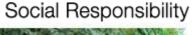
# CORPORATE SOCIAL RESPONSIBILITY Social Responsibility 2008 Changes for the Better









An introduction to our responsibility and conduct toward customers, measures that ensure consistent quality and effective handling of major product-related issues.

More

# To Business Partners



We shall select suppliers fairly, build a cooperative relationship with them by deepening mutual understanding, and work together with them to ensure product safety and improve service quality.

More

# To Shareholders & Investors



By promoting balanced corporate management from the three perspectives of growth, profitability and efficiency, and soundness, we shall work to build a robust management base and achieve sustainable growth as we strive to further improve performance and increase corporate value.

▶ More

# To Employees



We shall work to realize a diverse workforce and equality of opportunity, create a fulfilling workplace, improve the workplace environment to achieve even better working conditions, and ensure occupational safety and health, and health in mind and body.

► More

# As a Corporate



We shall undertake and promote philanthropic activities in the three key areas of local philanthropic activities, donations and overseas foundations.

More

# Communicating with Society

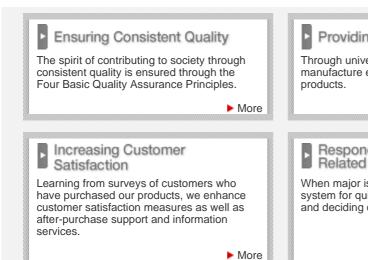


As a good citizen and a good neighbor, we shall contribute to local community development through proactive participation in volunteer activities and other local events.

▶ More

# Social Responsibility





# Providing Easy-to-Use Products

Through universal design, we will manufacture easy-to-use and practical products.

▶ More

### Responding to Product-Related Issues

When major issues occur, we employ a system for quickly and accurately considering and deciding on steps and measures to take.

▶ More

### **To Customers**

### **Ensuring Consistent Quality**

### **Quality Management Principles and System**

The quality items indicated by the seven guiding principles formulated in 2001 (quality: provide the best products and services with unsurpassed quality) reflect the Four Basic Quality Assurance Principles laid down as a means of realizing the corporate motto of "Service through Quality" adopted in 1952, and have been passed down from one generation of employees to another to this very day.

Based upon these principles, we have established a system for quality assurance and improvement activities throughout the entire Group and formulated quality assurance guidelines. We comply with quality assurance legislation and standards and are working to further develop quality improvement activities.

Worldwide manufacturing bases take responsibility for the quality assurance of each product and are implementing concrete improvement measures.

### **Four Basic Quality Assurance Principles**

- 1. Product quality is our top priority. It comes before price and on-time delivery.
- 2. Whatever the sacrifice, our commitment to quality does not waver.
- 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.

### Promotion of Quality Assurance and Improvement Activities



### **Quality Improvement Activities**

The Mitsubishi Electric Group incorporates quality considerations into products from the design and development stage, promotes activities to improve quality in all processes, from design and development to manufacturing, shipping and beyond, and works to make ongoing improvements in product quality, safety and reliability.

We have also built a database for sharing quality-related information that is used by the entire company. It consists of information provided by prior employees on past problems, lessons learned, explanations and defects, as well as examples of improvements that have been made. The system has proven effective in helping to build quality into products, implement quality improvement measures, prevent the occurrence or recurrence of problems, and train young engineers. Based on cases where there were problems, we developed an e-learning tool called "Learning from Problems" and utilize it for educational purposes.

At the manufacturing stage, we work to make quality readily apparent to help prevent problems before they occur and promptly respond to them when they do. Problems are fed back to development and design divisions, where efforts are then made to further improve quality.

### **Ensuring Product Safety**

Based on the Corporate Statement and the Seven Guiding Principles, Mitsubishi Electric 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 work on offering safe and reliable products to our 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 of 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 apply appropriate measures to avoid any increase in 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.

### **To Customers**

### **Providing Easy-to-Use Products**

### Universal Design that Provides Ease of Use

Universal design refers to designing products so that they can be used by as many people as possible. Mitsubishi Electric works to make products that are truly easy to use and easy to live with, by assessing products in terms of whether they facilitate worry-free living, are simple and easy to understand, use displays and expressions that are easy to identify, and incorporate ergonomic considerations.

