

# President's Message

Aiming to Become a Global, Leading Green Company  
Working as a Group to pursue our Corporate Mission.



## Pursuing our Corporate Mission

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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

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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*

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President & CEO

