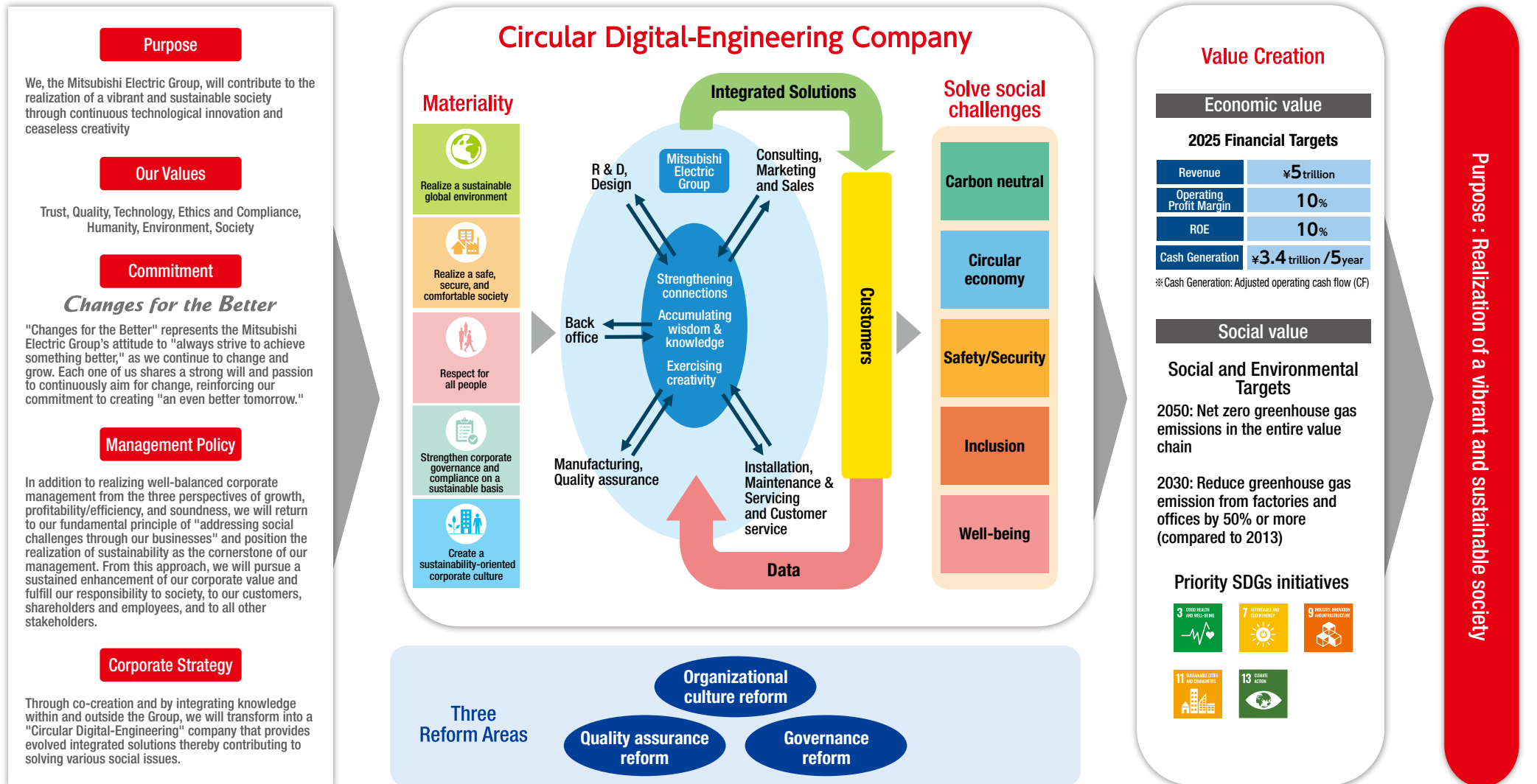


Initiatives to Create Value

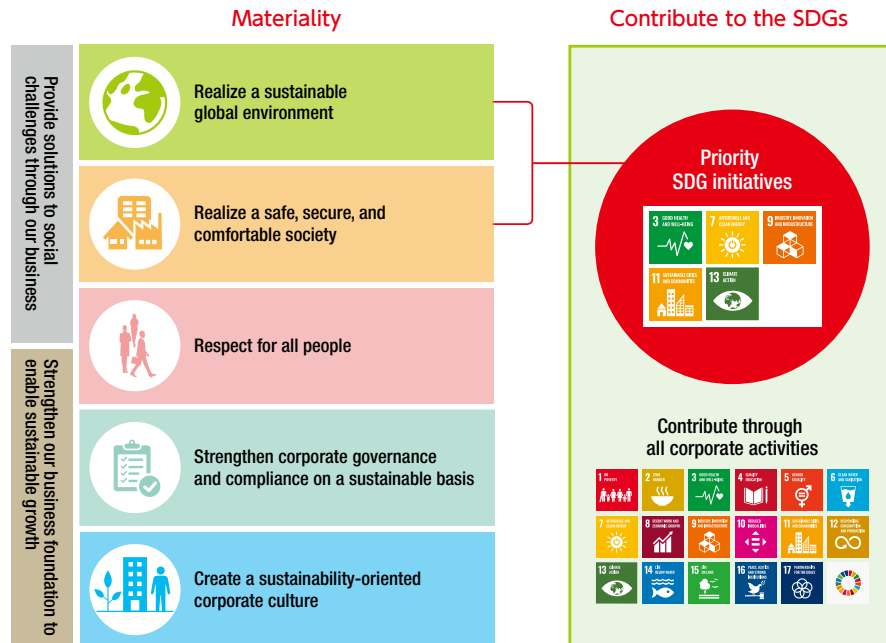
The Mitsubishi Electric Group places more focus than ever on sustainability initiatives at the management level to realize "a vibrant and sustainable society" that we have committed to in our Purpose. We have identified five areas as materiality (important challenges) to "provide solutions to social challenges through our businesses" and as part of our "strengthen our business foundation to enable sustainable growth." Through these materiality initiatives, we will create economic and social value and will contribute to solving social challenges.



Materiality

Mitsubishi Electric Group's Materiality

The Mitsubishi Electric Group places more focus than ever on sustainability initiatives at the management level to realize the "vibrant and sustainable society" that we have committed to in our Purpose. We have identified five areas as materiality to "Provide solutions to social challenges through our businesses" and as part of our "Strengthen our business foundation to enable sustainable growth." Through these materiality initiatives, we will create economic and social value and will contribute to solving social challenges starting with contributing to achieving the SDGs. In our materiality initiatives, we promote continuous activities for improvement by implementing the PDCA cycle for mid-to-long-term initiatives and goals as well as for key performance indicators (KPIs).



Materiality and SDGs

In 2015, the countries of the United Nations General Assembly adopted the Sustainable Development Goals (SDGs). The Mitsubishi Electric Group views these SDGs as an important agenda, the realization of which society seeks.

Under its Purpose that "We, the Mitsubishi Electric Group, will contribute to the realization of a vibrant and sustainable society through continuous technological innovation and ceaseless creativity" the Group aims to contribute to solving social issues. This policy corresponds to what the globally shared goals of the SDGs aim to achieve.

Through our numerous businesses and the entirety of our corporate activities, including environment, social and governance (ESG)-related activities, the Mitsubishi Electric Group is contributing to meeting the 17 SDGs.

SUSTAINABLE DEVELOPMENT GOALS



The SDGs (Sustainable Development Goals)

The SDGs are a set of global goals that are to be achieved between 2016 and 2030. They were adopted by the United Nations General Assembly in September 2015 as a successor to the Millennium Development Goals (MDGs) that were formulated in 2001, and are composed of 17 goals and 169 targets for achieving a sustainable world.

Two key principles of the SDGs are that they seek change in developed countries, including Japan, and that they pledge "no one will be left behind" in the implementation of their initiatives.

In Japan, the SDGs Promotion Headquarters has been established, chaired by the Prime Minister and composed of all ministers in the Cabinet Office, to formulate implementation guidelines and promote initiatives for the SDGs.

[United Nations Information Centres](#)

Priority SDG initiatives

In line with the materiality identified for fiscal 2022, we reviewed the SDGs to address on a priority basis that we determined in fiscal 2019. In the course of reviewing our goals, we conducted an internal and external survey. As a result of it, we found that Mitsubishi Electric is expected to contribute to resolving social challenges through its business activities.

Based on a study within the company, we set SDGs 3, 7, 9, 11, and 13 as the Priority SDG initiatives, which correspond to "realize a sustainable global environment" and "realize a safe, secure, and comfortable society," the areas that the Group will focus on going forward. By further promoting initiatives to create value for these goals to which we can contribute significantly as a comprehensive electrical and electronics manufacturer, we will make a specific contribution to achieving the SDGs.

- Goal 3: Good Health and Well-being
- Goal 7: Affordable and Clean Energy
- Goal 9: Industry, Innovation, and Infrastructure
- Goal 11: Sustainable Cities and Communities
- Goal 13: Climate Action

In doing this, the Mitsubishi Electric Group will integrate the concept of the SDGs into its management strategy and contribute to the SDGs that we will prioritize through our materiality initiatives.

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 greatly contribute toward meeting the 17 Sustainable Development Goals (SDGs).

 <p>1 NO POVERTY</p> <p>No Poverty</p> <p>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 volunteer activities.</p>	 <p>2 ZERO HUNGER</p> <p>Zero Hunger</p> <p>We are contributing to solving food-related 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.</p>	 <p>3 GOOD HEALTH AND WELL-BEING</p> <p>Good Health and Well-being</p> <p>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.</p>	 <p>4 QUALITY EDUCATION</p> <p>Quality Education</p> <p>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.</p>
 <p>5 GENDER EQUALITY</p> <p>Gender Equality</p> <p>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.</p>	 <p>6 CLEAN WATER AND SANITATION</p> <p>Clean Water and Sanitation</p> <p>The Group has technology for treating and purifying water, and supplies technologies and systems whose purpose is to deliver safe water.</p>	 <p>7 AFFORDABLE AND CLEAN ENERGY</p> <p>Affordable and Clean Energy</p> <p>We are working to develop technologies and systems that will help produce a smart, energy-conserving, and energy-creating society — technologies, products, and services that we are endeavoring to make widely available.</p>	 <p>8 DECENT WORK AND ECONOMIC GROWTH</p> <p>Decent Work and Economic Growth</p> <p>Through our FA and AI technologies, we are working to contribute to increased productivity and the provision of desirable working environments throughout the Group.</p>
 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> <p>Industry, Innovation and Infrastructure</p> <p>The Group supports manufacturing through its factory automation business, and nurtures development in the industrial field through technological innovation.</p>	 <p>10 REDUCED INEQUALITIES</p> <p>Reduced Inequalities</p> <p>In cooperation with our stakeholders, we are contributing to realizing discrimination-free societies that respect human rights.</p>	 <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p> <p>Sustainable Cities and Communities</p> <p>We provide safety, security, and comfort to people's lives through our work in the disaster-prevention and infrastructure-development fields.</p>	 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> <p>Responsible Consumption and Production</p> <p>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.</p>
 <p>13 CLIMATE ACTION</p> <p>Climate Action</p> <p>We are working to identify a total valuation of our CO₂ and other greenhouse gas emissions in order to set our goals for reductions.</p>	 <p>14 LIFE BELOW WATER 15 LIFE ON LAND</p> <p>Life below Water/ Life on Land</p> <p>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.</p>	 <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p> <p>Peace, Justice and Strong Institutions</p> <p>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.</p>	 <p>17 PARTNERSHIPS FOR THE GOALS</p> <p>Partnerships for the Goals</p> <p>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.</p>

Realize a sustainable global environment



The Group has formulated its Environmental Sustainability Vision 2050 to clarify the Group's stance on addressing long-term environmental issues. Based on this, we have engaged in activities since fiscal 2022 in line with our medium-term Environmental Plan 2023, and we aim to achieve carbon neutrality and a circular economy by promoting innovation in products and services, and by providing integrated solutions.

Reasons why it is important

Environmental challenges such as climate change and resource/energy issues are hurdles at a global scale. The Mitsubishi Electric Group will contribute to solving these issues with the aim of realizing a sustainable global environment.

Mid-to-long-term initiatives and FY2023 targets

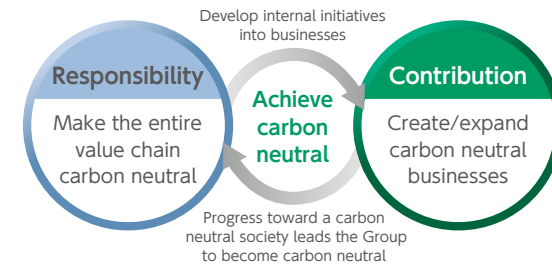
Mid-to-long-term initiatives	FY2023 targets/Key performance indicators (KPIs) (quantitative targets are shown in brackets)	Scope*
Realize carbon neutrality through innovation and Integrated Solutions	Reduce CO ₂ emissions related to the usage of new products (Improvement of more than 1% by the end of FY2024)	Japan, overseas
	Reduce CO ₂ emissions from production (Reduction of more than 30% compared to FY2014 by the end of FY2024)	
Contribute to achieving a circular economy	Use recycled plastics (Rate of more than 10% in terms of the volume of molding and packaging materials by the end of FY2024)	Japan
	Make effective use of waste plastics (Rate of more than 90% by the end of FY2024)	
	Reduce water usage per unit of sales at high-risk offices (More than 4% compared to FY2020 by the end of FY2024)	Japan, overseas

* Mitsubishi Electric; Mitsubishi Electric Group companies (Japan); All Mitsubishi Electric Group companies (Japan, overseas)

Initiatives for carbon neutrality

In fiscal 2022, we examined how we respond to risks related to climate change and to opportunities for realizing carbon neutrality, and we clarified our policy for initiatives. The Mitsubishi Electric Group will adopt a dual-pronged approach to carbon-neutrality based on responsibility and contribution.

