The Mitsubishi Electric Group has described its commitment to achieve sustainability through all of its activities based on its corporate philosophy system, as part of its Management Policy. We have set priority items in our sustainability initiatives as our materiality, and we engage in initiatives in this regard.

** Initiatives to Create Value**

The Mitsubishi Electric Group offers integrated solutions with a focus on the four fields of life, industry, infrastructure, and mobility to help solve social issues and achieve a decarbonized society. We seek to realize a vibrant and sustainable society through activities that create economic and social value.

**Purpose**

- Realization of a vibrant and sustainable society

**Corporate Strategy**

- Provide Integrated Solutions to address diversifying social challenges, in the four fields of Life, Industry, Infrastructure and Mobility, uniting all the capabilities inside and outside of the Group. For this purpose, we will enhance our business foundation fostered over the past 100 years and further transform business models.

**Materiality**

- Enhance business portfolio strategy (invest management resources in Key Growth Businesses, shift resources)
- Sustainable growth through providing solutions to social challenges (decarbonization solutions, etc.)
- Technology synergies / Business synergies
- Agile response to changes in business environment
- Maintain sound financial standing
- Realize a sustainable global environment
- Strengthen corporate administration
- Thoroughly promote transformation of workplace culture (quality, diversity, security, etc.)
- Strengthen corporate governance and compliance
- Create a stronger business foundation

**Management Policy**

- Purpose
- Corporate Strategy
- Management of Materiality

**Value Creation**

- Economic value
- Social value

**Economic value**

- FY2025 Financial Targets
  - Revenue: ¥5 trillion
  - Operating Profit Margin: 10%

**Social value**

- 2050 Realization of a decarbonized society
  - Greenhouse gas emissions in the entire value chain
  - 2050 Net-zero

**Priority SDGs initiatives**

- Create a sustainability-oriented corporate culture

**Corporate Philosophy System**

- Purpose
- Our Values
- Commitment

**Our Values**

- Trust, Quality, Technology, Ethics and Compliance, Humanity, Environment, Society

**Commitment**

- Changes for the Better

“Changes for the Better” represents the Mitsubishi Electric Group’s attitude to “always strive to achieve something better,” as we continue to change and grow. Each one of us shares a strong will and passion to continuously aim for change, reinforcing our commitment to creating “an even better tomorrow.”

**Purpose : Realization of a vibrant and sustainable society**

**We offer integrated solutions with a focus on the four fields of life, industry, infrastructure, and mobility to help solve social issues and achieve a decarbonized society. We seek to realize a vibrant and sustainable society through activities that create economic and social value.**
The Mitsubishi Electric Group places more focus than ever on sustainability initiatives at the management level to realize the “vibrant and sustainable society” that we have committed to in our corporate philosophy. We have identified five areas as materiality (important challenges) to “Provide solutions to social challenges through our businesses” and as part of our “Strengthen our business foundation to enable sustainable growth.” Through these materiality initiatives, we will create economic and social value and will contribute to solving social challenges starting with contributing to achieving the SDGs. We will actively disclose information on the status of our materiality efforts and promote engagement with stakeholders.

### Materiality

<table>
<thead>
<tr>
<th>Materiality</th>
<th>Reasons why it is important</th>
</tr>
</thead>
<tbody>
<tr>
<td>Realize a sustainable global environment</td>
<td>Environmental issues such as climate change and resource/energy issues are global issues. The Mitsubishi Electric Group will contribute to solving these issues with the aim of realizing a sustainable global environment.</td>
</tr>
<tr>
<td>Realize a safe, secure, and comfortable society</td>
<td>The Mitsubishi Electric Group will supply integrated solutions that combine the strengths of the Group and other parties in the areas of life, industry, infrastructure, and mobility to solve diversifying social challenges and to contribute to the realization of a safe, secure, and comfortable society.</td>
</tr>
<tr>
<td>Respect for all people</td>
<td>Protection of human rights is a global issue. Everyone's rights as individuals must be respected. The Mitsubishi Electric Group will respect human rights in all of our activities and create a workplace environment in which all employees can thrive.</td>
</tr>
<tr>
<td>Strengthen corporate governance and compliance on a sustainable basis</td>
<td>Corporate governance and compliance are fundamental preconditions for a company’s continued existence. The Mitsubishi Electric Group will continue to strengthen these areas.</td>
</tr>
<tr>
<td>Create a sustainability-oriented corporate culture</td>
<td>The Mitsubishi Electric Group will contribute to realizing sustainability through all of our activities. To that end, we will proactively communicate with stakeholders and foster a corporate culture that encourages employees to pursue initiatives from a mid-to-long-term perspective.</td>
</tr>
</tbody>
</table>

### Realize a sustainable global environment

The Group has formulated its Environmental Sustainability Vision 2050 to clarify the Group’s stance on addressing long-term environmental issues. Based on this, we have engaged in activities since fiscal 2022 in line with our medium-term Environmental Plan 2023, and we aim to realize a decarbonized society and a circular economy by promoting innovation in products and services, and by providing integrated solutions.

### Highly relevant SDGs

- Realize a sustainable global environment
- Realize a safe, secure, and comfortable society
- Respect for all people
- Strengthen corporate governance and compliance on a sustainable basis
- Create a sustainability-oriented corporate culture

### Major mid-to-long-term initiatives

- Realization of a decarbonized society through innovation and integrated solution
- Contributions to achieving a circular economy

### Main FY2022 targets

- Decrease the amount of CO₂ emitted when using the product compared to previous models [1% or more]
- Reduce CO₂ emissions during production by 9% or more compared to FY2017 by the end of FY2024
- Percentage of recycled plastics used (amount of molding materials and packaging materials procured), [10% or more by the end of FY2024]

### Greenhouse gas emissions in the entire value chain

<table>
<thead>
<tr>
<th>Year</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>2050</td>
<td>80% reduction</td>
</tr>
</tbody>
</table>

Revision target: 2050 Net-zero
Since our inception, the Mitsubishi Electric Group has been contributing to society primarily by offering products and services. We aim to solve diversifying social challenges through our businesses to realize the "vibrant and sustainable society" outlined in our corporate philosophy. We constantly strive to increase customer satisfaction and contribute to social prosperity in all aspects of our business, from the production of high-quality, easy-to-use products to after-purchase support, response to major issues, and product disposal.

We recognize that we enjoy a wide range of relationships with the people and societies in the countries and regions where we operate, and we respect the human rights of all people. We promote diversity so that diverse people can do their best work, and we promote the Workplace Culture Reform Program as a Group to realize a work environment in which all employees can thrive.

Realize a safe, secure, and comfortable society

Since our inception, the Mitsubishi Electric Group has been contributing to society primarily by offering products and services. We aim to solve diversifying social challenges through our businesses to realize the "vibrant and sustainable society" outlined in our corporate philosophy. We constantly strive to increase customer satisfaction and contribute to social prosperity in all aspects of our business, from the production of high-quality, easy-to-use products to after-purchase support, response to major issues, and product disposal.

Highly relevant SDGs

Major mid-to-long-term initiatives

- Solve social challenges in the areas of life, industry, infrastructure, and mobility through integrated solutions
- Provide products and services by continually pursuing a "quality first" policy

Main FY2022 targets

- Study goals and indicators that contribute to the resolution of social issues through business, including contribution to the SDGs/promotion of initiatives.
- Improve development and design quality by establishing company-wide design guidelines for individual component technologies
- Determine the true causes of major defects, and develop company-wide measures to prevent recurrence [Once a month]

Social challenges

- Zero traffic accidents
- Comfortable transport
- Eliminate traffic congestion
- Reduce air pollution
- Measures for deteriorating infrastructure
- Prepare for natural disasters
- Eliminate poverty/inequalities
- Prepare for man-made threats
- Clean water
- Industry and technological innovation
- Address labor shortage

Activities for value creation

- Provide Integrated Solutions uniting all the capabilities inside and outside of the Group

Initiatives that Contribute to Addressing Social Issues

Respect for all people

We recognize that we enjoy a wide range of relationships with the people and societies in the countries and regions where we operate, and we respect the human rights of all people. We promote diversity so that diverse people can do their best work, and we promote the Workplace Culture Reform Program as a Group to realize a work environment in which all employees can thrive.

Highly relevant SDGs

Major mid-to-long-term initiatives

- Promote human rights initiatives that are based on international norms
- Realize a workplace environment that helps all employees work actively
- Promote diversity
- Promotion of occupational health and mental and physical health

Main FY2022 targets

- Identify human rights issues by conducting human rights impact assessments, and grasp the statuses of initiatives at each office. [Conduct assessments at 100% of relevant departments]
- Employee awareness survey
  - Percentage of employees who are proud and motivated to work for the Company 80% or more
  - Percentage of employees who responded that they had a good work-life balance 80% or more
- Promotion of diversity
  - Increase the percentage of newly hired woman 1.2*1
  - Increase the percentage of woman in management 2*2

Main FY2022 targets

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  - Increase the percentage of woman in management 2*2

*1 Compared to the average from FY2017 to FY2021
*2 Compared to FY2021

Roadmap for measures to improve workplace culture

Transforming to a work environment where all employees can work actively

- Improvement of work engagement
- Promotion of organizational culture and mindset
- Building a workplace structure to prevent work-related issues and address them properly

Implementation of measures to prevent serious work-related issues in the workplace

- Measures to prevent recurrence of work-related issues

Work Style Reform

- Promotion
- Detection
- Action
- Governance
- Organizational climate

Until November 2020

FY 2021

FY 2022

From FY 2023

Maintaining a Favorable Working Environment
To realize sustained growth and increase corporate value, the Mitsubishi Electric Group works to maintain the flexibility of its operations while promoting management transparency. These endeavors are supported by an efficient corporate governance structure that clearly defines and reinforces the supervisory functions of management while ensuring that the company is responsive to the expectations of customers, shareholders, and all of its stakeholders. Additionally, the Mitsubishi Electric Group recognizes that not only ethics and legal compliance, but also compliance in the wider sense of the term that includes the perspective of corporate ethics, are the foundation of the Group’s continued existence.

To contribute to realizing sustainability, the Mitsubishi Electric Group must instill a corporate culture that includes: a commitment to solving social issues from a long-term perspective, having sensitivity and adaptability to changes in society, and proactive disclosure of information to stakeholders. Corporate culture cannot be changed overnight. We will work to build this culture over a long period as a foundation to support sustainable management.

**Strengthen corporate governance and compliance on a sustainable basis**

To realize sustained growth and increase corporate value, the Mitsubishi Electric Group works to maintain the flexibility of its operations while promoting management transparency. These endeavors are supported by an efficient corporate governance structure that clearly defines and reinforces the supervisory functions of management while ensuring that the company is responsive to the expectations of customers, shareholders, and all of its stakeholders. Additionally, the Mitsubishi Electric Group recognizes that not only ethics and legal compliance, but also compliance in the wider sense of the term that includes the perspective of corporate ethics, are the foundation of the Group’s continued existence.

**Create a sustainability-oriented corporate culture**

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**Major mid-to-long-term initiatives**

- Corporate management with a sound oversight function
- Thorough compliance
- Procurement that contributes to sustainability
- Information security activities to protect important information

**Main FY2022 targets**

<table>
<thead>
<tr>
<th>Task</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carry out proper reporting and discussions at the appropriate time among the board of directors, and conduct regular analysis and evaluation of the board of directors’ effectiveness</td>
<td>Maintain a 100% attendance in e-learning programs on compliance [Maintain rate of 100%]</td>
</tr>
</tbody>
</table>

**“Mitsubishi Electric Group Code of Conduct”**

- Poster
- Portable Card

**Promote sustainability on a management level**

- Add “Contribute to realizing sustainability through all of our activities” to the management policy
- Establish a Sustainability Promotion Department (April 2021)

**Management Policy**

In addition to realizing corporate management that balances growth, profitability/efficiency, and soundness, we will contribute to realizing sustainability through all of our activities, and further enhance our corporate value, which emphasizes the creation of both economic and social value.
## Initiatives that Contribute to Addressing Social Issues

### Business Group Headquarters

### Social Issues for Which Risks and Opportunities Have Been Recognized and Evaluated

<table>
<thead>
<tr>
<th>Priority SDG initiatives</th>
<th>Initiatives that Contribute to Addressing Social Issues</th>
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<tbody>
<tr>
<td></td>
<td>• Helping to Realize a Society with a Rich Water Cycle Using Ozone Generators and Eco-Membrane Bioreactors</td>
</tr>
<tr>
<td></td>
<td>• Achieving Energy Savings Using Inverters Equipped with All-SiC Power Modules for Use in Rolling Stock</td>
</tr>
<tr>
<td></td>
<td>• Driving Grid Stabilization Solutions Capable of Responding to New Demand, Such As the Wide Area Supply and Demand of Electricity Through Interconnection of Electric Power Utilities</td>
</tr>
<tr>
<td>Public Utility Systems</td>
<td>• Appropriate use of water</td>
</tr>
<tr>
<td></td>
<td>• Optical use of energy</td>
</tr>
<tr>
<td></td>
<td>• Addressing climate change</td>
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<tr>
<td></td>
<td>• Measures against air, water, and soil pollution</td>
</tr>
<tr>
<td></td>
<td>• Waste reduction/management</td>
</tr>
<tr>
<td></td>
<td>• Sustainable use and development of resources</td>
</tr>
</tbody>
</table>

