

Mid- to Long-Term Initiatives, Goals for Fiscal 2025, and Results for Fiscal 2024

The Mitsubishi Electric Group has identified a set of particularly important issues as company-wide goals related to sustainability in fiscal 2025. The Sustainability Committee will confirm and promote progress toward the achievement of these goals as the Group works to enhance corporate value.

Materiality	Long-term target	Mid-term target	Single fiscal year target/initiative indicator (KPI) and results			Scope
			FY2025 target	FY2024 target	Main FY2024 results	
Realize a sustainable global environment	[Scope 1, 2, 3] FY2051: Aim for net zero greenhouse gas emissions in the entire value chain	[Scope 1, 2] FY2031: Aim for net zero greenhouse gas emissions	FY2026: Reduce by 53% or more*1	Improvement rate of new products over previous models 1% or more	2.5%	Mitsubishi Electric Group
		[Scope 3] FY3031: Reduce by 30% or more*2	FY2026: Reduce by 17.5% or more*2	Reduce by 30% or more*1	Reduced by 37%*1	
		Provide products, services and solutions that contribute to carbon neutrality			—	
	Contribute to the realization of a circular economy	FY2036: 100% effective use of waste plastics (in Japan)	FY2026: 92% or more effective use of plastic waste (in Japan)	90% or more effective use of plastic waste (in Japan)	95%	Mitsubishi Electric Group (in Japan)
Realize a safe, secure, and comfortable society	Ensure safety/security, inclusion, and well-being across our business activities	Provide products, services and solutions that contribute to safety/security			<ul style="list-style-type: none"> Received CES 2024 Innovation Award for "Rulerless" 3D measurement application (in Japanese) Received orders for elevators for new capital relocation project in Indonesia 	Mitsubishi Electric Group
		Provide products, services and solutions that contribute to inclusion and well-being			<ul style="list-style-type: none"> Released the FZ, FD, Z and ZD Series of the FY2025 Mitsubishi Kirigamine room air conditioner (in Japanese) Partnered with Uber Eats and Cartken on an autonomous delivery service using AI (in Japanese) 	

*1 Base year for Scope 1 and 2 reduction targets is fiscal 2014

*2 Base year for Scope 3 reduction targets is fiscal 2019

Materiality	Long-term target	Mid-term target	Single fiscal year target/initiative indicator (KPI) and results			Scope		
			FY2025 target	FY2024 target	Main FY2024 results			
Respect for all people	Establish human rights initiatives based on international norms and achieve responsible supply chains	FY2028: Conduct human rights due diligence** ³ across the Group based on international norms	Implementation rate of improvement measures for identified human rights issues: 45% or more	Implement the Human Rights Impact Assessment in all business groups	Identified potential human rights issues in the value chain through hearings for all business groups (Human Rights Impact Assessment)	Mitsubishi Electric Group		
		FY2028: Reduce negative impact on human rights in supply chain based on the RBA** ⁴ process	Agreement to the Mitsubishi Electric Group Supply Chain Code of Conduct from major suppliers (top 80% of purchase amount): 100%	Develop operations for the transition to the RBA supplier human rights due diligence process	Explained the Mitsubishi Electric Group's approach to sustainability, efforts to respect human rights, and RBA process initiatives to suppliers			
	Build workplaces where diverse and versatile human capital gathers and works together	FY2026: Percentage of positive responses on employee engagement** ⁵ in employee engagement survey 70% or more (Mitsubishi Electric) 60% or more (some associated companies in Japan)			55% (Mitsubishi Electric, FY2024 second half)		Mitsubishi Electric Group (in Japan)	
		Ensure implementation of organizational culture reforms (related measures)			<ul style="list-style-type: none"> Coaching-style training (84 employees at general manager level and higher) 1-on-1 training with external instructors (approx. 3,000 managers) Town hall meetings with the President at company sites (held more than 130 meetings) 		Mitsubishi Electric	
		Implement systematic "investment in people"		Strengthen support for career autonomy	<ul style="list-style-type: none"> Raised internal awareness of and instilled the Career Development Concept Reviewed operation of various internal measures/training (job-level specific training, management training, lifestyle design training, etc.) 			
		Introduction of a new personnel treatment system		Consider a new personnel treatment system	Introduced the new system in April 2024			
		FY2031: Ratio of women/non-Japanese in senior management** ⁶ 30% or more	Promotion of strategic recruitment of external human capital			Achieved number of mid-career hires in FY2024 plan (externally published figure)		Mitsubishi Electric
			Promote diversity in management leaders based on succession management utilizing the global job grading	Conduct planned succession for management candidates within the company		Ratio of women/non-Japanese in senior management:** ⁶ Approx. 15% (as of March 31, 2024)		
		FY2031: Ratio of women in managerial positions 12% or more				3.1% (as of March 31, 2024)		Mitsubishi Electric
			Conduct programs to promote women to managerial positions			Selected FY2024 candidates for managerial positions		
Link with management candidate development programs, etc.			Selected FY2024 group of management candidates					

*3 Implementation of PDCA cycle to correct and prevent human rights violations

*4 Responsible Business Alliance: An alliance of companies promoting corporate social responsibility in global supply chains

