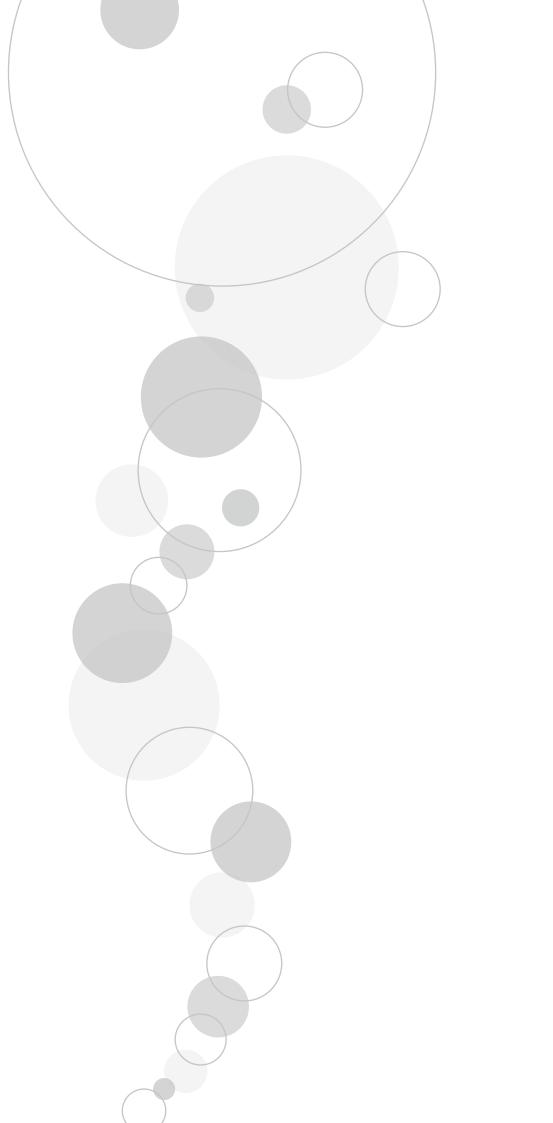


CSR Report 2015





About the Report

This report provides information about corporate social responsibility (CSR) initiatives by the Mitsubishi Electric Group to help realize a sustainable society. It primarily reports on significant activities, events, and changes that occurred in fiscal 2015 (year ending March 31, 2015). Based on the PDCA (plan-do-check-act) approach, in reporting our activities, we tried to go beyond just presenting our principles and the results of activities to date in order to also refer to future policies and issues. We endeavor to fulfill our responsibility of presenting information to the public in order to broaden our range of communication with stakeholders. We appreciate any and all frank and honest feedback intended to further improve the report.

■ Structure of the Report

Aiming to fulfill our responsibility of presenting information to the public, the report consists of and discloses information in three main sections of content: CSR Policy, Environmental Responsibility, and Social Responsibility. In particular, Social Responsibility section reports on our responsibility and conduct toward stakeholders. The Environmental Responsibility section introduces our activities grounded in Environmental Vision 2021 and a number of unique initiatives expected of a global, leading green company. It also provides easy-to-understand explanatory animated content about our environmental technologies.

Period Covered by the Report

April 1, 2014 – March 31, 2015

* Also includes some information on policies, targets and plans, and activities and events occurring after the close of fiscal 2015.

Scope of the Report

Social Aspects

Primarily covers activities of
Mitsubishi Electric Corporation
*The range of data compiled is noted individually.

Environmental Aspects

Covers the activities of Mitsubishi
Electric Corporation, 112 domestic
affiliates, and 79 overseas affiliates
(total of 192 companies).

Economic Aspects

Primarily covers performance of
Mitsubishi Electric Corporation,
consolidated subsidiaries, and
equity method affiliates

References

- Environmental Reporting Guidelines (2012), Ministry of the Environment
- Business Owner Environmental Performance Indicator Guideline (2002), Ministry of the Environment
- Environmental Accounting Guidelines (2005), Ministry of the Environment
- Environmental Reporting Guidelines 2001—With Focus on Stakeholders, Ministry of Economy, Trade and Industry
- Sustainability Reporting Guidelines Version 3.1, Global Reporting Initiative Version 4, Global Reporting Initiative

• ISO26000

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About Us

Corporate Mission

The Mitsubishi Electric Group will continually improve its technologies and services by applying creativity to all aspects of its business. By doing so, we enhance the quality of life in our society. To this end, all members of the Group will pursue the following Seven **Guiding Principles.**

Seven Guiding Principles

1. Trust Establish relationships with society, customers, shareholders, employees, and business

partners based on strong mutual trust and respect.

2. Quality Provide the best products and services with unsurpassed quality.

3. Technology Pioneer new markets by promoting research and development, and fostering

technological innovation.

As a global player, contribute to the development of communities and society as a 4. Citizenship

whole.

5. Ethics and Compliance In all endeavors, conduct ourselves in compliance with applicable laws and high ethical

standards.

6. Environment Respect nature, and strive to protect and improve the global environment.

7. Growth Assure fair earnings to build a foundation for future growth.

Changes for the Better **Corporate Statement**

The Mitsubishi Electric Group's corporate statement, "Changes for the Better," represents our goal and attitude to always strive to achieve "something better," as we continue to change and grow. It is a statement that promises "to create an ever better tomorrow" to our customers by the initiative of each and every one of our employees, who seek to improve themselves by aiming for "the better," and daily aim to "improve technologies, services, and creativity," as stated in our corporate philosophy.

Corporate Data (As of March31, 2015)

Name Mitsubishi Electric Corporation Paid-in Capital ¥175,820 million Address Tokyo Building, 2-7-3, Marunouchi, 2,147,201,551 shares Shares issued Chiyoda-ku, Tokyo 100-8310, Japan **Employees** 129,249

Tel: +81(3)3218-2111

Stock Exchange Listings Japan: Tokyo Established January 15, 1921 Europe: London

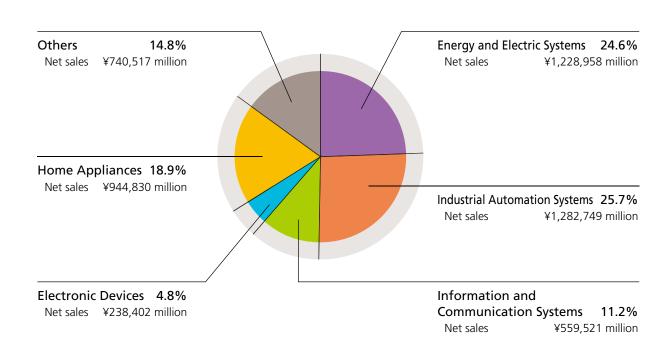
Financial Results

Performance for the Year Ended March 31, 2015

•			Yen (millions)	U.S. dollars (thousands)
Years ended March 31	2015	2014	2013	2015
Net sales	¥4,323,041	¥4,054,359	¥3,567,184	\$36,025,342
Operating income	317,604	235,172	152,095	2,646,700
Net income attributable to Mitsubishi Electric Corp.	234,694	153,473	69,517	1,955,783
Total assets	4,059,451	3,612,966	3,410,410	33,828,758
Interest-bearing debt	381,994	373,478	540,572	3,183,282
Mitsubishi Electric Corp. shareholders' equity	1,842,203	1,524,322	1,300,070	15,351,692
Capital expenditures	199,758	151,840	150,425	1,664,650
R&D expenditures	195,314	178,945	172,222	1,627,617
			Yen	U.S. dollars
Per-Share Amounts				
Net income attributable to Mitsubishi Electric Corp.				
Basic	¥109.32	¥71.49	¥32.38	\$0.911
Diluted	_	_		_
Cash dividends declared	27	17	11	0.225
			%	
Statistical Information			*	
Operating income ratio	7.3%	5.8%	4.3%	_
Return on equity (ROE)	13.9	10.9	5.7	_
Interest-bearing debt to total assets	9.4	10.3	15.9	_

See accompanying Notes to Consolidated Financial Statements on page 41.

Net Sales Breakdown by Business Segment



¹ The Company prepares consolidated financial statements with procedures, accounting terms, forms, and preparation that are in conformity with accounting principles generally accepted in the United States of America based on the rules and regulations applicable in Japan.

² Operating income is presented as net sales less cost of sales, selling, general, administrative, and R&D expenses, and loss on impairment of long-lived assets.

³ Diluted net income per share attributable to Mitsubishi Electric Corp. is not included in the above figure as no dilutive securities existed.

⁴ U.S. dollar amounts are converted from yen at the rate of ¥120=U.S.\$1, the approximate rate on the Tokyo Foreign Exchange Market on March 31, 2015.

Our Commitment

President Message

In keeping with the spirit of our corporate statement, "Changes for the Better," we shall continue to pursue the change required to create new value, in order to help realize a sustainable society.



We Have Emphasized Corporate Social Responsibilities Since the Time of Our Founding

The operating environment continues to undergo dramatic changes, reflecting advances in globalization, revisions to legislation, and other factors. What must continue regardless of how the times may change is respect for corporate ethics and compliance and a commitment to not compromise on environmental issues and product quality. This commitment of the Mitsubishi Electric Group was first articulated in the Keys to Management (in Japanese, Keiei no Yotei), which was drawn up at the time of the company's founding in 1921. The spirit of this document which states our contributions in areas such as the prosperity of society, product quality, and customer satisfaction—lives on today in our Corporate Mission and Seven Guiding Principles. With these tenets as our core principles, the Group promotes various initiatives in order to fulfill our corporate social responsibilities.

Economic Aspects:

Enhancing Corporate Value

In fiscal 2015, the Mitsubishi Electric Group placed even stronger emphasis than before on promoting growth strategies rooted in the Group's unique strengths, while also making ongoing efforts to give all of our business segments a stronger competitive edge and reinforcing the Group's management foundation. As a result, our sales amount increased 7% from the previous year to ¥4.323 trillion, operating income increased 35% to ¥317.6 billion (for an operating income ratio of 7.3%), and net income for the year increased 53% to reach a total of ¥234.6 billion. In fiscal 2016, we will continue to pursue the goals of our growth strategies from a global perspective by strengthening collaboration both inside and outside the company. We will also implement Group-wide management improvement measures to stably achieve the management indicators that we should achieve on a continuous basis and to realize the growth targets that we should achieve by fiscal 2021.

Growth Targets to be Achieved by Fiscal 2021

Sales	s amount	¥5.0 trillion or more (¥4.323 trillion)
Ope	rating income ratio:	8% or more (7.3%)

Management Targets to be Continuously and Stably Achieved

ROE:	10% or more (13.9%)
Ratio of interest-bearing debt to total assets:	15% or less (9.4%)

(Figures in parentheses indicate fiscal 2015 performance)

Environmental Aspects:

We Will Continue To Pursue Our Initiatives for Realizing Environmental Vision 2021

The Mitsubishi Electric Group pursues environmental management practices in its effort to achieve Environmental Vision 2021* by the target year of 2021, which marks the 100th anniversary of the company's founding, and aims to contribute to building an affluent society as a global, leading green company. The affluent society we aim for is a sustainable society in which people throughout the world live in safety and comfort, and in harmony with various other living organisms. Environmental Vision 2021 defines three pillars of action: "lowcarbon society," "recycling-based society," and "biodiversity preservation." Amid a possible global-scale depletion of such natural resources as fossil fuels, minerals, and water, we will keep our focus on providing highly energy-efficient and resource-efficient products to customers around the world. We shall do so by implementing initiatives based on the three pillars of action in all aspects of our business, from materials procurement to production and physical distribution. To realize Environmental Vision 2021, Mitsubishi Electric formulated the Eighth Environmental Plan, which sets forth targets that are to be achieved by the Group over the next three years, and accordingly launched the plan in April 2015. It mainly pursues the following goals:

- Creating a low-carbon society: Reduce total annual emissions of carbon dioxide from energy use and emissions of gases other than carbon dioxide that have a large impact on global warming, to less than 1.37 million tons.
- Creating a recycling-based society: Expand environmental programs by strengthening cooperation with resource-recycling businesses in the recycling of plastics contained in home appliances, the modernization of elevators, the replacement of generator coils, and the rebuilding of alternators.
- Realizing a symbiotic society: Aim to achieve a cumulative total of 30,000 participants in Mitsubishi Electric Outdoor Classrooms and Satoyama Preservation Projects.

By pursuing these measures in addition to our conventional initiatives, we will contribute to building a society where everyone can live affluently, without sacrificing the earth's resources or biodiversity.

* Environmental Vision 2021, formulated in October 2007, is the long-term environmental management vision of the Mitsubishi Electric Group. It establishes a framework for realizing a sustainable planet, and defines long-term initiatives to realize a low-carbon society—such as cutting CO₂ emissions from product usage by 30% (compared to fiscal 2001)—and to create a recycling-based society.

Social Aspects:

Contributing to Society through Technology While We Uphold Corporate Ethics and Compliance and Engage in Social Contribution Activities

As a member of society, the Mitsubishi Electric Group is responsible for upholding corporate ethics and compliance as

well as engaging in social contribution activities. The Group also recognizes its responsibility to contribute to society through the technologies it has built up over the years. In particular, our commitment to compliance has underpinned corporate management while forming the core of our efforts to strengthen the Group's internal control system and implement employee training programs. In keeping with this spirit, we will make devoted efforts to further strengthen our compliance activities by enforcing strict adherence to compliance policies, strengthening our internal control system, and providing effective trainingwith the hope of establishing stronger relationships of trust with society, our customers, and shareholders. Environmental considerations and contributions are an integral part of the Group's businesses. Therefore, our technologies and products that support environmental protection, energy conservation, and social infrastructure can help contribute to the realization of a society that is more friendly to both people and the earth, or—in other words—a more prosperous society. We are also garnering a high level of expectation for the development of Smart Grids and Smart Communities, which are designed to provide a highly reliable supply of electricity from the large-scale use of photovoltaic power and other renewable energy sources, and we have commenced full-scale demonstration tests in Amagasaki (Amagasaki City, Hyogo Prefecture) and Wakayama (Wakayama City, Wakayama Prefecture) in fiscal 2012, toward the practical application of such Smart systems. We will harness the entire Group's comprehensive technological capabilities to play a part in the creation of a low-carbon society. In fiscal 2016, we will make even greater efforts to uphold corporate ethics and compliance and take an active part in social contribution activities, while also contributing to society through our technologies, products, and services. Through these initiatives, the Group will work to build a relationship of trust with stakeholders and do its part to help create a sustainable society. In the spirit of our corporate statement, "Changes for the Better," and our environmental statement, "Eco Changes," we shall pursue continuous improvement and continue to transform and grow as we strive to become a global, leading green company. We ask for your understanding and support as we pursue these goals.

NOTE: Fiscal years used on this page refer to the fiscal period starting on April 1st of the previous year and ending on March 31st of the year shown.

M. Sakuyama

Masaki Sakuyama President & CEO

Special Features

Helping to Build a More Affluent Society

From the home to outer space, "eco changes" is changing society for the better, helping to build a richer and more affluent society.

The Mitsubishi Electric Group is working to achieve a rich and vibrant society through the concept of "Changes for the Better". Through a wide range of businesses, from homes all the way to outer space, we are rising to the challenge of creating an environmentally sustainable society as part of our commitment to "eco changes" as a way to address the needs of our age. Each of our employees is working with our customers on a global basis to transform our lives, our businesses, and our communities in ways that make them better and safer. The Mitsubishi Electric Group is aiming to grow as a "global, leading green company" that contributes to creating a more affluent society by rolling out cutting-edge environmental technology and excellence in product development around the world.



Human Rights

Global Challenge

Building more affluent societies all around the world, we are helping to provide infrastructure and more comfortable lifestyles in countries all over the globe.





Contributing to Society through R&D

Mitsubishi Electric Group R&D Aimed at Resolving Social Issues

Through its advanced R&D, the Mitsubishi Electric Group is developing a range of technologies to address social issues.

Development Achievements in Fiscal Year 2015

Development of Support Technologies for Tsunami Radar Monitoring

Mitsubishi Electric Corporation has developed the world's first* tsunami monitoring support technologies that can detect the development of tsunamis from sea-surface data produced with radar observations, and estimate the height of the wave.

Traditional observation methods could only observe tsunami waves on ocean surfaces up to 20 km offshore, due to the curvature of the Earth. However, the new technologies can observe tsunami waves on ocean surfaces up to 50 km offshore under certain conditions, by using oceanographic radar technology.

Being able to quickly detect tsunamis arising at a greater distance will help mitigate and prevent damage to coastal regions.

*As of February 17, 2015 (survey conducted by Mitsubishi Electric Corporation)

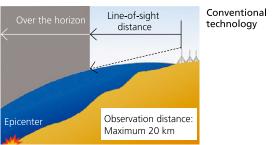
Development of Water Treatment Technology Using Gas/Liquid Interfacial* Discharge

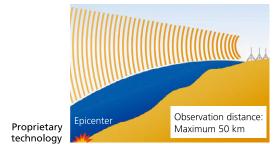
Mitsubishi Electric Corporation has developed a novel water treatment technology for treating and reusing industrial wastewater and sewage that can decompose substances which were difficult with conventional technologies.

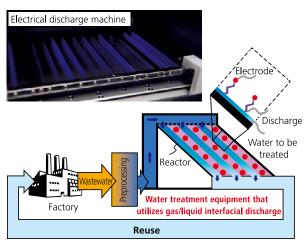
The treatment system places electrodes on slanted surfaces, over which the water to be treated flows. Discharges from the electrodes then generate hydroxyl radicals with strong capacity to decompose substances. These hydroxyl radicals are used for the highly efficient breakdown of substances which were difficult using chlorination or ozonation.

This enables building a system for reusing industrial wastewater and sewage at a lower cost, contributing to the creation of a sustainable water recycling society.

 * Gas/liquid interface: the contact surface between a gas and a liquid







Conceptual diagram of a system that reuses industrial wastewater

Human Rights

The Environment and Business

Initiatives Undertaken by Business Groups to Resolve Social Issues

The Mitsubishi Electric Group contributes to communities through its numerous and diverse businesses. In regards to the environment in particular, the Group is working to address climate changes as well as other environmental challenges.

Public Utility Systems Group

Providing a Wide Range of Key Products for Social Infrastructure

The Public Utility Systems Group supplies products for social infrastructure to support government agencies, and road- and railway-related companies. In recent years, we have focused on building next-generation infrastructure by providing solutions that optimize rolling stock energy on the whole, and engaging in businesses related to smart communities and energy-saving water treatment processes.

Three make-to-order sites in Japan manufacture products made in response to customer needs. Furthermore, by improving facilities, testing, distribution, and other factors at affiliates in Japan and overseas, we are promoting energy savings, thoroughly managing harmful substances used in painting equipment, and endeavoring to prevent soil and water pollution.

Main products and technologies

- Rolling stock total energy and environment solutions
- Air-conditioning systems for rolling stock Automatic platform gates
- Ozone generators Water treatment systems Aurora Vision







Air-conditioning system for rolling stock

Energy & Industrial Systems Group

Delivering Equipment and Systems that Support Stable Electricity Supply

The Energy & Industrial Systems Group supplies products and systems for energy—including power generation, transformation, transmission and distribution, and retailing—to electric power utilities and companies in general. Manufacturing is mainly carried out at two small-lot production sites and one small-lot/mass-production site at affiliate companies in Japan and overseas. In recent years, we have been focused on reducing the environmental impact of overseas affiliates, and under the guidance of the mother factory in Japan, are working to reduce the atmospheric emission of SF6 gas, which has a high global warming potential, and strengthen the management of chemical substances.

Main products and technologies

- Turbine generators Switchgear Transformers
- Smart meter systems Plant monitoring control systems



High-efficiency turbine generator



High-efficiency transformer

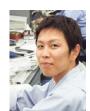


Staff Commentary

Offering Railway Station Auxiliary Power System Utilizing Regenerative Energy

Takashi Katsumata Transportation System Dept. Transportation Transformer System Technology Section Kohe Works

In the rail industry, the technologies which utilize the regenerative energy created by a railcar's kinetic energy for other railcars are becoming more popular. However, there are cases where this cannot be achieved effectively depending on a train's operational status. For this reason, Mitsubishi Electric developed a compact system which supplies regenerative power for use in the air conditioning, lighting, elevators, and so on of railway stations. Moving forward, we are considering the use of this system overseas.



Staff Commentary

Development of a Monitoring Control System That Saves Resources and Space, and Achieves Low Power Consumption

Fumitaka Ito

Generation Control & Monitoring System Design Section Energy Plant & Systems Department Energy System Center

Following a 13-year span, Mitsubishi Electric has developed an eco-conscious, compact monitoring control system for thermal power stations that features improved functions and performance compared to conventional systems. It has input/output modules and other equipment that adopt a framework which can reuse some existing components when the system is renewed to the latest version. This saves resources, which is a significant feature.

Building Systems Group

Delivering Safe, Secure, and Convenient Products and Solutions that Enhance the Value and Functions of Entire Buildings

The Mitsubishi Electric Building Systems Group provides not only elevators and escalators, but also building management systems such as access control, building management, and surveillance cameras, to public and private building owners in over 90 countries. By providing products that constantly secure safe and secure infrastructure essential to society, as well as comfortable transportation and living spaces, we are contributing to the realization of a society with more vitality and comfort.

