2011



CSR | Corporate Social Responsibility Environmental Topics





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Environmental Topics







"Mitsubishi Electric will endeavor to make lasting contributions to society as it positions itself to become a leading green company." A message from President & CEO Kenichiro Yamanishi.

Guide to Environmental Technologies



Products Cutting-edge Technology

Plastic Recycling Comes of Age



Defining a Recycling-based Society Hyper Cycle Systems: Reclaiming Resources from End-of-lifecycle Products Green Cycle Systems: Refining Old Plastics into Industrial-grade Materials Breakthroughs Shaping the Future





Mitsubishi Electric held a dialogue session with Professor Yoshihiko Takemura of Tokyo Denki University to discuss the achievements and future themes of company's efforts to reduce CO2 from production.

Water for Life, Water for Industry



Water As Precious, Reliable and Delicious Microbubbles Revolutionize Industrial Processes Ozone Generation Improves Water Treatment Membrane Separation Advances Water Recycling

Eco Changes in the Making



Global Mission Introducing Eco Changes in India Spreading the Message at EPIF 2011





Philosophy, Basic Polices and Initiatives for Preserving Biodiversity Exchanging Ideas with Experts "Living Creature Studies" at Factories Mitsubishi Electric Outdoor Classroom "Satoyama" Woodland Preservation



Recycling of Waste Plastics A New Dimension in Eco Air Conditioning Intelligent Ways to Save Energy and Reduce CO2 from Production Coordinated Regional Waste Recycling (Kyushu Area) Innovative Products and Production Rebuilding and Developing Automotive Equipment Towards Zero Emissions



Hattana .

Mitsubishi Electric Group Environmental Sustainability Report

Each year Mitsubishi Electric produces a printed "Environmental Sustainability Report" that provides an overview of the major topics found in the <u>Environmental</u> <u>Report</u> and <u>Environmental Topics</u> sections of this website.

Latest Issue: Environmental Sustainability Report 2011 (PDF: 3.03MB) 🛃 Back Issues

Environmental Topics - From the President



Mitsubishi Electric will endeavor to make lasting contributions to society as it positions itself to become a leading green company.

In the wake of catastrophe in Japan, we apply our wide-ranging strengths as a diversified electrical and electronics manufacturer to help with recovery.

First and foremost, I offer my sincerest condolences to those whose lives have been devastated by the Great East Japan Earthquake, and pledge the full support of the Mitsubishi Electric Group to aid the nation's recovery.

The cataclysm has shined a spotlight on the essentiality of public infrastructure, which includes the power grid, waterworks, gas lines, railways, and roads. As a diversified manufacturer of electrical and electronics products for power generation and power supply equipment, we are compelled to renew our awareness of the depths of our responsibility to society. Mitsubishi Electric Group companies must aid in Japan's recovery by placing emphasis on supporting restoration of social infrastructure. This includes restoring thermoelectric generation facilities, producing new power generation facilities, and restoring private use power generation equipment and elevators in disaster stricken areas. At the same time, we must focus on supplying industrial equipment and other products that have widespread social demand.

Japan's power supplies are expected to face challenges for some time to come, so we must lead in the conservation of energy by accelerating our existing programs in manufacturing efficiency, and by controlling operations-related energy consumption. We must further develop and popularize LED lighting, highly efficient air conditioners, energy-saving refrigerators, and renewable energy systems and equipment such as photovoltaic power. Striving to consistently create value by strengthening our corporate constitution and contributing to society.

The Mitsubishi Electric Group optimizes its manufacturing activities and develops energy-saving products and renewable energy systems in accordance with our established Environmental Vision 2021. This Vision represents the company we aim to become by the 100th anniversary of our founding in 2021. However, 2021 doesn't represent an ending in any way. Our ultimate goal is ongoing—to be a company that consistently creates value, one that is relied upon for continually answering the call of society by perennially evolving in tune with its ever changing needs.

To this end, I believe it is essential for us to do two things at once: strengthen our corporate constitution and contribute to society.

By strengthening our corporate constitution, I mean disciplining ourselves to use less energy and fewer resources while manufacturing in a responsible, self-regulated manner, and increasing production efficiency to its highest level. This is a basic stance all manufacturers should maintain to help achieve a low-carbon and recycling-based society.

By contributing to society, on the other hand, I refer to striving to ensure that some sort of environmental benefit or improvement is delivered when people use our products and services. To this end, we are improving our technologies and knowhow, are thoroughly investing in the creation of products and services capable of providing such benefit, and offering them to society.

As a diversified electrical and electronics manufacturer, Mitsubishi Electric has an expansive base of products that have an immeasurable impact on society. It is imperative that we also contribute by taking on the challenges of the future, such as smart grid technology, which will make it possible to expand the use of renewable energies, and large-scale, high-purity plastic recycling operations, which Mitsubishi Electric began in 2010.



For details, please see the Environmental Vision 2021.

As an entity with business facilities and expanding operations in countries all over the world, I believe the Mitsubishi Electric Group has an obligation to establish its position as a global leading green company. Clearly we must develop our operations with the interest of the entire world in mind, pursuing a strengthened corporate constitution and contributing to society while answering the call of society's needs.

Currently, close to 35% of the Mitsubishi Electric Group's sales comes from outside Japan, and we look to increase this to 40% as soon as possible. Moreover, I would like to boost the rate of overseas production, but this is different from pursuing a strategy of manufacturing in regions where the costs are lowest. What we are aiming for is advancing operations while contributing to various countries and regions through local production and consumption. That is, manufacturing in locations that are close to the end user.

Local production and consumption includes not only social contribution through promoting products with high environmental performance, but also contributing to the development of the local economy and society through local hiring and procurement. This also strengthens our corporate constitution because benefits such as lower transportation and procurement costs mean higher operating efficiency. I believe this is our reason for being: to become a leading green company in multiple countries and regions, and contribute to the local society and environment. This is the path to becoming a positive force that is essential to the world.

The Mitsubishi Electric Group's corporate statement, "Changes for the Better," was established on the 80th anniversary of our founding in 2001. It expresses our commitment to continuously adapt and evolve in the unwavering pursuit of excellence and improvement. It is also the seed from which grew our environmental statement, "Eco Changes—from in the home to outer space," which we introduced in Japan in 2009. This statement expresses our stance on environmental management, and our commitment to working together with customers to change the global environment for the better, and contribute to environmental conservation through our vast range of products. Outside Japan, we launched the environmental statement, "Eco Changes – for a greener tomorrow," in 2010.

We have positioned Eco Changes on an equal footing with Changes for the Better to emphasize to those inside and outside of the company our determined conviction that any product or business activity that lacks the perspective of environmental performance or improvement should not exist. Moreover, activities carried out around the world must be grounded in local reality. I believe that across the globe it is natural for customers to choose products with low environmental impact and high functionality. Such products must be spread among society, which is a role Mitsubishi Electric seeks to fulfill, because Eco Changes represents not just a call to the world, but a petition upon us.

Japanese products are generally considered to be of high quality globally. However, I believe that advanced environmental technology and sincere environmental conservation initiatives are important and unique resources that Japan can offer to the world with pride. Likewise, each country has its own unique "resources," from which we must learn. It is how we will further promote our Eco Changes concept.

Companies become stronger when they have a broad diversity of individualities, abilities, and knowhow. This also strengthens a company's constitution. The Mitsubishi Electric Group aims to be a global leading green company by combining the better resources of Japan, Asia, Europe, America, and elsewhere to continuously contribute to global society, now and into the future.

Kenichiro Yamanishi President & CEO

K Yamanishi

Environmental Topics



Through continued development of energy-saving technologies and energy-efficient products, Mitsubishi Electric is working towards its target of reducing carbon dioxide emissions from product usage by 30% by 2021. This section introduces and provides examples of some products with environmental features, using easy-to-understand animations.

Products



Using high-performance photovoltaic inverters and photovoltaic modules to achieve robust power generation.

AXIEZ Machine-room-less Elevator

This advanced eco-elevator is machineroom-less to save resources; energy efficient thanks to an inverter motor; and effectively uses electricity that it stores itself.

More



Ozone Generators

This device uses minimal power to efficiently generate ozone (O3), which is a powerful sterilizer and purifier.

More



Dry Air Insulated Switchgear

Rather than using a greenhouse gas (SF6), this switchgear is insulated with dry air.

More



Contributing to the reduction of environmental impact through products that help clean automobile exhaust and improve fuel efficiency.

More

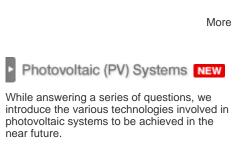
More

Cutting-Edge Technology



Next Generation Power Capacitor

Capacitors last longer than condensers and provide more instantaneous power than batteries. This new storage device makes motors more energy efficient and is helping to popularize photovoltaic power systems.



More



This heat exchanger is powered by heat generated by the electric device itself, so it does not use any electricity.

More



Next-generation power devices that are getting closer to the practical application phase, and that offer significantly higher energy savings than power devices made from silicon (Si), which have reached their limit in terms of electric power loss reduction.

More



Gradationally Controlled Voltage Inverter

This next-generation technology accelerates energy efficiency by minimizing power conversion loss with a combination of three inverters that feature different voltages.

More



This technology contributes to the conservation of energy by capturing the current waveforms of electrical appliances that are switched on, making their power consumption visible.

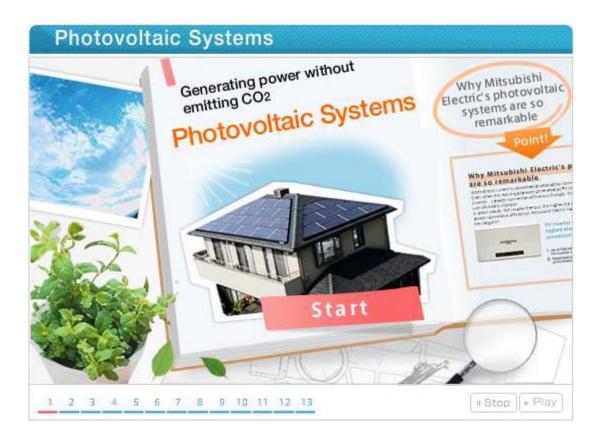
More

Products

Photovoltaic (PV) SystemsAXIEZ Machine-room-less ElevatorOzone GeneratorsEGR ValveDry Air Insulated Switchgear

Cutting-Edge Technology

Next Generation Power Capacitor SiC Power Device Photovoltaic (PV) Systems Gradationally Controlled Voltage Inverter Pumpless Water Cooling System Life Pattern Sensor



Photovoltaic systems consist of two main components: PV modules, which convert solar energy into electric energy, and a PV inverter, which converts the generated electricity into a form that can be used in the home.

The performance of photovoltaic systems is determined by the performance of these components. Mitsubishi Electric has developed both components in-house. Our PV modules (polycrystalline silicon-based, domestic mass-produced modules) offer industry-class performance, while our PV inverter provides the highest conversion efficiency in the industry (as of June 2010), for a system that generates plentiful electric power.

Solar Power Web Site

Products

 Photovoltaic (PV) Systems
 AXIEZ Machine-room-less Elevator
 Ozone Generators

 EGR Valve
 Dry Air Insulated Switchgear
 Ozone Generators

Cutting-Edge Technology

Next Generation Power Capacitor SiC Power Device Photovoltaic (PV) Systems Gradationally Controlled Voltage Inverter Pumpless Water Cooling System Life Pattern Sensor



AXIEZ saves resources by reducing the thickness of the hoist and control panel, essential parts for elevators, by making them compact and eliminating the machine room previously required. Precise control of the motor rotary speed by the inverter also leads to a reduction of power loss; moreover, the electric power generated when applying the brake is also used efficiently.

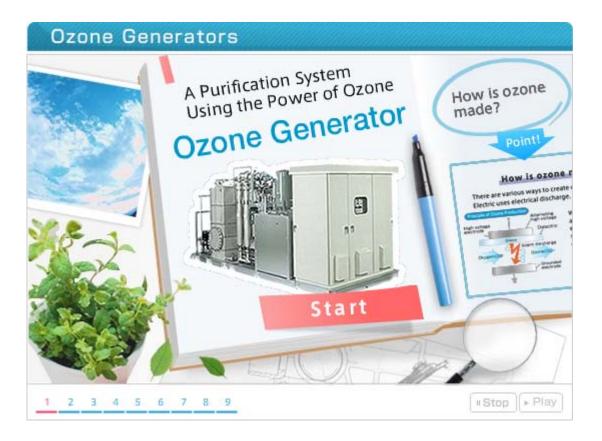
Product Site 📮

Products

Photovoltaic (PV) Systems AXIEZ Machine-room-less Elevator Ozone Generators EGR Valve Dry Air Insulated Switchgear

Cutting-Edge Technology

Next Generation Power Capacitor SiC Power Device Photovoltaic (PV) Systems Gradationally Controlled Voltage Inverter Pumpless Water Cooling System Life Pattern Sensor



Ozone is comprised of three oxygen atoms and is one of the gases that make up the air. It has the power to sterilize, deodorize, de-colorize and purify, so it is used in a wide variety of applications, including water purification and food sterilization. Mitsubishi Electric has developed technology capable of efficiently generating ozone using minimal electric power through a unique method that utilizes electrical discharge.

Products

 Photovoltaic (PV) Systems
 AXIEZ Machine-room-less Elevator
 Ozone Generators

 EGR Valve
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Cutting-Edge Technology

Next Generation Power Capacitor SiC Power Device Photovoltaic (PV) Systems Gradationally Controlled Voltage Inverter Pumpless Water Cooling System Life Pattern Sensor



The emission of nitrogen oxide (NOx), one cause of acid rain, is a particular problem with diesel engines. NOx is formed when combustion temperatures in the engine exceed approximately 1,700°C. To reduce the combustion temperature, some exhaust gases are returned to the combustion chamber. The EGR valve provides optimal control over this process. In gasoline engines, the EGR valve effectively minimizes energy loss (pumping loss) as the pistons rise and fall, helping to reduce fuel consumption. Mitsubishi Electric provides an optimized EGR valve both for diesel and gasoline engines, contributing to cleaner emissions, improved fuel efficiency and a lower environmental impact.

Products

Photovoltaic (PV) Systems AXIEZ Machine-room-less Elevator Ozone Generators EGR Valve Dry Air Insulated Switchgear

Cutting-Edge Technology

Next Generation Power Capacitor SiC Power Device Photovoltaic (PV) Systems Gradationally Controlled Voltage Inverter Pumpless Water Cooling System Life Pattern Sensor



Switchgears are located in buildings and factories to control electricity flow from power plants, ensuring that it is distributed safely. Switchgears also minimize damage from sudden accidents due to electrical leaks or power outages. Internal switchgear insulation technology is essential to ensure safety along the electrical path. SF₆, which is commonly used as an insulator, is also a greenhouse gas. As an alternative, we employ a proprietary insulating method using dry air, which has no greenhouse effect.

Products

 Photovoltaic (PV) Systems
 AXIEZ Machine-room-less Elevator
 Ozone Generators

 EGR Valve
 Dry Air Insulated Switchgear
 Ozone Generators

Cutting-Edge Technology

Next Generation Power Capacitor SiC Power Device Photovoltaic (PV) Systems Gradationally Controlled Voltage Inverter Pumpless Water Cooling System Life Pattern Sensor



Capacitors have more lasting force than condensers, and more instantaneous force than batteries, making them an electric power storage device that has the advantages of both. The capacitors developed by Mitsubishi Electric are capable of charging and discharging in just one second, and are also capable of boosting storage energy with increased voltage endurance. They are new types of devices that serve to further energy-saving in motors and photovoltaic power generation systems.

Products

 Photovoltaic (PV) Systems
 AXIEZ Machine-room-less Elevator
 Ozone Generators

 EGR Valve
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Cutting-Edge Technology

Next Generation Power Capacitor SiC Power Device Photovoltaic (PV) Systems Gradationally Controlled Voltage Inverter Pumpless Water Cooling System Life Pattern Sensor



At present, power devices are made from silicon (Si), which has reached the limit of electric power loss reduction. With the superior physical and electrical properties of silicon carbide (SiC), we can expect to see a significant expansion in the amount of electric power conversion of electrical equipment as well as reduced loss during conversion. Mitsubishi Electric is developing power semiconductors created entirely from SiC, and in fiscal 2010, designed and tested an inverter with a 20 kW output. Compared to traditional Si inverters, electric power loss was successfully reduced by 90%. Furthermore, demonstration experiments involving railway car motor operation have brought the practical application of SiC inverters a few steps closer.

R&D Highlights: SiC Power Device

Products

Photovoltaic (PV) Systems AXIEZ Machine-room-less Elevator Ozone Generators EGR Valve Dry Air Insulated Switchgear

Cutting-Edge Technology

Next Generation Power Capacitor SiC Power Device Photovoltaic (PV) Systems Gradationally Controlled Voltage Inverter Pumpless Water Cooling System Life Pattern Sensor



Mitsubishi Electric's photovoltaic systems deliver plentiful power generation. We continue to move ahead with technological development focused on customer needs and tomorrow's electric power demands. This section introduces a variety of Mitsubishi Electric technologies: photovoltaic cells that achieve the world's highest photoelectric conversion efficiency; electric power quality maintenance technology that supports next generation smart grids; and technology that maximizes power output by minimizing power generation reductions due to shade.

Products

Photovoltaic (PV) Systems AXIEZ Machine-room-less Elevator Ozone Generators EGR Valve Dry Air Insulated Switchgear

Cutting-Edge Technology

Next Generation Power Capacitor SiC Power Device Photovoltaic (PV) Systems Gradationally Controlled Voltage Inverter Pumpless Water Cooling System Life Pattern Sensor



Gradationally controlled voltage inverters are devices designed so that three inverter units, each with a different voltage, are combined and the sum of each inverter's output voltage generates a pseudo sine wave. It has better response than conventional methods in that a single unit controls a whole voltage range, thus reducing power loss. Employing gradationally controlled voltage inverters will improve energy efficiency in a variety of equipment and systems.

Products

Photovoltaic (PV) Systems AXIEZ Machine-room-less Elevator Ozone Generators EGR Valve Dry Air Insulated Switchgear

Cutting-Edge Technology

Next Generation Power Capacitor SiC Power Device Photovoltaic (PV) Systems Gradationally Controlled Voltage Inverter Pumpless Water Cooling System Life Pattern Sensor



After simply installation onto a distribution board, the Life Pattern Sensor (LPS) detects the total power consumption in a home, as well as the usage status of individual electrical appliances. The LPS records the signals of each appliance and detects the current waveform of appliances that are in use, making their power consumption visible. If all a home's appliances are operating at the same time, for example, the LPS can show how long each appliance has been running. The ability to see home power consumption at a glance allows a homeowner to detect waste, playing an ongoing role in energy conservation.



A Model Business for a Sustainable Future

Japan's Home Appliance Recycling Law, enacted in 1998 and enforced since 2001, compelled the country's manufacturers to set up systems and confront head-on the challenge of transforming the nation into a recycling-based society.

Mitsubishi Electric responded by establishing in 1999 its first recycling operation, Hyper Cycle Systems. The initial goal was clean and efficient treatment of recovered materials and any resulting waste. Yet within a few short years the company realized the operation was a seed that could be cultivated into the creation of a completely new industry—sustainable recycling.

Today Hyper Cycle Systems is that and much more. It is Japan's leading light in home appliance recycling. It boasts cutting-edge technologies, machinery and automated processes custom-developed by Mitsubishi Electric for the recovery of reusable metal, glass and plastic materials on a mass scale. And in a modern, unexpectedly clean facility with intelligent air purification and air-quality monitoring systems.

It is joined by Green Cycle Systems, Japan's first large-scale, high-purity plastic recycling center. Established by Mitsubishi Electric in 2010, Green Cycle Systems takes the shredded mixed plastic chips recovered by Hyper Cycle Systems and separates them into reusable plastic on a scale of unprecedented magnitude. The combined output of these two enterprises have increased Mitsubishi Electric's rate of recycled, industrial-grade plastic from 6% to a paradigm-shifting 70%.

This unprecedented economy-of-scale indicates that plastic recycling has come of age as a viable eco-business, while positioning Mitsubishi Electric at the forefront of recycling in Japan, and indeed the world. It is compelling evidence of sustainability at work—a completely new, sustainable recycling industry expected to thrive indefinitely, as a mission-critical business for a recycling-based society. It is a model for other companies to follow too, in the development of other sustainable businesses capable of producing industrial-grade materials from old, end-of-lifecycle products.

• Defining a Recycling-based Society

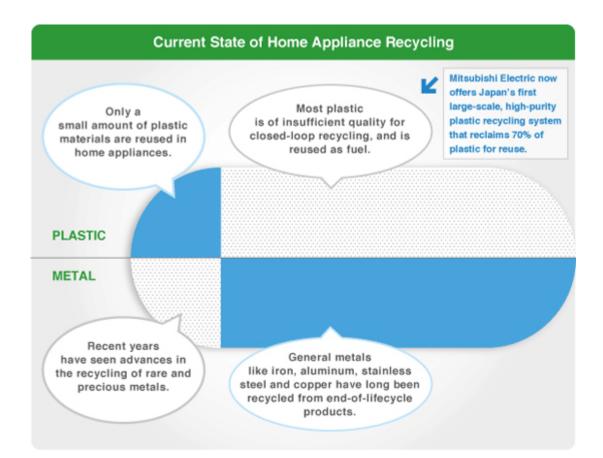
- The Challenges of Plastic Recycling
- Creating an Industrial-grade Recycled Materials Business
- The 70% Tipping Point
- Sustainability at Work

Hyper Cycle Systems: Reclaiming Resources from End-of-lifecycle Products

- Genesis of a Sustainable Recycling Industry
- Reclaimed Materials Specialist
- Supporting the Next Generation of Eco-Product Designers
- Green Cycle Systems: Refining Old Plastics into Industrial-grade Materials
 - Japan's First Large-scale, High-purity Plastic Recycling Company
 - Innovative Plastic Separation Technology
 - Eliminating Banned Substances and Ensuring Material Quality
 - Expanding the Business

• Breakthroughs Shaping the Future

Building on a Legacy of Best Practices



Defining a Recycling-based Society

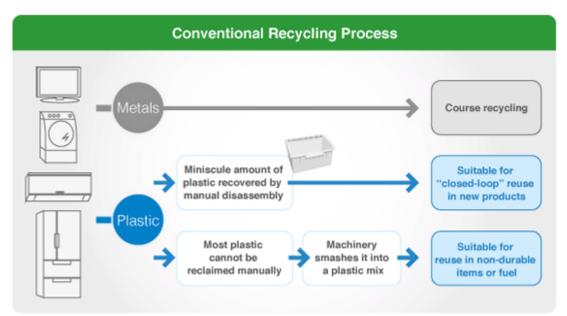
The Challenges of Plastic Recycling

Metals from used or end-of-lifecycle products have long been recovered for industrial reuse to some extent. Unlike metals, however, plastic recycling requires a much higher degree of costly manual processing, and even then the quality of most of the resulting materials is suitable only for new non-durable everyday items, toys, trinkets, and landfills.

The reason is because of the purity of the plastic recovered. Modern home appliances are composed of a variety of plastics that, when recovered, must be completely separated from each other one-by-one. The separated plastics also include plastics of varied levels of deterioration due to many years of existence.

Many recyclers simply extract the metals and grind all of the plastics together into chips, then hand them over to external specialists. Mitsubishi Electric, however, set out to become the number one specialist in the field. Persistent research and development into new types of automated plastic separation and processing technologies and equipment have paid off in breakthrough proprietary systems that have ushered in the age of large-scale recycling of high-purity plastic.

Mitsubishi Electric is literally defining the age of sustainable recycling in Japan, cracking conventional wisdom, and demonstrating that a recycling-based society is an obtainable goal. While building on its expertise in plastic recycling, the company will also continue seeking new methods for more efficient recovery of rare metals, in the quest for the ultimate goal of complete recycling of all materials from old products.



Soon after Mitsubishi Electric established Hyper Cycle Systems just over a decade ago, management became convinced that the key to transforming Japan into a sustainable, recycling-based society relied on the practical—and therefore profitable—recovery of high-purity plastics that can be reused in the manufacture of new products capable of meeting the standards of durability and safety consumers demand.

From an industrial perspective, Mitsubishi Electric perceives a recycling-based society as one where recycled materials are a manufacturing company's veins, which flow into its arteries of new products. This view calls for a completely new type of "sustainable recycling" industry, one where materials reclaimed from old products are processed into new, industrial-grade "raw materials."

This new field specializes in extracting the maximum amount of marketable materials. It also provides further benefits to society by offsetting the enormous consumption of petroleum and other resources, as well as negative environmental impact, of mass manufacturing new products from completely new materials.

The 70% Tipping Point

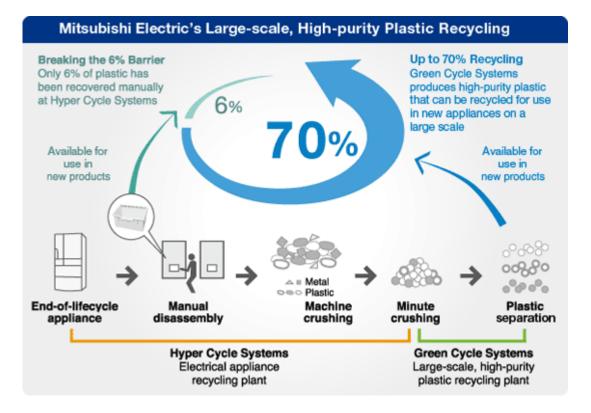
Mitsubishi Electric's mission to make plastic recycling practical and profitable called for fresh ideas and unprecedented technology-based solutions. From the outset, Hyper Cycle Systems was a working laboratory at which engineers and technicians across a variety of Mitsubishi Electric Group concerns convened to collaborate, experiment and tinker, and prove concepts through trial and error.

While developing technologies and establishing best practices for recovering as many materials from old products as possible, and with highest levels of purity, they placed extreme emphasis on rapid development of machinery and techniques designed to defy the existing limitations preventing more than a miniscule 6% plastic-recovery rate.

Proprietary technologies for separating different plastics by specific gravity and by electrostatic properties succeeded in recovery of the three main types of plastic used in home appliances, polypropylene (PP), polystyrene (PS) and acrylonitrile-butadiene-styrene (ABS), at purity levels exceeding 99%.

Experimental industrial processes to improve efficiency and profitability, combined with chemical engineering to reinforce the durability of recovered plastics, demonstrated impressive increases in the recycling rate along the way, until ultimately a 70% rate of recovery of industrial-grade plastics created a tipping point.

It set the stage for the opening of Green Cycle Systems in 2010, Japan's first large-scale highpurity plastic recycling concern, which represents a major step forward in Mitsubishi Electric's goal to establish a completely new, sustainable recycling industry.

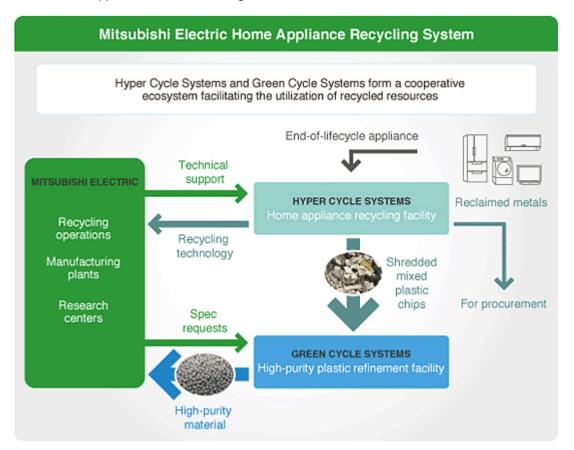


Sustainability at Work

The collective workforce of Hyper Cycle Systems and Green Cycle Systems forms the living embodiment of Mitsubishi Electric's original guiding principle to create a workplace that everyone would be proud of. Everyone includes the local communities in which the company's recycling centers operate.

An open corporate culture encourages visitors to observe "sustainable recycling" first-hand. They note the clean and comfortable work environment made possible by advanced Mitsubishi Electric building systems technology that keeps air quality safe. They inquire about the high-tech machinery and automated processes that Mitsubishi Electric's factory automation technologies bring to bear.

And they learn that great successes are possible when like minds collaborate to shatter preconceived notions. Most of all, they take pride in knowing that a recycling-based society is one with new opportunities for the next generation of architects of a sustainable tomorrow.



Hyper Cycle Systems: Reclaiming Resources from End-of-lifecycle Products

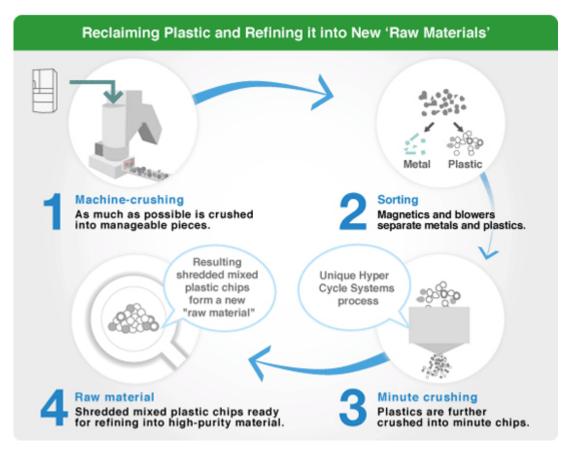
Genesis of a Sustainable Recycling Industry

Hyper Cycle Systems Corporation, which began operations in April, 1999 to comply with the enactment of Japan's Home Appliance Recycling Law, is the foundry of a new, sustainable recycling industry, crafting the production technologies and systems for producing pure, industrial-grade materials from the metal and plastic materials reclaimed from old electrical appliances.



Hyper Cycle Systems Corporation

A key competitive advantage is the company's use of proprietary fine-crushing equipment to process about 56,000 tons of end-of-lifecycle products a year. Of that, plastic makes up about 10,000 tons, but manual labor is only capable of reclaiming 600 tons for recycling. The remainder includes metal and plastic fragments. Green Cycle Systems uses automated processes to separate the metals from so-called plastic excess.



Reclaimed Materials Specialist

In comparison to typical recycling operations, Hyper Cycle Systems is a unique entity. It is singlehandedly overturning the notion that a recycling business has to be dull, dirty and dangerous. It is, in fact, living proof of the opposite.

For those aspects of recycling that require manual labor, such as initial disassembly of old products at the production line "input" stage, a clean, comfortable and spacious environment is critical for optimum worker efficiency, and therefore productivity. Custom-developed automated processes, including proprietary machinery, do the rest.

Hyper Cycle Systems is recognized and appreciated for its proactive leadership stance. It is a model factory open for visitation, observation and study by all stakeholders in manufacturing and recycling.

Clean and Comfortable Work Environment



Dust and other minute particles are actively filtered from the air, making possible a mask-free workspace



Floors are clean to the touch



Dust collector



Minute particle monitor

On-site Mechanization and Automation



Refrigerator disassembly line

Upright position is an innovative technique ensuring speed and efficiency



Sorting equipment

High-capacity sorting of machinecrushed chips into three sizes



Proprietary fine-crushing equipment

Plastic particles crushed to 10 millimeters, impurities removed, recovered material shipped out to GCS

Designing a Sustainable Future



Mr. Nobuyuki Tsuboi Director General Manager, Production and Engineering Dept. Hyper Cycle Systems Corporation

When Mitsubishi Electric transferred me to Hyper Cycle Systems in 2001 to head up development of recycling plant machinery and systems, the new company was literally starting from scratch. There was no existing model for how a disassembly line should even be laid out, let alone how an entire recycling factory could be set up and operated at a profit.

Working closely with Mitsubishi Electric's industrial engineers, we figured out —through nonstop trial and error how to best recover the many different types of plastics used in all varieties of makers' goods, which comprise our factory's raw materials input. There was no obvious way to extract a highly pure plastic product from it, but we worked at tackling the problem using innovative machinery.

We got a boost in productivity on the disassembly line right away by applying techniques Mitsubishi Electric had long proven on its manufacturing lines. For example, leaving a fridge standing instead of laying it on its side, which seems like an obvious thing to do, is a much more efficient way for someone to work on it, whether building or taking apart. This and other ground-breaking ideas opened the door to a rapid increase in throughput volume.

Engineers from other manufacturers often visit Hyper Cycle Systems and study our processes, and I've heard tell that some have even set up identical disassembly lines. This validates our efforts to date and positions Mitsubishi Electric as the chief designer of a new industry forging a sustainable future. Each year Mitsubishi Electric organizes a program of educational seminars at Hyper Cycle Systems whereby the present and future designers of electrical products can learn first-hand the issues related to designing for a sustainable future.

They spend time on the actual product disassembly and other production lines for hands-on experience, and attend seminars structured to instill in them the concept of "environment-compatible planning". The future of both recycling and better new-product manufacturing is literally in their hands.





Hyper Cycle Systems Corporation Website
(Japanese Only)

Green Cycle Systems: Refining Old Plastics into Industrial-grade Materials

Japan's First Large-scale, High-purity Plastic Recycling Company

Green Cycle Systems Corporation which commenced operations in April, 2010, processes shredded mixed plastic chips received from Hyper Cycle Systems Corporation into plastic material pure enough to meet the safety and quality standards of new electrical appliances.