Adopted dual approaches to carbon neutral: Responsibility and Contribution.

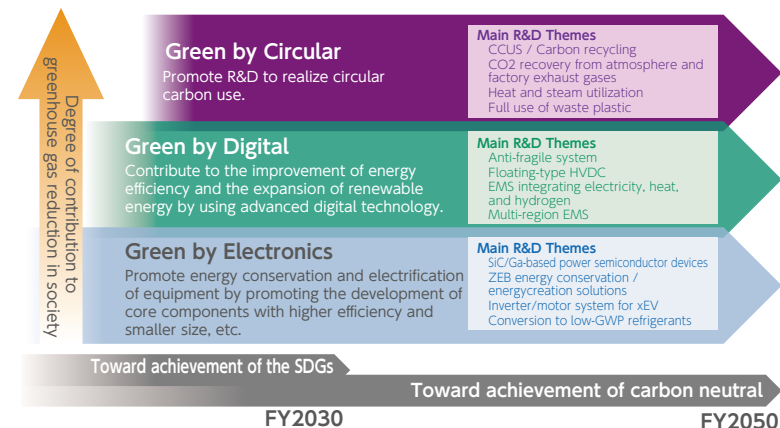


Responsibility Carbon neutral initiatives in the entire value chain

Target FY2051 Net zero greenhouse gas emissions in the entire value chain
FY2031 Reduce greenhouse gas emissions from factories and offices by 50% or more (compared to FY2014)

Contribution Create/expand businesses that contribute to carbon-neutral

We will accelerate R&D in three innovation areas: Green by Electronics, Green by Digital, and Green by Circular to create and expand businesses that make society as a whole carbon neutral



CCUS: Carbon dioxide Capture Utilization and Storage, EMS: Energy Management System, GWP: Global Warming Potential, HVDC: High Voltage Direct Current

Realize a safe, secure, and comfortable society

Since our inception, the Mitsubishi Electric Group has been contributing to society primarily by offering products and services.

We aim to solve diversifying social challenges through our businesses to realize the "vibrant and sustainable society" outlined in our Purpose.



Reasons why it is important

The Mitsubishi Electric Group will supply Integrated Solutions that combine the strengths of the Group and other parties in the areas of infrastructure, industry, mobility, life, and business platform to solve diversifying social challenges and to contribute to the realization of a safe, secure, and comfortable society.

Mid-to-long-term initiatives and FY2023 targets

Mid-to-long-term initiatives	FY2023 targets/Key performance indicators (KPIs) (quantitative targets are shown in brackets)	Scope*
Contribution through business activities in the areas of safety/security, inclusion, and well-being	Safety/Security <ul style="list-style-type: none"> Promotion of products, services, and solutions that contribute to minimizing damage due to natural threats, including prevention of natural disasters Promotion of products, services, and solutions that contribute to avoidance, damage mitigation, and quick solutions regarding human-caused threats, including crime and accident suppression Promotion of products, services, and solutions that contribute to improving adaptability to urban and social challenges, including labor shortages, declining population, and depopulation 	Japan, overseas
	Inclusion <ul style="list-style-type: none"> Promotion of products, services, and solutions that reduce the impact of physical limitations (age, disability, etc.) and environmental limitations such as residential areas 	
	Well-being <ul style="list-style-type: none"> Promotion of products, services, and solutions that contribute to realizing more comfortable and healthy living 	

* Mitsubishi Electric; Mitsubishi Electric Group companies (Japan); All Mitsubishi Electric Group companies (Japan, overseas)

Putting co-creation into practice at Mitsubishi Electric Event Space "METoA Ginza"

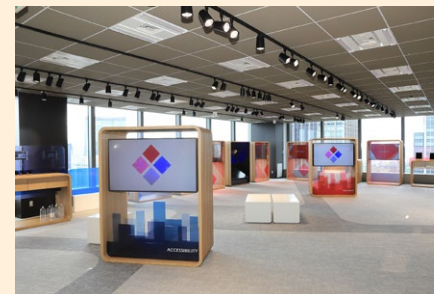
In 2016, Mitsubishi Electric opened "METoA Ginza" in Ginza, Tokyo as an event space for customers to learn about the activities at Mitsubishi Electric. Since its opening, we have been holding interactive events under a different theme each time, such as smart city, universe, and parasports, once every several months at METoA Ginza as a place for visitors to become familiar with the Mitsubishi Electric Group's technologies and services while they enjoy the event. Starting in March 2022, we have worked to evolve it into a place for co-creation that will lead to the realization of a safe, secure, and comfortable society. Through exhibitions themed from a sustainability point of view, we will have stakeholders experience ideas in the development stage, collect their opinions, and reflect them in development to create a place of co-creation for solving social challenges.



Mitsubishi Electric's METoA Ginza Event Space

Opened "XCenter," an exhibition site based on the themes of digital transformation and smart cities

Mitsubishi Electric opened XCenter at its head office in December 2021 as a place for visitors to experience its cutting-edge technologies and products. XCenter will contribute to realizing smart cities featuring a balance between sustainable society and affluent life-styles by co-creating new solutions with customers and partners.



Respect for all people



We recognize that we enjoy a wide range of relationships with the people and societies in the countries and regions where we operate, and we respect the human rights of all people. We promote diversity so that diverse people can do their best work, and we promote the Workplace Culture Reform Program as a Group to realize a work environment in which all employees can thrive.

Reasons why it is important

The protection of human rights is a global issue. Everyone's rights as individuals must be respected. The Mitsubishi Electric Group will respect human rights in all of our activities and realize a workplace environment that helps all employees work actively.

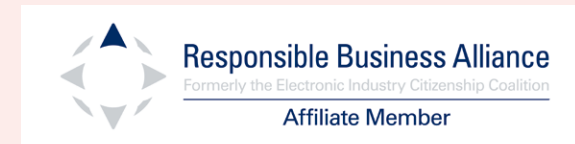
Mid-to-long-term initiatives and FY2023 targets

Mid-to-long-term initiatives	FY2023 targets/Key performance indicators (KPIs) (quantitative targets are shown in brackets)	Scope*
Promote human rights initiatives that are based on international norms	Identify and improve priority initiative items based on the results of the FY2022 Human Rights Impact Assessment (No insufficient initiative items)	Japan, overseas
	Grasp the improvement statuses of human rights initiatives based on the FY2023 Human Rights Impact Assessment (Implementation rate of 100%)	
	Enhance response for grievances on human rights	Mitsubishi Electric Japan, overseas
	Provide education on human rights and e-learning sessions (Attendance rate of 100%)	
Realize a workplace environment that helps all employees work actively	Continue to promote the Mitsubishi Electric Workplace Reform Program. In particular, accelerate initiatives for improving employee engagement (Quantitative targets for Mitsubishi Electric only) (Employee engagement score*1 of more than 70% by FY2023) (Work-life balance score** of more than 70% by FY2023)	Japan
	Carry out a transformation starting with the renewal of the personnel system based on the "Robust Policies" from the company-wide reform project "Team Sousei (Creation)"	
Promote diversity	Increase the ratio of women among new recruits (1.2 times the average of the past five years (FY2017 to FY2021) by FY2026)	Mitsubishi Electric
	Increase the ratio of women in managerial positions (2 times the ratio in FY2021 by FY2026)	
	Encourage male employees to take child-care leave* (70% by FY2026) * Including those taking leave when their spouse gives birth	
	Overseas Actively appoint local national staff as executives for overseas bases	overseas
	Promote the hiring of people with disabilities at more than the statutory employment rates and promote the development of a workplace environment that is comfortable for them (More than 2.5% by April 2023) * Including special subsidiary companies	Mitsubishi Electric
Promotion of occupational health and mental and physical health	Make improvements regarding the rate of lost worktime injuries* (Less than 0.25/year) * Total number of accidents per 1 million hours Mitsubishi Electric	Mitsubishi Electric
	Realization of a workplace environment where people can work while maintaining their mental and physical health through the establishment of a health-conscious management by implementing Mitsubishi Electric Group Health Plan 21 activities and other initiatives. (Less than 9.0% highly stressed persons as identified in a stress check; 0.6% improvement from FY2022)	Japan

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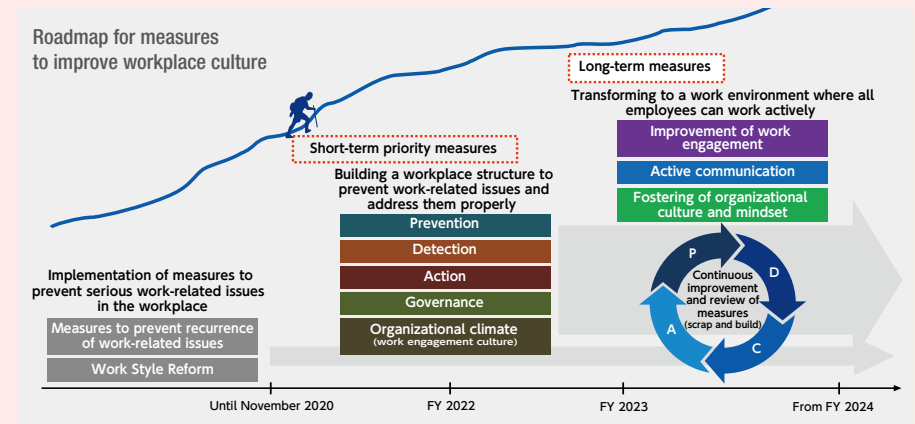
Joining RBA

In February 2022, Mitsubishi Electric joined the Responsible Business Alliance (RBA), an alliance that promotes corporate social responsibility in the global supply chains. By adopting the RBA approach and tools in practical ways in order to strengthen its sustainability initiatives, thereby helping earn society's trust.



Realize a workplace environment that helps all employees work actively

Positioning the prevention of recurrence of work-related issues as our top management priority, the Group as a whole is advancing the "Mitsubishi Electric Workplace Reform Program" based on a third party evaluation conducted by outside experts, while aiming to achieve a culture where employees feel that they can consult with their superiors, where failures are tolerated, and where problems are solved together, through connections enabled by open communication.



Employee Awareness Survey

KPI	Result for 2H FY2022	Goal
Percentage of employees who are proud and motivated to work for the Company	54%	80% or more
Percentage of employees who responded that they had a good work-life balance	65%	80% or more

Strengthen corporate governance and compliance on a sustainable basis



To realize sustainable growth and improve 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 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.

Reasons why it is important

Corporate governance and compliance are fundamental preconditions for a company's continued existence. The Mitsubishi Electric Group will continue to reinforce these areas.

Mid-to-long-term initiatives and FY2023 targets

Mid-to-long-term initiatives	FY2023 targets/Key performance indicators (KPIs) (quantitative targets are shown in brackets)	Scope*
Improve the board of directors' effectiveness	Continue to strengthen the function of the board of directors and the three statutory committees based on the effectiveness assessment	Mitsubishi Electric
	Realize a highly independent composition in the board of directors (Over 50% independent outside directors)	
Thorough compliance	Compliance training on a continuous basis • Provide compliance education that utilizes diverse methods on a continuous basis	Japan, overseas
	Rate of attendance in e-learning programs about the Code of Conduct (maintain a rate of 100%)	Mitsubishi Electric
	Fair competition (prevention of antimonopoly violations) • Establish and thoroughly implement antimonopoly prevention measures: provide practical training on an ongoing basis, conduct monitoring with an eye toward establishing regulations and rules (Zero major incidents of the violation of the prevention of antimonopoly violations)	Japan, overseas
	Corruption prevention (prevention of bribery) • Establish and thoroughly implement bribery prevention measures: provide bribery prevention education, and conduct monitoring with an eye toward establishing regulations and guidelines (Zero major bribery incidents)	
Procurement that contributes to sustainability	Organize CSR assessments on major suppliers to establish a responsible supply chain	Japan, overseas
	Establish a plan for sustainability procurement policy guidelines (Integrate the Green Procurement Standards Guide and the CSR Procurement Guidelines)	
Information security activities to protect important information	Eradication of major information leakage incidents (Zero incidents)	Japan, overseas
	Compliance with information security related laws and regulations (Zero violations)	
	Improve the information security maturity level (Higher than the FY2026 target level 3*) <small>* Framework of the Cyber Security Maturity Model Certification (CMMC) issued by the U.S. Department of Defense. Level 3 or above indicates an excellent security measure/management system</small>	
Complete reform in the area of quality assurance with an aim for zero quality-related fraud	Reconstruct functions for checks and balances • Conduct quality audits and promote improvements once a year at all manufacturing facilities and plants (Implementation rate of 100%)	Mitsubishi Electric
	Measures for technology capability and resource issues • Build a system for compliance with quality-related laws, regulations and public standards; develop and implement an investment plan for infrastructure development, etc. related to the quality assurance system	Japan, overseas
	Renewed efforts to raise awareness on quality compliance • Improve quality compliance awareness and provide e-learning (Attendance rate of 100%) • Survey the awareness of employees on quality	Japan

* Mitsubishi Electric; Mitsubishi Electric Group companies (Japan); All Mitsubishi Electric Group companies (Japan, overseas)

Dialogue between an Outside Director and the President & CEO: Improving the effectiveness of governance and corporate value

In response to a series of events with improper conduct in quality control, Mr. Kei Uruma was appointed President and CEO in July 2021 and Mr. Mitoji Yabunaka, an Outside Director, was appointed Chairman of the Board of Directors of Mitsubishi Electric in October 2021 to further strengthen the function of supervising management to improve of the effectiveness of the board of directors. After more than six months since each of them assumed their positions, they engaged in discussions together under the theme of improving the effectiveness of governance and corporate value. During this dialogue, they expressed their enthusiasm about the three reforms for the Mitsubishi Electric Group to regain trust and they exchanged frank views on the future of the Company, human resource strategies, and efforts to improve corporate value.