To this end, we provide a full range of support that spans from initial sale to maintenance services and renewal, as well as new solutions that further enhance the value and functions of entire buildings.

Main products and technologies

- Elevators Escalators Room access control systems
- Building management systems Survellance cameras







Building management system



Staff Commentary

Proposing Elevator Renewal Based on an Energy-saving Concept

Kohei Fukui Domestic Sales Section, Sales Department Inazawa Works

Mitsubishi Electric proposes a renewal service based on an energy-saving concept that aims to continue using as many existing components as possible, thus reducing cost and shortening the duration of the renewal work. While naturally achieving safety, security, and convenience, we are also contributing to the reduction of CO₂ emissions by cutting energy consumption as much as 60%.

Electronic Systems Group

Safeguarding People's Lives and Contributing to Space Research and Cutting-edge Technologies

The Electronic Systems Group manufactures communications and broadcast satellites, earth observation satellites, ground control systems required for satellites and satellite operations, and large telescope facilities such as the Subaru Telescope. We also supply electronics equipment such as the contact image sensors used in copiers and modules for the millimeter-wave radar used in vehicle safety systems. The production of these products is primarily carried out at two sites in Japan. In this way, we are contributing to the realization of a safe and secure lifestyle for citizens.

At our production sites, in addition to efforts to reduce CO2 from production, we are engaged in preserving biodiversity, local area cleanup activities, and visiting local elementary and junior high schools for the purpose of educating children about coursework prior to entering a company, and about environmental issues.

Main products and technologies

- Communications, broadcast, and observation satellites
- Satellite operation systems Large telescopes Doppler Lidars
- Contact image sensors Millimeter-wave radar modules
- Mobile mapping systems



Himawari-8 and Himawari-9 meteorological satellites



Doppler Lidar for wind farms



Staff Commentary

Development of Himawari-8 to Improve Meteorological Observation Accuracy

Makoto Shibusawa Civil and Commercial Space Department

Himawari-8 went into full operation on July 7, 2015 and is Japan's first geostationary meteorological satellite to obtain color images. Color images make it easier to distinguish between clouds and yellow sand, which was difficult with monochrome images. Moreover, image resolution has been doubled and observation time has been reduced to one-third compared with the conventional model, thus significantly improving observation accuracy.

Communication Systems Group

Providing Communications Equipment and Services Contributing to the Advancement of Today's Information Society

The Communication Systems Group supplies communications infrastructure equipment utilizing optical communication and wireless communication technologies, as well as surveillance camera systems that utilize image monitoring technologies, to customers worldwide, including telecommunications carriers, financial institutions, logistics companies, and government agencies.

In order to deliver satisfaction to our customers around the world, we built an efficient yet flexible production system and cutting-edge development facilities at two domestic production sites. Moreover, our group engages in initiatives to reduce CO₂ emissions and organic solvent usage from production, and environmental management including the supply chain.

Living Environment & Digital Media Equipment Group

Providing a Broad Range of Products and Services with a Focus on "Smart Quality"

The Living Environment & Digital Media Equipment Group is globally expanding its businesses for air conditioning and ventilation, hot-water supply, photovoltaic power generation, lighting, cooking appliances, home appliances, and visual systems by providing products and services that contribute to the environment across a broad scope, including homes, offices, and factories.

At our five domestic production sites and affiliate companies in China, Southeast Asia, Europe, and Central America, we are promoting energy savings by introducing energy-saving products and improving productivity, strengthening the management of chemical substances across the entire supply chain, and ensuring the proper management of waste, exhaust, and wastewater.

Main products and technologies

- Optical network unit for optical access systems
- Communication gateway







Communication gateway

Main products and technologies

- Room air conditioners Packaged air conditioners
- Multi air conditioning systems for buildings
- LED lighting Photovoltaic systems Heat-pump hot-water supply systems







LED lighting

Product Highlights

Communication Gateway Unit Achieving Visualization of Energy

Mitsubishi Electric has developed and launched a communication gateway device as an information collection module for energy management systems. The communication gateway device contributes to energy savings in various situations such as in homes, offices, and factories by controlling various devices via a network and visualizing energy consumption. In consideration of the fact that the functions of energy management systems are expanding year by year, we have developed a platform that allows the addition of controllable devices and new services, thereby providing systems with the flexibility to enable function expansion.

Product Highlights

Kirigamine FZ Series released

Mitsubishi Electric has released a new generation of Kirigamine FZ Series air conditioners that combine substantial energy savings with unprecedented levels of comfort. In a global first*1, the revamped indoor units feature the new "Personal Twin Flow" mechanism with independently operating left and right fan systems, as well as new high-capacity heat exchangers and a "Move Eye Kiwami" feature with boosted sensing resolution. This combination makes it possible for

family members with different sensitivities to warm and cool temperatures to still be comfortable in the same room.



^{*1} As of August 25, 2015, based on internal research. Independently operating left and right propeller fans installed in a household indoor air conditioning unit.

Factory Automation Systems Group

Helping Customers in the Manufacturing Industry to Enhance Their Competitiveness

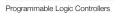
Mitsubishi Electric's Factory Automation Systems Group provides a wide range of products and solutions in the field of industrial mechatronics. In recent years, there has been a growing demand from customers for total solutions that simultaneously improve productivity and realize greater energy savings. However, there is also a growing demand for inexpensive products, which leads to market polarization. In response to this issue, our group is proposing automation solutions and accelerating the expansion of the sensor interface business, while also promoting an expanded range of low-priced products and strengthening the global business system.

Moreover, purchasing and production overseas is expanding with a focus on developing countries. Additionally, we are strengthening chemical substance management in material purchasing and environment risk management of substances such as wastewater discharge and atmospheric emissions from factories.

Main products and technologies

- MELSEC programmable controllers
- EcoMonitor energy measurement modules Energy-saving motors
- Intelligent assembly robots e&eco-F@ctory FA energy solutions







Energy measurement modules

Product Highlights

among other features.

MELFA F Series for Automation of Highly Complex Factory Tasks

Mitsubishi Electric has focused efforts on using robots to automate tasks that are difficult - or considered to require human perception such as assembly, processing, and inspection. The MELFA F Series achieves advanced tasks by increasing robot intelligence with a visual function based on two- and three-dimensional vision sensors, a tactile function achieved by combining a force sensor with our servo technology, and a coordination

function for simultaneous control of multiple robots

Automotive Equipment Group

Strengthening Our Global Development, **Production, and Sales Systems**

The Automotive Equipment Group provides vehicle electric components and car multimedia devices globally. As a full-support supplier, we work together with customers to develop cutting-edge technologies and endeavor to provide a wide range of services, from production, sales, and supply to spare parts and rebuilds.

In regards to initiatives to reduce environmental load, our three development sites in Japan function as mother factories and manage 14 production sites overseas. In addition to ensuring compliance with Design for the Environment guidelines that take into consideration both recyclability and the environment laws and regulations in each country and region, we are working to prevent air, water, and soil pollution.

Main products and technologies

- Alternators Starters Electric power steering Engine control units
- Car navigation systems



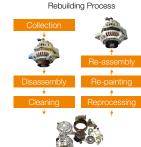


GXi alternator acquired Europe's ECO Innovation Technology certification in February 2015.

Product Highlights

Automotive Electrical Components Rebuilding Business for Efficient Utilization of Resources

Mitsubishi Electric is promoting the rebuilding of automotive electrical components such as alternators and starters. Rebuilt products are disassembled after use and their deteriorated portions are repaired to restore original functions before being reused (recycled).



Semiconductor & Device Group

Delivering Key Devices to Support Our Information Society on a Global Scale

The Semiconductor & Device Group provides products including energy-efficient power devices, high-frequency devices, optical devices, and TFT LCD modules that support our information-based society.

As a large amount of energy is consumed using clean rooms, etc. at our factories and affiliates in Japan and overseas, where our products are developed and manufactured, we focus on saving energy in manufacturing processes by introducing measures such as utilizing more efficient air-conditioning systems. Additionally, to prevent further depletion and deterioration of water resources, we are recycling and reusing pure water, and striving to ensure the proper management of chemical substances in products.

Information Systems & Network Service Group

Delivering Optimal IT Services and Solutions to a Broad Range of Customers

The Information Systems & Network Service Group is a one-stop provider of optimal solutions and IT services for a broad range of areas including social, public, and corporate systems. We cover the entire lifecycle of information systems and network systems, from the planning and concept stage to operation and maintenance. Mitsubishi Electric and three affiliated companies manage the operations of the Group.

Main products and technologies

■ Power devices ■ High-frequency devices ■ Optical devices
■ TELLOD modules



Full-SiC power module



4-wavelength integrated optical transmission module

Main products and technologies

- Cloud services Security solutions ERP solutions
- Document management solutions CTI



Product Highlights

A New Facility to Accelerate Development of Technologies/Products and CO₂ Reduction

It is necessary that we make steady progress in improving the performance of power semiconductors, which greatly contribute to reducing CO2 emission during product usage. The Semiconductor & Device Group, which handles the production of these products, built a new design technology building in March of 2014 to integrate the

separately located divisions of sales, development, and design technology all into one building. The interdivisional cooperation achieved by this integration will enable us to accelerate the development of new technologies and products, reducing CO₂ emission and other forms of environmental impact.



Product Highlights

Aiming for the Realization of Smart Communities

Thanks to continuing advancements in IT, our way of life is becoming "smarter." For example, people can now use their smartphones to operate the air conditioning in their homes from a remote location. Moreover, we have entered an age where not only computers, but also home electrical appliances may be connected to the Internet. Power can even be produced in the home, and energy management systems (EMS)—systems for optimizing energy use—are gaining popularity. Mitsubishi Electric will help to realize smart communities that optimize energy use in apartment complexes, in office buildings, and throughout entire cities.

Organizational Governance

Our Policy of Corporate Social Responsibility

The Mitsubishi Electric Group promotes its corporate social responsibility (CSR) activities based on the conviction that all business activities must take CSR into consideration. The Group's Corporate Mission and Seven Guiding Principles form its basic CSR policies.

We are vigilant in our enforcement of corporate ethics and compliance and constantly work to improve educational programs and strengthen our internal control system. At the same time, we pursue initiatives related to quality management, environmental preservation, philanthropy, and improved communication with all stakeholders.

Promotional System for CSR

Company-wide CSR activities are coordinated by a CSR Committee appointed by Mitsubishi Electric's meeting of executive officers. The Committee is composed of the heads of management departments at Mitsubishi Electric, and discusses the achievements of activities performed during the previous fiscal year, decisions on future activity plans, and responses to law amendments, from a cross-cutting perspective across the entire Mitsubishi Electric Group. Based on the awareness that CSR activities are directly linked to corporate management, specific activities are carried out at the responsibility of departments that are respectively in command of ethics and legal compliance, quality assurance and improvement, environmental conservation and philanthropy activities, and communication with stakeholders, based on the CSR policy of the Mitsubishi Electric Group.



CSR Committee



Promotional System for CSR

Corporate Governance

Basic Corporate Governance Policy

To realize sustained growth and increase corporate value, Mitsubishi Electric 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.

Corporate Management and Governance Structure

Corporate Management Structure

In June 2003, Mitsubishi Electric became a company with a committee system. Key to this structure is the separation of supervisory and executive functions; the Board of Directors plays a supervisory decision-making role and executive officers handle the day-to-day running of the Company. The present Board is comprised of twelve directors (five of whom are outside directors), who objectively supervise and advise the Company's management. The Board of Directors has three internal bodies: the Audit, Nomination and Compensation committees. Each body has five members, three of whom are outside directors. The Audit Committee is supported by dedicated independent staff.

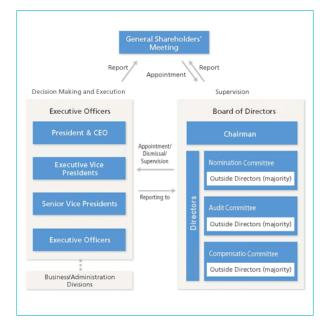
Internal Control System

Further ensuring effective corporate governance, the roles of Chairman and President & CEO are clearly defined and exclusive. The Chairman heads the board of directors and the President & CEO heads the Company's executive officers. Neither the Chairman nor the President & CEO is a member of the Nomination or Compensation Committees. This allows for the clear division of executive and supervisory functions, thereby enabling Mitsubishi Electric to ensure effective corporate governance. Executive officers are responsible for ensuring compliance and management efficiency in their assigned areas of operations. Internal auditors monitor executive officers' performance of duties. Internal auditors report on the results of such monitoring to the executive officer in charge of auditing, and the executive officer in charge of auditing and accounting auditors report on the results of such monitoring to the Audit Committee. Mitsubishi Electric maintains a multi-dimensional risk management system in which all executive officers participate. Under this system, executive officers are responsible for risk management in their assigned areas of operation. In addition, executive officers exchange information and participate in important management initiatives and decisions through regularly scheduled executive officers' meetings.

The Corporate Auditing Division and Audit Committee

Acting independently, Mitsubishi Electric's Corporate Auditing Division conducts internal audits of the Company from a fair and impartial standpoint. In addition, the division's activities are supported by auditors with profound knowledge of their particular fields, assigned from certain business units. The Audit Committee is made up of five directors, three of whom are outside directors. In accordance with the policies and assignments agreed to by the committee, the performances of directors and executive officers as well as affiliated companies are audited.

The Corporate Auditing Division, through the executive officer in charge of auditing, submits reports to the Audit Committee, which holds periodic meetings to exchange information and discuss auditing policies. In addition, the Audit Committee discusses policies and methods of auditing with accounting auditors, who furnish it with reports on the status and results of the audits of the Company that they themselves conduct.



Policies regarding decisions on compensation, etc.

Policies regarding decisions on compensation, etc. will be made through resolutions by the Compensation Committee, the majority of which consists of Outside Directors. A summary of the policies is as follows.

The compensation scheme for Directors

- 1. Directors give advice to and supervise the Company's management from an objective point of view, and therefore, the compensation scheme for Directors is the payment of fixed-amount compensation and the retirement benefit upon resignation.
- Directors will receive their compensation as a fixed amount, and the compensation to be paid will be set at a level considered reasonable, while taking into account the contents of the Directors' duties and the Company's conditions, etc.
- 3. Directors will receive the retirement benefit upon their resignation, and the retirement benefit to be paid will be set at a level decided on the basis of the monthly amount of compensation and the number of service years, etc.

The compensation scheme for the Executive Officers

- 1. The compensation scheme for the Executive Officers focuses on incentives for the realization of management policies and the improvement of business performance, and performance-based compensation will be paid in addition to the payment of fixed-amount compensation and the retirement benefit upon resignation.
- Fixed-amount compensation will be set at a level considered reasonable taking into account the contents of the Executive Officers duties and the Company's conditions
- 3. The level of performance-based compensation will be decided while taking into account the consolidated business performance and the performance of the business to which the respective Executive Officer is assigned, etc. With the purposes of meshing the interest of shareholders with the Executive Officers and further raising management awareness that places importance on the interest of shareholders, and increasing the incentives for the improvement of business performance from the mid- and long-term perspectives, 50% of performance-based compensation will be paid in the form of shares. The Company sets a rule that, when the Executive Officers acquire the Company shares as a part of compensation, they are required to continue the shareholding until 1 year has passed from resignation.
- 4. The amount of the retirement benefit will be decided on the basis of the monthly amount of compensation and the number of service years, etc.

Risk Management

Risk Management System

Mitsubishi Electric maintains a multi-dimensional risk management system in which all executive officers participate. Under this system, executive officers are responsible for risk management in their assigned areas of operation. In addition, executive officers exchange information and participate in important management initiatives and decisions through regularly scheduled executive officers' meetings.

Strictly adhering to this management structure and system, the Mitsubishi Electric Group is redoubling its efforts to implement measures aimed at minimizing business risks and detecting them at an early stage at which they may have significant social impact, such as those related to corporate ethics and compliance, the environment and product quality, to fulfill its responsibilities to stakeholders.

Responding to Environmental Risk

The Mitsubishi Electric Group works to quickly discover latent risks in business activities that can impact or potentially impact the environment in a substantial way. In order to prepare for the event of an accident or emergency that involves an environmental risk such as groundwater or soil pollution, the handling of PCB waste, or the malfunction of an environmental facility, head office divisions, manufacturing facilities, R&D centers, branches, affiliates in Japan and overseas, and all other organizations have developed detailed risk descriptions and procedure manuals that specify departmental responsibilities. Mitsubishi Electric also anticipates the possibility of accidents, complaints, or violations of the law arising on the side of construction subcontractors or companies working under outsourcing agreements, and informs these outside parties of our risk response procedures, requesting that they thoroughly implement the proper procedures in their respective organizations. Each organization runs a test at least once a year to determine if the managers in charge are capable of appropriately responding to an emergency. The tests simulate an emergency that has the potential of occurring, to determine whether initial responses, provisional measures, and communication methods properly function in regard to environmental accidents. When problems are uncovered, the procedures are revised and the new version is publicized throughout the organization. The tests also serve as drills to help employees become proficient in the proper response procedures.

Disaster Countermeasures

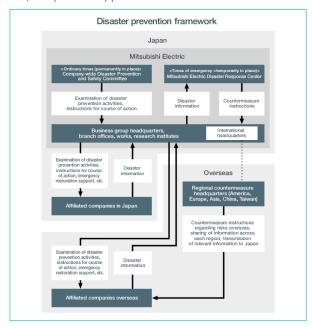
Development of a response framework for large-scale disasters

The series of large-scale disasters that occurred in 2011, including the Great East Japan Earthquake and flooding in Thailand, overturned conventional thinking

regarding safety, upon which society and companies had previously relied. Such disasters prompted the Mitsubishi Electric Group to reexamine its emergency disaster prevention framework and disaster countermeasures and strengthen disaster response capabilities.

(1) Emergency disaster prevention framework

In the event that any of our company workplaces suffer or are at risk of suffering serious damage as the result of a large-scale disaster, we have a framework in place that is centered on the Mitsubishi Electric Disaster Response Center headed by our president, to enable the entire Mitsubishi Electric Group to respond to the emergency situation. In addition to verifying the (personal and physical) disaster situation, the Disaster Response Center promptly examines and executes policies in response to business continuity initiatives and requests from society (support for affected areas, donations, etc.). Particularly with regard to overseas sites and affiliated companies overseas, it works closely with each regional response headquarters to ensure employee safety (safety confirmation, livelihood support, etc.) and provide support for business restoration.



(2) Framework for ordinary times (creation of a PDCA cycle for disaster response)

In ordinary times, we take steps to ensure that the disaster prevention initiatives we have so far taken continue to be valid, by establishing a Company-wide Disaster Prevention and Safety Committee headed by the executive officer in charge of general affairs, and applying a PDCA cycle to make improvements based on periodic examinations and reviews of the disaster response measures of the Mitsubishi Electric Group (at least once a year) and the results of emergency drills. In fiscal 2015, the Company-wide Disaster Prevention and Safety Committee made a series of decisions, including the installation of additional MCA wireless devices in affiliated

companies and the implementation of a drill simulating the transfer of head office functions to an alternative site, and applied these policies to the entire Group. In fiscal 2016, it defined as its priority issues "a review of BCP invocation procedures" and "a review of BCP toward the fulfillment of responsibilities as a product supplier," and brought these issues to the Group.

(1) BCP formulation and regular (yearly) review

To fulfill our responsibility as a product supplier, we had all of our offices formulate a BCP assuming the possible outbreak of a new strain of influenza in fiscal 2011 and a BCP assuming the risk of a large-scale earthquake in fiscal 2013. In fiscal 2014, we began an examination of continuing business at an alternative site and urged major affiliated companies in Japan and overseas to formulate a BCP. To ensure the BCP that is formulated in each office and affiliated company in Japan and overseas remains valid, the BCP is reviewed and countermeasures are upgraded every year. In fiscal 2015, we conducted a drill in transferring head office functions to an alternative site, simulating devastating damage to the head office area, and incorporated the evaluation results of the drill into our BCP.

(2) Business continuity in the supply chain

We are pursuing initiatives to avoid situations in which a large-scale disaster or other unavoidable circumstance imposes serious damage on suppliers, severs the supply of materials, or obstructs our production activities.

- Visualization of the supply chain
 By gaining a perspective on the locations of the production centers of each supplier and entering that information in a database, we are aiming to accelerate our initial response to disasters and disperse our suppliers.
- 2. Survey of suppliers' BCP

We analyze the risk of having our supply of materials from suppliers severed in the event of a disaster, and when the risk is deemed high, we request our suppliers' cooperation in formulating a BCP and in multisiting production centers.

The Mitsubishi Electric Group as a whole will continue to address the issue of business continuity based on the lessons learned and issues that have become manifest in the wake of the Great East Japan Earthquake and other such disasters, so that important operations—particularly operations that are critical to sustaining social infrastructures—may be continued even in the face of a large-scale disaster.