### Energy & Industrial Systems Group

<table>
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<td>• Contributing Toward Economical and Reliable High-Quality Power Distribution Systems, Optimized Energy Use via ICT for Interconnectivity and Resilient Energy Infrastructure That Operate Seamlessly, Even During Emergencies</td>
</tr>
<tr>
<td></td>
<td>• Improving the Efficiency of Power Generators, Switchgear and Transformers</td>
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<tr>
<td></td>
<td>• Developing Equipment That Caters to Environmental Consciousness for Eliminating or Reducing the Use of SF6 Gas, Known for Its High Global-Warming Potential</td>
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<td>• Supply and Demand Management with the Growing Use of Renewable Energy Resources, Integrated Management of Distributed Energy Sources Including Demand Control, and Driving Grid Stabilization Solutions</td>
</tr>
<tr>
<td></td>
<td>• Contributing to the Achievement of a Smart Building by Supporting Robot Mobility within the Building and Supporting ZEB Operations</td>
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### Building Systems Group

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<tr>
<th>Priority SDG initiatives</th>
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<tbody>
<tr>
<td></td>
<td>• Stormwater Management</td>
</tr>
<tr>
<td></td>
<td>• Reduction of air pollution and climate change countermeasures</td>
</tr>
<tr>
<td></td>
<td>• Various traffic accidents, elimination of traffic congestion, and comfortable travel</td>
</tr>
<tr>
<td></td>
<td>• Enhancement of QoS for vulnerable road users</td>
</tr>
<tr>
<td></td>
<td>• City development</td>
</tr>
<tr>
<td></td>
<td>• Measures to address aging infrastructure</td>
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</tbody>
</table>

### Electronic Systems Group

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<tbody>
<tr>
<td></td>
<td>• Contributing to World-Leading Global Environment Observation</td>
</tr>
<tr>
<td></td>
<td>• Contributing to Conceiving Global Environment and Ensuring Secure and Safe Living by Using Satellite Observation Data</td>
</tr>
<tr>
<td></td>
<td>• Contributing to Secure, Safe, and Comfortable Living through High Precision Positioning Solution</td>
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<td>• Pursuing Comfortable, Safe and Secure Elevator Transport and Contributing to Smart Buildings</td>
</tr>
<tr>
<td></td>
<td>• Contributing to the Realization of a Safe Society Through the Development and Dissemination of Innovative Infrastructure</td>
</tr>
<tr>
<td></td>
<td>• Development of Safe, Secure, and Comfortable and Sustainable Cities</td>
</tr>
<tr>
<td></td>
<td>• Waste Reduction/Management</td>
</tr>
<tr>
<td></td>
<td>• Addressing Climate Change</td>
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<tr>
<td></td>
<td>• Prevention of Marine Pollution</td>
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<tr>
<td></td>
<td>• Prevention of Deformation</td>
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</tbody>
</table>

### Factory Automation Systems Group

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<td></td>
<td>• Measures against air, water, and soil pollution</td>
</tr>
<tr>
<td></td>
<td>• Addressing the Declining Labor Force Population</td>
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</tbody>
</table>

### Automotive Equipment Group

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<thead>
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<th>Priority SDG initiatives</th>
<th>Initiatives that Contribute to Addressing Social Issues</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Developing FA Equipment, Industrial Robots, and Mechatronics Products that Achieve Automation of Customer Production Facilities and Improve Productivity and Product Quality</td>
</tr>
<tr>
<td></td>
<td>• Providing e-Healthy Solutions that Help Streamline Manufacturing and Reduce Energy Consumption</td>
</tr>
<tr>
<td></td>
<td>• Developing Instruments that Measure Energy and Control Power Distribution to Help Promote Energy Savings</td>
</tr>
<tr>
<td></td>
<td>• Promoting the Development of Safe and Secure Cities Through Network Cameras</td>
</tr>
<tr>
<td></td>
<td>• Promoting More Energy-Efficient and Compact Optical Access Systems</td>
</tr>
</tbody>
</table>

### Semiconductor & Device Group

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<tr>
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<tr>
<td></td>
<td>• Appropriate use of water</td>
</tr>
<tr>
<td></td>
<td>• Proper management of chemical substances</td>
</tr>
<tr>
<td></td>
<td>• Addressing climate change</td>
</tr>
<tr>
<td></td>
<td>• Preservation of Biodiversity</td>
</tr>
</tbody>
</table>

### Information Systems & Network Service Group

<table>
<thead>
<tr>
<th>Priority SDG initiatives</th>
<th>Initiatives that Contribute to Addressing Social Issues</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Contributing in Productivity at Construction Sites With AI-aided arragement inspection system</td>
</tr>
<tr>
<td></td>
<td>• Studying and Implementation of Healthtech for the Elderly</td>
</tr>
</tbody>
</table>

### Business Innovation Group

<table>
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<tr>
<th>Priority SDG initiatives</th>
<th>Initiatives that Contribute to Addressing Social Issues</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Demographic changes and the deterioration of social infrastructure</td>
</tr>
<tr>
<td></td>
<td>• Increase in the severity of disasters as well as environmental and energy problems</td>
</tr>
<tr>
<td></td>
<td>• Rising concerns about retirement and reducing social welfare costs</td>
</tr>
<tr>
<td></td>
<td>• Extension of the working age</td>
</tr>
<tr>
<td></td>
<td>• Creation of a society that includes the elderly and those in poor health</td>
</tr>
<tr>
<td></td>
<td>• Decrease in the number of construction workers and productivity declines</td>
</tr>
<tr>
<td></td>
<td>• Response to measure earthquakes, tsunamis, and volcanic eruptions</td>
</tr>
<tr>
<td></td>
<td>• Coping with disasters triggered by increasingly severe weather</td>
</tr>
</tbody>
</table>

### Sustainability at Mitsubishi Electric Group

- **Governance**
- **Environment**
- **Social**
- **President’s Message**
- **About the Report**
- **About Mitsubishi Electric Group**
- **Contents / About the Report**

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17
Public Utility Systems Group

Message from the Group President

Contributing to Creation of a Sustainable, Safe, Secure, Comfortable and Affluent Society by Providing Products, Systems and Services for the Social Infrastructure that Underpins Our Lives

The Public Utility Systems Group provides a host of products, systems and services used in social infrastructure in the areas of water environment, rivers, railways, roads, aviation, and communication. Integrating the wide range of technologies we have accumulated over the years, we provide solutions to address various social challenges in order to contribute to a safe, secure, comfortable and affluent society.

1. Realizing a society with rich water cycle
The world has been facing a number of problems related to water use—the number of water pollution sources has been increasing due to concentration of population and industry; demand for water has been growing due to industrial development and population growth; and distribution of water resources is becoming more uneven due to climate change. With this in mind, we will continue to reduce environmental burdens and realize a society with rich water cycle by advancing water and sewage systems using IoT technology and introducing highly efficient water recycling systems that make use of ozone.

2. Contributing to a decarbonized society
We are also contributing to the development of railways, which are an energy efficient and environmentally friendly transportation network. We produce highly reliable, energy efficient electrical components for rolling stock and develop information processing systems that provide a variety of services to railway operators and users. We will continue to contribute to the further development of the railway business and a decarbonized society by providing maintenance solutions that improve the efficiency of troubleshooting and maintenance management as well as platforms that promote data utilization.

3. Creating secure, safe and comfortable cities
Mitsubishi Electric also develops disaster prevention and mitigation systems in response to increasingly severe natural disasters as well as services that enhance maintenance and management of aging social infrastructure such as tunnels to create secure, safe cities. In addition, we also aim to create comfortable cities by providing video analysis solutions for realizing new services, such as analyzing the movement and flow of people to prevent congestion and revitalize communities, in addition to high-speed, large-capacity communication systems that support the development of an IoT society.

Major social issues for which risks and opportunities have been recognized and evaluated

- Appropriate use of water
- Optimal use of energy
- Addressing climate change
- Measures against air, water, and soil pollution
- Waste reduction and management
- Sustainable use and development of resources

Priority SDG initiatives

Initiatives that Contribute to Addressing Social Issues

- Realizing a Society with Rich Water Cycle
  - Ozone Generator
  - Eco Membrane BioReactor (EcoMBR™)
- Contributing to a Decarbonized Society
  - Inverters Equipped with All-SiC Power Modules for Use in Rolling Stock
  - Rolling stock air-conditioning system
  - Railway maintenance solution “LMS on INFOPRISM”
- Creating Secure, Safe and Comfortable Cities
  - Helicopter Satellite Communication System (HSA)
  - Mitsubishi Infrastructure Monitoring System MMMSD®
  - Network cameras MELOOK3 and ROBOTY Series
  - Optical access system 10G-EPON
Energy & Industrial Systems Group

Message from the Group President

By developing high-performance equipment and next-generation power systems that are capable of responding to natural disasters, human-caused threats including cyberattacks and terrorism, and changes in the electricity market (e.g., achieving carbon neutrality), we will contribute to the realization of a Safe, Secure, and Comfortable Sustainable Society.

Due to the spread of renewable energy resources such as solar and wind power, as well as the advancement of digital technologies such as information & communication technology (ICT) and the Internet of Things (IoT), the environment and market needs surrounding the electric power industry are rapidly shifting from high capacity, high voltage hardware to small-medium capacity and voltage based hardware such as renewable energy-related equipment and networked systems and software. Moreover, the electric power industry is at a major turning point as deregulation of the electric power industry and industrial reorganization are occurring at a rapid pace.

In the midst of this situation, the Energy & Industrial Systems Group works to continuously improve the efficiency of the power generators, switchgear and transformers that make up our core businesses, while at the same time developing environmentally friendly equipment to eliminate or reduce the use of SF6 gas, known for its high global-warming potential. We are also pushing forward with development of monitoring and control systems, smart meter systems and battery energy storage systems that allow for economical and reliable high-quality power distribution systems, optimized energy use via ICT for interconnectivity and resilient energy infrastructure that operates seamlessly, even during emergencies.

At the same time, we are also driving business forward with grid stabilization equipment, devices and solutions capable of responding to new demand. This includes supply and demand management with the growing use of renewable energy resources, integrated management of distributed energy sources including demand control, and wide area supply and demand of electricity through interconnection of electric power utilities. Through these and other ongoing initiatives, we’re helping to bring about a safer, more secure and more comfortable world.

Major social issues for which risks and opportunities have been recognized and evaluated

- Optimal use of energy
- Introduction of clean energy
- Sustainable use and development of resources
- Proper management of chemical substances
- Addressing climate change
- Measures against air, water, and soil pollution
- Strengthening of global partnerships

Initiatives that Contribute to Addressing Social Issues

- Developing power equipment and systems supporting power generation, grid transmission & distribution to help bring about a safer, more secure and more comfortable world.
  - Indirect Hydrogen-Cooled VP-X Series Turbine Generators
  - Reduced Environmental Impact Switchgear
  - Reduced Environmental Impact Transformers (vegetable oil-based, natural-air cooling type)
  - Monitoring and Control Systems
  - Module Type Automatic Voltage Regulator (AVR)

- Contributing to Customer Management via Solutions that Create New Value for Power Systems
  - BLEnDer® Series Software Package for the Electric Power Market
  - Distributed Power Supply Operation & Virtual Power Plant (VPP) Systems
  - Smart Meter System
  - Large-Capacity Energy Storage Control Systems
  - D-SMiRee Smart Medium-Low Voltage DC Distribution Network System
Building Systems Group

Message from the Group President

Making the Most of the Mitsubishi Electric Group’s Advanced and Environmental Technologies to Provide Solutions that Satisfy Customers in All Aspects of Safety, Comfort, Efficiency and the Environment

The Building Systems Group manufactures building management systems and elevators and escalators that provide vertical transportation within buildings. As part of our mission to deliver products and systems and the subsequent maintenance thereof, we believe it is important to give priority to the safety and security of our customers throughout the product lifecycle. In doing so, we help to create a comfortable, environment-friendly society through our products and services. Maintaining this promise, the Building Systems Group is focused on the following initiatives:

1. Pursuing user-friendly, eco-conscious products
   (1) Promoting the development of high-efficiency, energy-saving products and technologies, and saving resources by designing products and systems that are safe and easy to use for everybody.
   (2) Promoting the renewal of existing equipment and facilities in order to reduce power consumption and improve safety and convenience, and minimizing waste emissions by reusing parts whenever possible.

2. Offering one-stop ZEB*1 solutions
   As a ZEB planner*2 registered ahead of other comprehensive electrical machinery manufacturers, Mitsubishi Electric offers one-stop solutions, from support for the design of ZEBs to services that contribute to customers’ energy-saving efforts after the start of operations. We also support initiatives to improve the added value of buildings beyond a higher level of energy efficiency.

3. Contributing to smart buildings*3 and smart cities*4
   Mitsubishi Electric contributes to the construction of smart buildings and smart cities by providing building operation support services via our IoT platform.

