out the second “Human Rights Impact Assessment” of Mitsubishi Electric, affiliates in Japan, and overseas affiliates, covering a total of 417 sites. In addition, we decided to add the “Human Rights” category to the “General Control Self-Check,” in which risks that may have material impact on the management are inspected based on the decisions made by the Board of Directors. We also checked the status of progress of the “Human Rights Impact Assessment.”

Initiatives Related to Employees’ Human Rights

We will respect the human rights of employees and implement initiatives, such as embracing diversity, maintaining a favorable working environment, and ensuring occupational safety and health and mental and physical health, in order to create a work environment where all employees can work actively with a sense of security.

Human Rights Initiatives in the Supply Chain; Joining the RBA

Since fiscal 2019, we have been seeking consent from suppliers to agree on initiatives for social issues including human rights issues.

Mitsubishi Electric’s main points of contact for whistleblowing/consultation

<table>
<thead>
<tr>
<th>Service available</th>
<th>Name of point of contact for whistleblowing/consultation</th>
<th>Matters to be consulted</th>
<th>Contact</th>
</tr>
</thead>
</table>
| Various stakeholders (customers, people in the community) | “Inquiries on sustainability” and “Other Inquiries” on the Mitsubishi Electric Group official website | - Inquiries regarding the Mitsubishi Electric Group’s sustainability  
- Other various inquiries regarding the Mitsubishi Electric Group’s business activities | <Japanese>  
<br>  
- Inquiries on sustainability  
- Other Inquiries  
<br>  
<Global (English)>  
<br>  
- Inquiries on sustainability  
- Other Inquiries |
| Mitsubishi Electric employees, family companies employees*, suppliers to Mitsubishi Electric** | Ethics observance hotline | Whistleblowing or consultation regarding organized or individual employees’ fraud, legal violation, act of breach of ethics | Internal points of contact/external points of contact (lawyers)*3 |
| Mitsubishi Electric employees | Points of contact for consultation on sexual harassment, power harassment, etc. | Whistleblowing/consultation on various types of harassment in Mitsubishi Electric’s workplace | Human Resource Div. at each office of Mitsubishi Electric |

*1 Limited to whistleblowing that is relevant to Mitsubishi Electric in personal and business aspects.
*2 The points of contact are listed on Mitsubishi Electric’s intranet, internal posters, “Code of Corporate Ethics and Compliance,” etc.
*3 A whistleblowing system has been established at each domestic and overseas family companies of the Mitsubishi Electric Group.
Women’s Participation

Mitsubishi Electric’s action plan based on the Act on Promotion of Women’s Participation and Advancement in the Workplace (Target: FY2022)

<table>
<thead>
<tr>
<th>Initiatives</th>
<th>Target</th>
<th>Performance for FY2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage of women employees</td>
<td>1.2%</td>
<td>5.5%</td>
</tr>
<tr>
<td>Percentage of women on boards of directors</td>
<td>1.2%</td>
<td>6.5%</td>
</tr>
<tr>
<td>Percentage of women in middle-level positions</td>
<td>1.2%</td>
<td>6.5%</td>
</tr>
</tbody>
</table>

*Trend in the number of women employees (Mitsubishi Electric)

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of women employees</th>
<th>Ratio of women</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>1950</td>
<td>8%</td>
</tr>
<tr>
<td>2020</td>
<td>2050</td>
<td>8%</td>
</tr>
<tr>
<td>2021</td>
<td>2150</td>
<td>8%</td>
</tr>
<tr>
<td>2022</td>
<td>2250</td>
<td>8%</td>
</tr>
<tr>
<td>2023</td>
<td>2350</td>
<td>8%</td>
</tr>
</tbody>
</table>

*Trend in the number of women managers or equivalent (Mitsubishi Electric)

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of women managers or equivalent</th>
<th>Ratio of women</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>300</td>
<td>5%</td>
</tr>
<tr>
<td>2020</td>
<td>350</td>
<td>5%</td>
</tr>
<tr>
<td>2021</td>
<td>400</td>
<td>5%</td>
</tr>
<tr>
<td>2022</td>
<td>450</td>
<td>5%</td>
</tr>
<tr>
<td>2023</td>
<td>500</td>
<td>5%</td>
</tr>
</tbody>
</table>
After implementing and applying measures in FY2021, third-party assessment employees can openly communicate with one another, thorough and appropriate. The Mitsubishi Electric Workplace Reform Program that aims at creating a workplace where employees can work actively with a sense of security.