(3) Strengthening disaster responses

Each office and affiliated company of the Mitsubishi Electric Group has a disaster response manual, by which it implements preliminary measures (disaster mitigation measures) and disaster prevention drills. For example, at the head office, we reviewed the disaster response manual in 2011 to take into consideration a wide range of large-scale disasters including floods, typhoons, and fires in addition to earthquakes, and we now conduct drills based on this manual. We are also strengthening disaster responses, in ways such as providing support to employees who are unable to return to their homes following a disaster by stockpiling emergency supplies, and diversifying our

safety confirmation systems and modes of communication. Affiliated companies are also instructed to establish the same level of disaster responses as those implemented by Mitsubishi Electric.





Emergency drill at a Mitsubishi Electric plant (evacuation while carrying a survival backpack)

(4) Pandemic countermeasures

The development of various modes of transportation and transportation networks, and the globalization of the economy have increased not only the movement of people, but also the risk of pandemic diseases such as the Ebola virus disease and new strains of influenza. Amid the advancing globalization of business, in Japan we commenced initiatives to fulfill our corporate social responsibilities to (1) ensure people's safety, (2) sustain businesses that serve societal functions, and (3) minimize economic impact on our company in the event of an outbreak of a new strain of influenza (through BCP formulation, keeping tabs on the dynamics of business travelers and expatriates, stockpiling masks, etc.). Overseas, and particularly in countries where the probability of an outbreak of a new strain of influenza is high, we provide direction to formulate a BCP that assumes such an outbreak and to otherwise implement countermeasures that are suitable for the situation in each country.

(5) Ensuring safety overseas

Employees posted overseas are exposed to various risks, such as regional conflicts, terrorism, natural disasters, and infectious diseases. At Mitsubishi Electric, where we pursue business globalization, the Overseas Safety Center under the Personnel Division works closely with overseas sites (overseas offices and affiliated companies of Mitsubishi Electric and affiliates in Japan) to grasp the dynamics and confirm the safety of overseas business travelers, convey

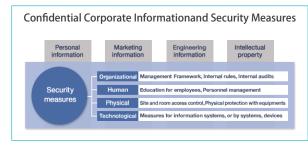
various information (travel restrictions, etc. based on information gathered from the Ministry of Foreign Affairs and specialized agencies), and provide employee education. In fiscal 2015, we organized an overseas safety management seminar in Tokyo and Osaka to increase safety awareness among employees in response to the recent turmoil in the Middle East. We also participated in the public-private overseas safety cooperation conference sponsored by the Ministry of Foreign Affairs, and exchanged information and views with other companies and organizations. The results of the conference have been incorporated into the risk management activities of our company and overseas sites.

Our approach to information security Policy and Principles

The Mitsubishi Electric Group handles confidential corporate information and personal information appropriately as part of its social responsibility to make certain that such sensitive information does not leak out and cause concern for our customers and society. Confidential corporate information, which includes information on sales, engineering matters, and intellectual property, is managed through organizational, human, physical, and technological security measures, based on the Declaration of Confidential Corporate Information Security Management that was established in February 2005. Information that is entrusted to us by our corporate customers is managed and protected in compliance with a non-disclosure agreement, as well as by the same level of security measures that are applied to our own confidential information. For the protection and proper management of personal information collected from our customers through questionnaires, registration of purchased products, and repair services, we have established a management system based on the "Personal Information Protection Policy" that was issued in April 2004. Under this system, we acquired the Privacy Mark certification in all aspects of our business in January 2008, and make ongoing efforts to ensure proper handling of personal information.

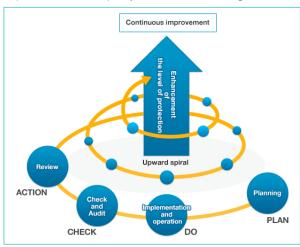
Management Principles

We continuously strive to improve our activities for managing confidential corporate information and protecting personal information through a plan-docheck-act, or PDCA, cycle, and with organizational, human, physical, and technological security measures.



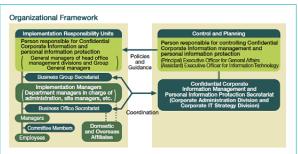
First of all, we revise our internal rules as needed to comply with current laws, and have been providing e-learning programs to all employees since fiscal 2005 to thoroughly

disseminate these rules and the "Declaration of Confidential Corporate Information Security Management" across the company. We also distribute Guidelines for Confidential Corporate Information Management and Personal Information Protection, to strengthen awareness of the importance of proper management and protection of confidential corporate information and personal information in daily operations. For our affiliates in Japan and overseas, we have formulated Guidelines to Information Security Management Rules for Affiliated Companies, based on which affiliated companies create their own framework and systems. The status of management for confidential corporate information and personal information is constantly checked through audits, and in Mitsubishi Electric Group companies, a vearly self-inspection of information security measures is conducted. To ensure information security, the Mitsubishi Electric Group will continue to operate a PDCA cycle for an improvement in the quality of information management.



PDCA cycle to ensure information security

Framework and Guidelines



The Executive Officer for General Affairs assumes overall responsibility for the management of confidential corporate information and for the protection of personal information. The Confidential Corporate Information Management and Personal Information Protection Secretariat is in charge of planning and promoting information security measures. Each group general manager (person responsible for the business group overall) and each site manager (implementation manager) is in charge of the specific management of confidential corporate information and personal information in each business group and each site. The Business Group Secretariat and Business Office Secretariat

strive to ensure information security by maintaining close coordination and regularly holding meetings with the Confidential Corporate Information Management and Personal Information Protection Secretariat. In the incident of a leakage of confidential corporate information or personal information or in any other information security incident within the Mitsubishi Electric Group, the matter is reported to the leader through the framework, where it is promptly dealt with in compliance with relevant laws and regulations and is disclosed as necessary in a timely and appropriate manner. Prompt response is also taken in regard to cyber-attacks, which have been posing an increased threat in recent years, by establishing a CSIRT (computer security incident response team) and by strengthening surveillance. **Information Security Regulations and Guidelines**

Mitsubishi Electric Group has established various regulations and guidelines to ensure information security, including "Confidential Corporate Information Management Regulations" and "Regulations Concerning Personal Information Protection," as shown below.

	Organizational: "Confidential Corporate Information Management Regulations"
(1) Security	Human: "Employees' Rules of Employment"
measures	Physical: "Entrance and Exit Management Guidebook"
	Technological: "Information System Security Management Rules"
(2) Personal information protection	Personal information management: Regulations Concerning Personal Information Protection
(3) Regulations for affiliated companies	"Guidelines to Information Security Management Rules for Affiliated Companies"

Information Security Inspections and Audits

The following inspection and audit programs are conducted at the "check" step of the PDCA cycle, to assess whether activities for confidential corporate information management and for personal information protection are properly implemented within the entire Group. The programs tell us our level of information security management and points to be improved.

Self-check program on confidential corporate information management and personal information protection	Mitsubishi Electric Group companies inspect their activities for information security with checklists by themselves.		
Cross-check program on confidential corporate information management and personal information protection	Mitsubishi Electric's business sites check each other's status of information security management. The status of information security in affiliated companies is checked by Mitsubishi Electric.		

Personal information protection audits (Personal information protection management system audits) The status of personal information protection is internally audited under the supervision of the audit controller of personal information protection in Mitsubishi Electric. In affiliated companies in Japan that have acquired the Privacy Mark certification, the same internal audit is conducted by the audit controller in each company.

Information Security Education

Mitsubishi Electric provides the following education programs to foster a corporate culture that enforces the proper handling of confidential corporate information and personal information.

Education for all employees

An e-learning program is offered once a year to all approximately 40,000 employees, in order to acknowledge various issues on information security, including Mitsubishi Electric's policies, the status of information leakage incidents, a review of the previous year's activities, the Act on the Protection of Personal Information and the Unfair Competition Prevention Act in Japan, and safety measures (human, physical, technological, and organizational) to be taken by all employees.

Education corresponding to each career stage

Education on confidential corporate information management and personal information protection is provided to new employees, employees in their twenties, employees in their thirties, and newly appointed section managers, so that they may fulfill the roles that are expected of them at each career stage.

Other specific education

Employees posted overseas are provided with a preliminary education program which includes the status of Mitsubishi Electric's activities for confidential corporate information management and personal information protection, "Trade secret management guidelines" of the Ministry of Economy, Trade and Industry in Japan, and examples of information leakage incidents that have occurred overseas are introduced. Additionally, to properly handle targeted cyberattacks, which have become an increasing threat in recent years, employees at Mitsubishi Electric and affiliated companies in Japan undergo exercises where they practice handling suspicious emails.

Global activities

The Mitsubishi Electric Group as a whole, including overseas affiliates, strives to maintain and improve its information security level by conducting inspections of information security systems based on the Guidelines to Information Security Management Rules for Affiliated Companies. Overseas affiliates, like their Japanese counterparts, receive instructions and guidance from their respective business group, and are also supported by an information security officer in their region.



Global activities

Contractor Management

Confidential corporate information and personal information are entrusted to a contractor only after a proper non-disclosure agreement is concluded between Mitsubishi Electric and the contractor. The agreement stipulates all the security matters that we require. Before entrusting the information to the contractor, we confirm that the contractor will maintain the proper level of protection. After submitting the information, we supervise the contractor by regularly examining a status report on the use and management of the information that we have submitted. Moreover, we make a special agreement that provides for the protection of the personal information that we have submitted.

Activities for personal information protection

Personal information protection

We first created company rules on personal information protection in October 2001, and since then require all Mitsubishi Employees and affiliated persons to obey those rules strictly. After



our issuance of a personal information protection policy in 2004, Mitsubishi Electric satisfied the requirements of JIS Q

15001:2006 Personal Information Protection Management Systems and was permitted to use "PrivacyMark," which certifies the establishment of management systems that ensure proper measures for personal information protection, in January 2008. We have maintained our "PrivacyMark" certification until the present through biennial assessments.

Personal information protection framework

The President & CEO appoints the Executive Officer for General Affairs as the head controller of personal information protection, and the Executive Officer for Audit as the audit controller of personal information protection. The head controller is responsible for operating and controlling the personal information protection management system (PMS), and the audit controller is responsible for conducting and reporting on personal information protection audits (PMS audits). Under the leadership of the head controller, the PMS is operated in the above-mentioned information security management framework.

Personal information protection management

The PMS is operated and audited within the abovementioned framework, and is reviewed and improved by the representative (President & CEO). By repeating this PDCA cycle, we strive to enhance the level of personal information protection on an ongoing basis.

Security measures for personal information protection

Security measures for personal information protection are implemented with those for confidential corporate information management.

Proper handling of personal information

Mitsubishi Electric handles personal information appropriately; we acquire it by specifying purpose of use, use it only within the intended scope, and provide it to a third party only with prior consent from users.

Responsibility to Shareholders & Investors

Increasing Shareholder Value

Promoting "Balanced Corporate Management" and Increasing Corporate Value

By promoting balanced corporate management that gives consideration to the three perspectives of growth, profitability and efficiency, and soundness, the Mitsubishi Electric Group is working to achieve sustainable growth with a commitment to increasing corporate value even further.

Promoting Proactive Investor Relations

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

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



Presentations on corporate strategy



Presentations on business strategy

Human Rights

Respecting Human Rights

Initiatives for Promoting Respect for Human Rights

The Mitsubishi Electric Group formulated the "Corporate Ethics and Compliance Statement" in 2001, which includes a section on our stance on respect for human rights. In this section, Mitsubishi Electric pledges "to act consistently with respect for human rights, and to never discriminate against individuals based on nationality, race, religion, gender, or any other such attributes." In April 2010, we also revised our codes of conduct relating to respect for human rights in the "Corporate Ethics and Compliance Code of Conduct" of the Mitsubishi Electric Group. We consistently strive to conduct ourselves in a manner that conforms to these codes of conduct.

Basic Principle

We will respect human rights with an awareness that our activities are widely interrelated with peoples and societies in all countries and regions where we do business.

Principle concerning child labor and forced labor

In all countries and regions where we do business, we will not use child labor or forced labor under any circumstance or form of employment.

Principle concerning discrimination

In all countries and regions where we do business, we will not tolerate any discrimination relating to employment and personnel treatment based on race, ethnicity, nationality, gender, age, beliefs, religion, social status, disability, or any other form of discrimination that violates laws concerning human rights. At the same time, we will regularly check our own language and behavior to prevent any misunderstanding or doubt regarding our stand on human rights.

Respect for individuality

In all countries and regions where we do business, we will respect the individuality of each employee and will not compel anyone to engage in any activity through sexual harassment, defamation, slander, threats, or other acts that disregard the person's individuality. At the same time, we will regularly check our own language and behavior to prevent any misunderstanding or doubt regarding our stand on human rights.

Principle concerning health and safety in the workplace

We will comply with relevant laws and regulations in all countries and regions where we do business, as well as with in-house regulations and procedures, to create safe and clean workplace environments where everyone concerned can work comfortably. Particularly when engaging in production activities and construction works, we will make every effort to secure health and safety in cooperation with affiliated companies, cooperating companies, customers, and suppliers.

Principle concerning labor relations

We will comply with laws and regulations relating to employment, personnel affairs, working styles, wages, working hours, and immigration control in all countries and regions where we do business, as well as with relevant inhouse regulations and procedures, to maintain sound labor conditions and environments.

Principle concerning personal information protection

In all countries and regions where we do business, we will collect and properly utilize personal information only through legitimate and appropriate means, and only when necessary. We will also do our utmost to prevent illegal access, leakage, loss, and falsification of personal information.

Labour Practices

Workforce Diversity

Basic Employment Policy

Hiring a diverse array of people while respecting human rights and without discrimination based on gender, age, nationality, or race is essential to the ongoing business development of a global company.

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

Ongoing Proactive Hiring

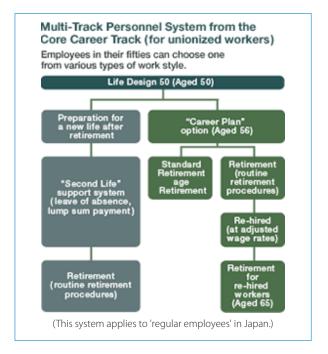
Mitsubishi Electric actively hires both recent graduates and mid-career professionals, and continues to employ approximately 1,600 new employees per year. In addition to hiring new graduates in April, from fiscal 2012 we have also implemented a system for hiring new graduates in October to better suit the circumstances of students studying at universities outside Japan, students studying in Japan who graduate in September, post-doctorate students, and students who have already graduated. This new system enables us to, in a timely manner, secure quality human resources needed to help achieve the growth strategies of each of our businesses.

Planned employment of new graduates (by Mitsubishi Electric alone) Unit: No. of people

	October 2015 and April 2016
Technical workers	680
Clerical workers	230
Manual workers	300
Total	1,210

Providing Diverse Employment Formats for Older Employees

In Japan, Mitsubishi Electric instituted a multi-track personnel system in fiscal 2002, which makes diverse employment formats possible by allowing employees aged 50 and over to choose from among a variety of options. The options include financial assistance for an employee's "second life" following retirement, a "second life" support program that provides two years of paid vacation, and extending employment up to the age of 65 through a re-employment program. We also offer an annual "lifestyle design" training session at each of our business sites to employees turning 50 and their spouses. The sessions encourage employees to take an interest in planning the rest of their lives and designing a rewarding lifestyle by providing information on pensions and retirement benefits, social insurance, taxes, hobbies, health, and other topics, and by facilitating group discussions. In fiscal 2015, over 900 employees participated in these sessions.



Employing People with Disabilities

Mitsubishi Electric works to actively employ people with disabilities from the perspective of promoting CSR and diversity. As of April 15, 2015, people with disabilities comprised 2.02% of our workforce, surpassing the statutory employment rate of 2.0%. Our offices also play an active role in promoting the employment of people with disabilities. For example, by providing workplace experience programs to students from special needs schools and creating an opportunity for our employees to work with these students, we aim to deepen our employees' understanding of the employment of people with disabilities and promote the active participation of people with disabilities. Furthermore, Mitsubishi Electric works to create barrier-free workplaces to make it easy for people with disabilities to work at the company.



Barrier-free elevator (Advanced Technology R&D Center)

■ Establishment of Special Subsidiaries

In October 2014, Mitsubishi Electric established Melco Tender Mates Co., Ltd., a special subsidiary* that specializes in businesses mainly suited to people with intellectual disabilities. The company name expresses the equal partnership and mutual caring between people with and without disabilities. The company began by engaging in the cleaning and café businesses, and employs 17 disabled persons as of April 15, 2015. It plans to gradually expand its businesses and increase its employment of people with disabilities.

* Special subsidiary: A subsidiary which, if certain requirements are met, is regarded as the same business entity as its parent company and whose rate of employment of people with disabilities is calculated as part of that of the parent company.



Employee at work in our business card production business



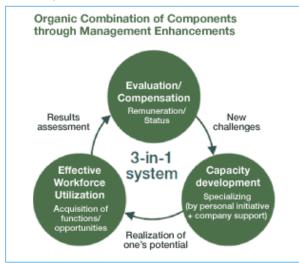


Employee at work in our cafe business

Creating a Fulfilling Workplace

Compensation System Based on Individual Job Descriptions and Performance

In Japan, Mitsubishi Electric has adopted a compensation system with a view to developing a corporate culture in which employees recognize organizational targets as well as their own roles, work to raise their own value, and take on the challenge of difficult goals. Under this compensation system, employee performance is emphasized, with appropriate assessment given to employees who contribute substantially to management and participate actively in it. Bonuses are awarded for outstanding service. In order to increase understanding of employees about the operation of the new system, we fully disclose its evaluation methods and standards, conduct surveys on the functioning of the system to gauge employee opinion on it, and otherwise work to increase understanding and acceptance by employees and further enhance operations. We are committed to making the system function effectively by organically combining and harmonizing the three components of the system, evaluation/ compensation, skills development, and effective workforce utilization, in order to provide opportunities for employees to develop their own skills and advance their careers.



Transfer Opportunities at the Request of Employees

In order to optimize our human resources and provide transfer opportunities at the request of employees, Mitsubishi Electric instituted an intranet-based recruitment system and a system that allows employees to publicize their request to be transferred. Specifically, we launched Job-Net on our company intranet in fiscal 2002 to allow employees to build a career plan on their own. The site posts information on recruitment and skill development training at Mitsubishi Electric and Group companies as well as companies outside the Group.



Promoting Communication in the Workplace

At Mitsubishi Electric in Japan, each employee sets individual goals based on the policies and objectives of the organization or division to which they belong. To encourage two-way communication between employees and their managers we have implemented and continue to maintain a regular interview-based system of communication. In the regularlyscheduled interviews, employees and managers discuss such topics as the employee's development and training based on evaluation of performance, and the placement and utilization of human resources, thereby helping promote improved communication in the workplace. We also place value on a corporate culture in which labor and management share an understanding of the status of business, management strategies, and personnel management policies, working together to address issues through labor-management meetings and committees.

Motivating Employees with Bonuses for Inventions (in Japan)

In line with provisions in the Japanese Patent Law, Mitsubishi Electric has established an employee invention bonus system to motivate employees to create inventions. Patent rights on inventions created by employees during the course of their work are transferred to the Company, but as a reward, the Company pays patent filing and registration bonuses to those employees. Furthermore, if the inventions are used in a Company product or outlicensed to another company, the relevant employees also receive utilization bonuses from the Company. Details of the bonus system and easy-to-understand explanations of its provisions are posted on the company Intranet for access by all employees. To maintain fairness and transparency of the system, we also disclose the basis of bonus calculation, including the utilization status of inventions in company products. Moreover, we established the Invention Consultation Committee to make it possible for employees to petition the committee to review the amount of their bonus when they cannot consent to it. In addition to the above system of bonuses for employee inventions, we also have a program for rewarding outstanding inventions and industrial designs. Under this program, 30 to 40 inventions and industrial designs are honored each year, and those that are judged as especially outstanding receive commendation from the president.

Maintaining a Favorable Working Environment

Development and Availability of Childcare and Family-Care Programs in Japan

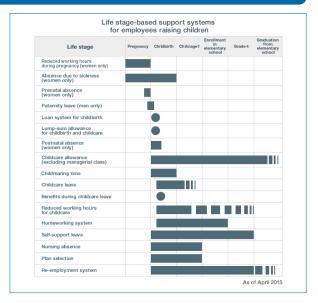
Mitsubishi Electric is working to develop workplace conditions that allow employees to both do their jobs and raise children, by enhancing childcare programs and ensuring their utilization is available throughout the company. Our childcare leave program can be extended to the month of March following the child's first birthday, or until the end of September at the longest. We also have a program that allows employees to work shorter days when raising their children, and this program can be extended up until the end of March in the year the child graduates from elementary school. Our familycare leave program allows employees with families that meet the requirements to take a leave of absence for as long as two years. It also allows employees to work shorter days for up to three years to help them take care of their families. In addition, when the employee is the spouse of an expectant mother, the spouse may take up to five days of special paid leave. There is also a program to provide the spouse with special paid leave to use in certain circumstances such as participation in a child's school event. Furthermore, in 2012 we implemented a "work-at-home" program for employees providing family care, as well as a re-hiring system for employees who temporarily left the company to provide family care. In accordance with Japan's Law for Measures to Support the Development of the Next Generation, in fiscal 2006 we formulated a companywide action plan and have since been carrying out various initiatives to ensure a favorable working environment for all employees. In April 2007 and May 2012 we were approved by the Japanese government as a corporation that supports childcare and the development of the next generation, due to achievements under government standards. Under the third action plan, which commenced in April 2012, we promoted initiatives to increase awareness of and support for related systems.

