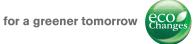


Mitsubishi Electric Group CSR Report 2018

Highlights Edition





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Editorial Policy

This "Highlights Edition" was created with the aim of communicating with stakeholders regarding the Mitsubishi Electric Group's CSR efforts to realize a sustainable society. In addition to communicating the overall picture of CSR at the Mitsubishi Electric Group, we introduce our basic aspects of CSR materiality we identified in FY 2015. 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.

Period Covered by the Report

April 1, 2017 – March 31, 2018

(next planned publication : September 2019)

* Also includes some information on policies, targets, and plans for fiscal 2019 and thereafter.

Reporting Medium

Non-financial information about the Mitsubishi Electric Group is disclosed in the section of the CSR website and "CSR Report", and environmental information is introduced in detail in the environment section of the website and "Environmental Performance Review." The "CSR Report" is available on our website together with the "CSR Report Highlights Edition" aimed at communicating with stakeholders.

CSR

http://www.MitsubishiElectric.com/en/sustainability/csr/index.html







Website

CSR Report

CSR Report Highlights Edition

Environment

http://www.MitsubishiElectric.com/en/sustainability/environment/index.html





Website

Environmental Performance Review

For more information, please read P.30

Embodiment of the Corporate Mission

The Mitsubishi Electric Group has positioned Corporate Social Responsibility (CSR) as a pillar of its corporate management, based on its Corporate Mission and Seven Guiding Principles. Accordingly, the Group has made committed efforts to become a corporation whose efforts are appreciated through its initiative toward solving social issues. Or in other words, a corporation that is trusted by its stakeholders, including its society, customers, shareholders, and employees as a whole, and that earns their satisfaction through its business practices.

The Group has taken on the challenge of resolving environmental issues, resource and energy issues, and other social issues all of us face today on a global scale through its products, systems and services. In doing so, it aims to be recognized as a "Global, Leading Green Company" contributing to the realization of a prosperous society that simultaneously achieves "sustainability" and "safety, security and comfort." In these ways, the Mitsubishi Electric Group pursues the sustainable development of the entire Group.

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.

Embodiment of the Corporate Mission

"Global, Leading Green Company" Contribute to the realization of a prosperous society that simultaneously achieves "sustainability" and "safety, security and comfort"

Growth Targets to be Achieved by FY2021

Net Sales 5 trillion JPY or more OPM 8% or more

Initiatives to Create Value

Provide Products, Systems, and Services Globally

Make Strong Businesses Stronger Technology Synergies/ Business Synergies

Contemporary Challenges in Society

Environmental issues

Resource/ Energy issues

Mitsubishi Electric's Business Segments



Contributing to giving added value to buildings by integrating elevators, escalators and other diverse building facilities

Throughout our more than 80-year history, we have supplied elevators and escalators to customers in more than 90 countries. Today, over a million Mitsubishi Electric elevators and escalators are in operation throughout the world.

We also contribute to realizing comfortable, efficient and energy-saving buildings with total building solutions that combine building management systems that manage and control building facilities, security systems such as access control, and various building facilities such as elevators, escalators, air conditioners and lighting fixtures.



- Elevators
- Escalators
- Building management systems

products

■ Building security systems

Automation Systems

Underpinning manufacturing in the world as a leading FA supplier

We are one of the major FA suppliers in the world underpinning manufacturing by developing and providing a wide range of FA products including PLCs and laser processing machines. We propose "e-F@ctory" which offer solutions to reduce total cost of development, production, and maintenance and to support advanced manufacturing by utilizing FA technologies and IT technologies.

Main

- Programmable Logic Controllers(PLCs)
- Circuit breakers ■ Servo systems

- Laser processing machines
- Energy-saving support systems



Supporting a better tomorrow with cutting edge technologies at work in our everyday life

Our solutions cover a number of fields that underpin our everyday life, including advanced social infrastructure and public facilities and services. We enhance quality of living by creating solutions that are truly needed by society everything from water environment systems, to solutions for making society safer and more secure, to providing

Main products

- Water treatment technologies
- Aircraft management systems
- Large screen video systems
- Disaster information systems



Building power infrastructure across the entire energy value chain as one of Japan's foremost suppliers

Energy systems represent a core strength that we have engaged in since our founding. We have contributed greatly to the development of power infrastructure around the world in all phases of the energy value chain, from generation and transmission to distribution. As demand grows for clean energy, we are actively developing new energy businesses related to smart grids and other fields.

Main products

- Turbine generators
- Protection and control systems
- Vacuum breakers

- Photovoltaic systems
- Transformers Substation systems Grid stabilization systems ■ Power conversion systems
- Switchgears ■ Superconductor-applied products



A leader in railway solutions providing a full range of equipment and systems for rolling stock

We developed an unrivaled level of technical prowess from our involvement in the development of rolling stock and on ground systems for all of Japan's Shinkansen since it began service back in 1964. We are also utilizing our expertise in power and communications across various fields to improve energy efficiency. Our products have already been adopted by more than 30 countries around the world. Our goal is to support comfortable rail services in Japan and abroad that are both safe and energy efficient.

Main products

- Propulsion systems ■ Air conditioning systems for rolling stock
- Rolling stock information management systems Electricity control systems
- Transportation planning and control systems ■ Train vision



Contributing to the advancements in motorization with a broad lineup of products

We were the first in the world to produce an electric power steering system and today many of our products hold a leading market share globally, enabling us to support the creation of safer, more secure, and more comfortable cars. We are helping make safer, more secure cars, by reflecting the various needs of the automobile society to automotive equipments, such as electric vehicles, hybrid electric vehicles, or automated cars.

Main products

- Charging & Starting products
- Electric power steering system products
- Engine management products
- Car multimedia products Electrification components



Cutting edge technologies at work across the vast business fields in the space industry

We have participated in the development of more than 500 satellites in various countries around the world. We are able to conduct all aspects of satellite development in-house, including design, production, and testing using our test facilities that can reproduce the environment in space. We are also a world leader in large telescopes, too, having been involved with the Subaru Telescope in Hawaii and the ALMA Telescope in Chile.

Main products

■ Satellites

■ Large telescopes

■ Onboard satellite equipment



Making communications easier and more convenient with technologies that "send" information

We supply products for optical broadband services that enable high speed transfers of content-rich data, such as HD videos, over the Internet using existing communications infrastructure. Through this business line, we are helping to make society a better place with an assortment of solutions, including video surveillance systems that make society safer and more secure as well as communication systems for smart grids that optimize energy usage.

Main products

- Optical communication systems
- Video surveillance systems
- Wireless communication systems



Providing key devices underpinning a more affluent society, harnessing cutting edge technologies

We supply semiconductors and devices that make our lives more affluent as key devices in equipment used in a wide range of fields, from home electronics to space. In particular, power semiconductors are used in a truly wide range of fields, including home products, industrial equipment, electric vehicles, power control systems for traction, motor control systems, wind turbines, and photovoltaic systems. The performance of our products helps to lower energy usage in each of these fields, too.

Main products

- Power modules
- Optical devices
- High frequency devices
- TFT-LCD modules



Providing comfortable and energy-efficient air conditioning for industry and in our everyday life

We provide a broad range of highly energy-efficient air conditioning systems, from the Kirigamine brand of room air conditioners to air conditioner systems for buildings and industry. At the same time, we also supply a number of low-temperature systems, from distribution to industry, including cool warehouses and cold storage as well as ice makers for food processing plants and ice skating rinks.

Main

- Room air conditioners
- Commercial air conditioners
- Low-temperature systems, water heaters, and industrial cooling and heating systems



Making the lives of our customers more comfortable

We supply an assortment of home electronics for the kitchen, living room, bedroom, and other locations. We will continue to make the lives of customers more comfortable by supplying products that meet and exceed customer expectations.

Main products

■ LCD TVs

■ Refrigerators and freezers

■ Vacuum cleaners

■ Jar rice cookers



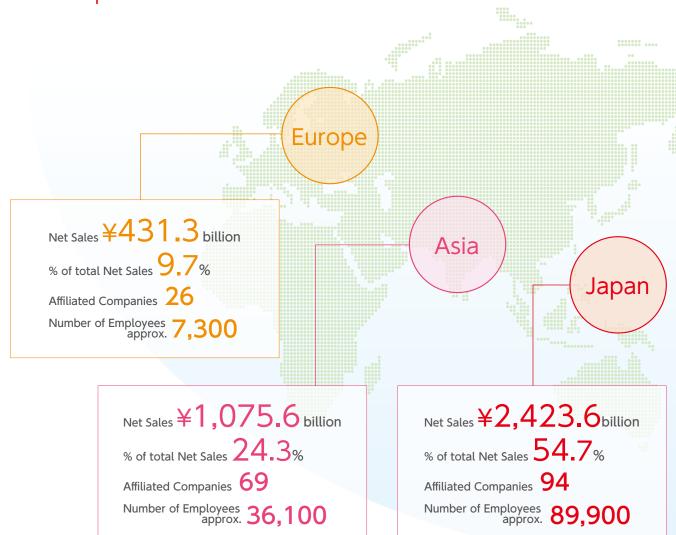
Providing IT solutions to make all aspects of our life more convenient, comfortable, and advanced

We deliver security technologies including encryption, IoT technologies, and cloud computing platforms to financial institutions, manufacturing plants, social infrastructure (transportation providers, airlines, airports, the power industry), developers, and others. In the process, our IT solutions underpin a more affluent life and society for all.

products

- Automated radar terminal systems
- Flight information systems
- Large-scale network systems Large-scale security systems

Global Operations



Corporate Data (As of March 31, 2018)