*5 Average percentage of positive responses to the five questions in the employee engagement survey conducted annually: "Pride in working for the Company," "Willingness to contribute," "Desire to change jobs," "Encouraging others to join the Company," and "Sense of achievement through work"

*6 Directors, Executive Officers and Executive Officers (Associate)

Materiality	Long-term target	Mid-term target	Single fiscal year target/initiative indicator (KPI) and results			Scope						
			FY2025 target	FY2024 target	Main FY2024 results							
Strengthen corporate governance and compliance on a sustainable basis	Three Key Reforms	<ul style="list-style-type: none"> Promote Three Key Reforms (quality assurance, organizational culture and governance) Monitoring of the Three Key Reforms by the Board of Directors, and appropriate information disclosure 	<ul style="list-style-type: none"> Summarize progress of Three Key Reforms and disclose information semi-annually Hold meetings of the Three Key Reforms Monitoring Committee on an ongoing basis 	<ul style="list-style-type: none"> Promote Three Key Reforms (quality assurance, organizational culture and governance) Monitoring of the Three Key Reforms by the Board of Directors, and appropriate information disclosure 	<ul style="list-style-type: none"> Summarized progress of Three Key Reforms and disclosed information semi-annually (in April and October 2023) Held the Three Key Reforms Monitoring Committee meetings 6 times a year 	Mitsubishi Electric Group						
							Increase effectiveness of the Board of Directors	Maintain the ratio of independent outside director of Mitsubishi Electric over 50%	Maintain the ratio of independent outside director of Mitsubishi Electric over 50% (60% as of June 30, 2024)	58.3% (as of March 31, 2024) Directors: 12 (including 7 independent outside directors)	Mitsubishi Electric	
									Continued disclosure of the skills matrix in General Meeting of Shareholders reference documents			Continued disclosure
									Appointment of an outside director as Chairperson of the Board of Directors			Continued appointment
	Prevent the recurrence of improper quality control practices	Build quality systems for prevention	Reform engineering processes and promote improvement of the environment	Create framework for reforming engineering processes	Made steady progress in general on 19 measures for quality assurance reform	Mitsubishi Electric Group						
	Ensure proper understanding and practice of the compliance motto "Always Act with Integrity"	Provide compliance education on a continuous basis	Provide compliance education on a continuous basis	Provide compliance education on a continuous basis	Attendance rate in FY2024 e-learning programs about the Code of Conduct: 100%	Mitsubishi Electric Group						
			Maintain 100% attendance rate in e-learning programs about the Code of Conduct			Mitsubishi Electric						
			Serious anti-monopoly law and bribery incidents: 0			—	0	Mitsubishi Electric Group				
	Improve the cybersecurity maturity level	FY2026: Mitsubishi Electric Group (Japan) Achieve Level 2 on Cybersecurity Maturity Model Certification*7	Expand security measures implemented internally to associated companies in Japan	Achieve level 2 or higher on Cybersecurity Maturity Model Certification*8	Associated companies in Japan: Completed 6 out of 17 measures, including mail security	Mitsubishi Electric Group						
		FY2029: Mitsubishi Electric Group Achieve Level 2 on Cybersecurity Maturity Model Certification*7	Review and correct information system environment and consider expanding the monitoring and operation system in Asia, the Americas, and Europe				<ul style="list-style-type: none"> China: Completed deployment of measures and commencing operation Asia, Europe, and the Americas: Commenced establishing operation framework and correcting information system environment 					
Create a sustainability-orientated corporate culture	Ensure proper understanding and practice of 'sustainability by employees	FY2026: Achieve 75% or higher positive responses to "Conduct operations in line with Purpose and goals" in the employee engagement survey.	<ul style="list-style-type: none"> Promotion of sustainability awareness via internal newsletters, the intranet, training, etc. Achieve 75% positive responses to "Conduct operations in line with Purpose and goals" in the employee engagement survey. 	Promotion of sustainability awareness via internal newsletters, the intranet, training, etc.	Achieved 72% positive responses to "Conduct operations in line with the Purpose and goals" in the employee engagement survey	Mitsubishi Electric						
	Promote communication with stakeholders both inside and outside the company	<ul style="list-style-type: none"> Issue the Sustainability Report and the Integrated Report Hold dialogues with experts, and conduct sustainability report questionnaires 	<ul style="list-style-type: none"> Issue the Integrated Report Hold the Sustainability Briefing Introduce sustainability initiatives to students, general users and employees through the web and events Conduct internal sustainability workshops 	<ul style="list-style-type: none"> Issue the Sustainability Report and the Integrated Report Hold dialogues with experts, and conduct sustainability report questionnaires 	<ul style="list-style-type: none"> Issued the Sustainability Report and the Integrated Report Held the first Sustainability Briefing Conducted ESG interviews with shareholders and investors 	Mitsubishi Electric Group						

*7 Framework for Cybersecurity Maturity Model Certification set forth by the U.S. Department of Defense (CMMC 2.0). Level 2 is the industry expected standard for companies the size of Mitsubishi Electric.

*8 Target year is fiscal 2029