Green Cycle Systems Corporation

The fruit of more than a decade of efforts by Mitsubishi Electric to create a new, sustainable recycling industry from scratch, Green Cycle Systems applies automated processes to optimize recovery of high-purity, reusable "raw materials" on a scale of 6,400 tons per year. Together with Hyper Cycle Systems, combined output amounts to a 70% recycling ratio of plastic materials recovered.



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Innovative Plastic Separation Technology

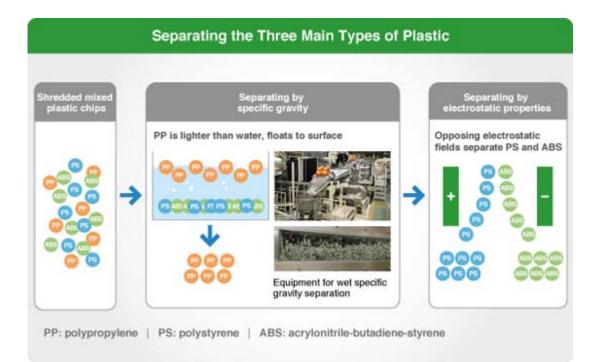
The mix of shredded plastic chips Green Cycle Systems receives from Hyper Cycle Systems primarily consists of the three main types of plastic used in home appliances: polypropylene (PP), polystyrene (PS) and acrylonitrile-butadiene-styrene (ABS). By using automated plastic separation equipment developed by Mitsubishi Electric, these are precisely extracted and processed on a large scale, and at purity levels exceeding 99%.

This high degree of purity is made possible by proprietary technologies for separating different plastics by specific gravity and by electrostatic properties, and by separating plastics containing banned substances using computer-controlled x-ray detection devices mapped to multiple air jets capable of pinpoint accuracy.

Recovering high-purity PP, PS and ABS is an enormous challenge, and from the beginning there were no road maps to follow. Numerous specialists at Hyper Cycle Systems and Mitsubishi Electric's R&D and technology centers, as well as manufacturing operations throughout Japan, were assembled to create the automated machinery and innovative processes required for a new, sustainable recycling industry. Their breakthroughs in technology eliminated each stumbling block one by one.

The first innovation was a wet specific gravity separator for PP, or polypropylene. PP is light compared to PS and ABS, which are roughly equivalent in size and weight. PP is also lighter than water, so it floats. Applying water processing, or wet specific gravity separation equipment, PP rises to the water's surface, where it is easily recovered.

ABS and PS, which are heavier than water, cannot be isolated in this way. So the next innovation was technology that exploits their different electrostatic properties. When PS and ABS are subjected to agitation, the resulting friction generates static electricity. PS responds to a negative charge and ABS a positive charge. Therefore, applying a voltage to positive and negative electrodes is an efficient way to channel the two plastics away from each other.



Two other critical innovations were a computer-controlled system to ferret out plastics containing hazardous substances, and an optimum formula of additives to ensure an end-product up to industrial specification.

Within the recovered plastics are chips from old appliances containing brominated flame retardants subsequently banned from use in new products by the EU's RoHS Directive. (RoHS prevents use of six specific hazardous substances: lead, mercury, cadmium, hexavalent chromium, polybrominated biphenyls and polybrominated diphenyl ether).

When subjected to X-rays, plastic chips containing bromine appear darker. So Mitsubishi Electric developed a novel solution whereby the chips are spread on a conveyer, an X-ray scanning device detects the impure ones as they pass, then instantly instructs individually synchronized air jets to blow them aside. This revolutionary X-ray analysis separation technology was awarded the 2010 Environmental Prize, supported by Japan's Environmental Ministry and other industrial concerns.

Although Mitsubishi Electric succeeded in separating and recovering the three main plastics in their original states, they still suffer from deterioration in material quality due to oxidation over time, preventing their use in new products. Antioxidants help, but suffer from a limited lifespan.

To solve the problem, Mitsubishi Electric quantified the remaining lifespan of collected plastic and devised a recipe with the optimal formulation of antioxidant and metal deactivator additives, and succeeded in "quality prescription" for producing new material with quality equivalent to new plastic.



X-ray analysis separation equipment for eliminating plastic containing bromine



Award-winning technology where X-rays detect plastic chips containing flame retardant, and instantly instruct 124 individual air jets to blow them aside

Expanding the Business

Although at present the company is only processing shredded mixed plastics supplied by Hyper Cycle Systems, through continual improvements in operational efficiency Green Cycle Systems expects its output capacity to double to 15,000 tons a year. Negotiations are underway with other companies to begin processing plastic from their recycling plants too.

Hyper Cycle Systems will remove the impurities and create the mixed plastic flakes, and Green Cycle Systems will refine it into industrial-grade plastic material for recycling. Moving forward, a proactive policy to expand the business will define Mitsubishi Electric's sustainable recycling operations.

Plastic Recycling on an Unprecedented Scale



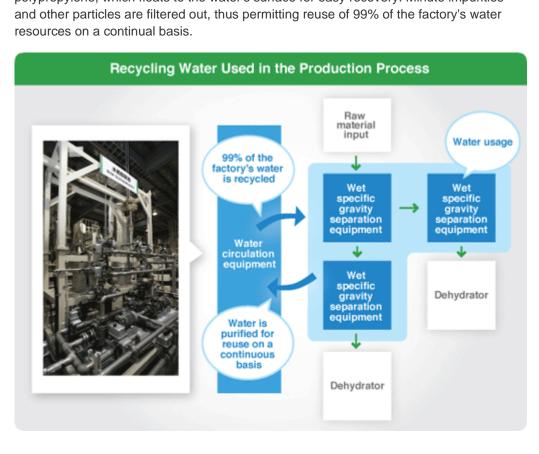
Mr. Yasuto Iseki Sales Engineering Section Green Cycle Systems Corporation

I spent the past ten years at Hyper Cycle Systems developing recycling technology, including crushers and the like. My involvement in the new business goes back further, even before the founding of the company. That was about 15 years ago. Back then, we simply referred to it at Mitsubishi Electric as the "environment business project."

We made up our minds in 2004 that we would be the ones to create the insight into high-purity plastic recovery that would lead to a new and sustainable recycled materials business. We didn't pursue technology-based solutions simply for the sake of it, but as tools to help us break down the barriers to greater production efficiency, and of course a path to profitability.

At the forefront of our minds the entire time was our goal to create a sustainable recycled plastics business. Thanks to the experts at Mitsubishi Electric's R&D and industrial science centers, I helped implement distinctive innovations and unique knowhow at Hyper Cycle Systems.

I believe it's the power of Mitsubishi Electric's intense concentration and focus on a worthwhile goal that allowed us to end up inventing practical technologies that industrialize plastic recycling on an unprecedented scale.



Recycling Water Used in the Production Process

The wet specific gravity separation process generates water bubbles to extract polypropylene, which floats to the water's surface for easy recovery. Minute impurities



Green Cycle Systems Corporation Website 묘 (Japanese only)

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Breakthroughs Shaping the Future

Building on a Legacy of Best Practices

Mitsubishi Electric's advances in plastic recycling technology over the period of a decade, which led to the successful launch of Japan's first large-scale, high-purity plastic recycling system in 2010, are giving form to an emerging recycling-based society. Hyper Cycle Systems and Green Cycle Systems demonstrate a model business that firmly positions the entire electrical home appliance industry at the forefront of recycling in Japan.

But there are still many more breakthroughs to come, as Mitsubishi Electric presses ahead leveraging its technological advantages in the discovery of more efficient ways to reclaim valuable rare metals.

The ideas, attitudes and best industrial practices responsible for a rapid breakthrough in plastic recycling also fuel the company's efforts in this area, strengthening Mitsubishi Electric's leadership role in the continuing quest for a sustainable future.

Staying Focused on the Challenges Ahead



Mr. Takashi Hishi Executive Corporate Adviser Hyper Cycle Systems Corporation

From the very start, the idea of creating a completely new industry from the profitable recovery and processing of end-of-lifecycle products has been a powerful motivating force for us at Hyper Cycle Systems. It fueled our determination to first and foremost make our facilities pleasant and inspiring places to work, as well as crucibles of innovation.

If our goal is mass-scale production of industrial-grade materials of the highest quality, only a clean and healthy work environment can ensure optimum productivity levels at any given time. As the health, safety and comfort of our people come first, our first major challenge was to eliminate dust kicked up from the disassembly of old products. This critical step requires intensive manual labor.

We did that by proper partitioning of workspaces and installing high-tech dust elimination and air conditioning equipment specially developed by Mitsubishi Electric's building systems engineers. We also encouraged an openminded environment where good ideas can come from anyone. This led to a culture of proactive initiative.

I think that our advances in materials separation technology, combined with the chemical processes used by Green Cycle Systems to create greater yields in the quality and quantity of industrial-grade recycled plastic resources, lets us say that we have established firm fundamentals for a successful recycled materials business.

Materials recovered from old products are valuable resources of benefit to society. We look at a mountain of old electrical appliances and see a "city mine," and view ourselves as the miners entrusted with the painstaking work of extracting the precious ore from it.

But we're really still just in the era of discovery of what might be possible. We hope in five or ten years Hyper Cycle Systems and Mitsubishi Electric will be viewed as the nucleus of a completely new type of recycled materials industry.

For the Benefit of the Entire Industry



Mr. Satoshi Matsuda President Green Cycle Systems Corporation

Green Cycle Systems produces a commodity that comes from junked plastics we receive from the product lines of any number of electrical appliance manufacturers that we receive. Since we benefit from the materials in our competitors' end-of-lifecycle goods, we figure we should give back to the industry in some way.

Mitsubishi Electric's attitudes towards recycling have always reflected the company's views on what it feels are in the best interests of the industry at large. So Green Cycle Systems doesn't intend to confine its sales to only Mitsubishi Electric group factories. We want to extend the company's "closed-loop recycling" concept to all makers in the industry, with our recycling centers at the heart of it.

Our larger aim is to expand the scale of recycling in Japan, so we encourage other recyclers to make use of Green Cycle Systems' unique expertise in large-scale, high-purity plastic recycling. Right now the facility has ample capacity to refine much more raw plastic materials than it receives from Hyper Cycle Systems. And once we achieve full operation, we intend to open more plants in various regions of Japan. I truly believe this is essential for the betterment of the industry and for future Japanese society at large.

Exemplifying a Higher Level of Commitment



Mr. Katsumi Fujisaki Manager Engineering Department Living Environment and Digital Media Equipment Group Mitsubishi Electric Corporation

I attribute the amazing achievements in R&D leading up to the appearance of Green Cycle Systems on the scene to a higher level of commitment by Mitsubishi Electric. The company had profound determination to create an entirely new industry from scratch, and stayed true to its vision every step of the way.

Watching this new, innovative, large-scale operation come to fruition and bring a new industrial-grade plastic "product" to the market has been a magnificent experience. Especially as it represents a new type of "pure" manufacturing, made possible by procuring raw mixed plastics recovered by Hyper Cycle Systems and using custom-developed Mitsubishi Electric equipment to refine it into a highly pure raw material of great value to the manufacturing industry.

To grow and sustain this new plastic recycling industry, we must share information and collaborate with our peers in manufacturing. This will ensure nonstop technological innovation industry-wide. We've also got to work at getting manufacturing concerns everywhere to procure higher volumes of high-purity recycled plastic.

We should focus on these things now, and strive to exemplify Mitsubishi Electric's higher level of commitment. That will drive the success of this new industry moving forward.

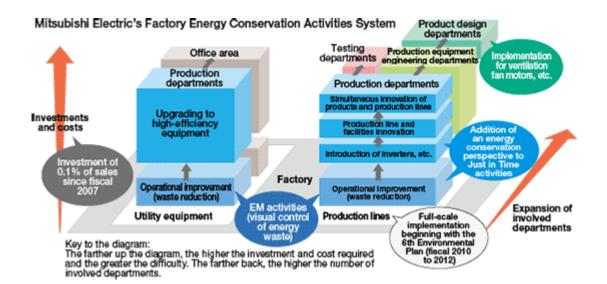


Reducing CO2 Emissions from Production

Under its Environmental Vision 2021, Mitsubishi Electric has established an Environmental Plan and is implementing wide-ranging energy conservation measures. <u>We have already seen a</u> <u>number of results under the current 6th Environmental Plan (fiscal 2010 to 2012), including the</u> <u>achievement of our CO2 reduction targets two years in a row.</u> At the same time, we also consider it important for outside experts to assess whether our conservation efforts are effective or adequate, since this enables us to discover issues that may have previously escaped our attention and may provide hints for future activities.

With this in mind, on April 6, 2011, we invited Professor Yoshihiko Takamura of Tokyo Denki University to participate in a dialog on environmental management. Well-versed in current issues regarding energy conservation in Japanese industry, Mr. Takamura has on many occasions played a leading role in the process of revising the Act on the Rational Use of Energy and is one of Japan's foremost experts in energy conservation research. In this section, we introduce Mr. Takamura's key points for energy conservation inspections, along with his performance evaluation and advice.





Topics

Efforts at Factories

- 1. Cornerstone of Energy Conservation Activities: Measurement of Energy Consumption and Discovery of Waste Based on Measurement Results
- 2. Cornerstone of Energy Conservation Activities: Horizontal Deployment of Effective Energy Conservation Practices and the Introduction of Different Perspectives
- 3. Linkage with Management: Management Involvement in Energy Conservation Activities
- 4. Linkage with Management: Expanding the Scope of Energy Conservation Activities
- 5. On-Site Per-Unit Target Management

Efforts at Offices

6. Energy Conservation Measures at Offices

Topic 1. Cornerstone of Energy Conservation Activities: Measurement of Energy Consumption and Discovery of Waste Based on Measurement Results

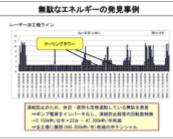
Mr. Takamura: I am often asked, "Where should we start in our energy conservation?" First and foremost, I say, "You don't have to do anything. First gain a grasp of the status quo." If people approach energy conservation with the preconception that "there must be wasted energy around here somewhere," they tend to overlook things, or end up satisfied with measures that only address what they can see. Understanding the status quo is also known as "visualization," the cornerstone of which is measurement. And the results of those measurements, such as discovering waste in the form of certain facilities or equipment that consume electricity even when not in use, lead to energy conservation. How is Mitsubishi Electric working toward greater visualization?

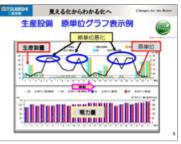
Mitsubishi Electric: Energy visualization is a specialty of Mitsubishi Electric. Our product lineup includes "EcoMonitor" electric power measurement systems that provide highly effective support for energy conservation. As one facet of our Energy Loss Minimum (EM) activities, since 2004 we have been installing EcoMonitors at production lines and facilities at our factories in Japan and engaged in activities to discover and eliminate waste utilizing data collected on energy usage.

For instance, at a laser processing machine production line at one of our factories, continuous measurement of electricity use around the clock for one week revealed that electricity consumption didn't fall to zero even on weekends or weeknights, when no energy should have been used. The cause was a continuously operating cooling tower designed to prevent freezing. Because the electrical source for the pump on this cooling tower could be controlled only with an on/off switch, turning the switch on put it in the same operating mode as if the line was in full operation. We eliminated this waste by converting the pump's electrical switch to an inverter, enabling the pump to be operated at the minimum necessary to prevent freezing.

In addition, we have prepared real-time graphs for each production line displaying per-unit numbers that compare electricity used as measured by EcoMonitors against production volume. Analyzing the data from EcoMonitors on specific lines or individual equipment has enabled us to identify areas, production lines and time periods in which electricity is being consumed even though production is not taking place, and link the results of such measurements to production efficiency improvements. We have also established target per-unit values by factory, facility and workplace, and in the event actual figures exceed the targets set, each department works to analyze the data, identify the cause, and through energy conservation committees and other small group activities, systematically implement improvements.







EcoMonitor electric power measurement unit

Energy use data helps visualize wasted consumption

Graphs for visualizing production facility per unit

Mr. Takamura: It is very good that Mitsubishi Electric has measurement devices developed inhouse and in its product lineup, and is taking advantage of its expertise in this field to conserve energy. While measurement is a cornerstone of energy conservation, some business owners say that installing such devices doesn't save energy, or fail to see the point of installing them in the first place. I think the fact that Mitsubishi Electric has made measurement the starting point of its energy conservation activities is one reason for these effective results.

Topic 2. Cornerstone of Energy Conservation Activities: Horizontal Deployment of Effective Energy Conservation Practices and the Introduction of Different Perspectives

Mr. Takamura: I have many opportunities to visit the factories of various companies, and I have noticed, unfortunately, that in very large companies, approaches to energy conservation sometimes differ between business groups, or there may be gaps in their level of enthusiasm for such efforts. If there were someone who could see across all of a company's business groups, or all of its factories, it would be possible to deploy measures that were effective in one factory horizontally across the organization. The latest revisions to the Act on the Rational Use of Energy will require companies to manage energy company-wide, rather than on the existing factory-by-factory basis, and one of the goals of this revision is to change this kind of piecemeal approach. What kind of horizontal deployment of positive examples is Mitsubishi Electric working on?

Mitsubishi Electric: Mitsubishi Electric considers horizontal or company-wide deployment of effective practices to be a critical and fundamental business function, and we promote such practices on a variety of levels and through a variety of methods.

For example, our company-wide Environmental Promotion Managers' Conferences, attended by the environmental managers from each business group, and our Energy Conservation Best Practice Presentations, attended by the persons responsible for energy conservation at all of our factories in Japan, ensure that we share information on best practices across the organizational boundaries between business groups and factories. We also compile case files containing effective measures implemented at each factory and utilize them in energy conservation activities.

Other activities include mutual energy conservation inspections and <u>Energy Conservation</u> <u>Expert Inspections</u>, designed to check on our efforts from differing perspectives. These inspections always include proposals for improvements, which help in the horizontal deployment of the best initiatives.

Mr. Takamura: In addition to horizontal deployment between business groups and factories, I think your efforts to introduce differing perspectives in the form of mutual audits can be extremely effective, because there are cases in which one factory may deploy such practices as a matter of course, while another doesn't, or doesn't know how to make improvements. Mutual audits provide an opportunity for each factory to learn where it is lacking, or what its strengths are, and can be a valuable experience for all involved.

Mitsubishi Electric: Since fiscal 2004, the mutual energy conservation inspections have been conducted on average bimonthly, by the Energy Conservation Subcommittee of the Environmental Technology Committee. In these audits, a team of qualified energy managers drawn from the various factories spends an entire day visiting another factory's worksite to make inspections and propose improvements. The factories audited then report on the results of their decisions regarding each of the proposals offered. One of the goals of these mutual energy conservation inspections is the development of young energy managers; by allowing them to see veterans at work in the inspection process, it provides an excellent opportunity for young employees to learn.

At the same time, <u>Energy Conservation Expert Inspections</u> involve a team consisting of energy conservation pioneers and old hands. These employees, selected from among workers involved in energy conservation at our factories in Japan for their wealth of experience and outstanding results, make the rounds of factories in Japan and overseas. These activities are useful for expanding the scope and potential of energy conservation measures at our factories, and also contribute to the development of younger employees.



Energy conservation experts perform inspections at Mitsubishi Electric factories worldwide

Please see the feature article for details about Energy Conservation Experts

Environmental Topics: Intelligent Ways to Save Energy and Reduce CO2 from Production

Mr. Takamura: As with energy conservation, the issue of skills succession to younger employees has become a hot management topic in recent years, so I think this is a very positive trend. I sense that Mitsubishi Electric places an emphasis on awareness attained through the introduction of different perspectives and proactively engages in practices to promote this process. I think it would be good to take this a step further by incorporating perspectives from different industries, as well. For some time now, I have been involved with a cross-industry enterprise exchange group in Nagano. Members of the group first learn the basics of energy management, then visit one another's companies and draw up proposals based on things they've noticed during those visits. Initiatives that may be commonplace in one industry may often represent new discoveries for other industries, and these activities have been effective in revealing and then improving on wasteful practices.

Mitsubishi Electric: We appreciate the advice. In the past, we have spoken with people in other industries and even made visits to their factories, but going forward, we hope to incorporate these kinds of activities more strategically in our own energy conservation efforts.

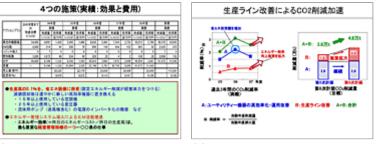
Topic 3. Linkage with Management: Management Involvement in Energy Conservation Activities

Mr. Takamura: Under the current revised Rationalization in Energy Use Law, companies will be required to have in place an energy management control officer. Until now under the Law, energy conservation was promoted by qualified energy managers at each place of business, but in many cases management was not receptive to ideas that required capital investment or expenditures. It is common in Japan for companies to do fine eliminating waste in ways that don't cost money, but once capital or expenditures are involved, progress tends to stop. The current revisions resulted from the conclusion that in order to change this status quo, it will be necessary to create a structure under which the rationalization of energy use can be promoted from a business management perspective. In other words, the objective is to place among those with management authority someone who truly understands energy. In this respect, how is Mitsubishi Electric attempting to tie its energy conservation activities to corporate management?

Mitsubishi Electric: Mitsubishi Electric believes that environmental conservation initiatives are a corporate issue and, on the occasion of the ISO 14001 revision in 2004, elected to integrate environmental management systems into our main business activities. In response to this, since the launch in fiscal 2007 of our 5th Environmental Plan, a full-scale environmental management plan, we have invested 0.1% of sales in energy conservation.

In addition, in the current 6th Environmental Plan (fiscal 2010 to 2012), we are focusing on reducing CO₂ from production by implementing two key measures: The replacement of utility equipment with high-efficiency equipment, which requires planned investment; and production line improvements involving the elimination of waste during production. Of these, specific measures regarding production line improvements are incorporated in each year's fiscal year plan.

Further, to more vigorously promote production line improvements, on April 1, 2011 we launched the Productivity Promotion Group. Some of the issues which arise as a result of the inspections by energy conservation experts may require production line innovations and may be difficult for individual factories to address on their own. We formed this group out of the belief that an organization was needed capable of responding to those issues and empowered to implement improvements, including development of technology.



Costs and effects of four key measures: introduction of highefficiency equipment; EM activities; introduction of co-generation; fuel conversion) effects and costs

CO2 reductions accelerated through production line improvements

Mr. Takamura: I think that investing 0.1% of sales in energy conservation is a significant commitment, and one that I have not seen elsewhere. It clearly shows that Mitsubishi Electric is addressing energy conservation as a management priority. Recent years have seen the introduction of a steady stream of excellent materials, products and technologies, including insulating materials, LED lighting, and nano-processing and measurement control technologies. I think that the proactive inclusion of such new technologies in energy conservation investments will enable Mitsubishi Electric to continue to achieve wide-ranging innovations.

Topic 4. Linkage with Management: Expanding the Scope of Energy Conservation Activities

Mr. Takamura: Earlier, we spoke about how energy conservation investments and other money issues tie into management; now I would like to ask about the organizational and personnel side of things. For example, when reviewing a manufacturing process from the perspective of how energy will be utilized, the scope of improvements must often be expanded to include production line design and even the design of the products themselves. Such a broad scope requires decision making from a company-wide standpoint. How does Mitsubishi Electric approach this?

Mitsubishi Electric: At Mitsubishi Electric, even the facilities engineering departments participate in production line improvement activities. We are also expanding the scope of activities to include farther upstream product design processes and have in some cases succeeded in eliminating high energy-consuming equipment through changes in parts and materials, and shortening production lines and increasing efficiency through size and weight reduction at the product design stage. Focusing on the upstream is, we feel, an important step.

We have also begun expanding the scope of energy conservation efforts to the quality control test stage. Since this testing involves verifying whether products can function under harsh conditions, the tendency has been to consider the testing process different from production lines, and off limits for energy reduction. However, actual measurement of electricity use revealed that at some factories, the testing departments account for as much as 15% to 30% of total electricity use, and that testing for product quality is in fact on the rise. This is why we are now in the midst of reviewing the entire process, beginning with initial set-up time, to determine whether a particular test is really needed, or whether it can be simplified or the time required for the test shortened.

Mr. Takamura: It's impressive that you have put aside formerly "off-limits" processes by including the testing department in your efforts. It is important to initiate improvements at departments not previously covered by such improvement efforts. By all means, I hope that you will continue to carry on with this initiative.

Mr. Takamura: In setting forth a company-wide policy of reducing CO2 emissions, what is most important is what results a company's respective divisions and workplaces can deliver toward attaining that goal. And note that, while units for CO2 reduction targets are absolute quantities, the standard under the Rationalization in Energy Use Law is per unit of energy. Because this per unit actually represents efficiency, goals can be difficult for those in the workplace to manage unless it is clear that their objective should be to improve productivity, and the efficiency of their own work, based on that per unit. How is Mitsubishi Electric approaching this issue?

Mitsubishi Electric: In Environmental Vision 2021, Mitsubishi Electric has set a target of a 30% reduction in CO₂ emissions from production, and the factories aim to achieve the target. At the same time, to pursue higher productivity at the factories, we manage energy use by employing per-unit indicators. Beginning in fiscal 2011, we have started incorporating energy conservation perspectives in our productivity improvement (Just in Time) activities and are working toward even further improvements in our base energy units. What is difficult in managing per unit in this way is deciding what to use as a unit.

Mr. Takamura: I believe it is necessary to use targets for both total energy consumption and per unit as performance indicators, but as you note, this can present some difficulties. If sales were used as a per unit, for example, figures would change enormously with fluctuations in product prices. This has been pointed out as an issue before in the semiconductor industry, for example, where prices can drop dramatically from one year to the next. As a result, no matter how much energy efficiency is improved at the point of production, when assessed using sales as a per unit, it only seems to worsen.

Mitsubishi Electric: Actually, there is something else we would like to ask your opinion about along with the per unit issue. At Mitsubishi Electric, we would like to carefully assess the cost of our CO₂ reduction efforts and give CO₂ reductions a higher management priority. Currently, however, there is no indicator for directly translating CO₂ reduction volumes to costs. We are thinking that it may be possible, for example, to use the unit price per ton of CO₂ in emissions trading as a reference. What do you think? While our policy is not to trade in emissions rights, if CO₂ prices are given a high valuation, we believe that in a sense, that may serve as an effective motivation for further energy reduction activities.

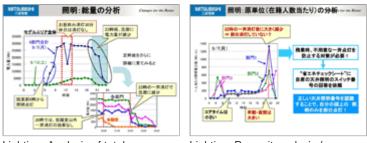
Mr. Takamura: The question of whether or not to engage in emissions trading aside, I think CO2 prices can be used to assess the results of your activities. While most people say that it is overwhelmingly less expensive to purchase emissions rights, you gain nothing in technology by trying to solve the problem through such purchases. After all, energy conservation is a cumulative process.

Mitsubishi Electric: Since we believe that reducing CO₂ emissions and eliminating waste fundamentally strengthen our corporate constitution, we can certainly identify with your opinion about not gaining anything technologically. If emissions trading means missing out on opportunities to gain energy conservation expertise, that is another reason for us to continue focusing on efforts under our own steam.

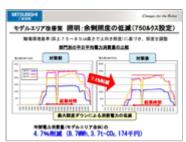
Mr. Takamura: We have heard a lot about your energy conservation initiatives at the factory level. What sort of initiatives are you employing in your offices?

Mitsubishi Electric: Mitsubishi Electric sets up model areas in offices and conducts demonstration tests. In 2010, we used EcoMonitors to monitor and analyze electricity consumption and engaged in electricity reduction activities focused on lighting, which accounts for approximately 60% of energy consumption outside of air conditioning. We found that the per unit per person following the end of the workday was particularly bad and are working to devise improvements by, for example, turning on lights only in parts of the office that are still occupied. However, in buildings in which we are just a tenant, use of shared air conditioning systems managed by the building owner may not be included in our measurements, so we may need to make adjustments with the building owners in those cases.

Example of analysis and improvement based on energy use data measured by EcoMonitors



Lighting: Analysis of total use

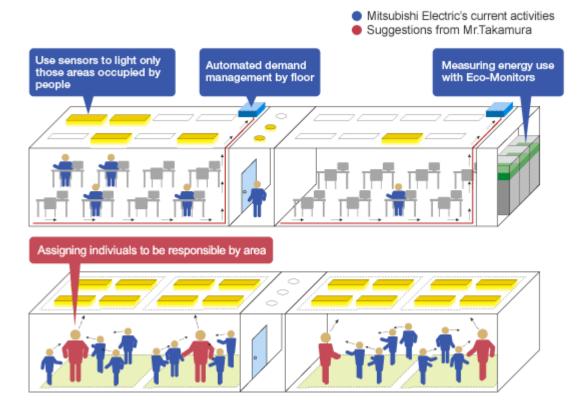


Lighting: Per-unit analysis (per person present)

Improvements to office model areas Lighting: Reducing overillumination (set at 750 lux)

Mr. Takamura: I think that beginning with measurement and analysis and then devising efficient ways of using lighting is an excellent approach. What is key to such initiatives in the office is to be careful in bringing in lighting only those areas actually occupied by people. And, while it is of course important to raise awareness at the individual level, I would also propose that you introduce further support measures utilizing sensor technology. Further, if I might make a proposal, it would be effective to decide upon a person responsible for each model area, and then encourage all employees in that area to follow the lead of the person responsible and devote themselves to energy conservation activities.

Energy conservation activities needed in the office



Mitsubishi Electric: Given the situation with power shortages arising from the recent Great East Japan Earthquake, what do you think our concerns should be going forward?

Mr. Takamura: Once rolling blackouts and restrictions on total energy use have been decided upon, I think you will find that the data you have collected to date can be extremely useful. If rolling blackouts are conducted, that is when you will truly need to be systematic in your use of electrical power. To prioritize which departments to keep running in such cases will require that you have a complete picture of energy use in each department. Energy management is also crisis management.

In addition, proper energy management has a number of ripple effects. For example, using florescent lighting releases heat, but reducing its use will reduce other related energy, such as the load on air conditioning systems. As peoples' awareness changes, products grow smaller and more energy-efficient. In the same way, proper data collection can be useful in a variety of ways.

Mitsubishi Electric: Currently, Mitsubishi Electric is discussing how to adjust its production shifts to so-called peak cuts. These methods might include, for example, running automated feeder lines at night, while having assembly lines requiring manual attendance run only during the day. Since we have all of the energy usage data collected by factory, we believe this will be an ideal opportunity to make use of our efforts to date. Your mention of the link between energy conservation and crisis management was also extremely helpful. Thank you for your time today.

After the Dialog

With its workplace improvements and the involvement of management, it is clear that Mitsubishi Electric has established an exemplary set of initiatives

Through this dialog, it is clear to me that Mitsubishi Electric is engaged in leading-edge initiatives which can serve as a model for other companies. You are identifying waste and promoting improvements by using measuring equipment to closely measure energy use, which is fundamental to energy conservation. It is also great that, company-wide, your factories share information about their respective strengths and weaknesses and deploy that information horizontally. I was also very impressed with the emphasis you place on developing personnel and nurturing successors in the workplace.



Yoshihiko Takamura Professor, Tokyo Denki University Councilor, Energy Conservation Center, Japan

First and foremost, I appreciate the fact that you have

leaders in place who understand these issues. Second, you are working to change production methods and develop manufacturing methods that use less energy, and to accomplish that are providing feedback to your design departments. I also think it's excellent that you are expanding your vision beyond the factory to your design departments and beginning to work on initiatives farther upstream, while also moving ahead with data-based improvements in your testing facilities, previously considered off-limits. I very much hope that other companies will use these examples as a model for their own energy conservation efforts.

After the Dialog

I believe that a scenario for further incorporating energy conservation into management will be necessary

Through Professor Takamura's review of our energy conservation activities, we were able to confirm that our activities to date have been on target. I believe that the energy conservation results we have achieved stem from having applied our expertise and knowledge to the task and engaged in energy conservation as a management priority, investing 0.1% of sales in energy conservation and implementing measures as part of a group-wide environmental plan. Despite this success, I am concerned that we may be unable to continue achieving such results as things currently stand.

Now that we have taken energy conservation to the limit, we must increase the amount of investment to achieve



Masaharu Moriyasu Executive Officer in Charge of Total Productivity Management & Environmental Programs Vice President, Corporate Total Productivity Management & Environmental Programs Group

further advances. I believe that to move beyond this limit, it may be necessary to develop a scenario for further incorporating energy conservation into management. We are putting into practice the initiatives we highlighted in our environmental statement, Eco Changes – for a greener tomorrow, right now, but we need to carry these measures out as part of our main business activities, not simply for energy conservation. I feel that doing so would enable us to make more progress in areas where we cannot actually visualize what the problems are. Accordingly, we need new management indicators allowing us to tighten the relationship between our energy conservation activities and our mainstay business.

We have been simultaneously pursuing strengthening of our corporate constitution involving production with less energy and fewer resources, and contributing to society through business activities and environmental mindset. After the dialog, I strongly felt that we have reached the stage where it has become necessary to integrate efforts to strengthen our corporate constitution and our social contribution.