Date: May 2022



Kei Uruma,
President and CEO

Mitoji Yabunaka,
Outside Director and Chairman
of the Board of Directors

Integrated Report

Compliance Motto - "Always Act with Integrity"

The Mitsubishi Electric Group established a compliance motto "Always Act with Integrity" for all Mitsubishi Electric Company's officers and employees on June 1, 2022. "Integrity" means the strong will and attitude to persist in doing the right thing and having character traits such as "being fair," "being honest," "being sincere," "taking responsibility for one's behavior" and "respecting others."

Always Act with Integrity
いかなるときも「誠実さ」を貫く

Create a sustainability-oriented corporate culture



To contribute to realizing sustainability, the Mitsubishi Electric Group must instill a corporate culture that includes: a commitment to solving social challenges from a long-term perspective, having sensitivity and adaptability to changes in society, and proactive disclosure of information to stakeholders. Corporate culture cannot be changed overnight. We will work to build this culture over a long period as a foundation to support sustainable management.

Reasons why it is important

The Mitsubishi Electric Group will contribute to realizing sustainability through all of our activities. To this end, we will proactively communicate with stakeholders and foster a corporate culture that encourages employees to pursue initiatives from a mid-to-long-term perspective.

Mid-to-long-term initiatives and FY2023 targets

Mid-to-long-term initiatives	FY2023 targets/Key performance indicators (KPIs) (quantitative targets are shown in brackets)	Scope*
Promote mid-to-long-term initiatives for solving social challenges	Strengthen the management system to realize sustainability management that integrates the promotion of sustainability (Report to the Executive Officers' Meeting and the Board of Directors at least three times) (Business divisions participating in the Sustainability Committee)	Japan, overseas
	Improve understanding on the relationship between business operation and sustainability (More than 80% understanding on the new management policy and more than 75% understanding on the operation of business in line with the management policy, according to the results of an employee awareness survey)	
	Promote activities aimed at realizing a inclusive society <ul style="list-style-type: none"> Coexistence with the global environment: As an activity related to the Mitsubishi Electric Outdoor Classroom, contribute to biodiversity preservation activities by using BIOME, a living things collection application developed by Kyoto University's environmental venture company, Biome Inc. (1,000 participants) Coexistence with the local community: Support organizations that contribute to solving social challenges including support for people with disabilities, based on the SOCIO-ROOTS Fund Coexistence with all people: Promote the development of people in the next generation through support for science, technology, culture, art, and sports 	
Increase sensitivity and adaptability to changes in values among society and individuals	Discuss social trends in Sustainability Committee meetings and respond to these trends	
Promote active communication with stakeholders based on highly transparent information disclosure	Issue the Sustainability Report and the Integrated Report, hold dialogues with experts, and conduct sustainability report questionnaires	

* Mitsubishi Electric; Mitsubishi Electric Group companies (Japan); All Mitsubishi Electric Group companies (Japan, overseas)

Organizational culture reform through the company-wide reform project "Team Sousei (Creation)"

We launched a company-wide reform project "Team Sousei (Creation)" led by the CEO. The team consists of 45 young and middle-level employees selected through internal recruitment to raise awareness on a culture where employees feel that they can consult with their superiors, where failures are tolerated, and where problems are solved together in October 2021. The Team Sousei (Creation) has developed "Robust Policies" in April through three steps of discussions and considerations for the realization of the organizational culture that Mitsubishi Electric is pursuing.

Information on the status of activities of Team Sousei (Creation) is shared on the internal website as needed for all employees to check the current status and to make comments.

[Steps]

- Step 1** Search for problems and true causes (Oct.-Dec. 2021)
- Step 2** Consider measures (Dec. 2021-Feb. 2022)
- Step 3** Develop "Robust Policies" (developed in March 2022, and released on April 8, 2022)



Briefing session in Step 2 of the company-wide reform project (Feb. 8, 2022)

Initiatives that Contribute to Addressing Social Challenges

List of initiatives that contribute to addressing social challenges

Business Group headquarters	Social challenges for which risks and opportunities have been recognized and evaluated	Priority SDG initiatives	Examples of initiatives
Public Utility Systems Group	<ul style="list-style-type: none"> ● Appropriate use of water ● Optimal use of energy ● Addressing climate change ● Development of safe, secure, comfortable, and sustainable cities 		<ul style="list-style-type: none"> ■ Reducing Environmental Burdens and Realizing a Society with Rich Water Cycle by Advancing Water and Sewage Systems Using IoT Technology ■ Developing High Efficiency Electrical Components for Rolling Stock and Providing Maintenance Solutions that Contribute to the Development of Railways, Which Are an Energy Efficient and Environmentally Friendly Transportation Network ■ Providing Disaster Prevention and Mitigation Services and Other Services that Enhance Infrastructure Maintenance and Management that Contribute to the Development of Safe, Secure, and Comfortable Cities
Energy & Industrial Systems Group	<ul style="list-style-type: none"> ● Optimal use of energy ● Introduction of clean energy ● Sustainable use and development of resources ● Addressing climate change 		<ul style="list-style-type: none"> ■ Contributing Toward Economical and Reliable High-Quality Power Distribution Systems, Optimized Energy Use via ICT for Interconnectivity and Resilient Energy Infrastructure that Operates Seamlessly, Even During Emergencies ■ Improving the Efficiency of Power Generators, Switchgear and Transformers ■ Developing Equipment that Caters to Environmental Awareness for Eliminating or Reducing the Use of SF6 Gas, Known for Its High Global-Warming Potential ■ Supply and Demand Management with the Growing Use of Renewable Energy Resources, Integrated Management of Distributed Energy Sources Including Demand Control, and Driving Grid Stabilization Solutions ■ Driving Distributed Power Supply Operation Solutions Capable of Responding to New Demand, Such As the Wide Area Supply and Demand of Electricity Through Interconnection of Electric Power Utilities
Building Systems Group	<ul style="list-style-type: none"> ● Optimal use of energy ● Development and dissemination of innovative infrastructure ● Development of safe, secure, comfortable and sustainable cities ● Waste reduction 		<ul style="list-style-type: none"> ■ Pursuing Comfortable, Safe and Secure Elevator and Escalator Transport. Supporting Safe and Comfortable Use of Elevators and Escalators with Maintenance Services ■ Further Improving Energy Savings, Safety, Comfort, and Functionality Through Elevator and Escalator Renewal ■ Providing Smart Building Solutions by Supporting Robot Mobility within the Building, Supporting ZEB Operations, etc. ■ Providing Safety and Security with Integrated Building Security Systems. Supporting Energy Savings and Comfort in Buildings Through Building Facilities Operations Systems
Electronic Systems Group	<ul style="list-style-type: none"> ● Securing of a sustainable food production system ● Integrated management of water resources ● Creating secure, safe and comfortable sustainable cities ● Addressing climate change, prevention of marine pollution, and prevention of deforestation 		<ul style="list-style-type: none"> ■ Contributing to World-Leading Global Environment Observation ■ Contributing to Conserving Global Environment and Ensuring Secure and Safe Living by Using Satellite Observation Data ■ Contributing to Secure, Safe, and Comfortable Living Through High Precision Positioning Solution
Living Environment & Digital Media Equipment Group	<ul style="list-style-type: none"> ● Optimal use of energy ● Introduction of clean energy ● Sustainable use and development of resources ● Addressing climate change 		<ul style="list-style-type: none"> ■ Lossnay® for Commercial Use, High-performance Ventilation Equipment ■ Achieving High Efficiency Operation and CO2 Emissions Reduction for Hot Water and Heating Systems by Switching from the Combustion Type to the Air to Water (ATW) Heat Pump Hot Water System Mainly in Europe, Which Has Strict Environmental Regulations ■ MILIE LED Lighting – Realizing Reduced Power Consumption and Comfort ■ EcoCute Provides Excellent Energy Savings and Comfort ■ Recycling of Home Electrical Appliances
Factory Automation Systems Group	<ul style="list-style-type: none"> ● Sustainable use and development of resources ● Addressing climate change ● Measures against air, water, and soil pollution ● Addressing the declining labor force population 		<ul style="list-style-type: none"> ■ Achieving Automation of Customer Production Facilities and Improving Productivity and Product Quality Through Development of FA Equipment, Industrial Robots, and Mechatronics Products ■ Providing e-F@ctory Solutions that Help Streamline Manufacturing and Reduce Energy Consumption ■ Developing Instruments that Measure Energy and Control Power Distribution to Help Promote Energy Savings
Automotive Equipment Group	<ul style="list-style-type: none"> ● Reduction of air pollution and climate change countermeasures ● Zero traffic accidents, elimination of traffic congestion, and comfortable travel ● Elimination of regional gaps ● Measures to address aging infrastructure 		<ul style="list-style-type: none"> ■ Technological Innovation of Automotive Equipment Products for a Decarbonized, Safe and Secure Society
Semiconductor & Device Group	<ul style="list-style-type: none"> ● Appropriate use of water ● Optimal use of energy ● Proper management of chemical substances ● Addressing climate change 		<ul style="list-style-type: none"> ■ SiC Power Semiconductor Devices that Achieve Low-Power Consumption of Customers' Devices ■ Optical Communication Device that Contributes to Low Power Consumption of Network Equipment for 5G Mobile Communications Base Stations
Information Systems & Network Service Group	<ul style="list-style-type: none"> ● Optimal use of energy ● Introduction of clean energy ● Realization of a safe society ● Addressing labor force shortages 		<ul style="list-style-type: none"> ■ Using Internet Data Centers to Help Customers Reduce Environmental Impact ■ Providing Smart Office Solutions that Also Contribute to Work Style Reforms
Business Innovation Group	<ul style="list-style-type: none"> ● Demographic changes and the deterioration of social infrastructure ● Increase in the severity of disasters as well as environmental and energy problems ● Creation of a society that includes the elderly and those in poor health ● Decrease in the number of construction workers and productivity declines 		<ul style="list-style-type: none"> ■ Contributing to Increases in Productivity at Construction Sites with AI Rebar Arrangement Inspection System ■ Study and Implementation of Healthtech for the Elderly

Public Utility Systems Group

Message from the Group President

Contributing to Creation of a Sustainable, Safe, Secure, Comfortable and Affluent Society by Providing Products, Systems and Services for the Social Infrastructure that Underpins Our Lives

The Public Utility Systems Group provides a host of products, systems and services used in social infrastructure in the areas of water environment, rivers, railways, roads, aviation, and communication. Integrating the wide range of technologies we have accumulated over the years, we provide solutions to address various social challenges in order to contribute to a safe, secure, comfortable and affluent society.



Hideto Negoro
Executive Officer,
Group President,
Public Utility Systems

1. Realizing a society with rich water cycle

The world has been facing a number of problems related to water use—the number of water pollution sources has been increasing due to concentration of population and industry; demand for water has been growing due to industrial development and population growth; and distribution of water resources is becoming more uneven due to climate change. With this in mind, we will continue to reduce environmental burdens and realize a society with rich water cycle by advancing water and sewage systems using IoT technology and introducing highly efficient water recycling systems that make use of ozone.

2. Contributing to a decarbonized society

We are also contributing to the development of railways, which are an energy efficient and environmentally friendly transportation network. We produce highly reliable, energy efficient electrical components for rolling stock and develop information processing systems that provide a variety of services to railway operators and users. We will continue to contribute to the further development of the railway business and a decarbonized society by providing maintenance solutions that improve the efficiency of troubleshooting and maintenance management as well as platforms that promote data utilization.

3. Creating safe, secure and comfortable cities

Mitsubishi Electric also develops disaster prevention and mitigation systems in response to increasingly severe natural disasters as well as services that enhance maintenance and management of aging social infrastructure such as tunnels to create safe, secure cities. In addition, we also aim to create comfortable cities by providing video analysis solutions for realizing new services, such as analyzing the movement and flow of people to prevent congestion, in addition to high-speed, large-capacity communication systems that support the development of an IoT society.

Major social challenges for which risks and opportunities have been recognized and evaluated

- Appropriate use of water
- Optimal use of energy
- Addressing climate change
- Measures against air, water, and soil pollution
- Waste reduction and management
- Sustainable use and development of resources
- Development of safe, secure, comfortable, and sustainable cities

Priority SDG initiatives



Initiatives that contribute to addressing social challenges

- **Realizing a Society with Rich Water Cycle**
 - Ozone Generator
 - Eco Membrane BioReactor (EcoMBR™)
- **Contributing to a Decarbonized Society**
 - Inverters Equipped with All-SiC Power Modules for Use in Rolling Stock
 - Railway maintenance solution "LMS on INFOPRISM"
- **Creating Safe, Secure and Comfortable Cities**
 - Helicopter Satellite Communication System (HSA)
 - Mitsubishi Infrastructure Monitoring System MMSD®
 - Mitsubishi Multi-dimensional Data Management for Diagnosis MDMD®
 - Network camera systems
 - Optical access system 10G-EPON

Public Utility Systems Group

Energy & Industrial Systems Group

Message from the Group President

By developing high-performance equipment and next-generation power systems that are capable of responding to natural disasters, human-caused threats including cyberattacks and terrorism, and changes in the electricity market (e.g., the growing use of renewable energy sources), we will realize both carbon neutrality and a stable electricity supply

Due to the spread of renewable energy resources such as solar and wind power, as well as storage batteries, the environment and market needs surrounding the electric power industry will increasingly expand with an approach toward local production for local consumption in terms of the supply and demand of electricity. Meanwhile, the stable supply of electricity will grow increasingly important in response to fluctuations in the output of renewable energy sources which is affected by weather, and the influx of surplus electricity generated at factories, households, etc. (consumers) into the power grid.

In the midst of this situation, the Energy & Industrial Systems Group has defined the realization of both carbon neutrality and the stable supply of electricity as a social issue to be resolved. While investing resources predominantly in the creation of digital energy (via visualization of electricity) business value within the electricity ICT field and the renewable energy business such as with DC power transmission and micro-grids to contribute to realize carbon neutrality, we will also work to ensure the stable supply of electricity by prioritizing maintenance service when working to maintain and expand our conventional power generation and transformation businesses.