In fiscal 2008, we gave in-house approval to 12 products, including the first Blu-ray Disc<sup>™</sup> recorder in the world to be equipped with an LCD touch panel remote, and an air-conditioner with an easy-to-understand eco-monitor.

In fiscal 2009, we are developing such innovations as a monitor within air conditioning units that displays current unit status, a refrigerator with greater flexibility for adjusting shelf and drawer partitions, as well as an IH cooking heater that allows one-touch adjustment of the cooking temperature.

We are also working consistently to develop and improve universal designs both for the way products are used and for easier installation and maintenance.

# World's First Air Conditioner that Displays Electricity Costs and CO<sub>2</sub> Emissions & Savings Information

An easy-to-understand monitor built into the air conditioning unit displays air conditioner status.

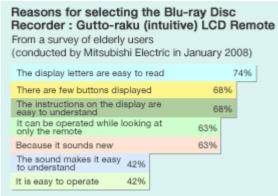


- Advanced "I-See Fit" Sensor:
   Delivering finely tuned operational control, activating this sensor achieves an energy savings as high as 65%. The energy savings indicator helps make these energy savings more visible, helping support conservation of electricity.
- "Select Monitor" Helps Visualize Savings:
   Large indicators display set temperature,
   perceived temperature, electricity costs, and
   CO<sub>2</sub> emission information, giving users a
   sense of the otherwise difficult-to-perceive
   energy savings achieved.

### Blu-ray Disc Recorder: Gutto-raku (intuitive) LCD Remote

We adopted the world's first LCD touch panel remote based on the concept of how far we could match high performance and high functionality with ease of use. Only those buttons limited to the most common operations feature clear displays with large lettering, enabling users to find the buttons they most want to use quickly. Slightly more complex operations such as video timer settings can be accomplished with ease because the remote shows you how it's done. User surveys targeting the elderly (right-hand graph, 50 people aged 60 and over) show that high marks were given to features such as easy to understand displays, limited button indications, and the ability to confirm that buttons have been pressed through color and sound.







### Jet Towel "Puchi" (Petit)

The main unit is compact to allow it to be installed on the washstand counter. Even people in wheelchairs, the visually impaired and small children can dry their hands as soon as they have washed them, without having to move.

### **Enhancement of the Proprietary System for Universal Design Evaluation**

UD-Checker is a tool that can be used by both designers and developers to check for universal design qualities. Target levels can be set for each development model, and the relative achievement of universal design can be quantitatively displayed using four evaluation categories. This makes it easier to identify key development issues and develop specific designs, which in turn helps the efficiency of product development.

In fiscal 2008, we used this evaluation system to make products easier for more people to use, and broadened the scope of applications to the industrial machinery sector, installation and maintenance operations and the like.



**UD-Checker Screen** 

### **Making User Manuals Easy to Understand**

The Mitsubishi Electric Group promotes measures to create user manuals that are easy to read and understand, enabling customers to use products safely and comfortably. Our guidebook for producing user manuals forms the basis of these measures, which is distributed to our Japanese domestic subsidiaries responsible for home appliances.

### Example of Improvement in User Manuals in Fiscal 2009: Blue-ray Disc Recorder

Operational information from the instruction manual is built right into the product. So when the user is not sure what to do, the information can be displayed on the television screen for a quick and easy solution.

### **To Customers**

### **Increasing Customer Satisfaction**

### **Improving Customer Satisfaction**

A precondition for providing the kind of value that will excite customers is to continuously determine their current level of satisfaction. For this reason, each of our manufacturing plants administers questionnaires for people purchasing its flagship products and conducts surveys using product testers. We also see how the Mitsubishi Electric Group's sales and services are evaluated through sales outlet satisfaction surveys on sales policies of manufacturers and its sales subsidiaries, as well as customer satisfaction surveys on manufacturer support at large home appliance retailers. These results will be communicated throughout the Group and incorporated back into sales and development strategies.

Looking ahead, we will work to further improve our overall customer satisfaction ratings by endeavoring to raise customer satisfaction in each area -- product, sales and service.

### **Enforcing After-Purchase Support**

The Living Environment & Digital Media Equipment Group, which handles home appliance products, has established the Customer Response Center to respond to questions from individual customers about how to use our products, and the Service Center to handle product repairs. Both operate around the clock throughout the year. Each of our manufacturing works responds directly to inquiries that come in via our website in order to facilitate faster, more accurate responses.