Major social issues for which risks and opportunities have been recognized and evaluated

- Optimal use of energy
- Development and dissemination of innovative infrastructure
- Development of safe, secure, comfortable and sustainable cities
- Waste reduction

Priority SDG initiatives

- Pursuing Comfortable, Safe and Secure Elevator Transport and Contributing to Smart Buildings
- Supporting Safe and Comfortable Use of Elevators and Escalators with Maintenance Services
- Further Improving Safety, Comfort, and Functionality Through Elevator and Escalator Renewal
- Providing Comfortable Buildings with Reduced Energy Use to Contribute to a Carbon Neutral Society
- Contributing to the Achievement of a Smart Building by Supporting Robot Mobility within the Building and Supporting ZEB Operations
- Supporting Seamless Travel within the Facility by the Guide System Using Animation Lighting

Building Systems Group
Tadashi Matsumoto
Representative Executive Officer, Senior Vice President, Group President, Building Systems

*1 ZEB (net Zero Energy Building): A building where the net consumption of fossil fuel energy is zero or roughly zero, offset by energy savings and the utilization of renewable energy resources.
*2 ZEB planner: A registration system introduced by the Ministry of Economy, Trade and Industry in 2017 for the dissemination of ZEB.
*3 Smart buildings: Buildings where people feel safe and comfortable and can work efficiently that also solve social issues through energy and labor savings achieved with in-building data collected using IoT technology.
*4 Smart cities: Cities with optimized urban infrastructure and facility management operations as well as increased convenience and comfort for businesses and consumers. AI is used to analyze big data generated from facilities, the environment, and consumer behavior data in order to remotely control facilities and equipment.
Electronic Systems Group

Message from the Group President

Contributing to Solving Environmental Problems and Create Sustainable Cities by Providing Artificial Satellites and Other High Added-Value Products and Services

The Electronic Systems Group is contributing to the realization of an affluent society by providing artificial satellites, various sensor systems, and other ranges of products and services. By further enhancing our strength in the satellite system, sensor, high-precision positioning, and other technologies and advancing the following initiatives by leveraging these strengths, we will continue to solve social issues:

1. Providing products and services that contribute to solving environmental problems
   With our observation satellites, represented by the greenhouse gases observing satellites (the "IBUKI" (GOSAT) series), advanced land observing satellites (DAICHI (ALOS) series), and meteorological satellites (the Himawari series), we contribute to solving global-scale environmental problems by continuously providing data on the global environment, such as greenhouse gas density distribution, disaster situations, and the marine environment.

2. Providing solutions that contribute to solving various social issues by using satellite data
   By using our technology to analyze satellite observation data, we provide new solutions such as infrastructure monitoring. With a centimeter-level high-precision positioning solution that combines our three core technologies (the MICHIBIKI quasi-zenith satellite system, high-precision positioning device, high-accuracy 3D mapping), we will bring various innovations to the areas of automotive, railroad, agriculture and civil engineering. We will work on these initiatives to contribute to creating secure, safe, and comfortable sustainable cities.

Yoshihisa Hara
Executive Officer, Group President, Electronic Systems

Major social issues for which risks and opportunities have been recognized and evaluated

- Securing of a sustainable food production system
- Integrated management of water resources
- Creating secure, safe and comfortable sustainable cities
- Reduction and management of waste
- Addressing climate change
- Prevention of marine pollution
- Prevention of deforestation

Priority SDG initiatives

- Contributing to World-Leading Global Environment Observation
- Contributing to Conserving Global Environment and Ensuring Secure and Safe Living by Using Satellite Observation Data
- Contributing to Secure, Safe, and Comfortable Living through High Precision Positioning Solution
Living Environment & Digital Media Equipment Group

Message from the Group President

Providing Products that are Helpful for Society and the Environment in Wide Areas and Reducing Environmental Impact during Production

The Living Environment & Digital Media Equipment Group focuses on the air-conditioning and refrigeration systems business, one of the growth-driving sectors at Mitsubishi Electric. In addition to expanding operations, we are pressing forward with proposals of total solutions using IoT and AI technologies as well as products within and outside the Mitsubishi Electric Group to realize life solutions for everyone, from workers to people at home, to live by their own values by taking advantage of a wide range of synergies in technologies and business operations as a general electric-appliance manufacturer.

As we expand business, we believe it is important to provide products and services that contribute simultaneously to achieving sustainability, safety, security, and comfort as well as to resolving social issues. Part of this includes supplying a broad range of environment-friendly systems and services for the home, office, and industry. These include air conditioners that produce less CO₂ during use and our energy-saving EcoCute product lineup. Additionally, Mitsubishi Electric proposes solutions that aim to achieve energy savings by building systems as a whole in support of programs such as ZEH and ZEB, promoted by the Japanese government.

Meanwhile, as activities to reduce CO₂ from production, the Living Environment & Digital Media Equipment Group is proactively introducing energy-saving products at production sites; namely, high-efficiency air-conditioners, heat-pump hot-water supply systems and LED lighting. We are also promoting energy-saving activities by improving productivity linked to just-in-time improvement activities based on e-F@ctory concepts.
Factory Automation Systems Group

Message from the Group President

Delivering Devices, Equipment, and Solutions that Help Reduce Energy Usage in Our Customers Manufacturing Processes Around the World

Devices and equipment used in industrial mechatronics by customers from the manufacturing industry are essential to adding value and enhancing the competitiveness of business through quality and productivity improvements. Mitsubishi Electric’s Factory Automation Systems Group provides devices and systems possessing high energy-saving capabilities that are ideal for production facilities in factories, where the bulk of energy is consumed.

By optimizing the utilization of FA technologies cultivated by Mitsubishi Electric and cooperative technologies that connect FA and IT, we help customers reduce the total cost of development, production and maintenance, and continuously support their improvement activities. We are committed to proposing manufacturing solutions that keep our customers one step ahead of the competition, and strongly support manufacturing and management optimization.

In addition, we verify productivity and facility utilization ratios through the operation of an ‘e-F@ctory model plant’ at our Nagoya Works. In the factory, a large number of activities have indicated the benefits of reducing CO₂ from production, including improved productivity, shorter lead times, and less product quality loss.

We will continue to contribute to improving the efficiency of our customers’ manufacturing activities and reducing energy consumption by providing highly energy efficient FA products and cutting-edge e-F@ctory solutions that integrate them.

Major social issues for which risks and opportunities have been recognized and evaluated

- Sustainable use and development of resources
- Proper management of chemical substances
- Addressing climate change
- Measures against air, water, and soil pollution
- Addressing the declining labor force population

Yoshikazu Miyata
Senior Vice President, Group President, Factory Automation Systems

Initiatives that Contribute to Addressing Social Issues

- Developing FA Equipment, Industrial Robots, and Mechatronics Products that Achieve Automation of Customer Production Facilities and Improve Productivity and Product Quality
  - MELSEC iQ-R Series Programmable Controllers
  - MELSERVO-J5 Series AC Servo System
  - AC Servo Motor, HK Series
  - MELFA FR Series Industrial Robots
  - GX-F Series Fiber 2D Laser Processing Machines
- Providing e-F@ctory Solutions that Help Streamline Manufacturing and Reduce Energy Consumption
  - e-F@ctory - Mitsubishi Electric Integrated FA Solution
- Developing Instruments that Measure Energy and Control Power Distribution to Help Promote Energy Savings
  - Eco Monitor Series Energy Measuring Units
  - EX-α Series Transformer Using Super High Efficiency Oil
Energy and environmental issues are borderless social problems for which solutions are essential in order to realize sustainability. The Automotive Equipment Group is engaged in initiatives to reduce CO₂ emissions both by installing its products in vehicles to achieve better fuel efficiency and electrification, and reducing energy consumption during manufacturing processes.

Engines have to be more efficient and electrified as in HEVs and EVs in order to achieve low fuel consumption. Mitsubishi Electric is helping realize this by improving related products, such as ignition systems for the precise control of combustion in high compression ratio engines, turbo actuators that control the boost pressure of downsized turbo charged engines, and various components for controlling these systems, as well as motors and inverters for electric vehicles which improve fuel efficiency of vehicles.

As an example of saving energy during the manufacturing processes, a new production building has introduced LED lighting and cutting-edge energy-saving technologies such as automatic light adjustment and centralized monitoring and optimized control of air-conditioning and ventilation equipment. In addition, we are managing the use of electricity by rigorously enforcing energy-saving measures such as the introduction of photovoltaic generation. These achievements are being implemented at overseas manufacturing bases as part of our global energy-saving efforts.

Furthermore, traffic accidents caused by elderly drivers have been becoming a social issue in recent years in Japan as the population ages. Solving this problem is an urgent task. The Mitsubishi Electric Group aims to realize a high-precision autonomous driving system by combining "self-sensing" driving technologies and "network-based" driving technologies that the Group owns.
Semiconductor & Device Group

Message from the Group President

Contributing to the Realization of a Decarbonized Society by Providing Energy-Efficient Products, Key Devices for Customers, in Response to Energy and Environment-related Social Issues

The Semiconductor & Device Group provides semiconductors and devices that play a key role for home to space appliances and enrich our living. We recognize energy and environmental issues as today’s social issues and contribute to the realization of a sustainable society by providing low-power products to customers.

In order to achieve carbon neutrality, a requirement for sustainable societies, it is imperative to use generated power while minimizing power loss in the process. Power semiconductor devices are incorporated into a number of power electronics such as EVs and air conditioners, playing a significant role in reducing power loss. In addition, Mitsubishi Electric manufactures state-of-the-art products using silicon carbide (SiC).

The Semiconductor & Device Group provides today’s society, where DX is underway, with high-performance, low-power, compact high-frequency devices and optical devices for wireless communications equipment, optical fiber communications, and data centers that make full use of multiple semiconductor technologies. Furthermore, by reducing the space required for communications equipment, the cooling function can be simplified, thereby contributing to comprehensive energy savings.

As described above, the Semiconductor & Device Group is taking part in the achievement of carbon neutrality and the realization of a sustainable society by providing key devices for overcoming energy and environmental limitations while driving forward the digital revolution in the post-pandemic society.

Major social issues for which risks and opportunities have been recognized and evaluated

- Proper management of chemical substances
- Addressing climate change
- Preservation of biodiversity

Priority SDG initiatives

- SiC Power Semiconductor Devices that Achieve Low-Power Consumption of Customers’ Devices
- Optical Communication Device that Contributes to Low Power Consumption of Network Equipment for 5G Mobile Communications Base Stations
Information Systems & Network Service Group

Message from the Group President

Contributing to the Realization of a Decarbonized Society Through the Promotion of Various IT Services

The Information Systems & Network Service Group is committed to enhancing customer satisfaction, helping achieve sustainable societies through solutions tailored to the management strategies and challenges of its customers, and developing solutions that contribute to solving social issues.

More specifically, we work to reduce the environmental impact by, for example, providing support for workstyle reform including reduction of business travel needs with video/web-conferencing systems and promotion of paperless work environments through ledger computerization while making efforts for saving energy in data centers to help companies reduce CO₂ emissions from their business activities. At the same time, we proactively develop products and services that resolve social issues, such as needs for safety in society and labor force shortages.

For example, our video solutions can make towns safer and more comfortable for residents by detecting not only wheelchairs, strollers, and visually impaired cane users but also events such as trespassing or walking instability. At manufacturing sites, our solutions can be used to detect objects such as defective products in order to assist in productivity improvement and address labor force shortages due to the aging society. Going forward, in order to achieve smarter societies, we will leverage the many component technologies and strengths of the Mitsubishi Electric Group to build next-generation information systems using the latest IT solutions, such as IoT*, big data processing, and AI-related technologies.

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* Internet of Things: A system to remotely control, operate, monitor, and collect information from various "things" connected via the Internet.
Business Innovation Group

Message from the Group President

Contribute to Solving Diversifying Social Issues by Creating New Businesses that Transcend Existing Frameworks

Business Innovation Group contributes to solving diversifying social issues faced by the sustainable society by turning themes that cannot be addressed by existing frameworks into businesses, and by supporting the integration of Group technologies and collaboration among the Group.

We will refocus on the company’s philosophy of “realizing a vibrant and sustainable society” as we search for new business domains in an era of high uncertainty, as the ways that people interact change, as the severity of disasters increases, and as the waves of digitalization accelerate. We are creating businesses in the five domains of “Smart Cities,” “Healthtech,” “i-Construction,” “Disaster Prevention and Mitigation,” and “Smart Mobility” as well as the “Decarbonized Society.”

In creating and fostering new businesses, we will combine sensing technology, video analysis, AI, and other cutting-edge technologies in the integrated IoT ClariSense*, which will help customers realize digital transformations that create value for them from collected data.

*S ClariSense is a word coined by Mitsubishi Electric that means clarifying the hidden essence of information sensed from equipment to resolve challenges.
Sustainability management

Management

Basic policy of Sustainability

The Mitsubishi Electric Group regards its sustainability initiatives as the foundation of its corporate management, and implements sustainability-oriented initiatives in all corporate activities in accordance with its “Purpose,” “Our Values,” and “Commitment.” It is crucial to maintain communication with various stakeholders to pursue initiatives for achieving a sustainable society, as well as to incorporate the expectations, requests, and opinions from society into activities and to avoid acts that will inconvenience society.