A Fresh Approach to Water as a Renewable Resource

Access to clean and reliable sources of water is increasingly a major global issue, and Mitsubishi Electric has much to offer the world in the way of new and fresh approaches to usage and recycling of water in industrial applications. An abundant and stable supply of clean water is a basic need of society, and Mitsubishi Electric is at the forefront of cutting-edge, sustainable technologies developed specifically to ensure that this precious natural resource is not wasted.

Mitsubishi Electric is one of Japan's leaders in the development and implementation of systems for wastewater treatment in manufacturing, water purification for public consumption, and more effective industrial cleaning processes. Such as microbubble technology that removes oil and other deposits without detergents or hazardous chemicals, and ozone generation technology that purifies water without chlorine. Membrane separation technology is also being put to use in high-grade industrial applications in Mitsubishi Electric's own manufacturing operations.

The goal is 100% recycling of water to eliminate unnecessary wastewater, encourage water conservation and promote cost-savings. Such initiatives are a part of Mitsubishi Electric's efforts to strengthen its corporate constitution and contribute to society as a leading green company.

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Water As Precious, Reliable and Delicious

Mitsubishi Electric's basic approach to water is to develop and implement technologies that ensure existing water resources are optimized using non-toxic purification and recycling processes. The company itself seeks to recycle and reuse water as opposed to draining it away, furnish manufacturing plants with efficient — and more effective — water-based industrial cleaning processes, and purify water so cleanly that it is consistently delicious to the taste.

Major water processing companies in Japan have relied on Mitsubishi Electric's ozone generation equipment for sewage treatment and better tasting tap water since the 1960s. This technology, which treats water with ozone instead of chlorine, is also now available outside Japan.

Newly developed microbubble technology in use at Mitsubishi Electric factories in Japan have reduced water consumption significantly, while preventing toxic substances from being discharged in wastewater drainage. Mitsubishi Electric's implementation of membrane separation technology is another practical water recycling solution with the added benefits of space savings and reduced CO₂ emissions through its use.

Ensuring Sustainable Water Resources



Yasuhiro Tanimura Seinior Manager of Environmental Technology & Systems Department Advanced Technology R&D Center

Water Reclamation and Non-contamination of Water Resources

In terms of the technologies Mitsubishi Electric develops to furnish society with reliable, safe and secure water resources, the company is committed to parallel courses of action. One places a premium on reclamation of water using proven nontoxic technologies Mitsubishi Electric has developed over the decades, such as ozone generation. The second seeks to introduce new water-based cleaning technologies for industry, such as microbubble technology, which has important implications for environmental preservation.

Legacy of Water Purification Technology Development

Mitsubishi Electric has a long tradition of developing purification equipment and technologies to optimize water resources and reduce wastewater in its own industrial

processes. The company was working on the development of technology for water treatment using ozone prior to other companies, and started selling its ozone generators as far back as 1968. Research and development into the improvement of ozone generation efficiency was implemented at water treatment plants.

The livelihood of society depends on a reliable supply of fresh water for individual and industrial consumption. Mitsubishi Electric plays an important role in helping municipal governments tackle water and sewage treatment issues. The company's standard for success has always been the guarantee of safe and delicious, fresh drinking water. The results speak for themselves. Now Mitsubishi Electric furnishes ozone generator equipment to around 40% of water and sewage treatment facilities in Japan.

Reducing Water Contamination

Mitsubishi Electric's approach to industrial wastewater treatment seeks to avoid the usage of detergents. One solution is Mitsubishi Electric's microbubble technology, which can clean machine parts as well as pipework without detergent. Extremely minute bubbles scour surfaces clean, and the system is extremely efficient in its usage of water resources. Several of Mitsubishi Electric's manufacturing facilities have already adopted microbubble cleaning technology.

In Japan, Mitsubishi Electric has also introduced an electric residential heat-pump boiler system in the Japanese market, which uses microbubbles to keep its water-circulation pipes clean. This type of application can contribute to a vast reduction in the environmental impact of wastewater generated by domestic households.

Innovating New Water Technologies



Shinji Nakashima, Dr. Eng Structural Technology Department Manufacturing Engineering Center

Putting State-of-the-art Technology to Practical Use

Mitsubishi Electric factories all over Japan come to the Manufacturing Engineering Center seeking ways to improve productivity and reduce the environmental burden resulting from manufacturing operations. We provide technical support. This requires the development of innovative technologies that are then put to practical use in the plant. Microbubble technology was first implemented on the metal coating line at Fukuyama Works, and then in 2006 we developed a way for Gunma Works and Shizuoka Works to wash parts using a shower-style stream of microbubbles.

Innovative Just-in-time Cleaning

Microbubble technology continues to be a focus. We have been working on implementing it on the production line for industrial cleaning applications. Formerly parts and products were gathered in one place and then cleaned in batches in a large "bath." This was an inefficient process simply because of the waiting period involved. The new process is much more efficient, and doesn't require line stoppage. In the new process, a robot arm picks up each item on the production line, immerses it in a microbubble tank, and then places it on a drying line. In this way, each item is cleaned at the moment it needs it — just-intime cleaning. This system is garnering much attention from our factories throughout Japan.

Reexamining Existing Technologies

Microbubble technology is an example of taking an existing technology and working on ways to make it practical on the production line. Exploring new ideas and fusing new technologies and processes with it have improved microbubble performance and brought about profound benefits. It's important that we safeguard this and other technology that supports the industry by improving productivity and contributes to society through reduced environmental burden. The knowledge of the skilled veterans who make highly effective water treatment and other improved methods possible must be safeguarded, as well, as they approach retirement.

Microbubbles Revolutionize Cleaning Processes

High-density Microbubble Cleaning Process

Mitsubishi Electric's award-winning microbubble cleaning process and system applies highdensity, microscopic bubbles 1/100th the size of normal bubbles, which permeate water and then slowly rise to its surface, and which have adsorption properties that make impurities in the water cling to them, to provide better results at significantly less cost. Microbubbles reach grease even on various-sized and complex-shaped instruments, and scour them uniformly.

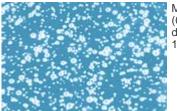
The high density of microbubbles, which are 0.1 millimeter in diameter, are especially well suited to ferreting out oily grime in the water. This is because of their highly adsorptive properties. Microscopic oil and other impurities in the water naturally attach to microbubbles, float to the water's surface, and then are drained into an overflow bath. This is an efficient way to extract impurities from water, and where applied has reduced Mitsubishi Electric's running costs significantly.

Maintaining Microbubble Density

Mitsubishi Electric's research into the oil-adsorption properties of microbubbles began a decade ago. The technological development required to remove oil and other impurities from water without chemical detergents — with only water — was an inspiring feat. It promised a dramatic reduction in the environmental burden caused by industrial wastewater drainage.

The key challenge behind making the technology practically useful was figuring out how to sustain the density of the microscopic bubbles. Microbubble consistency creates the adsorption effect that lifts impurities to the water's surface. Bubbles naturally combine with each other to form larger bubbles, which decreases cleaning effectiveness over time.

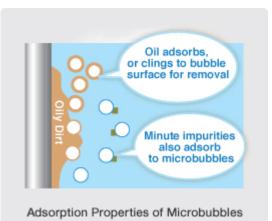
Mitsubishi Electric's breakthrough came through discovery of a safe substance* that, when only a miniscule amount is added to the water, ensures proper microbubble density for optimum performance.



Microbubbles (0.1 millimeter in diameter, less than 100 microns)



Normal bubble (about 10 millimeters in diameter)



*The substance is not applied to some products.

Mitsubishi Electric has been applying the microbubble cleaning system to its own operations since 2006, for product production processes as well as the cleaning of greasy machine parts. The equipment was first installed in its Fukuyama Works, and is now in use at four factories and an affiliated company plant in Japan.

The biggest benefit has been a reduction in the environmental burden caused by wastewater. The microbubble process is so effective at bringing oil and other impurities to the water's surface that the water can be used for cleaning many times, thus slashing water consumption considerably. In contrast, use of chemical agents require the input of enormous volumes of fresh water to be effective, plus processing for compliance with environmental regulations before it can be discharged as wastewater.



Microbubbles in Manufacturing: Zero Wastewater Solution

Mitsubishi Electric's Green Cycle Systems, Japan's first large-scale, high-purity plastic recycling operation, relies on water as an integral catalyst for its plastic separation process. In order for plastic extracted from end-of-lifecycle home appliances to be reused in new products, various types of plastic must first be separated from each other and refined individually for reuse as new raw materials.

Water is used to separate polypropylene (PP) from the other two main types of plastics used in home appliances, polystyrene (PS) and acrylonitrile-butadiene-styrene (ABS). PP is lighter than PS and ABS, plus is buoyant, so it floats to the water's surface where it can be recovered. After the separation procedure, microbubbles adsorb any leftover dirt or plastic particles and lift them to the surface too, where they are removed. The resulting water is pure enough for reuse.

Allowing for evaporation, about 99% of water for sorting plastics at Green Cycle Systems is recycled on a continuous basis, thus slashing water consumption as well as volume of wastewater drainage.



Green Cycle Systems Corporation. Japan's first large-scale, high-purity plastic recycling operation, turns plastic from end-of-lifecycle electrical appliances into new plastic material that can be reused in new home appliances.



Water process for separating a mixture of shredded plastic pieces. Some types sink and others float to the water's surface. This water is recycled perpetually in the process.



Kazuyoshi Yabuuchi Engineer and Staff Manufacturing Engineering Center

Advantages of Water Recycling

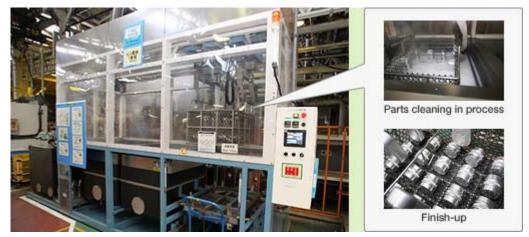
My work at Mitsubishi Electric's production technology center involves the development of parts and equipment for production trials and testing, including the water recycling system, wet specific gravity separation equipment at Green Cycle Systems. Trial and effort has been a way of life for everyone involved in the development of water recycling technology that can be applied on a practical level. The proprietary system we developed for water recycling is unique in many ways, and it is truly a pleasure to see it applied after overcoming so many challenges.

Environmental Topics: Plastic Recycling Comes of Age

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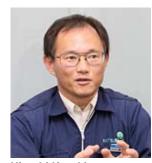
Microbubbles in Manufacturing: Parts Cleaning without Chemicals

The Mitsubishi Electric Transmission and Distribution Systems Center employs microbubble cleaning technology as an integral part of its metal plating operation. It's a rigorous process, which starts with the washing of oil from parts, then masking, metal plating and removal of the masking, then finishing up with a thorough quality assurance check. Previously a degreaser was used to clean off the oil, requiring the consumption of an enormous volume of water. Microbubbles require less than one-tenth that amount, and generate only a fraction of the wastewater, thus lowering running costs and decreasing environmental burden.



Microbubble cleaning equipment

Membrane Separation Advances Water Recycling



Hiroshi Kuroki Advanced Water Treatment Technology Group, Environmental Technology & Systems Department Advanced Technology R&D Center

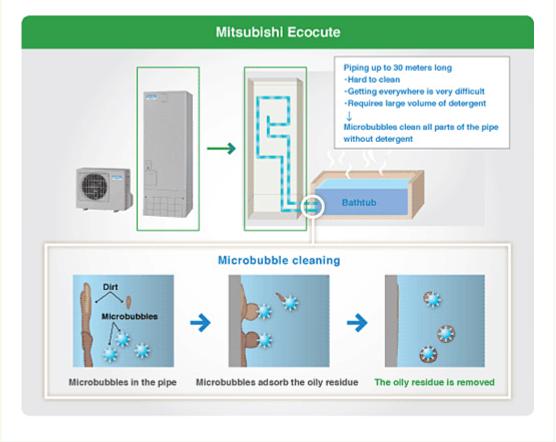
Advantages of Microbubble Cleaning Equipment

Great skill is required when determining the best application of microbubble technology. When it comes to the cleaning of parts, because there are so many different shapes involved, and some with complicated make-up and areas difficult to access, detailed adjustments are required. Traditionally a great volume of water has been required for the cleaning process, but at Transmission and Distribution Systems Center microbubble technology has drastically reduced that, while also dramatically reducing the time required for cleaning to as little as 1/4 to 1/5 that of previous processes.

Microbubbles at Home: Automatic Pipe Self-cleaning

Mitsubishi Electric's popular brand of natural refrigerant (CO2) heat-pump type hot water supply system in Japan, the "Mitsubishi Ecocute," relies on microbubble technology for self-cleaning of sebaceous material that builds up naturally in its piping. Japanese bathing culture requires that one first wash and rinse outside of the bathtub to clean the body, then submerge in the tub of clean hot water to soak, relax and physically rejuvenate. Since the water doesn't become fouled with soap and grime, the same water is often used by several family members consecutively. But in this process the water tends to collect sebaceous material.

The Ecocute system keeps the water at optimum bathing temperature by circulating it through a heat-pump type water heater via piping as long as 30 meters. As such, sebaceous material in the water is prone to sticking to the inside of the pipes, especially at intricate crooks and bends. Microbubbles can adsorb this oily material. By equipping Ecocute with a microbubble self-cleaning mechanism that is triggered when the bathtub plug is pulled, the pipes are automatically cleaned and the resulting effluence is drained away.



Microbubbles on the Line



Satoshi Ueyama Manufacturing Engineering Development Group, Production Control Department Shizuoka Works

As an engineer working on the development of microbubble technology for many years, I was happy to see it in actual use when I was transferred to air conditioner manufacturing at Shizuoka Works two years ago. I feel blessed to have seen the successful adoption of the system on the factory line. I was deeply moved by the speed at which all stakeholders on the line embraced the technology. This reinforces my commitment to seeing the technology leveraged for use in broader applications, and in all parts of the world. I believe that the people and products using microbubble processes, as well as the endusers of the products themselves, are all inextricably linked in the way that society benefits from microbubble technology.

Ozone Generation Improves Water Treatment

Purifying Water Efficiently, without Chlorine

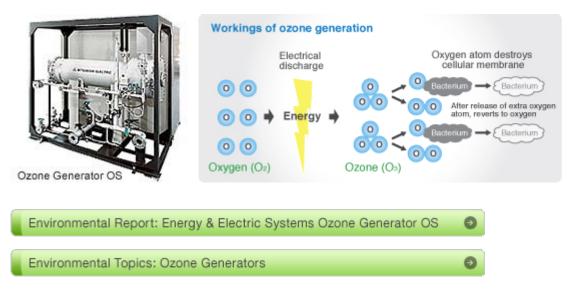
Mitsubishi Electric's positive contributions to the quality of Japan's drinking water, cleaner domestic wastewater, as well as commercial usage of recycled water resources, are significant and longstanding. A key reason is the company's early research, in the 1960s, into the water disinfection, de-coloration, deodorization and purification properties of ozone gas.

Mitsubishi Electric creates ozone (O3) using electrical discharge to add an extra oxygen molecule to O2. When air (oxygen, or O2) is passed through a discharge space, a portion of the oxygen is converted into ozone, which disinfects water more effectively than chlorine. What's more, Mitsubishi Electric's unique high-density ozone generation method, with its narrower discharge gap, produces high concentrations of ozone with minimal electricity, making the ozone generator highly energy-efficient, and also more compact.

Mitsubishi Electric Ozone Generator

In 1968 Mitsubishi Electric introduced its ozone generator product in the Japanese market, and it is now in use by municipalities nationwide, with proven results in improved tap water quality. A compact version for small communities has also been introduced in the United States.

Ozone's anti-bacterial and oxidation qualities are more effective than chlorine, and it can also be applied to deodorization and bleaching of water through degradation of substances that cause odor and coloration. And unlike disinfection and oxidation using chemicals such as chlorine, ozone itself breaks down after treatment and reverts to oxygen, which also serves to prevent environmental pollution.



Mitsubishi Electric has to date provided more than 1700 ozone generator systems to waterworks concerns in Japan, comprising a 40% share of the ozone generator market. The company's ozone generator product received the coveted 21st Century Invention Prize, awarded by the Japan Institute of Invention and Innovation.

Long proven in practical application at waterworks facilities as well as commercial aquariums and manufacturing concerns in Japan, the ozone generator's disinfecting and deodorizing properties have also been applied to agricultural drainage and wastewater processing facilities.

In all, Mitsubishi Electric's ozone technology is ideal for purifying and sterilizing water, sewage and pool water; sterilizing food products and containers; treating industrial wastewater, oxidation and cleaning in semiconductor manufacturing; and deodorizing and preventing infectious diseases in hospitals. Moreover, the ozone generator contributes to energy as well as space savings.

These and other qualities position Mitsubishi Electric's ozone generator as a critical technology for the world by supplying a reliable and safe method for water treatment and purification for the benefit of local communities worldwide.

Ozone Generator in Action: Tastier Tap Water in Osaka

Osaka is a teeming metropolis in Japan, with more than 2.6 million residents and numerous industrial concerns. Its primary source of water is the Yodagawa River, fed by Lake Biwa, which in the 1970s suffered from a breakout in moldy odors caused by eutrophication, or an overabundance of minerals and nutrients that starve the water of oxygen.

Osaka's Murano Water Purification Plant, one of the largest in Japan, set up a sophisticated water purification system at that time to deal with the problem. The Murano system included biological, ozone and granular activated carbon treatment processes in addition to standard chlorinated water treatment methods, housed in a ground-level treatment plant, plus two multi-story facilities.

By the 1990s, although water quality had much improved, Osaka tap water was characterized by a strong smell of chlorine. Mitsubishi Electric's ozone water treatment equipment was installed at one of two multi-story facilities in 1994, and then in 1998 one of Japan's largest ozone treatment facilities, also provided by Mitsubishi Electric, was installed at the ground-level treatment plant. This had the effect of dramatically improving overall water quality. In fact, Osaka water today is known for being refreshing to drink straight out of the tap.



Murano Water Purification Plant



Ozone generation equipment

Ozone Generator in Action: Recycled Water at Olympic Park in Beijing

In 2006, while planning for the 2008 Olympic Games, the City of Beijing was considering a major overhaul of the city's wastewater treatment system. Part of the City's plans for the Olympics included an Olympic Park that utilized recycled water, but at the time, the water quality resulting from existing treatment systems was unsatisfactory. In response, Mitsubishi Electric proposed the use of the company's ozone generator technology for wastewater treatment, to deliver superior performance in de-coloring and deodorizing water. Mitsubishi Electric's proposal was accepted, and in May 2008, a system was installed in the Beijing's Qinghe Wastewater Treatment Plant, in time for the Beijing Olympics, held in the summer. Olympic Park, located nearby the various Olympic venues, featured an artificial lake filled with recycled water purified by Mitsubishi Electric's ozone generators, to much acclaim.

Since the Olympics, Beijing City has been working on implementing the Wastewater Reuse Project, a large-scale initiative calling for, by 2011, all sewage water within the city (2,850,000 tons per day) to be purified by ozone generator for industrial and agricultural reuse, as well as for discharge into rivers. This called for major expansion of the Qinghe Wastewater Treatment Plant, and the addition of six Mitsubishi Electric ozone generators to the system, which have served to help improve quality of life in the city of Beijing.



Qinghe Wastewater Treatment Plant and Mitsubishi Electric's ozone generator

Membrane Separation Advances Water Recycling

A Practical Water Recycling Solution

Mitsubishi Electric's membrane separation method of recycling water for mission-critical industrial processes offers the merits of space and energy savings, direct control of water purity, relatively low operating cost, and best of all, no toxic chemical processing.

When the Mitsubishi Electric Transmission and Distribution Systems Center, which develops and produces devices that ensure a stable supply of high voltage and electrical current, implemented a major refurbishing of its facilities after 35 years of operation, it turned to membrane separation technology for a new wastewater treatment system as a practical solution to achieve its goal of transforming from 30% utilization of recycled water to 100%.

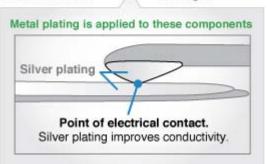


Mitsubishi Electric Transmission and Distribution Systems Center, ensuring exacting standards of quality for one of the world's most reliable power distribution systems. Its products are in use globally.

Previously, after washing performed during the process, the water was detoxified and some was reused in the toilet system, while the rest was discharged as wastewater. The decision to implement a new system provided an opportunity to strive for 100% recycling of water used in the metal plating process. In 2010 the new water treatment system for the metal plating operation and water recycling facility came on line, achieving the goal through 70% reuse of water in the metal plating process, and 30% reused in the toilet system.



Power transformer





Water recycling equipment for new metal plating process



Masahiko Yokoyama Manager Machining Parts Manufacturing Sec. Switchgear Dept. Transmission & Distribution Systems Center

Water Quality is Product Quality

It can be said that water gives life to our products. In my role overseeing the implementation of the new system at the Transmission and Distribution Systems Center, I must ensure that recycled water can deliver on that promise.

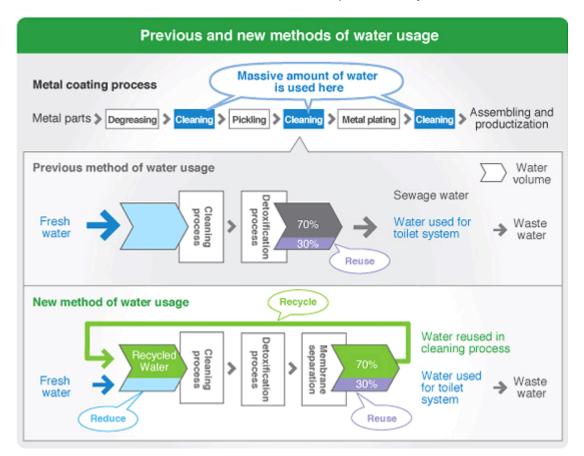
Our chief aims for the renewal included to mitigate environmental risks, recycle wastewater and implement a 24-hour metal plating operation. To lower environmental risk and make 24-hour operation possible, locating the new facility next to the metal factory was vital. Microfiltration technology allowed us to remove heavy metals in the water in order to keep environmental risk low on a 24-hour basis, while benefitting from space-savings. Reverse osmosis technology was a highly cost effective solution for recycling of the water.

We also had to stabilize fluctuations in concentration levels in drainage water, resolve which pH was optimum for detoxification, and control the degree of fluorine in the water. We have accrued much knowhow and determined the best machinery and practices required for superior operational results, ensured safety and environmental benefit. My goal from now is to make this factory number one in these areas among Mitsubishi Electric's 24 factories in Japan.

A membrane separation system was installed at a metal plating facility at Mitsubishi Electric Transmission and Distribution Systems Center in 2010. It economized on limited available space and realized the goal of transforming from 30% recycling of the water used for the process to 100%. The compact size of the equipment allowed for most efficient positioning, adjacent to the metal plating operation itself. The amount of required piping was reduced from 600 to 70 meters, or by some 90%.

Previously 45m³ of water per hour was required for cleaning during the metal plating operation. After membrane separation technology was introduced, an annual total of some 100,000 m³ of water is able to be reused. This volume is approximately equivalent to 500,000 bathtubs.

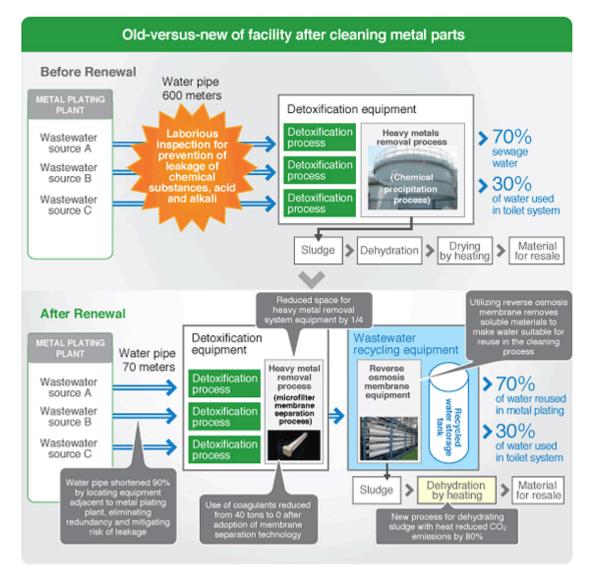
After installing the new system, water consumption was drastically reduced. As much as 70% of the water is now recycled back into the production process. The remaining 30%, which contains soluble acids and alkalis, is detoxified and reused in the plant's toilet system.



New microfiltration and reverse osmosis (RO) systems permit recycling of the water used in the metal plating washing process. The previous process for water treatment called for storing the used water in a tank after its pH level was optimum for detoxification. The sludge containing heavy metals was then removed.

Now the water used in the metal plating process is treated using microfiltration technology, which uses a membrane to remove all substances over 0.5 microns. The microfiltration equipment saves on facility space by one-fourth, permitting it to be located in a facility adjacent to the metal plating factory. This location has reduced the length of the water supply pipe from 600 to 70 meters. It also made for easier monitoring of the equipment.

Reverse osmosis (RO) is used to improve purity, by detoxifying water from which heavy metals have been removed. Substances larger than 0.1 nanometer, like salts and other soluble substances that adversely affect metal plating quality, are also thoroughly removed. These were previously impossible to filter from the water.







Microfilter module. One square pole contains 640 hollow filamentous membranes which absorb and filter impurities,

Water detoxification equipment at metal plating facility. Vat at left is for heavy metals; vat at right holds water containing fluorine.



Water detoxified by microfiltration. It is further filtered by reverse osmosis (RO), which eliminates impurities like soluble salt. The water is used again for washing at the metal plating factory.



Recycled water storage tank.



Detoxification and water recyling equipment is monitored on a 24-hour basis.



Equipment Operations Supervisor Nagaike (left) and Technical Director Akashi, responsible for ensuring a reliable water supply at the metal plating facility.



Akihisa Takahashi Senior Manager Engineering, Manufacturing & Information Systems Department Transmission & Distribution Systems Center

State-of-the-art Water Recycling

Mitsubishi Electric considers water as a "3R" resource (reduce, reuse, recycle), and the Transmission and Distribution Systems Center now boasts a model of stateof-the-art water recycling as an integral aspect of its makeup. It took about a year and a half for planning and implementation. So after 35 years of operations, we got a chance to implement a solution for more effective utilization of water through the renewal of equipment for the detoxification of water used in the metal plating process.

We train staff members to have confidence in the safety of the system, as well as sharpen environmental awareness, by maintaining a miniature biotope sustained by recycled water from the facility. Other industrial processes at the

Center, which still use too much water, are targeted for application of the system.



The Mitsubishi Electric Transmission and Distribution Systems Center has established a miniature biotope adjacent to its metal plating facility, where traditional Japanese plant and animal species are sustained by detoxified water from the operation.



India: Keystone Market for a Leading Green Company

Mitsubishi Electric's corporate statement, "Changes for the Better," reflects a culture of seeking constant improvement, and making positive changes in the pursuit of excellence. It is the seed from which grew "Eco Changes – for a greener tomorrow," the company's environmental statement, which expresses Mitsubishi Electric's stance on environmental management, and establishes a framework for creating a more sustainable future side-by-side with customers.

By combining the unique insights and specialized knowledge of multiple countries all over the world, Mitsubishi Electric aims to be a leading green company on a global scale, making lasting contributions in every society in which it operates. India is one such society.

India is an important place for Mitsubishi Electric. In September 2010 the company established a new comprehensive sales company, Mitsubishi Electric India Private Limited, to market and distribute environmentally well-considered consumer and industrial products and devices, and also to support the infrastructure-related systems business in the rapidly-growing country.

India has emerged as a keystone market, and Mitsubishi Electric India possesses unique potential to demonstrate Eco Changes on a scale that can literally define how a leading green company operates in a globalized world.



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- Committed to India's Sustainable Development
- Mitsubishi Electric India Launches with Eco Changes

• Spreading the Message at EPIF 2011

- Eco Changes at Eco-products International Fair 2011
- Unique Unifying Force

Global Mission

Eco Changes – for a greener tomorrow

Mitsubishi Electric is a diversified electric and electronics manufacturer with prominence in a range of fields from home appliances, factory automation equipment and semiconductors for industry, to electrical power, transport and water treatment systems for society, and satellites for space. The company is especially committed to conducting its operations in accordance with environmentally responsible principles, for the sake of taking a leadership stance in the industry.

Mitsubishi Electric's environmental technologies are created with this idea in mind, and with a desire to bring about a balance of comfortable society for people, and environmentally responsible modern civilization. The company's Environmental Vision 2021, which encompasses this ethic, is resulting in paradigm-shifting environmental products and services while promoting the idea of making positive environmental contributions.

Such eco-related initiatives are manifestations of Mitsubishi Electric's corporate statement, "Changes for the Better," which stands side-by-side with its environmental statement, "Eco Changes – for a greener tomorrow," launched outside Japan in June 2010 to express the company's determination to contribute to environmental preservation through its wide range of businesses, and to literally eco change the world in collaboration with customers.

This calls for making Eco Changes, or adjustments to thinking and actions for the environment's sake, a way of daily life, in order to help build a sustainable society. Eco Changes occur when all business activities—from design and development, manufacturing and distribution, and usage and ultimately recycling of products—are carried out with environmental considerations first in mind.

Promoting Eco Changes Globally

Approximately 35% of Mitsubishi Electric's sales comes from overseas, and expanding operations globally to increase that share is a key pillar of the company's growth strategy. Mitsubishi Electric contributes to society through its environmental technologies and expertise based on the needs of each respective country, in collaboration with the local workforce.

As a company that experienced the difficulty of balancing economic development with environmental protection during Japan's phenomenal industrialization from the mid 1950s to early 1970s, Mitsubishi Electric has risen to the challenge of innovating new technologies designed specifically to help foster sustainable business.

With its accumulated knowhow to date, and mission to make environmental contribution a priority in all countries in which the company operates, Mitsubishi Electric is aiming to become a global, leading green company, and promoting its Eco Changes initiative on a global scale.

Environmental Topics: From the President

for a greener tomorrow



Eco Changes website

Communicating Our Message Strongly Worldwide



Yasuo Wakai General Manager Corporate Advertising Division Mitsubishi Electric Corporation

The depth and range of products and services Mitsubishi Electric offers that contribute to environmental protection are little known outside of Japan and perhaps parts of Asia. But they are products and services of great need everywhere around the world.

That's one reason why we created our environmental statement, Eco Changes – for a greener tomorrow. Introduced in July 2010, Eco Changes stands side-by-side with Changes for the Better, our corporate statement, to signal the paramount importance of maintaining an environmental perspective in order to change society for the better through our business activities.

This is a powerful message, but our environmental communications activities have only just begun. We will continue to spread this message across a variety of media channels.

Mitsubishi Electric is committed to furnishing its environmental technologies to rapidly growing economies like India and partnering with them to become models of environmental responsibility. These countries are key to a robust global economy, as they possess both immense production potential and large consumer markets. But they also face issues such as a gap between rapid industrialization and infrastructure development, and insufficient electric power.

In many of these countries, the increase of CO₂ emissions along with massive and rapid economic growth could pose a threat to the environment, unless precautionary measures are taken. Mitsubishi Electric emphasizes social development that is compatible with environmental protection, and takes a sincere and mutually cooperative approach to tackling local environment-related issues.

In this way the company contributes to higher quality development through products and technologies made with the environment in mind, or specifically for environmental improvement. It ensures that fast-growing nations can make great strides in environmentally responsible industrial practices that guarantee competitive quality on the global stage.

Eco Changes: A Truly Universal Message



Yoshifumi Beppu Managing Director Chief Representative, Asia Region Mitsubishi Electric Asia Pte Ltd.

Asian markets are essential to Mitsubishi Electric, comprising some 45% of international sales. However, not all countries are like Singapore, where government takes a leadership role in promoting environmental protection and active exchange of information on the subject. Also, the level of environmental awareness is different country by country, thus requiring a customized communications strategy for each market.

We are finding that "Eco Changes – for a greener tomorrow" is an effective statement that helps us promote our environmental business in Asia. The simplicity of its wording makes it comprehensible to non-English speakers. It also arouses curiosity about environmental issues. I think Eco Changes is a positive and truly universal message that will help Mitsubishi Electric promote the application of its expertise in a way that best matches the individual makeup of each respective market, and contribute to sustainable growth in Asia.

Introducing Eco Changes in India

New Environment-focused Company

Meet Mitsubishi Electric India, the driving force behind Eco Changes in a nation emerging as a major economy in the global market.

A newly established comprehensive sales company, Mitsubishi Electric India is poised to furnish the country with its most advanced and environmentally compatible products and technologies on a mass scale—and to make contributions of lasting value to India through Eco Changes. Mitsubishi Electric India is focused on turning environmental responsibility into a profitable way of business while making profound social contributions to the nation.

Second only to China in terms of year-on-year GDP growth rate, India faces unique challenges to achieve inclusive growth for its entire population of 1.2 billion. Challenges such as further strengthening the manufacturing sector and reinforcing the infrastructure that is essential for this growth, as well as protecting the natural environment for the sake of the nation's future.