In addition, the Technical Support Call Center deals with technical inquiries concerning afterservice and other matters from our retailers 365 days a year.

Due to expanding product features, inquiries taken by these help desks are increasing every year. At our centers where we take questions by phone in particular, we are working to add staff members and conduct education and training in order to improve the response rate and overall level of customer satisfaction.

Information elicited from our customers and retailers is fed back to the quality assurance divisions at each of our manufacturing works.

### **Enhancing Information Delivery**

In addition to product-related help and repairs, the Living Environment & Digital Media Equipment Group, which handles home appliance products, provides a wide range of information to individual customers and sales outlets, including helpful lifestyle-related information and information on how to use products safely.

For individual customers, for example, our website includes an informative site for homemakers called "Shufure." The site provides information on interesting products and reports from new product testers to some 220,000 registered members (as of March 2008), and has been quite well received. In addition, we provide lifestyle-related product information and a variety of services to around 150,000 registered participants (as of March 2008) in our product registration service, which is available to purchasers of Mitsubishi Electric products in Japan.

Also on our website we provide product-related information including technical and installation manuals for sales outlets.

In addition, we distribute to domestic affiliates that handle home appliances both guidelines on creating installation manuals to ensure the safety of installation work, and guidelines on creating user manuals to ensure that products are used safely, and make sure they are fully used.

### **To Customers**

### **Responding to Product-Related Issues**

Principle of Notification, Collecting Information, Repair and Recall of Products

In a case where there is a report that a major problem has occurred in a product that we have sold, we have a system for quickly and accurately considering and deciding on steps and measures to take, including the participation of upper management. For recalls in particular, we will work on an ongoing basis to make sure all the relevant products that were sold are returned and repaired, and we will apply these efforts to a wide array of sales channels.

We are also taking initiatives to ensure rapid and appropriate delivery of information on malfunctions in consumer products that have a direct link with consumers.

# Social Responsibility



### Corporate Social Responsibility through the Supply Chain

### **Our Purchasing Philosophy**

Mitsubishi Electric purchases a wide variety of materials and components from both Japanese and overseas markets. We recognize our corporate responsibility and are eager to provide business opportunities for the communities in which we operate.

### 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 us to develop with one another from the very beginning and achieve 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.

Furthermore, we plan to carry out our distribution activities in line with our "CSR Procurement Policy," which was established in fiscal 2008.

### **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
- 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 ethical misconduct

### **Building Good Relationships with Suppliers**

Based on our supplier selection standards, the Mitsubishi Electric Group regularly evaluates its business partners in terms of quality, price, delivery, customer service, environmental issues and other attributes. In 2003 we added correspondence to our levels of compliance to the law as one of the standards.

We make purchases from business partners placing a strong overall evaluation on a priority basis in an effort to build good business relationships from a long-term perspective. The Group gives the designation of "key supplier" to business partners especially important in the promotion of our business activities.

A "key supplier" is defined as a business partner that provides key parts related to product performance or that has high-level technology or other critical attributes.

Our partnerships with these business partners are more involved than with regular ones, as they engage in joint development of parts and materials, adopt cutting-edge products, and promote value analysis\*. We also work with key suppliers to develop activities aimed at the joint creation of costs.

Implementing value analysis in particular not only carries with it the benefit of helping lower our costs, it also helps increase the sales of business partners and boosts their technological proficiencies. Joint creation activities are indispensable to developing win-win relationships.

In fiscal 2007 we cut costs 20% through measures promoted alongside key suppliers including reduction of size and weight of materials, improvement of costs arising from quality management measures and others.

Activities are accelerating with a 20% reduction in procurement costs, the result of a continuing two-year effort spanning from fiscal 2008 to fiscal 2009.

Additionally, as in Japan, the Mitsubishi Electric Group will enhance purchasing relations in China and Asia by supporting overseas business partner cost reduction, level of stability and other factors.

\* Value analysis is a method for minimizing the costs required to obtain the essential functions of products and parts.

### **Building Good Relationships with Sales Outlets**

To build a win-win relationship with the regional retail sales outlets that sell Mitsubishi Electric products, we work with Group sales companies to support the business operations of the retail outlets. Besides organizing presentation meetings for introducing new products, we regularly offer sales skill-improvement workshops, conducted by Request System Corp.