To raise employee awareness, we provide synopses of the various systems that are in place to support people who are working while raising children. We also operate a portal site that features a range of information designed to assist employees, such as a list of support systems for employees raising children (see chart below), and interviews with working mothers. We make this information available to employees, managers, and new hires, aiming to create an environment where it is easy to make use of these support systems. Going forward, we will enhance the content of discussions between employees returning from family-care leave and their superiors in order to facilitate this process. Along with enhancing our

programs, we will work to foster a workplace culture in which employees can take on both family-care and their jobs, and in which female employees are able to enhance their personal lives while advancing their careers.

BO12.07 SEEDERS

"We support childcare" Certified in 2012



Onsite Day-care Centers

To support the career development of employees raising children, Mitsubishi Electric opened Diamond Kids, an onsite day-care center, in Kanagawa and Hyogo prefectures on October 1, 2014.

By providing its services in locations adjacent to a Mitsubishi Electric workplace on days and during hours corresponding to the workplace, catering to extended hours, and ensuring security measures that prevent intrusion by suspicious individuals as well as accident prevention measures, Diamond Kids offers a childcare environment that allows employees to concentrate on their job without worrying about their children. It also promotes employees' return to work after taking a leave, by accepting children all year round.



Diamond Kids Shonan in the Information Technology R&D Center (external view)



Diamond Kids Itami in the Itami General Gymnasium BRIO (internal view)

Supporting Career Development

Human Resources Development System Supports the Career of Employees

Mitsubishi Electric's training system for employees in Japan consists of passing down everyday business know-how and acumen through on-the-job training. Knowledge and skills that are difficult to acquire through on-the-job training as well as career development are provided through offthe-job training on a supplementary basis. Off-the-job training consists of conferring information on ethics, legal compliance, and other matters. Exceptional teachers from inside or outside the company provide expertise and skills training, or motivational education. Tests and competitions to improve skill levels are conducted, and practical training or international study opportunities at overseas sites and universities in Japan and abroad are provided. We also select outstanding employees for a managerial training program that focuses on training individuals for the core management positions that drive our businesses. For new graduate employees, we conduct a company orientation as well as training sessions to elicit consciousness as a worker and educate them on basic knowledge, management principles, compliance, and other matters.

Self-Development Support Program

In FY2005, Mitsubishi Electric instituted a self-development support program that supports employees' voluntary skills development based on a human resource development system that allows employees to take the initiative to actively develop their own skills.

The program provides support in the form of money and time for participants in educational programs inside and outside the company and also pays bonuses to employees that have acquired certain external certifications. The program is intended to foster a corporate culture in which each and every employee independently and actively takes on the challenge of developing their skills to reach higher goals as a professional.

Stratified Training Program

In fiscal 2012, Mitsubishi Electric introduced Value-up Training, a stratified training program intended for employees at certain junctions in their career (at ages 25, 30 and 40), to provide an awareness and understanding of the qualities and roles that are expected of them at those ages.

The program aims to strengthen young employees' capacity for work, or the mentality, knowledge, and skills they need to fulfill their duties, and medium-level and veteran employees' capacity for development, or their skills to convey their working capacity to the younger generation (subordinates and juniors) and enhance their capacity for work. Through this program, we will make continued efforts to strengthen the working capacity of each employee and create a culture for development in the workplace as a whole.

Mitsubishi Electric Group Skills Competition

37th company-wide electronic device assembly competition: This competition is held annually as a skills strengthening measure of the Mitsubishi Electric Group, with the aim of "handing down skills and raising skills to even higher levels," "further creating a climate that respects skills," and "developing top-level engineers."



Promoting Systematic and Efficient Skills Development

Mitsubishi Electric introduced to its operations in Japan a point system for employee training, to promote systematic and efficient skill and capability development by tracking the progress of ability-building activities by its employees, particularly its young employees. Each training course is worth a certain number of points. Employees receive the

relevant points upon completing each course, and aim to achieve their individually recommended total number of points.



Passing on Technological Skills, Knowledge, and Know-how

In order to pass on the skills possessed by highly experienced employees to younger technicians at Japan production sites accompanying the company's generational shift, we have developed a training program that allows the skills of accomplished employees to be learned in one-on-one settings. Technical skills are also passed on to young technicians through various measures such as installing

technical help desks through which newer employees can consult with highly experienced employees through the company's intranet.



Ensuring Occupational Safety & Health

Basic Policy on Occupational Safety & Health

Mitsubishi Electric adheres to the basic policy of placing priority on protecting the safety and health of its employees above all else, based on the recognition that health and safety management is essential to business management. Also based on a spirit of respect for all human beings, we are committed to fulfilling our corporate responsibility by establishing an atmosphere that prioritizes occupational safety and health in all social and corporate environments. This basic policy underlies our Company-wide Five-year Plan (current plan covering the five years from FY2013 to FY2017), which defines priority measures in safety and health management, respectively, and by which we implement specific activities toward the achievement of annual targets.

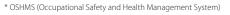
Promotional Framework

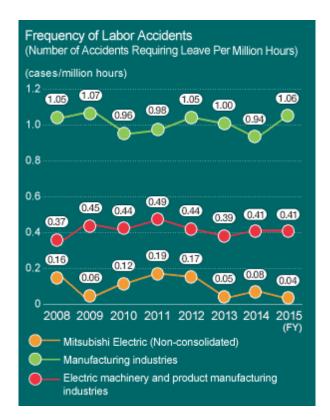
The Mitsubishi Electric Group promotes safety and health activities that match the business characteristics of each company. At Mitsubishi Electric, for example, a cooperative framework is established with onsite Group companies under the leadership of the top management of each plant, research institute, and branch office for the efficient exchange of information and the implementation of training activities and safety measures. Concerted labor-management efforts are also made to raise the level of safety and health. At Mitsubishi Electric, the Central Safety and Health Council and safety and health committees in each office provide forums for active information exchanges with labor unions.

Mitsubishi Electric's Occupational Safety and Health Management System

In 2009, Mitsubishi Electric introduced a program for internal accreditation of the Occupational Safety and Health Management System (OSHMS*). Under the program, each office creates a PDCA cycle for safety and health activities based on Mitsubishi Electric's requirements for safety and health management, such as in regard to the development of a management framework governed by a safety and health supervisor and the implementation of risk assessments and other relevant activities.

The goal is to have all Mitsubishi Electric offices acquire accreditation, pass a surveillance inspection after two years, and a renewal inspection after four years, which will raise the occupational safety and health management level of the company as a whole. As a result of this initiative, we have achieved one of the lowest frequency rates of industrial accidents (number of accidents that require time off from work, per 1 million hours of work) in the industry.





Thorough Safety and Health Education

Mitsubishi Electric offices and Group companies implement safety and health education that matches their respective business characteristics. As a common feature, Mitsubishi Electric and Group companies in Japan provide safety and health education based on an internal e-learning system, which has been instrumental in promoting greater understanding of the principles and concept of safety and health to more than 100,000 employees every year. Furthermore, some offices have installed a "safety room" to provide safety education through risk simulation.

"Safety room" at Mitsubishi Electric Gunma Works Small groups of three employees are each assigned an instructor to learn about precautions for preventing disasters and proper action through simulation.



Initiatives toward a Healthy Company

Since 2002, Mitsubishi Electric and its Group companies in Japan have carried out the Mitsubishi Electric Group Health Plan 21 (MHP21) intended for their 100,000-some employees and their families, as a three-party cooperation project with the labor union and health insurance union. Under the slogan, "Change Your Lifestyle Habits, Extend Your Healthy Years," MHP21 involves setting companywide improvement goals in five categories—maintaining proper body weight, creating an active lifestyle, stopping smoking, maintaining proper dental care, and improving stress management skills—and evaluating the degree of achievement of these goals every year. After implementing Stage I of the plan over ten years, a new five-year plan was launched in 2012 as Stage II, with a focus on promoting competition according to performance drivers, strengthening support for Group companies in Japan, and otherwise revitalizing Group activities as a whole. The MHP21 activities, which we have been carrying out for

over ten years, have been recognized by the First Smart Life Project Award sponsored by the Ministry of Health, Labour and Welfare, and they received the Minister's Award for Excellence in the corporation category. Group companies overseas are likewise taking initiatives to maintain and promote health among their employees.



"Health lecture" at Taiwan Mitsubishi Elevator Co., Ltd.

A health lecture is given regularly by company nurses and external lecturers to strengthen health awareness among TMEC employees.



Promoting Mental Health Care

Mental health care is a top priority for health management at Mitsubishi Electric. The head office and each of our business sites in Japan have a counseling program in place that includes an industrial physician and/or counselor, and which works to help employees with their everyday worries related to work and family and other emotional issues. Counseling via telephone and email is also provided through an employee assistance program (EAP*), and an annual survey of stress is carried out on all employees, as primary prevention (preventive) measures. Employees who wish to return to work after taking a mental health leave are fully supported by the receiving department, personnel department, and industrial physician based on the Mitsubishi Electric Guidelines for Return-to-Work Support, and every effort is made to facilitate their return to their workplace and prevent any relapse. By appointing dedicated counselors in the head office, focused care is also provided to employees posted outside of Japan, where working environments largely differ from Japan. In terms of education, line-care and self-care training are repeatedly implemented through lectures and internal e-learning programs, to provide knowledge of mental health and strengthen responses to mental health among managers and employees.

Creating Comfortable Workplace Environments

Mitsubishi Electric recognizes that people spend a large part of their lives at their place of employment, so we make people-friendly enhancements to the workplace environment and promote the creation of pleasant spaces that also give consideration to people with disabilities and older workers. By establishing our own standards (workplace environment standards) for air, lighting, noise, and facilities, and by working to achieve each standard, we pursue ongoing efforts to create comfortable workplace environments.

^{*} EAP (Employee Assistance Program): a program that provides support to employees

Human Rights

The Environment

From the President

Aiming for a higher level of growth by achieving our goals of becoming a global, leading green company and fulfilling Environmental Vision 2021.

Leveraging a wide range of products, we're contributing to solutions for environmental issues such as climate change

In the Mitsubishi Electric Group, we are practicing environmental management with the intention of becoming a global, leading green company. However, simply setting a goal means nothing. To receive proper recognition from society, we must maintain our commitment to delivering products and services that simultaneously contribute to ensuring secure, safe, and comfortable lifestyles and a sustainable global environment. Specifically, climate change is a major threat to maintaining a sustainable global environment. As a countermeasure, countries around the world are introducing initiatives to realize a low-carbon society that produces minimal greenhouse gases. Suppressing the use of electricity consumption is one of the most effective measures to achieve this.

While continuing to meet societal needs for secure, safe, and comfortable lifestyles, we are developing and introducing products and solutions that offer high energy-saving performance. From the generation of electricity to its transmission and application, Mitsubishi Electric manufactures a wide variety of products and possesses technologies that optimize systems utilizing them. Therefore, we are confident that we can provide effective energy-saving solutions in all aspects of society and contribute to the realization of a sustainable global environment. We believe that conducting business activities as part of our efforts to become a global, leading green company will lead the Group to achieving its growth targets of ¥5 trillion yen or more in consolidated sales and 8% or more in operating margins by Fiscal 2021.

Driving forward the 8th Environmental Plan in line with the three pillars of Environmental Vision 2021

Environmental Vision 2021 is the corporate vision introduced to achieve environmental targets by the year that Mitsubishi Electric celebrates the 100th anniversary of its foundation. The main initiatives are based on three pillars: namely, a low-carbon society, a recycling-based society, and respecting biodiversity. In line with these three pillars, Mitsubishi Electric's 8th Environmental Plan (Fiscal 2016–2018) began in April 2015. It is characterized by the following points:

We are reducing the amount of CO₂ emitted when products are used by developing highly energy-efficient products as part of efforts toward realizing a low-carbon society. In particular, we are promoting improvements in the efficiency of motors, which account for nearly half of the electricity consumed in society. We are also expanding the use of silicon carbide (SiC) in power semiconductors, which are used for control devices in motor drives, as SiC has been proven to have extremely low power loss.

As for reducing the amount of CO_2 emitted during production, in line with global trends to realize higher efficiency, we have introduced objective management to reduce greenhouse gases by simultaneously controlling the CO_2 generated from energy sources and other greenhouse gases.

To realize a recycling-based society, Mitsubishi Electric is developing recycling businesses utilizing its unique technologies, such as recycling the plastics used in electrical appliances for the home and the recovery of a rare metal from air-conditioning compressors. We are also promoting the cyclic use of production wastes. Regarding respecting biodiversity, consideration is required during daily business activities. Therefore, in addition to encouraging everyone at our Group sites to improve their awareness, each site is developing communications with local communities and stakeholders in order to preserve local ecosystems.

Strengthening our environmental response at the global level

In order to achieve the growth targets set for fiscal 2021, production at our overseas bases is expected to expand. Accordingly, the 8th Environmental Plan addresses strengthening environmental response at the global level as a common issue for the Mitsubishi Electric Group as a whole.

It goes without saying that preventing environmental accidents is the responsibility of the company, and advanced environmental risk management is required in every region throughout the world. In addition to establishing an environmental management system, it is important to ensure that the company can react appropriately to any accident and minimize damage, and periodically test the response system to ensure that it is operational.

In addition, the reduction of environmental load generated at the time of production should be pursued at the global level. A high level of Mitsubishi Electric expertise developed in Japan is expected to be vital for this. Depending on the region, we may set voluntary standards that are more stringent than local environmental laws in order to keep our performance under control.

Trees bear dense foliage only if they have solid roots and trunks with outreaching branches. Similarly, improving corporate performance and growth should follow steady environmental management activities. We are targeting a higher level of growth as we reduce environmental load and contribute to building a sustainable society.

M. Sakuyama

Masaki Sakuyama President & CEO

Environmental Management of the Mitsubishi Electric Group

Formulating an Environmental Plan to Realize Environmental Vision 2021 – A shared goal for the entire Group to achieve

The Mitsubishi Electric Group prepares an Environmental Plan every three years for the purpose of realizing Environmental Vision 2021, doing so while judging the importance of issues for the Group and society. The 8th Environmental Plan (fiscal 2016 – 2018) began in FY2016. This plan is shared with all group employees as we strive to achieve its targets across our businesses.

Four Pillars and Points of the 8th Environmental Plan (Fiscal 2016–2018)

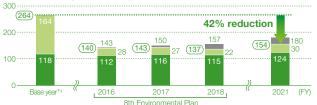
1. Creating a Low-carbon Society

■ Reducing CO₂ from production

The two objectives of reducing CO₂ from energy sources and reducing non-CO₂ greenhouse gases (SF₆, HFCs, and PFCs) have been combined and activities are being promoted on this basis.

Plan for Reducing CO₂ from Production

Total CO₂ emissions (10,000 tons-CO₂)



CO2 emissions Greenhouse gas emissions excluding CO2

^{*1} Base year is as shown below.

	CO ₂ emissions	Fiscal 1991	Fiscal 2001	Fiscal 2006
	Greenhouse gas emissions excluding CO ₂	Fiscal 2001		Fiscal 2006

■ Reducing CO₂ from product usage

Plan for Reducing CO₂ from Product Usage through Improved Energy Efficiency

35% reduction in FY2018 compared to FY2001

Amount of Contribution to Reducing CO2 Emissions
During Product Usage

78 million tons in FY2015 ▶ 92 million tons in FY2018

3. Creating a Society in Tune with Nature

■ Fostering environmental awareness

Our aim is for a cumulative total of more than 30,000 participants in Mitsubishi Electric Outdoor Classrooms and the Satoyama Woodland Preservation Project.

■ Preserving biodiversity at business sites

At all of our business sites in Japan, we promote preserving endemic species unique to the region. We also foster a better understanding between employees and local communities.

2. Creating a Recycling-based Society

■ Towards our goal of zero final waste disposal at our business sites

Mitsubishi Electric Affiliates in Japan Overseas Affiliates

Less than 0.1% Less than 0.1% Less than 0.5%

■ Reducing resource inputs

Plan for Reducing Use of Resources

40% reduction in FY2018 compared to FY2001

■ Visualization of resource recycling business

We are visualizing a business scale that leads to improving resource efficiency, including product recycling and the renovation and maintenance of facilities. Cooperation will be enhanced by sharing case examples and technological information throughout the Group, and environment-related business will be expanded.

4. Strengthening Our Environmental Management Foundation

■ Compliance with environmental regulations

To ensure compliance with RoHS chemical substance regulations in Europe, we are stepping up efforts to develop alternative technologies.

■ Improving the level of environmental management at production bases

Regarding environmental risk and initiatives at manufacturing bases in Japan and overseas, an original index was formulated for the five fields of air pollution control, water and soil pollution control, chemical substance management, greenhouse gas reduction, and waste management in order to evaluate and improve our level of management.

Aiming to Become a Global, Leading Green Company through Environmental Vision 2021



Mitsubishi Electric is aiming to be a global, leading green company that contributes to the creation of a more affluent society. We will continue to put Eco Changes into practice as a way of changing our own actions and changing society to be more eco-conscious.

Global Environmental Management Promotion System

The Mitsubishi Electric Group operates an environment management system (EMS) and holds Executive Officers' Meetings that are chaired by the President of Mitsubishi Electric when deciding environmental management for the overall Group. The Executive Officer in Charge of the Environment is responsible for promoting EMS and is supported by the General Manager of the Corporate Environmental Sustainability Business Group. Each business site and affiliate nominates its own person in charge of promoting

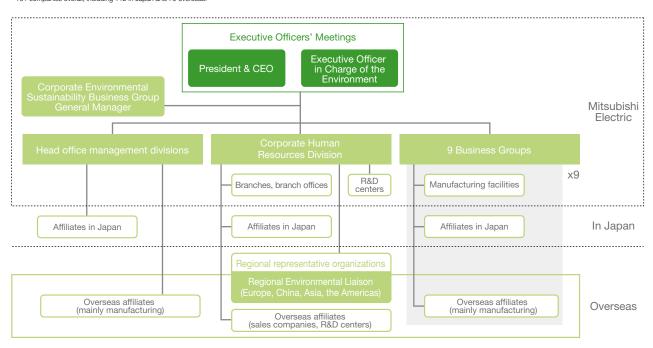
environmental activities.

Each organization shares goals as common objectives to be achieved and sets its individual targets accordingly. Head office management divisions, Corporate Human Resources, and business groups direct the environmental activities of the organizations under their respective jurisdictions. Overseas, we have Regional Environmental Liaisons supporting the environmental activities of affiliate companies in the regional representative organizations.

Mitsubishi Electric positions environmental management as an essential component of corporate governance. The scope of our environmental governance extends throughout the Company and our major affiliates

Major affiliates

- Consolidated companies: Companies with 50% or more of shares owned by Mitsubishi Electric (voting rights ratio), and companies that Mitsubishi Electric has management hegemony over.
- Non-consolidated companies: Companies judged to require integrated environmental management by Mitsubishi Electric.
 191 companies overall, including 112 in Japan and 79 overseas.