- **S : Social**
  - Active communication
  - Elimination of communication gaps caused by different job classes or other reasons

**Short-term priority measures, long-term measures, and progress in the Workplace Reform Program**

<table>
<thead>
<tr>
<th>Measure</th>
<th>FY2021 *</th>
<th>FY2022</th>
<th>FY2023</th>
<th>FY2024</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prevention of problems</td>
<td>Implemented</td>
<td>Implemented</td>
<td>Implemented</td>
<td>Implemented</td>
</tr>
<tr>
<td>Detection of problems</td>
<td>Implemented</td>
<td>Implemented</td>
<td>Implemented</td>
<td>Implemented</td>
</tr>
<tr>
<td>Action against problems</td>
<td>Implemented</td>
<td>Implemented</td>
<td>Implemented</td>
<td>Implemented</td>
</tr>
<tr>
<td>Improvement in governance</td>
<td>Implemented</td>
<td>Implemented</td>
<td>Implemented</td>
<td>Implemented</td>
</tr>
<tr>
<td>Organizational climate</td>
<td>Implemented</td>
<td>Implemented</td>
<td>Implemented</td>
<td>Implemented</td>
</tr>
<tr>
<td>Improvement of work engagement</td>
<td>Implemented</td>
<td>Implemented</td>
<td>Implemented</td>
<td>Implemented</td>
</tr>
<tr>
<td>Active communication</td>
<td>Implemented</td>
<td>Implemented</td>
<td>Implemented</td>
<td>Implemented</td>
</tr>
<tr>
<td>Long-term measures</td>
<td>Implemented</td>
<td>Implemented</td>
<td>Implemented</td>
<td>Implemented</td>
</tr>
</tbody>
</table>

**Changes in monthly overtime hours per employee (including managers)**

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021 (FY)</th>
<th>2022 (FY)</th>
</tr>
</thead>
<tbody>
<tr>
<td>OTHs (h)</td>
<td>33</td>
<td>31</td>
<td>27</td>
<td>23</td>
<td>20</td>
</tr>
</tbody>
</table>

**Examples of company-wide activities**

1. **Developing an IT environment**
   - Promote the elimination of paper documents throughout the company
   - Providing mobile terminals to employees in all offices who need them
   - Implementing online conferences for meetings between remote offices
   - Reducing the number of periodic reports (weekly reports, monthly reports, etc.) issued by each department
   - Reviewing report formats

2. **Simplifying and reducing company-wide documents**
   - Promoting initiatives for expansion of RPA
   - Simplifying documents by shortening discussion times and schedules in management meetings
   - Reducing the number of periodic reports (weekly reports, monthly reports, etc.) issued by each department
   - Reviewing report formats

3. **Promoting indirect JF Kaizen activities**
   - Promoting improvement activities suitable for each workplace through activities in small groups
   - Analyzing operations by external consultants and implementing JF Kaizen activities company-wide
Supply Chain Management (Procurement)

Procurement Policy and Supplier Criteria
The Mitsubishi Electric Group ensures fair and impartial selection and evaluation of business partners in Japan and overseas by providing an explanation of the Group’s Purchasing Policy and CSR Procurement Policy (Sustainability Procurement Policy), and requesting business partners’ understanding of these policies. By ensuring proper evaluation of suppliers based on selection and evaluation criteria established by the Group, procurement risks are also mitigated along the supply chain.

The Group’s criteria for evaluating business partners include not only quality, cost, delivery schedules and services, but also initiatives in response to environmental regulations and sustainability initiatives. As a basic policy, the Group preferentially procures materials from suppliers who rank high in a comprehensive evaluation.

In order to enhance the objectivity and transparency of the Mitsubishi Electric Group’s human rights initiatives. In February 2022, we joined the Responsible Business Alliance (RBA), an alliance that promotes corporate social responsibility in global supply chains. We commit to progressively align our own operations with the provisions of the RBA Code of Conduct, a global standard, to promote continuous improvement of our sustainability efforts.

Framework for Promotion of Procurement Supply Chain Management
Under globally sustainable procurement, target cost and cost co-creation by enhancement of partnership (S-STEP) strategy toward strengthening the purchasing structure, the Mitsubishi Electric Group aims to achieve the lowest cost ratio ever starting in fiscal 2023. In this effort, we will develop and promote the following measures with the following aim: “We will contribute to the realization of sustainability through all corporate activities. By doing so, we will make further efforts to enhance economic and social value so as to raise our corporate value, which is the Group’s business goal, through sustainable and stable procurement. In cooperation with the Materials Planning Office in regional corporate offices in China, Asia, Europe and America, we implement purchasing strategies through conferences of procurement officers and other such meetings to promote optimal procurement activities suited to each region. In addition to this initiative, we will also promote activities to mitigate any perceived risks regarding a range of issues related to labor practices and environmental problems in the procurement supply chain and thereby strengthen our business continuity plan (BCP).