In fiscal 2008 we enhanced the sales support system for sales outlets in the expanding market of all-electric-powered homes in Japan.



Sales skill-improvement workshop

Mitsubishi Electric Living Environment Systems Corp. has made an "e-home overall coordinator system," which is a company qualification system for sales and marketing in retail sales outlets, thus educating salespeople with sales skills and engineering knowledge in order to make overall suggestions including products for all-electric-powered homes. Furthermore, we have started up the "All-electric-powered Homes Club" in our sales outlet networks, and support their sales activities.

### **Ensuring Product Quality and Safety**

Considering that our business involves a wide range of products such as satellites, power generation equipment, electric transmission and distribution equipment, home appliances and numerous others, each of our customers expect differing standards of quality.

The Mitsubishi Electric Group establishes quality standards for each product and requests that business partners achieve required levels of quality based on them.

Product quality and safety are ensured through cooperation with our suppliers.



### **Increasing Shareholder Value**

### Promoting "Balanced Corporate Management" and Increasing Corporate Value

Through promoting balanced corporate management that gives consideration to the three perspectives of growth, profitability and efficiency, and soundness, the Mitsubishi Electric Group is working to establish a robust managerial basis, achieve sustainable growth, and further improve its financial performance out of a commitment to increase its corporate value.

### **Promoting Proactive Investor Relations**

In order to gain understanding and confidence from shareholders, the Mitsubishi Electric Group proactively promotes investor relations activities to disclose and provide appropriate information on a timely basis, including management policies, strategies and financial results. The Corporate Administration Division and Corporate Finance Division are responsible for keeping lines of communication open with shareholders and investors. Our activities in this area include holding presentations on corporate strategy and accommodating meetings with shareholders and investors.

Our R&D achievements open house, which has been held every year since fiscal 1994, has garnered a particularly strong reputation for providing the opportunity to learn about our technologies and growth potential. In addition, we work to incorporate the opinions of shareholders and investors, and the results of dialogue with them into our management plans and practices.

We have also enhanced various tools for investor relations and in fiscal 2008 were a recipient, for the second consecutive year, of the "Outstanding Performance Award 2008 of Internet Investor Relations in 2008," issued by the Daiwa Investor Relations Co, Ltd.

▶ For further information, please access our Investor Relations website.







Presentations on corporate strategy

R&D achievements open house

# Social Responsibility



### Workforce Diversity and Equal Opportunity

As a global corporation, Mitsubishi Electric seeks to hire a diverse workforce with respect for human rights in mind and without regard for gender, age, nationality or race.

More

## Creating a Fulfilling Workplace

Mitsubishi Electric aims to develop a corporate culture in which employees recognize organizational targets as well as their own roles, work to increase their own value, and take on the responsibilities associated with challenging goals.

▶ More

# Maintaining a Favorable Working Environment

Mitsubishi Electric endeavors to develop workplace conditions that allow employees to both excel in their careers and meet the duties of raising families.

► More

# Respecting Human Rights

The Mitsubishi Electric Group understands that its business operations are interrelated with a wide range of peoples and societies throughout the world, and implements and enforces a code of conduct that fosters respect for human rights.

More

# Supporting Career Development

Mitsubishi Electric provides a human resources development system that supports the careers of employees, a self-development support program and transfer opportunities for willing employees.

More

### Ensuring Occupational Safety & Health

Mitsubishi Electric promotes the management of occupational safety and health, measures to prevent lifestyle-related diseases, the support of mental health care and initiatives to achieve and maintain workplace environment standards.

More

### **Workforce Diversity and Equal Opportunity**

### **Basic Employment Policy**

Hiring a diverse array of people with respect for human rights and without regard for gender, age, nationality or race is essential to the ongoing business development of a multinational corporation.

Based on this thinking, Mitsubishi Electric not only complies with the Labor Standards Law and the Equal Employment Opportunity Law, it provides equal treatment to all employees regardless of nationality, creed or social status, uses the same pay scale for men and women, and determines working conditions with equal standing given to employers and workers. These employment policies also apply to Group companies.

### Aggressive Hiring and Transmission of Technology, Knowledge and Know-how

To address the mass retirement problem of baby boomers in Japan, we are aggressively hiring both recent graduates and mid-career professionals, increasing every year from 1,160 new employees in fiscal 2008, 1,385 in fiscal 2009 and 1,500 (planned) in fiscal 2010.