Environmental Performance Data

Material Balance

IN

OUT



Factory

Manufacturing

Greenhouse gases (amounts handled)

viateriais	101	Manufacturing

	Mitsubishi Electric	Affiliates (Japan)	Affiliates (Overseas)
Materials*1	390,000 tons	90,000 tons	320,000 tons

Е	lectricity	105 million kWh	330 million kWh	350 million kWh
Natural gas		24,730,000 m ³	2,290,000 m ³	10,330,000 m ³
L	PG	1,724 tons	2,121 tons	606 tons
C	il (crude oil equivalent)	3,527 kl	2,685 kl	1,616 kl
٧	Vater	7,700,000 m ³	1,600,000 m ³	1,920,000 m ³
	Public water	1,310,000 m ³	440,000 m ³	640,000 m ³
	Industrial water	2,450,000 m ³	240,000 m ³	1,080,000 m ³
	Groundwater	3,940,000 m ³	920,000 m ³	20,000 m ³
	Others	0 m ³	0 m ³	180,000 m ³
F	leuse of water	3,280,000 m ³	1,330,000 m ³	160,000 m ³
S	ontrolled chemical ubstances umounts handled)	6,107 tons	1,996 tons	5,339 tons
	Ozone depleting substances (amounts handled)	2.8 tons	155 tons	1,088 tons

45 tons

1,469 tons

3.808 tons

245 tons

3,255 tons 1,468 tons

Emissions (from Manufacturing)

		Mitsubishi Electric	Affiliates (Japan)	Affiliates (Overseas)
	Water	6,780,000 m ³	1,200,000 m ³	1,370,000 m ³
	Controlled chemical substances	9.6 tons	0.0 tons	34.0 tons
D.	BOD (biological oxygen demand)	76.5 tons	7.8 tons	24.6 tons
cha	COD (chemical oxygen demand)	7.4 tons	4.3 tons	42.8 tons
rge	Nitrogen	43.7 tons	13.0 tons	6.0 tons
Discharge into water	Phosphorus	2.5 tons	0.2 tons	0.7 tons
wa	Suspended solids	63 tons	3.2 tons	26.5 tons
é	n-hexane extracts (mineral)	1 tons	0.2 tons	0.0 tons
	n-hexane extracts (active)	2.3 tons	0.2 tons	0.0 tons
	Total emissions of zinc	0.2 tons	0.0 tons	0.1 tons
Ш	Carbon dioxide (CO ₂)	513,000 tons-CO2	162,000 tons-CO2	284,000 tons-CO2
Emissions into the atmosphere	Controlled chemical substances (excluding amounts contained in other waste)	418. 6 tons	198.0 tons	234.0 tons
into	Ozone depleting substances	0.0 ODP tons	0.0 ODP tons	0.9 ODP tons
ŧ	Greenhouse gases	75,000 tons-CO2	43,000 tons-CO2	148,000 tons-CO2
atn	Volatile organic compounds	515.8 tons	333.5 tons	26.4 tons
nos	Sulfur oxide (SOx)	0.4 tons	0.4 tons	5.0 tons
oher	Nitrogen oxide (NOx)	11.0 tons	3.4 tons	23.0 tons
Φ	Fly ash	0.6 tons	0.8 tons	8.0 tons
Am	ount of CFCs recovered	3.6 tons	237.1 tons	_

Waste

Total waste emissions	90,043 tons	64,152 tons	69,673 tons	
Amount recycled	80,726 tons	52,452 tons	65,818 tons	
Waste treatment subcontracted out	20,638 tons	54,583 tons	66,485 tons	
Final disposal	1 tons	48 tons	606 tons	
In-house weight reduction	921 tons	0 tons	736 tons	

Products

1100000			
Weight of all "DfE" Products sold*2	248,000 tons	13,000 tons	116,000 tons
Weight of packaging materials	53,000 tons	8,000 tons	131,000 tons

^{*2} Products sold: Shipping weight of "Design for the Environment" (DfE) products.



Logistics

Sales and Logistics*

	Mitsubishi Electric	Affiliates (Japan)	Affiliates (Overseas)
Fuel for trucks (gasoline)	10,377 kl	1,539 kl	12 kl
Fuel for trucks (diesel)	27,412 kl	4,997 kl	17,717 kl
Fuel for rail (electricity)	1,832 MWh	411 MWh	0 MWh
Fuel for marine transport (bunker oil)	303 kl	0 kl	73,251 kl
Fuel for air transport (jet fuel)	703 kl	43 kl	33,726 kl

^{*3} Sales and logistics: Figures for overseas affiliated companies include transportation

Emissions*4

	Mitsubishi Electric	Affiliates (Japan)	Affiliates (Overseas)
Carbon dioxide (CO ₂)	98,000 tons-CO2	17,000 tons-CO2	343,000 tons-CO2

^{*4} Emissions: Includes one sales company in Japan. Figures for overseas affiliated companies include transportation between countries

Products (Customer)

Energy Consumption

	Mitsubishi	Affiliates	Affiliates
	Electric	(Japan)	(Overseas)
Energy consumed during product use ⁴⁵	38,200 million kWh	4,500 million kWh	23,400 million kWh

^{*5} Energy consumed during product use: Total energy consumed (estimated value) when using 90 finished products targeted for CO2 reduction. The length of use (operating time) is set for each product according to statutory useful life, designed service life, statistical values, etc.

Emissions

	Mitsubishi Electric	Affiliates (Japan)	Affiliates (Overseas)
Amount of CO2 emitted during product use (converted value)*6	19,470,000 tons-CO2	2,250,000 tons-CO2	13,920,000 tons-CO2
Amount of SF6 emitted during product use (corresponding value)*7	104,000 tons-CO2	-	-

^{*6} Amount of CO2 emitted during product use (converted value): Sum of CO2 emitted when using 90 finished products targeted for CO2 reduction.
The amount of CO2 emitted is equal to the energy consumed multiplied by the CO2 emissions coefficient, for which the value shown in CO2 Emissions from Fuel Combustion

End-of-life Products*8



	Mitsubishi Electric
Air conditioners	13,762 tons
Televisions	4,058 tons
Refrigerators	22,768 tons
Washing machines / Clothes dryers	7,645 tons
Personal computers	83 tons

*8 End-of-Life Products: Weight of products recovered from four types of appliances subject to Japan's Home Appliance Recycling Law, plus personal computers.

Resources Recovered*

	Mitsubishi Electric
Metals	28,236 tons
Glass	1,366 tons
CFCs	300 tons
Others	12,426 tons

of resources recovered from four types of appliances subject to Japan's Home Appliance Recycling Law, plus personal computers

^{*1} Materials: Total value for shipping weight of "Design for the Environment" (DfE) products, plus amount of product packaging materials used, plus total

Highlights (2013 Edition) is used.

^{*7} Amount of SF6 emitted during product use (corresponding value): Sum of SF6 gas naturally leaked during the operation of products (6) that use SF6 gas for insulation. Leakage rate used is the value from JEACS001-2000. Global warming potential value used is from the 2nd Revised Guidelines of the IPCC.

Reducing Greenhouse Gas Emissions

The Mitsubishi Electric Group refers to regulations such as the Greenhouse Gas (GHG) Protocol-international standards relating to greenhouse gas emissions in the value chain (concerning all business activities) - and basic guidelines published by Japan's Ministry of the Environment for determining how to assess and calculate emissions from business activities and indirect emissions from outside the range of its business activities.

Owing to the fact that over 80% of CO₂ emissions in the value chain are associated with the use of sold products, the Mitsubishi Electric Group focuses on developing highly energy-efficient products that are linked to reducing CO₂ emissions during product usage. At the same time, we strive to continuously reduce CO2 emissions, as well as the emission of other greenhouse gases with global warming potential, at the production phase.

Accounting (10,000 tons-CO₂) Total emission ratio

Fiscal 2015 Greenhouse Gas Emissions

Scope 1 All direct GHG emissions		40	Direct and direct of the section for the direct of the section of	
		0.9%	Direct emissions from using fuel and industrial processes at our company 12	
Scope 2		84	Indirect emissions associated with using electricity and heat	
Indirect GHG emissions	s from consumption of purchased electricity, heat, or steam	1.9%	purchased by our company ¹³	
	Scope 1	567	Emissions associated with activities until material, etc. is manufactured	
	Purchased goods and services	12.9%	concerning raw ingredients, parts, purchased products, and sales*4	
	Scope 2	59	Carinainea and used from another thing (some feet vine and another and	
	Capital goods	1.3%	Emissions produced from constructing/manufacturing own capital goods	
	Scope 3	8	Emissions associated with procurement of fuels from other parties and fuel	
	Fuel- and energy-related activities	0.2%	necessary for generation of electricity, heat, etc.	
	Scope 4	46	Emissions associated with logistic processes for material, etc. to be delivered to	
	Upstream transportation and distribution	1.0%	our company concerning raw ingredients, parts, purchased products, and sales*5	
	Scope 5	0.05	Emissions associated with transporting and processing waste produced by	
	Waste generated in operations	0%	our company ⁶	
	Scope 6	4	England and admitted with angular as breakens the relative	
Scope 3	Business travel	0.1%	Emissions associated with employee business travel ⁻⁷	
	Scope 7	3	Emissions associated with employees commuting to and from their	
	Employee commuting	0.1%	respective workplaces	
All indirect emissions not	Scope 8	-	Emissions associated with operation of leased assets hired by our company	

covered in Scope

Total

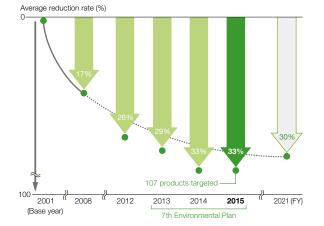
Upstream leased assets (excluded if calculated in Scopes 1 and 2)*8 Emissions associated with the transportation, storage, cargo handling, Scope 9
Downstream transportation and distribution and retail of products* Scope 10 Processing of sold products Emissions associated with the processing of interim products by business operators*9 3.574 Emissions associated with the use of products by users Scope 11 Use of sold products (consumers / business operators) 81.5% Emissions associated with the transportation and processing of products for End-of-life treatment of sold products disposal by users (consumers / business operators) 0.1% Scope 13 Downstream leased assets Emissions associated with operation of leased assets*10 Scope 14 Franchises (n/a) Emissions at companies participating in the franchise Scope 15 Investments Emissions related to investments*9 4.388

■ Reducing CO₂ from Product Usage

Focusing on specific products for which the Mitsubishi Electric Group can take the initiative regarding design and development, and products considered to be important for reducing CO2 emissions during the use thereof, we have established a reduction target—an average reduction ratio of 27% for 84 products compared to fiscal 2001 as per the 7th Environmental Plan-and are raising the efficiency of products according to that target.

In fiscal 2015, for the 107 products targeted (90 finished products and 17 interim products*), the average reduction ratio was 33%, making this the third consecutive year after fiscal 2013 and fiscal 2014 that we have achieved our target. * Mitsubishi Electric's products installed in customers' products

Plan for Reducing CO2 from Product Usage through Improving Energy Efficiency



^{100%} Excerpt from the fundamental guidelines published by the Ministry of Environment and Ministry of Economy, Trade and Industry *2 COz., SFe, PFC, and HFC emissions from use of gas, heavy oil, etc., and product manufacturing

³ CO2 emissions from use of electricity, etc. "4 Excludes some regions "5 CO2 emissions from product distribution/circulation (sales distribution) Subject to accounting: 84 companies (production sites)

10 Cay emissions from transportation of waste (waste distribution) Subject to accounting: Misubsin Bectric "7 Achievements in Japan" "8 Office rentals, etc. are included in Scopes 1 and 2 "9 Currently considering calculation
10 Leased assets of Misubsin Bectric products, such as air conditioner systems, are included in Category 11.

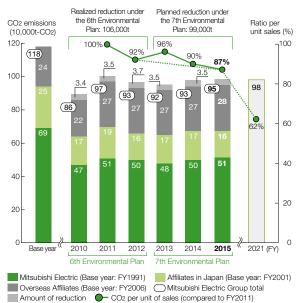
■ Expanding Our Contributions to Reducing CO₂ from Product Usage

Our contribution to reducing CO2 from product usage is the amount of CO2 reduced as a result of switching from older products (those equivalent to products sold in fiscal 2001) to new, energy-efficient products. In fiscal 2015, the combined domestic and overseas reductions were 30,860,000t for 95 finished products and 47,500,000t for 29 interim products. For calculation, if an industry-specific or public standard product usage calculation method exists, that calculating method is applied. If there is no method for calculating product usage specified, we establish our own usage scenario and calculate the level of contribution to reducing CO2. As for interim products, based on the Scope 3 guidelines of the GHG Protocol, we calculate emissions by proportionally dividing product weight and sales volume ratio.

■ Reducing CO₂ from Production

The Mitsubishi Electric Group manages its goal for reducing CO2 emissions using a sales unit ratio index from the 7th Environmental Plan (fiscal 2013-2015). To reach our goal of improving the CO₂ emissions per unit of sales to 83% compared to fiscal 2011 by fiscal 2015, we reduced waste from production lines and promoted the use and operation of highly efficient facilities equipment such as air conditioning and lighting systems. We also promoted reduction activities through demand management by introducing monitoring systems. Additionally, we continually expanded the introduction of photovoltaic generation systems. As a result, in fiscal 2015, CO2 emissions were 950,000t compared to our target of 970,000t. However, against the sales unit ratio index of 83%, 87% was achieved. This is mainly due to increased production domestically and overseas, leading to an increase in CO2 emissions, thereby preventing us from achieving the planned reduction target.

Plan to Reduce CO2 from Production across the Mitsubishi Electric Group

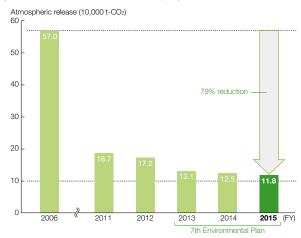


■ Reducing Emissions of Non-CO₂ Greenhouse Gases

Non-CO2 greenhouse gases emitted by the Mitsubishi Electric Group during business activities include sulfur hexafluoride (SF6) used in insulated switchgear, perfluorocarbons (PFCs) used in the production of semiconductors and liquid-crystal components, and hydrofluorocarbons (HFCs) used as refrigerants in air conditioners and refrigerators.

One of the goals of the 7th Environmental Plan was for Mitsubishi Electric and affiliates in Japan to reduce the use of greenhouse gases by 70% compared to the levels used in fiscal 2006. After this target was achieved in fiscal 2012, we have continued to promote our reduction measures, achieving a reduction of 79% in fiscal 2015.

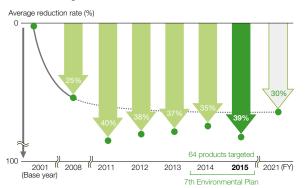
Reduction in Non-CO₂ Greenhouse Gas Emissions (SF₆, PFCs, HFCs) [Mitsubishi Electric and affiliates in Japan]



Reducing the Use of Resources

Regarding the reduction of resources used, for the final fiscal year of the 7th Environmental Plan (fiscal 2015), our target was to achieve a 39% average reduction rate for 64 products. This target was successfully achieved. The improvement in the reduction rate from fiscal 2014 is primarily due to selling more products that use fewer resources in the industrial mechatronics, information and communication systems, and electronic devices categories.

Plan for Reducing Use of Resources

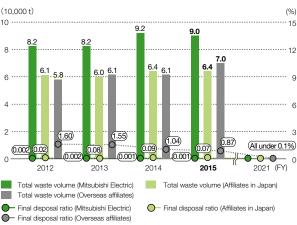


Initiatives toward Zero Final Waste Disposal Ratio

Mitsubishi Electric and its affiliates in Japan are working to thoroughly analyze and separate waste generated so as to achieve the target of zero final waste disposal. In fiscal 2015, we maintained the final waste disposal target of less than 0.1% through initiatives such as improving the efficiency of waste transportation and converting waste to materials with commercial value.

For overseas affiliates with high levels of final disposal, we established a target of less than 1.0%. As a result of analyzing and separating waste at these affiliates, promoting the mitigation of waste generation, and sourcing recycling contractors, the target was achieved with a final disposal ratio of 0.87%.

Total Waste Output and Final Disposal Ratio



Managing Chemical Substances

Mitsubishi Electric and affiliates in Japan utilize a Chemical Substance Management System that incorporates procurement data for materials and parts to comprehensively manage 3,181 substances. The list includes refrigerant fluorocarbons used in air conditioners and refrigerators, volatile organic compounds (VOCs), the six RoHS substances, and the 462 substances designated under revisions to a chemical substances management law*1 (PRTR*2 law) in Japan.

In fiscal 2015, Mitsubishi Electric used 6,107 tons of 143 different chemical substances and affiliates in Japan used 1,996 tons of 42 different substances.

*1 Act on Confirmation, etc., of Release Amounts of Specific Chemical Substances in the Environment and Promotion of Improvements to the Management Thereof. *2 PRTR: Pollutant Release and Transfer Register.

Material Balance of Chemical Substances Subject to Regulation



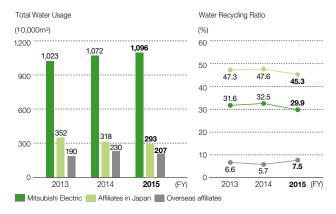
Effective Water Usage

The Mitsubishi Electric Group views public water, industrial water, groundwater, and other sources of water as a valuable resource. We work to assess our water usage at all sites and to conserve and recycle this resource.

In fiscal 2015, water use increased at Mitsubishi Electric compared to the previous fiscal year, but decreased at affiliates in Japan and overseas.

Meanwhile, recycled water use decreased at Mitsubishi Electric and affiliates in Japan compared to the previous fiscal year, and increased at overseas affiliates.

Total Water Usage and Water Recycling Ratio



Environmental Accounting

Period: April 1, 2014 - March 31, 2015
Scope of Data Compilation: Mitsubishi Electric Corporation, 112 affiliates in Japan and 79 overseas affiliates (total of 192 companies)

Enviro	nmental Conservation Costs				Mitsubishi Electric Group Mitsubishi Electric (100 million yen)	
	Item	Capital Investment	Costs*	Year-on-Year Change	Main Costs	
		42.5	107.9	(2.0)		
Busines	s area activities	26.7	70.0	1.0		
		5.1	27.2	1.0	Maintenance of wastewater treatment facilities / exhaust treatment facilities	
	Pollution prevention	2.7	18.7	0.3	(eliminating VOCs, PFCs, smoke, etc.)	
	Global environmental conservation	36.9	47.5	(2.9)	Upgrading air conditioners, introducing LED lighting, upgrading transformers and boilers, incorporating inverter	
	Giobai environmentai conservation	24.0	33.2	1.1	technologies into power generators, upgrading/enhancing the performance of SF ₆ gas recovery devices	
	Resource recycling	0.5	33.2	(0.1)	Consigning PCB-related processing, recycling valuable resources, wood-chip recycling processes,	
	r lesource recycling	0.0	18.0	(0.4)	maintenance and management of pure water / wastewater recovery treatment	
Linatron	m and downstream from production	0.8	5.6	0.9	Quality valuation in accordance with RoHS regulations, establishing returnable rack system, consign	
Opstrea	m and downstream from production	0.8	4.2	1.3	fees for recycling packaging containers	
Monogo	ement activities	0.1	31.2	1.5	ISO 14001 review (certification acquisition, maintenance, upgrades), participation in environment-rela exhibitions, publishing of report on eco-conscious initiatives, collecting environmental data, operation	
iviariage	inent activities	0.0	24.6	1.9	product content chemical substance management system	
R&D act	di datas	1.4	36.6	(2.8)	Development of high-efficiency devices, energy-saving regulation compliant residential air conditioners and recycled plastic molding technologies, downsizing of products, development of power distribution	
H&D aci	livilles	1.4	35.5	(3.4)	systems for offshore wind power generation and refrigerants	
Commu	nity activities	0.0	0.3	(0.0)	Satoyama woodland preservation activities, river / local region clean-up, Mitsubishi Electric Outdoor	
Commu	ility activities	0.0	0.2	(0.0)	Classroom, greening of offices and peripheral areas	
Environmental damage		0.0	1.8	0.5	Measures for oil-contaminated soil on old factory sites, groundwater measurement/treatment facilities	
		0.0	1.8	0.5	ineasures for oir-containinated soir on oid factory sites, groundwater measurement treatment facilities	
Consolidated total		44.9	183.5	(2.0)		
Non-consolidated total		29.0	136.2	1.2		

 $^{^{\}ast}$ Includes depreciation of capital investment over the past five years.

Environmental Conservation Benefits (Environmental Performance)

			Fiscal 2015	Year-on-Year Change	Year-on-Year Per Net Sales
Total energy used		10.000 GJ	1,919	4	84%
lotal ene	ergy used	10,000 G3	1,157	(31)	85%
Total wat	torused	10.000 m ³	1,122	58	89%
iotai wa	ter used	10,000 1119	770	41	93%
Total are	enhouse gas emissions	10.000 tons-CO2	124	5	87%
iotal gre	eririouse gas erriissioris	10,000 tons-002	58	0	82%
	CO ₂ (energy consumption)	10.000 tons-CO2	95	2	85%
	CO2 (energy consumption)	10,000 tons-002	51	1	89%
	HFCs. PFCs. SF6	10,000 tons-CO2	29	3	92%
	nros, rros, sre		7	0	55%
Total releases and transfers of chemical		Tons	876	(10)	83%
substanc	ces into the atmosphere	10115	516	(25)	84%
Total wa	stewater discharged	10.000 m ³	936	13	85%
IOIdi Wa	stewater discriarged	10,000 111-	678	14	90%
Total rele	ases and transfers of chemical	Tons	44	(6)	74%
substances into the water and soil		10113	10	2	111%
Total waste discharged		Tons	223,868	29,611	97%
		10113	90,043	7,851	96%
Final disposal		Tons	654	(291)	58%
		10113	1	(1)	38%

Economic Benefits from Environmental Conservation Activities (Actual Benefits)

Item	Amount	Year-on-Year Change	Main Benefits	
	37.8	7.4	Sold the valuable materials resulting from	
Earnings	18.9	4.1	recycling of scrap metal, etc.	
Octobra	30.3	0.2	Reduced electricity costs as a result of energy-saving air conditioning and lighting facilities and introducing solar photovoltaic	
Savings	14.6	(0.6)	generation systems, reduced use of product and packaging materials, etc. by replacing the with returnable alternatives	
Total	68.1	7.6		
Total	33.6	3.6		

Economic Benefits from Environmental Consideration in Products and Services (Estimated Benefits)

Item	Amount	Main Benefits	
Economic benefits to customers*1	9,605	Reduced electricity costs owing to lower energy consumption of 90 finished products that are targeted for reducing CO2 from product	
	6,351	usage.*2	

^{*1} The economic benefits to customers was recalculated on September 1, 2014.
*2 Base products for reducing energy consumption are those products sold in FY2001. The energy prices appearing in IEA Energy prices and taxes were referred to when calculating the amount of benefit.