Mitsubishi Electric Corporation

Tokyo Building, 2-7-3, Marunouchi, Chiyoda-ku, Tokyo 100-8310, Japan

President & CEO: Takeshi Sugiyama (assumed position on April 1, 2018)

Phone: +81 (3) 3218-2111

Established: January 15, 1921

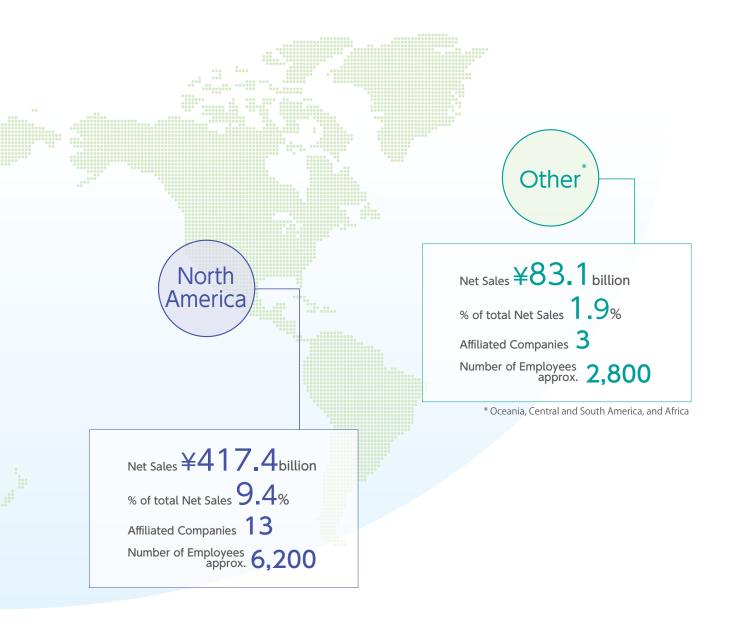
Paid-in Capital: ¥175,820 million

Shares Issued: 2,147,201,551 shares

Consolidated Net Sales: ¥4,431,198 million

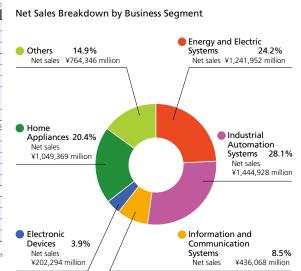
Consolidated Total Assets: ¥4,264,559 million

Employees: 142,340



Financial Results

Performance for the Year Ended Mar	ch 31, 2018		Yen (millions)	U.S. dollars (thousands
Years ended March 31	2018	2017	2016	2018
Net sales	¥4,431,198	¥4,238,666	¥4,394,353	\$41,803,755
Operating income	318,637	270,104	301,172	3,006,009
Net income attributable to Mitsubishi Electric Corp.	271,880	210,493	228,494	2,564,906
Total assets	4,264,559	4,172,270	4,059,941	40,231,689
Interest-bearing debt	311,485	352,124	404,039	2,938,538
Mitsubishi Electric Corp. shareholders' equity	2,259,355	2,039,627	1,838,773	21,314,670
Capital expenditure (Based on the recognized value of property, plant and equipment)	181,513	175,542	177,801	1,712,387
R&D expenditures	210,308	201,330	202,922	1,984,038
			Yen	U.S. dollar
Per-Share Amounts				
Net income attributable to Mitsubishi Electric Corp.				
Basic	¥126.70	¥98.07	¥106.43	\$1.195
Diluted	_	_	_	_
Cash dividends declared	40	27	27	0.377
			%	
Statistical Information				
Operating income ratio	7.2%	6.4%	6.9%	_
Return on equity (ROE)	12.6	10.9	12.4	_
Interest-bearing debt to total assets	7.3	8.4	10.0	_



Note: Inter-segment sales are included in the amounts of the diagram above

President's Message





Pursuing our Corporate Mission

The Mitsubishi Electric Group places top priority on pursuing its Corporate Mission, which states that "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."

Based on this policy, we strive to resolve environmental issues, resource and energy issues, and other contemporary social issues on a global scale by providing suitable products, systems and services. At the same time, we aim to be a global, leading green company that contributes to realizing an affluent society that simultaneously achieves "sustainability" and "safety, security and comfort." We also direct our efforts to contribute to achieving the 17 SDGs* that are the world's common goals by creating new value toward resolving social issues and pursuing sustainable growth through all our corporate activities.

The commitment to "enhance the quality of life in our society," as stated in our Corporate Mission, I believe, is synonymous with realizing a "sustainable society." This means our initiatives to achieve the SDGs correspond to the Group's Corporate Mission and are crucial.

Mr. Sakuyama, our previous president, likened our financial figures as the "height and weight" and our corporate social responsibility as the "personality" of our company, and noted the importance of being accepted by society based on these two aspects. No company can continue to exist without trust. In order to be recognized for our personality, we must promote greater awareness among our stakeholders about our initiatives to pursue our Corporate Mission. And upon doing so, we must earn trust by satisfying society, customers, shareholders and employees, as mentioned in our management policy.

* The SDGs (Sustainable Development Goals) are a plan of action adopted by the United Nations General Assembly in 2015 for people, the planet and prosperity towards 2030.

Continuous initiatives to address the CSR materiality

At the Mitsubishi Electric Group, we have set down four materiality in the area of CSR to give more concrete expression to our corporate philosophy, and in fiscal 2017 began efforts to shift them into full swing.

The first materiality is to realize a sustainable society, and the second is to provide safety, security and comfort. Each of our businesses aims to offer products and services that simultaneously deliver sustainability and safety, security and comfort, but we are also creating new value through technology synergies and business synergies. For example, combinations of differing technologies and businesses, such as ZEB (net Zero-Energy Building) that ensure energy-saving throughout entire buildings, autonomous driving technologies that take advantage of the high-precision positioning information service provided by the quasi-zenith satellite, and smart factories that deliver dramatic improvements in productivity and quality through automation and IoT technologies, create new value that contributes to resolving social issues.

The third materiality is to respect human rights and promote the active participation of diverse human resources. To address

international human rights issues, we established the Mitsubishi Electric Group Human Rights Policy in September 2017, and from the perspective of diversity, we are now employing an increasing number of non-Japanese nationals and women. Furthermore, to create an environment that promotes the active participation of all human resources and embraces diverse working styles, we have launched work style reforms in fiscal 2017 as a Company-wide policy. The Group is endeavoring to improve both the tangible and intangible aspects of business from the four perspectives of "Improvement of productivity by streamlining operations," "Further pursuit of achievements and efficiency," "Work-life fulfillment" and "Promotion of communication in the workplace." It is my hope that our employees achieve a good work-life balance and feel good about working for the Mitsubishi Electric Group.

The fourth materiality is to strengthen corporate governance and compliance on a continuous basis. Strengthening corporate governance and enhancing its effectiveness are prior issues at the Mitsubishi Electric Group. To improve our business supervisory functions, we continuously enhance the effectiveness of the Board of Directors. For example, we have offered various opportunities to provide information and exchange views with outside directors, and held reviews of the Board of Directors. Through these measures, we have acquired various opinions about our corporate responsibility from outside directors based on their wealth of knowledge and experiences. By incorporating them into our management policy, we aim to corporate management that is supervised by a sound oversight mechanism.

The Group regards compliance as the foundation of corporate management. Recent years have witnessed Japan experiencing a spate of compliance violations related to quality and other aspects of business, but one reason why these incidents have occurred is because companies have prioritized reaping short-term profits over fulfilling their social responsibilities. To prevent such incidents, each and every one of our employees need to be fully aware of our Corporate Mission, which calls for us to "enhance the quality of life in our society," and to act with a conscious awareness not to "violate applicable laws or business ethics or practices."

Identifying which SDGs to prioritize

The Mitsubishi Electric Group has launched initiatives to address the SDGs in fiscal 2018. Moreover, the Keidanren has also revised its Charter of Corporate Behavior to include a provision that seeks full contribution to the SDGs to reflect growing social expectations.

Through the Group's diverse businesses and corporate activities related to the environment, society and governance, we believe we can make a contribution toward accomplishing the SDGs. However, to contribute further, we need to identify goals to which we are particularly well positioned to contribute. As a comprehensive

electronics manufacturer that aims to be a global, leading green company, we can contribute significantly to environmental issues and to the resource and energy sectors. In this light, we have selected Goal 7 "Affordable and clean energy," Goal 11 "Sustainable cities and communities," and Goal 13 "Climate action" as areas where we can create new value and that correspond to our vision of becoming a global, leading green company.

In May 2018, the Mitsubishi Electric Group signed the UN Global Compact* to promote CSR activities based on international norms. Taking this as a new beginning, we intend to step up our efforts to promote activities toward realizing a sustainable society on a global scale.

Research and development are also an important part of the Group's activities toward achieving sustainable growth, and efforts are made with a focus on "smart manufacturing," "smart mobility," "comfortable space," and "infrastructure for safety, security and relief" as keywords for solving social issues and creating value. At the same time, with eyes on the future of society, we are pursuing research of future technologies that are needed to achieve our vision.

 * The UN Global Compact is an initiative launched by the United Nations to realize sustainable growth.

Promoting further our Corporate Mission

Mitsubishi Electric will celebrate its 100th anniversary in fiscal 2021. I wish to forge a medium- to long-term vision that also includes environmental initiatives and will serve as a roadmap showing how the Mitsubishi Electric Group will contribute to realizing an affluent society.

For the Group to achieve continuous growth, all our employees must gain a solid understanding of the concept and importance of CSR and the SDGs. I hope that each and every one of our approximately 150,000 employees engages in their duties with the understanding that environmental issues, poverty and other such global-scale issues are matters that personally concern them. I also hope they will continue to be the kind of individuals who are capable of contributing to society even outside their business duties by participating in philanthropic activities.