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

### **Topics**

### The 30th Mitsubishi Electric Group Skills Competition

The 30th Mitsubishi Electric Group Skills Competition was held as a way of fostering the technical level of employees and promoting a climate that encourages technological improvement.

With a level of competition appropriate for a 30th event, the company-wide competition encompassed a total of nine different job types with representatives chosen to compete from different sites and offices.

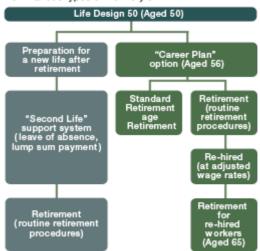
### To Provide Diverse Employment Formats for Older Employees

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

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

Employees in their fifties can choose one from various types of work style.



topics, and facilitating group discussions. In fiscal 2008 over 450 employees participated in the session.

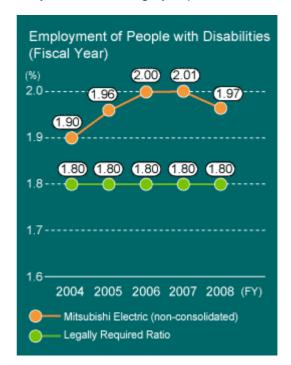
### Creating Barrier-Free Workplaces and Employing People with Disabilities

Mitsubishi Electric works to promote the employment of people with disabilities and to create barrier-free workplaces at its business sites to make it easy for people with disabilities to work at the company.

Continuing the achievements of the previous fiscal year, we employed people with disabilities at a ratio of 1.97% in fiscal 2008, which substantially exceeded the legally required ratio of 1.8%.



Barrier-free elevator (Head office building in Tokyo, Japan)



### **Creating a Fulfilling Workplace**

Compensation System Based on Individual Job Descriptions and Performance

Mitsubishi Electric revised its compensation system in March 2004 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 the new compensation system, performance is emphasized more than it was in the past, 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 new system, we fully disclose its evaluation methods and standards,

through Management Enhancements Evaluation/ Compensation Remuneration/ Status Results New challenges assessment 3-in-1 Effective Capacity system development Workforce Utilization Acquisition of functions/ opportunitie Realization of one's potential

Organic Combination of Components

conduct surveys on the functioning of the system to gauge employee opinion on it, and otherwise work to increase understanding and acceptance by employees.

In fiscal 2008, some 80% of employees participated in the survey conducted on the functioning of the new compensation system. The results are reflected for enhancement of its operation. We are committed to making the system function effectively by organically combining and harmonizing the three components of the system, evaluation/compensation, skills development and effective workforce utilization, in order to provide opportunities for employees to develop their own skills and advance their careers.

### Dialogue with Employees on Compensation

We have established consultation desks at each business site as a means of facilitating dialogue with employees on remuneration, compensation, benefits and other related issues. There is also an avenue for contacting the head office about these issues by email or phone. Personal interviews are also held every year to provide an opportunity for individual employees to discuss compensation and other issues with their immediate superiors.

### Motivating Researchers with Bonuses for Employee Inventions

In line with provisions in the Patent Law, Mitsubishi Electric has established rules for the payment of bonuses for employee inventions. In return for transferring patent rights on an invention developed by an employee in the course of his duties, we pay filing and registration compensation to the employee when the patent is filed for and registered, and if the invention is utilized in a company product or licensed to another company, we pay utilization compensation to the employee.

Amendments to the Japanese Patent Law in April 2005 added requirements related to formulation of these rules; namely, deliberation with employees on formulation, disclosure of the rules to employees, and listening to employee opinions on the matter. In accordance with these amendments, we revised our rules for the payment of bonuses for employee inventions in July 2005. We then held presentations on the changes at all manufacturing works and research centers, distributed CD-ROMs of the presentation to all employees who were not present, posted the presentation on the company intranet, and listened to the opinions of employees on the matter. After deliberations with the labor union, we created a final revised version of the rules that incorporated the thoughts and opinions of employees, gave presentations on this final version at all our operating sites and gained the consent of employees.