To participate in India's growth shoulder-to-shoulder with customers, Mitsubishi Electric India Pvt. Ltd. was established in September 2010 to provide Mitsubishi Electric's sophisticated high-quality factory automation, industrial and other products, which will contribute to the growth of India's manufacturing sector and provide many power-saving applications. These products include topclass energy-efficient air conditioning systems for homes and commercial facilities, power devices that are core components for a variety of power-saving applications, and many other eco-compatible products and systems. Mitsubishi Electric India is currently operating from its head office in Gurgaon and a branch office in Bangalore, and new branch offices are also planned.



Map of Mitsubishi Electric operations in India with branches of the newly launched Mitsubishi Electric India Pvt. Ltd. in red.



MITSUBISHI ELECTRIC in INDIA Portal Site

News Releases

December 10, 2010 Mitsubishi Electric Establishes Company to Coordinate Sales in India 💏 Mitsubishi Electric first established its representative office in India in 1958, and since then has been actively promoting business through various channels in the fields of transportation systems, power- and energy-related products and systems, elevators and escalators, automotive equipment, factory automation and industrial products, air conditioners, visual and imaging products, power semiconductors, solar photovoltaic products, space and other technologies and products. Through the establishment of Mitsubishi Electric India, a wholly owned comprehensive sales company in India, the company is even more firmly settled in the country and committed to serving the Indian market and customers with an expanded workforce.

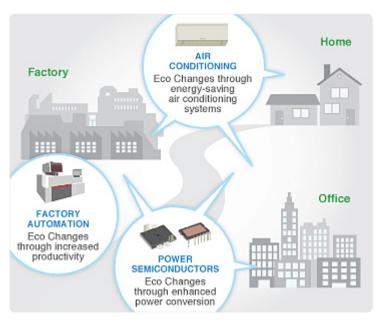
Mitsubishi Electric India is in India to understand the needs of Indian customers better, and interact with them and other stakeholders to ensure that the highest quality technologies and products which are best suited to Indian needs are put in the hands of the Indian people. As part of such engagements, the company shares with its Indian partners and colleagues the importance of environmental consideration as a highest priority issue.

Among the Mitsubishi Electric Group's wide range of business segments, Mitsubishi Electric India begins with key competitive advantages that form the central focus of the company's offerings. These advantages are in: energy-efficient air conditioning systems for indoor comfort; advanced factory automation and industrial products that provide a competitive edge to India's expanding manufacturing and processing industries and support various infrastructure-related applications; and leading-edge power semiconductors for various environmentally compatible applications.

The new company's outlook in the air conditioning sector looks promising, due to demand for construction of new housing and office buildings for an ever-prospering and upwardly mobile society. Moreover, Mitsubishi Electric's proven concepts in environmentally responsible cooling—through its offering of five-star rated room air conditioners with industry-leading energy-saving and silencing technologies, as well as the City Multi commercial-use VRF (Variable Refrigerant Flow) central air conditioning system that consumes minimal energy with a high coefficient of performance (COP) ensuring lower operating cost over the product's lifespan—offer India an edge in maintaining a low-carbon society.

In the industrial automation sector, Mitsubishi Electric is a world leader with a more than 75-year history of providing quality industrial automation machinery and systems to major manufacturers throughout the world. With its cutting-edge technologies and accumulated knowledge of how to improve productivity and cost efficiency while enhancing quality and reliability, Mitsubishi Electric's industrial automation products are already widely used by many leading manufacturers in India, and such users continue to increase.

Mitsubishi Electric India's power semiconductor business also has great potential, offering a large selection of power devices for a wide variety of applications, such as home appliances, industrial devices, automobiles, trains and renewable energy plants, among others. For environmental consideration, our new power devices, such as IGBT modules and intelligent power modules (IPMs), with their built-in drive and protection circuits, are in strong demand for their ability to reduce power consumption.



Mitsubishi Electric India Launches with Eco Changes

The official corporate launch ceremony of Mitsubishi Electric India Pvt. Ltd. was held in New Delhi in February 2011, occurring amidst major trade fairs vitally important for the presence of Mitsubishi Electric in India. These include the Ecoproducts International Fair (EPIF), and trade fairs for the air conditioning and industrial automation and control business, which were simultaneously held in New Delhi and Mumbai.

The launch ceremony guest list included over 200 customers and business partners. Koji Yamashita, General Manager of Mitsubishi Electric's Corporate Environmental Sustainability Group at Tokyo headquarters, made a special appearance to emphasize the importance of India to the company's strategy for environmentally responsible business growth in overseas markets. In his speech, Mr. Yamashita announced Mitsubishi Electric's determination to promote its Eco Changes initiative, and its desire to work hand-in-hand with customers in India to create eco changes that transform society into a model of environmentally responsible growth.





Consider the Environment during Times of Growth



Koji Yamashita General Manager Corporate Environmental Sustainability Group Mitsubishi Electric Corporation

An era of rapid growth is precisely the time to pay full attention to environmental issues. India offers much hope for Mitsubishi Electric's business potential in the region, but we believe enduring growth will not be possible unless we put environmental concerns first.

The phenomenal economic growth India is now experiencing calls for the rapid adoption of environmentally responsible habits society-wide, both in industry and daily life. This is one area where Mitsubishi Electric can contribute: by providing cutting-edge environmental technologies and solutions.

Having seen the industriousness and speed with which business and society have fueled the nation's growth, I believe that India will achieve its goal of creating a state-ofthe-art eco society all at once, rather than gradually.

As we continue to make eco changes around the world, it's important for Mitsubishi Electric to always bear in mind that business development goes hand-in-hand with due environmental consideration. Promoting this mindset is an important role of the Corporate Environmental Sustainability Group.

Spreading the Message at EPIF 2011

Eco Changes at Eco-products International Fair 2011

The message of "Eco Changes – for a greener tomorrow" was the centerpiece of Mitsubishi Electric's booth at the Eco-products International Fair (EPIF), held February 10-12, 2011, in New Delhi.

EPIF is the largest international fair in Asia focusing on eco-related products and solutions, and 2011 marks the first time India has hosted the event—thus demonstrating the country's commitment to incorporating environmentally responsible products and practices into its economic expansion activities. The main theme of EPIF was "Green Productivity for Sustainable Energy and Environment," and some 80 organizations, including various Japanese companies, operated booths.

The occasion provided an ideal opportunity to celebrate the launch of Mitsubishi Electric India, and to communicate the concept of Eco Changes to both the company's workforce as well as India at large. Mitsubishi Electric's presence at the fair included exciting visual presentations introducing the company's products and services. A staff of more than 70 actively engaged with EPIF visitors, which included business persons and government officials, as well as groups of students with a direct interest in creating a greener future.

Mitsubishi Electric also introduced some of Japan's newest and most advanced recycling technologies and systems to visitors of EPIF 2011.



Balloons heralding Eco Changes at EPIF 2011. Screen presentations introduced Mitsubishi Electric's Environmental Vision 2021 and "Eco Changes – for a greener tomorrow" in India.





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demonstrated.



Mitsubishi Electric's photovoltaic energy display attracted many visitors. advanced factory automation products Solar power will help satisfy India's Mitsubishi Electric booth visitors. Here need for more and reliable sources of energy.



Cutting-edge environmental technologies captivate the imagination of the young. Here junior high school students learn about the principle of heat exchange in Mitsubishi Electric's Lossnay ventilators.



A special demonstration of Japan's first large-scale, high-purity plastic recycling technology. Visitors experience a 3D video tour of a factory in Japan that reclaims plastic from end-of-lifecycle home appliances and processes it into high-grade plastic material for use in new products.

Unique Unifying Force

In addition to being Mitsubishi Electric's environmental statement that expresses the company's stance on environmental management, Eco Changes is also a key communication tool. As such, it calls upon all members of society to work together in bringing about positive environmental change, and serves to help further raise environmental awareness within the Mitsubishi Electric Group.

Eco Changes was a unique unifying force at Eco-products International Fair 2011 in New Delhi. The Mitsubishi Electric booth's staff of 70 bonded strongly by affirming the Eco Changes message and meaning at morning gatherings, and the statement provided a coherent common theme unifying the company's uniquely diverse range of products. Eco Changes is fostering a shared sense of purpose and responsibility to think and act for the environment, while unifying the Mitsubishi Electric workforce in unexpected new ways.



Striking an "Eco Changes pose" at EPIF 2011. The team was united by the simple message and meaning of Eco Changes.





Rajeev Sharma Deputy General Manager Strategic Planning & Business Development Mitsubishi Electric India Pvt. Ltd.

I had a very productive dialogue with many people I met at EPIF 2011, and I found it especially satisfying to spend time educating young students about Eco Changes, as they are the inheritors of the 21st century. I think India is showing a higher interest in environmentally responsible products and adopting them. Mitsubishi Electric is an environmental leader—a leading green company—eager to take on responsibilities related to the environment under the banner of "Eco Changes – for a greener tomorrow."

Sustainable Growth with India



Shinji Yamabe Managing Director Mitsubishi Electric India Pvt. Ltd.

The great response from EPIF 2011 visitors to "Eco Changes – for a greener tomorrow" was a very encouraging signal to us, as we eagerly want to be part of India's pursuit to become one of the most environmentally responsible countries in the world, while maintaining steady and rapid economic growth that is inclusive of the entire nation.

Our wide range of products with environmental technologies and features are well-suited to India's demand for energy conservation, and I'm proud to be able to say that Mitsubishi Electric's business growth in India itself will contribute to the preservation and improvement of the environment in India.

To this end, Eco Changes is our clear message, which also inspires people to visualize and consciously create an environmentally responsible society.

We look forward to growing together with India as a global, leading green company.

Environmental Topics



First Understanding, Then Action

The Mitsubishi Electric Group strives to respect biodiversity in all its business activities.

To maintain biodiversity, human beings must accept that they are but one of a countless number of living organisms on the planet and develop an awareness of the importance of maintaining the great blessing that is the natural environment. Respecting biodiversity is one of the pillars of our Environmental Vision 2021, which was established in October 2007, and we formulated the Mitsubishi Electric Group Biodiversity Action Guidelines in May 2010. All employees of the Mitsubishi Electric Group have pledged to understand the relationship between business activities and biodiversity in an effort to have all companies in the Mitsubishi Electric Group respect biodiversity in all their business activities. This feature provides an overview of our efforts to preserve biodiversity, from our philosophy and basic policies to awareness-raising activities and our most recent initiatives and achievements.

Contents Philosophy, Basic Polices and Initiatives for Preserving Biodiversity This section introduces nature conservation initiatives and awareness-raising activities we have conducted to date, the

background to the establishment of our action guidelines, their characteristics, and new initiatives launched at factories. The full text of the Group Biodiversity Action Guidelines is also provided.



Exchanging Ideas with Experts (In March 2010)

We invited Ryo Kohsaka, Associate Professor at Nagoya City University, as an advisor to exchange ideas on the promotion and strengthening of initiatives to respect biodiversity. This section presents an overview of that discussion.



"Living Creature Studies" at Factories - Field Guides, Posters & Booklets •

With a focus on the production stage of the product lifecycle, this section introduces "living creature studies" conducted by factories, Field Guides to Living Creatures based upon the studies, and related posters and booklets. These activities are conducted in line with the Group Biodiversity Action Guidelines.



A larger view of the Mitsubishi Electric and Water Map (poster) 💏 (4.58 MB)

• Mitsubishi Electric Outdoor Classroom

For five consecutive years, Mitsubishi Electric has conducted outdoor classrooms, created and led by our employees, to convey the magnificence of nature. This section presents the merits and progress of this program.



• "Satoyama" Woodland Preservation

The "Satoyama" Woodland Preservation project is a participatory social contribution program for employees that involves working together with local community members to restore local natural areas like parks, woodlands and rivers.



The project fosters a volunteer spirit that encourages giving back to nature, which nurtures life in all its diversity, and to the local community.

Respecting Biodiversity

Philosophy, Basic Polices and Initiatives for Preserving Biodiversity

Biodiversity Action Guidelines Formulated in Accordance with the Product Life Cycle

As part of our efforts to help preserve the natural environment, Mitsubishi Electric has initiated numerous ongoing regional contribution activities. In 2003, we began our Fuji Sanroku forest cultivation activities. In 2006 we launched the Mitsubishi Electric Outdoor Classroom program to cultivate nature conservation leaders. And from 2007, we have been conducting "Satoyama" woodland preservation activities with local residents.

Environmental Vision 2021, formulated in October 2007, defines respecting biodiversity as one of Mitsubishi Electric's basic policies. The policy stems from the strong desire to protect the natural environment and realize a sustainable society through cultivating environmental awareness among our employees.

As one activity designed to help increase awareness, we commissioned photographer Mitsuaki lwago to photograph animals in their natural environment and write a column, which has been posted on our Japanese corporate website under the title *The Beauty of NATURE* since June 2008.

Ahead of the Convention on Biological Diversity (COP10) held in October 2010, we formulated the Mitsubishi Electric Group Biodiversity Action Guidelines in May 2010. In addition to helping foster the "emotional" aspects that form the basis for respecting biodiversity and cherishing living things, these guidelines also provide a "logical" foundation upon which to establish activities that help fulfill our corporate roles and responsibilities.

Our Biodiversity Action Guidelines have two main characteristics: (1) they include the pledge of every Mitsubishi Electric Group employee to understand the relationship between business activities and biodiversity; (2) they are structured according to each stage of the product lifecycle. We have also created a relational chart that makes these guidelines more visual.

In this way, we can understand how the products we make impact biodiversity, and use this knowledge as a guide in formulating the actions necessary to help preserve the environment and create a sustainable society.

Mitsubishi Electric Outdoor Classroom "Satoyama" Woodland Preservation Activities

Resources & Procurement

Recognizing that we utilize globally procured natural resources such as minerals, fuels, and plants, we shall aim to preserve biodiversity in Japan and around the world by carrying out green procurement activities.

Product Design

In designing our products and services, we shall promote the effective utilization of resources and the efficient use of energy, as well as aim to prevent the emission of substances that pose a risk to the environment.

Manufacturing & Transportation

When commencing or making changes to land use such as when constructing factories or warehouses, we will give due consideration to protecting the biodiversity of the land in question. And In manufacturing and transportation, we aim to minimize energy use, waste generation, and the emission of chemical substances.

Sales, Usage & Maintenance

In our sales activities, we will work to promote better understanding among our customers of the impact that product/service usage and maintenance can have on biodiversity.

Collection & Recycling

We will actively develop recycling technologies and apply them to collected end-of-life products.

Understanding & Action

We will deepen our understanding of the importance of biodiversity and our relationship to it, and will actively and voluntarily take actions necessary to coexist in harmony with nature.

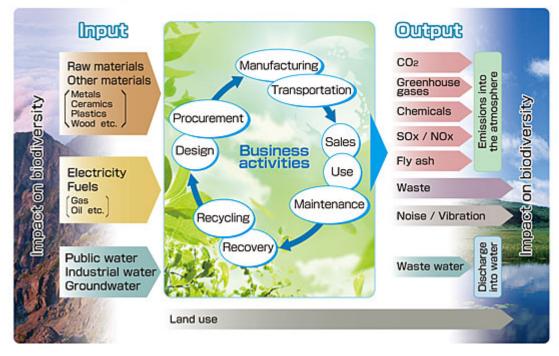
Cooperation

All companies in the Mitsubishi Electric Group, including overseas affiliates, will act as one, in cooperation with local communities, NGOs, and governments.

News Releases

May 18, 2010 Mitsubishi Electric Group Establishes Biodiversity Action Guidelines 💏 (26KB)

Relationship between Business Activities and Biodiversity



Ensuring Compliance in Procurement, and Conducting "Living Creature Studies"

The product lifecycle has many stages. However, as a manufacturer that purchases and procures the materials used to assemble and manufacture our products, the one stage at which it is difficult for us to directly control impact on biodiversity is the procurement stage.

To promote the global procurement of materials with minimal environmental impact, the Mitsubishi Electric Group has positioned green procurement as a priority to ensure the regulatory compliance of our suppliers. Since April 2006 Mitsubishi Electric has been creating partnerships based on the Green Accreditation System, which requires that suppliers carry out environmental management. In September 2009, we also added an appendix specifically related to protecting biodiversity to our Green Procurement Standards Guide.

In the meantime, focusing on production—a lifecycle stage that we can control directly—we have begun activities to help see the relationship between our factories and their surrounding environment. These activities are not only one of the simplest ways to understand the relationship between our business activities and biodiversity, but also the point at which the "emotional" and "logical" aspects of respecting biodiversity converge.

Japan's Chubu Area is a region of rich natural beauty, where nature preservation activities are popular. In August 2010, Mitsubishi Electric's Chubu Branch Office along with three of our production sites in the area conducted "living creature studies" and aquatic nature observation around the factories, and put together field guides to the living creatures they found. The *Mitsubishi Electric Experience of Life* booklet has also been created based on the findings gained from these studies. The content of this booklet demonstrates the value of focusing on production.

The Mitsubishi Electric Group is developing additional activities designed to renew awareness regarding our relationship to surrounding ecosystems and the environment. These activities are scheduled for implementation in 2011 within each environmental management organization. We believe the initiative in the Chubu Area will serve as a model for future activities.

Living Creature Studies and Field Guides to Living Creatures *Mitsubishi Electric Experience of Life* booklet (Japanese only)





Living creature study

Living creature relationships map

Themes of Field Guides to Living Creatures

Inazawa Works: Coexisting with life

Nakastsugawa Works: Feeling the abundance of life Nagoya Works:

History felt through life

Living creature studies were conducted with the cooperation of local experts and NPO members. The experiences and discoveries made by employees during these studies are organized into relational maps themed around regional natural features. Through these activities, we not only helped individual employees realize what they can do to help protect the environment, but we have also gained a more systematic and structured understanding.



The *Mitsubishi Electric Experience of Life* booklet is used by local citizens, visitors to the area, and a wide range of age groups.

Exchanging Ideas with Experts

In creating Mitsubishi Electric's Biodiversity Action Guidelines and the Relationship between Business Activities and Biodiversity chart, we invited Dr. Ryo Kohsaka, Associate Professor at Nagoya City University, to exchange ideas regarding biodiversity. His feedback on our efforts is summarized as follows:

- 1. Activities are based first upon the emotional desire to cherish living things. The next step is action based on logic.
- 2. Using indices for management can be effective; however, focusing on the effect of manufacturing on the ecosystem is more important.
- 3. As a company that procures resources globally, a focus on procurement is vital; begin first by confirming legal compliance.
- 4. Collaborative relationships with regional communities are essential.

Based on this feedback, we created our guidelines and relational chart, which were announced on May 18, 2010.

Click here for details of the dicussion





Dr. Ryo Kohsaka Associate Professor, Nagoya City University Executive Committee Advisor, The 10th Conference of the Parties to the Convention on Biological Diversity (COP10) Guest Researcher, United Nations University Institute of Advanced Studies

Respecting Biodiversity

Exchanging Ideas with Experts (In March 2010)

To strengthen and promote the Company's initiatives to respect biodiversity, we established <u>the</u> <u>Mitsubishi Electric Group Biodiversity Action Guidelines</u> and created <u>a chart</u> to help understand the impact and consequences of our business activities on biodiversity. We are also considering whether or not it would be appropriate to establish special indices that numerically evaluate product environmental performance, the impact of the supply chain and other activities. We invited Ryo Kohsaka, Associate Professor at Nagoya City University and advisor to the executive committee of the 10th Conference of the Parties to the Convention on Biological Diversity (COP10), to exchange ideas with respect to these initiatives. The following is an overview our discussion with Mr. Kohsaka.



Activities Are Based on Feelings, and upon those Are Actions Based on Logic

Mr. Kohsaka: I would like say something before discussion begins. I believe there are two levels from which we can approach the preservation of biodiversity.

The first level is feelings, the feeling of being connected to other living things. Many people feel that living things are cute or that they should be taken care of or protected. These feelings link us to these living things. The feeling that living things should be taken care of is itself a first step toward respecting biodiversity. Starting out with an awareness of these feelings will result in a much deeper understanding of the need to reduce CO₂ and waste.

The second level is logic. We objectively recognize that businesses and everyday people receive various benefits from the ecosystem, and at the same time business and people impact the ecosystem in various ways. Based on this awareness, changing our actions on a person-by-person basis is linked to highly effective activities. It is from these two perspectives that I want to discuss the many initiatives you are engaged in here at Mitsubishi Electric.

Mitsubishi Electric: We are currently formulating biodiversity action guidelines. What advice can you give us?

Mr. Kohsaka: The basic principles of management, actions and business contributions proposed in your plan represent the basic elements necessary for corporate biodiversity initiatives, and I think you are headed in the right direction. In particular, I commend you highly for your actions in terms of fostering environmental awareness and communicating the importance of protecting the ecosystem. These actions reflect feeling, which is the basis of respecting biodiversity.

Taking this idea a step further, I think it would be even better to promote these activities with the cooperation of regional communities. The cooperation of knowledgeable specialists and local citizens is indispensible to understanding the impact of your efforts on biodiversity. Based on your guidelines, for example, collaboration with an NPO engaged in environmental protection in each region would be a good way develop a solid base for regional activities.

In May 2010, the Mitsubishi Electric Group Biodiversity Action Guidelines were announced.

Advice Regarding the "Impact on Biodiversity" Chart

Mitsubishi Electric: We are in the process of creating a chart entitled "Relationship between Business Activities and Biodiversity". What advice can you give us?

Mr. Kohsaka: I think looking at the overall relationship between business activities and biodiversity is an excellent idea. However, looking at the basic chart, it appears that you have given equal weight to the procurement, design & production, shipping & sales, use & storage and recycle & product waste stages of the lifecycle. You should probably give more weight to raw materials procurement in the manufacturing supply chain. The reason is because many people are concerned about the kinds of materials products are made from, and how they might impact biodiversity. This has to do with the feelings I mentioned previously.

For example, if you asked the average person how they would want Mitsubishi Electric to contribute to environmental conservation, they would probably say that they want you to make products that don't use a lot of electricity. However, if you asked the same question in respect to biodiversity, I think they would say that they want you to carefully consider materials procurement. This is because their image of Mitsubishi Electric is a large corporation that manufactures products from materials and resources procured from around the world. Manufacturers place a lot of emphasis on design and production when considering biodiversity, but the average person approaches this issue from a logical level. It is important that actual activities begin at the feeling level in order to create understanding.

In May 2010, the Impact on Biodiversity Chart was published.

Mitsubishi Electric: With respect to the supply chain, specifically, the acquisition of resources and materials, how far back do we need to go in considering impact on the ecosystem?

Mr. Kohsaka: All products have parts that are interconnected with the ecosystem. The questions of how far back you should go and what actions you should take are critical, but I think a visual awareness that our lifestyles have an impact in this area on the environment in other countries is an important first step.

Using the paper industry as an example, many European companies have their own forests and they use wood from their own trees, making the connection easy to see. With Japanese companies, that connection is difficult to see. However, with the destruction of ecosystems in various places around the world, there are definitely connections with the activities of Japanese companies. It is important that we understand the limits and impact of those connections.

One other perspective, the contribution to other people, is important. This is missing from discussions about biodiversity across the globe. Although we have protections for orangutans and gorillas, little thought is given to the people who live in those same areas. However, education, hygiene and poverty levels are all an extremely important element of respecting biodiversity. When these conditions worsen, slash and burn and other detrimental types of farming have a higher probability of occurring. It is important to view contributions to biodiversity as critical to providing a stable and sustainable lifestyle to people in these regions.

Regarding the Establishment of Numerical Indices

Mitsubishi Electric: Do you think indices quantifying life cycle assessment^{*} and voluntary standards are effective for respecting biodiversity?

Mr. Kohsaka: It is easy for companies to promote initiatives when they are represented numerically in indices, and I think it is an effective method in terms of creating objectives and measuring improvements. However, there are more than a few cases where the creation of indices is actually done simply as a means of disclosure. At present, there are various indices created by various countries, and I think these should be viewed with caution. Also, with respect to individual indices, there is a possibility that only certain numbers are presented. I don't think this type of activity is an appropriate methodology. For example, by focusing only on the reduction of CO₂, the degree to which resources are being used effectively might get ignored. I think it is necessary to position the various activities from the perspective of sustainable corporate management.

For this reason, I don't believe it is necessary to create more indices in support of biodiversity initiatives. Indices established for improvement efforts toward the creation of a low-carbon society are frequently a plus for biodiversity. Rather than creating a new index, I think it is more important, for example, to conduct manufacturing with consideration for the impact of resource extraction.

* Life cycle assessment is a method of quantitatively and comprehensively evaluating a product's environmental impact as it passes through the product lifecycle, from resource extraction, design, production, shipping to use and disposal.

Mitsubishi Electric: What are your expectations for us in terms of realizing a sustainable society?

Mr. Kohsaka: The top page on your [Japanese] corporate website uses photographs from The Beauty of Nature taken by Mitsuaki Iwago, and conveying the beauty of nature to the visitors to your website is a highly effective means of inculcating positive feelings about biodiversity. I think the next step will be critical in terms of how you will connect that feeling to the next level, which is logic. I think making that connection successfully is both an action item and an opportunity for Mitsubishi Electric.

For example, if you do create an index, making the objectives clear both within and outside the company, employees and consumers alike will see the link between your corporate activities and biodiversity. I would like to see you promote initiatives that make people aware of your efforts in this area. On this point, your strength lies in making products with a wide range of everyday uses. I hope that you will maximize on this strength and lead Japan in biodiversity-related efforts.

Idea Exchange Participants

Advisor



Ryo Kohsaka

Associate Professor, Nagoya City University Executive Committee Advisor, The 10th Conference of the Parties to the Convention on Biological Diversity (COP10) Guest Researcher, United Nations University Institute of Advanced Studies

Mitsubishi Electric Corporation



Tsuneo Hiruta General Manager, Corporate Environmental Sustainability Group



Kanji Ota (Energy-Saving Specialist) Chief Engineer, Corporate Environmental Sustainability Group



Motohiro Tanaka (Eco-Design Products Specialist) Strategic Planning, Corporate Environmental Sustainability Group







Hiroko Higuma (Chemical Substance Regulations Specialist) Strategic Planning, Corporate Environmental Sustainability Group Yasuro Toba (Procurement Specialist) Planning Group, Corporate Purchasing Division Junko Tawada (Social Contribution Specialist) Philanthropy Promotion Section, Corporate Administration Division

After the Idea Exchange Meeting

From a corporate perspective, biodiversity is a difficult topic to grasp. We of course understand its importance, but how to go about addressing it was a bit elusive until our meeting with Dr. Kohsaka. Thanks to his insight and ideas, we have a deeper understanding of biodiversity. It is very helpful to understand the two levels of initiatives in respecting biodiversity, and how to apply them to our own activities.

The Mitsubishi Electric Group aims to foster environmental awareness among all employees through initiatives such as the Mitsubishi Electric Outdoor Classroom and woodland preservation activities, and recognizes the importance of feeling with respect to all living things. Also, through making the link between business activities and the ecosystem more visible, we felt that it is possible to help each



Tsuneo Hiruta General Manager, Corporate Environmental Sustainability Group

employee better understand our activities focused on creating a low-carbon and recycling-based society as promoted by Environmental Vision 2021; this is an important step in helping each employee change their actions.

We will take Dr. Kohsaka's ideas to heart and continue to promote Mitsubishi Electric Group initiatives to respect biodiversity.



"Living Creature Studies" at Factories – Field Guides, Posters & Booklets



This section introduces living creature studies and field guides to living creatures. These were conducted and created by our Chubu Branch Office, together with our three production sites in the Chubu Area.



This section introduces the objectives and editorial policies of the poster and booklet we created to go with the field guides to living creatures.

More

More

Living Creature Studies and Field Guides

Experiencing the Blessings of Nature and Learning About the Relationship Between Business Activities and Biodiversity

The Mitsubishi Electric Group Biodiversity Action Guidelines were formulated in May 2010 to help each and every employee understand the relationship between business activities and biodiversity, and incorporate this understanding into their day-to-day activities. Beginning in fiscal 2012 each environmental management organization will renew awareness of our relationship to surrounding ecosystems and the environment, review their own activities and identify new issues to tackle. To start things off, in August 2010 the Chubu Branch Office, Inazawa Works, Nakatsugawa Works and Nagoya Works—all of which are located in the Chubu region—conducted studies to identify living organisms inhabiting the grounds of their factories and surrounding areas. The objective was to provide employees with the direct experience of the richness and blessings of nature in their immediate surroundings. After completing the studies, their various findings were compiled into field guides.

In order to help employees understand and respect biodiversity in their own business activities we are focused on providing employees with the actual experience of nature. Rather than simply making employees listen to people speak or look at a presentation, we believe that having them get out of the office, move around and learn for themselves effectively deepens their thinking on nature and biodiversity.

Themes of Field Guides to Living Creatures

Inazawa Works: Coexisting with life Nakatsugawa Works: Feeling the abundance of life Nagoya Works: History felt through life

Inazawa Works' Field Guide to Living Creatures

Inazawa Works is surrounded by rice paddies without a mountain in sight, and the area is laced with irrigation ditches for agriculture. The factory conducted a study of its premises and these waterways and found killifish, frogs and crawfish living in the water, grasshoppers, other insects, skylarks, spot-billed ducks and wagtails in the fields, and starlings and bulbuls in the woods on the site. A common kestrel, which is a type of small raptor, was also found. Kestrels tend to build nests on sheer cliffs; this one was living in a 173-meter high tower used for testing elevators, which it saw as a cliff.



Common kestrel

Raptors are at the top of the food chain in open field

habitats, so the area around Inazawa Works contains all the components of this particular ecosystem pyramid. Inazawa Works selected approximately 30 types of representative living creatures from among the organisms found by the study, based on the theme "Coexisting with life." A field guide was created that shows the respective positions of the various organisms in the ecosystem pyramid.



A larger view of the Field Guide to Living Creatures (Japanese only) 💏 (1.18MB)

Since participating in the study I have begun routinely thinking about the importance of coexisting with other living creatures. I was relieved to realize that even though I held grasshoppers and crickets in my hands when I was in elementary school and looked at their differences, at some point I starting thinking of them all as just types of bugs and began thinking of the environment while on the job only in terms of preventing pollution.

It was a very valuable experience to actually touch these living creatures again and experience life directly. And, in talking with the experts who helped us with the study, I learned that non-profit organizations have the ability to provide specialized knowledge, but lack manpower. This led me to think that one thing companies could do to help



Takamasa Kuroki Environmental Engineering Works Section Productivity Promotion Division Inazawa Works

protect the environment was provide human support. Looking ahead, I plan to think of ways to give back to the community by holding science classes or putting my work knowledge and experience to use.

Nakatsugawa Works' Field Guide to Living Creatures

Nakatsugawa Works, which is located close to Nenoue-kogen—voted as one of the top 33 places in Gifu Prefecture for viewing fall foliage—is surrounded by nature and truly coexists with extensive natural areas on its own grounds. What this living creature study found in particular was diversity within single species. For example, even among longheaded locusts, the ones inhabiting green grass are green, the ones in dry grass are brown and the ones in areas with both green and dry grass feature green and brown patches. The same was the case with black-spotted pond frogs. Green, brown and patched varieties were



Longheaded locust

all found, drawing attention to the variety that exists even within a single species.

The study turned up over 70 varieties of plants, insects, birds, reptiles, amphibians and other living creatures. Of them, frogs occupy the very middle of the ecosystem pyramid, and the presence of many frogs is indicative of a healthy ecosystem. This was explained by the professional naturalist who helped with the study. Living creatures selected based on the perspective of species diversity, which was directly experienced, as well as the added perspective of intra-species diversity, were compiled into a field guide for "Feeling the abundance of life."



A larger view of the Field Guide to Living Creatures (Japanese only) 💏 (1.33MB)

The study renewed my awareness of the importance and power of nature, which I had not noticed previously despite nature being so close at hand in our surroundings. Actually, before the study, I never thought there would be so many living creatures on the factory grounds. However, I listened closely to the explanation from the professional naturalist on how to find the creatures, looked around, and actually discovered a lot. It was really a pleasant surprise for everyone participating in the study. Even now that the study is over, when I see places that I used to just look at as part of the scenery, I think of all the organisms that probably live there, and if something moves, it really catches my eye. Even in a small greenbelt, there are plants and animals living there that have adapted to the surrounding environment. They have provided the opportunity for me to



Shingo Hayakawa Environmental Promotion Section Manufacturing Management Division Nakatsugawa Works

think about ecosystems and our own future activities. I am very appreciative of the expert naturalists and everyone else who helped out with the study.

Nagoya Works' Field Guide to Living Creatures

Nagoya Works has planted and grown a total of 28,000 trees comprising over 100 species on its premises. The study found a Japanese walnut tree that nobody remembered planting. The tree was estimated to be around 50 years old based on the diameter of its trunk. According to a professional arborist, this species of tree is native to marshland, and further investigation revealed three other species of trees that grow in marshlands.

The presence of these trees provides a reminder of the history of the area, which used to be marshlands. Nagoya Works highlighted this discovery by making



Japanese walnut tree

the theme of its field guide "History felt through life." Looking at history as time, the guide focuses on the area's indigenous species and rare species that are now limited in number. Of the 100 species of plants, insects, birds and other organisms found by the study, around 30 representatives were chosen and summarized in the field guide.