By ensuring transparent disclosure of information on sustainability, the Mitsubishi Electric Group aims to obtain a favorable response from stakeholders, and to realize a vibrant and sustainable society together with its stakeholders.

Communication with stakeholders

Materiality

In light of requests from the Global Reporting Initiative (GRI), social trends, and the business environment, in fiscal 2022 the Mitsubishi Electric Group reviewed the materiality identified in fiscal 2016, initiatives, targets, and key performance indicators (KPIs) to address sustainability issues more at the management level and to work on them on a long term basis. We will conduct continual improvement activities by implementing the Plan-Do-Check-Action (PDCA) cycle for the materiality, initiatives, targets, and KPIs.

Materiality and SDGs Management

Promotional System for Sustainability

The policies and planning for the sustainability activities of the Mitsubishi Electric Group are decided by a Sustainability Committee appointed by Mitsubishi Electric’s executive officers. The Committee is composed of the heads of Mitsubishi Electric’s management departments (23 members in charge of environmental, social and governance aspects from divisions such as Corporate Strategic Planning and Corporate Human Resources), and discusses the results of activities performed during the previous fiscal year, decisions on future activity plans, and responses to law amendments, from a perspective that spans the entire Mitsubishi Electric Group. The details of Sustainability Committee meetings are reported to the senior executives through the Executive Officers’ Meeting and the Audit Committee.

Knowing that sustainability activities are directly linked to corporate management, each department responsible for ethics and legal compliance, quality assurance and improvement, environmental conservation and philanthropy activities, and communication with stakeholders implements their own initiatives, based on the sustainability policy of the Mitsubishi Electric Group.

In addition to the Sustainability Committee that is generally held at least twice a year, various activities are also promoted and implemented in communication with the Sustainability Expert Committee and Sustainability Business Promotion Committee, which are convened as a forum for sharing and executing the policies and plans established by the Sustainability Committee.

Main agenda of the Sustainability Committee (held in April 2021)

- Report on achievements made in the previous fiscal year and activities planned in the current fiscal year
- Sustainability initiatives at the management level
- Review of materiality
- Responses to the sustainable development goals (SDGs)
- Further enhanced information disclosure that takes into account ESG (environment, social, governance) investment
- Human rights initiatives
Sustainability Expert Committee

Officers from 23 departments with particular relevance to sustainability regularly hold meetings to share information and deepen their understanding of the Mitsubishi Electric Group’s materiality and future initiatives, as well as discuss responses to laws and regulations and international sustainability standards. They aim to build communication and consensus through these discussions.

Four such meetings were held in fiscal 2021. Discussions focused on verifying the performance and reviewing the targets of initiatives addressing materiality. The committee also examined responses to global human rights initiatives by establishing working groups for relevant departments.

Sustainability Business Promotion Committee

Managers from all business groups gather in regular meetings to share information about the Mitsubishi Electric Group’s sustainability and discuss social issues that need to be solved, with the theme of “contributing to society through business.”

The committee held four meetings in fiscal 2021, with a focus on discussing how the Group could contribute to addressing the sustainable development goals (SDGs) through business.

Main agenda of the Sustainability Expert Committee and Sustainability Business Promotion Committee for fiscal 2021

- Main agenda of the Sustainability Expert Committee and Sustainability Business Promotion Committee for fiscal 2021
- Response to the SDGs
- Further enhancement of information disclosure that takes into account ESG (environment, social, governance) investment
- Human rights initiatives

Materiality and SDGs Management

The Mitsubishi Electric Group and the SDGs

In 2015, the countries of the United Nations General Assembly adopted the Sustainable Development Goals (SDGs). The Mitsubishi Electric Group views these SDGs as an important agenda, the realization of which society seeks.

Under its Purpose that “We, the Mitsubishi Electric Group, will contribute to the realization of a vibrant and sustainable society through continuous technological innovation and ceaseless creativity” the Group aims to contribute to solving social issues. This policy corresponds to what the globally shared goals of the SDGs aim to achieve.

Through our numerous businesses and the entirety of our corporate activities, including environment, social and governance (ESG)-related activities, the Mitsubishi Electric Group is contributing to meeting the 17 SDGs.

Sustainable Development Goals

The Mitsubishi Electric Group and the SDGs

The SDGs (Sustainable Development Goals)

The SDGs are a set of global goals that are to be achieved between 2016 and 2030. They were adopted by the United Nations General Assembly in September 2015 as a successor to the Millennium Development Goals (MDGs) that were formulated in 2001, and are composed of 17 goals and 169 targets for achieving a sustainable world.

Two key principles of the SDGs are that they seek change in developed countries, including Japan, and that they pledge “no one will be left behind” in the implementation of their initiatives.

In Japan, the SDGs Promotion Headquarters has been established, chaired by the Prime Minister and composed of all ministers in the Cabinet Office, to formulate implementation guidelines and promote initiatives for the SDGs.

United Nations Information Centres
Priority SDG initiatives
In line with the materiality identified for fiscal 2022, we reviewed the SDGs to address on a priority basis that we determined in fiscal 2019. In the course of reviewing our goals, we conducted an internal and external survey. As a result of it, we found that Mitsubishi Electric is expected to contribute to resolving social challenges through its business activities.

Based on a study within the company, we set SDGs 3, 7, 9, 11, and 13 as the Priority SDG initiatives, which correspond to “realize a decarbonized society” and “solve social challenges in the four areas of Life, Industry, Infrastructure, and Mobility,” the areas that the Group will focus on going forward. By further promoting initiatives to create value for these goals to which we can contribute significantly as a comprehensive electrical and electronics manufacturer, we will make a specific contribution to achieving the SDGs.

- Goal 3: Good Health and Well-being——Life and Mobility fields
- Goal 7: Affordable and Clean Energy——Energy savings in production and products and services, etc. for realizing a decarbonized society
- Goal 9: Industry, Innovation, and Infrastructure——Industry field
- Goal 11: Sustainable Cities and Communities——Infrastructure and Mobility fields
- Goal 13: Climate Action——Realization of a decarbonized society

In doing this, the Mitsubishi Electric Group will integrate the concept of the SDGs into its management strategy and contribute to the SDGs that we will prioritize through our materiality initiatives.

**Materiality**

- **Realize a sustainable global environment**
- **Realize a safe, secure, and comfortable society**
- **Respect for all people**
- **Strengthen corporate governance and compliance on a sustainable basis**
- **Create a sustainability-oriented corporate culture**

**Contribute to the SDGs**

**Contribute through all corporate activities**

**Priority SDG initiatives**

- No Poverty
- Zero Hunger
- Good Health and Well-being
- Affordable and Clean Energy
- Gender Equality
- Clean Water and Sanitation
- Industry, Innovation and Infrastructure
- Reduced Inequalities
- Sustainable Cities and Communities
- Responsible Consumption and Production
- Climate Action
- Life below Water/Life on Land
- Peace, Justice and Strong Institutions
- Partnerships for the Goals

**Initiatives related to the 17 SDGs**

The Mitsubishi Electric Group, as a comprehensive electrical and electronic manufacturer, handles a wide range of technologies, products, and services, ranging from familiar home electronics products to satellites and projects on a national scale. As such, we believe that we can also greatly contribute toward meeting the 17 Sustainable Development Goals (SDGs).
Progress of Initiatives to Address the SDGs

The Mitsubishi Electric Group is conducting measures in a variety of forms to make our employees aware of the background to the adoption of the Sustainable Development Goals (SDGs) and to entrench the individual goals themselves, in order to deepen understanding of the SDGs among each of them. Considering how the Mitsubishi Electric Group could contribute, the Sustainability Committee, Sustainability Expert Committee and Sustainability Business Promotion Committee commenced reviews by devising potential responses by their own companies. In fiscal 2019, we decided on “Priority SDG initiatives” and reviewed them in fiscal 2022.

With achievement of the goals we share globally as our objective, we will maintain our efforts to bolster management as we work to make everyone throughout the company fully cognizant of our SDGs and contribute to the achievement of the SDGs as part of our operations.

Main initiatives to the present

- Lecture presentation for executives by Toshio Arima, a board member of Global Compact Network Japan (fiscal 2018)
- Reflecting of SDGs in our business strategy (fiscal 2018, fiscal 2019, fiscal 2020, fiscal 2021, fiscal 2022)
- Holding lecture presentations regarding the SDGs for research and development divisions (fiscal 2018, fiscal 2020)
- Promoting understanding about the SDGs through internal newsletters (fiscal 2018, fiscal 2019, fiscal 2020, fiscal 2021, fiscal 2022)
- Education of staff to advance the SDGs during training of CSR personnel (fiscal 2018, fiscal 2019)
- SDGs training (fiscal 2019, fiscal 2020)

In-house newsletter

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Process of Identification and Review of Materiality

In fiscal 2016, the Mitsubishi Electric Group identified materiality and initiatives in response to today’s social trends and business environment, as required by the fourth edition of the GRI Guidelines.

In fiscal 2021, a full internal review of the materiality, initiatives, and targets/key performance indicators (KPIs) was undertaken by the Sustainability Expert Committee and Sustainability Business Promotion Committee, in view of subjective evaluations from outside the company, including stakeholder questionnaires targeted at general consumers (600 respondents) that have been carried out since fiscal 2017 as well as other questionnaires and interviews from a total of 951 people, including Mitsubishi Electric Group employees, suppliers, investors, and analysts.

In order to expand the scope of information disclosure, while continuing to incorporate opinions from inside and outside the company, these initiatives will be further strengthened, and the materiality, initiatives, and targets/key performance indicators (KPIs) will be reviewed through ongoing improvement activities based on the PDCA cycle.

Step 1 Awareness of social issues (fiscal 2021)

Extraction of candidate materiality from guidelines, etc.

Candidate materiality (357 issues) were identified based on ISO26000*, the GRI Standards**, the SASB standards***, and the Sustainable Development Goals (SDGs).

* Guidelines concerning social responsibility issued by the International Organization for Standardization (ISO)
** International standards for sustainability reporting issued by the Global Reporting Initiative (GRI)
*** Information disclosure rules concerning the environment, society, and governance (ESG) created by the Sustainability Accounting Standards Board (SASB), a non-profit organization in the U.S.

Derive a short list

Derive a long list from the items below

General issues

GRI Standards

ISO26000

SDGs

Industry-specific issues

SASB

Materiality of competitors

1. Contribution to SDG 1: No Poverty
2. Contribution to SDG 2: Zero Hunger
3. Contribution to SDG 3: Good Health and Well-being
4. Contribution to SDG 4: Quality Education
5. Contribution to SDG 5: Gender Equality
6. Contribution to SDG 6: Clean Water and Sanitation
7. Contribution to SDG 7: Affordable and Clean Energy
8. Contribution to SDG 8: Decent Work and Economic Growth
9. Contribution to SDG 9: Industry, Innovation and Infrastructure
10. Contribution to SDG 10: Reduced Inequality
11. Contribution to SDG 11: Sustainable Cities and Communities
12. Contribution to SDG 12: Responsible Consumption and Production
13. Contribution to SDG 13: Climate Action
14. Contribution to SDG 14: Life below Water
15. Contribution to SDG 15: Life on Land
16. Contribution to SDG 16: Peace, Justice and Strong Institutions
17. Contribution to SDG 17: Partnership for the Goals
18. Respect for human rights (prohibition of discrimination, forced labor, harassment, etc.)
19. Promote workplace diversity (e.g., of diverse human resources)
20. Promote work-life balance (harmony between work and life)
21. Develop human resources
22. Ensure occupational safety and mental and physical health
23. Secure product quality and safety
24. Contribute to social community development
25. Strengthen environmental initiatives
26. Implement corporate management with asset functional cash capabilities (corporate governance)
27. Implement effective risk management
28. Disclose information transparently in a timely and appropriate manner
29. Ensure transparency
30. Ensure transparency in management of trade secrets, protection of personal information
31. Create innovation through research and development
32. Strengthen intellectual property capabilities and protection intellectual property rights
33. Innovate nature-based systems with Mitsubishi Electric Group CSR activities supply chain management
34. Engage in corporate activities globally as a group
35. Actively communicate with stakeholders

SDGs training

Lecture presentation for executives by Toshio Arima from Global Compact Network Japan

In-house newsletter

Mitsubishi Electric’s Corporate Strategy (Nov. 2020)
Step 2 Assessment of internal and external views and study of materiality (fiscal 2021)

Using the short list created in step 1, we conducted a questionnaire survey of consumers, suppliers, investors, and Mitsubishi Electric Group employees, who are our stakeholders, regarding what expectations they have for the Mitsubishi Electric Group to contribute to addressing social challenges. In addition, we received opinions from experts regarding the identification of materiality through interviews and dialogues with them in order to assess both internal and external views of the Mitsubishi Electric Group. Based on the results obtained, internal working groups narrowed down the issues that the Mitsubishi Electric Group should address as top priority, and the Sustainability Expert Committee and Sustainability Business Promotion Committee are studying the materiality of such issues.