Under these revised rules for bonuses on employee inventions, we eliminated the upper limit and raised the bonus ratio for inventions licensed to other companies in order to further motivate our engineers. We also improved fairness and transparency for inventions used only in company products by disclosing the formula used to calculate bonuses for them. Moreover, we established the Invention Consultation Committee to make it possible for employees to petition the committee to review the amount of their bonus when they are not happy with it. We explained the reasons for these changes and our related policies to the departments in charge of intellectual property issues at each of our Group companies as well, and the companies have developed systems in line with Mitsubishi Electric policies.

Apart from our system of bonuses for employee inventions, we also have a program for rewarding outstanding inventions. Under this program, 30 to 40 inventions are honored each year.

### Maintaining a Favorable Working Environment

### **Development and Penetration of Childcare and Family-Care Programs**

Mitsubishi Electric is working to develop workplace conditions that allow employees to both do their jobs and raise children by enhancing childcare programs and ensuring their utilization penetrates the company. 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, and our program for allowing employees to work shorter days to help them raise their children can be extended up until the child finishes third grade in elementary school. Our family-care leave program has been revised in fiscal 2009 and now allows employees with families that meet the requirements to take a leave of absence for as long



We support childcare Certified in 2007 Next Generation Certification Seal

as two years, an extension from the previous one-year limit. 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 participation in a child's school event.

In accordance with the Law for Measures to Support the Development of the Next Generation, we formulated an action plan in fiscal 2006 that calls for developing a system for actively providing and disseminating programs and information related to childcare leave and returning to work following that leave. In April 2007 we were approved by the Japanese government as a corporation that supports the development of the next generation, due to achievements under government standards.

Under the second action plan starting April 2007, we began initiatives to further enhance support for the development of the next generation such as information services and self-development tools for employees both working and raising children.

These initiatives involve establishing and enhancing a website that posts related information in order to make the existence of the programs well known among employees. We will also enhance the content of discussions between employees returning from childcare leave and their superiors in order to facilitate this process. Along with enhancing our programs, we will work to foster a workplace culture in which employees can take on both childcare and their jobs, and in which women employees are able to enhance their personal lives while advancing their careers.

### **Respecting Human Rights**

### **Education and Awareness of Human Rights**

The Mitsubishi Electric Group recognizes that its business operations are interrelated with a wide range of peoples and societies, and our code of conduct maintains respect for human rights.

Through measures such as training of our employees on human rights issues and promotion of the employment of people with disabilities, we work earnestly to foster respect for human rights while putting programs into practice. At the same time, we have a determination to apply measures appropriate to the proper handling of contemporary issues such as sexual harassment, power harassment, security of the private information of individuals, genetic therapy, and others emerging from recent changes in society as well as the advancement of technology.

### **Supporting Career Development**

### Human Resources Development System Supports the Career of Employees

Mitsubishi Electric's training system 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. We also select outstanding employees for a managerial training program that focuses on training individuals for the core management positions that drive our businesses.

For new graduate employees, we conduct a company orientation as well as training sessions to elicit consciousness as a worker and educate them on basic knowledge, management principles, compliance, and other matters.

### **Self-Development Support Program**

Mitsubishi Electric instituted a self-development support program in fiscal 2005 to provide support for employees who take the initiative to develop their 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 bonuses 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 lofty goals as a professional.

### **Transfer Opportunities for Willing Employees**

Mitsubishi Electric instituted an intranet-based internal recruitment system in fiscal 2002 in order to optimize our human resources and provide transfer opportunities to willing employees. In fiscal 2005, we put in place a "free agent" program that publicizes the willingness of employees to be transferred.

Specifically, we launched Job-Net on our company intranet in fiscal 2002 to allow employees to consider career advancement possibilities 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.

### **Ensuring Occupational Safety & Health**

Occupational Safety and Health Management System Strives for Zero Risk

We recognize that supervising the occupational safety and health of our employees is essential to business management. Based on a spirit of respect for all human beings, we feel that, as a matter of policy, it is a corporate responsibility to establish an atmosphere that prioritizes occupational safety and health in all social and corporate environments.

From zero accidents to zero risk -- Mitsubishi Electric is dedicated to developing a new culture of safety. Based on our proprietary system for managing occupational safety and health, we are enhancing our management system and promoting a variety of initiatives that include risk assessments.

In fiscal 2008 we developed our system for managing occupational safety and health with the goals of raising the standard for safety at sites and offices and moving forward with the creation of a system that actively promotes the planning and continuation of safety management.



As a result of activities such as these, the frequency of labor accidents within different categories of business have been lowered (based on the number of accidents requiring leave per million hours).