Respecting Biodiversity

Considering Biodiversity in All of Our Business Activities

All human activity benefits from the workings of the diverse life forms that live on the planet. At the same time, human activity also exerts a significant impact on biodiversity, including damage to ecosystems. Now, at a time when many species face extinction, the preservation of biodiversity is a shared issue for all of humanity. Mitsubishi Electric formulated its Environmental Vision 2021 in October 2007. This Vision positions respect for biodiversity as one of the Company's basic policies. The policy stems from the strong desire to protect the natural environment and realize a sustainable society through fostering environmental awareness among our employees. Furthermore, we formulated the Mitsubishi Electric Group Biodiversity Action Guidelines in May 2010. These Biodiversity Action Guidelines have two main features: (1) they include the pledge of every Mitsubishi Electric Group employee to understand the relationship between business activities and biodiversity; and (2) they are structured according to each stage of the product lifecycle.

Mitsubishi Electric Group Biodiversity Action Guidelines

Respect for Biodiversity

The Earth's ecosystem is made up of diverse living organisms. All aspects of human civilization benefit from this ecosystem, but at the same time, we affect it in both direct and indirect ways. Today, damage to the ecosystem is said to be driving many species to extinction and otherwise eroding biodiversity. In recognition of this, the Mitsubishi Electric Group has established Biodiversity Action Guidelines, which add to the Group's environmental activities aimed at the creation of a low-carbon and recycling-based society from the perspective of biodiversity conservation. These guidelines define the role of business activities in preserving biodiversity, and outline the Group's efforts toward the development of a sustainable society through its business activities.

Action Guidelines

Resources & Procurement

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

Product Design

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

Manufacturing & Transportation

When commencing or making changes to land use, such as when constructing factories or warehouses,

we will give due consideration to protecting the biodiversity of the land in question. In manufacturing and transportation, we aim to minimize energy use, waste generation and the emission of chemical substances.

Sales, Usage & Maintenance

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

Collection & Recycling

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

Understanding & Action

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

Cooperation

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

Incorporating the Opinions of Experts in Our Action Guidelines

In formulating Mitsubishi Electric's Biodiversity Action Guidelines and the Relationship between Business Activities and Biodiversity chart, we invited Dr. Ryo Kohsaka, who was then an associate professor at Nagoya City University, to exchange ideas regarding biodiversity, in March 2010. His feedback on our efforts is summarized as follows:

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

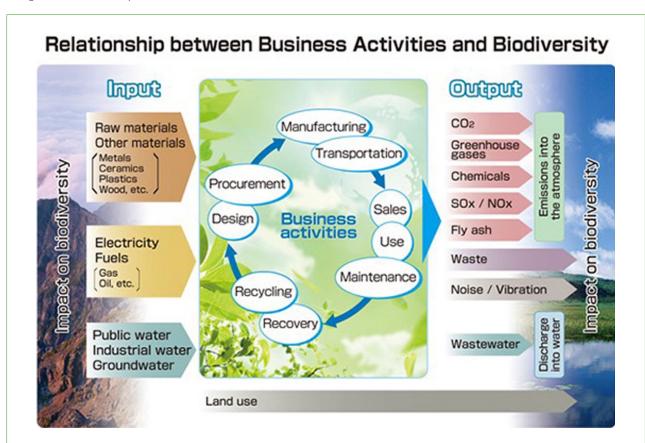
Based on this feedback, we completed steps to

implement our guidelines and relational chart, which were announced on May 18, 2010.



Visualizing the Relationship between Business Activities and Biodiversity while Promoting Wide-Ranging Initiatives

In addition, to deepen employee understanding of biodiversity, we have created a chart that shows the relationship between business activities and biodiversity. Using this chart, we will promote renewed awareness among all business sites both inside and outside Japan of the relationships between their business activities and surrounding regions' ecosystems and natural environment, and link this awareness to concrete actions that contribute to communication with those regions and to the preservation of biodiversity.



Activities Linked to the Preservation of Biodiversity

Activity Purpose		Details
Mitsubishi Electric Outdoor Classroom	Foster environmental awareness among employees	Participants and employees, who serve as leaders, work to improve environmental awareness in natural classroom settings such as woodlands, waterways, parks and seacoasts.
"Satoyama" Woodland Preservation Project	Contribute to society, drawing on the voluntary efforts of employees	Employees strive to restore parks, woodlands, rivers and other natural areas located close to business sites.
Living Creature Studies	Deepen understanding of our impact on the natural environment	Employees observe the natural environment at business sites and surrounding areas while evaluating and improving behavior.
Biodiversity-Conscious Procurement	Reduce procurement-related environmental risks	Employees evaluate suppliers from a variety of perspectives; for example, in terms of the status of environmental initiatives and in terms of management of products that contain chemical substances.

Fair Operating Practices

Compliance

Strengthening Compliance Activities

In regard to ethics and legal compliance, the Mitsubishi Electric Group bases its corporate management on the fundamental principle of compliance and makes committed efforts to strengthen internal control with an emphasis on employee training and education. Based on incidents that took place in the past, the compliance system was revised in October 2012, and various measures regarding ethics and compliance were firmly implemented to further strengthen the solid trust relationship we have established with society, customers, and shareholders.

Our Concept of Compliance

With the Mitsubishi Electric Group Corporate Ethics and Compliance Statement formulated in 2001 as our basic guideline for compliance, the Mitsubishi Electric Group recognizes the importance of ethics and absolute compliance with legal requirements as a fundamental precondition for the Group's continued existence. Based on this awareness, we are attempting to perfect a compliance system which promotes compliance in the broadest sense, encompassing the perspective of corporate ethics, rather than merely focusing on following the letter of the law. At the same time, we are working to educate our employees in this area.

The Corporate Ethics and Compliance Statement

· Compliance with the Law

We will conduct ourselves always in compliance with applicable laws and with a high degree of sensitivity to changes in social ethics or local practices. We will never establish a target, nor make a commitment, that can only be achieved with conduct that would violate applicable laws or business ethics or practices.

· Respect for Human Rights

We will conduct ourselves always with a respect for human rights. We will not discriminate based on nationality, race, religion, gender, disability or any other reason prohibited by applicable laws nor will we violate international laws providing protection for individual and human rights or any treaties providing such protection to which the country where any of our companies is located is a party.

· Contributing to Society

Concurrently with the pursuit of a reasonable profit, we will conduct ourselves always with an awareness of our corporate social responsibility in order to further the progress of the entire society.

• Collaboration and Harmonization with the Community
As a good corporate citizen and neighbor, we will
support civic and charitable organizations and activities
in the communities where we reside or work that in
our view contribute to community development.

Consideration of Environmental Issues

As part of our goal to achieve a recycling-oriented society, we will pay attention to and respect the global environment in every aspect of our business.

Awareness of Personal Integrity

We will conduct ourselves with the highest integrity, making a proper distinction between public and private matters and, we will use company resources, including money, time and information for legitimate business purposes. We will use company computers and various networks and on-line services, including e-mail and Internet access, primarily for company business.

■ The Mitsubishi Electric Group Conduct Guidelines

The Mitsubishi Electric Group Conduct Guidelines (hereinafter "Conduct Guidelines") introduces the content of the Mitsubishi Electric Group Corporate Ethics and Compliance Statement and offers practical guidelines for conduct. The Conduct Guidelines are consistently revised in order to reflect the formulation, revision, and abolition of laws and changes in society. The version presented here is the most recent revision, published in April 2013. In addition to the Japanese language, the Code of Conduct is published in English, Chinese, and Thai, and offers identical content for each country and region in which we operate, presenting norms to which every Mitsubishi Electric Group employee should conform.

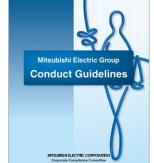
History of the Mitsubishi Electric Group's Code of Corporate Ethics and Compliance

1990	Formulated and issued "Corporate Ethics Guidelines" as the first codified guidelines for ethical corporate conduct.
2001	Announced the "Corporate Ethics and Compliance Statement."
2003	Renamed "Corporate Ethics Guidelines" to "Corporate Ethics and Compliance Code of Conduct" to strengthen awareness of compliance.
2010	Renamed "Corporate Ethics and Compliance Code of Conduct" to "Mitsubishi Electric Group Conduct Guidelines" and expanded and disseminated the content to worldwide employees of the Mitsubishi Electric Group.
2013	Revised the "Mitsubishi Electric Group Conduct Guidelines" to mainly add a message from the president and stipulations concerning compliance with agreements and the antimonopoly law.

Ensuring that Employees are Familiar with Our Compliance Policy

The top management of the Mitsubishi Electric Group, including the President, takes every opportunity to directly address employees on the subject of compliance in a diverse range of situations, ensuring that an awareness of the importance of compliance and our stance on it takes root throughout our organization. To raise awareness even further, we also display posters of the Mitsubishi Electric Group Corporate Ethics and Compliance Statement in our workplaces and distribute cards printed with the Statement to each of our employees. We distribute the "Mitsubishi Electric Group Conduct Guidelines" to all Mitsubishi Electric Group employees, including overseas employees, and we have systems in place to check annually that all employees have been provided with the booklet. Employees in Japan receive a booklet containing the Conduct Guidelines, which summarizes points that employees should be aware of in relation to compliance as they conduct their work duties.





Corporate Ethics and Compliance Statement Poster

"Mitsubishi Electric Group Conduct Guidelines" Booklet



Portable Card

System to Ensure Thorough Implementation of Compliance at the Global Level

Based on the recognition that the promotion of compliance is inseparably linked with business promotion, the Mitsubishi Electric Group's compliance system is made up of independent compliance systems established in each of our companies and business divisions, and systems which provide support for each specific organization. We renamed the Legal Division to the "Corporate Legal & Compliance Division" as of October 2012, in order to promote group-wide compliance. Moreover, in each business group of Mitsubishi Electric Corporation, we established a "Compliance Department" whose purpose is to enhance implementation of group-wide compliance measures

and conduct inspections of the state of compliance in that respective group. Furthermore, in order to further strengthen and expand previously established overseas compliance systems and ensure thorough compliance at the global level, a special department was established in the Corporate Legal & Compliance Division in April 2014.

1. Independent compliance systems established in each company and business division

The independent compliance systems established in each of our companies and business divisions are systems which function to advance compliance by clarifying the roles of management and every individual affiliated with that company or division, and ensuring that each individual is aware that they are responsible for the promotion of compliance. In concrete terms, the management of each company and division guides and supervises staff members and establishes a compliance promotion system in that company or division. To this end, the management implements measures, including the establishment of a Compliance Promotion Committee, to formulate concrete initiatives for the advancement of compliance in that company or division. In addition, each staff member promotes compliance within the scope of his or her particular work duties. Furthermore, each business group in Mitsubishi Electric has its own Compliance Department. These departments are responsible for promoting compliance within their respective business groups, based on companywide compliance initiatives.

2. Systems which provide support for each specific organization

The Corporate Compliance Committee, Compliance Department, and Compliance Managers are examples of systems which provide support. The Corporate Compliance Committee formulates comprehensive guidelines for compliance and standards of employee conduct for the Mitsubishi Electric Group as a whole. The Corporate Compliance Committee was established in 1991, the year in which the Japan Business Federation (Nippon Keidanren) formulated its Corporate Conduct Charter. The Corporate Compliance Committee is chaired by an executive officer responsible for legal affairs and holds regular meetings twice annually and extraordinary meetings as required. Details of discussions held by the Corporate Compliance Committee are disseminated to each company, business division or business group of Mitsubishi Electric through channels including the Compliance Liaison Committee, which is responsible for assisting the management of each company, division or business group. Compliance Managers are appointed for specific companies, divisions, or levels, and their particular roles and the details of their activities are explicated in in-house regulations. Overseas, in addition to the systems of assistance discussed above, we have also established systems to provide assistance operating across entire regions. Regional Compliance Officers ("RCOs") responsible for assisting affiliates in their specific region are assigned in the United States, South and Central America, Europe, Asia, China

(including Hong Kong), Taiwan, and Korea, and work to improve the level of compliance by means of Regional Compliance Committees ("RCCs"). We are also working to establish similar systems in other regions, depending on the specific circumstances of the region in question.



Global Compliance Meeting with managers from the United States, Europe, Asia, China, and Taiwan.



Asia Regional Compliance Managers' Meeting

Initiatives against Major Compliance Risks

1. Fair competition (preventing the violation of anti-trust laws)

The Mitsubishi Electric Group deeply regrets its experience of having received an administrative penalty for violating anti-trust laws in Japan and overseas. Out of this regret, we uphold anti-trust laws as one of the most important laws that we must abide by and make Group-wide efforts to prevent any recurrence of such incidents. In addition to formulating and operating internal regulations that govern Mitsubishi Electric and its affiliated companies in Japan and overseas, we have also strengthened internal audits that specialize in anti-trust laws, and place importance on employee training through a combination of e-learning and classroom programs. In FY2015, companywide training was implemented 121 times with the participation of 7,231 employees. In affiliated companies as well, 888 employees from 49 companies participated in training. Emphasis has also been placed on employee training at the global level, such as by implementing classroom training in each region and country and offering e-learning programs to some 2,700 employees in Europe. We will continue to make greater efforts to ensure preventive measures through regular monitoring of the status of daily business activities and internal regulations, practical employee training that matches actual transaction situations, and other such initiatives.

2. Corruption prevention (preventing the bribery)

The Mitsubishi Electric Group takes measures against bribery risks involving Japanese and overseas public officials, such as calling attention to the issue using manuals and internal newsletters, providing employee training through e-learning and classroom programs, requiring self-inspections using a check sheet, and conducting internal audits. In the United States and Europe, we operate a compliance program (risk evaluation, establishment of internal regulations, education, audit, etc.) that conforms to the FCPA (Foreign Corrupt Practices Act) and the U.K. Bribery Act, respectively, and in China, Asia, and Central and South America, we make dedicated efforts to establish guidelines and enhance education and audits against corruption risks. We will hereafter further upgrade our initiatives in each region to expand our business on the global level, while taking effective and efficient measures against the risks of becoming involved in corrupt practices by identifying countries and transactions that harbor a particularly high risk of corruption.

3. Responses to political activities

The Mitsubishi Electric Group provides support to political activities only upon full consideration of its social standing as defined in its corporate mission, and in compliance with relevant laws and regulations in each country. For example, when making a political donation in Japan, the Corporate Administration Division screens all cases in detail in accordance with the Political Fund Control Law, and ensures adherence to all internal procedures. Additionally, in public elections, we make every effort neither to infringe on the Public Offices Election Act nor deviate from sound social morals.

4. Disassociation with anti-social groups

The Mitsubishi Electric Group adheres to the following three provisions that are clearly set forth in the Mitsubishi Electric Group Conduct Guidelines.

- 1. We will not have any relationship with anti-social groups, and will deal with such groups with a firm attitude.
- 2. When engaging in a new transaction, we will make certain that the transaction partner is not related in any way to an anti-social group.
- 3. Transaction contracts shall include an article on the "elimination of crime syndicates and other antisocial groups," and provide for the termination of the contract in the event a transaction partner is found to be related to an anti-social group, even if the transaction with the partner has already begun.

Furthermore, as a Group-wide measure against unreasonable demands from anti-social groups, an unreasonable demand prevention officer as stipulated in the Anti-Organized Crime Law is assigned to each business office and affiliated company. If a transaction partner is found to be an anti-social group, we make every effort to promptly disassociate ourselves with the company with the cooperation of the police, external specialist institutions (the National Center for the Elimination of Boryokudan and the Special Violence Prevention Measures Association (Tokubouren) under the control of the Metropolitan Police Department, the National Center for the Elimination of Boryokudan, etc.), and lawyers.

5. Export control

To maintain international peace and security, Mitsubishi Electric Corporation has established and abides by the Corporate Security Export Control Regulation. Based on the regulation, all transactions are closely checked for any inclusion of export controlled items and security concerns related to destination, customers, end-use, and transaction conditions, and are strictly managed pursuant to relevant laws and regulations. Furthermore, to ensure all associated companies in Japan and overseas also take proper action in line with the Group's policies, we distribute the Security Export Control Standard Regulations of the Mitsubishi Electric Group (in Japanese, English, Chinese, and Thai) to all associated companies, and to provide the guidance for establishment of regulations, development of a framework, and education in each company. In FY2015, we held an educational workshop in China, intended for ECAs (Export Control Administrators) in associated companies. In Japan, we provided e-learning courses that were taken by 29,626 Mitsubishi Electric Corporation employees and 23,621 employees of associated companies. For overseas associated companies, we have English, Chinese, and Thai e-learning materials for the implementation of training programs in each company.

Compliance Education by Diverse Means

The Mitsubishi Electric Group works to ensure that employees are aware of the Group's concept of compliance and of the laws that are essential to the conduct of our business activities, using a variety of tools, including workshops, e-learning programs, the distribution of manuals, and screen displays when employees log in. In using these tools, we carefully consider and provide the optimum content for different businesses, job levels, job categories, and regions (overseas). In addition to educational activities conducted independently by each of the Group's affiliated companies and business divisions, we also carry out Group-wide educational initiatives. For example, Mitsubishi Electric Group employees in all of the countries in which we operate take part in an educational program concerning the major relevant laws and the Group's concept of compliance, either through e-learning programs, group lessons, or distance learning. In FY2015, as many as 112,806 employees in Japan (employees of Mitsubishi Electric and affiliated companies in Japan) participated in such programs. Compliance Managers also distribute materials concerning improper conduct to supervisors at Mitsubishi Electric and our affiliates in Japan in order to help us prevent such conduct from occurring. We also conduct workshops at our various bases (branch offices and production sites) for personnel responsible for compliance at affiliates located in those regions. These workshops seek to foster a thorough awareness of compliance and a deeper understanding of key legislation at our affiliates, in addition to promoting closer cooperation with Mitsubishi Electric. In fiscal 2015, the Corporate Legal & Compliance Division of Mitsubishi Electric Corporation conducted approximately 326 compliance-related workshops throughout the Group, in which a total of 16,280 people participated.





Compliance-related workshop

Compliance Audits

Throughout the Mitsubishi Electric Group, each company and division conducts self-inspections of compliance in a variety of forms several times a year based on multiple check sheets covering specific laws and areas of corporate ethics, in order to determine the status of compliance and make corrections as necessary. We also conduct internal audits of compliance in which the Corporate Auditing Division takes a central role. Companies and divisions determined to be in need of corrective action as a result of these audits are directed to make improvements.

Establishment of Internal and External Ethics and Legal Compliance Hotlines

We have established an "Ethics and Legal Compliance Hotline" to enable us to identify instances of improper or unethical conduct and infringements of the law, and to correct such cases by our own efforts. Any information provided to the hotline is investigated by the Corporate Auditing Division and if any violations of the law or other examples of improper conduct are discovered, the individual responsible is subject to punishment or the relevant division is directed to make improvements. Internal rules clearly set out protections for the whistleblower, including prevention of discriminatory treatment and protection of anonymity. In April 2006, in line with the launch of the Whistleblower Protection Act, we established external hotlines to legal offices. These hotlines are also open to our business partners and affiliates in Japan. The Ethics and Legal Compliance Hotline system is explained in the booklet containing the Mitsubishi Electric Group Corporate Ethics and Compliance Code of Conduct, which is distributed to all employees. We also work to make employees aware of the hotlines through posters, the Group's intranet, and other means.

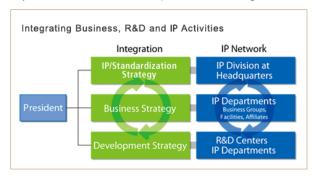
Protection of Intellectual Property Rights

Basic Policy

The proper protection of intellectual property (IP) rights promotes technological progress and sound competition, and also contributes to realizing affluent lifestyles and the development of society. Based on this awareness, the Mitsubishi Electric Group makes every effort to ensure the protection of intellectual property rights. Furthermore, we recognize that intellectual property rights represent a vital management resource essential to our present and future, and thus engage in business, R&D, and IP activities in an integrated manner. Moving forward, we will further strengthen our IP capabilities on a global scale to contribute to business in conjunction with the Group's growth strategy.

Structure of the Intellectual Property Division

The Mitsubishi Electric Group's IP-related operations are the direct responsibility of the president, and are overseen by the Head Office IP Division and the IP departments at relevant facilities, R&D centers, and affiliated companies under an appointed IP executive officer. The Head Office IP Division is responsible for external activities and PR activities related to intellectual property, including the formulation of strategies for the entire Group, the promotion of critical IP-related projects, and the coordination of interaction with the patent office. At the manufacturing facility, R&D center, and affiliated company levels, IP departments mutually create an IP network and integrate their activities to even more effectively pursue their specific objectives in line with the Group's overall IP strategies.