Priority activities
1. Establishing a framework for strengthening stable procurement
2. Further strengthening the cost planning activity
3. Expanding contracted purchasing
4. Strengthening procurement quality control
5. Strengthening a procurement partner for supporting relevant activities and measures
6. Strengthening global optimal procurement

Local procurement rate in the major regions (Mitsubishi Electric Group)

![Image of local procurement rates in major regions (Mitsubishi Electric Group)]

* Local procurement rate: Materials, parts, etc., regardless of country of origin that are procured by overseas production sites at their own discretion

Mitsubishi Electric Group Policies for Responsible Minerals Procurement
The Mitsubishi Electric Group aims for transparency in its procurement 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*2, and removes certain minerals from the procurement 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 OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas

Quality

Basic Policy and Management

Basic Policy
The Mitsubishi Electric Group conducts business under the Purpose, “We, the Mitsubishi Electric Group, will contribute to the realization of a vibrant and sustainable society through continuous technological innovation and ceaseless creativity.” This Purpose inheres the principles outlined in the Keys to Management (In Japanese, Keiei no totei) set out when Mitsubishi Electric was established with regard to “our contribution to social prosperity,” “quality improvement,” and “customer satisfaction,” and forms the basic spirit of our relationship with society and our customers.

To give concrete shape to this basic spirit, employees perform their work according to “Our Values,” which teach us to develop relationships based on strong mutual trust, ensure products and services that satisfy standards provided in laws and regulations and the specifications agreed upon with customers are delivered in the best quality, and provide society with new value by enhancing our technology and onsite capabilities. Based on these values, 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 our after-purchase support, response to major issues, and product disposal.

Four Basic Quality Assurance Principles
The Four Basic Quality Assurance Principles reflect the spirit of “Service through Quality” adopted in 1952 and “Heimonomony of Quality” issued in 1936. The spirit of serving society through steady quality continues to be upheld by each employee of the Mitsubishi Electric Group up to the present day.

Four Basic Quality Assurance Principles
1. Product quality is our top priority. It comes before price and on-time delivery.
2. Our commitment to the highest quality under any circumstances is unwavering.
3. Products must be safe to use, have a long usage life, and have consistent performance.
4. Every manager and employee involved in manufacturing a product shares equal responsibility for product quality.

Product Safety-related Principles
Based on the “Purpose” and “Our Values,” the Mitsubishi Electric Group promotes initiatives to ensure product safety under the following principles:

Product Safety-related Principles
1. We will not only comply with the laws related to product safety, but also offer services and services to customers.
2. We will prevent product-related accidents by indicating cautions and warnings to help customers use our products safely.
3. We will work actively to collect information about product-related problems, disclose them appropriately to our customers, and report them quickly to the government and other bodies as required under the law.
4. If any serious accidents occur resulting from product-related problems, we will take appropriate measures to avoid further damage.
5. We will investigate the cause of product-related accidents and work to prevent any recurrence.
6. We will make continuous efforts to improve our product safety promotion system.

Particularly in regard to consumer products, Mitsubishi Electric is committed to preventing serious hazards that could result in death, injury, fire, or other damage, by subjecting all products to a quantitative risk assessment at the development stage, while also designing and developing products in consideration of their end-life management (to ensure safety even at the stage where products are prone to be broken or discarded). At the same time, we operate the Service Call Center and Customer Relations Center in Japan to operate 24 hours a day, 365 days a year to gather information on product-related issues and enable prompt response. Furthermore, we disclose accident information, including information on the status of ongoing investigations, on our official website.

Important information about our products (in Japanese text) [https://www.mitsubishielectric.co.jp/kr/learn/index.html]
We would like to sincerely apologize to all our customers and other parties concerned for the impact of the series of improper quality control practices that has occurred in the Group. At Mitsubishi Electric, we take these incidents seriously and we will ensure that thorough measures are taken to prevent recurrence by analyzing the related factors and pursuing the root causes. While responding to customers and people in society with utmost sincerity, we will endeavor to restore public trust.