A larger view of the Field Guide to Living Creatures (Japanese only) 💏 (1.32MB)

Encountering all the living creatures through this study, I gained a strong sense of their continuation, and the continuation of humanity, and I realized that because of this we must all coexist in harmony. Along with the factory grounds, we also conducted a field study at the nearby mountain, Togokusan, with children of employees joining in. Togokusan is 198 meters in elevation and located close to Nagoya Works, around 15 kilometers. It has been designated by the Prefecture as an environmental preserve. Getting in touch with nature provides a great opportunity for employees and their children to think about the environment. The study was conducted in summer this time, but it would be interesting to conduct studies every season. According to the specialist who helped with the study, living



Masami Imai General Affairs Section, General Affairs Division Nagoya Works

creatures are most plentiful in spring and fall, so I'm looking forward to future studies.

Mitsubishi Electric was the first company accredited under Aichi Prefecture's corporate forestry * agreement, which loans prefectural forestland to private companies. We started the "Satoyama" Woodland Preservation project at Togokusan under the agreement in 2007. Efforts to restore nature on Prefectural forestland provide lessons on the importance and enjoyment of living with nature, and facilitate greater understanding of the environment and society.

Respecting Biodiversity

Poster and Booklet Illustrate Our Relationship with Water and Living Creatures

Thinking with Community Members About the Importance of Protecting the Ecosystem

In addition to conducting living creature studies and creating field guides based on them, we also created the *Mitsubishi Electric and Water Map* (a poster) and the *Mitsubishi Electric Experience of Life* booklet.

The poster and booklet are the product of working in a region with an abundance of water. They introduce mountains and highlands as places rich with water, how they relate to factories as places where water is used, the relationship between water and people, and the role of tidal wetlands as places where water becomes ocean. The booklet describes the field studies, summarizes their findings and reports the experiences of employees along with comments from members of participating environmental protection organizations. The booklet is filled with tips for thinking together with the community about the importance of maintaining ecosystems.



Mitsubishi Electric Experience of Life booklet *

The *Mitsubishi Electric Experience* of *Life* booklet is used by local citizens, visitors to the area, and a wide range of age groups.

* Japanese only

Click for the Japanese website

A larger view of the Mitsubishi Electric and Water Map (poster) 💏 (4.58 MB)

Environmental Topics



Mitsubishi Electric Outdoor Classroom



Outdoor Classroom Objectives

This program is designed to bring participants together with their colleagues and families to spend time in a natural setting while working toward a common goal in classrooms that are created by employees themselves. Find out more about the concept behind the Mitsubishi Electric Outdoor Classrooms program.

More



The ingenuity of outdoor classroom leaders can lead to a richer experience for participants. This report looks at the Leader Training Seminar, and how leaders active across the country are formed.

More

A Handmade Virtuous Circle

The hands-on creation of classrooms by employee leaders represents an integral aspect of the Mitsubishi Electric approach. Through trial and innovation, the classrooms have become increasingly appealing. Find out more about the growing number of employee leaders and how the program has evolved.

More



Outdoor Classroom Case Studies from across the Country

A look at outdoor classroom activities in fiscal 2010.

More

Mitsubishi Electric Outdoor Classroom

Outdoor Classroom Objectives

Everyday Lives Changed by Experiencing Nature Together!

Mitsubishi Electric Outdoor Classrooms represent an effort to foster environmental awareness oriented toward respecting biodiversity, within the broader context of the company's Environmental Vision 2021. The classrooms themselves are natural settings such as woodlands and waterways, parks and seacoasts where employees, their families and members of the local community can experience nature together. The ultimate objective of each outdoor classroom is to cultivate behaviors that positively impact the environment while fostering an awareness of our symbiotic relationship with nature.

We believe that providing families and members of the community with a chance to share experiences outside their daily work or home lives can change the way they think about the environment, which in turn will positively impact their actions in the workplace and at home. For example, by encouraging program participants to consider how, in their work the disposal of a certain product might cause harm to the ecosystem, or whether there might be alternative methods of production that utilize resources more effectively, both knowledge and understanding are enhanced. With this enhanced knowledge and understanding, we hope that each family member will take action such as reevaluating their electricity use from a more environmental perspective.

In recent years, respect for biodiversity has become an increasingly prominent environmental issue. Becoming acquainted with various forms of wildlife in our outdoor classrooms cultivates empathy with nature. This is the basis for respecting biodiversity.

(See Concept 1 in below diagram)

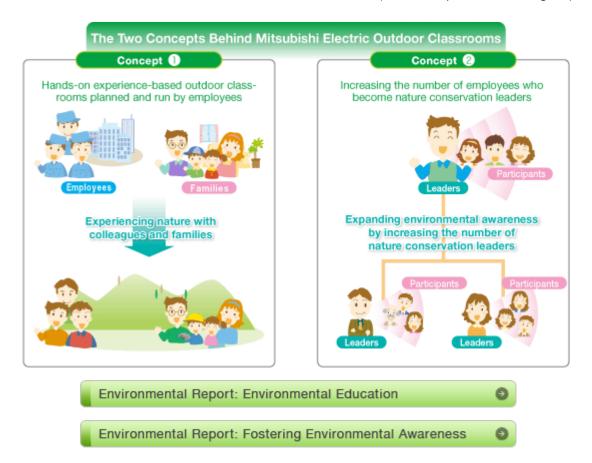
Steadily Increasing the Number of Employees Who Become Leaders and Create Classrooms

Another integral aspect of Mitsubishi Electric Outdoor Classrooms is the role of employees as teachers (Outdoor Classroom leaders), who are responsible for planning and managing the program. Twice a year, in spring and fall, leader candidates from all over Japan attend a twoday training seminar, led by other "nature-loving" employees who have undergone the training, and where they learn how to become Outdoor Classroom leaders. The seminar involves practical training and fieldwork fully utilizing all five senses in a mountain setting, as well as the cultivation of the knowledge and skills required to lead in the classroom, including how to communicate with children, emergency first-aid procedures and other critical subjects.

For details, see the "Close-up Report: Leader Training Seminars."

Upon completion of the seminar, the new leaders return to their respective workplaces and apply their training toward the creation of their own outdoor classrooms.

In this way, by increasing the number of leaders who actively communicate the importance of environmental issues, we are able inculcate environmental awareness among our employees and their families in Japan and throughout the world, spreading the message outward in an ever-widening circle. Despite this seemingly diminutive gesture by a single enterprise, we nevertheless believe that we can contribute to raising environmental awareness throughout society.



(See Concept 2 in below diagram)

The year 2011 marks the sixth year since the first Mitsubishi Electric Outdoor Classroom was held in October of 2006. Recent years have seen increased opportunities for local participation, and the classrooms have begun fulfilling their role as a place for communication with local communities. Today, Mitsubishi Electric Outdoor Classrooms are beginning to function as classrooms where the people of communities come together to learn about nature.

Respecting Biodiversity

Mitsubishi Electric Outdoor Classroom

A Handmade Virtuous Circle

Leaders Create Outdoor Classrooms through Ingenuity Based on Their Personal Experiences

Based on the experience gained at the Leader Training Seminars, Outdoor Classroom leaders give free range to their creativity in planning nature classrooms. The duration, type of participants and targeted nature field of the classroom are all left freely up to the leader, with no predetermined constraints. To clearly convey the mysteries of nature and the diversity of life, nature's cycles and the impact of human activity on nature, and the value of nature itself, leaders work to prepare their own plans as they see fit.

The rationale behind this approach stems from utilizing the ingenuity of leaders by making optimal use of the impressions and discoveries that they themselves gained through actual experience. This is the essence of Mitsubishi Electric Outdoor Classrooms. Of course, outdoor classrooms created by amateurs are not always guaranteed to progress according to plans. However, we believe that there are also opportunities for learning that arise precisely because they are not veterans. During outdoor classrooms, there are unexpected instances where participants show enthusiasm for some discovery in the session not foreseen by the leader, and the entire group begins focusing on that facet. This, too, is an important aspect of learning. Through such opportunities, the leaders themselves are able to develop even greater environmental awareness.

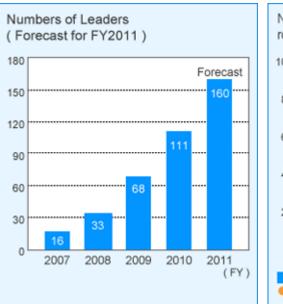
The Succession of New Leaders Results in Even More Development of Many New Outdoor Classrooms.

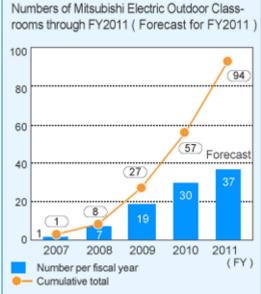
The number of leaders involved in the Mitsubishi Electric Outdoor Classroom program expanded from 16 when the program began in October 2006 to 164 as of the end of May 2011. The number of employees who have helped in running the classrooms and who offer to hold programs on their own initiative is increasing, with signs that this will generate even more activity in the future.

In the past year, the variation in classroom plans has also become more replete. There has been a keen interest in adding more specialized knowledge that could lead to even more interesting discoveries and repeat attendance to gain an even deeper understanding. In response, an increasing number of plans are made in cooperation with the Japan Outdoor Lifestyle Promotion Association, the Wild Bird Society of Japan, local experts and other external specialist sources, and plans have come up that interweave nature observation with handicraft workshops and programs that combine environmental themes with aspects of dietary education. By reflecting on previous activities, some classrooms have enhanced the program by providing improved goods—the classrooms continue to develop as the number of leaders grows. In addition, we now see some cases inspired by outdoor classrooms held in other areas.

This virtuous cycle is now considered a unique feature of Mitsubishi Electric Outdoor Classrooms. We wait with anticipation for further changes the future will bring.







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What We Can Do to Protect Biodiversity

Mitsubishi Electric Outdoor Classroom

Close-up Report: Leader Training Seminar

On May 13 and 14, 2011, a two-day Leader Training Seminar was held at the Tanba Yuyu-no-Mori, a facility located on the eastern side of Hyogo Prefecture. The forest facility including hiking paths, camp sites and log houses is a perfect place for experiencing the wonders and importance of nature through contact with its trees, flowers, and varied plant and animal life.

Ten employees of the Mitsubishi Electric Group from around the country participated as leader candidates. Their motivations varied widely, from "wish to take on a new challenge," to "want to take my outdoor activities to an even higher level," to "recommended by my superior." Over two days spent together, they worked to gain the knowledge and skills they will need as Outdoor Classroom leaders.

Practical Training: What's Important Is to Enjoy Nature

In order to convey the wonder and preciousness of nature as an Outdoor Classroom leader, individuals must first experience these things for themselves. Upon arriving at the facility, the 10 candidates immediately headed into the forest, led by members of the Japan Outdoor Lifestyle Promotion Association, who would serve as their instructors.

Subjects on the first day focused on bringing all five senses into contact with the flora, trees, insects and animals of the hills and woodlands, and on acquiring basic knowledge and skills. Feeling for oneself the soft sensation of a tree's surface (touch), comparing the scents of the diverse flora (smell), eating sweet fruit, or tasting the fresh flavor of a leaf (taste), examining the exquisite structure of a plant or insect through a magnifying glass (sight), identifying the wild birds by their calls, and listening to the rush of a river or the sound of the wind (hearing)... Using all five senses to become one with nature, the candidates learned the basic knowledge needed by Outdoor Classroom leaders, from how to have fun learning the names of the flora, to the most effective way to explain photosynthesis.

The goal of the second day was to acquire the practical skills needed to lead an outdoor classroom. The participants took part in a Nature Path Quiz, designed to teach them the various methods leaders use to get to know their new participants, or that the children use to get to know one another, and things they can do to encourage children to participate more proactively in the classroom. This program is designed to encourage discovery of nature's various mechanisms and the symbiosis between people and other living things, as participants respond to questions set up for them throughout the forest ("Let's find the biggest leaf," "Where do mushrooms grow?" "What do plants and trees need to grow tall?"). As they walked through the forest in search of answers to these questions, the leader candidates gained a deep understanding of the importance of thinking for themselves and of being able to explain things in their own words, and through their own experiences in nature, the meaning of what they hoped participants in the outdoor classrooms would learn.



Sniff, sniff... I don't know what this is, but it smells good. It's exciting to actually pick up and smell different kinds of plants.



"There's something on this tree trunk." Led by the instructor, the candidates examine the trunk with a magnifying glass and find it covered in something green, thus learning about the existence of lichens (a type of fungus), which incorporate chlorophyll.



Learning about photosynthesis. The candidates also learned the importance of finding ways to use the senses to promote understanding, in this case by having a drawing on paper ready in advance.



Playing "Hana-oni," a game that makes learning plant names fun. Players lay the flowers out on white towels according to their individual attributes, and then try to guess their names.



An instructor dressed up as a sprite emerges from the woods, crying "Empty cans don't return to the earth!" The message is that we shouldn't throw away what isn't biodegradable.



The candidates try their hands at making bread. Working together and experiencing something out of the ordinary further strengthens a sense of camaraderie. Nothing like the taste of bread you've baked yourselves!

The Leader Training Seminar emphasizes not only practical skills like how to experience nature with all five senses, or how to explain things in one's own words, but also learning through classroom training. This is because leaders must be able to understand how children think, and convey accurate information in a way that is easy for them to understand. In their classroom sessions, the candidates learned about the philosophies and activities of the Japan Outdoor Lifestyle Promotion Association, which holds outdoor classrooms in mountains, forests and oceans across the country. Using data comparing ordinary urban nursery schools and those focusing on outdoor activities, they also learned about the impact of outdoor activities on the mental and physical development of children.

The candidates were also lectured on managing the safety of outdoor classroom participants, an important role for outdoor classroom leaders. Because outdoor activities involve the possible risk of injury, insect bites and other events, leaders need an in-depth understanding of first aid methods and what preparations are needed to render first aid. The lecture covered subjects such as safe, fun ways to climb trees and how teach children to use knives without getting hurt, using pictures and photos to teach the basics of safe outdoor activities.

Qualities expected in Outdoor Classroom leaders include not just adequate attention to safety issues, but a relaxed, leisurely approach to nature. The instructor's comment that children learn to appreciate nature by watching their Outdoor Classroom leaders hints at what it takes to be a good leader.



To make sure they approach their classes with a sense of purpose, each group starts by deciding on and announcing a group objective.



The candidates listen intently to their instructor, who has extensive experience with outdoor classrooms.



Discussion heats up about the best way of making the ecology easy to understand.

To wrap up the seminar, participants were given the chance to practice what they'd learned. The 10 candidates were divided into two groups, taking turns in the parts of leaders and children as they role-played their own outdoor classroom.

One group was assigned the subjects of etiquette in nature and observing nature. Their task was to convey three pledges—don't litter, don't yell and don't pull plants out by their roots—while observing nature to appreciate its richness and value, and thinking more deeply about ecology. As the group members walked along the paths, they looked for places to apply the pledges (rules), and planned effective ways of conveying them. They shared their opinions with the group playing the role of children, and together they discussed the most effective way of conveying their message.

The other group was assigned to take on the Nature Path Quiz. Group members thought hard to come up with questions for the quiz such as "Can you hear this bird singing?" and "Where is the water in this river coming from?" then stuck the questions on the woods' trees and flora. As the group playing the children actually went along answering the quiz questions, they thought more about how to improve their communication skills with children, including how to prepare problems that would make nature easier to understand and how to give better hints.

Through the two days of the Leader Training Seminar in the woods, the 10 leader candidates experienced for themselves the importance of nature. They also gained a deeper awareness of how important it is that good leaders not only teach, but also draw out their students. The 10 candidates are now eager to make use of their experiences, and to work with members of communities nationwide as Outdoor Classroom leaders. They also feel strongly that they would like to make use of what they have gained through these experiences in their own day-to-day work.



Digging through dirt and leaves to better understand resource recycling.



Everyone brings the flowers they've found. Finding the differences and unique attributes of each is a way of better understanding natural diversity.



The candidates read their quiz questions aloud, and then think about how best to convey the important themes contained in each question.



"It's tough making myself clear!" The candidates learn how difficult it can be to explain things in one's own words.



The climax of the Nature Path Quiz. An instructor dressed as a sprite explains how important resource recycling is.



At first, the candidates try to convey knowledge, and tend to focus on explanations. Through repetition, they learn how to draw out the children's natural curiosity through facial expressions and fun gestures.

From the Group Secretariat

Conveying the importance of natural cycles, and the impact of people on the ecosystem. As a manufacturing company, this is the message we should be disseminating.

Mitsubishi Electric Outdoor Classrooms take advantage of the unique characteristics of nature in each locale, and offer diverse programs based on their leaders' own ideas. Still, there is one thing which every outdoor classroom holds as important, and that is the need to encourage understanding among the participants of how nature and the natural cycle works. For example, at classrooms held in woodland hills, they will observe how trees and leaves fall, are decomposed and then return to the earth, enabling children to appreciate the impact that discarding trash that



Yoshio Isogai Corporate Environmental Sustainability Group, Strategic Planning

is not part of this cycle has on nature, and how this trash, when properly collected, can become a new resource.

Enjoying nature with the five senses, learning how to convey the importance of natural cycles, and the impact people have on the ecosystem—these are the true tests of a leader's abilities. This is why, in the latest Leader Training Seminar, we had the leader candidates focus on the decomposers responsible for turning the organic matter of trees into inorganic matter. This experience enabled them to understand firsthand how insects living in fallen trees, mushrooms, the mold and fungi that turn fallen leaves white are all decomposers, essential in the creation of new soil, and how, conversely, the non-living plastics that humans generate can never be returned to nature. We hope that, going forward, everyone who participated will take what they experienced here and find ways to convey it through their own outdoor classrooms.

Through its business activities, the Mitsubishi Electric Group makes use of a variety of natural resources. Our outdoor classrooms are one opportunity for us to convey to those around us the importance of acting with consideration for the environment, as participants share the fun of experiencing nature with their five senses and learn about the impact humans have on nature. And the leaders themselves play a part in developing people who think about the environment, and have an important role in conveying the message we should be disseminating as a manufacturer. We hope that these leaders will each continue to think of ways they can contribute to the environment through their own work, while clearly communicating the message in their respective regions that we, as individuals and businesses, are only here thanks to the bounty of nature. And we hope that, by nurturing an ever-greater number of leaders, we can continue to expand that circle of understanding.

Snapshot of a Leader Training Seminar



"Where do mushrooms grow?" Answering this quiz question, participants learn about the role of mushrooms, one of the forest's decomposers.



A highlight of the woodland classroom. By learning how fallen branches and leaves return to the soil, participants realize why plastic bottles are not part of nature's cycle.

Surprises and discoveries, and then a real outdoor classroom

I was born and raised in the great outdoors, where snow falls heavily in winter, so the first cockroach I ever saw was a shiny, black giant cockroach I found living under a fallen tree. I learned that, like the earthworm, it is one of nature's quiet, efficient decomposers. After two days of nothing but new discoveries, I felt I'd acquired a lot of new knowledge.



Ayako Komatsu Hokkaido Branch

Right after this Leader Training Seminar, I

experienced my first outdoor classroom. I was really surprised at the curiosity shown by the children who participated from our local nursery school, and especially their ability to find even the smallest insects! I didn't have any experience dealing with children in my work, but I really felt as though they had something to tell me.

I needed to know, because my own job places an impact on the environment

I am involved in energy management, and because my own job places a direct impact on the environment, I decided to participate in the Leader Training Seminar so that I could gain a more continual awareness of nature.

In my day-to-day work, I try to be proactive about energy conservation, but this seminar enabled me to experience direct interaction with nature, and I think it gave me a real-world understanding of the



Hiromasa Watanabe Communication Systems Center

significance of my everyday energy conservation activities. I hope to stay involved in outdoor activities so that I don't forget the excitement I experienced being out in nature.

Hoping to put more fulfilling outdoor activities into practice

Several times each year in Himeji, we have planned and held a variety of indoor and outdoor events for local children and their families, including arts and crafts, clam digging and walking events. While we have been doing this for many years now, I decided to participate in the seminar in hopes of providing even more fulfilling activities.



Junpei Minato Himeji Works (Himeryo Technica Company Limited.)

While there are many hygiene and safety issues to think about with outdoor activities, I felt it would

be nice to hold a freewheeling outdoor classroom while not having to worry too much about such issues. Having participated in this seminar, I hope to raise the level of our own activities.

I want to be more effective in conveying the importance of nature

Now that things have settled down at work and with child-rearing, I wanted to do something new, and decided to participate in the Leader Training Seminar. Since I grew up surrounded by nature, I wanted to experience once more for myself how wonderful nature is, but I also wanted to convey that wonder to children.

Over the two days of the seminar, I really learned how necessary it is to be able to respond flexibly to unexpected reactions, since so much of the



Yoko Watanuki Corporate Intellectual Property Div. (posted to the Advanced Technology R&D Center)

Θ

outdoor classroom experience involves working with children. Going forward, I hope to plan and put into practice my own outdoor activities.

Environmental Report: Mitsubishi Electric Outdoor Classroom

Mitsubishi Electric Outdoor Classroom

Outdoor Classroom Case Studies from across the Country

The first outdoor classroom was held in October 2006, where the head office is located. Today, these activities have expanded nationwide, with 100 classrooms held as of the end of June 2011, and a total of over 3,000 participants. Here, we tell you about some of the specific activities held in fiscal 2010.

Experiencing Nature's Cycle in a Park with the Indigenous Species! (Hokkaido Region)

Date Held: June 26, 2010 Location: Maruyama Park, Chuo-ku, Sapporo

Though located right in Sapporo, Maruyama Park, the site of this outdoor classroom, is rich in nature, and home to a diverse variety of life. Approximately 30 children participated. They were soon immersed in exploring nature, discovering the Ezo red squirrels and chipmunks indigenous to Hokkaido, touching and examining with their magnifying glasses the snails and pine cones and other varied life to be found in the park. They dug through piles of leaves fallen on the pathways, and observed how leaves are broken down by worms and fungi and then returned to the earth. They also learned about natural cycles, and the enormous impact plastic and other trash has on nature's ecosystem. At the end of the outdoor classroom the children were asked, "Why shouldn't we litter?" "Because worms can't eat our trash and it won't turn into dirt!" they replied enthusiastically.



Playing the "Secret Bag" game, which relies on the sense of touch. Bits of trees and flowers are put in a bag, and the children try to guess the contents using only their sense of touch.



"I wonder what it looks like?" Children using magnifying glasses to examine the creatures they've found.



Tomoko Kudo Hokkaido Branch

Nurturing an environmentalist spirit in the far north

Our outdoor classroom was held under clear blue skies, amidst the beautiful greenery of Sapporo in early summer. Adults and children alike were thrilled to see the indigenous squirrels and chipmunks that came out to greet us. The children were soon busy looking for walnuts, acorns and "fried shrimp" (once the squirrels have eaten them, pinecones look just like fried shrimp) chewed on by squirrels, picking them up and looking at them with their magnifying glasses. We interacted with nature using all five senses, listening to the sound of a great spotted woodpecker's tapping as it rang through the trees, feeling

the thick leaves of the giant lily, and seeing where a giant, 300-year-old katsura tree was burned black by a lightning strike. Every living thing, from tiny insects, to worms, to mushrooms are interconnected, creating the soil from which buds appear, which grow into trees where squirrels make their homes, before the leaves fall and return to be returned to the earth. I was so happy when a child, upon first learning about nature's cycle, said, "So that's why we're not supposed to litter!" We as leaders also have something to learn from the fresh discoveries and sensibilities of the children who participate. As they grow, I hope their experiences with the outdoor classroom will be the catalyst for nurturing an environmentalist spirit in all of them.

Date Held: November 6, 2010

Location: Itami Works, Amagasaki, Hyogo Prefecture

(A joint project of the Transmission & Distribution Systems Center, the Communication System Center , the Communication Network Center, the Advanced Technology R&D Center, and the Production Technology Center)

In the Itami region, several businesses located on the same premises collaborated on an outdoor classroom. 88 employees and their family members participated, catching and observing the killifish and crayfish that live in the waterway on the property, creating things with the acorns they collected, and interacting with nature. Employees who participated were surprised to find that the property they see every day without giving much thought to it was still home to so many living things. The experience left them determined to think more about nature in the course of their day-to-day work.



Medaka (killifish), designated as an endangered species, were found in the waterway carrying water that has been purified after being used in testing.



"When you look closely, it's really bumpy!" Children immersed in examining a tree trunk.

Outdoor Classroom Leader Perspectives



Yoshinori Kato Communication Network Center

An exciting outdoor classroom, right at our front door!

The outdoor classroom held on our factory premises, a joint effort of six offices, turned out to be very exciting.

Looking back, the weather that day was fine, and I remember how fulfilling it was to freely join the children observing fish in the waterway and taking them to search for creatures in the woods. I was also surprised and gratified to find just how much of nature the company had preserved on the property, and that added to the excitement of the day.

Looking at this factory from the main gate, all you see are man-made things, paved roads and concrete structures, but

way in the back is a forest, and it was truly a rediscovery to find how many types of life could be seen in a place I come to every day. I still remember what a refreshing feeling that was. I hope we can hold our next outdoor classroom here on premises, as well, and make more discoveries about nature here at our front door.

Date Held: November 3, 2010

Location: Power Device Works (Kumamoto), Koshi, Kumamoto Prefecture (A joint project of Mitsubishi Electric, Mitsubishi Electric Union Kumamoto Branch, and Melco Display Technology)

The site of this outdoor classroom in the Kumamoto region was once a park. Because much of the greenery in the park was preserved when the plant was built, about 30% of the site is green space, and there are many spots for observing nature. For this outdoor classroom, we used pine cones and stumps in a quiz to learn about nature's cycle, and tasted acorns as part of a game using the five senses. Using these question-filled games and quizzes proved a fun way to learn about the importance of nature.



The key to a successful outdoor classroom lies in communicating smoothly with the children. Building a trusting relationship with them in which they'll really listen to what you have to say makes the time you spend together even more fun.



Using a clever flip chart presentation and fun explanations, the leader tries his best to explain the relationship between trees and birds! The children at least seem to be following along.

Outdoor Classroom Leader Perspectives



Junichi Koriyama Power Device Works (Kumamoto)

The lush green of the factory grounds taught us about the unity between the environment and our community

For some time, I'd been thinking it would be great to find some way of using the rich greenery of the premises around our Kumamoto facilities to enlighten people about the environment, and this outdoor classroom was perfectly in line with that goal. With the support of local instructors, we were able to enhance the quality of the classroom experience, but I feel we also succeeded in deepening the understanding of our employees and many others about the nature to be found on our premises, which in turn has deepened their affection for the company.

While this was our first try at holding an outdoor classroom in the Kumamoto region, I think we managed to keep the children interested by using plants and trees to give a full sensory experience, and by incorporating a lot of physical activity, and even the organizers enjoyed themselves. Given that we work in a place so full of nature's blessings, I hope we can encourage more children to develop an awareness of the environment, and expand our activities to bring us even further into harmony with our community.

Date Held: November 28, 2010 Location: Sanuki Mannou National Park

Using volunteer interpreters from the park, a guided walk was held through this nature observatory park. Looking out at the fields recreating the traditional rural scenery of the Sanuki region, with their many ponds, enjoying the somehow nostalgic surroundings and interacting with the variety of life there provided a good opportunity for generating interest in how nature works, in the relationship between people and nature, and in the nature of coexistence. There was much for adults and children alike to learn, from what rabbits, wild boar, and other animals eat and how they live, to the roles each animal plays, to how we can exist without damaging the nature around us.



Do you know what we're looking for? Wild rabbit droppings! We've just started observing what kind of things they eat. "Can I touch it?" "Sure, no problem!"



"Wild rabbits eat acorns, pine cones, and other kinds of nuts. Can you smell nuts in there? The forest is filled with the animals' favorite foods, so be sure you leave them behind for the animals to enjoy."

Outdoor Classroom Leader Perspectives



Naoaki Takeda Power Distribution Systems Center

Our first classroom was one discovery after another! We look forward to the next one!

With the cooperation of the Volunteer Interpreters Association at Mannou Park, our guided walk enabled us to learn about how nature works, and the relationship between people and nature. By actually holding and observing with all of our senses plants we see every day, I think even children familiar with nature on a regular basis discovered new things. Considering this was the first outdoor classroom held in our region, I think we were successful in enabling the children to experience nature just as it is, and feel for themselves its value, its greatness, and its attractions. I also felt that, for the adults as well, this was a great opportunity

to think more about how we coexist with nature.

Going forward, I hope to use what we learned in this first outdoor classroom in our future activities, leading to a fostering of a greater environmental awareness among the children of our region.

Restoring Nature as a Philanthropic Activity

Giving Back to Nature and the Community through Nature Restoration

The "Satoyama" Woodland Preservation Project involves employees working to restore parks, woodlands, rivers and other natural areas located close to our business sites while soliciting the understanding of the government and local community members.

According to Japan's Ministry of the Environment, "satoyama" woodlands are defined as natural environments formed through mutual activity by humans and nature over many years. They are important as habitats for diverse living organisms, as unique local landscapes and as places for traditional culture. However, human contribution to such areas is diminishing due to population declines and aging, which is adversely affecting the landscape and biodiversity as plants and animals inhabiting the woodlands decline. Preserving and restoring these "satoyama" woodlands has become an urgent task.

The goal of the project is to give back to nature, which nurtures a diverse array of living organisms and provides people with many benefits, and to contribute to communities where our business sites are located.



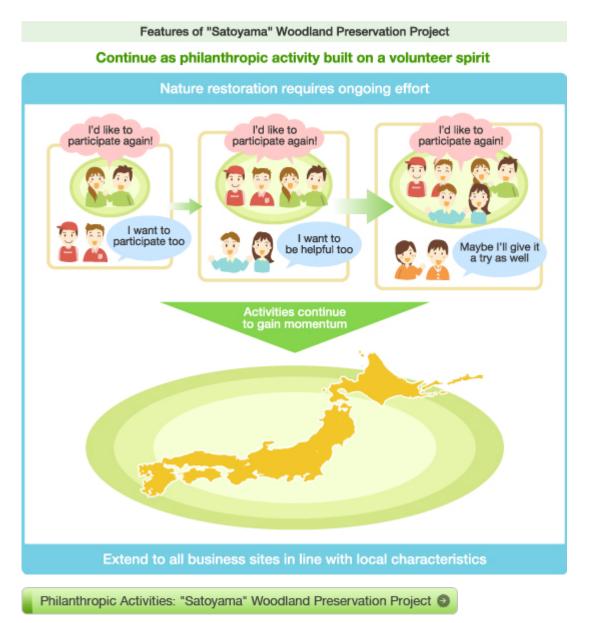
The Mitsubishi Electric Group works to reduce environmental impact through business activities, efforts that include cutting CO₂ emissions, reducing waste and recycling resources. We are further involved in activities to raise awareness, including the Mitsubishi Electric Outdoor Classroom, which is held to foster awareness and respect for nature. Since 2007, we have also carried out the "Satoyama" Woodland Preservation Project, a nature restoration initiative.

Continuation as a Philanthropic Activity

The Mitsubishi Electric Group positions its "Satoyama" Woodland Preservation Project as a philanthropic activity. Nature restoration is only meaningful when activities are carried out over a long period of time. The project was started with the intention of being conducted steadily and continuously while relying on the volunteering spirit of our employees.

In order to ensure the project continues, it is essential that participants are motivated not by a sense of obligation but by a desire to help, so the choice to participate is completely up to the individual. The company provides information to get employees interested in volunteer activities and offers support that draws on the volunteer spirit, but all that we provide is the opportunity to participate. When employees volunteer on their own, it makes the experience feel worthwhile and inspires them to keep participating in woodland preservation. A volunteer spirit grows and more and more employees repeatedly get involved. Our aim is to continue having the project invigorated in this way.

In fiscal 2011, we were involved in "Satoyama" woodland preservation activities in eight areas around the country, and we have plans to begin the project in another two areas in fiscal 2012. Ultimately, we would like to extend the project to all business sites in line with local characteristics.



Cultivating a Volunteer Spirit

The Key to Repeat Participation: Having Fun

It is actually quite difficult to bring about continued involvement in an activity even when people are inclined to volunteer. For this reason we put emphasis on activities that are fun for volunteers. If the participants themselves sense that they get something out of the experience, they naturally feel that it was an enjoyable experience that they would like to have again. In this way, motivation remains high.

The following are some of the keys to ensuring that activities are enjoyable:

- Create opportunities for employees to rejuvenate themselves and communicate with their families.
- Make it possible for participants to communicate and deepen understanding of each other and local community members.
- Make it possible to simultaneously participate in other activities, like the Mitsubishi Electric Outdoor Classroom, and have a variety of experiences.

For example, with the <u>Mt. Fuji Forest Cultivation Project</u>, which is conducted near our head office together with Sumitomo Forestry Co., Ltd., participants develop a fondness for the saplings they plant and look forward to caring for the trees as they grow, which increases repeat participation. The project also promotes communication among employees because everyone takes part in the same work regardless of their position back at the office.

In the <u>Nakatsugawa Region</u>, the <u>Mitsubishi Electric Outdoor Classroom</u> and fun, hands-on activities are held in conjunction with preservation activities at the prefectural Nenoue-kogen Azalea Park, allowing both adults and children to have fun while learning about nature.