The Mitsubishi Electric Group could become a corporate group that can better contribute to society if each employee thinks independently and executes the Group's Corporate Mission. By striving to become a Global, Leading Green Company, we will make Group-wide efforts to pursue sustainable growth and further enhance our corporate value.

T. Sugiyama

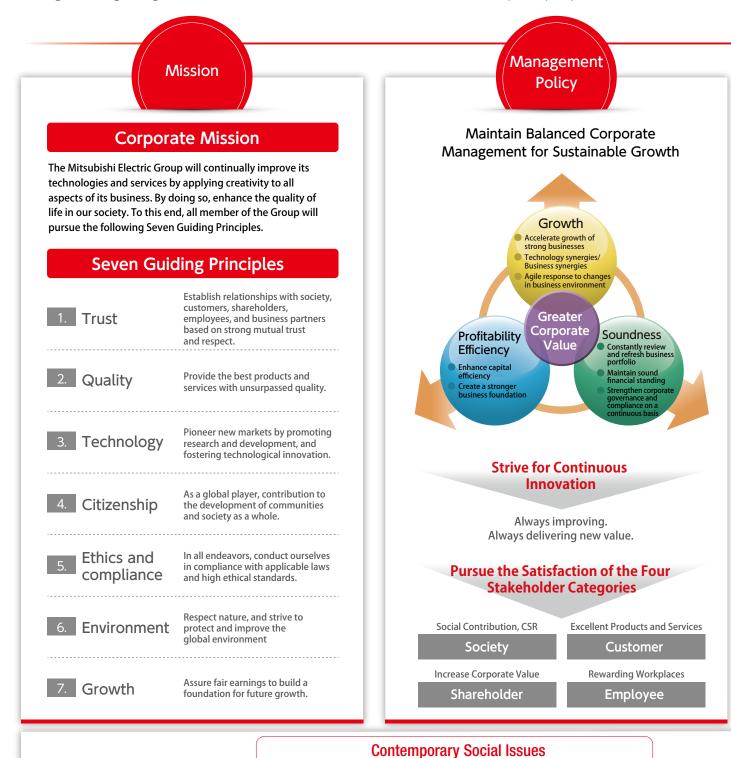
Takeshi Sugiyama President & CEO



CSR Management

Principles of CSR

The Mitsubishi Electric Group regards its corporate social responsibility (CSR) initiatives as the foundation of its corporate management, and upholds its Corporate Mission and Seven Guiding Principles as the basic policies of its CSR. Particularly with respect to initiatives related to ethics and legal compliance, Group-wide efforts are made to enforce measures such as enhancing training and strengthening internal controls. Active measures are also taken to ensure and improve quality assurance,



Environmental Issues

Resource/ Energy Issues

Identified Social Issues

environmental preservation activities, philanthropic activities, and communication with stakeholders.

By engaging in corporate activities based on a management plan and implementing ongoing improvement activities related to CSR and key performance indicators (KPI) based on the PDCA approach, we will contribute toward creating an affluent society.



CSR Materiality

The Mitsubishi Electric Group upholds the Corporate Mission and Seven **Guiding Principles as its basic CSR** policies, and aims to become a Global, Leading Green Company that contributes to realizing a prosperous society while promoting initiatives to fulfill the four aspects of materiality through the supply chain.



Realize a sustainable society



Provide safety, security, and comfort



Respect human rights and promote the active participation of diverse human resources



Strengthen corporate governance and compliance on a continuous basis

Key Performance **Indicators** (KPI)

Contribute to the realization of a prosperous society

17 Goals and 169 Targets of the SDGs





CSR Materiality and SDGs Management

CSR Materiality

Considering requests from the Global Reporting Initiative (GRI)*, social trends and the business environment, in fiscal 2016 the Mitsubishi Electric Group identified CSR materiality and targets / Key Performance Indicators(KPI) to fulfill the materiality towards realizing the further integration of CSR with management and the long-term advancement of CSR initiatives.

* An international body that proposes shared global guidelines for corporate sustainability reporting

CSR Materiality

The Mitsubishi Electric Group upholds the Corporate Mission and Seven Guiding Principles as its basic CSR policies, and aims to be a Global, Leading Green Company that contributes to realizing a prosperous society while promoting initiatives to fulfill the four aspects of materiality through the supply chain.

> **CSR** Materiality



Realize a sustainable society



Respect human rights and promote the active participation of diverse human resources



Provide safety, security, and comfort



Strengthen corporate governance and compliance on a continuous basis

Progress of Initiatives to Address the SDGs

The Mitsubishi Electric Group is conducting measures in a variety of forms to make our employees aware of the background to the adoption of the SDGs and to entrench the individual goals themselves, in order to deepen understanding of the SDGs among each of them. Considering how the Mitsubishi Electric Group could contribute, the Group's CSR committee, CSR expert committee and CSR business promotion group commenced reviews by devising potential responses by their own companies. In fiscal 2018, we decided on goals that we could implement on a priority hasis.

In addition, in fiscal 2018, Ms. Kaoru Nemoto, Director of the United Nations Information Centre in Tokyo, participated in a dialogue between Mitsubishi Electric management and experts, and indicated potential expectations on the Group in relation to the SDGs.

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

Main initiatives to the present

- Holding a lecture presentation for executives by Toshio Arima, a board member of Global Compact Network Japan
- · Reflecting of SDGs in our business strategy (fiscal 2018, fiscal 2019)

- Holding lecture presentations regarding the SDGs for research and development divisions (fiscal 2018)
- Promoting understanding about the SDGs through internal newsletters (fiscal 2018, fiscal 2019)
- Education of staff to advance the SDGs during training of CSR personnel (fiscal 2018)



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



Lecture presentation regarding the SDGs for research and development divisions



Training of CSR personnel

Initiatives to Address the SDGs

Through the Group's diverse businesses and corporate activities related to the environment, society and governance (ESG), we believe we can make a contribution toward accomplishing the 17 globally shared goals of the SDGs.

However, to contribute further, we need to identify goals to which we are particularly well positioned to contribute. As a comprehensive electronics manufacturer, we can contribute significantly to Goal 7 "Affordable and clean energy," Goal 11 "Sustainable cities and communities," and Goal 13 "Climate action" are areas that correspond to our vision of becoming a Global, Leading Green Company. We will contribute even more to achieving the SDGs by creating value in these areas via technology synergies and business synergies and prioritizing the initiatives we advance.

In these ways, the Mitsubishi Electric Group will integrate the concept of the SDGs into its management strategy and continue to promote company-wide awareness of the SDGs.

SDGs for the Mitsubishi Electric Group to prioritize

Embodiment of the corporate mission

"Global, Leading Green Company" contribute to the realization of a prosperous society

Contribute through value creation

Simultaneous achievement of "sustainability" and "safety, security and comfort"



Increase energy efficiency in products and systems

Realize sustainable lifestyles that are safe, secure and comfortable

Make strong businesses stronger,

Technology synergies and business synergies, Innovation





Initiatives related to the 17 SDGs

The Mitsubishi Electric Group, as a comprehensive electrical and electronic manufacturer, handles a wide range of technologies, products, and services, ranging from familiar home electronics products to satellites and projects on a national scale. As such, we believe that we can also make a contribution toward accomplishing the 17 SDGs.



No Poverty

We are working to end poverty by creating employment through the global expansion of our business, and launching initiatives including the establishment of social infrastructure and philanthoropic activities.



Zero Hunger

We are contributing to solving foodrelated issues through measures including the provision of IT support for agriculture via ICT and positioning satellites, improving productivity in foodstuffs factories through FA, and supplying refrigeration and freezing technologies for food.



Good Health and Well-being

We contribute to improving health and well-being through transportation safety support systems that help to cut down traffic accidents, as well as through cutting-edge Air conditioning Systems that contribute to the advancement of treatment.



Quality Education

In addition to providing technological assistance to developing nations and supporting remote education through our communication and IT technologies, we are contributing to fostering the next generation and beyond through activities that contribute to society.



Gender Equality

We are supporting the social empowerment of women through providing ICT services and supplying home appliances, and we are promoting the further advancement of women within the Group.



Clean Water and Sanitation

The Group has technology for treating and purifying water, and supplies technologies and systems whose purpose is to deliver safe water



Affordable and Clean Energy

We are working to develop technologies and systems that will help produce a smart, energy-conserving, and energycreating society — technologies, products, and services that we are endeavoring to make widely available



Decent Work and Economic Growth

Through our FA and AI technologies, we are working to contribute to increased productivity and the provision of desirable working environments throughout the Group.



Industry, Innovation and Infrastructure

The Group supports manufacturing through its factory automation business, and nurtures development in the industrial field through technological innovation.



Reduced Inequalities

In cooperation with our stakeholders, we are contributing to realizing discrimination-free societies that respect human rights.



Sustainable Cities and Communities

We provide safety, security, and comfort to people's lives through our work in the disasterprevention and infrastructure-. development fields.



Responsible Consumption and Production

We are endeavoring to reduce the volume of resources used in manufacturing and to recycle spent products. Additionally, we are also pushing to reduce the volume of final waste disposed and to be environmentally friendly in our resource procurements.



Climate Action

We are working to identify a total valuation of our CO2 and other greenhouse gas emissions in order to set our goals for reductions.



Life below Water / Life on Land

We develop and supply observation satellites that deliver information about ocean and forest conditions, and furthermore promote initiatives at our offices aimed at harmonizing their activities with the local environment.



Peace, Justice and Strong Institutions

Based on laws and international norms, we are working to improve both our supply chains and areas including human rights, labor, the environment and the prevention of corruption on a global scale.