We have established the Emergency Response Division led by the president to work to investigate the causes and take measures to prevent recurrence. We have also been striving to realize three reforms that we have formulated based on suggestions on recurrence prevention measures from an Investigative Committee of external experts.

One of these three reforms is “Quality Assurance Reform,” and to engage in this, we have established the Corporate Quality Assurance Reengineering Group under the direct control of the president. The Group will take a leading role in driving and implementing company-wide measures. Specifically, we will implement the company-wide measures given below.

<table>
<thead>
<tr>
<th>Task</th>
<th>Specific Initiatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Creating a new company-wide structure for quality assurance (led by head office)</td>
<td>• A Chief Quality Officer (CQO) was appointed from outside the company to head the Corporate Quality Assurance Reengineering Group. &lt;br&gt; • The Corporate Compliance Committee’s quality governance subcommittee has assessed the Corporate Quality Assurance Reengineering Group’s activity every two months. &lt;br&gt; • The company has identified the infrastructure it needs to ensure compliance with laws, standards, and customer specifications and strengthened the quality assurance process and has decided to invest ~5 billion yen in FY2022 and plans to invest 30 billion yen or more over two years.</td>
</tr>
<tr>
<td>2. Company-wide measures for quality assurance reforms</td>
<td>2-1 Restructuring the control functions &lt;br&gt; To create independence and separation of the command. &lt;br&gt; In April 2022, Corporate Quality Assurance Reengineering Groups and Quality Assurance &amp; Management Departments were established at all work sites, provided shipping authority, and began operating. &lt;br&gt; 2-2 Strengthening of quality assurance functions &lt;br&gt; In FY2022, quality audits were conducted at all sites with an emphasis on ensuring products conform to laws, standards, and customer specifications. From April 2022, auditing process will be improved to help identify issues at sites and facilitate improvements; these improved audits are planned for 28 work sites.</td>
</tr>
<tr>
<td>2-3 Enhance quality through IT and digitalization</td>
<td>1) Strengthen and ensure compliance with laws, regulations and public standards. &lt;br&gt; Different from conventional management of information on laws and regulations relevant to each site, the company finished drafting the outline of a system via which the Corporate Quality Assurance Reengineering Group centrally collects and manages information on laws and regulations common to all sites. &lt;br&gt; Using an external organization, the company started savings of information on the revision/addition of legal standards and standards documents. &lt;br&gt; 2) Enhance quality through IT and digitalization &lt;br&gt; The company decided on basic specifications clearly defining what points should be checked when assessing consistency between customer specifications and shipped products. &lt;br&gt; Tools for the digital management of customer specifications and inspection data are scheduled to be introduced. &lt;br&gt; 3) Strengthen head office support for manufacturing sites. &lt;br&gt; The quality support team is gathering information on problems experienced in specific workplaces. This will be used to provide support going forward. A contact center has also been set up to handle inquiries on technical issues from manufacturing sites.</td>
</tr>
<tr>
<td>2-4 Training of quality-control personnel</td>
<td>1) Survey of the skills possessed by manufacturing sites’ quality assurance and quality control departments was completed. Internal training courses tailored to skill levels were rolled out company-wide. &lt;br&gt; The survey results will be used to assess skills strengths and weaknesses and an enhancement plan will be formulated. &lt;br&gt; 2) A quality assurance and quality control department leadership training course has started.</td>
</tr>
</tbody>
</table>

Employees and the company shall work together to promote the “three forms of coexistence” and realize an inclusive society.

**Philanthropic Activities**

Our Philosophy on Philanthropic Activities

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.

“Three forms of coexistence” that the Mitsubishi Electric Group Aims for

To realize an inclusive society, the Mitsubishi Electric Group has been promoting activities at the level of people with a focus on each and every individual, the level of society as an aggregate of local communities, and the level of the Earth, which is the foundation for all individuals and communities. The Mitsubishi Electric Group will continue to strive to achieve “coexistence” at each of these levels.

Philanthropic Activities

- **Global Environment**
  - Satoya Woodland Preservation Project: Mitsubishi Electric, Outdoor Classroom

- **Social**
  - Supporting athletes with disabilities: Saurya Woodland Preservation Project

- **Local Communities**
  - Mitsubishi Electric Socio-NOHO’S Fund

- **People**
  - Pet-sports support
  - Sports promotion
  - Culture & arts support

- **All People**
  - Create opportunities and environments where all people, from adults to children, with or without disabilities, can respect and recognize each other and improve their physical and mental health.

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