Noriyuki Takazawa
Executive Officer,
Group President,
Energy & Industrial
Systems

Major social challenges for which risks and opportunities have been recognized and evaluated

- Optimal use of energy
- Sustainable use and development of resources
- Introduction of clean energy
- Addressing climate change

Priority SDG initiatives



Initiatives that contribute to addressing social challenges

- **Developing power equipment and systems supporting power generation, grid transmission & distribution to help bring about a safer, more secure and more comfortable world.**
 - Indirect Hydrogen-Cooled VP-X Series Turbine Generators
 - Reduced Environmental Impact Switchgear
 - Reduced Environmental Impact Transformers (vegetable oil-based, natural-air cooling type)
 - Monitoring and Control Systems
 - Module Type Automatic Voltage Regulator (AVR)
- **Contributing to Customer Management via Solutions that Create New Value for Power Systems**
 - BLEnDer® Series Software Package for the Electric Power Market
 - Distributed Power Supply Operation & Virtual Power Plant (VPP) Systems
 - Smart Meter System
 - Large-Capacity Energy Storage Control Systems
 - D-SMiree Smart Medium-Low Voltage DC Distribution Network System

 Energy & Industrial Systems Group

Building Systems Group

Message from the Group President

Making the Most of the Mitsubishi Electric Group's Advanced and Environmental Technologies to Provide Solutions that Satisfy Customers in All Aspects of Safety, Comfort, Efficiency and the Environment

The Building Systems Group manufactures building management systems and elevators and escalators that provide vertical transportation within buildings. As part of our mission to deliver products and systems and the subsequent maintenance thereof, we believe it is important to give priority to the safety and security of our customers throughout the product lifecycle. In doing so, we help to create a comfortable, environment-friendly society through our products and services. Maintaining this promise, the Building Systems Group is focused on the following initiatives:



Tadashi Matsumoto
Representative
Executive Officer,
Senior Vice President,
Group President,
Building Systems

1. Pursuing user-friendly, eco-conscious products

- (1) Promoting the development of high-efficiency, energy-saving products and technologies, and saving resources by designing products and systems that are safe and easy to use for everybody.
- (2) Promoting the renewal of existing equipment and facilities in order to reduce power consumption and improve safety and convenience, and minimizing waste emissions by reusing parts whenever possible.

2. Offering one-stop ZEB*1 solutions

As a registered ZEB planner*2, Mitsubishi Electric offers one-stop solutions, from support for the design of ZEBs to services that contribute to customers' energy-saving efforts after the start of operations. We also support initiatives to improve the added value of buildings beyond a higher level of energy efficiency.

*1 A building where the net consumption of fossil fuel energy is zero or roughly zero, offset by energy savings and the utilization of renewable energy resources.

*2 A registration system introduced by the Ministry of Economy, Trade and Industry in 2017 for the dissemination of ZEB.

3. Contributing to smart buildings*3 and smart cities*4

Mitsubishi Electric contributes to the construction of smart buildings and smart cities by providing building operation support services via our IoT platform.

*3 Buildings where people feel safe and comfortable and can work efficiently that also solve social issues through energy and labor savings achieved with in-building data collected using IoT technology.

*4 Cities with optimized urban infrastructure and facility management operations as well as increased convenience and comfort for businesses and consumers. AI is used to analyze big data generated from facilities, the environment, and consumer behavior data in order to remotely control facilities and equipment.

Major social challenges for which risks and opportunities have been recognized and evaluated

- Optimal use of energy
- Development of safe, secure, comfortable and sustainable cities
- Development and dissemination of innovative infrastructure
- Waste reduction

Priority SDG initiatives



Initiatives that contribute to addressing social challenges

- Pursuing Comfortable, Safe and Secure Elevator Transport and Contributing to Smart Buildings
- Supporting Safe and Comfortable Use of Elevators and Escalators with Maintenance Services
- Further Improving Safety, Comfort, and Functionality Through Elevator and Escalator Renewal
- Safety and Security in Building Security focused on Entrance/Exit Management Systems
- Supporting Energy Savings and Comfort for Variety of Buildings Through Building Facilities Operations Systems
- Providing Comfortable Buildings with Reduced Energy Use to Contribute to a Carbon Neutral Society
- Contributing to the Achievement of a Smart Building by Supporting Robot Mobility within the Building and Supporting ZEB Operations

Building Systems Group

Electronic Systems Group

Message from the Group President

Contributing to Solving Environmental Problems and Create Sustainable Cities by Providing Artificial Satellites and Other High Added-Value Products and Services

The Electronic Systems Group is contributing to the realization of an affluent society by providing artificial satellites, various sensor systems, and other ranges of products and services. By further enhancing our strength in the satellite system, sensor, high-precision positioning, and other technologies and advancing the following initiatives by leveraging these strengths, we will continue to solve social issues:



Yoshihisa Hara
Executive Officer,
Group President,
Electronic Systems

1. Providing products and services that contribute to solving environmental problems

With our observation satellites, represented by the greenhouse gases observing satellites (the "IBUKI" (GOSAT) series), advanced land observing satellites (DAICHI (ALOS) series), and meteorological satellites (the Himawari series), we contribute to solving global-scale environmental problems by continuously providing data on the global environment, such as greenhouse gas density distribution, disaster situations, and the marine environment.

2. Providing solutions that contribute to solving various social issues by using satellite data

By using our technology to analyze satellite observation data, we provide new solutions such as infrastructure monitoring. With a centimeter-level high-precision positioning solution that combines our three core technologies (the MICHIBIKI quasi-zenith satellite system, high-precision positioning device, high-accuracy 3D mapping), we will bring various innovations to the areas of automotive, railroad, agriculture and civil engineering. We will work on these initiatives to contribute to creating secure, safe, and comfortable sustainable cities.

Major social challenges for which risks and opportunities have been recognized and evaluated

- Securing of a sustainable food production system
- Integrated management of water resources
- Infrastructure development that supports economic growth and disaster prevention
- Creating secure, safe and comfortable sustainable cities
- Reduction and management of waste
- Addressing climate change
- Prevention of marine pollution
- Prevention of deforestation

Priority SDG initiatives



Initiatives that contribute to addressing social challenges

- Contributing to World-Leading Global Environment Observation
- Contributing to Conserving Global Environment and Ensuring Secure and Safe Living by Using Satellite Observation Data
- Contributing to Secure, Safe, and Comfortable Living through High Precision Positioning Solution

Electronic Systems Group

Living Environment & Digital Media Equipment Group

Message from the Group President

Providing Products that are Helpful for Society and the Environment in Wide Areas and Reducing Environmental Impact during Production

The Living Environment & Digital Media Equipment Group focuses on the air-conditioning and refrigeration systems business, one of the key growth sectors at Mitsubishi Electric. In addition to expanding operations, we are pressing forward with proposals of total solutions using IoT and AI technologies as well as products within and outside the Mitsubishi Electric Group to realize life solutions for everyone, from workers to people at home, to live by their own values by taking advantage of a wide range of synergies in technologies and business operations as a general electric-appliance manufacturer.

As we expand business, we believe it is important to provide products and services that contribute simultaneously to achieving sustainability, safety, security, and comfort as well as to resolving social issues. Part of this includes supplying a broad range of environment-friendly systems and services for the home, office, and industry. These include air conditioners that produce less CO₂ during use and our energy-saving EcoCute product lineup. Additionally, Mitsubishi Electric proposes solutions that aim to achieve energy savings by building systems as a whole in support of programs such as ZEB, promoted by the Japanese government, in cooperation with the Building Systems Group.

Meanwhile, as activities to reduce CO₂ from production, the Living Environment & Digital Media Equipment Group is proactively introducing energy-saving products at production sites; namely, high-efficiency air-conditioners, heat-pump hot-water supply systems and LED lighting. We are also promoting energy-saving activities by improving productivity linked to just-in-time improvement activities based on e-F@ctory concepts.



So Suzuki
Executive Officer,
Group President,
Living Environment
& Digital Media
Equipment

Major social challenges for which risks and opportunities have been recognized and evaluated

- Optimal use of energy
- Introduction of clean energy
- Development of safe, secure, comfortable and sustainable cities
- Sustainable use and development of resources
- Proper management of chemical substances
- Addressing climate change

Priority SDG initiatives



Initiatives that contribute to addressing social challenges

- Lossnay® for Commercial Use, High-performance Ventilation Equipment
- Achieving High Efficiency Operation and CO₂ Emissions Reduction for Hot Water and Heating Systems by Switching from the Combustion Type to the Air to Water (ATW) Heat Pump Hot Water System Mainly in Europe, Which Has Strict Environmental Regulations
- MILIE LED Lighting – Realizing Reduced Power Consumption and Comfort
- EcoCute Provides Excellent Energy Savings and Comfort
- Recycling of Home Electrical Appliances

Living Environment & Digital Media Equipment Group

Factory Automation Systems Group

Message from the Group President

Contributing to the Realization of a Sustainable Society through the Provision of Energy Saving Equipment and Solutions and the Utilization of Automation Technology at Production Sites

The Factory Automation Systems Division is focused on enriching the lives of people around the world by contributing to co-innovation with industry and infrastructure customers through the use of technology.

Going forward, we will continue to contribute to solving social issues, such as decarbonization and labor shortages, with the aim of realizing a sustainable society by providing production sites with energy-saving equipment and solutions that utilize automation technology.



Satoshi Takeda
Executive Officer,
Group President,
Factory Automation
Systems

1. Contributing to decarbonization by providing energy-saving equipment and solutions

Amid the growing demand for decarbonization related products, such as batteries, electric vehicles, and solar panels, we will contribute to manufacturers of those products by providing equipment, systems, and solutions with high energy saving capabilities for use in production equipment helping to reduce their overall energy consumption.

2. Contributing to measures to reduce the impact of labor shortages by utilizing automation technology

We will contribute to measures to reduce the impact of labor shortages by supporting customers in improving manufacturing efficiency through the utilization of automation technology.

Major social challenges for which risks and opportunities have been recognized and evaluated

- Sustainable use and development of resources
- Addressing climate change
- Measures against air, water, and soil pollution
- Addressing the declining labor force population

Priority SDG initiatives



Initiatives that contribute to addressing social challenges

- **Support Customers to Automate their Production Facilities to Improve their Productivity and Product Quality through the Development of FA Equipment, Industrial Robots, and Mechatronics Products**
 - MELSEC iQ-R Series Programmable Controllers
 - MELSERVO-J5 Series AC Servo System
 - AC Servo Motor, HK Series
 - MELFA FR Series Industrial Robots
 - GX-F Series 2D Fiber Laser Processing Machines
- **Providing e-F@ctory Solutions that Help Streamline Manufacturing and Reduce Energy Consumption**
 - e-F@ctory – Mitsubishi Electric Integrated FA Solution
- **Developing Instruments that Measure Energy and Control Power Distribution to Help Promote Energy Savings**
 - Eco Monitor Series Energy Measuring Units
 - EX-α Series Transformer Using Super High Efficiency Oil

Factory Automation Systems Group

Automotive Equipment Group

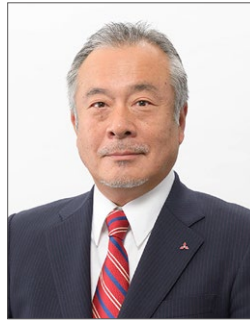
Message from the Group President

Aiming to Achieve the SDGs through Development of Technologies that Contribute to the Decarbonization of Automobiles and the Creation of a Safe and Secure Society

The Automotive Equipment Group aims to provide a range of equal opportunities to move safely and freely with low impact on the environment for all people, including the elderly, those with disabilities, and visitors from foreign countries, people who do not understand language, by providing electronic and electric device components. Through these efforts, we will contribute to realizing a sustainable society. Electrification and advanced driving support systems for automobiles have a high affinity with the technologies in which Mitsubishi Electric excels, and we will grow in this field as a key growth business.

More efficient engines and electrification as seen in (P)HEVs*1 and EVs*2 are needed, in order to achieve low fuel consumption. Mitsubishi Electric enables low fuel consumption in vehicles, with various product to achieve high efficiency in engines, motors and inverters for electric vehicles, and more, and ultimately contribute to a decarbonized society.

As an example of efforts for decarbonization in the manufacturing processes of automotive equipment, we are saving the use of electricity with introducing LED lighting, energy-saving technologies such as automatic light adjustment, centralized monitoring, optimized control of air-conditioning and ventilation equipment. Moreover, we are promoting the introduction of our own PV*3 and PPA*4 models to accelerate decarbonization. These activities are being implemented at overseas manufacturing bases to accelerate our global decarbonization efforts.



Atsuhiro Yabu
Executive Officer,
Group President,
Automotive Equipment

*1 (Plug-in) Hybrid Electric Vehicle

*2 Electric Vehicle

*3 Photovoltaic

*4 Power Purchase Agreement

Major social challenges for which risks and opportunities have been recognized and evaluated

- Reduction of air pollution and climate change countermeasures
- Zero traffic accidents, elimination of traffic congestion, and comfortable travel
- Elimination of regional gaps
- Enhancement of QOL for vulnerable road users
- City development
- Measures to address aging infrastructure

Priority SDG initiatives



Initiatives that contribute to addressing social challenges

- Technological Innovation of Automotive Equipment Products for Autonomous Driving

Automotive Equipment Group

Semiconductor & Device Group

Message from the Group President

Contributing to the Realization of a Decarbonized Society by Providing Energy-Efficient Products, Key Devices for Customers, in Response to Energy and Environment-related Social Issues

The Semiconductor & Device Group provides semiconductors and devices that play a key role for home to space appliances and enrich our living. We recognize energy and environmental issues as today's social issues and contribute to the realization of a sustainable society by providing low-power products to customers.

In order to achieve carbon neutrality, a requirement for sustainable societies, it is imperative to use generated power while minimizing power loss in the process. Power semiconductor devices are incorporated into a number of power electronics such as EVs and air conditioners, playing a significant role in reducing power loss. In addition, Mitsubishi Electric manufactures state-of-the-art products using silicon carbide (SiC).