Partnerships for the Goals

We are contributing to the achievement of the SDGs through partnerships with entities including governments, universities, research institutes, companies, and NGOs, pushing ahead with open innovation and other initiatives.



Research and Development Activities for the Lives of the BOP Segment *

A Compact Refrigerator for Increasing Incomes from Selling Fish









* Base of the Economic Pyramid (BOP) group: refers to the low-income group in the composition of world population by income

 Develop a world-first app to achieve smooth and diverse communications with the deaf, hard-of-hearing people and foreigners

User Interface for Voice-acivated Drawing



SDGs to which we can Contribute



More information is published on our website.

Initiatives / External Evaluation

In May 2018, the Mitsubishi Electric Group signed the United Nations Global Compact (UNGC) aimed at promoting CSR activities based on international norms.

Mitsubishi Electric has once again in fiscal 2018 been named to the A List Companies, the highest ranking given by the international non-governmental organization CDP, in recognition of its environmental initiatives in the three categories of "Climate Change," "Water" and "Supply Chain" for the second consecutive year following fiscal 2017.

In addition, Mitsubishi Electric is included in a number of ESG-centered stock indices.















2017 Constituent MSCI Japan ESG Select Leaders Index

MSCI

2017 Constituent MSCI Japan Empowering Women Index (WIN)

Stakeholder Communication

To achieve sustainable growth, the Mitsubishi Electric Group must maintain communication with its various stakeholders. We have a corporate social responsibility to incorporate the expectations, requests, and opinions of each stakeholder into our corporate activities, and to increase our positive effect on society while reducing any negative effects. To help maintain communication with stakeholders, we have taken the "Four Satisfactions" as a management policy, with the aim of providing satisfaction to all of our stakeholders, including society, customers, shareholders, and employees.

Pursue the Satisfaction of the Four Stakeholder Categories



Dialogue with Stakeholders

Gain understanding of expectations/requests from society through dialogue

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

Shareholders

Financial results presentation meeting (4 times yearly), general meetings of shareholders (once a year), IR events/individual meetings, websites (IR resource library), responses to interviews, shareholder communications

Regional communities

Contributions through business, philanthropic activities (funds, overseas foundations, volunteer activities), grants to universities, plant inspection tours, factory open-house events

Business partners

Activities aimed at the joint creation of costs, information sessions on CSR procurement, BCP seminars, meetings based on the results of fair selection and evaluation of suppliers



Customers

Inquiry centers, sales activities, websites, showrooms, events, exhibitions, customer questionnaires, mass media/commercials

Employees

Hotlines, intranets, in-house bulletins, training programs, meetings between management and employees, employee awareness surveys

Government, local governments, industrial organizations

Participation in advisory councils and committees, participation in the activities of industrial and economic organizations

NGOs and NPOs

Philanthropic activities (funds, foundations, volunteer activities), dialogues on social and environmental issues

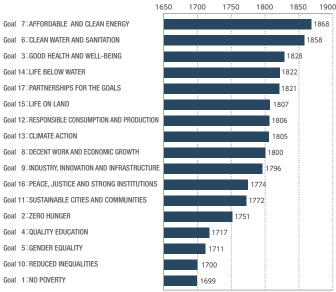
TOPICS

Reader Questionnaire Results

A questionnaire was conducted for domestic stakeholders about the Mitsubishi Electric Group's CSR initiatives and the "CSR Report 2017," and a total of 600 people answered. Within the results, opinions received about the SDGs were used for internal discussion.



Expectations of the Mitsubishi Electric Group to address the SDGs



^{*} The graph shows the total scores of each SDG based on a score system, where "large expectations" is given four points, "some expectations" three points, "low expectations" two points, and "little expectation" one point.

Internal policies to promote CSR

Initiatives at management level

The CSR activities of the Mitsubishi Electric Group are determined by the CSR Committee, which is appointed by the Mitsubishi Electric's executive officers to determine policies and plans.

As a general rule, the CSR Committee is held once a year and discuss the result of activities performed during the previous fiscal year, decisions on activity plans, and response to law amendments, from a Group-wide perspective.



CSR Committee

Strengthening from a Group-wide perspective discussions

Officers from 19 departments with close ties to CSR regularly held meetings at the CSR Expert Committee, as well as managers from all business groups meet regularly at the CSR Business Promotion Committee (Five such meetings were held in fiscal 2018). They aim to build communication and consensus through the members of each committee and through promotion of CSR initiatives.



Exchanging opinions with overseas staff

In fiscal 2018 in particular, , we shared our principles of CSR and the SDGs at meetings for overseas departments and worked to promote awareness of CSR in training for staff at overseas affiliates in Asia and overseas executives. We will continue to promote dissemination of CSR globally through such exchanges.



CSR Training for local staff in Asia

TOPICS

Connect to action that meets external expectations

Dialogues with Experts

The Mitsubishi Electric Group held dialogues with top management and experts in the field of CSR. Focusing on the society of the future, in fiscal 2018, we examined how the Mitsubishi Electric Group can offer even more effective solutions to the issues of global environment, resources, energy, human rights and other issues through its core businesses, and actively exchanged opinions with experts.

* Experts who participated: Kaoru Nemoto Director, United Nations Information Centre, Mariko Kawaguchi, Chief Researcher, Daiwa Institute of Research Ltd., Co-CEO, Japan Sustainable Investment Forum (JSIF), Takeshi Shimotaya, Representative, Sustainavision Ltd.

Interviews with Experts

In light of the Japan and overseas trends such as the SDGs and ESG (environmental, social and governance) investment, personnel responsible for advancing CSR initiatives and responsible of departments closely involved in CSR efforts interviewed the experts about the Mitsubishi Electric Group's CSR materiality and their expectations for the Group.

In fiscal 2018, we received opinions from overseas experts and multiple asset management institutions and incorporated these global and investor viewpoints into our CSR activities.





Realize a Sustainable Society









"Energy-saving throughout entire buildings" creating new value by combining the Mitsubishi Electric Group's comprehensive strengths and advanced technologies

At the COP21* held in 2015 (the meeting that produced the Paris Agreement), 175 Parties agreed to an overall target of holding the increase in the global average temperature to well below 2°C above pre-industrial levels, and to a non-binding target of limiting the temperature increase to 1.5°C, by 2025 or 2030. To achieve this target, it is vital to reduce CO2 emissions from all aspects of our activities—from households and offices to transportation and factories.

The Mitsubishi Electric Group contributes to promoting energy-saving, highly efficient buildings by combining multiple technologies and applying leading-edge technologies in the area of the operation and control of facilities in office buildings and other buildings. * COP21: 21st Session of the Conference of the Parties to the United Nations Framework Convention on

The value of ZEB supplied by Mitsubishi Electric, the first ZEB planner among Japanese electronics manufacturers

ZEB stands for net Zero Energy Building, and refers to buildings that achieve significant energy savings, with standards differing by country.

The Mitsubishi Electric Group's ZEB realize these significant energy savings by comprehensively incorporating not only highly energy-efficient building facilities (air conditioners, ventilators, lighting fixtures, water heaters, elevators, escalators), but also energy creation and power receiving/transformation facilities such as photovoltaic generation facilities, energy visualization achieved by BEMS* and other such systems, and energy-saving support services.

Achieving energy savings through synergies between diverse equipment and technologies

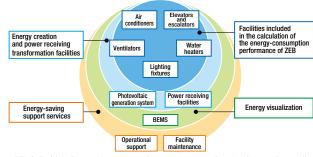
To effectively reduce a building's energy consumption, it is vital to achieve coordination between the know-how that the Mitsubishi Electric Group has developed over many years and the hardware and software of the diverse electrical equipment that has been installed in the building to date. In addition to deploying Mitsubishi Electric-brand high-efficiency facilities, the installation of facilities including photovoltaic generation equipment to create energy also contributes to significantly reducing the annual energy consumption of buildings.

Mitsubishi Electric's advanced technology: DC distribution system allows energy to be fully utilized

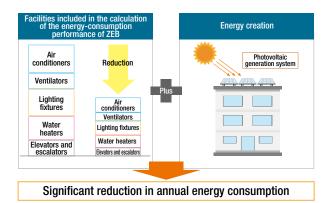
The Mitsubishi Electric Group has succeeded in realizing efficient power supply with its DC distribution system, the latest in its power receiving and distributing facilities. Normally, OA equipment and electric facilities receive AC power, but they actually operate by internally converting the AC power to DC power. As a result, loss or waste is generated in the conversion process. The DC distribution system, by contrast, directly supplies DC power, eliminating any conversion loss or waste. Linking the system to a photovoltaic generation system that generates DC power and storage batteries that store and supply DC power will realize efficient power supply, and is therefore expected to contribute to the realization of ZEB.

ZEB by Mitsubishi Electric

Climate Change. An international conference for discussing climate change issues.



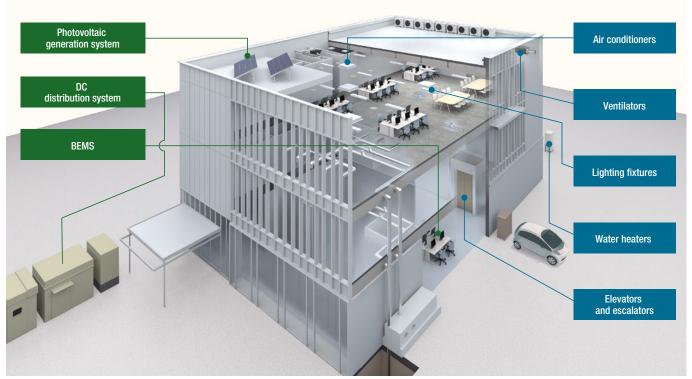
* BEMS (Building Energy Management System): A system that visualizes and centrally manages the energy usage of an entire building.



