We will Contribute to Enhancing Quality of Life in our Society and Achieving Sustainable Growth

Enhancing quality of life in our society through corporate activities

Since our inception, we, the Mitsubishi Electric Group, have been contributing to society primarily by offering products and services. Today’s society is different; the pace of change continues to accelerate and social issues such as labor, human rights, and environmental issues including climate change and marine plastics, are coming to the fore. We must draw strength from parties inside and outside our group to help resolve these issues through the various products, technologies, and services we produce. This gives us a reason to exist and defines our role in achieving the Corporate Mission, “Enhance the quality of life in our society.”

People’s focus on values has shifted to sustainability and the environment, leading to formulation of the globally standardized goals called the Sustainable Development Goals (SDGs)*. From this we feel heightened expectations for companies to help resolve social issues, and to maintain the trust of various stakeholders, the Mitsubishi Electric Group too must satisfy the expectations of society.

This determination led us to sign the UN Global Compact in May 2018 to promote CSR activities that align with the international standard. Also, as our long-term approach to environmental issues, we have developed Environmental Sustainability Vision 2050 and announced our commitment “Protect the air, land, and water with our hearts and technologies to sustain a better future for all.” The Group will also follow recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).

We will do so because we support the underlying concept behind the SDGs: “leave no-one behind.” To realize a society that is simultaneously “sustainable” and “safe, secure, and comfortable,” we are committed to delivering satisfaction to all parties related to us, including society, customers, shareholders, and employees, while at the same time nurturing sound growth.

* The Sustainable Development Goals (SDGs) comprise a set of targets adopted by the U.N. General Assembly in 2015 as part of an action plan to be accomplished by 2030 that would end poverty, protect the planet and ensure prosperity for all.

Initiatives to address the SDGs

The Mitsubishi Electric Group will contribute to meeting the 17 SDGs through all corporate activities. In particular, we will focus on Goal 7: Affordable and clean energy; Goal 11: Sustainable cities and communities; and Goal 13: Climate action. These are the goals that most closely align with the strengths of an integrated electronics and electrical manufacturer, and we will address them by generating value through technological and business synergies. Note that these three goals relate to the first two of our CSR materialities: “realize a sustainable society” and “provide safety, security, and comfort.”

In the area of energy, it is necessary to make the most of electricity from solar or wind power generation and use it as a basic local electric power source. In this light, we will supply devices to stabilize power grid capabilities and allow flexible energy use. We will also enhance AI-enabled data analysis techniques to improve generation efficiency. Meanwhile, reduction of CO2 emissions will be promoted so that when people use our products, they are contributing to our anti-climate change strategies.

In terms of city development, our contributions center on the Group’s social infrastructure business. For example, our Doppler Lidar that measures wind velocity and direction around an airport is sold globally, helping aircraft to take off and land safely. As for disaster preparation, we are working toward practical products that help to prevent or reduce coastal disasters. Examples include an
image-based water level measurement system that monitors river levels using cameras to detect floods caused by rainfall, and Tsunami radar monitoring support technologies. Although it is impossible to completely prevent disasters from happening, we believe we can use products and technologies to predict them and minimize damage.

Consistently promoting CSR materiality

The third CSR materiality of “Respect human rights and promote active participation of diverse human resources” is also crucial. In 2017, we formulated the Mitsubishi Electric Group Human Rights Policy and have been enforcing it strictly. Going forward, not only within the Group but also the entire supply chain, it is necessary to check for any human rights violations in our manufacturing process.

We will continue to actively hire women and non-Japanese natives, embracing “active participation of diverse human resources” in the real sense instead of simply compensating for human resource shortages. As we expand our business globally, it is particularly important to give local hires an opportunity to play active and leading roles. Therefore, we have training programs and upgrade paths in place so that our human resources, regardless of where they are hired, will learn the corporate culture of the Mitsubishi Electric Group and play an active role.

Also enjoying emphasis is “Work Style Reforms.” In the past, there were occupational injuries caused by working excessive overtime, and we are deeply sorry that these were allowed to occur. That should never happen again. Although we have made progress in reducing working hours, we still have not seemed to improve work efficiency or quality in the real sense. In fiscal 2020, we will further promote a flexible work style by taking advantage of IT tools and the work-from-home system, and accelerate the rollout of best practice. By doing so, we will change the quality of work itself and drive “real” work style reform that encourages everyone to work with spirit.

The fourth CSR materiality of “Strengthen corporate governance and compliance on a continuous basis” is the essence of a company. In the area of corporate governance, venues have been established for supplying information to and exchanging views with Outside Directors, and the Board’s performance has been constantly reviewed to further improve the Board of Directors’ capacity to supervise management. We discuss with Outside Directors on specific themes that the Mitsubishi Electric Group must focus on, including company-wide issues such as growth strategies and individual business strategies. Outside Directors provide valuable opinions through their diverse knowledge and experience.

In 2018, we discovered that one of our Group companies shipped products that did not meet the specifications required by the agreement signed with its customer. We are taking this matter seriously, recognizing that our strenuous efforts toward instilling ethics and compliance had not penetrated deeply enough. We will continue our endeavors to embed these measures throughout the entire organization, including through top-down messages. There also appears to have been a check function problem resulting in the failure to detect the incident. This requires work to prevent the same problem from recurring.

Aiming for sustainable growth together with our employees

The fundamental management policy of the Mitsubishi Electric Group is Balanced Corporate Management. Trying to find this “balance” in finance alone is, however, insufficient. Assuming our financial figures are the “height and weight” and our corporate social responsibility is the “personality” of our company, we must accept that society judges us on both of these aspects. While profit generation, tax payment, and employment creation are essential parts of a company’s operations, it must understand that building corporate value requires both social contribution and corporate financial growth simultaneously. Companies therefore must achieve sustainable growth by addressing social issues as well.

Our efforts to “Enhance the quality of life in our society” as a whole, as laid out in the Corporate Mission, are supported by individual employees. If a company is to address social issues, it is imperative that these employees first understand the social issues. Once they can seriously explore ways to resolve these issues, they are in a far better position to innovate and drive new business. Meanwhile, in addition to tackling social issues at work, I would encourage them to help local communities resolve issues through volunteer activities.

Mitsubishi Electric will celebrate its 100th anniversary in fiscal 2021. I view this fiscal 2020 as a prime year to plan the direction of our company and what kind of company I want it to be for the next year and onward. I will share my ideas with employees as soon as I finalize them. To support our employees in improving themselves and working enthusiastically with a vision, I will foster a corporate culture that respects people, bring together all group capabilities, and walk with employees toward sustainable growth through solving social issues.

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