In order to build on these successes, we are working to develop activities that encourage repeat participation, with the head office providing ideas and information and employees—the actual participants in the activities—also coming up with their own creative ideas.

Head Office Area

When participants plant saplings they are motivated to take care of them. Everyone takes part while having a good time.





At first I participated simply because I liked Mt. Fuji. But, as I participated I really got into it, so much so that I became a member of the organization and promotion committee. We are working to enhance the program while incorporating the views of participants, for example by chartering more environmentally compatible eco buses and creating our own orientation video.

Masakatsu Yokota (left) Mitsubishi Electric Call Center Customer Satisfaction Promotion Dept. Living Digital Media Division

Taketoshi Ito (right) Government & External Relations Office



A dozen or so years ago, I participated in companyorganized trips to climb Mt. Fuji five years in a row. When I learned about the opportunity to go back to Mt. Fuji to volunteer with my co-workers I thought it would also be a chance to start what I should have done earlier, so I participated in the initiative with great enthusiasm. In the approximately four years since, I have enjoyed demanding but fun activities in the midst of nature, planting saplings, clearing underbrush and pruning trees. I call on everyone to support the blessings of nature, which need to be passed on to the next generation, while cleansing body and mind in the pure air of Mt. Fuji.

Ryuichi Yamaguchi Mitsubishi Electric Logistics Corporation Logistics Technology Department

Nakatsugawa Region

In addition to clearing brush, trimming trees and conducting vegetation studies, we hold the Mitsubishi Electric Outdoor Classroom and the "Mori no Megumi" Contest, which are fun activities for both children and adults. Employees and their families get to experience nature close up, together with members of the local community.





The team in the Nakatsugawa Region works for around two hours each session, but after we're done Azalea Park is noticeably different. It's not only employees; community members are also involved, so there is a sense of unity that goes beyond the company. Also, eating lunch after working up a sweat is the best!

Noboru Sakamaki General Affairs and Welfare Section General Affairs Department Nakatsugawa Works

Planning Successful Projects

The "Satoyama" Woodland Preservation Project involves restoration of natural areas near our business sites. Emphasis is placed on easy-to-do activities depending on the desires and number of staff available at each site.

This is because no matter how motivated the participants are, if the initiative is unrealistically ambitious for that business site, it will not be sustainable. And, if the initiative is not something that will please community members, it does not end up contributing to society. For this reason, in planning, from the very start we consider activities that are ideally suited to each business site and give something back to nature and the local community.

Keys to Planning Good Projects

- 1. Develop new nature restoration activities that meet local needs.
- 2. Participate in local activities.
- 3. Consider future potential.

Key #1: Develop new nature restoration activities that meet local needs

Normally, in starting a woodland preservation initiative at a business site, we first start by asking what the nature preservation needs are in the region. That is to say, we survey what is needed to protect nature locally, what is currently insufficient and what local residents want. After that we consider whether what the business site is actually capable of providing will meet these various needs, and, finally, we select an activity that is fairly easy for the business site to conduct. In matching needs and capabilities in this way we create a new nature restoration initiative that had not existed in the local area. The following points are of particular importance.

• Would employees support the principles behind the activity and would the activities be representative of Mitsubishi Electric? Is there any discrepancy between what is needed locally and what we would actually be capable of providing?

Notable examples of activities based on this thinking are <u>forest maintenance activities at</u> <u>Sumiyoshi-Nagabuchi Forest in the Kobe Region</u> and <u>cherry blossom restoration activities at</u> <u>Itami Zugaike Park in the Kita-Itami Region</u>. In both cases, the local community had specific needs that they wanted met, and the business sites determined that they would be capable of performing the activities, so the activities were started in line with actual needs.

Kobe Region

Activities are being conducted in response to an SOS issued by the local forestry cooperative indicating that they were no longer able to maintain the forest due to the aging population of the community.



Kita-Itami Region

Activities to rescue cherry blossoms that were started in 1986 serve as the original model for the program. Since becoming a part of the Satoyama Woodland Preservation Project, participation continues to grow.



Key #2: Participate in local activities

Creating a new program to maintain or restore natural environments in line with local needs is the ideal of the Satoyama Woodland Preservation Project. Another format for the project, however, is actively participating in programs already being conducted by the local government, an environmental protection organization or other group. This approach is one way for a business site to become involved on a flexible basis regardless of its size.

For example, in the <u>Shizuoka Region</u>, which has many participants, we participate in the City of Shizuoka's "Adopt-a-River Program" and conduct activities to restore beauty to the banks of rivers we have adopted. At business sites like branch offices staffed by a small number of people, another format is also possible. Employees actively participate in environmental protection activities already being conducted locally.

Shizuoka Region

The program starts by holding the Mitsubishi Electric Outdoor Classroom to deepen understanding of natural cycles and harmony with nature, and then moves on to the actual work of restoring beauty to the riverbanks.



Key #3: Consider future potential

For the Satoyama Woodland Preservation Project, the next step after starting an activity is to consider the future of the activity. This is because thinking about the activity's future enables long-term, sustainable contribution to nature and the local community. For this reason, when starting an activity, the following points are emphasized to ensure in advance that there is some depth to the activity and that it can be further developed in the future.

• Is the activity capable of garnering the support of local community members and local government bodies as collaborative partners? Are there experts that can provide leadership from a neutral standpoint?

Activities in the <u>Nagoya Region</u>, the first Satoyama Woodland Preservation Project (started in 2007), were commenced after becoming the first project to be accredited under an Aichi Prefecture agreement that loans prefectural forestland to private companies. The activities involve preservation of prefectural forestland at Togokusan. Since this was the first case of an agreement being concluded for prefectural forestland, a substantial amount of time was spent before activities were commenced in order to sufficiently earn the understanding of the local government and local residents. The project is currently actively carried out with the participation and support of the local government, local residents and nature protection groups. In addition to forest maintenance and beautification, we hold nature observation meetings, and conduct woodworking courses using tree trimmings and other resources found on the mountain.

Nagoya Region (Nagoya Works / Chubu Branch Office)

<u>Nature observation meetings</u>, woodworking classes and other activities are conducted in addition to forest maintenance and beautification efforts.



• Are there future potential, flexibility and options in the activities at the targeted site?

In the <u>Fukuyama Region</u>, from fiscal 2011, we started an initiative at the Kannabe Four Seasons Forest that involves planting pine trees capable of withstanding natural disasters to regenerate a once verdant forest. Together with local residents we plant "super pine" tree saplings, which are less prone to withering, and take care of the saplings over a long period of time. Birdhouses have also been put out to encourage many birds to return to the forest, and an outdoor classroom for growing shiitake mushrooms has been set up, to foster and observe the growth of living organisms.

Fukuyama Region

We worked with local residents to plant some 1,000 saplings in an effort to regenerate a forest of pine trees that had deteriorated.



Topics

The Sanda region will also participate from fiscal 2012. Preparations have begun in anticipation.

From fiscal 2012, activities for the Satoyama Woodland Preservation Project will begin in earnest in Arima Fuji Park, a prefectural park in Sanda City, Hyogo Prefecture. Preparations began for these activities in fiscal 2011, including the cutting of grass and bamboo that hinder the growth of trees,



and the removal of bamboo that had been cut down but left uncollected. Participants have made positive comments such as, "I think the activities are very fulfilling as there are many fallen trees."

Our Goal is Participation by All Business Sites

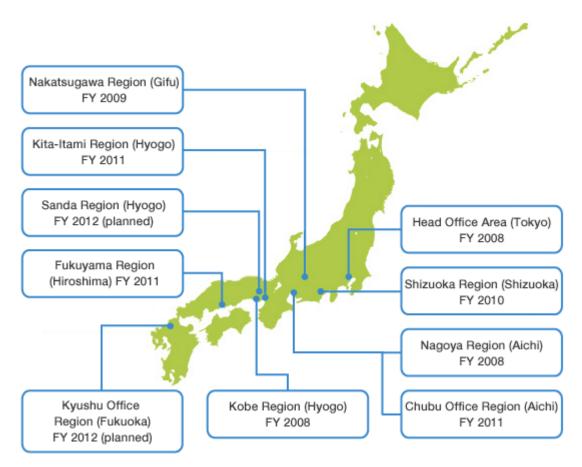
Gradually Expand Regionally with the Goal of Participation by All Business Sites

The organization and promotion committee at the head office provides our business sites with information on initiatives already underway to stimulate interest in the "Satoyama" Woodland Preservation Project.

The project has been growing at a moderate pace because the onus is on employees to volunteer themselves and because programs need to be created that suit the business site and meet local needs. But steady progress is being made as the importance of environmental protection activities has come to be widely recognized in recent years.

Satoyama Woodland Preservation Project Expansion

As of May 2011, activities are being conducted in eight regions around the country. There are plans to start new projects in two additional regions, for a total of ten regions, in June 2011.



Employees from Japan work as intermediaries with local employees to help in tree-planting, park maintenance, and cleaning activities to contribute to local communities overseas as well. A number of examples are introduced here.



Tree-planting activities in Shanghai, China



In November 2010, 130 people from nine affiliates participated in tree-planting activities. This volunteer activity was featured in local newspapers and magazines.

River cleaning activities in Thailand



In February 2010, approximately 100 people from the FA equipment manufacturing and sales company, Mitsubishi Electric Automation Thailand, participated in cleaning up the Menam Chao Phraya River, a main waterway in Bangkok.

Tree-planting activities in Indonesia



In October 2010, 50 employees from the elevator and escalator manufacturing, sales, installation and maintenance company, P.T. Mitsubishi Jaya Elevator and Escalator, participated in planting approximately 500 trees at miniature park (Taman Mini Indonesia Indah) in Jakarta.

Park pruning activities in the UK



In July 2010, employees from the Mitsubishi Electric Europe B.V. Corporate Office in London participated in pruning activities at Osterley Park. Osterley Park is a property of the National Trust, an organization that preserves natural locations and historic buildings in the UK. Enough was pruned to fill five to six trucks.

River-area cleaning activities in Germany



In March 2011, employees from the Mitsubishi Electric Europe B.V. German Branch participated in river-area cleaning activities around the Rhine, referred to as Father River by the locals. Twenty bags of garbage were collected.

Planting cherry trees in the USA



In April 2011, 70 employees from Mitsubishi Electric Power Products, Inc., a manufacturing and sales site for social infrastructure - related products, worked together with the NPO Pittsburgh Sakura Project and the Japan Association of Greater Pittsburgh, to plant cherry trees in Pittsburgh's North Park.

Comments from the Woodland Preservation Project Organization and Promotion Committee



The job of the organization and promotion committee is to build momentum for woodland preservation among employees and provide support until a project starts. The projects depend on the volunteer spirit of employees.

With a focus on the sustainability of the program, we try to start realistic projects after carefully considering whether there is adequate human resources and whether we can earn the understanding of local government officials and local community members. It takes time to get a project off the ground, but this serves as a chance to deepen communication with local residents. We promote the project in order to give back in even a small way.

Participants make comments about being rejuvenated by the experience, spending quality time with their families, and making various observations and discoveries. I am the most happy though when I hear participants say they are truly glad they participated. Our ultimate goal for the Satoyama Woodland Preservation Project is to expand it on a national level. It may take some time, but we plan to make progress one step at a time.

Junko Tawada

Philanthropy Department, Corporate Administration Division

Comments from a Project Promoter at a Business Site



We cooperate with one another and help one another, doing what we can realistically do. We share in our accomplishments and applaud one another's efforts. I was able to reaffirm, along with the other members, the ability to feel this way thanks to the Satoyama Woodland Preservation Project. I plan to continue promoting the project together with employees, members of our affiliates, and local residents.

Hirokazu Hirao

Environmental Protection & Component Evaluation Section Engineering, Manufacturing & Information Systems Department Energy Systems Center

Environmental Topics

Published Dec 2010

 Recycling of Waste Plastics

chives



Large-Scale, High-Purity Plastic Recycling The Launch of Green Cycle Systems Corporation Technology for Separating Plastics Technology for Improving Plastic Quality

Published Jul 2010

A New Dimension in Eco Air Conditioning



Focusing on Perceived Temperature Secrets of Sensing & Analysis The Idea behind "Move-Eye Navi" An Industry First: A Navigation Function

Published Jul 2010

Coordinated Regional Waste Recycling (Kyushu Area)



Mobilizing Managers from Seven Factories Mutual Inspections Uncover Areas for Improvement Sharing Information on Waste Processors Streamlining the Waste Material Flow Creating a Win-Win Relationship

Published Sep 2008

Towards Zero Emissions



Birth of a Recycling System Recycling Examples

Published May 2009

Innovative Products and Production



Product Innovations Production Process Innovations Engineers' Perspectives Working with the Community for the Environment

Published Jul 2010

Intelligent Ways to Save Energy and Reduce CO₂ from Production



Goals and Merits of the Energy Conservation Expert Inspection On-site during an Energy Conservation Expert Inspection Experts Discuss Ways to Conserve Energy Close-up: The Air Conditioning & Refrigeration Systems Works

Published Aug 2009

Rebuilding and Developing Automotive Equipment



Rebuild Operations: Recycling in Action Providing Cutting-Edge Alternators Initiatives to Reduce Waste Future Development

.



Technology for Large-scale High-purity Plastic Recycling

The home appliances industry is currently engaged in efforts to recover plastic from used home appliances and recycle it in other products. Such initiatives seek to reduce the amount of new resources required by new products. Mitsubishi Electric aims to constantly be at the forefront of plastic recycling for its plastic recovery technologies, recovery volume and recycling quality. This section introduces our involvement in the large-scale recycling of high-purity plastic.



An overview of our work to apply our original high-purity separation technology to shredded mixed plastic in order to achieve 100% closed-loop recycling.

More



An overview of our process for separating mixed plastic at high levels of purity.

More



A materials plant for plastic recycling went into operation in April 2010, representing the start of Japan's first large-scale, high-purity plastic recycling system.

More



Technology for Improving Plastic Quality

A discussion of technologies for improving the quality of recycled materials so that they are equivalent to new materials.

More

Large-Scale, High-Purity Plastic Recycling

Aiming for 100% Closed-loop Recycling

When plastic that has been recovered from used home appliances is recycled, it is typically recycled into knick-knacks, imitation wood and other such products, a process called downgrading. However, this also means that resources must be continually consumed. What is really needed is closed-loop recycling—recovering plastics from old products and recycling it in new products.

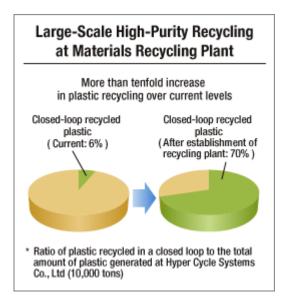




Conventional plastic recycling is usually limited to plastic parts made of a single material that is easy to separate out. Moreover, separating and recovery are conducted manually, so only around 6% of the plastic can be retrieved from the recycled product; the remainder is used as blast-furnace reducing agent or in thermal recycling.

Mitsubishi Electric is aiming to achieve 100% closed-loop recycling. By using recycled materials in its products, the Company reduced the amount of plastic that was incinerated or landfilled. The Company also conducted research and development into recycling technology to enable the creation of high-quality recycled plastics for reuse in home appliances. As a result of this research, Mitsubishi Electric succeeded in automatically separating, recovering and recycling recyclable materials taken from shredded mixed plastic, a material that had traditionally proven difficult to recycle.

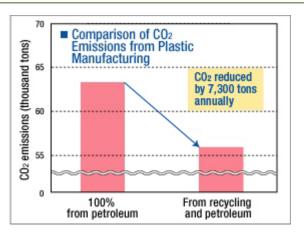
The main types of plastic used in home appliances are polypropylene (PP), polystyrene (PS) and acrylonitrile-butadiene-styrene (ABS). Mitsubishi Electric has succeeded in accurately separating mixtures of these plastics at purity levels exceeding 99%. This high degree of purity is made possible by proprietary technologies for separating different plastics by specific gravity and by electrostatic properties. PP, which is lighter than water, can be separated out using technology for separating by specific gravity, whereas ABS and PS, which are heavier than water and cannot be isolated in this way, are separated using differences in their electrostatic properties. (See the next page for details on these separating technologies.)



As of August 2008, each year we were recycling approximately 600 tons of plastic in Mitsubishi Electric home appliances, out of a total of approximately 10,000 tons generated by our home appliance recycling plant, Hyper Cycle Systems Co., Ltd., a ratio of just 6%. We augmented these efforts with Green Cycle Systems Corporation, a materials plant that employs new technology and that went on line in fiscal 2011. This facility adds 6,400 tons per year to our closed-loop recycling capacity, raising the total to 7,000 tons. This represents Japan's very first large-scale high-purity plastic recycling system.

Reducing CO₂ emissions by 7,300 tons annually

Promoting the "3Rs" (reduce, reuse and recycle) for home appliances is one of the pillars of Mitsubishi Electric's Environmental Vision 2021. Our large-scale high-purity plastic recycling system was designed to recycle the three major plastics in a closed loop from shredded mixed plastic. The system has enabled us to reduce use of these three major plastics by our home appliances business by around 18%. This translates into less new plastic produced, which in turn reduces carbon dioxide by 7,300 tons annually (Mitsubishi Electric

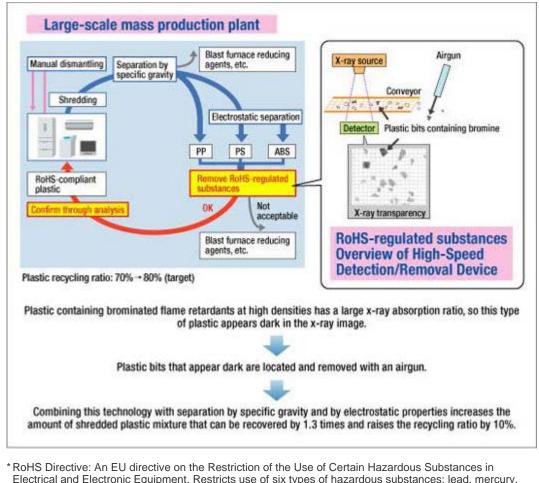


estimate). The kind of closed-loop recycling pioneered by Mitsubishi Electric will help contribute to creating a low-carbon society.

Topics

Successfully Developed Technology for Rapidly Removing a RoHS Regulated **Substance from Shredded Mixed Plastic**

Plastic mixtures being separated for recycling sometimes contain flame-retardant plastics with very small amounts of high-density bromine. However, compliance with the EU's RoHS Directive is a critical part of recycled plastics in home appliances. In the past, flameretardant plastic was removed by utilizing its high specific gravity and setting a low specific gravity to separate out compliant varieties. With this method, however, it was difficult to increase the amount of plastic recovered. In February 2009, Mitsubishi Electric developed a new technology for rapidly and automatically detecting and removing PP, PS and ABS plastics containing brominated flame retardants. We are pilot testing large-scale, high-purity recycling at a materials plant in preparation for full deployment.

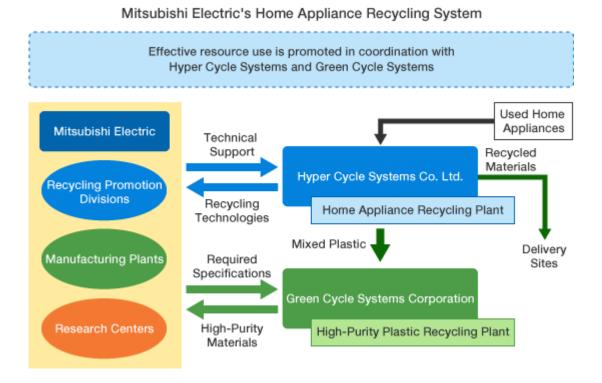


Electrical and Electronic Equipment. Restricts use of six types of hazardous substances: lead, mercury, cadmium, hexavalent chromium, polybrominated biphenyls and polybrominated diphenyl ether.

The Launch of Green Cycle Systems Corporation

Japan's First Large-Scale, High-Purity Plastic Recycling Plant Goes Into Operation

A materials plant for plastic recycling, for which preparations had been ongoing, went into operation in April 2010, representing the start of Japan's first large-scale, high-purity plastic recycling system. Green Cycle Systems Corporation, the company operating the system, receives shredded mixed plastic (plastic bits mixed in with various materials) from Hyper Cycle Systems Co., Ltd., a home appliance recycling plant, removes non-plastics by sorting the mixture using water, electrostatic charges and X-rays, and transforms it into high-purity, high-quality plastic. The plant's sorting, processing and recycling lines are all automated with cutting-edge technology from Mitsubishi Electric.



Out of the approximately 10,000 tons of plastic generated by Hyper Cycle Systems from disassembly and processing, we had been recovering about 600 tons for reuse in home appliance products. The new plant allows another 6,400 tons to be recycled annually in a closed loop, bringing the total to 7,000 tons. This represents an increase in our plastic recycling rate from 6% to 70%.



Mixed shredded plastic before recycling

Recycled plastic





Green Cycle Systems Corporation. Current processing capacity is 1,000 tons per month.

Mixed plastic for recycling is transported from Hyper Cycle Systems Co. Ltd., a recycling plant for home appliances.



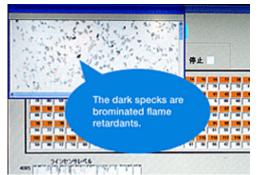
Equipment for wet specific gravity separation



Equipment for removing plastic containing bromine (Equipment for X-ray analysis separation: undergoing testing)



Water used for specific gravity separation is recycled and repeatedly reused.



The equipment uses X-rays to identify flame-

retardant plastic with an analysis speed of 120 seconds and removes it with 124 air guns. The technology received the Environment Minister's Award for Excellence from Japan's Ministry of the Environment.



Pelletization equipment (Equipment for creating pellets of recycled high-purity plastic)



Recycled pellets are shipped in a variety of formats.



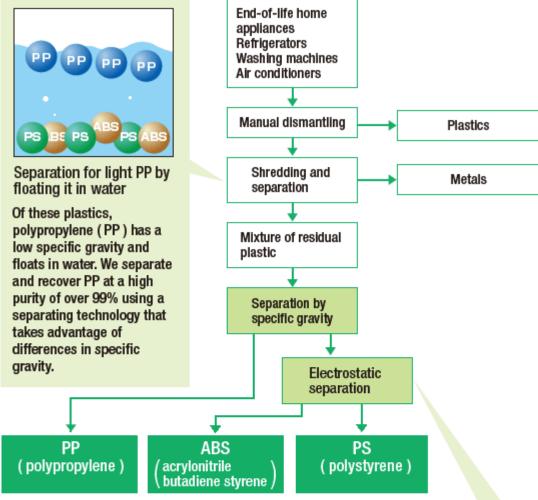
Green Cycle Systems Corporation website

Technology for Separating Plastics

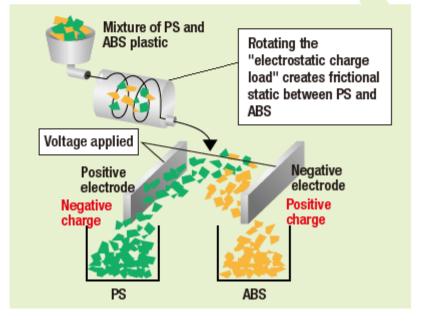
Separating Plastics at High Levels of Purity and High Recovery Rates

To make closed-loop recycling a reality, it is first necessary to separate out usable plastics from the used home appliances that have been collected. Mixed, shredded plastic used to be exceedingly difficult to separate, but Mitsubishi Electric has developed a proprietary method for separating plastics based on their respective characteristics. This method enables plastics to be separated at high levels of purity and high recovery rates.

Process for Separating Mixed Plastic at High Levels of Purity



Each type of plastic is separated at a high purity of more than 99%

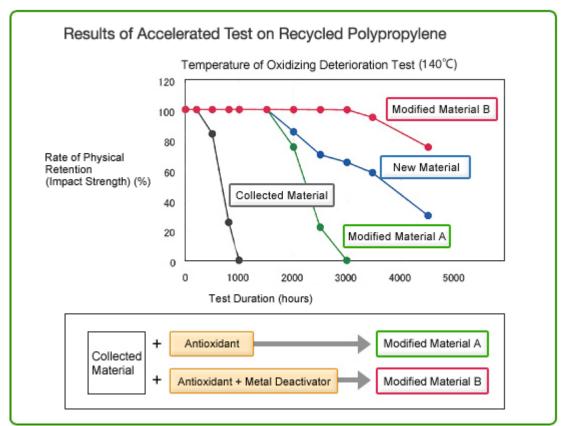


Technology for Improving Plastic Quality

Making Recycled Plastic Equivalent to New Materials

In order to be used in home appliance products, recycled plastic materials must be of high quality. High purity is one of the keys to ensuring quality. We have almost entirely resolved this issue through our separating technologies. However, the quality of plastic materials can deteriorate over time due to oxidation and other causes. For this reason, recycled plastics were not capable of being used in home appliances, which require long-term durability, and were generally only used in downgraded products.

To resolve this problem, Mitsubishi Electric quantified the remaining lifespan of collected plastic and designed a new quality improvement formula with the optimal formulation of additives to prevent the deterioration of recycled materials. We succeeded in creating recycled materials with quality that is equivalent to new materials. We also made it possible to give recycled materials the same durability as new materials and added properties like fire resistance. Through this proprietary quality improvement technology, we not only eliminated concern over the quality of recycled products but also opened up major new frontiers for recycled materials.



Note: Accelerated testing is a testing method in which a product is placed under extreme conditions that simulate actual usage and intentionally degraded in order to verify its lifespan.



In fiscal 2010, the Kirigamine Move-Eye Navi room air conditioner (models on sale in Japan from winter of fiscal 2010) was the only major appliance to win the Japanese Energy Conservation Grand Prize in the white goods category. In addition to ease of use and the highest energy saving function in the industry, the Move-Eye Navi has received particularly high acclaim for its innovative approach to energy conservation. This product represents more than 10 years of Mitsubishi Electric development history and the pursuit of making maximum comfort = maximum ecology. This section gives an overview of the development concept and technology that makes the Move-Eye Navi second to none.

Note: The Kirigamine Move-Eye Navi room air conditioner is only sold in Japan.

Contents

Focusing on Perceived Temperature Secrets of Sensing & Analysis The Idea behind "Move-Eye Navi" An Industry First: A Navigation Function

Keywords: Perceived Temperature and Navigation Move Eye Navi, the Realization of Cutting-Edge Ecology

The pursuit of comfort is no less than the pursuit of energy conservation. So we created a system based on perceived temperature.

Of all home appliances, air conditioners consume the most electricity. Today there is a need for households to reduce CO₂ emissions in order to create a low-carbon society, as energy conservation becomes an increasingly critical priority in today's world.

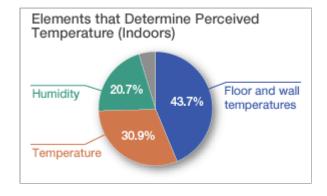
Making air conditioners more energy efficient is a matter of course, but regardless of the equipment's energy-saving performance, if it is used in a wasteful, inefficient way, energy efficiency is reduced. However, such wasteful, inefficient use is actually the result of people's pursuit of comfort.

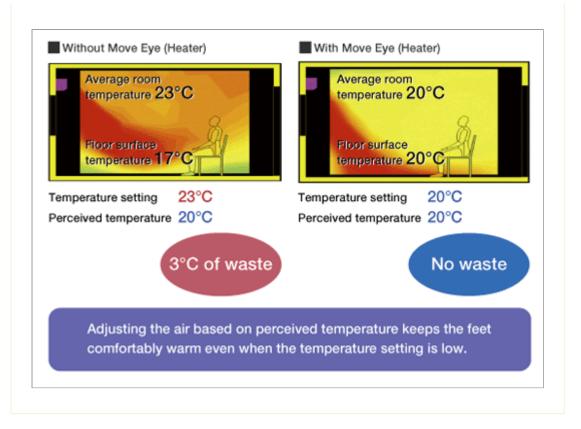
For more than 10 years, Mitsubishi Electric has been focused on this dilemma. Applying the innovative development concept of air conditioning based on user's perceived temperature, we have evolved our air conditioner technology. Air conditioning that self-adjusts based on perceived temperature—that is to say, air conditioning that delivers optimum comfort—dramatically reduces energy loss resulting from the method of use.

Perceived temperature

"Perceived temperature" is not the absolute value of heat and humidity. It is a scale of comfort based on how the air conditioning user senses or feels the room's atmospheric environment.

For example, even at the same room temperature, if the floors and walls are cool, it feels cooler than the absolute room temperature value; conversely, if a person has been exercising and their body is hot, a lower room temperature will not feel all that cold to them.





Secrets of Sensing & Analysis

Developer's Perspective

Technology that makes use of data analysis is an indispensable prerequisite to achieve maximum comfort and maximum ecology.



Takashi Matsumoto Specialist Advanced Development Group Room Air Conditioning Manufacturing Department Shizuoka Works

The eight infrared sensors located at the center of the Move Eye Navi unit are constantly acquiring thermographic data, making a pass over the room every 30 seconds and dividing the scanned area into 752 quadrants. The thermographic data is then analyzed to find the position and surface temperature of the walls and floor, the position and state (open or closed) of the doors and windows, sunlight coming in from the windows, and the condition of the people in the room. More than simply ascertaining whether or not there are people in the room, their location and perceived temperature (hot or cold) measurements are also possible.

Mitsubishi Electric has spent the past 10 years developing this high-level thermographic data analysis technology. Recently, sensor-equipped air conditioners have become more common, but only Mitsubishi Electric's air conditioner is able to operate by simultaneously sensing the temperature both of people and their location. Technology that makes use of data analysis is an indispensable prerequisite to achieve maximum comfort and maximum ecology.

The Idea behind "Move-Eye Navi"

Planner's Perspective

Aiming for the realization of advanced energy conservation that would bring people and machines together as never before.



Shin Harada Specialist Room Air Conditioning Sales Planning Group Sales Department Shizuoka Works

Recently, improvements to the energy-saving functions of air conditioning units have been dramatic, making it difficult to hope for significant additional improvements. For this reason, Mitsubishi Electric has moved into the realm of energy-saving action, something which until now has been left up to the user.

Running the air conditioner with the doors or windows open, or with the curtains or blinds unclosed, or when the outside temperature is falling is clearly a waste of energy. Nevertheless, people all too frequently engage in this type of wasteful usage. Continually performing detailed checks of the room and persons within it, the Move Eye Navi sensor function identifies inefficient usage and informs the user. In this way, the air conditioner becomes one with the human user, realizing advanced energy efficiency that brings people and machines together as never before.

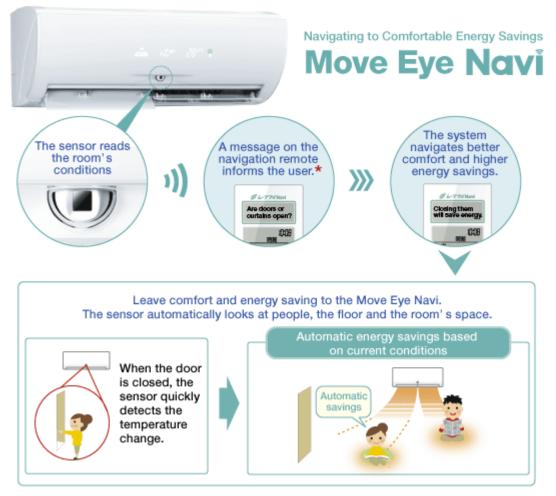
An Industry First: A Navigation Function

An Industry First* —A Navigation Function that Informs People of Unnoticed Wastefulness

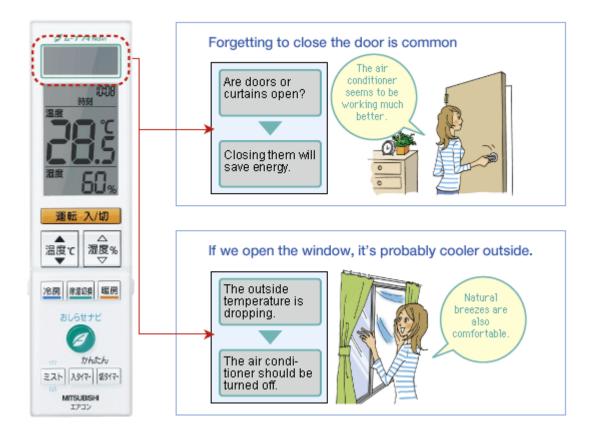
In addition to functionality that provides comfortable air conditioning based on perceived temperature, the Move Eye Navi is equipped with a smart function that informs the user of inefficient usage and navigates the user to information on how to get better air conditioner efficiency.

For example, if the door is left open while the air conditioner is running, the message "Is a door or window open? You can save energy by closing it" appears in the remote control window display. If the outside temperature is falling but the air conditioner is still cooling, the smart function will advise "The outside temperature is dropping. The air conditioner should be turned off."

This advanced energy efficiency that informs the user of unnoticed wastefulness is a special feature of the Move Eye Navi, a technology that is rewriting the pages of air conditioning history.



* Move Eye detects floor, wall, window and door temperature differences. When temperature differences are small and there is little impact on energy savings, there are no alerts even if doors or windows are open.