How a building's energy consumption can be reduced

Issues going forward

In the future, energy conservation is expected to steadily advance in all aspects of society on a global scale. To address the energy-saving issues that buildings and homes are likely to face, the Mitsubishi Electric Group will deploy the technologies and know-how that are its strengths as a comprehensive electronics manufacturer in the development of ZEB and ZEH (net Zero Energy Houses), expanding its role in these areas. By further boosting energy-saving performance and using technologies that create a best mix of renewable energies, the Group aims to contribute to the creation of low-carbon societies, bringing an active role in the global arena into its sights.



Schematic diagram of ZEB case study

CASE (Shirasagi Denki Kogyo Co., Ltd. head office building)

Realizing 75% energy savings

In February 2018, the Mitsubishi Electric Group installed facilities and systems that included air conditioners, ventilators, lighting fixtures, elevators, photovoltaic generation facilities, BEMs and a DC distribution system in Shirasagi Denki Kogyo's head office, which had been rebuilt in a new location after the original building was damaged in the Kumamoto Earthquake. These installations have realized significant energy savings and enabled the building to achieve "Nearly ZEB"* status.

> * Evaluation based on "Building-Housing Energy-efficiency Labeling System" formulated by the Ministry of Land, Infrastructure and Transport



Shirasagi Denki Kogyo Co., Ltd. head office building

VOICE (Customer)



Mr. Yukihiro Numata President, Shirasagi Denki Koayo Co., Ltd.

During the Kumamoto Earthquake, our office building suffered considerable damage, to the point that it had half collapsed. We therefore had to build a new office building. We decided to build the new building based on the twin concepts of constructing a disaster-resistant building that could be used as an evacuation center by our employees and their families in a disaster, and deploying ZEB technologies to minimize energy consumption.

Examining several examples of ZEB, we developed a strong interest in Mitsubishi Electric's DC distribution system, and decided to adopt it. Our new office building, which incorporates a BCP (business continuity plan) and environmental measures, is in a way symbolic of our forward-looking attitude. We will continue to pursue whatever we can do as a company for the benefit of our employees and their families, and for the future of the world.

VOICE (In charge of ZEB engineering)



Tadashi Ishio Energy Management Technologies Group, Total Building System Solution & Engineering Dept. 2, Domestic Marketing Division, Building Systems Group, Mitsubishi Electric Corporation

A ZEB is not something that can be realized with one superior building facility. It involves the appropriate combination and optimal control of diverse facilities. It also requires a good coordination between energy-saving designs that are incorporated into the building itself and actual facilities. Therefore, ZEB engineers need to be knowledgeable not only about the facilities that their own department is responsible for designing, but also facilities that are handled by other departments. Cooperation with relevant departments outside the company, such as companies that undertake building design and construction, is also vital to the

This recent project made me keenly aware that we are able to supply outstanding ZEB precisely because of Mitsubishi Electric's wealth of building facility products. We hope to contribute to the realization of sustainable societies by offering even better ZEBs going forward.

Provide Safety, Security, and Comfort







Towards the solution of traffic issues via autonomous driving technologies

- bringing together core Mitsubishi Electric technologies

Traffic accidents and traffic congestion are responsible for enormous economic and social losses. In Japan, where a declining birthrate and an aging population are seeing accidents caused by elderly drivers becoming a social problem, these are urgent issues. The Mitsubishi Electric Group is working to realize high-precision autonomous driving systems through the fusion of two technologies: self-sensing driving technologies and network-based driving technologies.

Solution of social problems by means of autonomous driving technologies

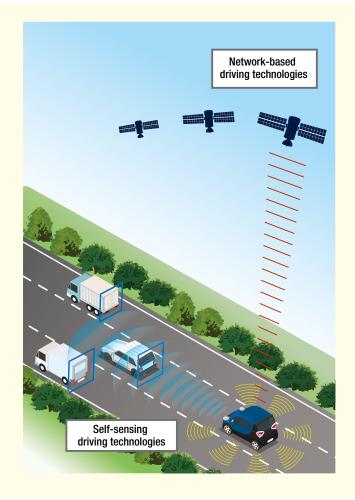
- Reduction of traffic accidents
- Easing of traffic congestion

etc.

Autonomous driving mechanisms and the Mitsubishi Electric Group technologies that support them

Self-sensing driving technologies Onboard sensors and vehicle control technologies

Self-sensing driving technologies will enable vehicles to operate autonomously using a variety of onboard sensors, including cameras, millimeter-wave radar and sonar. Applying sensing technologies fostered in a broad range of fields, the Mitsubishi Electric Group is working to develop new products that assist drivers in recognition, judgment, and vehicle operation. Mitsubishi Electric will continue to polish these technologies into the future, at the same time as advancing applied development in the area of integrated control systems that will be key to the realization of safer, more secure and more comfortable autonomous driving, with the company's core AI technology Maisart as a central element.



VOICE (In charge of autonomous driving technology development)



Fumiaki Kadova Advanced Safety System Development Sect., ADAS Business & Development Dept., Automotive Electronics Development Center, Mitsubishi Electric Corporation

In seeking to realize autonomous driving systems, in addition to considering the safety, security and comfort of passengers, I believe that it will also be important to realize vehicle control that is able to reproduce natural driving, operating the vehicle as an experienced driver might. This would further boost the sense of security and the comfort of the passengers.

Given this, Mitsubishi Electric is advancing development that will enable us to integrate self-sensing driving and network-based driving with a high degree of sophistication. We are engaging in a process of trial and error in order to ensure reliability in actual road environments by means of tests on public roads using our experimental vehicles.

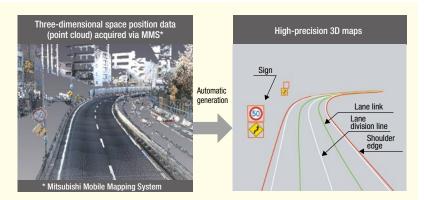
Changes in the environment of the domestic and overseas automotive industry are accelerating, and one of the demands on us is to further advance and distinguish driver assist and autonomous driving technologies. Against this background, it is my goal to make our automotive society an even more appealing one through the advanced technologies that only Mitsubishi Electric is able to realize.



Quasi-Zenith Satellite System



High-precision positioning data



High-precision 3D maps



Road status data

Network-based driving technologies

Network-based driving technologies are new technologies that seek to enable more precise autonomous vehicle operation by means of cooperation between the vehicle and infrastructure in the surrounding environment. In order to realize these systems, a diverse range of technologies must be integrated, allowing us to make use, apart from the vehicle itself, of systems in the surrounding environment including technologies that gather precise position data from satellites, high-precision three-dimensional maps, and intelligent transport systems.

The Quasi-Zenith Satellite System: Satellites that provide high-precision position data

Three satellites of the Quasi-Zenith Satellite System were launched in 2017. Mitsubishi Electric was responsible for the design and manufacture of this satellite system, which provides high-precision position data services. The use of these services will make it possible to realize autonomous driving in a range of road environments and conditions in which visibility is poor, such as heavy fog or snow. Mitsubishi Electric commenced proving

High-precision 3D maps

Dynamic maps are essential to accurately identifying the position of the subject vehicle on a map. In addition to static data on lanes and road edges, these digital maps include dynamic data that changes moment to moment, such as data on congestion and traffic signals. The Mitsubishi Electric Group is continuing research and testing in this area, and has been commissioned by a government agency to conduct and manage large-scale proving trials towards the creation of digital maps. In addition, in June 2017, Mitsubishi Electric joined together with an industrial innovation network, mapping companies, surveying companies, and Japanese automotive manufacturers to launch Dynamic Map Platform Co., Ltd., which is moving ahead with the formulation of data to create a dynamic map platform covering approximately 30,000km of Japanese expressways and vehicle roads.

trials of autonomous driving on Japanese expressways from September 2017, and we have demonstrated that the use of high-precision positioning terminals that receive position data signals from the Quasi-Zenith Satellite System makes it possible to identify the position of the subject vehicle at the level of centimeters.

Anticipatory data provision

Anticipatory data provision is a system that assists in making advance lane changes, etc. by providing the driver and the vehicle with information that cannot be obtained from the vehicle itself, including data on accidents ahead, data on traffic congestion, and data on traffic regulations (anticipatory data).

Mitsubishi Electric is working towards the practical realization of anticipatory data provision, conducting test course trials in the provision of support for lane changes by providing autonomously operating vehicles with anticipatory data for each lane using road-to-vehicle communication.

Technological synergy × open innovation: blazing a path to the future

Autonomous driving technologies necessitate the integration of diverse and wide-ranging element technologies. The Mitsubishi Electric Group is advancing initiatives to create innovative technologies, for example by forming project teams across different divisions of the company and promoting open innovation that crosses industry boundaries.

In March 2017, we successfully developed a technology able to efficiently create and modify high-precision 3D maps using AI and Mitsubishi Mobile Mapping System (MMS) technology.

In October 2017, we formed a partnership with Holland's HERE Technologies. By bringing together HERE's global high-precision maps and cloud-based position data services and Mitsubishi Electric's high-precision positioning technologies, our aim is to provide user-friendly position data services.

The Japanese government is seeking to realize fully-autonomous driving with no human input on expressways by 2025. By means of these initiatives, the Mitsubishi Electric Group is contributing to the realization of a society that allows safer, more secure and more comfortable lifestyles.

Respect Human Rights and Promote the Active Participation of Diverse Human Resources

The Mitsubishi Electric Group respects the human rights of all peoples in countries and regions where it engages in business, based on a conscious awareness of its widespread interaction with people and society. Efforts are also made to ensure employee diversity and occupational health and safety, as well as to promote work style reforms that maximize the potential of diverse human resources.