The Semiconductor & Device Group provides today's society, where DX is underway, with high-performance, low-power, compact high-frequency devices and optical devices for wireless communications equipment, optical fiber communications, and data centers that make full use of compound semiconductor technologies to support low power consumption in IT devices as well as energy saving with DX. Furthermore, by reducing the space required for communications equipment, the cooling function can be simplified, thereby contributing to comprehensive energy savings.

As described above, the Semiconductor & Device Group is taking part in the achievement of carbon neutrality and the realization of a sustainable society by providing key devices for overcoming energy and environmental limitations while driving forward the digital revolution in the post-pandemic society.



Masayoshi Takemi
Senior Executive Officer,
Group President,
Semiconductor &
Device

Major social challenges for which risks and opportunities have been recognized and evaluated

- Appropriate use of water
- Proper management of chemical substances
- Optimal use of energy
- Addressing climate change

Priority SDG initiatives



Initiatives that contribute to addressing social challenges

- SiC Power Semiconductor Devices that Achieve Low-Power Consumption of Customers' Devices
- Optical Communication Device that Contributes to Low Power Consumption of Network Equipment for 5G Mobile Communications Base Stations

[Semiconductor & Device Group](#)

Information Systems & Network Service Group

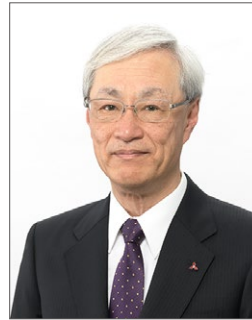
Message from the Group President

Contributing to the Realization of a Decarbonized Society Through the Promotion of Various IT Services

The Information Systems & Network Service Group is committed to enhancing customer satisfaction, helping achieve sustainable societies through solutions tailored to the management strategies and challenges of its customers, and developing solutions that contribute to solving social issues.

More specifically, we work to reduce the environmental impact by, for example, providing support for workstyle reform including reduction of business travel needs with video/web-conferencing systems and promotion of paperless work environments through ledger computerization while making efforts for saving energy in data centers to help companies reduce CO₂ emissions from their business activities. At the same time, we proactively develop products and services that resolve social issues, such as needs for safety in society and decarbonization.

For example, our video solutions can make towns safer and more comfortable for residents by detecting not only wheelchairs, strollers, and visually impaired cane users but also events such as trespassing or walking instability. Our services to collect, calculate, and visualize greenhouse gas emissions from corporate activities can contribute to achieving carbon neutrality in the manufacturing industry and other areas. Going forward, in order to achieve smarter societies, we will leverage the many component technologies and strengths of the Mitsubishi Electric Group to build next-generation information systems using the latest IT solutions, such as IoT,* big data processing, and AI-related technologies.



Eiichiro Mitani
Executive Officer,
Group President,
Information Systems &
Network Service

* Internet of Things: A system to remotely control, operate, monitor, and collect information from various "things" connected via the Internet.

Major social challenges for which risks and opportunities have been recognized and evaluated

- Optimal use of energy
- Introduction of clean energy
- Waste reduction and management
- Sustainable use and development of resources
- Addressing climate change
- Realization of a safe society
- Addressing labor force shortages

Priority SDG initiatives



Initiatives that contribute to addressing social challenges

- Using Internet Data Centers to Help Customers Reduce Environmental Impact
- Providing Smart Office Solutions that Also Contribute to Work Style Reforms

Information Systems & Network Service Group

Business Innovation Group

Message from the Group President

Contribute to Solving Diversifying Social Issues by Creating New Businesses that Transcend Existing Frameworks

The Business Innovation Group contributes to solving diversifying social issues faced by the sustainable society by promoting the integration of Mitsubishi Group technologies and collaboration among the Group, and by taking on themes that cannot be addressed by existing frameworks and incorporating them into our own businesses.

Specifically, we aim to create new customer value by accelerating digital transformation (DX) in our businesses, leveraging open innovation with promising startups in and outside Japan in the fields of digital and green innovation through the "ME Innovation Fund" corporate venture capital, utilizing Mitsubishi Electric AI technology *Maisart*, and promoting the integrated IoT *ClariSense**.

In addition, we will focus on the company's philosophy of "realizing a vibrant and sustainable society" as we search for new business domains in an era of high uncertainty, as demographics change (with labor force shortages and aging), and as the waves of digitalization accelerate. We are creating businesses in the five domains of "i-Construction," "Healthtech," "Smart Mobility," "Infrastructure," and "Smart Cities" as well as "Green Innovation."



Hiroshi Sakakibara
Executive Officer,
Group President,
Business Innovation

* A word coined by Mitsubishi Electric that means clarifying the hidden essence of information sensed from equipment to resolve challenges.

Major social challenges for which risks and opportunities have been recognized and evaluated

- Demographic changes and the deterioration of social infrastructure
- Creation of a society that includes the elderly and those in poor health
- Increase in the severity of disasters as well as environmental and energy problems
- Decrease in the number of construction workers and productivity declines

Priority SDG initiatives



Initiatives that contribute to addressing social challenges

- Improve Productivity at Construction Sites with AI Rebar Arrangement Inspection System
- Verification and Implementation of Healthtech for the Elderly

Business Innovation Group

Sustainability management

Management

Basic policy of Sustainability

The Mitsubishi Electric Group regards its sustainability initiatives as the foundation of its corporate management, and implements sustainability-oriented initiatives in all corporate activities in accordance with its "Purpose," "Our Values," and "Commitment."

Our management policy states, "we will return to our fundamental principle of 'addressing social challenges through our businesses' and position the realization of sustainability as the cornerstone of our management. From this approach, we will pursue a sustained enhancement of our corporate value and fulfill our responsibility to society, to our customers, shareholders and employees, and to all other stakeholders." It is crucial to maintain communication with various stakeholders to pursue initiatives for achieving a sustainable society, as well as to incorporate the expectations, requests, and opinions from society into activities and to avoid acts that will inconvenience society.

By ensuring transparent disclosure of information on sustainability, the Mitsubishi Electric Group aims to obtain a favorable response from stakeholders, and to realize a vibrant and sustainable society together with its stakeholders.

Materiality

Promotional System for Sustainability

The policies and planning for the sustainability activities of the Mitsubishi Electric Group are decided by a Sustainability Committee appointed by Mitsubishi Electric's executive officers. The Committee is composed of the heads of Mitsubishi Electric's corporate divisions (26 members in charge of environmental, social and governance aspects from divisions such as Corporate Strategic Planning and Corporate Human Resources), and discusses the results of activities performed during the previous fiscal year, decisions on future activity plans, and responses to law amendments, from a perspective that spans the entire Mitsubishi Electric Group. The Sustainability Committee generally holds meetings at least three times a year, and the details on the discussion of Sustainability Committee meetings are reported to the senior executives during the Executive Officers' Meeting. From fiscal 2022, the details on the discussion of Sustainability Committee meetings are also reported to the Board of Directors and are supervised on the basis of many different viewpoints.

Knowing that sustainability activities are directly linked to corporate management, we have defined our materiality and each of our departments responsible for ethics and legal compliance, quality assurance and improvement, environmental conservation and philanthropy activities, and communication with stakeholders implements its own

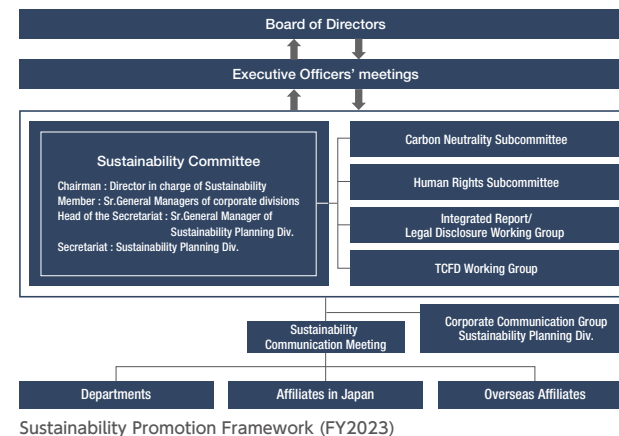


Sustainability Committee

initiatives, based on the sustainability policy of the Mitsubishi Electric Group. In order to deal with sustainability challenges that involve multiple divisions in a cross-sectional manner, we also have established two subcommittees, the "Carbon Neutrality Subcommittee" and the "Human Rights Subcommittee." In addition, as projects for fiscal 2023, we will establish the "Integrated Report/Legal Disclosure Working Group" and "TCFD Working Group" to consider the clarification of individual categories of activities and the roles of participating divisions, information disclosure in accordance with norms, and other matters. The progress of these subcommittees' initiatives is confirmed at each Sustainability Committee meeting.

Various activities are also promoted and implemented in communication with the Sustainability Expert Committee and Sustainability Business Promotion Committee, which are convened as a forum for sharing and executing the policies and plans established by the Sustainability Committee.

Starting fiscal 2023, we will establish the "Sustainability Communication Meeting" aimed at collaboration between internal divisions and affiliates in Japan and overseas.



Main agenda of the Sustainability Committee (Apr., Nov., and Feb., FY2022)

- Sustainability initiatives at the management level
- Review of materiality
- Report on achievements made in the previous fiscal year and activities planned in the current fiscal year, with focus on materiality initiatives
- Responses to sustainability-related legal regulations and to requests from stakeholders
- Responses to the sustainable development goals (SDGs)
- Initiatives to carbon neutrality
- Human rights initiatives
- Establishment of an AI ethics policy
- Promotion of social contribution activities
- Further enhanced information disclosure that takes into account ESG (environment, social, governance) investment

Main agenda of the Sustainability Committee (April 2022)

- Sustainability initiatives at the management level
- Examination of the sustainability vision
- Reinforcement in the management of the Sustainability Committee (establishment of subcommittees, projects, etc.)
- Report on achievements made in the previous fiscal year and activities planned in the current fiscal year, with focus on materiality initiatives
- Response to sustainability related legal regulations and to requests from stakeholders
- Responses to the sustainable development goals (SDGs)
- Initiatives to carbon neutrality
- Responses to the TCFD
- Human rights initiatives
- Creation policy for the Sustainability Report and Integrated Report
- Further enhanced information disclosure that takes into account ESG (environment, social, governance) investment

About the Sustainability Report

The Sustainability Committee discusses creation policy for the reports, sustainability management, and other especially important items regarding the Sustainability Report. Moreover, the Corporate Communication Officer (CCO) plays a major role in peer review, examining and checking the contents of the report prior to publication.

Sustainability Expert Committee and Business Promotion Committee

Officers from 34 management departments and business divisions regularly hold meetings to share information and deepen their understanding of the Mitsubishi Electric Group's materiality and future initiatives, as well as discuss responses to laws and regulations and international sustainability standards. They aim to build communication and consensus through these discussions.

Three such meetings were held in fiscal 2022. Discussions focused on the promotion of sustainability. The committee also examined responses to solving social challenges through business activities and to carbon neutrality and global human rights initiatives by establishing working groups for relevant departments.



Sustainability Expert Committee and Sustainability Business Promotion Committee (joint meeting)

Main agenda of the Sustainability Expert Committee and Sustainability Business Promotion Committee for fiscal 2022 (May, Dec., Feb.)

- Examination of the sustainability vision
- Providing solutions to social challenges through our businesses
- Reinforcement in the management of the Sustainability Committee (establishment of subcommittees, projects, etc.)
- Response to the SDGs
- Initiatives to carbon neutrality
- Human rights initiatives
- Promotion of social contribution activities
- Creation policy for the Sustainability Report and Integrated Report
- Further enhancement of information disclosure that takes into account ESG (environment, social, governance) investment

Materiality

The Mitsubishi Electric Group places more focus than ever on sustainability initiatives at the management level to realize the "vibrant and sustainable society" that we have committed to in our Purpose. We have identified five areas as materiality (important challenges) to "Provide solutions to social challenges through our businesses" and as part of our "Strengthen our business foundation to enable sustainable growth." Through these materiality initiatives, we will create economic and social value and will contribute to solving social challenges starting with contributing to achieving the SDGs. In our materiality initiatives, we promote continuous activities for improvement by implementing the PDCA cycle for mid-to-long-term initiatives and goals as well as for key performance indicators (KPIs).

Process of Identification and Review of Materiality

In fiscal 2016, the Mitsubishi Electric Group identified materiality and initiatives in response to today's social trends and business environment, as required by the fourth edition of the GRI Guidelines.

In fiscal 2021, a full internal review of the materiality, mid-to-long-term initiatives, and targets/key performance indicators (KPIs) was undertaken by the Sustainability Expert Committee and Sustainability Business Promotion Committee, in view of subjective evaluations from inside and outside the company, featuring questionnaires and interviews from a total of 1,551 people, including Mitsubishi Electric Group employees, suppliers, investors, analysts, and general consumers.

We have carried out stakeholder questionnaires targeted at general consumers (600 respondents) since fiscal 2017, and we held a questionnaire in fiscal 2022 as well. We will take evaluation from external parties into account as we review these mid-to-long-term initiatives and targets.

While incorporating opinions from inside and outside the company, these initiatives will continue to be improved, and the materiality, mid-to-long-term initiatives, and targets/key performance indicators (KPIs) will be reviewed by implementing the PDCA cycle.

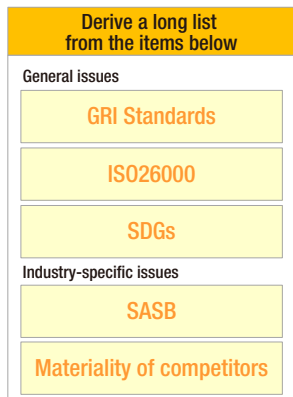
Step 1 Awareness of social issues (fiscal 2021)

Candidate materiality (357 issues) were identified based on ISO26000*1, the GRI Standards*2, the SASB standards*3, and the Sustainable Development Goals (SDGs).

*1 Guidelines concerning social responsibility issued by the International Organization for Standardization (ISO)

*2 International standards for sustainability reporting issued by the international NGO, Global Reporting Initiative (GRI)

*3 Information disclosure rules concerning the environment, society, and governance (ESG) created by the Sustainability Accounting Standards Board (SASB), a non-profit organization in the U.S.