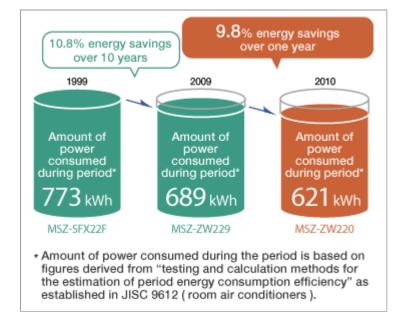
TOPICS

Ten years of energy efficiency improvements achieved in just one year Winner of the Energy Conservation Grand Prize

The Move Eye Navi has the highest energy-saving performance in the industry, boasting an annual performance factor (APF) of 7.1, the highest in the industry among 2.2kW class air conditioners. According to internal comparisons, this is approximately 9.8% higher than the APF of the 2009 model (2.2kW-class). This value achieved in one year, compares to the ten years of improvements leading up to 2009.

Such significant improvement in energy efficiency is the result of innovative technological developments applied to the compressor and fan motor, which are the main elements of air conditioners. A range of innovations in production and other aspects have contributed to the realization of an air conditioner with top-class energy-saving performance.

Note: Annual Performance Factor (AFP) is the energy consumption efficiency during a given year. The operating efficiency of an air conditioner run for one year established as one of the Japanese Industrial Standards (JIS). The larger the number, the greater the energy savings.





Inspections by Intelligent Energy Conservation Experts Accelerate the Reduction of CO₂ from Production

From fiscal 2010, Mitsubishi Electric Group is focusing on reducing CO2 from production under the 6th Environmental Plan (FY2010-2012). Up to now, we have made improvements at each factory by enhancing and promoting just-in-time activities in pursuit of improved productivity, and reducing energy waste through greater production efficiency. However, from the perspective of CO2 reduction and energy conservation, there are certain areas that remain unaffected by such activities. To resolve these issues, we have introduced energy conservation expert inspections to support production site improvement activities. Selected domestic and overseas employees who have participated in energy conservation improvement at various factories tour manufacturing sites to support the desire for vigorous improvements. By discovering and presenting many areas for improvement, further reduction of CO2 is possible. This special feature introduces intelligent ways the experts have found to reduce CO2 from production.





Is the boiler pressure too high?



What is happening during standby?

Contents

Goals and Merits of the Energy Conservation Expert Inspections On-site during an Energy Conservation Expert Inspection Experts Discuss Ways to Conserve Energy Close-up: The Air Conditioning & Refrigeration Systems Works

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Intelligent Ways to Save Energy and Reduce CO2 from Production

Goals and Merits of the Energy Conservation Expert Inspections

Experts Selected from Factories Across Japan to Support Energy Conservation through Production Line Improvements

Energy conservation experts are employees who have been involved in energy conservation initiatives at factories across Japan, particularly those who possess considerable experience, have a track record of excellence in energy conservation activities and are highly skilled pioneers. Several experts are selected nationwide to be strong supporters of energy conservation through production line improvements promoted by the head office's Corporate Environmental Sustainability Group.

These experts constitute a team that tours factories in Japan and overseas, conducting inspections from multiple perspectives. At present, these inspections are focused on factories that emit a comparatively large volume of CO₂, as well as factories that are models of energy conservation. In fiscal 2010, inspections were conducted at three domestic and one overseas factory. In addition to pointing out areas for improvement overlooked by factory staff, experts encourage staff to join them in taking a fresh look at the factory. Looking at their workplace from a different point of view, employees discover new perspectives and ways of thinking.

Eyes Trained to Spot Areas for Improvement

Experts visiting factories to conduct inspections observe every detail of the production site. From infrastructure such as electrical equipment, boilers, air compressors and ductwork, to the management of production equipment, experts make detailed observations of operations as well as people, checking for the smallest losses and inefficiencies.

Although each factory has traditionally engaged in energy conservation improvement initiatives under their respective environmental promotion managers, the experts possess experience cultivated at many production sites and are able to discover the need for improvement in a wide range of areas. With backgrounds that include personal involvement in the development of production equipment for the manufacturing technology department, the promotion of line energy visualization as the head of energy management and various other work histories, these experts have formulated their own theories on improvement based on visits to numerous factories and wealth of experience. They use this experience to discover areas for improvement from a fresh perspective.



Energy conservation experts conducting inspections.

Supporting On-Site Improvements with a Detailed Inspection List

After inspections have been conducted, each recommended improvement is explained to the factory manager and provided as a list of action items to the factory. In 2010, inspections conducted at the Shizuoka Works in January uncovered 120 action items, activities at the Nagoya Works in February found 70 items, and inspections at the Air Conditioning & Refrigeration Systems Works (Wakayama) in March discovered 170 items.

The action items are categorized into improvements that can be implemented immediately and those that require a certain amount of time and cost, so that each factory can determine the most efficient way to make improvements based on the inspection list and given their present situation. The energy conservation experts provide an excellent opportunity for promoting production line improvements at factories.



Setting up a venue to share inspection results. At this meeting, employees learn the expert's perspective to discover areas for improvement.

Advice for Progress, Not an Audit

Energy conservation expert inspections differ from audits and examinations in that they provide forward-looking suggestions and advice rather than evaluating past activity.

The inspections provide strong support for vigorous improvement activities at each factory. In this way, they are similar to the diagnosis a doctor would give their patient. Factory staff appreciate these diagnoses, which in turn inspires the experts to redouble their discovery efforts.

Experts encourage staff to take a fresh look at the factory with them. Looking at their workplace from a different point of view helps employees discover new perspectives and ways of thinking. The direct and indirect effects of these inspections combine to raise the overall level of improvements at each factory.

Inheriting the Experience of Experts to Target Further Developments

In the past, we multiplied our production output by a 0.1% investment in energy-efficiency, but volatile business conditions have lowered our overall production output, making investment and capital expenditures difficult. As a result, production line improvements are conducted through "intelligent" energy conservation. Despite our inability to make large investments, each factory is finding intelligent ways to eliminate waste and inefficiency, and promote energy conservation and CO₂ reduction.

The production site is like a living entity, constantly changing in response to a variety of factors, including the movement of markets, the development of new products and the advancement of new technologies. In this sense, the need for improvements is endless. Likewise, for each factory, an energy conservation expert inspection is not the final goal, but a new starting point. By inheriting and further developing the experience of experts, factories in Japan and overseas are able to take their own steps toward the achievement of larger goals.

A Promotional Leader Discusses Further CO₂ Reductions

Human Resource Cultivation Part of Ongoing Efforts to Improve Energy Conservation

We are seeing results beyond the inspections conducted by the energy conservation experts. Their accurate inspections and our own efforts are linked to significant improvements.

We plan on cultivating energy conservation promotion leaders to advance energy conservation improvements at each production site. We will cultivate these promotional leaders through training on energy conservation methods and improvement expertise, selecting employees from each production site to promote energy management and improvement activities. Promotional leaders will conduct inspections along with energy conservation experts to develop knowledge and skills firsthand, with the long-term goal of becoming energy conservation experts in their own right.



Yoshio Kasuga Promotion Group Manager, Corporate Environmental Sustainability Group

On-site during an Energy Conservation Expert Inspection

More Than 100 Areas for Improvement at a Single Factory

This section takes a closer look at an inspection conducted at Mitsubishi Electric's Air Conditioning & Refrigeration Systems Works (Wakayama) in March 2010.



I wonder...why was this temperature sensor installed? If the goal is to regulate drain temperature, just use a hightemperature pump.



This is a great power supply method, and it has very little startup power loss. We should definitely make it a standard.



There is heat loss coming from this open steam pipe. You should put a flange and thermal insulation cover over it.



This steam heater is increasing the temperature, but it is inefficient due to significant steam loss. Since the temperature is low, you should be able to use a more efficient heat pump.



The outdoor unit on this laboratory air conditioning is above the ceiling, but its exhaust should be directed outside the factory to reduce the heat load.



The valve on this through-flow boiler is exposed. To eliminate heat loss, you should use a thermal insulation cover.



You are very thorough about switching off the power on machines that are not in operation. This is a great way to eliminate wasteful standby power.



What is the management range of this pressure gauge? What is the basis for that pressure reading? Can it be lowered?



One of the boilers has stopped. Isn't the pressure too high? Ah, yes, it is. Let's suggest lowering it after we check what the operating pressure is supposed to be.

On Energy Conservation Expert Inspection

Although this factory has been engaged in thorough energy conservation initiatives for several years, we are very appreciative that the inspection identified 177 areas for improvement. I was present during the inspection, and realized that I had become lax in my view of what was considered normal at our factory. The experts were very good at pointing out how insufficiently prepared we were to respond to fluctuations in production, and how disparate and unorganized our efforts really were.

This inspection was different from environmental audits in that it also told what we are doing right. They acknowledged our efforts and ideas and responded with advice on how to further improve both. This provided much more incentive than simply being told what to do.



Tsunenori Mori Deputy Manager, Air-Conditioning & Refrigeration Systems Works (Wakayama)

Going forward, we will complete a detailed investigation of every action item on the inspection list, creating keywords and prioritizing actions to realize improvements. We will determine new standards for the entire factory and promote further reductions in CO₂ and energy usage.

Experts Discuss Ways to Conserve Energy

A Careful Look at Current Processes Reveals All Kinds of Waste



As I am in charge of developing equipment for the production line, I clearly understand the feelings and perspective of production site staff. This also enables me to easily recognize waste. When searching for waste, I begin by looking at the energy required for production and the energy required for the production environment, and then check to see if the energy being used is meeting those objectives. For example, if a machine used in processing is operational but idle, or if an air conditioner is running in an empty room, then energy is being wasted.

Taking a careful look at things taken for granted at the production site and questioning the usefulness and necessity of things will reveal all kinds of waste. This is the perspective I hope to impart through the inspection activities at each factory.

Teruyuki Shibata Sanda Works

Mr. Shibata has been touring factories since 2003. In 2005, he received The METI Minister's Award for Excellent Energy Conservation Factory for his efforts as a front runner in factory energy conservation.

Indicating Immediate Improvements through Discussions with Factory Staff



I am a bit different from other members in that although my background is in architecture and building services, I conduct inspections that confirm the usage of air and boilers. I look at the use of energy based on the perspective of just-in-time production activities. If necessary items are not in their necessary place at the necessary times, loss occurs. I have visited many factories in the past where oil pressure pumps and exhaust fans were running even though nothing was being produced. This type of waste must be eliminated.

Employees who work at the production site play a leading role in the promotion of energy conservation. This is why I always try to talk with as many on-site staff as possible when conducting inspections. Offering my suggestions and then asking their opinions gets them started asking questions, so we can have a constructive dialogue. By indicating immediate improvements, I can convey my thoughts and ideas easily and directly.

Kazumi Kobayashi

Fukuyama Works

Mr. Kobayashi has made significant achievements in the promotion of basic unit management. At present, he recommends energy-saving equipment and systems to customers across Japan as a consulting business based on his expertise. He also has considerable experience with improvements in non-Mitsubishi Electric factories.

Energy Conservation Improvements at Production Sites an Ongoing Effort



My specialty is electronics, but my particular focus in the context of inspections is heat. Heat-related energy loss is common, and oftentimes more energy than necessary is used. One familiar example is heating a kettle to boil water. This process wastes considerable energy. I think that thorough heat-related improvements will have a major effect on energy conservation.

With energy conservation improvements at production sites, continuity is key. When on-site activities first began, many ideas were suggested, and people gradually began believing that nothing further could be accomplished. I think energy conservation inspections are crucial to ongoing improvements. This is why I make the utmost effort to discover areas for improvement at each factory I visit.

Michitoshi Takagi

Power Distribution Systems Center

Mr. Takagi was a pioneer in the visualization of energy in on-site production, and has made notable achievements in this area. In 2008, he was awarded the METI Minister's Award for Excellent Energy Conservation Management.

Inheriting the Knowledge of Veteran Employees to Carry on to the Next Generation



As the member with the least amount of experience, I always try to add some of my own originality during inspection activities. My particular focus is the various components used in production equipment and the energy they use. In many cases, waste occurs because energy conservation was not taken into consideration when equipment was introduced. Such cases offer the potential for energy savings through changing the equipment controls. I check for waste by applying the experience I have cultivated in production equipment.

Being younger than the other experts, I benefit a lot from the knowledge of veteran employees. Their presence during inspections is helpful, and the feedback and communication they provide during and after inspections is particularly useful. I want to continue this process of inheriting knowledge and passing it on to the next generation.

Shinichi Ichikawa

Nakatsugawa Works

Formerly a production technology manager developing production equipment, Mr. Ichikawa moved to the Environmental Department 11 years ago, where he began participating in factory inspection tours originally conducted for educational purposes. After gleaning knowledge from veteran employees, he began promoting improvements at his factory, and he is now the youngest energy conservation expert on the team.



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The reliable energy conservation experts

Close-up: The Air Conditioning & Refrigeration Systems Works

Initiatives as a Factory That Excels in Environmental Improvements

Among Mitsubishi Electric's many production sites, the Air Conditioning & Refrigeration Systems Works is particularly focused on environmental conservation. From early on, they have incorporated energy conservation initiatives into just-intime activities and promoted various improvements to ensure the necessary item is in the necessary place at the necessary time by conducting energy usage inspections from six perspectives (change, quit, stop, lower, fix and reuse). These activities produced remarkable results, which were recognized with two first prize awards for factory excellence at our internal improvement activities announcement, which is attended by representatives from each site.

Six Perspectives for Energy Conservation Activities





Air Conditioning & Refrigeration System Works Manufacturing large-scale air conditioning and refrigeration systems, including commercial cooling systems

Also, the works independently created a booklet titled Factory Energy Conservation Initiatives that provides case studies and a summary of achievements at the Air Conditioning & Refrigeration Systems Works. This booklet is particularly popular with customers who are concerned with how to make their entire factory more energy efficient.

Furthermore, at present a new, environmentally compatible wing of the factory is under construction on the Works' premises. In addition to highly insulated facilities and energysaving equipment, the facility will include a photovoltaic system and greenbelt landscaping on the roof and walls. And the factory's product display area is designed around the concept of factory-wide energy visualization, showcasing the energy visualization initiatives of the Air Conditioning & Refrigeration Systems Works.

Factory Energy Conservation Initiatives

Presented in a series format, this publication is in its 12th edition, providing readers with energy conservation success stories and practical pointers.



The environment-themed wing is scheduled for completion in August 2010.

Expanding the Scope of CO₂ Reduction Measures to Testing Facilities

The Air Conditioning & Refrigeration Systems Works has been engaged in initiatives to reduce the amount of CO₂ emissions from production in accordance with company-wide policy, but from fiscal 2010 the focus of these activities was expanded to incorporate testing facilities in energy conservation initiatives.

This factory, which mainly produces air conditioning equipment, must conduct tests under a variety of environmental conditions, and energy used during product testing makes up a large percentage of overall energy usage, which, at 20%, is second only to the 28% of overall energy usage during production. Of this 20%, a large amount is used in the testing facilities, where we promote various improvements.

We are promoting various measures, including the visualization of changes in electric power usage for each testing procedure and the change to inverter-based control to operate testing facilities. Furthermore, in noise measurement testing for indoor units with low heat loads, knowing that even setting wider tolerance for temperature conditions we can still meet our objective, we put into practice key measures that rigorously calculate the energy required to acquire valid data.



Seven Different Factories Working Together to Promote Environmental Contribution and Cost Reductions

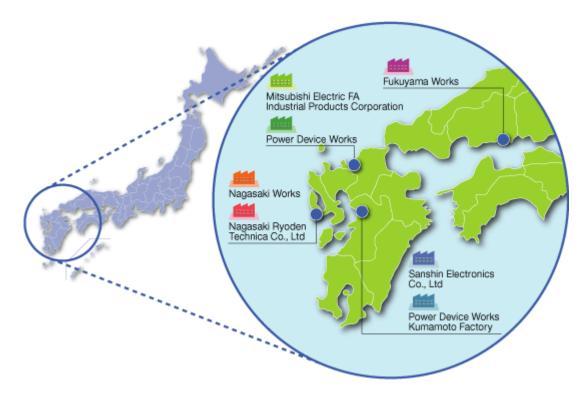
Since 2008, in the Mitsubishi Electric Group's Kyushu area (comprised of Nagasaki, Fukuoka and Kumamoto Prefectures), several factories have been working together across prefectural and regional boundaries to promote coordinated waste recycling activities. Such regional partnerships among Mitsubishi Electric Group companies originally began in the Kansai area. However, the Kyushu area efforts are noteworthy for their meticulous approach to collaboration and partnerships that discover and create win-win scenarios for Group affiliate companies and waste disposal partners. This section provides an overview of these unique initiatives.

Contents

Mobilizing Managers from Seven Factories Mutual Inspections Uncover Areas for Improvement Sharing Information on Waste Processors Streamlining the Waste Material Flow Creating a Win-Win Relationship

Mobilizing Managers from Seven Factories

The island of Kyushu, located in southern Japan, has an area of 13,761 square miles (35,640 km²) and is divided into seven different prefectures. Until recently, the seven Mitsubishi Electric factories, which are spread across a region including Hiroshima Prefecture and the entire Kyushu area, have promoted waste recycling initiatives individually. The processing of general industrial waste was carried out by each factory, usually without the involvement of factories outside the area. However, the major success of coordinated regional recycling activities in the Kansai area in 2007 led to the formation of a working group consisting of seven managers from four Mitsubishi Electric Factories and three affiliated companies in November 2008. The Nagasaki Works, which is passionate about reducing waste, spearheaded the establishment of this working group.



Mutual Inspections Uncover Areas for Improvement at Each Factory

When the working group was created, the seven members began inspecting each of the seven factories, learning that "normal" practices at one site were not always viewed the same way at other sites. They ended up making several important discoveries.

One example was the discovery that the waste one factory paid to dispose of was viewed by another factory as a goldmine. By meticulously separating waste according to type and purity, some factories were able to convert as much as 40% of their waste into saleable materials.



Working Group Members (From left) Yuki Ono, Nagasaki Works (Project Leader) Mitsuhiro Yano, Power Device Works Masafumi Mino, Sanshin Electronics Hideto Yoshizumi, Power Device Works Kumamoto Factory Takahiro Hamachi, Mitsubishi Electric FA Industrial Products Tomoyasu Sato, Fukuyama Works Hajime Murata, Nagasaki Ryoden Technica

Sharing Information to Raise Level of Environmental Conservation

In the past, factories selected waste disposal partners based on in-house knowledge, but now they understand differences in processing technology, processing expenses, the purchase price of saleable materials and storage facilities. Based on this knowledge, factories are now able to switch to processing methods with lower environmental impact and select excellent partners, leading to a higher level of environmental conservation activities. In addition, in cases where multiple factories employ the same outsourced waste operators, the factories conduct inspections of these operators and their facilities on a rotating basis, sharing information about the inspections with other factories. This approach conserves energy and strengthens management.

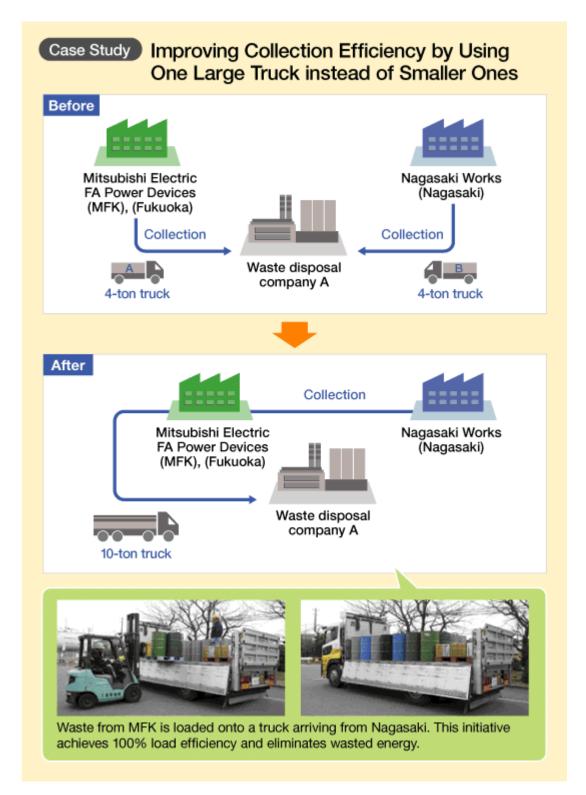
Seven People Exchange Information on Waste Processors

- Company A has set up a compliance department, so from now on they should be even more legally observant.
- Did you know that Company B put in place an initiative to cut landfill waste to zero?
- Company C has expanded its facilities and has extra capacity, so they might be flexible on pricing.
- D waste disposal company respond quickly, and they're very reasonable.
- "Thanks for the tip! We'll give them a try!"



Streamlining and Developing the Waste Material Flow

Before this initiative, multiple factories contracted the same waste disposal operator individually to collect factory waste. Now, waste is collected from those factories using one large truck, thereby eliminating wasted energy and achieving 100% load efficiency. The efficient use of large trucks, which have a comparatively low degree of capacity utilization, also benefit the waste disposal operators, who can now use smaller trucks—which have a higher turnover rate—for other uses. Furthermore, by abolishing weekly waste collection that took place regardless of the amount of accumulated waste, and establishing a system in which collection occurs only when a truckload of waste has accumulated at each factory, the number of required truck trips as well as CO₂ emissions have been reduced.



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Creating a Win-Win Relationship

All these achievements could not have been accomplished by the factories working on their own. Cooperation among factories and with waste disposal partners was indispensible to the program's success. Through the development of a meticulous methodology and cooperation that contributed to factories and waste disposal operators alike, these efforts resulted in the creation of a win-win relationship. Although the working group is less than one year old, its members have already discovered that waste disposal can be interesting, and they are eager to achieve further success. In fiscal 2011, we plan on adding an affiliated company located in Kumamoto Prefecture to the Kyushu area working group. In coordination with activities in other areas, including those of the Kansai area, Mitsubishi Electric will continue to share information and find opportunities for collaboration, aiming to further enhance our level of activity.









Environmental Topics

Innovative Products and Production:

The Eco-Compatible minimo



The minimo motor for compact ventilators meets Mitsubishi Electric's goals of energy efficiency and resource conservation. The motor is the result of concurrent engineering, which refers to various engineers cooperating on design, manufacturing technology and facilities development to make the best product. This section introduces the eco-compatible minimo.



Contents

• Product Innovations

minimo—the world's smallest* fan motor—greatly reduces the environmental impact of housing.

- minimo is energy efficient and conserves resources
- mimimo provides outstanding environmental performance

*According to a Mitsubishi Electric survey, minimo was the world's smallest fan motor as of 2009, among fully automatic capacitor start motors for compact ventilators.

• Production Process Innovations

Superior process pooling Mitsubishi Electric's strengths in motor design, manufacturing technology and facility development

- Concurrent engineering is the DNA of the Nakatsugawa Works
- The development stage combines the Company's technologies, knowledge and experience
- Concurrent engineering evolves in the lida Creation Lab
- Engineers' Perspectives
- Working with the Community for the Environment

World's smallest fan motor greatly reduces the environmental impact of housing

"minimo" is energy efficient and eco-compatible

Motors in pipe fans used to ventilate living rooms, bathrooms and other rooms are installed in the airflow channel. So a smaller motor provides less wind resistance and greater airflow. However, as the size of the motor is reduced, the power efficiency declines, as does the ventilator's performance.

Mitsubishi Electric solved this problem with minimo, a substantially smaller yet highperformance motor. minimo's outer diameter is 43 millimeters, making it the world's smallest motor of its kind. Compared with similar conventional motors, the compact minimo has 68% less volume and is 73% lighter. Pipe fans



The world's smallest capacitor start motor for compact ventilators: minimo

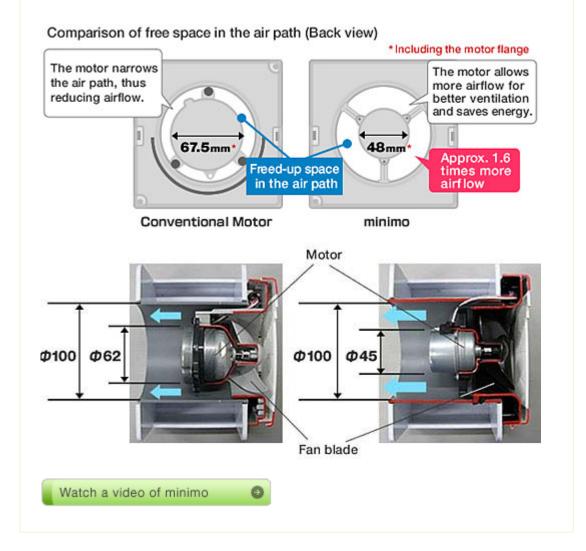
that employ a minimo use around 22% less power yet still provide 25% more airflow than typical models. Being compact, minimo saves valuable limited resources by substantially reducing the plastic, iron, copper and other raw materials needed to produce it.

Higher airflow and less energy consumption

In conventional motors with a diameter of 67.5 millimeters, including the flange, part of the motor blocks the airflow. This part takes up 56% of the cross-sectional area, compared to only 28% for fans equipped with the minimo. Moreover, mimimo fans reduce air resistance (boosting airflow by 25%), yet at the same time lower power consumption by 22%.

Compactness saves resources





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Excellent environmental performance possible because ventilators generally not seen

Customers are not usually aware of the performance of the pipe fans preinstalled in the homes they purchase. However, the energy they consume is significant.

Pipe fans account for about 30% of the ventilators used in Japan, according to a 2007 survey by the Japan Electrical Manufacturers' Association. Following revisions to the Japanese building code in 2003, full-time ventilation has become a requirement for most new dwellings, and pipe fan installations are expected to increase.

Pipe fans are used in most houses, but they are seldom chosen directly by consumers. For this reason, Mitsubishi Electric has accepted responsibility for providing products with exceptional environmental performance. Our minimo-equipped pipe fan received the

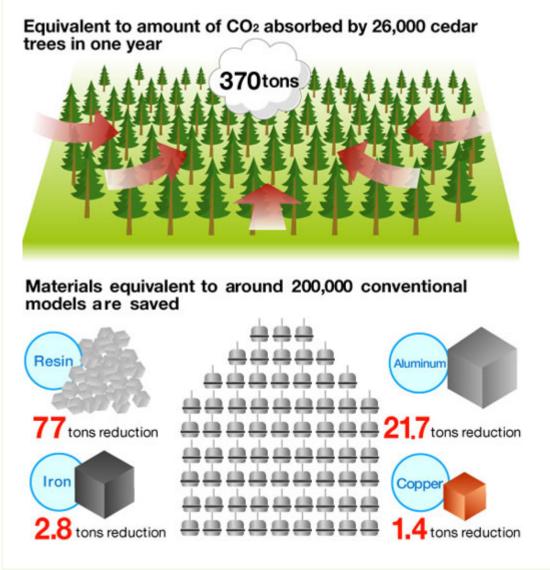


2007 Energy Conservation Grand Prize from the Director-General of the Agency of Natural Resources and Energy.

How much does minimo benefit the environment?

If all the pipe fans sold by Mitsubishi Electric were equipped with minimo, the energy saving would equal some 370 tons of CO₂ a year. Using minimos would also reduce resource usage: plastics by 77 tons, aluminum by 21.7 tons, iron by 2.8 tons and copper by 1.4 tons. These savings by minimo would make a significant contribution to preserving the environment.

* Assuming half of the pipe fans sold by Mitsubishi Electric are run 24 hours a day and the other half five hours a day.



Superior production process combining the strengths of motor design, manufacturing technology and facility development

Concurrent engineering: the DNA of Nakatsugawa Works

minimo was developed by a project team from the lida Factory at the Nakatsugawa Works. For the project, engineers specializing in motor design, manufacturing technology and facility development gathered at the factory. This concurrent engineering resulted in the development of this product.

The lida Factory is one of Japan's leading facilities for ventilator production. It manufactures duct ventilators, pipe fans and other models. As competitors shift production overseas, the Nakatsugawa Works has remained focused on production in Japan while pursuing a high market share and customer satisfaction through high-quality products matched to the needs of the Japanese market.

The lida Factory makes highly competitive products because of its ongoing factory automation. The Nakatsugawa Works can handle production from line design to the design

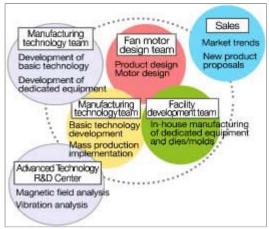


Motors produced at the Nakatsugawa Works. At front, a motor produced at the lida Factory. The Nakatsugawa Works has produced ventilators since 1943 and made its 100 millionth product in 2006, produced. The lida Factory had manufactured more than 40 million as of 2005. The high-quality, highly reliable products that come off these facilities' automated production lines have made Mitsubishi Electric the No. 1 manufacturer for four straight years, as chosen by material and equipment manufacturers, according to a survey by Nikkei Architecture.

and development of automation equipment and molds. The factory combines these technologies to build automated, high-efficiency, high-precision production lines that cannot be imitated. Product development does not follow a typical pattern of design production. Instead, an automated production line is a prerequisite, and so divisions collaborate to create the optimal motor design, production line configuration and equipment molds. The Company has used this development process for many years. Long before concurrent engineering became widespread, the Nakatsugawa Works applied this approach to product development, a process it terms its DNA.

Combined technologies, knowledge and experience at the development stage

The Nakatsugawa Works' DNA was evident in the development of minimo. To create the ultimate fan motor, top staff members from sales, motor design, manufacturing technologies, facility development and other divisions participated. Also enlisted was the Manufacturing Engineering Center, which provides technical support for all of Mitsubishi Electric's production sites around the country. Highly experienced employees were invited to the lida Factory. This new team pursued the best product development process by combining and fusing technologies, knowledge, and experience cultivated on the production floor, the front line of product manufacturing.



Technology Development System for minimo

As the team developed concurrent technology, a key was technical innovations related to integrating design with manufacturing. For example, the motor coil was separated from the insulating framework and insulated after winding the copper wire as densely as possible and inserting other parts. This new technology shattered conventional views about fan motors and is why minimo is compact and efficient. The minimo is the direct result of combining a new manufacturing perspective with motor design. The Nakatsugawa Works is well known for this type of innovation.

Technical innovations went beyond designs. Concurrent engineering resulted in many manufacturing innovations as well. An experienced employee in fan motor design was put in charge of production technology, a move that infused a new perspective. Similarly, staff from the Manufacturing Engineering Center worked closely with team members in charge of facility development and combined their respective expertise. Efforts were made to reduce loss in every process, including the development of a work conveyance system. The team constantly innovated to ensure the best product was manufactured with high-precision efficiency.



minimo: a product of concurrent engineering

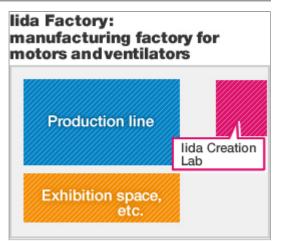


Project Members for minimo From left: Deguchi (design leader), Yamaguchi (production technology leader), Kinoshita (project leader), Miyake (production technology development assistance)

lida Creation Lab: Source of concurrent engineering

The lida Creation Lab at the lida Factory was a key element in the concurrent engineering used to develop minimo. This lab houses parts and components for experiments and product development. It also hosts meetings at which project members exchange ideas.

The lida Factory is a production site without a formal development division. At the start of the project, space was created next to the factory entrance of the where all development team members could meet. The development site was located within a few steps of the production line to aid in fusing design and production.



Creation Lab located next to the production line

Many manufacturing facilities aspire to concurrent engineering, but their actual development process typically involves technology developed separately because of the high degree of specialization required, with regular meetings to coordinate these disparate efforts. In contrast, all team members gather at the lida Creation Lab to inspect the manufacturing line that will be used and debate how to improve mechanisms and processes. Rather than trying to coordinate their efforts in a meeting room at a later date, the team members meet at the actual production site, making the lab an essential tool for effective concurrent engineering.





Engineers gather in the Creation Lab.

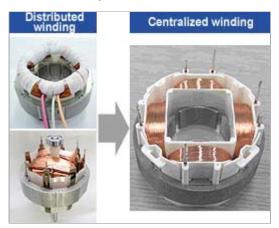
All team discuss ways to create the best product.

New technology born from concurrent engineering – the minimo innovation Reducing primary loss, which accounts for 40% of power loss

Centralized winding used to reduce coil resistance by half

Reducing the size of a motor typically reduces its output and power efficiency. Coil innovations provide a way to make a motor compact while maintaining its efficiency.

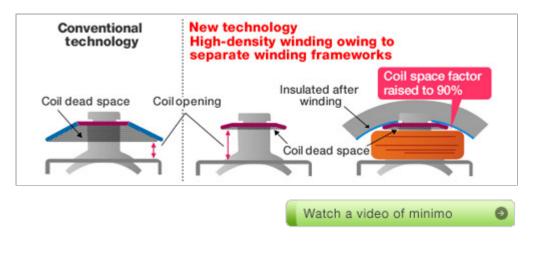
Primary loss, the major power loss by a motor, refers to power lost due to heat from electrical resistance when current flows through the coil connected to the power source. This loss accounts for



around 40% of losses in compact capacitor start motors. To reduce this primary loss, minimo uses concentrated winding in which the copper wire is directly coiled on the stator (the part of the fan motor that does not revolve), which differs from regular distributed winding. As a result, primary power loss from coil resistance is reduced by about half.

