

President's Message

Pursue Sustainable Growth by Contributing to Resolving Increasingly Diverse Social challenges



Meeting the expectations of a global society

I would like to express my deepest sympathy and condolences for all the people who have lost their lives to COVID-19, as well as for everyone who has suffered through the pandemic and their families and acquaintances. In addition, I would like to express my sincere gratitude and respect to everyone working on the front lines of the medical field and other fields to prevent the spread of disease and treat patients.

The Mitsubishi Electric Group gives the highest priority to the safety and health of customers, business partners, and other related parties, as well as employees and their families. Having taken adequate measures to prevent the spread the infection, such as thorough enforcement of remote work, and securing social distance in production, construction and service related departments, we will continue business that are necessary for fulfilling our responsibilities to society as a corporation in order to maintain people's lives, provide a stable supply of products, provide services, and support our customers.

The Mitsubishi Electric Group will celebrate its 100th anniversary in fiscal 2021. Since our foundation in 1921, we, the Mitsubishi Electric Group, have grown, contributing to society by offering products and services that meet the needs of the time.

Today's society is different; the pace of change continues to accelerate and social issues, such as climate change, depletion of resources, regional disparities, poverty, labor, and human rights, are coming to the forefront. We must aim to become a corporate group that can contribute to resolving such challenges by leveraging our strengths in technology, personnel, and products developed through experience in the history of 100 years.

Today, the development of companies requires both social contribution and corporate growth simultaneously, instead of only seeking their profits. In order to fulfill its responsibilities as a globally operating corporate citizen, the Mitsubishi Electric Group signed the UN Global Compact in 2018 to conduct corporate activities that align with the 10 principles in the 4 key areas of human rights, labor, environment, and anti-corruption.

In addition, since the formulation of the globally standardized goals called the Sustainable Development Goals (SDGs)*, we feel that the relationship between corporate management and social issues is getting closer every year. The Mitsubishi Electric Group will contribute to meeting the 17 SDGs through all its corporate activities by taking advantage of the strengths of an integrated electronics and electrical manufacturer.

Furthermore, we take various matters related to our CSR materiality found in fiscal 2020 seriously and will work in earnest to prevent the same problems from recurring, fulfilling the roles of a company that is responsible for the global society.

* 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.

Manage a Business with Focus on Resolving Social Challenges

In 2019, the Mitsubishi Electric Group announced that it will pursue value creation to resolve social issues based on the corporate strategy.

In formulating the strategy, our directors confirmed in many discussions that the Group should aim to become a corporation that resolves social issues through its business activities.

We have defined the four fields of Life, Industry, Infrastructure and Mobility in diversifying social challenges that the Mitsubishi Electric Group can contribute to. While enhancing the business foundation fostered over the past 100 years, we will also unite all the capabilities inside and outside of the Group to offer a total solution in the four fields through a transformation of business models.

In order to build new business models and accelerate the creation and development of new businesses, which are difficult under the existing framework, we established the Business Innovation Group in April 2020. With a mission to demonstrate the synergy of the Mitsubishi Electric Group's wide range of businesses, "From in the Home to the Outer Space," and to develop by itself businesses in new areas based on that foundation, the Business Innovation Group will contribute to society by creating new value.

Even for an integrated electronics and electrical manufacturer, however, there are not few issues that can be addressed only by the Mitsubishi Electric Group. We will proactively leverage open innovation initiatives with research institutions and startups having profound knowledge to promote business.

Consistently promoting the four CSR materiality

We will continue to focus our efforts to the Mitsubishi Electric Group's four CSR materiality: "Realize a sustainable society," "Provide safety, security, and comfort," "Respect human rights and promote the active participation of diverse human resources," and "Strengthen corporate governance and compliance on a continuous basis."

In response to environmental issues, we have developed "Environmental Sustainability Vision 2050"*¹ for 2050 and will promote a long-term approach. In addition to expressing approval of the recommendations by the TCFD*² (Task Force on Climate-related Financial Disclosures) in 2019 as it emphasizes activities and information disclosure in line with international norms, the Group also has obtained certification from the SBT (Science Based Targets) initiative*³ in January 2020.

However, we have caused various incidents related to CSR materiality in fiscal 2020. One of such incidents is work-related issues that affected employees' lives or mental and physical health. The entire Group will be fully committed to achieving a workplace environment where all employees can maintain their physical and mental health and work actively with a sense of security to prevent the same incident from recurring. We have also caused a great inconvenience and anxiety to our stakeholders as a result of a quality control issue in which products that do not satisfy the agreement with customers were shipped as well as an illegal access issue related to information security. We also take the problem of a delay in reporting to customers and agencies concerned seriously. Our outside directors have given us much advice on these incidents and the entire Group will commit to prevent these problems from recurring.

*¹ Jun 13, 2019 Mitsubishi Electric Unveils its Group's Environmental Sustainability Vision 2050

*² TCFD (Task Force on Climate-related Financial Disclosures): A task force for disclosure of climate-related financial information led by the private sector, established at the request of the G20 finance ministers and governors of central banks

*³ SBT (Science Based Targets) initiative: An international initiative by the UN Global Compact (UNGC), the World Wide Fund For Nature (WWF), the CDP, and the World Resources Institute (WRI)

Continue challenging to create value

Going forward, we must disclose appropriate information in a timely manner to our stakeholders. In addition to the results of our efforts, we will especially proactively communicate the process of making such efforts, including the Mitsubishi Electric Group's view and recognition of issues. As a result, we believe the point of contact with various stakeholders will increase, leading to increased possibilities for creating new value together.

It is also important to clearly present company policies and company-wide activities from the perspective of communication with employees. Since I was appointed as the president, I have visited many sites and held "President's Forum" to talk with employees, in which I directly communicate the company policies and gather opinions from a wide range of frontline staff. At the Mitsubishi Electric Group, our employees have had opportunities to discuss with each other through small-group activities and other opportunities. By taking advantage of such a corporate culture to accept differences with each other and think about what we should be like, we believe our workplaces will be united to show our strengths.

Fiscal 2021 marks Mitsubishi Electric's 100th anniversary. In order to support new values in society and also to realize a society that people desire, I believe the Mitsubishi Electric Group should use its full strength to contribute to resolving social issues. Meanwhile, I send a message to our employees with the hope that they will have a desire to tackle social issues at work based on their horizons broadened by regularly involving community, volunteer, or other activities and to continue their pursuit of searching for a better tomorrow.

Nonetheless, we expect that measures to prevent the spread of the COVID-19 will bring dramatic changes to the values of humanity, including lifestyles, work styles, business styles, and communication methods. We will incorporate new values into our own working styles, while uniting all the capabilities inside and outside of the Group, in order to respond to changing demand and to address social challenges.



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