### **Preventing Lifestyle-related Diseases**

Since fiscal 2003 we have carried out activities under the Mitsubishi Electric Group Health Plan 21 (MHP21) for our approximately 100,000 Group employees. These activities are inspired by the slogan "Change Your Lifestyle Habits, Extend Your Healthy Years!" and involve setting company-wide improvement goals in five categories: maintaining proper body weight, creating an active lifestyle, stopping smoking, maintaining proper dental care and improving stress management skills. The degree of achievement of these goals is evaluated every three months. Individual achievements are also evaluated every three months. In addition, activities are lent vitality by yearly health surveys, campaigns throughout the year, leadership training for MHP21 promotion aimed at passing on success stories and health competitions between business divisions.

From this fiscal year we are actively taking part in physical examination and special health guidance activities in response to the so-called "metabolic syndrome."

### **Promoting Mental Health Care**

Mental health is a top priority for health management at Mitsubishi Electric. The head office and each of our business sites have a counseling program in place, which works to help employees with their everyday worries related to work and family and other emotional issues. Each business site also holds lectures on mental health, autogenic training (how to prevent stress from building up), and other related topics.

We began carrying out a company plan for maintaining mental health from April 2007. Based on the creation of a mental health care promotion system at each business site, the plan involves practicing of four measures: self-care, care by staff in the business units, care by nursing staff and other staff on the business site and care using resources outside the business site. In fiscal 2008 we further enhanced our employee assistance programs. Enhancement measures include counseling face-to-face or by e-mail in addition to counseling over the phone, as well as revision of annual surveys to attain more detailed results on employees' stress levels. We will also carry out care initiatives with a priority on overseas workers by assigning designated counselors.

\* EAP (employee assistance program): An employee assistance program is a system by which a company provides support for its employees, their mental health in particular.

### **Workplace Environment Standards that Exceed Legal Requirements**

We recognize 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 give consideration to people with disabilities and older workers.

We have established our own workplace environment standards for air, lighting, noise and facilities that exceed legal requirements. We are also working to attain information on whether the standards are achieved as we seek to achieve and maintain the standards. The standards include a section on regular workplaces that is targeted at business offices and a section on special workplace environments targeted at sites that handle hazardous substances and the like.



### **Continuing Global Philanthropic Activities**

### **Three Areas of Philanthropy**

Mitsubishi Electric promotes philanthropic activities with an emphasis on the three categories of social welfare, global environmental preservation and scientific technological advancement.

For more information, please refer to the pages on philanthropic activities.

# Philanthropy Promotion Philanthropy Comm



### **Employee Participation Program "Woodland Preservation Project"**

We commenced the "Woodland Preservation Project" in October 2007 in Japan. In line with the slogan "down-to-earth and sustainable," we are pursuing phased nature conservation activities in areas throughout the country, such as a forest in Nagoya, Aichi Prefecture, and forests owned by a cooperative in Sasayama, Hyogo Prefecture. Through participation in the development of safe regional communities, we are deepening communications with local residents.



Closer to our head office, we continue to cooperate with Sumitomo Forestry Co., Ltd. in restoring the natural woodlands of Mount Fuji. Our President & CEO, Vice Presidents and other corporate officers are proactively involved.

In the Nagoya area, we became the first company to conclude a corporate forestation agreement with Aichi Prefecture. With guidance from experts, we are moving ahead with environmental preservation activities in the Togokusan prefectural woodlands located in Nagoya City's Moriyama Ward while promoting cooperation with the local people and related organizations.





In the Kobe area, we have established a council called the "Association to Preserve the Aburai Chinju Woodlands" with a view to considering activities that bring together the authorities (the Tanba Prefectural Residents Bureau, and Shinozaki City, Hyogo Prefecture), local entities (Aburai Productive Forest Union) and Mitsubishi Electric. A tree-planting ceremony was held to commemorate the signing of the agreement on March 27.

### **SOCIO-ROOTS Fund**

Established in 1992, the Mitsubishi Electric SOCIO-ROOTS Fund is a gift program in which the Company matches any donation made by an employee, thus doubling the goodwill of the gift. More than 1,000 employees participate in the Fund each year. As of March 2008, the Fund had attracted more than 1,000 donations, with approximately ¥500 million provided to various social welfare facilities and other programs.