Coil space factor increased to reduce coil resistance 20%

A problem with centralized winding, which involves few slots, is that the amount of dead space increases. Dead space is where the copper wire cannot be wound because it is blocked by the framework that insulates the coil. To solve this problem, the framework was separated and the wire was wound around a portion that could not be used previously. Other insulating parts were inserted on the portion that juts out after the coil was wound. The coil space factor (ratio of the space occupied by the copper wire to the area of the slots) was increased 12% over conventional models, which enabled primary loss to be successfully reduced another 20%.

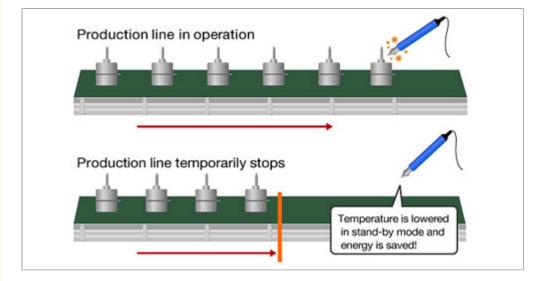




A high-speed, low-shock conveyor. To ensure the high precision required by minimo, the Manufacturing Engineering Center and Facility Development Division worked to develop a conveyor that is smooth, fast and does not jolt parts. Development of this equipment was not outsourced; instead, the production line was built concurrently with the design of minimo.



With conventional models, parts are supplied to the line by a robot that lays them out on a pallet. Switching to a direct-parts supply system made possible by a parts feeder manufactured inhouse eliminated the manual laying out process upstream on the line.



The soldering trowel features a new mechanism that lowers the temperature in stand-by mode when the line stops temporarily. Thorough efforts were made to totally rationalize energy efficiency.

Engineers' Perspectives

Concurrent engineering that integrates development and manufacturing is one ideal pursued by Mitsubishi Electric. This section presents the comments of the engineers who put concurrent engineering into practice to develop minimo, the ultimate fan motor.

Building the best-ever production line for fan motors

Over the past 20 years, the Nakatsugawa Works has developed many exceptional fan motors, thanks to across-the-board automation. We have always engaged in concurrent engineering, which involves all divisions—sales, fan motor design, production technology and facility development—working to tackle challenges. When I was assigned to lead this project, I wanted to pass on the Nakatsugawa DNA to a younger generation. Moreover, I wanted to keep Japanese manufacturing alive. The goals of this project were to develop the "ultimate fan motor" while at the same time creating the best-ever production line for fan motors. I was confident that if we maximized the power of our concurrent engineering we would build the best production line, not only in terms of quality but also delivery times, cost and environmental factors.



Haruo Kinoshita Project Leader Nakatsugawa Works, lida Factory

Passing on concurrent engineering to the next generation

We established the Creation Lab with a great view of the production floor as a place where team members could exchange ideas. This lab was created to put concurrent engineering into practice. The team members met for discussions almost daily, which resulted in innovations in motor design and manufacturing. Using this lab, we created minimo, but the biggest achievement for me was passing down the Nakatsugawa DNA to the younger generation. The Creation Lab concept is now not only at the production site, but at the Manufacturing Engineering Center. The lab will continue to be used for projects such as the development of elemental technologies.

I expect our younger employees to practice concurrent engineering and advance product development and manufacturing in a way that contributes to society and the environment.

Objectives achieved without compromises

On this project, I was most pleased that we made exactly what we intended to make—minimo. Normally in the development process, compromises are dictated by circumstances faced by each division, but on this project, all team members—fan motor design, manufacturing technology and facility development—did not compromise.

By not compromising, we achieved the project's objectives. Also, as team members with different specialties discussed issues in the Creation Lab they shared a common awareness of the goal. They developed minimo by working together at the lida Factory. Design leaders tend to focus solely on product performance, but through this experience I learned that developing products that benefit society is done best with our approach.



Manabu Deguchi Design Leader Nakatsugawa Works

In future projects, I plan to engage in development from a wide range of viewpoints, including those from the production floor and market identified by the sales team, and develop products with less environmental impact.

Think of products from design and manufacturing perspectives



Hideya Yamaguchi Manufacturing Technology Leader Nakatsugawa Works lida Factory

I had been in the Motor Design Division for many years, but when this project started I was transferred to the Production Technology Department and put in charge of developing manufacturing-related technologies. I learned many things when I considered the product from the vantage point of manufacturing technology and asked the question: What does a motor need? I also deepened my awareness of the connection between products and the environment, something I did not give extensive thought to before.

I also came away with an appreciation for the effectiveness of people with different specialties forming a team and working to solve problems while exchanging ideas and opinions. As a result of constant discussions with other team members and pursing the best product and manufacturing process, I now realize that Nakatsugawa's automated lines are the realization of concurrent engineering. This experience is not easily gained, even when desired. I am grateful for this valuable experience and hope to spread what I have learned throughout the Company and help raise the global competitiveness of Nakatsugawa Works.

I would like to spread the DNA of motor development throughout the Company



Nobuaki Miyake Production Technology Development Assistance Manufacturing Engineering Center

When Project Leader Haruo Kinoshita came to the Manufacturing Engineering Center in Amagasaki, he expressed his conviction that we must build an exceptional production line on par with overseas production to keep Japanese manufacturing alive. I empathized with his conviction and remember feeling that we must succeed.

The Nakatsugawa Works and the Manufacturing Engineering Center have made motors for 20 years. Our predecessors focused on ease of winding and proposed a structure with a split core, which made it possible to raise motor performance and automate its production. This led to the birth of Mitsubishi Electric's Poki-Poki motor. This DNA was passed on to the younger team members on this project, and after discussions that included engineers from other production sites, a one-of-a-kind motor and production line were created.

This basic integration of design and manufacturing is essential not only to producing exceptional products but also to protecting to the environment. The Manufacturing Engineering Center intends to stay true to this DNA and work with all motor team members to make Mitsubishi Electric the world's No.1 motor manufacturer.

Working with the Community for the Environment

Environmental JIT activities by all employees

The Nakatsugawa Works' lida Factory, which began operations in 1974 as a ventilator factory, established a production floor for home photovoltaic systems in 1998. Together with the Nakatsugawa Works, the plant has made many products that benefit the environment. The lida Factory reduces its environmental impact through such initiatives as Environmental JIT (just in time), which involves saving energy resources (electric power, gas and fuel oil), protecting river ecosystems by purifying wastewater and recycling coolant water, and promoting zero emissions by reducing waste volume and recycling.

The lida Factory converts all the resources it uses, not just electricity and gas, but also iron, copper, aluminum and plastics, to carbon dioxide emissions so that each and every employee maintains a strong awareness of the environment during the course of their day-to-day work. For example, saving one ton of iron is equivalent to reducing carbon dioxide by 1.5 tons. Efforts are made to raise awareness of the fact that all improvement activities not only reduce costs but also are directly linked to environmental benefits. This serves to encourage all employees to participate in improvement activities (efforts to eliminate waste of all kinds).

Example of Environmental JIT Delivery truck trips from parts supplier reduced by improving packing and raising loading efficiency



Working with government and citizens as a community environmental leader

lida, located in Japan's Central Alps, is involved in initiatives based on its own Environmental Plan in an effort to bring sustainability to the region. A leading initiative is using more photovoltaic power systems. Since fiscal 1997, lida has carried out measures to encourage greater use of these systems, offering financial intermediation and interest payment subsidies to citizens who install them. Iida has been selected as an "Environmental Cultural City" for its efforts to become a low-carbon city that produces energy from the sun and forest. The city's efforts are expected to significantly expand Mitsubishi Electric's photovoltaic power system business. Mitsubishi Electric participates in the Research Group for Regional Environmental ISO launched in lida in 2000. This group has developed into an organization that is critical to the region's environmental and cultural progress. Its members are 29 local businesses, including the lida Factory. As the deputy representative of the research group, factory employees give lectures at environmental forums held by local administrative bodies and participates in local environmental activities conducted by the private and public sectors and private citizens.

Apple trees symbolic of a factory open to the community

The lida Factory has 78 apple trees near its entrance that symbolize its environmental activities with the community. The trees were planted 35 years ago when the factory was established and express its basic stance of being open to the community, as the trees contribute to the environment by providing green space and replace other types of fences.

Many employees have painstakingly cared for the trees. In the fall, they produce 35,000 apples, a local specialty of lida. Every red apple is stenciled with the Mitsubishi logo, and these apples are one of the factory's celebrated products. They are given as souvenirs to people who tour the factory and are donated to local senior citizen centers and care facilities. In December, children from local care facilities are invited for an apple-picking event. The children express their appreciation in letters, often commenting on the great-tasting apples.



The lida Factory has a row of apple trees instead of a traditional fence. The apples have the Mitsubishi Electric logo. There was a special version in 2008 to commemorate 40 years of producing duct ventilators.



A poster received from children who participated in the applepicking event. The factory receives letters from children expressing their thoughts about the day.



Perspective



Yoshiyasu Shirokane Plant Manager Nakatsukawa Works, lida Factory

Valuing all resources and letting nothing go to waste

These days, business must be discussed along with the environment. However, if environmental contributions are separated as a special activity, then progress becomes difficult. What is important is not letting anything go to waste. When every person is dedicated to avoiding waste—whether of energy resources like electricity and gas, materials like iron and copper, or things used at the office like paper—this will lead to everyday environmental activities. Based on this idea, the Nakatsugawa Works promotes its environmental activities as a "war against waste" with full employee participation. Reducing costs and expenses are essential, but it is also important that we use natural resources wisely.

Companies must also conduct activities with their communities. Environmental activities do not make much of an impact when conducted by a single company. I give lectures on the regional activities being promoted by lida, and in my talks with people with a variety of local perspectives I have learned many things. I hope to deepen ties to the community and promote environmental contributions at the regional level based on a spirit of letting nothing go to waste.



Automotive Equipment Initiatives in the United States

As a leading global automotive equipment manufacturer, Mitsubishi Electric has an obligation to reduce the environmental impact of automobiles.

This special feature focuses on two new Mitsubishi Electric initiatives in the United States, which is one of the most automobile-oriented countries in the world.



Our Rebuild Operations in California.

Click for details

Providing Cutting-Edge Alternators



The forefront of alternator development and production is in the United States.

Click for details

Initiatives to Reduce Waste

Nearing the achievement of zero emissions, our U.S. facility turns waste into a saleable materials.

Click for details

Rebuild Operations: Recycling in Action

Contributing to the Creation of a Recycling-based Society

Mitsubishi Electric Automotive America -Orange County (MEAA-OC) in California rebuilds starters and alternators.

The starter, the first part of the engine to turn over, is the small motor that starts the engine.

The alternator is the power generator. The battery cannot supply a sufficient amount of power to all of the electrical components in an automobile, so the alternator is indispensable.

The alternator and the starter may fail if they are exposed to excessive severe environmental conditions or if they are subjected to excessive severe operating conditions. However, when it does, often only one part within the alternator has a problem, such as corroded electrodes or sliding parts worn from exposure to water. The alternator can be made to work like new simply by replacing just the parts that are broken or worn—this is the idea behind rebuilt components.



MEAA -OC in California



Mitsubishi Electric manufactures and sells automotive equipment at four U.S. locations. The first location was established in 1979 in California, where rebuild operations have been conducted for 30 years. The number of rebuilt products has increased and are now available for a wide range of vehicles, from standard and compact to large and heavy-duty. To improve our products, information from recovered core* products is regularly provided to the development center in Japan.

The rebuild business reduces resource input and helps create a recycling-based society.

Mitsubishi Electric's alternators and starters recovered from automakers are used to create genuine rebuilt parts. Trusted by automakers, we will continue to expand our rebuild operations.

Core: Used alternators and starters that have broken down and need to be replaced.
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	Wt. Per Unit (kg)			Monthly	Annual Resource Saved (tons)		
	Aluminum	Steel	Copper	Core Build Qty.	Aluminum	Steel	Copper
Starter	0.50	2.25	0.57	1,822	10.93	49.17	12.39
Alternator	0.94	2.96	0.90	1,484	16.68	52.77	16.11
Annual Grand Totals (tons) =					27.6	101.9	28.5

Alternators recovered from automakers are rebuilt as follows:



Enthusiastic MEAA Orange County Employees



Tadashi Katashima General Manager MEAA-OC

Five years ago, I was assigned to the MEAA-OC (OC) factory. At present, the factory's rebuild operations are growing steadily. Productivity has greatly improved, with stable supply capacity and quality. Our highly motivated local employees, who show great pride in their work, are supporting these activities.

For example, at our regular morning meetings, factory managers offer ground-breaking ideas to improve productivity and quality. This proactive attitude is evident in recycling, energy-saving and other activities designed to reduce our environmental impact.

At one time, California suffered from much air pollution, and beginning with the landmark Clean Air Act of 1970 (also known as the Muskie Act), various exhaust countermeasures have been implemented. Now, following the environmental countermeasures of the Obama Administration, California leads the nation in environment-related regulatory and aid policies, enabling OC and its employees to more fully develop

their environmental awareness and engage in related activities.

I consider it my mission to make the most of my employees' motivation and awareness. By listening to everyone's opinions and ideas, and with the employees' help in expanding our rebuild operations, I will raise the level of satisfaction among our workers. I would like to continue our win-win relationship.



The upbeat California staff at MEAA show their power

Providing Cutting-Edge Alternators through Japan-U.S. Cooperation

Automotive Equipment R&D: Preventing Global Warming through Improved Environmental Performance

With advances in motors, the emphasis on high-efficiency alternators is growing. The Himeji Works is at the center of development activities to ensure optimal designs with the power supply necessary for each vehicle.

The Himeji Works began developing alternators in the 1960s in pursuit of high efficiency and high power output.

In addition to the sixth-generation and eighth-generation alternators currently in use, ninth-generation models were developed in 2006 (see below).

Ninth-generation models employ improved coil density through use of the pokipoki* motor with optimized generator size, output and efficiency. This high output, combined with quiet operation, is an example of a product that accurately meets the needs of the times.

Alternator Out	put Transition			
Fourth generation	Fifth generation $\rightarrow 16 \text{A/kg}$	Sixth generation $\rightarrow 17-21_{A/kg}$	Eighth generation $\rightarrow 24$ A/kg	Ninth generation \rightarrow 27 _{A/kg} \rightarrow

*Pokipoki motor: motor densification achieved by wrapping coils around the extended core

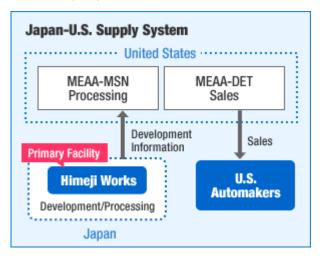
Expanding Eco Products through Japan-U.S. Cooperation

Alternators and starters for the U.S. market are developed at the Himeji Works and manufactured at Mitsubishi Electric Automotive America—Mason (MEAA -MSN) in Ohio.

Despite being slow to respond to environmental needs, U.S. automakers are now shifting to the development of smaller, fuel-efficient, hybrid and electric vehicles under the Obama Administration's "Green New Deal." Mitsubishi Electric's automotive equipment business has expanded distribution of its high-efficiency, highoutput alternators, which reduce fuel consumption. The Company has also increased the distribution of its small, lightweight starters. We are working with automakers to develop a full range of services, from development, production and supply, to spare parts and rebuilds. MEAA (-DET1, -MSN, -MVL2) is expanding America-wide sales of automotive equipment that contributes to lower environmental burden, while MEAA-OC carries out rebuild operations that reduce resource use.



MEAA-MSN(Ohio)



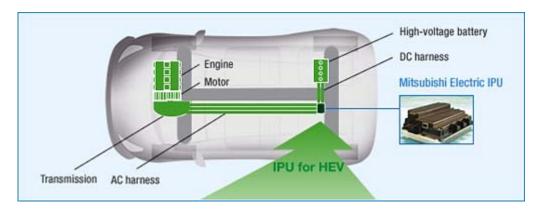
Mitsubishi Electric will continue to supply both OEM products and recycled parts to help reduce the environmental impact of the operation of automobiles in the USA.

- 1 MEAA-DET: Mitsubishi Electric Automotive America—Detroit, in Detroit, Michigan
- 2 MEAA-MVL: Mitsubishi Electric Automotive America— Maysville, in Maysville, Kentucky

Mitsubishi Electric's Contribution to the Use of Hybrid Vehicles

Hybrid electric vehicles (HEV) are becoming a realistic environmental option. These vehicles use Mitsubishi Electric's inverters, which convert battery power from DC to AC. These inverters also regulate optimal engine RPMs to contribute to energy savings. The HEV, which has an electric motor to reduce gasoline usage, also has a large-capacity gasoline-powered motor and battery. The necessity for an adjustable range and the demand for smaller, more efficient components are increasing rapidly.

Automakers use Mitsubishi Electric's Intelligent Power Unit* (IPU), a DC/AC inverter unit between the battery and the motor that switches battery power from DC to AC. Recently, this unit has been employed in the Insight, made by Honda Motor Co., Ltd. Mitsubishi Electric plans on developing this product for automakers around the world, continuing to use its vehicle components and semiconductor technologies to meet the needs of automakers and contribute to vehicle-related environmental considerations.



* Mitsubishi Electric's IPUs are referred to by Honda Motor Co., Ltd., as Intelligent Inverter Units (IIUs).

EGR Valve: Contributing to cleaner exhaust and reduced CO2 emissions

Most vehicles run on either diesel or gasoline engines. In diesel vehicles, the emission of nitrous oxides (NOx), a cause of acid rain, is particularly problematic. NOx is rapidly produced when the engine combustion temperature exceeds roughly 1,700 degrees Celsius approximately 3,100 degrees Fahrenheit), so lower temperatures must be maintained. The EGR valve reduces an engine's combustion temperature and helps reduce the formation of NOx by governing the amount of exhaust that is returned to the combustion chamber.

In gasoline-powered vehicles, the EGR valve helps prevent the energy loss (pumping loss) that occurs as the pistons move up and down, improving fuel efficiency.

Mitsubishi Electric provides a DC motor-based EGR valve with superior output and responsiveness for diesel vehicles, and a compact and inexpensive stepper motor-based EGR valve for gasoline-powered vehicles, helping address the major issues of air pollution and global warming.





Stepper motorbased model

From the Forefront of Alternator Development and Manufacturing



Yutaka Ohashi Group Vice President, General Manager Himeji Works

When considering how we can contribute to society, we think about the development and supply of products that can efficiently draw output energy from the engine, and can use that energy efficiently. This approach satisfies automakers, and by extension the end purchaser.

In recent years, hybrid electric vehicles(HEV) are gaining a lot of attention, providing an opportunity to showcase Mitsubishi Electric's strength in power electronics technology. Our ability to optimize our semiconductor device, circuit, structural design and other capabilities to suit automobiles will become increasingly important. We will continue to develop our technical capabilities and contribute to the creation of a 21st century automotive society that benefits consumers as well as the environment.



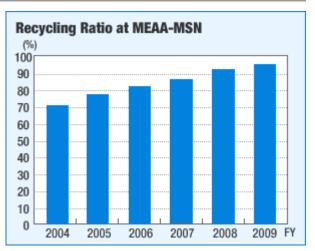
The Himeji Works has been developing alternators since the 1960s. Our consistent efforts to meet customer needs on all counts have enhanced our technological prowess and become the source of our dependable and highly competitive electrical components. As we pursue higher efficiencies going forward, we will aim to apply our expertise in fundamental technology development and manufacturing technology to achieve new breakthroughs.

Shingo Tanimoto Senior Manager Rotating Electric Products Dept. A Himeji Works

Initiatives to Reduce Waste

Just One Step Away from Zero Emissions

MEAA-MSN* manufactures alternators and starters. Many of the parts it receives from Japan, as well as those procured locally, are all cushioned and packaged in cardboard boxes. The company also uses coils and other metal parts in its manufacturing processes. For the past 10 years, MEAA-MSN has been working to reduce the amount of cardboard, expanded polystyrene, metal shavings and other materials that ended up as landfill waste.



In the past, such waste was simply considered trash that companies paid to

dispose of, but in addition to costing money, this method did not facilitate the reduction of landfill waste. MEAA-MSN began focusing on converting waste into something that could be sold—resources and products rather than trash. The company created a system whereby recyclers picked up these materials, and they introduced a number of ingenious processes along the way. Through these methods, the company promoted the complete recycling of everything from used work gloves to documents and memoranda. As a result of these efforts, in 2010 MEAA-MSN expects to achieve "zero emissions, zero waste" status.

* MEAA-MSN: Mitsubishi Electric Automotive America — Mason, in Mason, Ohio

Case study of Initiatives at MEAA-MSN



Recycling box



EPS densification



Metal scrap separation



Cardboard baler

Fostering Environmental Awareness: "Ecology = Economy"



Scott Stephenson Corporate Manager of Environmental, Safety and Quality Systems, MEAA-MSN

Including environmental ISO activities, for more than 10 years I have been working to reduce MEAA-MSN's environmental impact. During this period, the biggest issue that MEAA-MSN faced was reducing final landfill waste. We introduced a number of creative recycling initiatives, but found that the most important factor in putting them into practice was raising the environmental awareness of local staff. Our Environment, Health & Safety and Hygiene Department holds staff environmental training sessions once a year, themed on generating revenue by reducing the environmental impact of our everyday operations. In other words, in our training we adopted the bottom-line approach that "ecology equals economy" as we worked to instill the importance of recycling. Staff awareness changed as a result. Now the question "Can't this be recycled, too?" has become much more frequent.

I believe that this question describes in simple words the concept behind the priority themes of Environmental Vision 2021. At present, MEAA-MSN and MEAA-MVL* hold quarterly management reviews and other activities that are designed to reduce our environmental impact companywide. Going

forward, we will work to encourage associates to share the concepts of the environmental vision as we take the next step along the path to our goal of zero emissions.

* MEAA-MVL: Mitsubishi Electric Automotive America — Maysville, in Maysville, Kentucky



Environmental Calendar This calendar features environmentally themed pictures drawn by the children of MEAA-MSN employees.



Plastic Tubes into a Calculator

An employee came up with this idea of turning scrap into a calculator, which is used at local elementary schools. This is considered reuse activity



Scrap Wood into Bird Houses

Birdhouses made of scrap wood from incoming packaging. The first houses are being built for purple martins. The next step will be bat houses. This is also considered reuse activity.



The Environmental Vision 2021 program is a demonstration of the Mitsubishi Electric Group's commitment to achieving zero emissions status and promoting the 3Rs (reduce, reuse, recycle) in order to help bring about a recycling-based society. Completely eliminating waste that goes directly to landfills requires that waste be efficiently reused and recycled. Based on proposals made by local area environmental managers, Mitsubishi Electric has initiated a recycling system involving the coordinated efforts of multiple local production areas in June 2007. This type of system is actually quite rare in this industry, so it has garnered the wider attention of the industry as a leading example of progressive cross-regional waste recycling.

Birth of a Recycling System

A group of environmental managers that met while attending a training course have successfully developed a completely unprecedented recycling system. Learn about the system and how it was developed.

More



Learn about the coordinated efforts of local production areas involved in recycling cushioning materials, polystyrene foam and waste cooking oil and provides details on our recycling logistics.

More



Key environmental personnel discuss their thoughts on recycling and their future ambitions.

More

Birth of a Recycling System

Collaboration Begins with Environmental Training

In 2004 Mitsubishi Electric was faced with the retirement of a considerable number of experts who had long been involved in environmental management. So we initiated a training program for key environmental personnel with the aim of training a group of employees to play a leading role in our environmental management activities. This training program proved to be the genesis of recycling activities that cut across our local production areas.

Until the training program, key environmental personnel at our various manufacturing works had little opportunity to get to know one another. Through their conversations while attending the training course they learned that they shared many of the same challenges. This led a group of key personnel who worked close to one another in the Kansai region of Japan to form the Environmental Managers Committee with the aim of facilitating communication on environmental matters. The first committee meeting was held in April 2005. The participants discussed their various activities and shared their own expertise with one another. Talk centered on the problem of waste disposal. What began with how to make the management of waste disposal contractors more efficient ended up shifting to the fundamental problem of how to reduce waste.

The Kansai Waste Recycling Working Group

At the time, the company's manufacturing works already had established processing methods for dealing with various types of waste and it was thought that there was little room for improvement. The committee, however, soon discovered that waste categories and amounts differed at each site and that things classified as waste at one site were being bought as supplies at another. As these discoveries were made they came to appreciate the importance of working together. So in April 2005 the Kansai Waste Recycling Working Group was established under the committee. The working group was Mitsubishi Electric's first project team dedicated to recycling that encompassed multiple production sites.

From Reuse of Cushioning Materials to Recycling of Waste Products

The working group felt that reusing cushioning materials would be feasible right away. A considerable volume of cushioning materials used to package parts is generated as waste every month at the company's Kobe area sites, where large products like plant equipment for social and public institutions are manufactured. Itami Works, which makes electric components for automobiles, requires a large volume of cushioning materials to ship its products. In June 2006 we began supplying cushioning



materials from Kobe to Itami, and the company took its first step toward coordinated recycling.

The project to reuse cushioning materials was eventually expanded into a recycling program for waste plastic sheeting and polystyrene foam that involves coordination among the Kita-Itami, Himeji and Ako Works. This has been further developed into a system by which waste from the various production sites is consolidated at one site, compacted and provided to an outside contractor that turns it into recycled plastic products. In addition, using waste cooking oil from employee cafeterias to manufacture bio-diesel and then using it to fuel forklifts was another idea that we successfully made a reality.

A Recycling Logistics System that Eliminates Waste

A key question we sought to answer was, where should we bring waste and where should it be processed in order to improve efficiency? After an overall picture of waste reduction and recycling emerged, we next considered how to reduce carbon dioxide emissions in transportation. After considering various proposals, the Kobe, Itami and Kita-Itami Works inked a chartered delivery contract with one of the Kobe Works waste haulers and designed a transport route that would keep trucks fully loaded when moving between Kobe, Itami and Kita-Itami. For trips to the Ako and Himeji Works, which don't require anything from Kobe to be delivered to them, we made a request to the transport company that makes deliveries to customers in Himeji and Ako to stop by Ako and Himeji Works and load the truck with waste plastic sheeting and waste polystyrene foam for the return trip to Kobe.

Through this process, in June 2007, we completed a recycling system that promotes effective resource utilization via an environmentally conscious logistics system involving the coordinated efforts of our five manufacturing works in the Kansai region. The system was very well received outside the company as well, so much so that it was honored with the Chairman's Prize by the 2008 3R Promotion Persons of Merit Awards. We are also proactively providing information on the initiative in order to widely publicize it. These efforts have included exhibiting at the 2008 Environmental Fair in Ako and presenting recycling examples in the Kansai region to visitors as a part of the "City Factory Quiz Bus Tour" put on by the city of Kobe.

Our recycling logistics system has garnered attention for pioneering new possibilities in recycling. In November 2008, we launched a working group for the Kyushu region to move towards further expanding the scope of the system.





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Towards Zero Emissions

Recycling Examples



Recycling Cushioning Materials

Cushioning materials that are no longer needed at Kobe and Kita-Itami are collected at Itami Works and reused as packaging material for product shipments. A specially chartered delivery truck is used to deliver the materials from Kobe to Itami. On its return trip, the truck is loaded with waste plastic sheets and waste polystyrene foam produced by Itami. When the route passes through Kita-Itami, the truck is loaded with cushioning materials, waste



plastic sheets and waste polystyrene foam at Kita-Itami, the cushioning materials are dropped off at Itami, and the truck returns to Kobe Works after being loaded with Itami's waste plastic sheets and waste polystyrene foam. The system has reduced cushioning material purchases by Itami Works by around half, saving both costs and resources.



Genichiro Sasaki

Environmental Promotion Section, Production System Department, Semiconductor and Device Management Division Semiconductor and Device Group

At Kita-Itami Works, in the past we had only thought of waste in terms of semiconductor waste, but thanks to this experience I have realized the importance of everyone aligning their thinking, and not just thinking in terms of the narrow world of semiconductors. This recycling system has captured the wider attention of the semiconductor industry. We reported on the system in February 2008 at an international conference of the Japan Electronics and Information Technology Industries Association,

and it was quite well received as a novel approach to resource recycling.

Recycling Polystyrene Foam and Polyethylene Sheets

Waste polystyrene foam and waste polyethylene sheets are processed at a recycling center that has been established on the premises of Kobe Works. The waste plastic sheets and waste polystyrene foam produced by five of our manufacturing works, including Kobe Works, is collected together and processed all at once via compaction. The waste plastic sheets and waste polystyrene foam are collected from the Itami and Kita-



Itami area on return trips from delivering cushioning materials. They are collected from the Himeji and Ako Works on return trips from making deliveries to customers. After the waste polystyrene foam and sheets have been compacted, the material is sent to a recycling contractor and turned into recycled plastic products.



Yasuo Kugimoto Environmental Management Group Production Management Department Himeji Works

In actuality it is more economical to thermally process polystyrene foam than it is to recycle it. In the past at Himeji we had it thermally processed by a vendor, but since this recycling method impacts the environment, we thought that it would be better to utilize material recycling even though it costs more. By consolidating recycling at Kobe, we've created an even more efficient, economical system. We plan to continue to expand by drawing on initiatives taking place at our various sites.



Kenichi Yoshioka Ako Production Management Section Production Systems Department Transmission & Distribution Systems Center

At the Ako Works, we formerly had an outside company thermally process polystyrene foam as a part of our ISO 14001 initiatives. However, I felt that integrated recycling at Kobe Works would be more effective in terms of reducing environmental impact.

At the Satoumi Symposium held recently in Ako, there was a presentation on participating in a project to have elementary school students grow eel grass and help make the local marine habitat suitable as a home for porpoises. I think this activity speaks to the fact that we as a company are engaging in these recycling initiatives out of respect for the earth's limited resources.

Recycling Waste Cooking Oil

Equipment for producing bio-diesel was installed at Kobe Works' recycling center in June 2007. Waste cooking oil, which is produced in large volumes everyday by employee cafeterias, is collected and turned into bio-diesel using the equipment. The bio-diesel is then used to fuel forklifts and other vehicles at Kobe Works. Currently, all of the applicable work vehicles at Kobe Works run on bio-diesel, which helps to reduce the plant's environmental impact. We are also considering collecting waste cooking oil from local residents and cafeterias at other sites in order to further the environmental benefit of this program.





Yuji Ouchi Environmental Promotion Group Production Systems Department Energy & Systems Center

Himeji and Kita-Itami Works handle smaller sized products, so they use electric forklifts to haul things around onsite. At Kobe Works, however, the products are larger, so they require vehicles with diesel-powered engines. We have cafeterias almost everywhere and they all produce waste cooking oil, so by adjusting output of waste cooking oil based on whether or not diesel is needed, we have improved the situation both in terms of waste and fuel.

Future Development

Building a Recycling System Helps Foster Environmental Awareness Looking Forward to the Challenge of New Initiatives



Yuji Ouchi Environmental Promotion Group Production Systems Department Energy & Systems Center

With everyone thinking as a team about waste we were able to view the company as a whole from various perspectives. We realized that logistics is extremely important in building a recycling system, and we learned that judgments have to be made on whether it is better to haul something far away to recycle it or dispose of it at a nearby location instead.

I secretly hoped that this new initiative would raise the environmental awareness of equipment designers and manufacturing managers by providing feedback for their primary jobs. I felt that knowing how much waste we produce and directly experiencing the importance of recycling would inspire more designs and manufacturing processes that do not produce waste. As soon as the project got underway, environmental awareness increased dramatically at Kobe area sites. Mitsubishi Electric acquired its first Type III Eco Mark (part of Eco Leaf labeling, a program for evaluating a product's environmental performance). Other manufacturing divisions are currently developing similar systems. Moreover, in the Kyushu region, work has begun on building a recycling

governance system that encompasses our affiliates. I'm always happy to hear this kind of news. I look forward to taking on the challenge of new initiatives and continuing to help foster an environmental mindset within the company.

Scaling Up Activities and Developing the Entire Company's Potential

I think it is important that we think about the cost of waste when manufacturing products. We need to calculate the cost of waste that is generated and think about what can be improved to eliminate things that aren't necessary. If we do this, waste volume will go down while productivity goes up. Whether waste is sold or recycled, ultimately, it consists of things that aren't needed. Thinking about how to stop generating things that aren't needed is itself environmental management.

The working group's next goal is to scale up. We want to increase the types of waste handled by the system and increase the range of people involved. We also want to expand geographically to other regions. The system we built centers on the Kobe Works, but one can also imagine a system centering on the Ako Works that coordinates with Himeji Works and Fukuyama Works or one centering on the Kita-Itami Works that coordinates with Itami Works and Kyoto Works. Our goal is to have all domestic manufacturing works coordinate with one another so that each site is participating in various systems. We hope to develop the potential of the entire company, including the head office.



Tetsuji Nishino Manager, Environment & Infrastructure Maintenance Section Production Systems Department Itami Works