- Sort similar items
- Eliminate items that have little relevance to Mitsubishi Electric's business
- Eliminate economic-related items

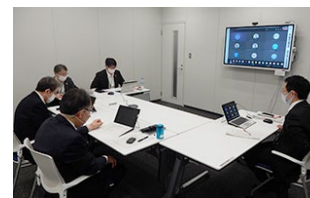
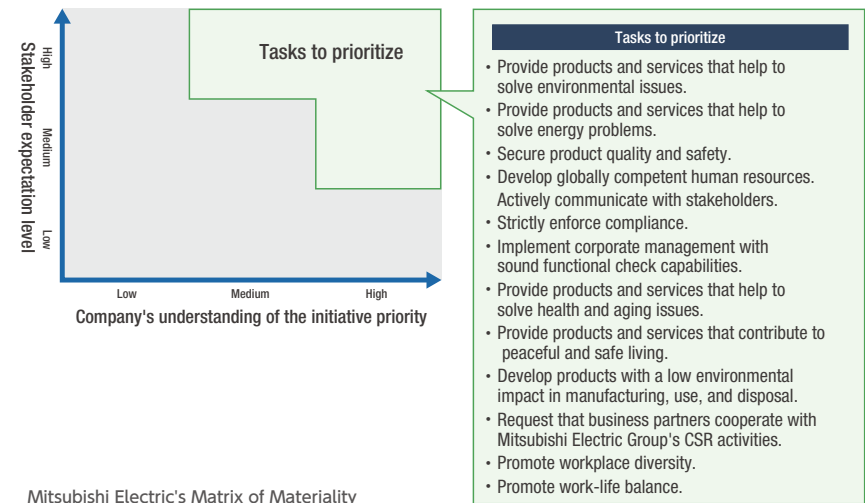
Derive a short list

- Contribution to SDG 1: No Poverty
- Contribution to SDG 2: Zero Hunger
- Contribution to SDG 3: Good Health and Well-being
- Contribution to SDG 4: Quality Education
- Contribution to SDG 5: Gender Equality
- Contribution to SDG 6: Clean Water and Sanitation
- Contribution to SDG 7: Affordable and Clean Energy
- Contribution to SDG 8: Decent Work and Economic Growth
- Contribution to SDG 9: Industry, Innovation and Infrastructure
- Contribution to SDG 10: Reduced Inequality
- Contribution to SDG 11: Sustainable Cities and Communities
- Contribution to SDG 12: Responsible Consumption and Production
- Contribution to SDG 13: Climate Action
- Contribution to SDG 14: Life below Water
- Contribution to SDG 15: Life on Land
- Contribution to SDG 16: Peace, Justice and Strong Institutions
- Contribution to SDG 17: Partnership for the Goals
- Respect human rights (prohibition of discrimination, forced labor, harassment, etc.)
- Promote workplace diversity (use of diverse human resources)
- Promote work-life balance (harmony between work and life)
- Develop human resources
- Ensure occupational safety and mental and physical health
- Secure product quality and safety
- Contribute to local communities (volunteer)
- Strengthen environmental initiatives
- Implement corporate management with sound functional check capabilities (corporate governance)
- Implement appropriate risk management
- Disclose information transparently in a timely and appropriate manner
- Ensure thorough compliance
- Ensure information security (management of trade secrets, protection of personal information)
- Create innovation through research and development
- Strengthen intellectual property capabilities and protect intellectual property rights
- Request that business partners cooperate with Mitsubishi Electric Group's CSR activities (supply chain management)
- Engage in corporate activities globally as a group
- Actively communicate with stakeholders

Extraction of candidate materiality from guidelines, etc.

Step 2 Assessment of internal and external views and study of materiality (fiscal 2021)

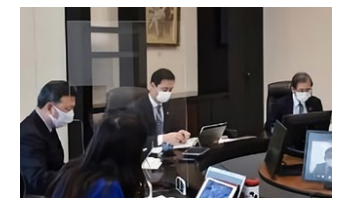
Using the short list created in step 1, we conducted a questionnaire survey of consumers, suppliers, investors, and Mitsubishi Electric Group employees, who are our stakeholders, regarding what expectations they have for the Mitsubishi Electric Group to contribute to addressing social challenges. In addition, we received opinions from experts regarding the identification of materiality through interviews and dialogues with them in order to assess both internal and external views of the Mitsubishi Electric Group. Based on the results obtained, internal working groups narrowed down the issues that the Mitsubishi Electric Group should address as top priority, and the Sustainability Expert Committee and Sustainability Business Promotion Committee are studying the materiality of such issues.



Internal working groups



Interviews with experts



Dialogues with directors and experts

Step 3 Identification of materiality (fiscal 2021)

Identification by the Sustainability Committee

The issues thus extracted and studied through the above-described process and specific mid-to-long-term initiatives and targets/key performance indicators (KPIs) were confirmed by executive officers and identified as the Mitsubishi Electric Group's materiality by the Sustainability Committee.

Management Related to Materiality

In fiscal 2016, the Mitsubishi Electric Group identified its materiality, mid-to-long-term initiatives to fulfill said materiality, and key performance indicators (KPIs). In fiscal 2022, the Mitsubishi Electric Group revised its materiality. In fiscal 2023, it announced its performance in regard to those initiatives for fiscal 2022 and revised its mid-to-long-term initiatives to fulfill said materiality and key performance indicators (KPIs) for fiscal 2023. For future initiatives and the details of our results to date, please refer to Materiality and our past Sustainability Reports, respectively.

[Download reports \(Sustainability\)](#)

[Materiality](#)

FY2022 Targets and Results

Materiality	Mid-to-long-term initiatives	FY2022 targets/Key performance indicators (KPIs) (quantitative targets are shown in brackets)	Results	Scope*	Evaluation
Realize a sustainable global environment	Realize a decarbonized society through innovation and Integrated Solutions	Reduce CO ₂ emissions related to the usage of new products and improve the rate of "CO ₂ emission reduction contribution by product use" compared to the previous model (Improvement of more than 1% on average by the end of FY2024)	1.7%	Japan, overseas	○
		CO ₂ emissions (Scope 1 and Scope 2) (Reduction of more than 30% compared to FY2014 by the end of FY2024)	Reduced by 19% *1 CO ₂ emissions are calculated by using a variable (Japan: The latest value announced by the Electric Power Council for a Low Carbon Society; Overseas: The value based on the latest value announced by the International Energy Agency) as the CO ₂ emission factor of electric power *2 Increased the number of offices to be investigated for CO ₂ emissions (Before FY2021: 139 offices -> FY2022: 264 offices)		○
	Contribute to achieving a circular economy	Use recycled plastics (Rate of more than 10% in terms of the volume of molding and packaging materials by the end of FY2024)	8.9% * Target: Mitsubishi Electric, Mitsubishi Electric Home Appliance, and Mitsubishi Electric Lighting Corporation in Japan and overseas	○	
		Make effective use of waste plastics (Japan; survey only overseas) (Rate of more than 90% by the end of FY2024)	89.6%	○	
		Reduce water usage per unit of sales at high-risk offices (More than 4% compared to FY2020 by the end of FY2024)	Reduced by 24%	○	
	Realize a safe, secure, and comfortable society	Provide Integrated Solutions to address social challenges in the four fields of Life, Industry, Infrastructure, and Mobility	Discuss goals and KPIs that contribute to solving social challenges through our businesses including contribution to SDGs, and promote initiatives to that end	Discussed a sustainability vision and extract five areas of social challenges that should be solved through business	Japan, overseas
Respect for all people	Promote human rights initiatives that are based on international norms	Promotion of ongoing human rights awareness activities	Provided human rights education to persons in charge of sustainability in accordance with the human rights impact assessment (Approx. 400 attendees)	Japan, overseas	○
		Identify human rights issues by conducting human rights impact assessments, and grasp the statuses of initiatives at each office (Conduct assessments at 100% of relevant departments)	Conducted assessments at 100% of 415 relevant departments		○
		Enhance response in channels for grievances and inquiries on human rights, and act appropriately accordingly	Discussed the creation of rules on grasping the number of grievances concerning human rights and responding to them		△
		Provide lectures on human rights awareness and anti-harassment training programs for new employees and those for newly appointed managers (Attendance rate of 100%)	Attendance rate of 100%	Mitsubishi Electric	○
		Provide education on harassment prevention for Group employees (Attendance rate of 100%)	Attendance rate of 100%	Japan, overseas	○

* Mitsubishi Electric; Mitsubishi Electric Group companies (Japan); All Mitsubishi Electric Group companies (Japan, overseas)

○: Target reached △: Target partially not reached ×: Target not reached

Materiality	Mid-to-long-term initiatives	FY2022 targets/Key performance indicators (KPIs) (quantitative targets are shown in brackets)	Results	Scope*	Evaluation
Respect for all people	Realize a workplace environment that helps all employees work actively	Strengthen and continue to promote the Mitsubishi Electric Workplace Reform Program and other initiatives to improve the workplace environment as well as actions taken under the policy of activities for Work Style Reforms, "Deepening of communication within the workplace, business transformation by streamlining operations, and improving quality aspects"	<ul style="list-style-type: none"> Implemented various measures under the Mitsubishi Electric Workplace Reform Program (360-degree feedback to managers, harassment prevention education, etc.) Promoted workstyle reform at each group company (Promoted communication in the workplace; streamlining and improving the efficiency of operations, enhancement and management of systems for supporting flexible work style such as working from home, etc.) 	Japan, overseas	○
		Carry out surveys on the actual status of harassment, including workplace environment surveys using stress checks, and employee attitude surveys (Quantitative targets for Mitsubishi Electric only) (Employee engagement score ^{*1} of more than 70% by FY2023) (Work-life balance score ^{*2} of more than 70% by FY2023) <small>*1 The percentage of employees who are proud and motivated to work for the Company *2 The percentage of employees in the employee awareness survey who respond that they have a good work-life balance</small>	Employee engagement score of 54% (in 2nd half of FY2022) Work-life balance score of 65% (in 2nd half of FY2022)		△
	Promote diversity	Promote diversity by employing and utilizing diverse human resources in response to regional and operational circumstances	Continued to promote diversity by employing and utilizing diverse human resources	Japan, overseas	○
		Employ people with disabilities beyond the statutory employment rate (higher than 2.3%)	Consolidated result across three companies*: 2.41% Promoted the achievement of the statutory employment rate by domestic affiliates <small>* Mitsubishi Electric Corporation + Mitsubishi Electric Life Service Corporation + Melco Tender Mates Corporation (special subsidiary)</small>	Japan	○
		Increase the ratio of women among new recruits (1.2 times the average for the past five years (FY2017-FY2021) by FY2026)	FY2022 result: 1.2 times		○
		Increase the ratio of women in managerial positions (2 times the ratio in FY2021 by FY2026)	FY2022 result: 1.25 times compared to the rate in FY2021	Mitsubishi Electric	○
		Systematically dispatch employees to overseas OJT programs and language programs (More than 80 employees/year)	Dispatched 76 employees despite restrictions due to the impact of COVID-19		○
	Promotion of occupational health and mental and physical health	Promote safety management and health enhancement activities	<ul style="list-style-type: none"> Promoted safety and health management activities in conjunction with affiliated companies that operate in the same areas as Mitsubishi Electric Provided assistance to affiliated companies (Japan and overseas) from Mitsubishi Electric 	Japan, overseas	○
		Promote safety and health education, and maintain a rate of lost worktime injuries* that falls below the industrial average (below 0.52) <small>* Number of accidents causing lost worktime per 1 million hours</small>	<ul style="list-style-type: none"> Offered safety and health education (e-learning programs) to all employees Rate of lost worktime injuries (absence from work): 0.04 	Mitsubishi Electric	○
		Actively promote measures for mental health to realize a friendly workplace environment	Distributed the "Guidelines for Supporting Workers (Revised Edition)" to those who return to work after taking a leave due to mental health issues		○
		Improve lifestyle habits and realize a health-conscious company by implementing Mitsubishi Electric Group Health Plan 21 (MHP21) Stage III 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 85.0% or higher of employees who get enough rest by sleeping properly)	Rate of employees maintaining proper body weight: 67.7% Rate of employees who exercise regularly: 27.7% Rate of employees who smoke: 20.8% Rate of employees who perform dental care at least three times a day: 26.9% Rate of employees who get enough rest by sleeping properly: 68.7%	Japan	△