Global IP Strategy

We identify critical IP-related themes based on our mainstay businesses and important R&D projects. At the same time, we channel our energies toward the globalization of our robust patent portfolio by promoting patent filing activities. With regard to overseas operations, we are accelerating the globalization of our IP activities by increasing the number of overseas patent applications and filing patents prior to undertaking business development in emerging countries where an expansion of business opportunities is expected. According to statistics on Patent Cooperation Treaty (PCT) applications by businesses in 2014 announced by the World Intellectual Property Organization (WIPO), Mitsubishi Electric ranked 5th (independently). According

to the number of patent registrations in 2014 announced by the Japan Patent Office (JPO), we came in 2nd.

(Top 5) PCT applicants: businesses, 2014 (WIPO, PCT Yearly Review, page 44)

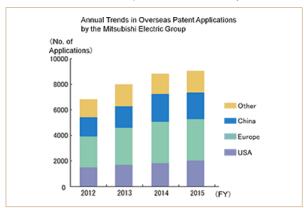
(WIPO)

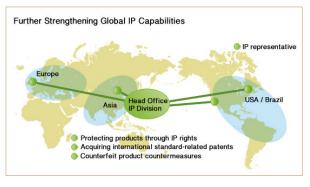
Rank	Applicant	Country	No. of patents
1	Huawei Technologies	China	3,442
2	Qualcomm	USA	2,409
3	ZTE	China	2,179
4	Panasonic	Japan	1,682
5	Mitsubishi Electric	Japan	1,593

No. of patent registrations in 2014 (Japan) (JPO)

Rank	Applicant	No. of patents
1	Canon	4,597
2	Mitsubishi Electric	4,506
3	Panasonic	4,267
4	Toyota Motor	3,860
5	Toshiba	3,408

We are also actively engaging in activities aimed at acquiring design rights in Japan and overseas to further enhance our robust patent portfolio. These efforts are specifically to protect our proprietary assets in both the technology and design areas. Representatives in charge of IP activities are assigned to each of our bases in the United States, Europe, and China to ensure every effort is made to strengthen IP capabilities at Group facilities, R&D centers, and affiliated companies in each country.





Respecting IP Rights

The Mitsubishi Electric Group firmly recognizes the importance of mutually acknowledging and respecting not only its own intellectual property rights but the intellectual property rights of others as well. This stance is clearly set forth in the Mitsubishi Electric Group Conduct Guidelines and practiced throughout the Group. Any infringements on the IP rights of others have the potential to significantly impair the Group's continued viability as a going concern. The resulting potential impairments include being obliged to pay significant licensing fees or being forced to discontinue the manufacture of a certain product. In order to prevent any infringement on the IP rights of others, education and training is provided mainly to engineers and IP officers, to raise employee awareness and promote greater respect for the IP rights of others. At the same time, a set of rules has been put in place to facilitate appropriate actions such as surveying the patent rights of others at every stage from development to production, and is strictly enforced throughout the entire Group. The Mitsubishi Electric Group also works diligently to prevent any infringement on its IP rights by others. In addition to inhouse activities, we place particular weight on collaborating

with industry organizations while approaching government agencies both in Japan and overseas as a part of a wide range of measures to prevent the counterfeiting of our products.

IP Strategy for International Standardization

International standardization contributes to the prompt dissemination of new technologies and outstanding products. The Mitsubishi Electric Group, with a view to expanding business in the global market, has thus established an international standardization strategy committee to promote standardization through the integration of its business, R&D, and intellectual property strategies. We practice open and closed strategies. From the view of open strategies, we promote activities for the acquisition of patents which support international standards. IP revenues from standard patent pools (organizations that manage patents related to international standards) such as MPEG and Blu-ray Disc™ are contributing to increasing our business earnings. In order to expand the market share of our products and systems, we are also promoting activities for the acquisition of competitive patents in the closed domain, which is based on international standards.

Corporate Social Responsibility through the Supply Chain

Our Purchasing Philosophy

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

1. Easy Access and Equal Opportunity

To guarantee our customers the highest-quality products, we are constantly searching for new suppliers. We encourage business partners from all over the world, regardless of size, to contact us about submitting a quotation. The decision to embark on a new business relationship is made after careful consideration of three major factors: product price, product quality, and delivery performance. To ensure continued high quality and efficiency, we periodically review our relationships with our partners.

2. Mutual Prosperity

We believe in long-term relationships built upon understanding and trust. This will allow the participation of our business partners during the product development stage, paving the way for mutual prosperity.

3. Ecological Soundness

We are interested in the materials and manufacturing processes used by our suppliers. Because we value the environment, we buy only ecologically sound products. Our mission is to satisfy the needs of people around the globe. To meet their growing expectations, we must widen and strengthen our affiliations with companies all over the world. We are seeking cooperation, not just business, and are looking for potential partners who are willing to join us in our drive toward global prosperity.

^{*} Blu-ray Disc™ is a trademark of the Blu-ray Disc Association

CSR Procurement Policy

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

1. Compliance with domestic and foreign laws/regulations and social standards

- (1) Ensuring compliance with laws and regulations
- (2) Respecting human rights and prohibiting discrimination, child labor, and forced labor
- (3) Creating proper work environments

2. Assurance of quality and safety of products and services 3. Environmental considerations

- (1) Procuring materials with less negative impact on the environment
- (2) Ensuring strict management of harmful chemical substances based on an environmental management system

4. Promotion of fair trade based on corporate ethics

- (1) Practicing honest trade on fair and equal footing, based on laws/regulations and agreements
- (2) Ensuring strict management and safeguarding of information by establishing an information security system
- (3) Thorough elimination of ethical misconduct

Mitsubishi Electric Group Initiatives for Responsible Minerals Procurement

The Mitsubishi Electric Group views such issues as environmental destruction and the abuse of human rights by armed groups in the Democratic Republic of Congo and its neighboring countries as issues of the utmost concern. As transactions of conflict minerals* are said to fund these armed groups, we are implementing measures to ensure the transparency of our supply chain so that we do not encourage or become complicit in such issues in any way, and to promote responsible mineral procurement.

* Conflict minerals refers to gold, tin, tantalum, tungsten, and other minerals that have been determined by the U.S. State Department to be a source of support for armed groups when mined in the countries referred to above.

Risk Mitigation based on Fair Selection and Evaluation of Business Partners

We are committed to selecting and evaluating our business partners in Japan and overseas in a fair and equitable manner, and as part of this effort, we require an understanding of our Procurement Policy and CSR Procurement Policy among all partners. At the same time, we aim to realize stable production activities by regularly evaluating our business partners based on the supplier selection standards of the Mitsubishi Electric Group.

Evaluation of initiatives to address environmental issues and CSR

In 2006, in response to a heightening interest in environmental issues, we introduced the Green Accreditation System to evaluate our business partners in terms of not only quality, price, delivery, customer service, and business stability, but also the status of their initiatives to address

environmental issues. Based on the Green Procurement Standards Guide and using an original survey form, the Green Accreditation System conducts a survey of each supplier's acquisition status of environmental management system certification, status of compliance with laws and regulations related to the environment, and management status of chemical substances contained in components or materials they deliver to our company, and certifies suppliers who meet our standards. By properly evaluating the status of our business partners' environmental initiatives under this system and providing advice for any corrections that should be made by partners who do not meet the certification standard, we ultimately minimize environmental risks.

In 2009, the status of CSR initiatives was included among the survey items. In reference to our suppliers' replies regarding issues such as human rights, labor practices, legal compliance, and product safety, we provide feedback about the results of our evaluation and request a further strengthening of initiatives as required, to reduce CSR-related risks.

During 2006 and 2014, the Mitsubishi Electric Group evaluated the environmental initiatives of some 7,000 business partners and the CSR initiatives of roughly 5,000 business partners. With a main focus on issues related to human rights and labor practices as particularly serious issues, we intend to maintain close communications with our partners and strive to mutually raise the level of our initiatives.

Survey of restrictions on conflict minerals

As a member of the Responsible Minerals Trade Working Group of the Japan Electronics and Information Technology Industries Association (JEITA), Mitsubishi Electric actively addresses restrictions on conflict minerals in conformity with industrial policies. Surveys of suppliers are carried out using the survey form (EICC-GeSI template) that is commonly used in the automobile and the electric and electronic industries.

Cost co-creation activities in partnership with business partners

Recognizing the importance of building a favorable business relationship with our business partners from a mediumterm perspective, we preferentially procure materials and components from suppliers who have acquired high overall scores in a supplier selection evaluation. Suppliers who play a particularly important role in promoting our business are regarded as "key suppliers," and include suppliers who supply us with parts that influence product performance and who possess advanced technological capabilities. With these suppliers, we build a relationship that goes a step further than with other general suppliers, and together engage in activities for creating cost (cost co-creation activities), such as pursuing the joint development of parts and materials from the initial development stages, adopting advanced products, and promoting value engineering (VE)*. Through these initiatives, we reduce the input of materials and minimize environmental burden by making products more compact and lightweight, and strive to build a win-win relationship that allows both our partners and our company

to increase sales and enhance technological capabilities. The cost co-creation activities that we have thus pursued with our key suppliers from the initial stages of product development have produced significant results since fiscal 2004, giving us reason to continue the initiative. We also recognize the need to promote initiatives to strengthen our competitiveness alongside our suppliers not only in Japan but also in Europe, the Americas, China, and other Asian countries in terms of cost and quality, and actively organize presentations on VE case examples and VE lectures overseas.

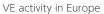
* VE (value engineering): a method in which the minimum cost of a product that is required to achieve the product's essential functions is pursued from the initial parts design stage.





VE activity in the China and ASEAN region







VE activity in the Americas

Providing Learning Programs on Procurement Laws and Regulations

The Mitsubishi Electric Group offers various learning programs on laws and regulations related to procurement, to ensure compliance with laws and regulations that pertain to the operations of employees in charge of procurement activities. In Japan for example, the course on materials procurement laws provides guidance and education for thorough compliance with laws and regulations that particularly pertain to procurement activities, such as the Anti-Monopoly Act, the Act against Delay in Payment of Subcontract Proceeds, Etc.



Course on materials procurement laws

to Subcontractors, and the Construction Contractors Law. Guidance and education are also provided overseas. Based on the Code of Conduct and check sheets, learning programs strictly teach employees not to become involved in bribery, embezzlement, or any other form of action that goes against the principle of fair trade.

Since fiscal 2015, we have been holding a Review Meeting for CSR Promotion in the Supply Chain, to share good practices in each office and further strengthen CSR initiatives in our supply chain.



Review Meeting for CSR Promotion in the Supply Chain

Consumer Issues

Ensuring Consistent Quality

Quality Management Principles and System

Our commitment to quality, as referred to in the Seven Guiding Principles, is reflected in the Four Basic Quality Assurance Principles laid down as a means of realizing the corporate motto of "Service through Quality" adopted in 1952, and it has continued to be upheld by each employee of the Mitsubishi Electric Group to the present day. Based upon these principles, we have established a system for quality assurance and improvement activities throughout the entire Group, including the appointment of a quality assurance promotion manager in all business group headquarters. We have also formulated quality assurance guidelines to ensure compliance with quality assurance legislation and standards and further develop quality improvement activities. Worldwide manufacturing bases take responsibility for the quality assurance of each product and are implementing concrete improvement measures.

Four Basic Quality Assurance Principles

- 1. Product quality is our top priority. It comes before price and on-time delivery.
- 2. Whatever the sacrifice, our commitment to quality does not waver.
- 3. Products must be safe to use, have a long usage life, and have consistent performance.
- 4. Every manager and employee involved in manufacturing a product shares equal responsibility for product quality.



Quality Improvement Activities

The Mitsubishi Electric Group incorporates consideration for quality into products from the design and development stage, promotes activities to improve quality in all processes—including manufacturing, shipping and after-sales service—and works to make ongoing improvements in product quality, safety and reliability. We have also built a database for sharing quality-related information that is used by the entire company. It consists of information provided by prior employees on past problems,

lessons learned, explanations, and examples of improvements that have been made, and it has proven effective in helping to build quality into products, implement quality improvement measures, prevent the occurrence or recurrence of problems, and train young engineers. Based on cases where there were problems, we also developed an e-learning tool called "Learning from Problems" and installed a "quality room" in each office for the display of actual quality defects found in products in the past, to supplement employee education.





"Quality room"; Entrance

Inside the room

Throughout the entire production process, from the design and manufacturing stages to after-sales service, we work to make quality readily apparent to help prevent problems before they occur and promptly respond to them when they do.

"Learning from Failure" (Database of past incidents and lessons)

This program is set up so that users can systematically browse and utilize lessons, precautions, improvement case studies, and countermeasures from a managerial perspective and the perspective of their technological field.



Ensuring Product Safety

Based on the Corporate Statement and the Seven Guiding Principles, the Mitsubishi Electric Group promotes initiatives to ensure product safety under the following principles:

Product Safety-Related Principles

- 1. We will not only comply with the laws related to product safety, but also work on offering safe and reliable products to our customers.
- 2.We will prevent product-related accidents by indicating cautions and warnings to help customers use our products safely.
- 3. We will work actively to collect information about product-related problems, disclose them appropriately to our customers, and report them quickly to the government and other bodies as required under the law.
- 4. If any serious accidents occur resulting from product-related problems, we will take appropriate measures to avoid further damage.

- 5. We will investigate the cause of product-related accidents and work to prevent any recurrence.
- 6. We will make continuous efforts to improve our product safety promotion system.

Particularly in regard to consumer products, Mitsubishi Electric is committed to preventing serious hazards that could result in death, injury, fire, or other damage, by subjecting all products to a quantitative risk assessment at the development stage, while also designing and developing products in consideration of their end-of-life management (to ensure safety even at the stage where products are prone to break or be discarded). At the same time, our Customer Service Center in Japan operates 24 hours a day, 365 days a year, to assist customers and gather their views about Mitsubishi Electric products. Furthermore, we disclose accident information, including information on the status of ongoing investigations, on our Japanese official website.

Providing Easy-to-Use Products

Development Concept of Universal Design

The Mitsubishi Electric Group engages in universal design under the principle of "creating user-friendly products and comfortable living environments that benefit as many people as possible." To realize user-friendliness and comfortable living in the true sense of the words, we are committed to providing products and living environments that offer a high level of satisfaction to as many people as possible.

Universal Design that Provides Ease of Use

Universal Design (UD) is an approach that aims to create designs that can be used easily by as many people as possible. Mitsubishi Electric evaluates its products from many perspectives, considering whether they are simple and easy to understand, have easy-to-recognize displays and layouts, have been given sufficient ergonomic consideration in terms of comfortable posture and minimal physical load, and are safe and convenient. In this way, we strive to manufacture products that are easy to use and result in more comfortable lifestyles. Imagining use by various people, we have continuously applied universal design and allowed it to evolve in the production of home appliances like air conditioners and televisions as well as products used by the general public, such as elevators. The "Uni & Eco" business strategy was introduced for home appliance products in fiscal 2005. After that, targeting expansion of the market to include elderly users in their 70s by incorporating the latest convenience functions in a way that is fun and easy to use, in fiscal 2011 we developed a series equipped with the "RakuRaku Assist" function. A continuation of this is the "Smart Quality" initiative launched in fiscal 2013. Additionally, for elevators, we are developing voice-activated operation and other functions for visually impaired users and users in wheelchairs. The need for universal design has also grown in the industrial sector, a field traditionally characterized by professional workers who handle equipment. The working environment in this field has begun to change, with an increase in the

number of older workers, foreign workers, and unskilled laborers. In response to this situation, Mitsubishi Electric widely applies universal design principles to its industrial products, including factory automation (FA) equipment and electric power equipment, as well as to the installation and maintenance of such products on the shop floor. In fiscal 2015, the Mitsubishi Electric Group received a total of 8 awards at IAUD 2014, organized by the International Association for Universal Design. Mitsubishi Electric's "Improvements in field workability from the standpoint of Universal Design" was awarded the grand prize in the business strategy category, and the "Narita International Airport Digital Signage Search Terminal," developed jointly with Narita International Airport Corporation, and the "Steam-less IH Rice Cooker," developed by Mitsubishi Electric Home Appliance Co., Ltd., were awarded the Silver Prize. In addition to our conventional initiatives that have focused on the development of home appliances, these awards were a testament of our initiatives to widely apply universal design to diverse sectors including work sites. In fiscal 2016 as well, we will continue to sensibly and ingeniously apply universal design in the creation of products throughout our wide-ranging business domain.

Universal Design Examples to Date

Universal Design Guidelines for Persons of Age

In order for persons in their 60s to continue to use a given product even after ten years, we established a set of guidelines based on data about the physical characteristics of healthy persons in their 70s. The guidelines take into consideration the various physical changes that occur with aging, and they are organized into three perspectives: recognition, identification, and physical use. An excerpt is shown below.

- Recognition : consideration for ease of understanding
- Identification: consideration for ease of reading and/or hearing
- Physical use: consideration for comfortable posture and minimum physical load

Guidelines based on data on characteristics of 70-year-olds (recognition, identification [visual, aural], physical use)

E.g.) Easy to understand from which button to start operations The first key to be used stands out 27.5 27.5 28.6 29.6 20.6 2

Recognition

Easy to understand

Identification

Easy to read and hear

E.g.) Large characters easy even for aged persons to read

Main characters/numbers



Physical use

Comfortable posture, minimum physical load

E.g.) Easy-to-hold handle shape and weight for each product



"RakuRaku-UD" Induction Heating (IH) Cooking heater

This Mitsubishi Electric product in Japan incorporates features such as large characters, visual and aural notification and easy maintenance, which are three concepts of "revolutionary ease of use" based on Universal Design Guidelines.

"RakuRaku-IH" Induction Heating Cooking heater CS-G20AKS

- Large-character buttons and numerical indication of steps for use: Characters are displayed approximately 1.8 times larger than our conventional model (Model G38MS). The product is easy to use because it can be operated simply by pushing the buttons in the order of the numerical indicators: (1) Power → (2) Heat On/Off → (3) Heat Control.
- Safety sensor & audio support: Built-in sensor detects if a person is standing in front of the unit, and offers audio (spoken) assistance or safety warnings.

Large characters

Large characters & numerical indicators of steps for use

- Characters are approximately 1.8* times the size of our conventional system.
 *Compared to Mitsubishi Electric's conventional model G38MS
- Can be operated simply by pressing buttons in order of numbers displayed.



Large-character buttons & numerical indication of steps for use

Visual & aural notification

Safety sensor & audio support

- Built-in sensor checks for people in vicinity.
- Offers audio support for ease of operation.



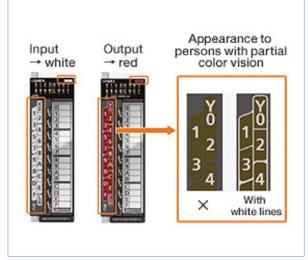
MELSEC L-Series Programmable Logic Controller (PLC) designed for use even by less-experienced workers

Mitsubishi Electric continually implements design improvements in its industrial equipment products, incorporating the know-how of experienced workers and maintaining appropriate visibility and readability for the usage environment, so that less experienced workers can operate the equipment correctly. General-purpose PLCs function as a factory's computers. Mitsubishi Electric's MELSEC L-Series aims to meet the needs of a wide variety of users, by delivering both the productivity improvements demanded by veteran workers and also the ease of use needed by less-experienced laborers.

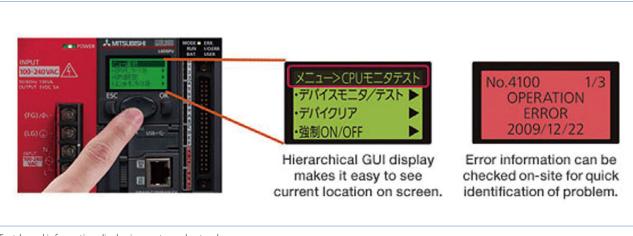
- The terminal arrangement is printed to display wiring groups, for intuitive function display.
- The unit employs UD fonts, with large character display that is well-contrasted from the background color, to prevent wiring errors.
- Text is displayed in English/Japanese on the LCD screen, making it easy for even less-experienced workers to deal with on-site trouble.



Printed to illustrate wiring groups



Characters and displays are easy to read



Text-based information display is easy to understand

"UD-Checker" Original System for Universal Design Evaluation

UD-Checker is a tool that can be used by both industrial designers and engineers to evaluate for universal design qualities. This tool shows four quantitative measures of universal design, indicating specific design aspects for development, and improving the efficiency of product development. The UD-Checker is used on a wide variety of Mitsubishi Electric products from home appliances and public facilities to industrial equipment.



Check sheet of UD-Checker



Results sheet of UD-Checker

20

Community Involvement | Comparison with and Development | ISO 26000

Writing User Manuals That Are Easier to Understand

One of the Mitsubishi Electric Group's initiatives is "to publish some of the best user manuals available," aiming to provide manuals that are easy to read and understand so that customers can use our products more comfortably and safely. The basis of this effort is our "Essentials to Writing Home Appliance User Manuals: An Explanation." We distribute this original publication to affiliates in Japan who handle home appliances, in order to enhance the quality of our user manuals.

Examples of User Manuals

"Winner of Excellence Award in General Paper Manual Division" at Japan Manual Awards 2015

The user manuals for a Mitsubishi Electric clothesdrying dehumidifier and an IH Cooking Heater both

won the "Excellence Award in the General Paper Manual Division" at Japan Manual Awards 2015Open new window, sponsored by the Japan Technical Communicators Association.