Step 3 Identification of materiality (fiscal 2021)
Identification by the Sustainability Committee

The issues thus extracted and studied through the above-described process and specific initiatives and targets/key performance indicators (KPIs) were confirmed by executive officers and identified as the Mitsubishi Electric Group's materiality by the Sustainability Committee.
Management Related to Materiality

In fiscal 2016, the Mitsubishi Electric Group identified its materiality, initiatives to fulfill said materiality, and key performance indicators (KPI). In fiscal 2017, it announced its performance in regard to those initiatives and carried out a review of each initiative and KPI. In fiscal 2022, the Mitsubishi Electric Group revised its materiality; accordingly, it revised its initiatives to fulfill said materiality and key performance indicators (KPI) for fiscal 2022.

For the details of our results to date, please refer to our past Sustainability Reports.

**FY2022 Targets**

<table>
<thead>
<tr>
<th>Materiality</th>
<th>Initiatives</th>
<th>Key performance indicators (KPI) (quantitative targets are shown in brackets)</th>
<th>Scope</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Provide solutions to social challenges</strong></td>
<td>Realize a sustainable global environment through innovation and integrated solutions</td>
<td>Reduce CO₂ emissions from product usage in new products (Improvement of more than 1% compared to the previous model by the end of FY2024)</td>
<td>All Mitsubishi Electric Group companies (Japan, overseas)</td>
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<td>Reduce CO₂ emissions from production (Reduction of more than 9% compared to FY2017 by the end of FY2024)</td>
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<td>Use renewable energy in production (Rate of more than 2% by the end of FY2024)</td>
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<td>Contribute to achieving a circular economy</td>
<td>Use recycled plastics (rate of more than 10% in terms of the volume of molding and packaging materials by the end of FY2024)</td>
<td>All Mitsubishi Electric Group companies (Japan, overseas)</td>
</tr>
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<td>Make effective use of waste plastics (rate of more than 90% by the end of FY2024)</td>
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<td>Reduce water usage per unit of sales at five high-risk overseas offices (More than 4% compared to FY2020 by the end of FY2024)</td>
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<td>Provide products and services while continually promoting the concept that quality is our top priority</td>
<td>Discuss goals and KPIs that contribute to solving social challenges through our businesses including contribution to SDGs, and promote initiatives to that end</td>
<td>All Mitsubishi Electric Group companies (Japan, overseas)</td>
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<td></td>
<td>Boost the quality of development and design by creating a design policy encompassing multiple common element technologies</td>
<td>Mitsubishi Electric Group companies (Japan)</td>
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<td>Make Group-wide efforts to investigate the cause of serious malfunctions, and implement recurrence prevention measures (Once a month)</td>
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<td>Roll out a quality management guidebook on change control to external suppliers</td>
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<td>Continuously conduct e-learning programs on quality, and provide enhanced learning materials</td>
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<td>Provide training programs on quality, and lecture programs on the concept that quality is our top priority (Create a quality culture) (Four times a year in Japan, and once a year overseas)</td>
<td>All Mitsubishi Electric Group companies (Japan, overseas)</td>
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<td></td>
<td>Promote human rights initiatives that are based on international norms</td>
<td>Promotion of ongoing human rights awareness activities</td>
<td>All Mitsubishi Electric Group companies (Japan, overseas)</td>
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<td>Identify human rights issues by conducting human rights impact assessments, and grasp the statuses of initiatives at each office (Conduct assessments at 100% of relevant departments)</td>
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<td>Enhance response in channels for grievances and inquiries on human rights, and act appropriately accordingly</td>
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<td>Provide lectures on human rights awareness and anti-harassment training programs for new employees and those for newly appointed managers (Attendance rate of 100%)</td>
<td>Mitsubishi Electric</td>
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<td></td>
<td>Provide education on harassment prevention for Group employees (Attendance rate of 100%)</td>
<td>All Mitsubishi Electric Group companies (Japan, overseas)</td>
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<td></td>
<td>Realize a workplace environment that helps all employees work actively</td>
<td>Strengthen and continue to promote the Mitsubishi Electric Workplace Reform Program and other initiatives to improve the workplace environment as well as actions taken under the policy of activities for Work Style Reforms, “Deepening of communication within the workplace, business transformation by streamlining operations, and improving quality aspects”</td>
<td>All Mitsubishi Electric Group companies (Japan, overseas)</td>
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<td>Carry out surveys on the actual status of harassment, including workplace environment surveys using stress checks, and employee attitude surveys (Quantitative targets for Mitsubishi Electric only) (Employee engagement score* of more than 70% by FY2023) (Work-life balance score** of more than 70% by FY2023)</td>
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<td>* The percentage of employees who are proud and motivated to work for the Company</td>
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<td>** The percentage of employees in the employee awareness survey who respond that they have a good work-life balance</td>
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<td>Materiality</td>
<td>Initiatives</td>
<td>Key performance indicators (KPI) (quantitative targets are shown in brackets)</td>
<td>Scope</td>
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<td>Respect for all people</td>
<td>Promote diversity</td>
<td>Promote diversity by employing and utilizing diverse human resources in response to regional and operational circumstances</td>
<td>All Mitsubishi Electric Group companies (Japan, overseas)</td>
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<td></td>
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<td>Employ people with disabilities beyond the statutory employment rate (higher than 2.3%)</td>
<td>Mitsubishi Electric Group companies (Japan)</td>
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<td>Increase the ratio of women among new recruits (1.2 times the average for the past five years (FY2017–2021) by FY2026)</td>
<td>Mitsubishi Electric Group companies (Japan)</td>
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<td>Increase the ratio of women in managerial positions (2 times the ratio in FY2021 by FY2026)</td>
<td>Mitsubishi Electric Group companies (Japan)</td>
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<td></td>
<td>Systematically dispatch employees to overseas OJT programs and language programs (More than 80 employees/year)</td>
<td>Mitsubishi Electric Group companies (Japan)</td>
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<td>Promotion of occupational health and mental and physical health</td>
<td>Promote safety management and health enhancement activities</td>
<td>All Mitsubishi Electric Group companies (Japan, overseas)</td>
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<td>Promote safety and health education, and maintain a rate of lost worktime injuries* that falls below the industrial average (less than 0.52%) * Number of accidents causing lost worktime per 1 million hours</td>
<td>Mitsubishi Electric Group companies (Japan, overseas)</td>
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<td>Actively promote measures for mental health to realize a friendly workplace environment</td>
<td>Mitsubishi Electric</td>
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<td>Improve lifestyle habits and realize a health-conscious company by implementing Mitsubishi Electric Group Health Plan 21 (MHP21) Stage III activities (rate of 73.0% or higher of employees maintaining proper body weight; rate of 39.0% or higher of employees who exercise regularly; rate of 20.0% or lower of employees who smoke; rate of 25.0% or higher of employees who perform dental care at least three times a day; rate of 85% or higher of employees who get enough rest by sleeping properly)</td>
<td>Mitsubishi Electric Group companies (Japan, overseas)</td>
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<td></td>
<td>Corporate management with a sound oversight function</td>
<td>Hold dialogues with shareholders and investors through the general meeting of shareholders, corporate strategy presentation meetings, business strategy presentation meetings, financial results presentation meetings, and IR activities in Japan and overseas</td>
<td>All Mitsubishi Electric Group companies (Japan, overseas)</td>
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<td>Carry out proper reporting and discussions at the appropriate time among the board of directors, and conduct regular analysis and evaluation of the board of directors’ effectiveness</td>
<td>Mitsubishi Electric</td>
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<td>Provide orientation training and other compliance education and training to directors and executive officers as appropriate at the proper time</td>
<td>Mitsubishi Electric</td>
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<td>Conduct an internal audit for ensuring the appropriateness of the Mitsubishi Electric Group’s businesses and regularly report the audit result to the Audit Committee via the executive officer in charge of audits</td>
<td>All Mitsubishi Electric Group companies (Japan, overseas)</td>
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<td>Compliance training on a continuous basis</td>
<td>All Mitsubishi Electric Group companies (Japan, overseas)</td>
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<td></td>
<td>Provide compliance education that utilizes diverse methods on a continuous basis</td>
<td>All Mitsubishi Electric Group companies (Japan, overseas)</td>
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<td>Maintain a 100% attendance in e-learning programs on compliance (maintain rate of 100%)</td>
<td>Mitsubishi Electric</td>
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<td>Fair competition (prevention of antimonopoly violations)</td>
<td>All Mitsubishi Electric Group companies (Japan, overseas)</td>
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<td></td>
<td></td>
<td>• Establish and thoroughly implement antimonopoly prevention measures: provide practical training on an ongoing basis, conduct monitoring with an eye toward establishing regulations and rules</td>
<td>All Mitsubishi Electric Group companies (Japan, overseas)</td>
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<tr>
<td></td>
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<td>• Establish and thoroughly implement bribery prevention measures: provide bribery prevention education, conduct monitoring with an eye toward establishing regulations and guidelines</td>
<td>All Mitsubishi Electric Group companies (Japan, overseas)</td>
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<td>Corruption prevention (prevention of bribery)</td>
<td>All Mitsubishi Electric Group companies (Japan, overseas)</td>
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<td></td>
<td></td>
<td>• Establish and thoroughly implement bribery prevention measures: provide bribery prevention education, conduct monitoring with an eye toward establishing regulations and guidelines</td>
<td>All Mitsubishi Electric Group companies (Japan, overseas)</td>
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<td></td>
<td>Procurement that contributes to sustainability</td>
<td>Accomplish obtaining consent forms for the CSR procurement guidelines (Obtain by the end of September 2021)</td>
<td>All Mitsubishi Electric Group companies (Japan, overseas)</td>
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<tr>
<td></td>
<td></td>
<td>Ascertaining material human rights violation risks (forced labor on foreign workers, dangerous and injurious work) in the supply chain and continue activities for corrective action</td>
<td>Mitsubishi Electric Group companies (Japan)</td>
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<tr>
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<td>Integrate the Green Procurement Standards Guide and the CSR Procurement Guidelines, and establish sustainability procurement guidelines (by March 31, 2022)</td>
<td>All Mitsubishi Electric Group companies (Japan, overseas)</td>
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<td></td>
<td>Information security activities to protect important information</td>
<td>Prevent information leaks (No leaks)</td>
<td>All Mitsubishi Electric Group companies (Japan, overseas)</td>
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<td></td>
<td></td>
<td>Prevent information leaks</td>
<td>All Mitsubishi Electric Group companies (Japan, overseas)</td>
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<td></td>
<td>Enhancement comprehensive cybersecurity countermeasures</td>
<td>All Mitsubishi Electric Group companies (Japan, overseas)</td>
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<td>1. Technical measures, 2. Thorough document management, 3. Framework upgrading</td>
<td>All Mitsubishi Electric Group companies (Japan, overseas)</td>
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<td></td>
<td>Create a sustainability-oriented corporate culture</td>
<td>Promote medium-to-long-term initiatives for addressing social challenges</td>
<td>All Mitsubishi Electric Group companies (Japan, overseas)</td>
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<tr>
<td></td>
<td></td>
<td>Discuss goals and KPIs, and promote initiatives centered around the newly established Sustainability Planning Division</td>
<td>All Mitsubishi Electric Group companies (Japan, overseas)</td>
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</tbody>
</table>
### FY2021 Initiatives and Results