Mitsuharu Kiwada Chief of the Corporate Administration Division Mitsubishi Flectric Corporation

Message from Management

The Mitsubishi Electric Group sets forth employee codes of conduct on human rights in the Corporate Ethics and Compliance Statement, which was formulated in 2001. The Group has provided employee training on the importance and mental attitude regarding human rights through various programs and activities such as the "Mitsubishi Electric Going Up Campaign," which aims to realize a Inclusive Society*.

The Mitsubishi Electric Human Rights Policy, which was established in September 2017, sets forth the Group's commitment to further promote proper responses to human rights issues in line with international human rights norms. Based on this policy, we will strive to ensure human rights due diligence and to establish a mechanism for responding to grievances.

Human rights issues pertain to workers, customers, local communities and all other aspects of society, and the scope of the issues extend globally and through all supply chains. Thus, all employees need to participate in addressing them, with cooperation among all departments. Toward this end, we need to realize a further change in employee awareness and to take measures to create a culture that respects human rights, so that each employee can recognize human rights issues as their own and take appropriate action.

The initiatives of the Mitsubishi Electric Group have just begun. By receiving advice from experts on human rights issues and human rights organizations, and by maintaining communication with diverse stakeholders, we will ensure that the Group's initiatives will truly contribute to solving human rights issues.

* Inclusive Society: A society where everyone respects and accepts each other

Formulation of the Human Rights Policy and Future Roadmap

In September 2017, the Mitsubishi Electric Group formulated the Mitsubishi Electric Human Rights Policy according to the spirit of the Corporate Mission and Seven Guiding Principles. The objective is to promote greater awareness of human rights and deal properly with related issues, thereby ensuring that the Group's business activities do not negatively impact on human rights. In particular, we are implementing measures that prevent and mitigate adverse impacts on human rights by ensuring human rights due diligence that conforms with the UN Guiding Principles on Business and Human Rights. Moreover, the Group is creating a corrective mechanism in the event it comes to light that a Group company's action or involvement has inflicted an adverse impact on human rights.

In fiscal 2019, the Mitsubishi Electric Group will launch

human rights due diligence initiatives by identifying and evaluating impacts on human rights (a human rights impact assessment) at all company sites. We will also explore ways to improve the mechanism for receiving grievances from those who have suffered a human rights violation and provide an avenue for relief (a grievance handling mechanism). At the same time, all suppliers along our supply chain will be requested to strengthen their human rights responses as part of their initiatives to promote CSR procurement.

In fiscal 2020 and beyond, we will promote these initiatives further, and plan to create a system that also includes the supply chain in preventing and mitigating adverse impacts on human rights. The program will include follow-up evaluations of the initiatives for human rights responses.

Creating a Working Environment where Work-Life Balance can be Achieved by Everyone through a "Work Style Reforms"

Since fiscal 2017, Mitsubishi Electric promotes a "Work Style Reforms" as a management policy, and strives to create a working environment where work-life balance can be achieved by everyone by "creating a corporate culture that places even greater emphasis on achievements and efficiency" and "reforming employees' attitudes toward work." Each department, organization and office implements specific measures that promote the Work Style Reforms based on the following four perspectives.

In February 2017, the "President's Forum on Work Style Reforms" was launched, in which the president of Mitsubishi Electric makes a round of all offices to personally explain the objectives and importance of the initiative to all employees. By directly engaging employees in dialogue with the president and absorbing their views, requests and opinions about issues in promoting Work Style Reforms in each office and about corporate matters, the forum aims to disseminate even more effective measures.

Four perspectives on Work Style Reforms

Improvement of productivity by streamlining operations

- Thorough elimination of waste based on the principles of JIT* Kaizen activities (reduction of conferences, documents and travel time, review of operational processes, etc.)
- Increased utilization of IT for operational efficiency

Work-life fulfillment

Sharing the awareness that a "fulfilling life" and "rewarding work" are closely related

Applying the knowledge and mental/physical health that are gained through having a fulfilling life to achieving a rewarding work experience

Further pursuit of evements and efficiency

- Establishment of an awareness to produce results within a limited amount of time
- Development of a scheme to evaluate productivity and efficiency, and strengthening the implementation of proper evaluation

Promotion of communication in the workplace

- Sharing the status of operations in the workplace through daily greetings and communication
- Promotion of work-load alleviation through mutual cooperation between individuals and departments, as well as reviews of work allocation
- JIT (Just in Time): Small-group activities that aim to increase productivity by thoroughly eliminating operational inefficiencies.

Poster for in-house dissemination of information

Examples of office-specific activities

- Lectures for management personnel by external lecturers
- Establishment of conference rules (50 minutes as a rule, no meetings to be held after 5 p.m., etc.)
- Introduction of concentrated work times
- Introduction of "Refresh Wednesday" to promote work-life balance

TOPICS

Dialogues with outside experts for effective human rights initiatives

To ensure that the Mitsubishi Electric Group implements viable initiatives to address human rights issues, we hold dialogues with experts and human rights NGOs to gather their advice on human rights initiatives.

In fiscal 2018, the Group had the opportunity to hold a dialogue with Amnesty International Japan, and gained advice on establishing a mechanism for handling grievances. Also emphasized was the importance of addressing human right issues from the perspective of human rights in the broad sense of the term such as long working hours, gender equality and so forth. and not from the perspective of individual issues.

We will continue to hold dialogues with stakeholders to steer the Group's human rights initiatives in the right direction.

Mitsubishi Electric Going Up Seminar on diversity

In Japan, the upcoming 2020 has triggered a growing demand for initiatives to promote greater understanding of diversity and realize a inclusive society. Mitsubishi Electric has launched the Mitsubishi Electric Going Up Seminar in October 2017 with the cooperation of Mirairo Inc.*. The seminar teaches employees how to properly interact with people with disabilities, and is being held sequentially in all offices so that as many employees as possible can attend.

* Mirairo Inc.: A company that provides consultation services regarding universal design from the perspective of "barrier value," or the concept of changing barriers into value



Dialogue with Amnesty International Japan



Mitsubishi Electric Going Up Seminar

Strengthen Corporate Governance and Compliance on a Continuous Basis

To realize sustained growth and increase corporate value, the Mitsubishi Electric Group works to maintain the flexibility of its operations while promoting management transparency. These endeavors are supported by an efficient corporate governance structure that clearly defines and reinforces the supervisory functions of management while ensuring that the company is responsive to the expectations of customers, shareholders, and all of its stakeholders. Additionally, the Mitsubishi Electric Group

Corporate Governance



Shinji Harada Executive Officer Mitsubishi Electric Corporation

Message from Management

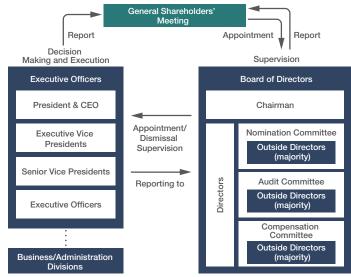
In recent years corporate governance in Japan has garnered strong attention, to the point that strengthening and enhancing the efficiency of corporate governance has become a priority issue for all companies.

Mitsubishi Electric has adopted a committee system, with the separation of the management supervisory functions from the execution of business being one of its core principles. Based on this principle, the Chairman, who oversees the management supervisory functions, is separate from the President & CEO, who is head of all executive officers, and neither is a member of the nomination or compensation committees. By clearly separating the two functions, Mitsubishi Electric ensures the effectiveness of its corporate governance.

As also stated in the CSR Materiality, Mitsubishi Electric's drive to strengthen its corporate governance is a continuous process. To further enhance the Board of Director's business supervisory function, venues were established for supplying information to, and exchanging views with, outside directors, in FY2016. Through these venues, efforts were continued in FY2018 to ensure proper and timely provision of information to the directors.

The review of the Board of Directors, which is held every year to strengthen the performance of the Board of Directors, was also held again in FY2018. The review results yielded the evaluation that the Board is consistently sharing management-related information with executive officers in a proper and timely manner and is making readjustments as necessary in response to the results of the review of the Board of Directors in order to properly fulfill its business supervisory function, and that discussions have become even more active and open compared to before. This evaluation in effect endorses the performance of the Board of Directors, but further efforts will be made to enhance debates and discussion by the Board, such as by expanding deliberation times.

Mitsubishi Electric will continue to build an even stronger corporate governance framework, to ensure corporate management is soundly supervised by a proper oversight mechanism.



Corporate Governance Framework



Board of Directors

recognizes that not only ethics and legal compliance, but also compliance in the wider sense of the term that includes the perspective of corporate ethics, are the foundation of the Group's continued existence. Based on this understanding, ongoing efforts are being made to strengthen initiatives related to anti-trust laws, the prevention of corrupt practices and supply chain management, as priority action items.

View from an Outside Director

Mitsubishi Electric engages in a wide variety of businesses on a global scale. In order for the Board of Directors to oversee whether these businesses are executed properly, it is extremely important for information about management to be provided to us directors in a timely and appropriate manner.

At the Board of Directors, adequately detailed information is provided for directors to supervise management, and a forum has been set up with the main objective of providing outside directors with more information about management, so I feel the information we directors receive is extremely extensive. I also get the sense that the company is actively providing us with opportunities to visit various offices and plants to directly hear the opinions of workers and to obtain solid business information.

The performance of the Board of the Directors is evaluated, and efforts are made to improve it. A review of all members is conducted every year, where all directors can freely share their views about the operations of the Board and about how information is

Readjustments are constantly made in response to the results of the review of the Board of Directors, and improvements have been achieved with every review, such that I feel we have become able to discuss various matters more frankly than ever before.