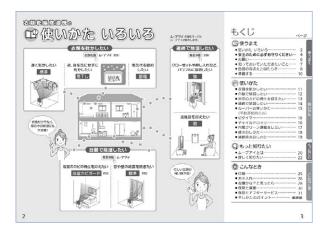


Clothes-drying dehumidifier (MJ-100KX)

The judging committee praised the manual as follows: "The manual makes it easy for the target user (busy housewives) to picture how the product is used. The section 'Various

Ways to Use This Product' is illustrated to express the different usage scenarios visually. The abundant use of illustrations throughout the manual makes it easy to understand, and the layout is well organized."





IH Cooking Heater (CS-PT34H series)

The committee remarked: "The section 'Selecting a Menu Based on the Method of Cooking' provides an effective way of searching for recipes. Photos show examples of prepared dishes, from which users can intuitively find the

page for the recipe, which in turn tells the user what function of the product to use. Full-color pages are used effectively without overdoing the use of color. As for layout, there is enough blank space and a good balance of text to illustrations. Thus, the manual expresses the high quality of the product and its character as a high-end model."





Increasing Customer Satisfaction

Improving Customer Satisfaction

Customer satisfaction has been a priority management principle of the Mitsubishi Electric Group since its founding in 1921. Inheriting this spirit, we will continue to make dedicated efforts to satisfy customer needs in all aspects of our business activities, from the creation of high-quality, easy-to-use products to our afterpurchase support and response to major issues. We collect feedback from our customers through customer satisfaction surveys as appropriate to the characteristics of each business operation, and incorporate customer opinions into improving product development, marketing strategies, and services. We also strive to maintain customer satisfaction by strengthening our repair/service systems, providing effective staff training, and expanding access to information via our websites.

CS Activities by the Home Appliances Group (in Japan)

The Living Environment & Digital Media Equipment Group handles matters related to home appliances and carries out customer satisfaction (CS) activities in Japan. It makes sure that customers across the country are satisfied with the Mitsubishi Electric product they purchase, and strives to increase the number of such satisfied customers.

(1) The Beginning of CS Activities Related to Home Appliances

The CS Department at Mitsubishi Electric was established in Japan in July 1993. In addition to assuring product quality and optimum product usability and functionality, the department engages in CS improvement activities with strong awareness of the significance of customer satisfaction. Maximizing on the know-how and experience of the United States, where the concept of CS had already been systematically established, Mitsubishi Electric quickly proceeded to create the necessary climate, systems and tools that would enhance its products, marketing strategies, and services. Our domestic manufacturing works track customer satisfaction through customer questionnaires on their purchase of major products and also through employee monitor surveys. Customer satisfaction of the Mitsubishi Electric Group's sales and services is assessed through an evaluation of customer satisfaction by distributors. For example, distributors are asked to respond to CS surveys on the sales policies of manufacturers and retail companies, and on manufacturer support at electronics retail stores. The survey results are shared among the Group and reflected in marketing and development strategies.

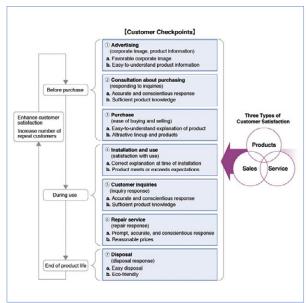
(2) Understanding Customer Satisfaction

A customer's selection, purchase, and use of a product involve a number of different departments, such as

the development, manufacturing, sales, and service departments. Customer satisfaction cannot be achieved if a customer is discontent with any aspect of this process, or if there is any weakness in the departments concerned. Customer satisfaction increases in the following order.

- Assurance: The customer is assured that the product is not flawed or defective
- Contentment : The product satisfies the customer's needs and requirements
- Emotion: The customer acquires a new value from the product

The ultimate form of customer satisfaction is achieved when a product exceeds customer expectations and provides an emotional benefit. The key to achieving customer satisfaction is to therefore assess and satisfy customer expectations.



(3) Taking Calls 24 Hours a Day, 365 Days a Year

To satisfy customer expectations, it is necessary to think of customers throughout the sales, service, development, and

manufacturing stages, and to quickly detect and respond dynamically to signs of market changes. As one strategy to provide a response to customers in Japan when they require one, in October 1998, Mitsubishi Electric extended the service hours of its Japan Customer Relations Center to 24 hours a day, 365 days a year. Previously the center responded to inquiries concerning product usage only during daytime hours from Monday thru Saturday except on holidays. As the relations center receives increasing numbers of inquiries every year due to more diversity in product functionality,



we are constantly augmenting staff members, and are making consistent efforts to provide proper training.

- April 1999: Calls for visiting repairs are accepted 24 hours a day, 365 days a year, and repair services are dispatched 365 days a year
- October 1999: Online requests for shopping advice and consultations/requests concerning products are accepted
- March 2003: Online product registration service is made available to purchasers of Mitsubishi Electric products in Japan via the company's Official Web Site



Customer Relations Center

(4) Cooperation for Further Improvement

In addition to the Customer Relations Center, which operates 24 hours a day, 365 days a year, other sites and services in Japan also operate throughout the year. They include the Service Center, which receives repair requests; the Technical Support Call Center, which responds to technical inquiries from distributors; Mitsubishi Electric System Service, our stronghold of repair services; our production sites and manufacturing plants; and the CS Department, the department at the helm of all CS activities. The content and results of consultations and repair requests from customers and details of technical inquiries are fed back to the manufacturing works at the end of each day. They are used to improve both products under production and development, and to provide repair information to distributors. The Living Environment & Digital Media Equipment Group

aims to deliver satisfaction to each and every one of our customers and achieve customer satisfaction in the true sense of the term by pursuing continuous improvement under the "3S" code of conduct: Speed, Simple, and Spirit.





Service Center





Mitsubishi Electric System & Service Co., Ltd.

CS Activities by the Building Systems Group (in Japan)

The Building Systems Group handles elevators and escalators that provide vertical transportation within buildings and building management systems. By ensuring their safety and security and continuously delivering comfortable means of transportation and living spaces as indispensable social infrastructures on a global scale, we contribute to making society even more vibrant and affluent. Under the slogan "Quality in Motion," the Building Systems Group continues its evolution toward making Mitsubishi Electric the top-quality brand on a global scale by achieving the highest quality for comfort, efficiency, safety, and environment in its overall business activities (sales, development, manufacturing, installation, and maintenance). Even amid these rapidly changing times, we will draw on our advanced technologies, environmental expertise, and comprehensive strengths to earn our customers' trust and confidence.

Inazawa Works SOLAÉ Showroom

The showroom attached to the 173-meter-tall SOLAÉ elevator testing tower was refurbished and re-opened in October 2014 to coincide with the 50th anniversary of the establishment of Inazawa Works. By receiving visitors from facility owners, design offices, and construction companies—as well as children from the local community—and having them see, feel, and experience actual products, the showroom communicates the safety and security of Mitsubishi Electric's products. The elevator and escalator zone on the first floor introduces the history, safety systems, and latest technologies of elevators and escalators, and lets visitors experience the sense of speed of the world's fastest elevator* using computer graphics projected onto a huge monitor. The building management system zone on the second floor allows visitors to experience the latest entrance/exit control system and EMS (energy management system).





SOLAÉ elevator testing tower



SOLAÉ showroom

24-hour Safety Hotline Available 365 Days a Year

Mitsubishi Electric Building Techno-Service, one of Mitsubishi Electric's group companies in Japan, specializes in the maintenance of elevators, escalators, and other such building facilities. This company's information centers provide a "safety hotline" for response in cases of trouble, such as failure signals and telephone calls from customers. Mitsubishi Electric information centers situated in nine locations throughout the country constantly monitor remotely the status of contracted customers' building facilities. When an error signal is received, the system provides information on the current locations, works in progress, and the technical levels of 6,000 engineers, so that the most appropriate engineer closest to the customer's building can be located and dispatched to the site immediately. The system also supports the quick recovery of building functions, by taking actions such as e-mailing information on the history of repairs and other matters related to the building to the engineer, or processing urgent orders for parts. Moreover, by monitoring changes in data on the operational status of elevators and air-conditioning facilities, we can detect and address abnormalities before they develop into a malfunction and prevent problems from occurring.



On-site maintenance



Information center

Mitsubishi Elevator and Escalator Safety Campaign

Elevators and escalators are used to transport a large and indefinite number of persons, so a high level of safety is imperative, and they are thus required to be equipped with various safety devices and functions. At the same time, to ensure safe operation, it is necessary to maintain the functioning of elevators and escalators through regular maintenance and inspection, and for people to use them correctly. Based on this awareness, Mitsubishi Electric Building Techno-Service not only performs maintenance and inspection as appropriate, but has also been holding a safety campaign since 1980 to increase understanding of the proper usage of elevators and escalators among users and to promote their safe usage. We also hold explanatory meetings for users, to teach children, senior citizens, people with disabilities, and other such users the proper and safe way to ride elevators and escalators, as well as explanatory meetings for apartment

and building owners and managers, with a focus on daily management methods and emergency responses. These meetings have been attended by more than 300,000 people to date, and will continue to be held as an important safety activity of the Mitsubishi Electric Group.



Mitsubishi Elevator and Escalator Safety Campaign

Responding to Product-Related Issues

Policies for Notification and Information Collection, and the Repairs and Recalls of Products

In the event that there is a report of a major issue occurring in a product that we have sold, we have a system in place that includes the top management to ensure quick and accurate decisions on the steps and measures to take, so that we can take proper action while placing top priority on not inconveniencing our customers. For recalls in particular, we work on an ongoing basis to ensure that all the relevant products that were sold are returned and repaired, and apply these efforts to a wide array of sales channels. In Japan, we promptly release appropriate information on malfunctions in consumer products, which directly and deeply affect consumers.

Reporting Major Product Issues (in Japan)

A detailed list of information pertaining to important product-related and quality issues is posted on Mitsubishi Electric's Japanese-language official website.

Accident Reporting Based on the Consumer Product Safety Act

Detailed information on our compliance with Japan's revised Consumer Product Safety Act, which went into effect in May 2007, is available on Mitsubishi Electric's Japanese-language official website. Under our policy regarding the disclosure of accident information, we also disclose information on cases that are under investigation.

Community Involvement and Development

As a Corporate Citizen

Our Philosophy on Philanthropic Activities

As a corporate citizen committed to meeting societal needs and expectations, the Mitsubishi Electric Group will make full use of the resources it has at hand to contribute to creating an affluent society in partnership with its employees.

Our Policies on Philanthropic Activities

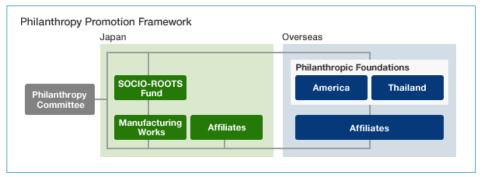
- We shall carry out community-based activities in response to societal needs in the fields of social welfare and global environmental conservation.
- We shall contribute to developing the next generation through activities that support the promotion of science and technology, culture and arts, and sports.

Framework

In 1990, the Philanthropy Committee was organized to commence Company-wide philanthropic activities, including the Mitsubishi Electric SOCIO-ROOTS Fund, based on social

contribution activities that had previously been individually implemented by each office. In 1991, foundations were founded in the United States and Thailand to contribute to philanthropy in the social welfare and science and technology sectors in the two countries. Since organizing the Philanthropy Committee,

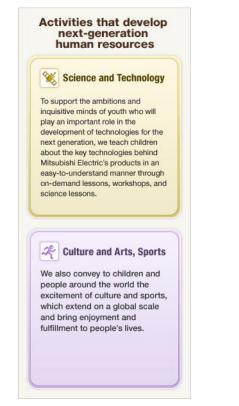
Mitsubishi Electric has actively promoted communitybased activities, and has carried out diverse philanthropic activities through its offices in Japan, as well as through affiliated companies in Japan and overseas.



Engaging in Philanthropic Activities in Four Key Areas

Mitsubishi Electric promotes philanthropic activities with particular emphasis on the four key areas of social welfare, global environmental conservation, science and technology, and culture and arts, sports.





Social Welfare

Mitsubishi Electric SOCIO-ROOTS Fund

The Mitsubishi Electric SOCIO-ROOTS Fund was established in 1992 as a gift program in which the Company matches the amount of any donation made by its employees, thus doubling the goodwill of the gift. Many employees participate in the Fund each year. As of March 2015, the Fund has provided more than 1.08 billion yen to some 1,700 various social welfare facilities and programs.

Donation of "talking TVs"—Products that exhibit our strengths—



To support people who have visual impairments, we donate our REAL series of LCD TVs to relevant organizations. These TVs are "talking TVs," so-called because they read aloud program listings, operational menus, and other text-based information.

Donations

Each Mitsubishi Electric business site makes inventive efforts to facilitate donation by its employees, carrying out fund-raising activities suitable to the site. Some examples of these activities include charity bazaars, charity auctions, and donations through vending machines.

Participation in the Inochi-no-Baton (Baton of Life) installation project (Inazawa city, Aichi prefecture) —Activities tailored to local needs—



Mitsubishi Electric contributes donations from the SOCIO-ROOTS Fund to the Inochi-no-Baton (Baton of Life) installation project launched by the Inazawa Council of Social Welfare in 2011 in response to the increase in single-member households in Japan.

Donations for the Great East Japan Earthquake —Activities prompted by our employees—



A presentation ceremony held in April 2015

In response to requests from our employees, we are making ongoing efforts to support children affected by the earthquake. As of March 31, 2015, we have donated a sum of 100.5 million yen since the program began in FY2012.

Global Environmental Conservation

Employee Participation Program "Woodland Preservation Project"

Mitsubishi Electric works to reduce environmental impact through its business activities. As part of this, we are involved in the "Satoyama" Woodland Preservation Project to restore parks, woodlands, rivers, and other natural areas located close to our business sites while gaining the understanding of the government and local community members. This project, which our employees play a key role in, is a vital program in the field of global environmental conservation.

Project in Action

From young employees to corporate officers, everyone works together in the project. Under the slogan "down-toearth and sustainable," we implement nature conservation activities designed to match the particular circumstances of each region. In some sections of the Woodland Preservation Project, outdoor classrooms are held to help children learn about the mechanisms of the earth's natural cycles.



Forest thinning



Eelgrass field restoration project



"Forest supporters" in the Kanetsukidosan Furusato-no-mori forest



「青少年の体験活動推進企業表彰」

審查委員会奨励賞-

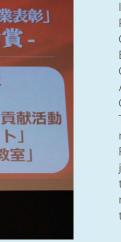
Activity to restore the natural woodlands of Mt. Fuji

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Mitsubishi Electric Outdoor classroom





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In February 2015, the Satoyama Woodland Preservation Project and Mitsubishi Electric Outdoor Classroom initiatives received the Awards Committee Encouragement Prize of the FY2014 Awards for Companies Promoting Experience-based Learning Activities sponsored by the Ministry of Education, Culture, Sports, Science and Technology. The forest that employees and their family members maintain for the Satoyama Woodland Preservation Project is also used for Outdoor Classrooms. Children join activities here to get a better understanding of the wonder of living organisms and the cycles of nature. Through activities like these, we will continue to foster environmental thinking in young people.

Science and Technology

Science Lessons and Workshops

To create inquisitive minds and promote a desire to learn among young people who will lead the development of the next generation of technologies, Mitsubishi Electric supports the engineers of tomorrow by sponsoring science lessons and workshops held by its employees, in addition to providing academic aid in the forms of donations and scholarships.

Project in Action

As a social contribution activity befitting an electrical manufacturer, Mitsubishi Electric has been sponsoring science lessons for children since 2010 to introduce, in phases, some of the mechanisms and key technologies behind our products. Children can enjoy learning about science while taking part in experiments and quizzes.



Experiment with "Diamond Vision OLED"



Examining the mechanisms of an LCD TV



Examining the mechanisms of an elevator

Culture and Arts, Sports

Activities by Mitsubishi Electric's Sports Teams Basketball

Our men's and women's basketball teams actively engage in activities to promote basketball, such as regularly sending their coaches and players to basketball workshops held throughout Japan for primary and junior high school students.



American football

Our American football players put their physical strength to use as volunteers to help restore areas affected by the Great East Japan Earthquake. Cheerleaders also put on performances and play a part in putting smiles on the faces of local residents.throughout Japan for primary and junior high school students.



Tennis

Professional players and employees who belong to our tennis team sponsor tennis workshops throughout Japan. Filled with a variety of fun events, including a chance to receive serves from a professional player, the workshops are highly enjoyed by all participants.



Badminton

Our badminton team in the Japan League, called Diamond Wings, engages in activities to promote badminton and contribute to the local community mainly in Hyogo prefecture, where the team is based. It also helps train athletes and shares the excitement of badminton by holding training sessions and allowing high school students to participate in practices.



Culture and Arts

Mouth and Foot Painting Artists of the World Exhibition (Mitsubishi Electric Building Techno-Service Co., Ltd.)

Every year, Mitsubishi Electric Building Techno-Service Co., Ltd. sponsors "Mouth and Foot Painting Artists of the World Exhibition" throughout Japan. As the title indicates, the exhibition features paintings by artists around the world who are deprived of the use of their hands, and thus paint using their mouths or feet to hold a paintbrush. The company encountered paintings drawn by artists belonging to the Association of Mouth and Foot Painting Artists of the World for the first time in 1991, when it purchased paintings to put on the wall of a lodging attached to a training facility in Kodaira city, Tokyo. Employees who saw these paintings were so impressed with the pieces that were laboriously painted by artists who paint with brushes held in their mouths and feet, that they hosted an informal painting exhibition in the training facility in 1992. The response to this exhibition was so overwhelmingly positive that it came to be held throughout Japan starting in 1994. Promotional activities for the event are being continued by volunteers including the company employees and their families.



Mitsubishi Electric Foundations

Overseas Foundations

The Mitsubishi Electric America Foundation (MEAF) and the Mitsubishi Electric Thai Foundation (METF), both of which were founded in 1991, play a central role in implementing social welfare and science and technology activities outside Japan.

MEAF works in the United States to promote the full inclusion of youth with disabilities in society. METF grants scholarships to university students and sponsors elementary school lunch support programs in Thailand.

Mitsubishi Electric America Foundation

The Mitsubishi Electric America Foundation works to empower youth with disabilities to lead productive lives, providing grants for innovative projects that help build their leadership and employability skills. An example is the American Association of People with Disabilities Summer Internships Program, which places students with disabilities in Congressional and Federal Offices in Washington, D.C. MEAF also works with Mitsubishi Electric employee volunteers in local communities in the United States to make Changes for the Better in the lives of youth with disabilities, and other charitable causes.



Since 1991, MEAF has invested more than \$14 million in U.S. communities, and Mitsubishi Electric employee volunteers have provided more than 60,000 hours of volunteer time. MEAF has been recognized with awards from the American Foundation for the Blind.

An alumnus of the 2007 MEAF-AAPD Congressional Internship Program



Employee volunteers work with students on Disability Mentoring Day.

Mitsubishi Electric Thai Foundation

The Mitsubishi Electric Thai Foundation launched a scholarship program in 1993 to promote science and technology development in Thailand. Every year, students in three engineering universities in Thailand are selected to receive the scholarship. Recipients are students who excel in academics but are not able to receive sufficient financial resources from their family to devote themselves to their studies. Since fiscal 2013, one more regional school has been added as a target of the scholarship program.



The Mitsubishi Electric Thai Foundation also engages in a program that purchases fertilizer and feedstock and works with elementary school students to grow vegetables and raise livestock, with the cooperation of employees of local Mitsubishi Electric offices. The vegetables and livestock are used to make lunches for elementary school children who cannot afford to buy school lunches. At the same time, the program teaches children and local residents the joys of growing and raising food as a means for enriching and bringing enjoyment to their daily lives.



■ The Mitsubishi Electric Group's Overseas Activities



Educational program on renewable energy (UK)



Support for the Special Olympics (Italy, Germany)



Sponsorship of Palau Music Festival (Spain)



Tree-planting event (India)



Support for a foster home (Philippines)



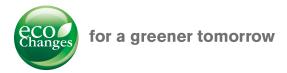
Greening campaign (Indonesia)

Comparison with ISO 26000

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Labour Practices	 Employment and employment relationships Conditions of work and social protection Social dialogue Health and safety at work Human development and training in the workplace 	Workforce Diversity Creating a Fulfilling Workplace Maintaining a Favorable Working Environment Supporting Career Development Ensuring Occupational Safety & Health	P.24-25 P.26 P.27 P.28 P.29-30
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Community Involvement and Development	 Community involvement Education and culture Employment creation and skills development Technology development and access Wealth and income creation Health Social investment 	As a Corporate Citizen Helping to Build a More Affluent Society Contributing to society through R&D The Environment and Business	P.59-65 P.6-9 P.10 P.11-15

MITSUBISHI ELECTRIC CORPORATION

http://www.MitsubishiElectric.com



Eco Changes is the Mitsubishi Electric Group's environmental statement, and expresses the Group's stance on environmental management. Through a wide range of businesses, we are helping contribute to the realization of a sustainable society.

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