<table>
<thead>
<tr>
<th>Four material issues</th>
<th>Initiatives</th>
<th>Key performance indicators (KPI) (quantitative targets are shown in brackets)</th>
<th>Results</th>
<th>Scope</th>
<th>Evaluation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Realize a Sustainable Society</td>
<td>Contributing to realizing a low-carbon society</td>
<td>Reduce CO2 emissions from production (less than 1.47 million tons by FY2021)</td>
<td>1.16 million tons</td>
<td>All Mitsubishi Electric Group companies (Japan, overseas)</td>
<td>● ● ●</td>
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<td>Reduce CO2 emissions from product usage (more than 35% reduction compared to FY2001 by FY2021)</td>
<td>36% reduction compared to FY2001</td>
<td>All Mitsubishi Electric Group companies (Japan, overseas)</td>
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<td>Reduce resource inputs (more than 40% reduction compared to FY2001 by FY2021)</td>
<td>43% reduction compared to FY2001</td>
<td>All Mitsubishi Electric Group companies (Japan, overseas)</td>
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<td>Improve the final disposal rate of waste materials (Mitsubishi Electric and domestic affiliates to maintain a rate of less than 0.1%, and overseas affiliates to halve the rate to less than 0.5% by FY2021)</td>
<td>0.02% by Mitsubishi Electric and domestic affiliates, 0.2% by overseas affiliates</td>
<td>Mitsubishi Electric Group companies (Japan)</td>
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<td>Reduce water usage per unit of sales (by 10% per annum compared to FY2011 in FY2021)</td>
<td>Reduction by 20% compared to FY2011</td>
<td>Mitsubishi Electric Group companies (Japan)</td>
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<td>Contributing to creating a recycling society</td>
<td>Increase the number of participants in outdoor classrooms and satoyama preservation activities (cumulative total of more than 51,000 participants by FY2021)</td>
<td>Cumulative total of 48,872 participants</td>
<td>Mitsubishi Electric Group companies (Japan)</td>
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<td></td>
<td>Boost the level of biodiversity protection activities by offices in line with the Aichi Targets</td>
<td>Pursued proactive initiatives at our offices</td>
<td>Mitsubishi Electric</td>
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<td>Provide products and services that contribute to Goal 7, &quot;Affordable and clean energy,&quot; and Goal 13, &quot;Climate action,&quot; of the SDGs</td>
<td>Contribute to Goal 7, &quot;Affordable and clean energy,&quot; and Goal 13, &quot;Climate action,&quot; of the SDGs through products and services and disclosed results on the web, etc.</td>
<td>All Mitsubishi Electric Group companies (Japan, overseas)</td>
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<td>Maintain the reduction of CO2 during product usage (more than 70 million tons by FY2001 standards)</td>
<td>74 million tons by FY2001 standards</td>
<td>Mitsubishi Electric Group companies (Japan, overseas)</td>
<td>● ● ●</td>
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<td>Product development that places top priority on customer safety</td>
<td>Ensure safety through risk assessment (maintain a 100% rate of implementation of risk assessments of target home electronic products)</td>
<td>Maintained a 100% rate of implementation of risk assessments of target home electronic products</td>
<td>Revising, developing, and strengthening the roles of quality assurance departments at our offices</td>
<td>Mitsubishi Electric Group companies (Japan)</td>
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<td>Strengthen the quality control system to confirm that products definitely meet customer specifications</td>
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<td>Provision of products and services that reflect customers’ needs</td>
<td>Develop key persons who are capable of incorporating customer needs into quality (maintain 100% rate of development in all target departments in Japan)</td>
<td>Development of 96% of key persons (FY2018)</td>
<td>Mitsubishi Electric Group companies (Japan)</td>
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<td>→ Development of 97% of key persons (FY2019)</td>
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<td>→ Maintaining a 100% rate of development (FY2021)</td>
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<td>Make Group-wide efforts to investigate the cause of serious malfunctions, and implement recurrence prevention measures (Japan)</td>
<td>• Achieved a 100% rate of implementation of investigations into the root causes of serious malfunctions discovered in the previous fiscal year</td>
<td>Mitsubishi Electric Group companies (Japan)</td>
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<td>• Rolled out technical measures to prevent recurrence throughout the Mitsubishi Electric Group for common issues such as metal corrosion, and points of caution when using resin materials</td>
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<td>Boost response capabilities by accelerating the company-wide sharing of information on serious malfunctions</td>
<td>Conducted Group-wide efforts to share information before serious malfunctions occur, and to carry out swift response</td>
<td>Mitsubishi Electric Group companies (Japan)</td>
<td>● ● ●</td>
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<td>Continuous implementation of education on quality principles that place top priority on customers</td>
<td>Maintain a 100% rate of participation in e-learning programs on quality (maintain a rate of 100%)</td>
<td>Maintained a 100% rate of participation in e-learning programs by Mitsubishi Electric employees and employees of domestic affiliates</td>
<td>Mitsubishi Electric Group companies and overseas affiliates that participated in e-learning programs: 52</td>
<td>Mitsubishi Electric Group companies (Japan, overseas)</td>
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<td>Mitsubishi Electric Group companies and overseas affiliates that participated in e-learning programs: 52</td>
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<td>Provide level-specific group training and lecture programs regarding quality principles (create quality culture)</td>
<td>Held lecture programs, such as continuing to hold level-specific training to match participants’ experience, as well as lecture programs at the Corporate Quality Assurance Managers’ Committee</td>
<td>Mitsubishi Electric Group companies (Japan, overseas)</td>
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<td>Provide products and services that contribute to Goal 11, “Sustainable cities and communities,” of the SDGs</td>
<td>Contributed to Goal 11, “Sustainable cities and communities,” of the SDGs through products and services, and disclosed results on the web, etc.</td>
<td>Mitsubishi Electric Group companies (Japan, overseas)</td>
<td>● ● ●</td>
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<td>Promote human rights initiatives that are based on international norms</td>
<td>Promotion of ongoing human rights awareness activities</td>
<td>Published articles that inform about human rights in internal bulletin MELCO’s CSR section</td>
<td>All Mitsubishi Electric Group companies (Japan, overseas)</td>
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<td>Enhance whistleblowing system for human rights violations</td>
<td>Organized grievance response channels in the Mitsubishi Electric Group, and disclosed information and informed internal and external parties via a website</td>
<td>Mitsubishi Electric</td>
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<td>Provide lectures on human rights awareness and harassment prevention in training programs for new employees and those for newly appointed managers</td>
<td>Provided lectures on human rights awareness and harassment prevention to all participants attending training programs for 833 new employees and to 478 newly appointed managers</td>
<td>All Mitsubishi Electric Group companies (Japan, overseas)</td>
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<td>Provide anti-harassment education for all employees (Attendance rate of 100%)</td>
<td>Provided anti-harassment education for all employees from December 2020 to March 2021 (Attendance rate of 100%)</td>
<td>All Mitsubishi Electric Group companies (Japan, overseas)</td>
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<tr>
<td>Realization of workplace environments conducive to work-life balance</td>
<td></td>
<td>Strengthen and continue to promote the Work Style Reforms initiatives on the goal of the reforms, “realizing a workplace that helps all employees work proactively,” and based on the new perspectives for the policy of activities since fiscal 2021 “Deepening of communication in the workplace, Business transformation by streamlining operations and improving quality aspects”</td>
<td>Promoted the Work Style Reforms at Mitsubishi Electric Group companies (including enhancing and managing systems that support operation efficiency and flexible work styles such as invigorating communication in the workplace, streamlining and boosting the efficiency of operations, and remote work)</td>
<td>All Mitsubishi Electric Group companies (Japan, overseas)</td>
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<td>Promote diversity by employing and utilizing diverse human resources in response to regional and operational circumstances</td>
<td>Promoted diversity by employing and utilizing diverse human resources across the Mitsubishi Electric Group (Japan and overseas)</td>
<td>All Mitsubishi Electric Group companies (Japan, overseas)</td>
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</tbody>
</table>
|                      |                                                                              | Employ people with disabilities beyond the statutory employment rate (higher than 2.2%)                                                | • <As of March 15, 2021> Consolidated result of three companies*: 2.36%  
  • Promoted the achievement of the statutory employment rate by domestic affiliates: 5.16%  
  • Mitsubishi Electric Corporation + Mitsubishi Electric Life Service Corporation + Melco Tender Mates Corporation (special subsidiary)  
  • Mitsubishi Electric Group companies (Japan)                                                                                             | Mitsubishi Electric Group companies (Japan)                                                 | ○          |
|                      |                                                                              | Increase the ratio of women among new recruits in engineering fields (target of 20% or higher in FY2021)                                 | 14.4% (FY2022; October 2020 and April 2021 recruits)                                                                                                                                                     | Mitsubishi Electric                                                                      | △          |
|                      |                                                                              | Systematically dispatch employees to overseas OJT programs and language programs (The programs for FY2021 canceled due to the spread of COVID-19) | Canceled due to the spread of COVID-19                                                                                                                                                                  | Mitsubishi Electric                                                                      | △          |
|                      |                                                                              | Promote safety management and health enhancement activities                                                                             | • Promoted safety and health management activities in conjunction with affiliated companies that operate in the same areas as Mitsubishi Electric  
  • Provided assistance to affiliated companies (Japan and overseas) from Mitsubishi Electric                                                                                                           | All Mitsubishi Electric Group companies (Japan, overseas)                                  | ○          |
|                      |                                                                              | Promote safety and health education, and maintain a rate of lost worktime injuries* that falls below the industrial average (below 0.58)  
  * Number of accidents causing lost worktime per 1 million hours                                                                            | • Offered safety and health education (e-learning programs) to all employees  
  • <As of March 15, 2021> Rate of lost worktime injuries (absence from work): 0.02                                                                                                               | Mitsubishi Electric                                                                      | ○          |
|                      |                                                                              | Improve lifestyle habits and realize a health-conscious company by implementing Mitsubishi Electric Group Health Plan 21 (MHP21) Stage III activities (rate of 73.0% or higher of employees maintaining proper body weight; rate of 39.0% or higher of employees who exercise regularly; rate of 20.0% or lower of employees who smoke; rate of 25.0% or higher of employees who perform dental care at least three times a day; rate of 85.0% or higher of employees who get enough rest by sleeping properly) | Rate of employees maintaining proper body weight 68.0%; rate of employees who exercise regularly: 27.4%; rate of employees who smoke: 21.6%; rate of employees who perform dental care at least three times a day: 27.0%; rate of 71.5% of employees who get enough rest by sleeping properly | Mitsubishi Electric Group companies (Japan)                                                | △          |

△ = Improvement, ○ =Achievement
<table>
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<tr>
<td>Active dialogue with stakeholders</td>
<td>Hold a dialogue on CSR with stakeholders more than once a year (more than once/year)</td>
<td>Held three interviews on CSR with experts, and one dialogue on CSR with experts and management officers</td>
<td>All Mitsubishi Electric Group companies (Japan, overseas)</td>
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</tbody>
</table>
| Corporate management with a sound oversight function | Hold dialogues with stakeholders through the general meeting of shareholders, corporate strategy presentation meetings, financial results presentation meetings, and IR activities in Japan and overseas | • Held a general meeting of shareholders  
• Held corporate strategy presentation meetings, financial results presentation meetings, individual meetings, and other sessions for institutional investors and analysts via online conferences, telephone conferences and online streaming | Mitsubishi Electric | ○ |
| Strengthen Corporate Governance and Compliance on Continuous Basis | Provide proper information to directors at the proper time, conduct a review of the board of directors, and analyze and evaluate the review | • Issued reports and held discussions on medium-to-long-term business challenges and strategies, measures to reinforce our management base, and the factors behind and measures to prevent recurrence of work related issues, unauthorized access, and other incidents  
• Repeatedly implemented improvements based on the results of assessments on the effectiveness of the board of directors, which was thereby evaluated to be conducting free, active discussion and opinion exchanges through many channels at a greater degree than before | All Mitsubishi Electric Group companies (Japan, overseas) | ○ |
| Thorough compliance | Provide orientation training and other compliance education and training to directors and executive officers as appropriate at the proper time | • Provided prior training about the roles, responsibilities and dealings of directors and executive officers to new appointees  
• Provided compliance education to directors and executive officers after their appointment, and distributed the latest training materials | All Mitsubishi Electric Group companies (Japan, overseas) | ○ |
| Compliance training on a continuous basis | Conduct an internal audit for ensuring the appropriateness of the Mitsubishi Electric Group’s businesses and regularly report the audit result to the Audit Committee via the executive officer in charge of audits | Conducted an internal audit of 93 sites in Japan and overseas, and reported the audit results to the Audit Committee | All Mitsubishi Electric Group companies (Japan, overseas) | ○ |
| CSR procurement (environment, quality, human rights, compliance, etc.) | Compliance training on a continuous basis  
• Provide compliance education that utilizes diverse methods on a continuous basis | Provided compliance education that utilizes diverse methods, including lecture meetings, e-learning, and manual distribution. (Conducted lecture meetings by Mitsubishi Electric’s Corporate Legal & Compliance Div. 113 times in fiscal 2021 with a total of 8,134 participants) | All Mitsubishi Electric Group companies (Japan, overseas) | ○ |
| | Maintain a 100% attendance in e-learning programs on compliance (maintain rate of 100%) | Achieved a 100% attendance rate | Mitsubishi Electric | ○ |
| | Fair competition (prevention of antimonopoly violations)  
• Establish and thoroughly implement antimonopoly prevention measures; provide practical training on an ongoing basis, conduct monitoring with an eye toward establishing regulations and rules | Provided education on antimonopoly laws (face-to-face education, including online) <48 times, 1,974 participants *Mitsubishi Electric>  
e-learning programs <14,824 participants *Mitsubishi Electric> | All Mitsubishi Electric Group companies (Japan, overseas) | ○ |
| | Corruption prevention (prevention of bribery)  
• Establish and thoroughly implement bribery prevention measures; provide bribery prevention education, conduct monitoring with an eye toward establishing regulations and guidelines | Provided bribery prevention training; e-learning programs <25,371 participants *Mitsubishi Electric> | All Mitsubishi Electric Group companies (Japan, overseas) | ○ |
| | 1. Strengthened network access controls in Japan and abroad, and reinforced device security measures as well as our auditing and authentication platform.  
2. Reassessed the status of document storage and conducted employee training.  
3. Established the Corporate Information Security Division in April 2020 | 1, Strengthened network access controls in Japan and abroad, and reinforced device security measures as well as our auditing and authentication platform.  
2. Reassessed the status of document storage and conducted employee training.  
3. Established the Corporate Information Security Division in April 2020 | All Mitsubishi Electric Group companies (Japan, overseas) | ○ |
| | Ensure obtaining a consent form for the CSR procurement guidelines (Obtain by the end of September 2021) | Requested approximately 650 companies to sign consent forms, and obtained consent forms from 550 companies (have obtained forms from approximately 2,800 companies cumulatively from FY2019 to FY2021) | All Mitsubishi Electric Group companies (Japan, overseas) | ○ |
| | Ascertain material human rights violation risks (forced labor on foreign workers, dangerous and injurious work) in the supply chain and continue activities for corrective action | Canceled activities because we have suspended efforts to employ foreign workers in order to prevent the spread of COVID-19 | Mitsubishi Electric Group companies (Japan) | △ |
Initiatives Related to the Value Chain

The Mitsubishi Electric Group is engaged in a wide range of businesses, ranging from familiar home appliances to satellites and projects on a national scale. Our operations of these businesses affect society and our value chain is also expanding. Recognizing these circumstances, the Mitsubishi Electric Group promotes sustainability initiatives across the entire value chain with a focus on materiality.