As directors, we feel these opportunities are highly beneficial to understand the current state of Mitsubishi Electric's business, and to engage us in discussions. We hope this timely and appropriate provision of management information will continue to be enhanced, so that the management supervisory functions of the Board of Directors may be further strengthened.



Mitoji Yabunaka Outside Director Mitsubishi Electric Corporation

Continually Strengthening Compliance

The Mitsubishi Electric Group abides by the Corporate Ethics and Compliance Statement formulated in 2001 as its basic guideline for compliance, and recognizes the importance of ethics and legal compliance as a fundamental precondition for the Group's continued existence.

Based on this awareness, efforts are directed at strengthening the compliance system, maintenance of facilities, and employee education program, to broadly promote compliance that not only encompasses legal compliance, but also includes the perspective of corporate ethics.

In particular, the Mitsubishi Electric Group treats preventing the violation of anti-trust laws and corruption prevention (preventing bribery) as important issues. We have established a set of internal company regulations, strengthened education and awareness, and are in the process of working on other prevention initiatives. Reflecting on mistakes made in the past, we are establishing rules for contacting companies in our industry, holding continual training divided by level and business headquarters, and engaging in other measures keep the prevention of antitrust violations clear in people's minds and prevent recurrences. For the prevention of bribery, we have enacted the Mitsubishi Electric Group Anti-Bribery Policy in April 2017 and spread it both inside and outside the company, as well as built internal policies for dealing with public officials and other figures, held e-learning geared toward bribery prevention and interview-based practical training with case studies included, and taken other measures to strengthen our policies.

We have also distributed the Mitsubishi Electric Group Standard for Ethics and Regulatory Compliance, a summary of our company's

principal approach to compliance, to all employees and are holding continual training related to the standard.

Various learning programs on laws and regulations related to procurement are also provided to employees in charge of procurement activities as one aspect of supply chain management. In Japan, a course on material procurement laws provides guidance and education on the Anti-Monopoly Act, the Act against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors, the Construction Contractors Law, and our systems of internal checks and balances. In overseas offices, compliance education related to procurement is provided to ensure no employee becomes involved in bribery, embezzlement, or anything else that goes against the principle of fair trade. In addition to the above, CSR education based on CSR Procurement Guidelines is also provided to employees in procurement departments to further strengthen CSR initiatives along the supply chain.



Working-level conference on compliance in the China region



Meeting of compliance managers in the Asia region

Management of the CSR Materiality

In fiscal 2016, the Mitsubishi Electric Group identified the CSR materiality, initiatives to fulfill the materiality, and key performance indicators (KPI). In fiscal 2017, it announced its performance in regard to those initiatives and carried out a review of each initiative and KPI (see our website for details).

CSR Materiality of the Mitsubishi Electric Group

The Mitsubishi Electric Group upholds the Corporate Mission and Seven Guiding Principles as its basic CSR policies, and aims to be a global, leading green

CSR Materiality	Initiatives				
Realize a Sustainable Society	Realization of Environmental Vision 2021 ^{*1}				
	Contributing to realizing a low-carbon society				
	Contributing to creating a recycling society				
	Contributing to realizing a symbiotic society				
	Contribution through products and services				
Provide Safety,	Product development that places top priority on customer safety				
	Provision of products and services that reflect customers' needs				
Security, and Comfort	Continuous implementation of education on quality principles that place top priority on customers				
	Contribution through products and services				
Respect Human Rights and Promote the Active Participation of Diverse Human Resources	Promote human rights initiatives that are based on international norms				
	Realization of workplace environments conducive to work-life balance				
	Promotion of diversity through the employment and utilization of diverse human resources				
	Promotion of occupational health and mental and physical health				
Strengthen Corporate	Active dialogue with stakeholders				
	Corporate management with a sound oversight function				
Governance and Compliance	Compliance training on a continuous basis				
on a Continuous Basis	■ Fair competition (prevention of antimonopoly violations)				
	Corruption prevention (prevention of bribery)				
	CSR procurement (environment, quality, human rights, compliance, etc.)				

- *1 Targets of the 9th environmental plan (fiscal 2019–2021)
 *2 20 targets for stopping biodiversity loss agreed upon at COP10
- *3 Number of accidents causing lost worktime per 1 million hours

While continuing to receive opinions from inside and outside the company, we will further strengthen these initiatives through ongoing improvement activities based on the PDCA cycle, to expand the scope of information disclosure.

company that contributes to realizing a prosperous society while promoting initiatives to fulfill the four aspects of materiality through the supply chain.

FY 2019 Targets/Key performance indicators (KPI) (quantitative targets are shown in brackets)	Scope
•Reduce CO₂ emissions from production (less than 1.47 million tons)	All Mileshishis Floridis Construction (Japan 1997)
•Reduce CO₂ emissions from product usage (35% reduction compared to FY2001)	All Mitsubishi Electric Group companies (Japan, overseas)
•Reduce resource inputs (40% reduction compared to FY2001)	
•Improve the final disposal rate of waste materials (Mitsubishi Electric and domestic affiliates to maintain a rate of less than 0.1%, and overseas affiliates to reduce the rate to less than 0.5%)	All Mitsubishi Electric Group companies (Japan, overseas)
•Maintain a plastic recycling rate of 70% or higher for home appliances (maintain rate of 70%)	Home appliances (Japan)
•Improve the per-unit sales of water usage (annual improvement of 1% compared to FY2011)	All Mitsubishi Electric Group companies (Japan, overseas)
•Increase the number of participants in outdoor classrooms and satoyama preservation activities (cumulative total of more than 51,000 participants)	All Mitsubishi Electric Group companies (Japan, overseas)
•Enhance the level of biodiversity protection activities by offices in line with the Aichi Targets*2	Mitsubishi Electric
 Provide products and services that contribute to the mitigation and adaptation to climate change, optimization of energy use, and sustainable production and consumption 	All Mitsubishi Electric Group companies (Japan, overseas)
-Maintain the reduction of CO₂ during product usage (70 million tons by FY2001 standards)	
•Ensure safety through risk assessment (maintain 100% implementation of risk assessments of target home electronic products)	All Mitsubishi Electric Group companies (Japan, overseas)
 Develop key persons who are capable of incorporating customers' needs into quality (development of 100% of relevant persons in all target departments by FY2021) 	Mitsubishi Electric Group companies (Japan)
•Make Group-wide efforts to investigate the cause of serious malfunctions that have occurred in the past, and implement countermeasures	All Mitsubishi Electric Group companies (Japan, overseas)
-Maintain 100% rate of participation in quality e-learning programs (maintain rate of 100%)	All Mitsubishi Electric Group companies (Japan, overseas)
 Provide products and services that contribute to creating safe and secure communities 	All Mitsubishi Electric Group companies (Japan, overseas)
-Identify and evaluate impacts on human rights across the Group (achieve a 100% rate of implementation by target companies) -Promote ongoing human rights training programs, relief measures against human rights violations and other such measures	All Mitsubishi Electric Group companies (Japan, overseas)
Provide lectures on human rights awareness and harassment prevention in training programs for new employees and those for newly appointed managers	Mitsubishi Electric
-Continue to promote the Work Style Reforms based on four perspectives(Improvement of productivity by streamlining operations, Further pursuit of achievements and efficiency, Work-life fulfillment and Promotion of communication in the workplace)	All Mitsubishi Electric Group companies (Japan, overseas)
Promote diversity by employing and utilizing diverse human resources in response to regional and operational circumstances	All Mitsubishi Electric Group companies (Japan, overseas)
-Employ people with disabilities beyond the statutory employment rate (higher than 2.2%)	Mitsubishi Electric Group companies (Japan)
Increase the ratio of women among new recruits in technical positions (future target of 20%)	
*Systematically dispatch employees to overseas OJT programs and language programs (more than 180 employees/year)	Mitsubishi Electric
•Promote safety management and health enhancement activities	All Mitsubishi Electric Group companies (Japan, overseas)
•Promote safety and health education, and maintain a rate of lost worktime injuries that falls below the industrial average*3 (below 0.51)	Mitsubishi Electric
 Improve lifestyle habits and realize a health-conscious company by implementing Mitsubishi Electric Group Health Plan 21 (MHP21) Stage Ill activities (rate of 73.0% or higher of employees maintaining proper body weight; rate of 39.0% or higher of employees who exercise regularly; rate of 20.0% or lower of employees who smoke; rate of 25.0% or higher of employees who perform dental care at least three times a day; rate of 85% or higher of employees who get enough rest by sleeping properly) 	Mitsubishi Electric Group companies (Japan)
•Hold a dialogue on CSR with stakeholders more than once a year (more than once/year)	
 Hold dialogues with stakeholders through the general meeting of shareholders, corporate strategy presentation meetings, financial results presentation meetings, individual meetings and other such information meetings, and IR activities in Japan and overseas 	All Mitsubishi Electric Group companies (Japan, overseas)
•Provide proper information to directors at the proper time, conduct a review of the board of directors, and analyze and evaluate the review	Mitsubishi Electric
• Provide orientation training and other compliance education and training to directors and executive officers as appropriate at the proper time	
 -Establish internal regulations and frameworks needed to ensure proper operations of the Mitsubishi Electric Group, conduct an internal audit of their operational status, and regularly report the results of the audit to the audit committee via the executive officer in charge of auditing 	All Mitsubishi Electric Group companies (Japan, overseas)
•Provide compliance education that utilizes diverse methods, on a continuous basis	All Mitsubishi Electric Group companies (Japan, overseas)
-Maintain a 100% attendance in e-learning programs on compliance (maintain rate of 100%)	Mitsubishi Electric
•Provide practical training in reference to case studies that reflect the characteristics of each business, on a continuous basis	
 Identify issues that accompany the systematization of rules concerning contacts with other companies in the same business and enhance the operation of the system 	All Mitsubishi Electric Group companies (Japan, overseas)
•Strengthen responses to vertical restraints and regulations of antimonopoly laws	
 Enhance bribery prevention measures: provide bribery prevention education (onsite education, e-learning programs), conduct monitoring with an eye to the establishment of regulations and guidelines 	All Mitsubishi Electric Group companies (Japan, overseas)
•Formulate CSR procurement guidelines, and obtain a compliance agreement from suppliers targeted for the FY2019 survey [100%]	Mitsubishi Electric, Mitsubishi Electric Group companies
•Expand the scope of the survey of overseas suppliers to Europe and the U.S.	(Japan, some overseas) supply chain

Philanthropic Activities

Our Philosophy

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

- 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.