In addition to social welfare facilities, we have extended the scope of our donations in recent years to include social welfare activities related to environmental protection and disaster relief. In fiscal 2008, the Mitsubishi Electric SOCIO-ROOTS Fund contributed to the Children's Forest Program in Malaysia, an activity organized by OISCA, an international NGO engaged in agricultural development and environmental protection activities, mainly in Asia and the Pacific region.

Looking ahead, Mitsubishi Electric will continue to make steady efforts to develop activities rooted in local communities while respecting employees' goodwill.



Presentation ceremony at the head office, October 2007



A visit to the "Children's Forest Program" site in Saba Province in Malaysia to take part in tree planting activities, April 2008.

### **Foundations**

Founded in 1991, the Mitsubishi Electric America Foundation (MEAF) serves children and youth with disabilities in the United States. In 2000 Mitsubishi Electric was recognized for its support of the internship program of the American Foundation for the Blind, becoming the first Japanese company to win the prestigious Helen Keller Achievement Award.

The Mitsubishi Electric Thai Foundation, also established in 1991, grants scholarship payments to university students and conducts school lunch support programs at elementary schools.



In the United States, the Mitsubishi Electric America Foundation supports an internship program at Congressional offices. This gives students with disabilities the opportunity to acquire business acumen and a sense of professionalism, and some have even gone on to become actual employees.

The Mitsubishi Electric Thai Foundation and employees of local Mitsubishi Electric offices purchase fertilizer and feedstock and work with elementary school students to grow vegetables and raise livestock. The fruits of their labors are used in lunches for elementary school students who don't have the means to buy school lunches, while these activities simultaneously teach them the importance and the joys of growing and raising foodstuffs.



# Social Responsibility



### To Collaborate and Harmonize with the Community

### **Building Better Relationships with the Public**

In our "Corporate Ethics and Compliance Code of Conduct" document, the Mitsubishi Electric Group has identified "collaboration and harmonization with the community" as a policy. As a good citizen and good neighbor, we will contribute to the development of the community through active participation in volunteer activities and local events.

### **Gunma Works**



exchange with the local community.

### Participating in the Ojima Neputa Festival

As the Gunma Works lies in Oota, it has been an active patron of the Ojima and Hirosaki Neputa festivals since 1987. Since then, the works has participated in the creation of neputa (floats) alongside local schools and neighborhood organizations.

On every August 14th and 15th since 1988, Mitsubishi Electric has participated in the event with the Mitsubishi Neputa, deepening cultural

### Shizuoka Works

### **Abe River Volunteer Cleaning Activity**

Since 2002, Shizuoka Works has participated in the Abe River Volunteer Cleaning Activity. This activity is part of the Shizuoka Environmental Agency's "Adopt a River Program," in which trash is removed from the bed of the Abe River to create a more beautiful river. This activity has been held a total of 14 times with 827 participants. The desire to rid the environment of trash is the first step in making it more beautiful.



### Itami Area



can be heard from every table.

### **Lending Our Gymnasium**

Every year, the Itami area lends its Brio gymnasium to a senior citizens' event in Tsukaguchi Honmachi, Amagasaki.

During this event, roughly 360 participants, including visitors from 19 neighborhood community associations, come to pay homage to senior citizens aged 70 years or older. After an initial ceremony, participants take part in a relaxing dinner banquet, in which friendly chatter

### **Power Distribution System Center**

### **Volunteering to Plant Trees after Forest Fires**

In the summer of 2002 in Marugame, Kagawa, a forest fire on the island of Motojima destroyed nearly 160 hectares of land, one-fourth of its surface. In light of this, employees and family members of the Power Distribution System Center volunteered in tree planting activities as part of the Marugame organization "Green Revival - Building a Forest in Motojima," in an effort to restore the vast amount of trees lost to the fire.



### **Kyushu Branch Office**



### **Relief Clothing Activity**

The Kyushu Branch Office is making preparations to take part in the "Relief Clothing Activity", an activity it has taken part in since 2005, where employees and their families donate clothing that is no longer needed to NPOs. This clothing is then distributed to refugees and victims of natural disasters across the globe.

Thanks to valiant efforts in fiscal year 2008, the previous fiscal year's donation of 341 articles of

clothing was bested, with 18 boxes full of more than 360 articles of clothing being distributed.