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Mitsubishi Electric Announces Disciplinary Actions against Directors & Officers in Connection with Improper Quality Control Practices

TOKYO, December 23, 2021 – [Mitsubishi Electric Corporation](http://www.MitsubishiElectric.com) (TOKYO: 6503) announces today receipt of the report on managerial responsibility of Directors and Executive Officers by the Governance Review Committee (Chair: Toshiaki Yamaguchi, Yamaguchi Toshiaki Law Office), which was established as a Board-commissioned body on October 20, 2021, to assess whether there was room for improvement in the Company’s overall internal control system and governance, in response to the series of improper quality control practices. The Company has taken the content of this report very seriously and the Board of Directors and the Compensation Committee held today have resolved the disciplinary actions to be taken against the relevant directors and officers, as detailed below.

The Governance Review Committee will aim to provide a summary of issues identified and recommendations for improvement by March 2022. The Board will take these recommendations on board and work to strengthen its internal control system and governance.

Disciplinary actions to be taken against directors and officers relating to further improper quality control practices which may come to light going forward, including those facts discovered in the Investigative Report (Second Report)*, shall be examined by the Governance Review Committee, and considered by the Company based thereon.

* Update on the Results of the Investigation into Improper Quality Control Practices (Second Report) released on December 23, 2021
<https://www.MitsubishiElectric.com/news/2021/1223-b.html>

1. Managerial responsibility

The managerial responsibility is as stated in “Report by the Governance Review Committee (First Report).”

<https://www.MitsubishiElectric.com/news/2021/1223-c.html>

2. Disciplinary actions against directors & officers

Incumbent directors and officers shall be subject to a reduction in compensation from January 2022, and retired directors and officers shall be requested to voluntarily return their pay, as detailed below.

Current title	Name	Details of actions	Notes
Senior Advisor	Masaki Sakuyama	Request for the voluntary return of pay (50% of basic monthly compensation × 6 months)	Former President & CEO
Senior Advisor	Takeshi Sugiyama	Request for the voluntary return of pay (50% of basic monthly compensation × 6 months and a portion of retirement benefits)	Ex-President & CEO
President & CEO	Kei Uruma	Reduction in compensation (50% of basic monthly compensation × 4 months)	Ex-Group President, Factory Automation Systems Ex-Group President, Public Utility Systems
Senior Vice President	Yoshikazu Miyata	Reduction in compensation (30% of basic monthly compensation × 3 months)	Current Group President, Factory Automation Systems
Executive Officer	Hideki Fukushima	Reduction in compensation (30% of basic monthly compensation × 3 months)	Current Group President, Public Utility Systems
Executive Officer	Atsuhiko Yabu	Reduction in compensation (20% of basic monthly compensation × 3 months)	Ex-Group President, Corporate Total Productivity Management & Environmental Programs
Senior Advisor	Hiroshi Onishi	Request for the voluntary return of pay (20% of basic monthly compensation × 3 months)	Former Group President, Corporate Total Productivity Management & Environmental Programs
Director (Member of the Audit Committee)	Masahiko Sagawa	Reduction in compensation (20% of basic monthly compensation × 3 months)	
Senior Advisor	Akihiro Matsuyama	Request for the voluntary return of pay (20% of basic monthly compensation × 3 months)	Former Director (Member of the Audit Committee)

Current title	Name	Details of actions	Notes
Director	Tadashi Kawagoishi	Reduction in compensation (10% of basic monthly compensation × 2 months)	
Senior Advisor	Nobuyuki Okuma	Request for the voluntary return of pay (10% of basic monthly compensation × 2 months)	Former Director
Senior Advisor	Shinji Harada	Request for the voluntary return of pay (10% of basic monthly compensation × 2 months)	Former Director

[Supplementary information]

- (1) Considering the improper quality control practices and other factors, Mr. Sugiyama resigned from President & CEO as of July 28, 2021, and Mr. Sakuyama resigned from Chairman, Member of the Board as of October 1, 2021.
- (2) The basic monthly compensation of incumbent officers and retired officers has been calculated based on the basic monthly compensation for the fiscal year ending March 31, 2022, and at the time of their retirement, respectively.

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About Mitsubishi Electric Corporation

With 100 years of experience in providing reliable, high-quality products, Mitsubishi Electric Corporation (TOKYO: 6503) is a recognized world leader in the manufacture, marketing and sales of electrical and electronic equipment used in information processing and communications, space development and satellite communications, consumer electronics, industrial technology, energy, transportation and building equipment. Mitsubishi Electric enriches society with technology in the spirit of its “Changes for the Better.” The company recorded a revenue of 4,191.4 billion yen (U.S.\$ 37.8 billion*) in the fiscal year ended March 31, 2021. For more information, please visit www.MitsubishiElectric.com

*U.S. dollar amounts are translated from yen at the rate of ¥111=U.S.\$1, the approximate rate on the Tokyo Foreign Exchange Market on March 31, 2021