Materiality	Mid-to-long-term initiatives	FY2022 targets/Key performance indicators (KPIs) (quantitative targets are shown in brackets)	Results	Scope*	Evaluation
Strengthen corporate governance and compliance on a sustainable basis	Corporate management with a sound oversight function	Hold dialogues with shareholders and investors through the general meeting of shareholders, corporate strategy presentation meetings, business strategy presentation meetings, financial results presentation meetings, individual meetings, other sessions, and IR activities in Japan and overseas	<ul style="list-style-type: none"> Held a general meeting of shareholders Held corporate strategy presentation meetings, financial results presentation meetings, individual meetings, and other sessions for institutional investors and analysts via online conferences, telephone conferences and online streaming 	Japan, overseas	○
		Carry out proper reporting and discussions at the appropriate time among the board of directors, and conduct regular analysis and evaluation of the board of directors' effectiveness	<ul style="list-style-type: none"> Provided directors with appropriate information for management oversight at the appropriate time. Increased the time for discussions and enhanced the nature of discussions by increasing the number of board of directors' meetings (FY2021: 6 regular meetings and 2 extraordinary meetings → FY2022: 10 regular meetings and 10 extraordinary meetings) from fiscal 2022 Appointed a third party institution for assessments on the effectiveness of the board of directors. Promoted initiatives based on suggestions received on the improvement of functions, composition, and secretariat of the Board of Directors, as well as the three statutory committees. 	Mitsubishi Electric	○
		Provide orientation training and other compliance education and training to directors and executive officers as appropriate at the proper time	<ul style="list-style-type: none"> Provided prior training about the roles, responsibilities and dealings of directors and executive officers to new appointees Provided compliance education to directors and executive officers after their appointment, and distributed the latest training materials 		○
		Conduct an internal audit for ensuring the appropriateness of the Mitsubishi Electric Group's businesses and regularly report the audit result to the Audit Committee via the executive officer in charge of audits	Conducted an internal audit and reported the audit results to the Audit Committee	Japan, overseas	○
	Thorough compliance	Compliance training on a continuous basis <ul style="list-style-type: none"> Provide compliance education that utilizes diverse methods on a continuous basis 	Provided compliance education that utilizes diverse methods, including lecture meetings, e-learning, and manual distribution (Conducted face-to-face education (including online) by Mitsubishi Electric's Corporate Legal & Compliance Div. 111 times in fiscal 2022 with a total of 10,018 participants)	Japan, overseas	○
		Maintain a 100% attendance in e-learning programs on compliance (maintain rate of 100%)	100% attendance rate	Mitsubishi Electric	○
		Fair competition (prevention of antimonopoly violations) <ul style="list-style-type: none"> Establish and thoroughly implement antimonopoly prevention measures: provide practical training on an ongoing basis, conduct monitoring with an eye toward establishing regulations and rules 	Provided education on antimonopoly laws. Face-to-face education, including online 171 times, 9,485 participants (Mitsubishi Electric); e-learning programs 14,999 participants (Mitsubishi Electric)	Japan, overseas	○
		Corruption prevention (prevention of bribery) <ul style="list-style-type: none"> Establish and thoroughly implement bribery prevention measures: provide bribery prevention education, conduct monitoring with an eye toward establishing regulations and guidelines 	Provided bribery prevention training; e-learning programs 24,473 participants (Mitsubishi Electric)		○
	Procurement that contributes to sustainability	Accomplish obtaining consent forms for the CSR procurement guidelines (Obtain by the end of September 2021)	We planned to obtain consent forms from 3,031 companies by the end of September 2021, but this was accomplished in fiscal 2019. Obtained consent from approximately 6,700 companies by expanding the scale of activities from the initial plan.	Japan, overseas	○
		Ascertain material human rights violation risks (forced labor, dangerous and injurious work) in the supply chain and continue activities for corrective action	Approximately 87% of approximately 1,200 respondents are certified as CSR companies. The balance of companies that have not been certified were confirmed to have no major risk of human rights violations	Japan	○
		Integrate the Green Procurement Standards Guide and the CSR Procurement Guidelines, and establish sustainability procurement guidelines (by March 31, 2022)	Changed the goal to formulate a sustainability procurement guideline in accordance with the RBA Code of Conduct after joining the RBA	Japan, overseas	—

* Mitsubishi Electric; Mitsubishi Electric Group companies (Japan); All Mitsubishi Electric Group companies (Japan, overseas)

○ : Target reached △ : Target partially not reached × : Target not reached

Materiality	Mid-to-long-term initiatives	FY2022 targets/Key performance indicators (KPIs) (quantitative targets are shown in brackets)	Results	Scope*	Evaluation
Strengthen corporate governance and compliance on a sustainable basis	Information security activities to protect important information	Prevent information leaks (No leaks)	Information on business partners leaked from an affiliate in Japan due to a cyberattack starting at one of our overseas business sites	Japan, overseas	×
		Enhancement comprehensive cybersecurity countermeasures companies (Japan, overseas) 1. Technical measures, 2. Thorough document management, 3. Framework upgrading	1. Executed measures including the centralized management of devices, servers, network, and authentication, as well as behavior detection, operation log monitoring, and integrated management. Commenced the formulation of a plan to launch future measures including strengthening the Computer Security Incident Response Team (CSIRT) and zero trust starting in fiscal 2023 2. Strengthened personal data operations and management across the entire Group in April 2022 following the tightening laws and regulations related to personal data around the world 3. Strengthened the structure of CSIRT by clarifying the roles of corporate divisions, business groups, and business offices in relation to CSIRT		○
	Provide products and services while continually promoting the concept that quality is our top priority	Boost the quality of development and design by creating a design policy encompassing multiple common element technologies	Upgraded the design guideline encompassing multiple common element technologies (corrosion, waterproofing, polymer deterioration, vibration, etc.) and rolled it out to all manufacturing sites	Japan	○
		Make Group-wide efforts to investigate the cause of serious malfunctions, and implement recurrence prevention measures (Once a month)	Implemented measures to prevent recurrence during liaison meetings (104 measures have been implemented for serious malfunctions) every month		○
		Roll out a quality management guidebook on change control to external suppliers	Developed change management guidelines on change control and rolled them out at all facilities for 5,103 suppliers		○
Continuously conduct e-learning programs on quality, and provide enhanced learning materials	Added examples of improper quality practices found in an internal investigation and case studies to e-learning programs on engineers' ethics for managers (Number of attendees: 4,330)	Japan, overseas	○		
Provide training programs on quality, and lecture programs on the concept that quality is our top priority companies (Create a quality culture) (Four times a year in Japan, and once a year overseas)	Held training programs for quality assurance department managers, etc. in Japan (4 times). Provided lecture programs on improper quality practices and held group discussions for networking. Held liaison meetings (twice: Thailand and China) overseas and provided lectures to local staff on the importance of data utilization and how to use data. A quality culture has yet to be created as improper quality practices have occurred		△		
Create a sustainability-orientated corporate culture	Promote mid-to-long-term initiatives for addressing social challenges	Discuss goals and KPIs, and promote initiatives centered around the newly established Sustainability Planning Division	<ul style="list-style-type: none"> Enhanced the framework of the Sustainability Committee to promote sustainability initiatives Donated approximately 24.67 million yen from the SOCIO-ROOTS Fund as support for nationwide social welfare facilities and children at disaster areas 	Japan, overseas	○
	Improve sensibility and adaptability to changes in values among society and individuals		<ul style="list-style-type: none"> Held discussions and responded to social trends in the Sustainability Committee Promoted the understanding of the SDGs through SDGs Card Game Training and the Guide for the Use of SDG Logos and Other Elements Held briefing sessions on sustainability to approximately 400 representatives at Mitsubishi Electric and its affiliates in Japan and overseas 		○
	Promote active communication with stakeholders based on highly transparent information disclosure		<ul style="list-style-type: none"> Issued the Sustainability Report and conducted a questionnaire survey with 600 people from the general public Held dialogues with experts 		○

* Mitsubishi Electric; Mitsubishi Electric Group companies (Japan); All Mitsubishi Electric Group companies (Japan, overseas)

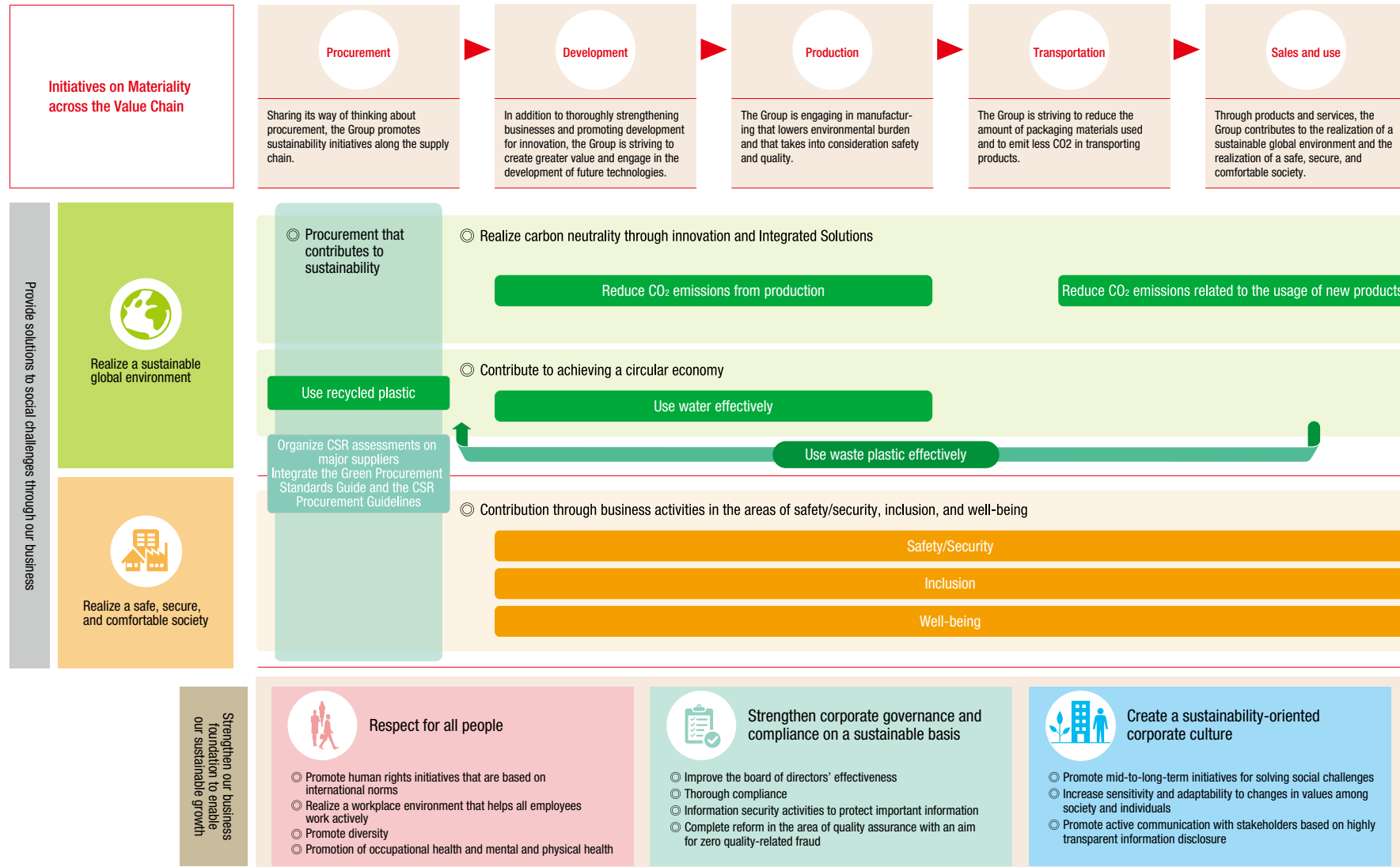
○: Target reached △: Target partially not reached ×: Target not reached

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Initiatives Related to the Value Chain

The Mitsubishi Electric Group is engaged in a wide range of businesses, ranging from familiar home appliances to satellites and projects on a national scale. Our operations of these businesses affect society and our value chain is also expanding.

Recognizing these circumstances, the Mitsubishi Electric Group promotes sustainability initiatives across the entire value chain with a focus on materiality.



Initiatives / External Evaluation

Initiatives

Participation in the UN Global Compact

In May 2018, the Mitsubishi Electric Group signed the UN Global Compact (UNGC) aimed at promoting sustainability activities based on international norms. By signing the UNGC, the Group pledges to make continued efforts toward sustainable growth by complying with the ten principles in the four areas of human rights, labor, environment and anti-corruption to the extent that it can influence society. Efforts will be made to enhance the Group's activities by maintaining close communication with UN organizations and relevant initiatives.

[UN Global Compact](#)



SBT

It is recognized that the Mitsubishi Electric Group's greenhouse gas reduction targets for 2030 are based on scientific grounds to "Holding the increase in the global average temperature to well below 2°C above preindustrial levels" as stipulated in the Paris Agreement. We have obtained certification from the SBT (Science Based Targets) initiative.

[Mitsubishi Electric Sets Ambitious Greenhouse Gas Reduction Targets Approved by SBTi](#)



Expression of approval of the TCFD recommendations

The Mitsubishi Electric Group has expressed approval of the recommendations by TCFD (Task Force on Climate-related Financial Disclosures) and has been promoting initiatives and disclosing information according to its recommendations.

[Financial Information Based on Recommendations of the Task Force on Climate-related Financial Disclosures \(TCFD\)](#)



Expression of approval of the GX League Basic Concept

Mitsubishi Electric expressed approval of the GX League Basic Concept announced by the Ministry of Economy, Trade and Industry (METI). The GX League will be established by companies which actively work on green transformation (GX) together with players who strive to achieve GX, including governments, academia, public research institutions, and financial institutions, as a forum for discussing the overall economic and social system and creating new markets accordingly. The purpose of the Concept matches the direction of Mitsubishi Electric. Mitsubishi Electric will participate in discussions for the transformation of the overall economic and social system to achieve carbon neutrality.

[Mitsubishi Electric Expresses Approval of GX League Basic Concept \(The Ministry of Economy, Trade and Industry\)](#)

Joining the RBA

In February 2022, Mitsubishi Electric joined the Responsible Business Alliance (RBA), an alliance that promotes corporate social responsibility in global supply chains. We commit to progressively align our own operations with the provisions of the RBA Code of Conduct, a global standard, to promote continuous improvement of our sustainability efforts.

[Mitsubishi Electric Joins the Responsible Business Alliance \(RBA\)](#)



Revision of the Charter of Corporate Behavior of the Keidanren

The Japan Business Federation, better known as Keidanren, has revised its Charter of Corporate Behavior*1 in November 2017. The revision is to give primary aim to proactively delivering on the SDGs (sustainable development goals) through the realization of Society 5.0*2, and is thought to emphasize initiatives for realizing a sustainable society and for promoting human rights. As a member of Keidanren, Mitsubishi Electric will voluntarily carry out and observe the spirit of the Charter.

*1 A code of ethics put forward by Keidanren as matters to be carried out and pursued by all member companies.

*2 The fifth and new generation of society in the history of human society following the hunter-gathering, agricultural, industrial and information societies.