**Procurement**
- Sharing its way of thinking about procurement, the Group promotes sustainability initiatives along the supply chain.

**Development**
- In addition to thoroughly strengthening businesses and promoting development for innovation, the Group is striving to create greater value and engage in the development of future technologies.

**Production**
- The Group is engaged in manufacturing that lowers environmental burden and that takes into consideration safety and quality.

**Transportation**
- The Group is striving to reduce the amount of packaging materials used and to emit less CO2 in transporting products.

**Sales and use**
- Through products and services, the Group contributes to the realization of a sustainable global environment and the realization of a safe, secure, and comfortable society.

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**Management of Materiality**

- Realization of a decarbonized society through innovation and integrated solutions
  - Reduce CO₂ emissions from production
  - Use renewable energy for production

- Contribution to the realization of a circular economy
  - Use water effectively
  - Use waste plastic effectively

- Solutions to social challenges in the fields of “Life,” “Industry,” “Infrastructure,” and “Mobility” through integrated solutions
  - Resolve social challenges through our business, including contributions to the SDGs

- Provision of products and services through ongoing promotion of placing top priority on quality
  - Improve development and design quality by developing shared elementary technology-specific design guides
  - Investigate the true causes of serious defects and deploy recurrence preventive measures across the company

- Respect for all people
  - Promote respect for human rights and diversity globally
  - Promote initiatives for resolving social challenges from mid- to long-term perspectives
  - Enhance sensitivity and adaptability amidst changes in what society and people value

- Strengthen corporate governance and compliance on a sustainable basis
  - Promote active communication with stakeholders based on highly transparent information disclosure

- Create a sustainability-oriented corporate culture
  - Develop shared elementary technology-specific design guides
  - Ensure occupational safety and health while maintaining mental and physical health

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*Initiatives on materiality across the value chain*
President’s Message

Sustainability at Mitsubishi Electric

We contribute to creating an "inclusive society" where everyone mutually respects and accepts others regardless of any disabilities.

For example, the Mitsubishi Electric Going Up Campaign, an event to make para-sports better known to many people in view of the Tokyo 2020 Paralympics, kicked off in October 2016; a total of 110,000 people in 42 prefectures had participated as of November 2019. While the event was suspended thereafter due to the impact of COVID-19, we created and distributed video contents featuring athletes associated with the remaining five prefectures (Ibaraki, Shiga, Tottori, Nara, and Mie) and completed the event in April 2021. Additionally, Mitsubishi Electric Going Up Seminars have also been launched in November 2017 to promote a better understanding of diversity and actions that respect human rights among all employees; the meeting seminars have been attended by approximately 2,200 participants, while the e-learning has had approximately 38,000 participants so far. Based on a legacy of respect for diversity and giving of consideration to those who need support, which we have learned through these activities, we will continue to contribute to the realization of an inclusive society.

Reviseion of the Charter of Corporate Behavior of the Keidanren

The Japan Business Federation, better known as Keidanren, has revised its Charter of Corporate Behavior** in November 2017. The revision is to give primary aim to proactively delivering on the SDGs (sustainable development goals) through the realization of Society 5.0**, and is thought to emphasize initiatives for realizing a sustainable society and for promoting human rights. As a member of Keidanren, Mitsubishi Electric will voluntarily carry out and observe the spirit of the Charter.

*1 A code of ethics put forward by Keidanren as matters to be carried out and pursued by all member companies.
*2 The fifth and new generation of society in the history of human society following the hunter-gathering, agricultural, industrial and information societies.

Main initiatives in which Mitsubishi Electric is participating

- Japan Business Federation (Keidanren)
- Japan Association of Corporate Executives
- The Japan Chamber of Commerce and Industry
- Japan Electronics and Information Technology Industries Association
- The Japan Electrical Manufacturers’ Association
- Communications and Information Network Association of Japan
- The Japan Machinery Federation
- Council on Competitiveness-Nippon
- Japanese Standards Association
- Japan Intellectual Property Association
- Japan Institute of Invention and Innovation
External Evaluation

CDP
Mitsubishi Electric was selected as the highest rating ‘A List company’ from CDP for “Climate Change” and “Water Security.” In the water category, it has been selected for five consecutive years. Mitsubishi Electric was also selected as a “Supplier Engagement Leader,” acquiring the highest rating in all of the three categories in which its environmental activities are evaluated.

SBT
It is recognized that the Mitsubishi Electric Group’s greenhouse gas reduction targets for 2030 are based on scientific grounds to “Holding the increase in the global average temperature to well below 2°C above pre-industrial levels” as stipulated in the Paris Agreement. We have obtained certification from the SBT (Science Based Targets) initiative.

EcoVadis
Mitsubishi Electric has been awarded the Silver Rating in corporate social responsibility (CSR) by EcoVadis, the global CSR assessment agency. Mitsubishi Electric scored especially highly in the categories of environment and sustainable procurement. The Silver Rating places Mitsubishi Electric among the top 25 percent of all companies assessed by EcoVadis.

MSCI Indexes
MSCI (USA) is a company that calculates and announces various indexes of global constituents. Mitsubishi Electric was selected as a constituent for the MSCI Japan ESG Select Leaders Index, which consists of Japanese stock names ranked according to their ESG (environment, social, governance) performance, and also for the MSCI Japan Empowering Women Index (WIN), consisting of select companies in Japan displaying excellent gender diversity. The two indexes have also been adopted as an investment outlet by GPIF.

S&P/JPX Carbon Efficient Index
Mitsubishi Electric was selected as a constituent of the S&P/JPX Carbon Efficient Index designed to measure the performance of companies by focusing on the level of carbon efficiency (carbon emissions per sales). The Index, which is constructed by S&P Dow Jones Indices, is based on carbon emission data by Trucost, which assesses risks relating to climate change, natural resource constraints, and broader environmental, social, and governance factors. The index has also been adopted as an investment outlet by GPIF.

Eruboshi
Mitsubishi Electric has received Eruboshi (Grade 2) from the Ministry of Health, Labour and Welfare as an outstanding enterprise in promoting women’s participation and career advancement.

White500
Mitsubishi Electric has been recognized under the 2021 Health & Productivity Management Outstanding Organizations Recognition Program’s White500 (large-scale corporate category), for excellence in our various activities that contribute to health and productivity management by the Ministry of Economy, Trade and Industry and Nippon Kenko Kaigi.

Environmental awards
## Communication with stakeholders

### Status of Communication

A strong relationship of trust with stakeholders is indispensable for conducting business activities. We provide various opportunities to help stakeholders understand the Mitsubishi Electric Group and ask for their expectations, requests, and opinions.

<table>
<thead>
<tr>
<th>Major stakeholders</th>
<th>Responsibilities and issues</th>
<th>Major contact departments</th>
<th>Major communication opportunities</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Customers</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| Individual and corporate customers | - Improvement of customer satisfaction  
- Product safety and quality  
- Customer response and support | - Sales departments  
- Quality departments | Inquiry centers (home appliances: Customer Relations Center; building systems: Information Center, etc.), sales activities, websites, showrooms, events, exhibitions, customer questionnaires, mass media / commercials |
| **Employees**       |                           |                           |                                  |
| Workers related to the Mitsubishi Electric Group in general | - Occupational health and safety  
- Respect for human rights  
- Human resource development  
- Respect for diversity | - Personnel departments  
- Sustainability promotion departments | Hotlines, intranets, in-house bulletins, training programs, meetings between management and employees, employee awareness surveys |
| **Government, local governments, industrial organizations** |                           |                           |                                  |
| Governmental institutions, local governments and industrial organizations relevant to the business activities of the Mitsubishi Electric Group | - Compliance with laws and regulations  
- Compliance with restrictions  
- Policy proposals | - External affairs departments | Participation in advisory councils and committees, participation in the activities of industrial and economic organizations |
| **NGOs and NPOs**   |                           |                           |                                  |
| NGOs/NPOs citizens groups, etc. with relevance to the social and environmental aspects of Mitsubishi Electric Group | - Grants and partnerships through contributions to regional communities  
- Dialogues on social and environmental issues | - Sustainability promotion departments | Philanthropic activities (funds, foundations, volunteer activities), dialogues on social and environmental issues |
| **Business partners** |                           |                           |                                  |
| Business partners that supply raw materials and parts | - Fair transactions  
- Sustainability promotion through the supply chain | - Materials departments | Information sessions on sustainability procurement, BCP seminars, meetings based on the results of fair selection and evaluation of suppliers |
| **Regional communities** |                           |                           |                                  |
| Communities near Mitsubishi Electric offices | - Contribution to four activity philanthropic areas (social welfare, science and technology, global environmental conservation, culture, art and sports) | - Sustainability promotion departments | Contributions through business, philanthropic activities (funds, overseas foundations, volunteer activities), grants to universities, plant inspection tours, factory open-house events |
| **Shareholders**    |                           |                           |                                  |
| Shareholders, investment institutions, investors, etc. directly or indirectly possessing Mitsubishi Electric Group shares | - Increase in corporate value  
- Proper redistribution of profits  
- Information disclosure  
- Response to ESG investments | - IR departments  
- R&D departments | Financial results presentation meeting (4 times yearly), general meetings of shareholders (once a year), IR events/individual meetings, websites (IR resource library), responses to interviews, shareholder communications |
| **Others**          |                           |                           |                                  |
| Academic institutions and research institutions | - Cooperation in creating innovation  
- Joint studies | - R&D departments | Industry-academia cooperation in research, stakeholder dialogues (once a year) |
| **Future generations** |                           |                           |                                  |
|                           | - Provision of education opportunities | - Sustainability promotion departments  
- Overseas foundations | Inquiry centers, philanthropic programs, factory inspection tours, grants via foundations, events |
Results of Reader Surveys

Questionnaire-based Survey Conducted on the Sustainability Report

The Mitsubishi Electric Group conducted a survey questionnaire among its stakeholders in Japan regarding the Group’s sustainability initiatives and Sustainability Report 2020, resulting in responses from 600 individuals.

A portion of the survey results is presented here. The Group’s initiatives were quite well-thought of overall, with the responders offering many positive options. They also raised certain issues. The Group takes these points seriously and will adjust based on them in future activities, with the Group as a whole seeking to push further forward on its sustainability efforts.

Survey summary and partial results

[Period]
December 2020

[Questionnaire responders]
Japan
600 persons
General population nationwide, men and women aged 15 or older (people with a strong interest in sustainability)

[Main questions]
Is senior management pursuing CSR initiatives in earnest?
Does the company have the framework that will allow it to implement CSR efforts as a total organization?
Are company initiatives truly moving forward?
Is the company engaging in dialogue with the relevant parties in its orbit?
Does the company consider ease of comprehension and access to information?
Please select all those items in the report that made a particular impression on you (e.g. evoked positive feelings, sparked interest, felt you could approve of it, etc.).
Are the Mitsubishi Electric Group’s initiatives enough when it comes to crucial CSR issues?