Social Welfare



Doubling the donations made by employees

The "Mitsubishi Electric SOCIO-ROOTS Fund" is a matching gift program that contributes to social welfare facilities and organizations in which the company matches any donation made by its employees.

In addition to the usual activities, in fiscal 2018, which marked the 25th anniversary of the Fund, the "SR25 Memorial Fundraising" was implemented as an anniversary project. In consideration of the Sustainable Development Goals (SDGs), the entire company was invited to make donations to "support people with disabilities" and "support reduction of child poverty," and the Fund donated 5.2 million yen to "The Council of Developmental Support Center, Japan" and the "Meals on Wheels Japan," totaling 10.4 million yen.

The cumulative amount of donations by the end of March 2018 reached about 1,270 million yen, with funds being provided to 2,000 recipients.





Global Environmental Conservation

Joint mangrove planting activities involving three local group companies in Indonesia

The three Mitsubishi Electric Group companies in Indonesia, PT. Mitsubishi Electric Indonesia, PT. Mitsubishi Electric Automotive Indonesia, and PT. Mitsubishi Jaya Elevator and Escalator jointly implement afforestation activities each year. Under the Mitsubishi Electric Group's environmental statement "eco changes for a greener tomorrow," the companies promote tree-planting activities all over the country to conserve nature in Indonesia and protect the global environment.

In 2017, mangroves were planted in the northern coastal area of

Science and Technology

Convey the joy of manufacturing

Since 2009, through the "Mitsubishi Electric Science Workshops" children can experience basic principles related to electricity, heat, sound, light, wind, communications and programming. The workshops convey the joy of science through experiments and other activities, show the relationships between the basic scientific principles taught and real products, and help the children realize how the products are useful in society. In fiscal 2018, 23 domestic business sites participated, and a total of about 70 workshops were held.

In January 2018, the Mitsubishi Electric Group received the "Encouragements Award (Large enterprise category)" at the "Eighth Career Education Awards" held by the Ministry of Economy, Trade and Industry. Going forward, the Mitsubishi Electric Group will continue its activities with the desire to "develop people who love science".

Mitsubishi Electric America Foundation (MEAF) received "2018 CATALYST AWARD"

MEAF works to empower youth with disabilities to fully participate in society, such as through providing employment support*, and this activity has been acknowledged by the American Association of People with Disabilities (AAPD), who awarded MEAF the "2018 CATALYST AWARD."

* MEAF supports the AAPD summer Internship program, which places university students with disabilities in Congressional offices, federal agencies, and non-profit organizations in Washington, DC, since the program's inception in 2002.



Support activities for preschool children started in Thailand

In 2017, the Mitsubishi Electric Thai Foundation began providing support to the "Prateep Dek Thai Project" which builds a Child Development Center in poor areas as a new joint activity by Mitsubishi Electric Group companies in Thailand. The center supports the physical and mental development of children (2 to 6 years old) and helps parents to balance their work and parenting responsibilities. In fiscal 2018, a total of 270 thousand baht was donated, including donations from employees and the Foundation, and this money was used for constructing the center.











Jakarta, in cooperation with the Indonesia Mangrove Restoration Foundation, a nonprofit organization that manages mangrove conservation activity. 150 employees gathered for the activity and worked knee-deep in water, in conditions that made it hard to keep their footing, to plant 1,500 saplings.













VOICE



Shiro Hosotani

Group Manager, Science Education Promotion Section, Human Resources Development Center, Mitsubishi Electric Corporation

The decline of interest in science among children remains a major issue. The fact that children "cannot see the connection between science and daily life" is considered to be one of the causes, and "career education" must be enhanced. Against this backdrop, we believe that companies like Mitsubishi Electric, which has many business sites across Japan, should take on that role in close contact with local communities, and the Group is involved in our "Mitsubishi Electric Science Workshops" activities. In January 2018, we were delighted to receive an Encouragement Awards at the "Eighth Career Education Awards" held by the Ministry of Economy, Trade and Industry. We regard this award as appreciation for our steady activities and encouragement to continue, and we intend to continue contributing to society through science.



Culture and Arts, Sports





Mitsubishi Electric Going Up Campaign

- Tokyo 2020 Olympic and Paralympic Games and the future ahead* -

Mitsubishi Electric began the "Mitsubishi Electric Going Up Campaign" in October 2016 as an activity aimed at contributing to promoting and raising awareness about sport for people with disabilities and contributing to the realization of the "Inclusive Society" in which all citizens respect and accept each other. With this campaign many activities are being carried out across Japan leading up to 2020 to help as many people as possible get to know various sports such as wheelchair basketball.

Mitsubishi Electric is an Official Partner of the Tokyo 2020 Olympic and Paralympic Games (elevators, escalators, and moving walkways).



VOICE



Mr. Toshihiko Tamagawa President. Japan Wheelchair Basketball Federation

Leading up to the Tokyo 2020 Paralympic Games, the biggest challenge for parasports is low recognition. Another issue is how to contribute to the realization of the Inclusive Society that Japan is aiming to create. It is thought that the most effective way to solve these issues is for people to actually experience parasports. In fiscal 2018, we held hands-on experience events for wheelchair basketball for over 50,000 elementary and junior high school students across Japan.

Further, thanks to the "Mitsubishi Electric Going Up Campaign" people from all generations have experienced wheelchair basketball on a nationwide scale, and wheelchair basketball was rated the most highly recognized parasport in a nationwide survey in fiscal 2018. Mitsubishi Electric is providing support through various events and campaigns, such as the "Mitsubishi Electric WORLD CHALLENGE CUP" and will continue to work for the success of the Tokyo 2020 Paralympic Games.

Tennis workshop

The Mitsubishi Electric tennis team "Mitsubishi Electric Falcons" conducts activities to contribute to society through tennis throughout Japan. The team conducts exchange events with people with disabilities such as wheelchair tennis and blind tennis*, including workshops run by professional players and employees that belong to the team. The aims of the activities are to encourage mutual understanding among participants and promote parasports. The team has also held workshops in Miyagi and Fukushima prefectures since 2011 and in Kumamoto Prefecture since 2018 as earthquake reconstruction support activities.

In addition, the team invites students to the match venues as part of its support for local school clubs and convey not only techniques but also the importance of the strong feelings of competitive spirit and not giving up.

* Tennis played with a sponge ball that produces a sound so that people with visual impairments can participate



Great East Japan Earthquake: Support for reconstruction

Mitsubishi Electric Group is making ongoing efforts to support for reconstruction for those affected by the Great East Japan Earthquake and affected areas. These activities include making donations to children in the affected areas via the Mitsubishi Electric SOCIO-ROOTS Fund, fairs that sells products made in Tohoku within the Group, volunteer activities in areas affected by the tsunami, and workshops in Tohoku run by the basketball and tennis teams. Also, in March every year, "Weeks to Strengthen Great East Japan Earthquake Reconstruction Support Activities" is held to create an opportunity for each employee to consider offering support to help the affected areas and to provide practical support by participating in activities.



Mitsubishi Electric Group CSR Initiatives List of information included in website/Highlights Edition

©= Included in both website and Highlights Edition ●= Included in website only ○= Also partially included in Highlights Edition

Corporate Data/Financial Highlig	ghts		© Highlights	
Global Operations			Edition only	
President's Message			0	
CSR at Mitsubishi Electric	Embodiment of the Corpo	orate Mission	0	
	Mitsubishi Electric's Business Segments			
	CSR Management	Management	0	
		CSR Materiality and SDGs Management	0	
		Initiatives/External evaluation	0	
		Process of Identification and Review of the CSR Materiality	•	
		Management of the CSR Materiality	0	
	CSR Materiality	Realize a Sustainable Society	0	
		Provide Safety, Security, and Comfort	0	
		Respect Human Rights and Promote the Active Participation of Diverse Human Resources	0	
		Strengthen Corporate Governance and Compliance on a Continuous Basis	0	
	Initiatives to Address the SDGs			
	Communication with Stakeholders	Status of Communication	0	
		Results of Reader Surveys	0	
		Interviews with Experts	0	
		Dialogues with Experts	0	
		Measures for Internal Dissemination	0	
Governance	Corporate Governance			
	Compliance			
	Risk Management			
	Research and Development			
	Protection of Intellectual Property Rights			
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Environment			•	
Social	Responsibility to Customers			
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More information related to CSR at the Mitsubishi Electric Group is published on our website.



CSR http://www.mitsubishielectric.com/en/sustainability/csr/index.html

Environment

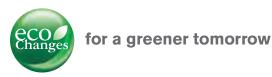
http://www.mitsubishielectric.com/en/sustainability/environment/index.html

Company

http://www.mitsubishielectric.com/en/about/index.html

MITSUBISHI ELECTRIC CORPORATION

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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