<table>
<thead>
<tr>
<th>Comments on initiatives for CSR materiality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Main comments received</td>
</tr>
<tr>
<td>The company has a high awareness of CO₂ emissions and a track record of acting to address them. (Female, age 35)</td>
</tr>
<tr>
<td>The goals are precise and easy to understand. (Female, age 35)</td>
</tr>
<tr>
<td>I wish the company would set higher goals. (Male, age 55)</td>
</tr>
<tr>
<td>Main comments received</td>
</tr>
<tr>
<td>I like the company’s attitude that the first step to customer satisfaction is employee education. (Female, age 68)</td>
</tr>
<tr>
<td>It is good that the company shows what it actually does to its products to ensure safety. (Male, age 47)</td>
</tr>
<tr>
<td>The company clearly demonstrates that it puts customers first. (Male, age 63)</td>
</tr>
<tr>
<td>It is unclear whether the company is appropriately implementing measures to prevent recurrence of serious faults such as &quot;inappropriate actions in quality management&quot; and &quot;mistakes in product shipment inspections.&quot; (Male, age 65)</td>
</tr>
<tr>
<td>Main comments received</td>
</tr>
<tr>
<td>From the data, I could see that the company thinks about creating an easy-to-work-in environment. (Female, age 33)</td>
</tr>
<tr>
<td>I felt that the company has strongly recognized its past mistakes, incorporated them into future tasks to achieve the SDGs, and is now working to make improvements. (Male, age 36)</td>
</tr>
<tr>
<td>While the company says it focuses on how to use human resources, it fails to provide the details of how it does so. I want to see more specific examples because the company uses abstract expressions. (Male, age 66)</td>
</tr>
<tr>
<td>Given the COVID-19 pandemic, I do not think that the company can survive unless it accepts new working styles. (Male, age 49)</td>
</tr>
<tr>
<td>Main comments received</td>
</tr>
<tr>
<td>I sensed the company’s commitment to continuously strengthening compliance. (Male, age 42)</td>
</tr>
<tr>
<td>It is good that the outcomes shown in the figures suggest that the company is working seriously on this area. (Male, age 33)</td>
</tr>
<tr>
<td>What the report proposes is excellent, but how the proposals can be put into practice is more important. (Male, age 86)</td>
</tr>
<tr>
<td>I want the company to be ‘clean’ both inside and out. It would have been better if the report provided more detailed examples of the company’s efforts. (Female, age 61)</td>
</tr>
</tbody>
</table>
Interviews with Experts

The Mitsubishi Electric Group has spoken with insightful experts, who are active in various industries, in order to hear what they think about our sustainability efforts amid the current trends. More specifically, we asked them to read the Mitsubishi Electric Group Sustainability Report 2020 and requested their opinions mainly regarding our materiality and what they expect from us given the domestic and international trends related to the sustainable development goals (SDGs) as well as environmental, social, and governance (ESG) investment. These experts also responded to our survey in order to identify our group’s materiality. This section reports some of the opinions that we received.

Expectations for the Mitsubishi Electric Group

Takeshi Shimotaya
Managing Director
Sustainavision Ltd.

Areas of expertise:
Sustainability, Business & Human rights and supply chain management

• Vulnerable workers, such as part-time employees at domestic and international factories, seem to be the greatest victims of the impact of COVID-19. I expect you are considerate of vulnerable workers throughout your supply chains and will not need to cancel already signed orders placed with group companies, suppliers, and so on.

• For a company to ensure compliance with sustainability-conscious procurement standards, it must clearly show that it will trade with suppliers that meet such standards. It is desirable that your current suppliers, in order to generate value throughout the supply chain, it is desirable that they deepen their understandings of the standards. If they fail to meet such standards for some reason, you and the suppliers should work together to improve the situation.

• The principal of human rights means to fully respect all individuals. To get employees to think that they want to work for your company, respecting human rights within the company requires the company to value employees and the president and all managers should communicate to employees that the company values them. This will promote employee motivation and loyalty as well as enable the company to recruit talented individuals.

Mari Yoshitaka
Principal Sustainability Strategist, Deputy General Manager of the Corporate Planning Dept., Mitsubishi UFJ Research and Consulting Co., Ltd.

Areas of expertise:
Environmental finance, climate change, carbon credits, ESG investment and finance, SDGs, and sustainable finance

• Investors strongly require companies to build growth strategies considering risk management and sustainability.

• Human rights issue is recognized as one of the crucial risk factors for companies from a global perspective. Since Japanese society is aging progressively, I especially pay close attention to this factor from the point of view of human resource strategies to acquire high-quality human resources.

• The environment issue has been a highly important matter. In recent years, the importance of cyber security and supply chain management has also been increasing.

• In terms of governance, it is expected to consider ESG aspects in the business evaluation of officers.

• Disclosure of the results alone may be deemed unintentional to implement future measures. Stakeholder capitalism, which places importance on contributions to stakeholders through corporate activities, is expanding. In order for stakeholders to understand its long-term corporate value improvement strategy, it is important for the company to not only disclose results but also to explain how to operate the business in the future and to communicate with stakeholders well. It is expected that outstanding technologies and corporate policy and measures of your company will be swiftly delivered in the manner of such disclosure and communication practices.

Dr. Wong Lai Yong
First Penguin Founder

Areas of expertise:
Sustainability, stakeholder engagement, and empowerment of youth and women in Asia (based in Malaysia)

• I think it is important to consider material issues through backcasting as your company has celebrated its 100th anniversary and is now preparing for the next 100 years, which are hard to predict.

• I expect that you will contribute to the achievement of SDG 9, “Industry, innovation and infrastructure,” as well as SDG 13, “Climate action.” We have not yet found solutions to realize a decarbonized society; I expect that your company, armed with a high level of engineering capabilities, will achieve technological innovation and provide the solutions.

• I expect that your company will contribute to the achievement of SDG 12, “Responsible consumption and production.” From circular economy perspective, I hope your initiatives would consider the product life cycle - from design to disposal, and to use less raw materials.
Dialogues with Experts

The Mitsubishi Electric Group holds Dialogues with Experts to hear experts’ opinions on our sustainability efforts from stakeholders’ perspectives and incorporate them into our future activities. In March 2021, we held the fifth Dialogues with Experts with three experts, covering a wide range of topics including the latest sustainability trends and the experts’ expectations for the Mitsubishi Electric Group.

Our group reviewed its material issues based on the Purpose, Our Values, and Commitment, which were revised as the group celebrated its 100th anniversary, and changes in the surrounding environment. In this dialog, we asked the experts for their opinions on identifying material issues.

* The sessions were held online as a COVID-19 countermeasure.

Important Opinions and Recommendations from the Experts

The importance of clearly communicating the purpose of sustainability efforts to employees

In the process of reviewing the material issues, the Mitsubishi Electric Group conducted a survey of not only domestic and overseas group employees but also a wide range of stakeholders including consumers, suppliers, and investors. This suggests that the Group directly responds to diverse opinions.

Meanwhile, material issues must first be identified and then understood throughout the organization. In the past, manufacturers spent all their efforts ensuring total quality control (TQC). Today, in the same manner, they must disseminate the value they place on sustainability throughout the organization. I want you, the Mitsubishi Electric Group, to take advantage of opportunities like the President’s Forum to have direct conversations with employees and to send a clear message about why sustainability efforts are necessary. Communicating the president’s intentions is indispensable for boosting employee motivation.

As you have included “provision of integrated solutions” in the new management strategy despite your history as a manufacturing company, I believe that society will continue to change from being object-oriented to experience-oriented. To secure business continuity after this period of change, it is imperative that you reconsider how the organization and individuals should operate, and adapt to such changes.

Finally, I think that after experiencing various pandemic-related events, people have come to stop fearing the fact that “common sense changes.” Therefore, I expect you to resolve social issues without being limited by traditional common sense.

I anticipate seeing the group sort out the relationships between social issues and people and addressing material issues in the “Mitsubishi Electric” way

Materialities of the Mitsubishi’s business seem to be reviewed in a proper process, however, you must develop a long-term vision of what the desirable society looks like and clearly address how you will contribute to such a society. Our Global Society is undergoing a major shift from a carbon society based on oil and coal to a decarbonized society. It is important to communicate to your employees your resolve that you should shift from producing hard products to soft, experience and services, because we should all decarbonize. To resolve social issues, you must begin by recognizing the fact that your corporate activities thus far have had negative impacts on various aspects of the environment and society, and you must always consider how people are affected by these social issues. Based on an understanding of the relationship between people and your four focus areas—namely Life, Industry, Infrastructure, and Mobility—I would like you to strive to become a company that makes everyone happy.

Necessary administrative measures have been taken to address labor issues. Still, the corporate culture needs to be transformed, and this cannot be done easily. A gap in attitudes easily arises between management and employees; therefore, I expect you to fully implement the measures to alter the culture while filling the gap. In other words, what is expected is a dramatic corporate culture reform to make management directly communicate its intentions to employees so that, for example, young employees who want to contribute to society fully understand that the company has a policy of aiming to resolve social issues.
High expectations for the group’s new endeavor, the solutions business, to resolve social issues

Having withstood various changes in the environment, you, the Mitsubishi Electric Group, have kept your business going for 100 years. This is remarkable. What investors are looking for in the next 100 years is sustainable corporate growth. I hope that you recognize the issues that society is facing and propose a value creation scenario that synchronizes the resolution of these issues with corporate growth.

Since you have a wide variety of business operations, I think it may be difficult for you to create a simple and clear scenario. However, I recognize that your business model, in which you offer solutions, brilliantly and coherently connects different business areas. You have a large number of excellent products and services, and I believe that these function as a platform upon which you can offer valuable solutions.

As for the review of material issues, you can highlight your uniqueness by placing importance on the connection between these issues and the four areas as well as by combining these areas with the growth strategy, the solution service. In particular, in the area of the environment in which many companies face the task of decarbonization, you will be sending out your message to society by making full use of the products and solutions that you have developed thus far and by contributing to the decarbonization of the entire business community.

Clarifying the types of change you intend to make and the goals behind value creation will lead to the provision of solutions to customers and society.

Although human capital is hard to assess, you have an advanced approach of setting performance indicators (KPIs) to assess job satisfaction and work-life balance with the goal of enhancing employee engagement. My expectation for you is that you will implement concrete measures to address the areas identified as being at high risk and describe your actions both internally and externally.

Keisuke Takegahara
Executive Fellow
Research Institute of Capital Formation
Development Bank of Japan

In response to the dialogues

We, the Mitsubishi Electric Group, revised Purpose, Our Values, and Commitment as we celebrated our 100th anniversary. We have also announced that under our management strategy, our goal is to resolve social issues through our solutions. Going forward, we will review our materiality and tackle social issues in a way unique to the Mitsubishi Electric Group.

We appreciate the experts’ honest critiques. In particular, we recognize the importance of taking time to thoroughly explain management’s intentions to employees. We will work on communication, in addition to other areas, so that employees can take ownership of social issues and engage in tasks to resolve them. Through these efforts, we will foster a sustainability-oriented corporate culture and pursue value creation to resolve social issues by offering integrated solutions in the areas of Life, Industry, Infrastructure, and Mobility. To all the experts, I thank you for your time today.

Jun Nagasawa
Representative Executive Officer
Senior Vice President
Mitsubishi Electric Corporation

Measures for Internal Dissemination

The following initiatives have been implemented to ensure sustainability has reached every part of our company.

Sustainability Lectures for Executives

Lecture presentations are held by experts who are asked to speak about changes in social perspectives and the latest industrial trends concerning sustainability to Mitsubishi Electric executives and members of the Sustainability Committee (the former CSR Committee). These lectures are a good opportunity to reconfirm the importance of sustainability to the executives.

Sharing of Sustainability Information in Conferences of Mitsubishi Electric Group Administrative Managers

Twice a year, general managers of the administrative departments of affiliate companies in Japan gather in a conference to discuss compliance and other related matters. In response to the increasing importance of sustainability in recent years, the conferences are now not only a forum for sharing information on Group-wide sustainability policies and best practices related to sustainability, but are also an opportunity for the managers to think about the significance of sustainability to each company. Through these conferences, continued efforts will be made to raise the level of sustainability for the entire Group.
Sustainability Training for New Employees

Every year, sustainability training is held for new employees of Mitsubishi Electric to deepen their understanding of sustainability as a basic foundation of corporate management, to ensure ethics and legal compliance in their daily operations, and to instill the importance of addressing quality and environmental issues. The new employees learn that sustainability efforts must be made by each employee in their daily duties.

Sustainability Manager Training

Since fiscal 2017, Mitsubishi Electric has held training for sustainability managers from the company’s offices and affiliates in Japan. Through lectures and group discussions on the basic principles of sustainability, social demands, and the Mitsubishi Electric Group’s sustainability initiatives, participants develop a greater awareness of their specific role as sustainability managers in their daily operations. In addition, we have been distributing e-learning materials so that employees at Mitsubishi Electric and domestic and overseas affiliated companies will be able to learn about sustainability.

Promoting Understanding of Sustainability through In-house Newsletters

The Mitsubishi Electric Group’s initiatives concerning sustainability are shared through in-house newsletters that are distributed to Group companies both in Japan and overseas. They are published in Japanese and English so they can be read by as many employees as possible, and they provide a valuable opportunity for each and every employee to think about the sustainability of the Group as a whole.

President’s Forum

Mitsubishi Electric holds the President’s Forum, a meeting in which the president and employees have a conversation, at various workplaces. At the forum, the president directly communicates the corporate policy to employees while gathering input from employees covering a wide range of topics, including the operational issues at each office as well as opinions and requests regarding corporate matters. These inputs are then incorporated in the implementation of more effective measures. In April 2021, the “President’s Room” opened, whereby employees and the president can “talk” through email. By implementing these programs, the company ascertains the thoughts and feelings of individual employees while communicating the thoughts and feelings of the president.

Sustainability Considerations in Overseas Affiliates

Overseas affiliates of the Mitsubishi Electric Group also hold committees for promoting sustainability and otherwise implement activities as needed for each region.

In fiscal 2020, efforts were made to disseminate Group-wide sustainability policies overseas. For example, sustainability was widely introduced in training programs for staff members of affiliates in the Asia region and programs for overseas management executives. Additionally, the company exchanged views on sustainability issues and Group-wide sustainability policies with managers of individual regions. We will continue making these efforts to increase the sustainability of the Mitsubishi Electric Group as a whole.