Main initiatives in which Mitsubishi Electric is participating

- Japan Business Federation (Keidanren)
- Japan Association of Corporate Executives
- The Japan Chamber of Commerce and Industry
- Japan Electronics and Information Technology Industries Association
- The Japan Electrical Manufacturers' Association
- Communications and Information Network Association of Japan
- The Japan Machinery Federation
- Council on Competitiveness-Nippon
- Japanese Standards Association
- Japan Intellectual Property Association
- Japan Institute of Invention and Innovation

External Evaluation

CDP

Mitsubishi Electric was selected as the highest rating "A List company" for "Climate Change" and also as a "Supplier Engagement Leader" in the Supplier Engagement Rating from CDP.

- 📄 Mitsubishi Electric Again Named to CDP's Climate "A List"
- 📄 Mitsubishi Electric Named to CDP Supplier Engagement Leaderboard



EcoVadis

Mitsubishi Electric has been awarded the Silver Rating in corporate social responsibility (CSR) by EcoVadis, the global CSR assessment agency. Mitsubishi Electric scored especially highly in the categories of environment and sustainable procurement. The Silver Rating places Mitsubishi Electric among the top 25 percent of all companies assessed by EcoVadis.



FTSE Index Series

FTSE Russell (UK) is a company that engages in the development of global investment indexes and the provision of financial data to investors. Mitsubishi Electric was selected as a constituent of the company's FTSE4Good Index Series. Additionally, Mitsubishi Electric was selected as a constituent of the FTSE Blossom Japan Index and the FTSE Blossom Japan Sector Relative Index. These indexes have also been adopted as investment outlets by the Government Pension Investment Fund (GPIF).



MSCI Indexes

MSCI (USA) is a company that calculates and announces various indexes of global constituents. Mitsubishi Electric was selected as a constituent for the MSCI Japan ESG Select Leaders Index, which consists of Japanese stock names ranked according to their ESG (environment, social, governance) performance, and also for the MSCI Japan Empowering Women Index (WIN), consisting of select companies in Japan displaying excellent gender diversity. The two indexes have also been adopted as an investment outlet by GPIF.

2021 CONSTITUENT MSCI JAPAN ESG SELECT LEADERS INDEX

2021 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

* THE INCLUSION OF Mitsubishi Electric Corporation IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF Mitsubishi Electric Corporation BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

S&P/JPX Carbon Efficient Index

Mitsubishi Electric was selected as a constituent of the S&P/JPX Carbon Efficient Index designed to measure the performance of companies by focusing on the level of carbon efficiency (carbon emissions per sales). The Index, which is constructed by S&P Dow Jones Indices, is based on carbon emission data by Trucost, which assesses risks relating to climate change, natural resource constraints, and broader environmental, social, and governance factors. The index has also been adopted as an investment outlet by GPIF.



PRIDE Index 2021

Mitsubishi Electric received the Silver award in the "PRIDE Index 2021," an index to evaluate initiatives for LGBTQ and other sexual minorities at workplaces in Japan.

- 📄 Mitsubishi Electric Receives "PRIDE Index 2021" Silver Award (In Japanese text)



Eruboshi

Mitsubishi Electric has received Eruboshi (Grade 2) from the Ministry of Health, Labour and Welfare as an outstanding enterprise in promoting women's participation and career advancement.



Health & Productivity Management Outstanding Organization

Mitsubishi Electric has been recognized under the 2022 Health & Productivity Management Outstanding Organizations Recognition Program (large-scale corporate category), for excellence in our various activities that contribute to health and productivity management by the Ministry of Economy, Trade and Industry and Nippon Kenko kaigi.



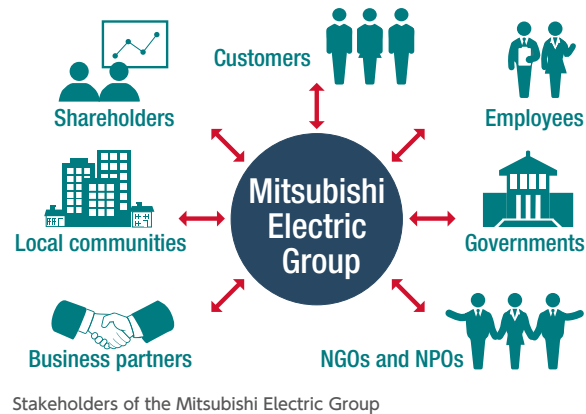
Communication with stakeholders

Basic policy on stakeholder engagement

The Mitsubishi Electric Group understands that requests and opinions from its stakeholders are extremely important—not only to avoid acts that will inconvenience society, but also to pursue initiatives for achieving a sustainable society.

As such, the Group captures every opportunity to communicate with various stakeholders, it shares opinions and other information received from them among director-level personnel and elsewhere within the Group through the Sustainability Committee, and we incorporates these opinions and information within various initiatives.

Going forward, the Mitsubishi Electric Group aims to realize a vibrant and sustainable society while endeavoring to ensure transparent disclosure of information on sustainability and while working to solve social challenges together with its stakeholders.



Stakeholders of the Mitsubishi Electric Group

Communication with stakeholders

Dialogues with Experts

In order to gather opinions from various external experts on sustainability initiatives and incorporate them in its future activities, the Mitsubishi Electric Group invited three experts to exchange their views with its four executives, including the president, in March 2022.

During these dialogues, Mitsubishi Electric described its response to the cases of quality-related improper practice found in fiscal 2022, the progress of reforms, the basic policy and structure for sustainability management, its long-term vision, and other details. Based on these details, the experts then provided meaningful opinions and advice and deepened the discussion.

* The dialogues were held online in light of measures to prevent the spread of COVID-19. Please note that the experts' profiles are correct as of the date of the dialogues.



Important Opinions and Recommendations from the Experts

Enhance employee engagement to achieve a company-wide reform with more in-depth initiatives

Past improper quality control practices are deep-rooted issues. These incidents should not simply be considered as quality assurance issues. It is important to take in-depth measures along with reforms in organizational culture and governance so that the initiatives will not become a matter of formality. According to your explanation, the company-wide transformation project "Team Sousei (Creation)" is composed of 45 members chosen from nearly 400 people who sent applications for an in-house recruitment program. However, would it not be possible to involve all applicants in the project? Taking into account the number of your employees, I believe that dealing with these issues requires this degree of scale.

Regarding the initiatives for environmental issues, I think that your messages on biodiversity related initiatives are not being sent out strongly. In current international trends, biodiversity and climate change are considered to be two sides of the same coin. I understand that you are working on the response to the Task Force on Climate-related Financial Disclosures (TCFD), but you should also consider a mechanism with a view to responding to the Taskforce on Nature-related Financial Disclosures (TNFD). You could expand your business opportunities by taking a positive outlook and considering how you can contribute to biodiversity conservation by utilizing digital transformation, AI, and other technologies held by the Mitsubishi Electric Group.

I would like employees of your company, as a manufacturer, to maintain the perspective of a consumer. When manufacturing products, some elements may be perceived as difficult to achieve from the viewpoint of employees at a manufacturer, though these elements may be viewed differently from the standpoint of people who use the products. I hope that you foster a culture where you encourage your employees to let them identify themselves as citizens and consumers and incorporate this approach in conducting business.



Ms. Kawaguchi Mariko

Specialty Appointed Professor, Graduate School of Social Design Studies at Rikkyo University and Executive Advisor to CEO (in charge of ESG and market value creation) at Fuji Oil Holdings Inc.

Hoping to see initiatives based on a social-point-of view mindset that emphasizes dialogue with stakeholders

Regarding human rights issues defined as one of your priority measures, it is essential to carry out effective due diligence. I hope you will implement initiatives that will prevent human rights violations and that will offer relief to affected people in the event of a violation. There are limits to what a single company can do on its own with respect to human rights in particular. I suggest that you cooperate with various platforms, including industrial organizations, lawyers, and NGOs, and then work to achieve true solutions to human rights issues.

It is also vital to appropriately incorporate external forces in sustainability initiatives as well as in actions related to human rights. To promote diversity, it is indispensable to engage in continued dialogue with stakeholders to incorporate the global trends while listening to the diverse opinions of external parties. It may also be effective to set up regular meetings and other opportunities to allow for the exchange of opinions with stakeholders on an ongoing basis.

It is also crucial to have employees who are responsible for carrying out activities involved in sustainability initiatives in place. To change people's behavior, you need to go beyond simply relaying knowledge and skills; each and every employee must have shared values and feel happy with the initiatives.

Because of this severe situation due to past improper quality control practices, there is a need to continue carrying out and developing sustainability initiatives at a higher level than before so as to foster a new corporate culture. A company cannot survive if it does not solve social challenges. It is important to set up a future goal to aim for at your company based on a mindset that places society first, and then to think about and enact a method to reach that goal from the present through backcasting. I hope you will aim for a high goal through co-creation with stakeholders.



Mr. Masao Seki
Senior Advisor on CSR at
Sompo Japan Insurance
Inc. and Professor, School
of Business Administration,
Meiji University

Mitsubishi Electric needs a unique story that links sustainability with its management strategy

I could sense your company's resolve and enthusiasm for company-wide reforms through this dialogue and I believe that this is the right time for you to demonstrate your ability to make "Changes for the Better."

On the other hand, from the standpoint of an investor, your wording is vague regarding the "cultural reform" that you give as one of your reforms following the past incidents of quality-related malpractice. You need to revisit the meaning of this phrase and conduct specific, effective activities so that it will not be interpreted as something leading to no actual, substantive change.

These incidents have hurt your employees and have damaged their trust in the company. But all the employees who are still trying to move ahead despite these circumstances are very important stakeholders. The top-priority issue for management at the moment is to send concrete and meaningful messages and to engage in dialogue with these employees.

Materiality and sustainability should be included in the management strategy. This means that Mitsubishi Electric must describe its story leading into the future based on how it will leverage its strengths, and the goals it will aim for. Japanese companies tend to view sustainability in the context of social contributions, but they cannot build a convincing story unless they clarify how the company's earnings will grow by solving social challenges.



**Ms. Chieko
Matsuda**
Professor at Faculty of
Economics and Business
Administration and
Graduate School of
Management, Tokyo
Metropolitan University

I do hope the establishment of business area owners that oversee multiple business divisions with a focus on social challenges will develop into meaningful activities. However, I believe what is important right now is to send the message out to both inside and outside of the company about a concrete management strategy that includes sustainability.

Diversity in the board of directors is also a critical point. When people with diverse backgrounds gather and discuss matters from different viewpoints, this reduces risks, generates opportunities, and increases the reliability of decision-making within management. I suggest that you proceed with governance reform while taking this point into account.

In response to the dialogues

I understand that there will be a long, tough road for our reforms in response to past incidents of quality-related malpractice. Today, while listening to a wide range of opinions, I gained a renewed appreciation for the importance of focusing on sustainability within the management of the company while working steadily to deal with the incidents. The point on the lack of visibility in the connection between our sustainability and corporate strategy renewed my understanding on the importance of communicating our concept and initiatives for sustainability together with our corporate strategy. Through our Sustainability Report and other materials, we will boost the communication of our messages to stakeholders and deepen our communications with employees so that each and every employee can share our values and make them relevant to themselves. In addition, we will work with sincerity as we take on biodiversity and other areas that we have not yet sufficiently engaged with, all while operating with an awareness of the relevant issues. Thank you so much for joining us today.



Asako Ueno
Head of Sustainability
Planning Division,
Corporate Communication
Group, Mitsubishi Electric
Corporation

Interviews with Experts

The Mitsubishi Electric Group has spoken with insightful experts, who are active in various industries, in order to hear what they think about our sustainability efforts amid the current trends. More specifically, we asked them to read the Mitsubishi Electric Group Sustainability Report 2021 and requested their opinions mainly regarding our materiality and what they expect from us given the domestic and international trends related to the sustainable development goals (SDGs) as well as environmental, social, and governance (ESG) investment. This section reports some of the opinions that we received.

* The profiles of the experts are current as of the time of the hearings.

Expectations for the Mitsubishi Electric Group

Prof. Atsushi Osanai, Ph.D

Professor at Waseda Business School

(Graduate School of Business and Finance)

Specialty: Management of technology/innovation, management strategy, diversity management



Comments received:

- I suspect that the incidents regarding quality are a result of your company's confidence in having strictness and a high level of quality; that is to say, a belief that there no problems will occur as long as your company's high standards are observed. Even if you make the rules stricter, employees will not always observe the rules. You may be able to build integrity by making uniform rules stricter across all products, while also applying different additional rules for each product.
- I have the impression that, despite having a high potential in terms of products and technologies, your company has not been able to gain a strong market share with many of your products, and there are no products that stand out from the rest. Instead of searching for something new, why not think about what you can do to monetize existing technologies and products? "Global" is one key concept. Although today's world is uncertain and unpredictable, a company with diversity in business and personnel structure has more strength in these circumstances. Such a business and personnel structure are associated with waste, but eliminating this waste will weaken the company. It is crucial to maintain a balance.
- Your company supports Japan's infrastructure and security and therefore bears the responsibility to make continued contributions to the country. I hope your company will emphasize sustainability which is gained through gradual improvements and then continually maintained, rather than focusing on making a V-shaped recovery in a short time.

Ms. Emi Sugawara

Professor, Faculty of International Studies,

Osaka University of Economics and Law

Specialty: international law, international human rights law

(Analysis on business and human rights in international human rights law)



Comments received:

- Mitsubishi Electric Group Human Rights Policy states that the Mitsubishi Electric Group respects human rights of affected stakeholders in its whole value chain. In order to identify human rights priorities from among the broad range of human rights issues across the value chain, it is essential to engage in direct dialogue (engagement) with stakeholders. On a global scale, it is also necessary to define its challenges through dialogues with its stakeholders, including customers, employees, and local communities, and then to work on these challenges.
- Human rights represent one category within issues related to management, though I feel few companies in Japan establish a division for business and human rights and work on these topics. It is crucial to have a system that allows the voice of stakeholders to be delivered to various divisions and checked in a cross-divisional way. I suggest that the Mitsubishi Electric Group should consider collecting the voice of affected stakeholders by utilizing existing arrangements such as customer centers, employee satisfaction surveys, and dialogue between offices and local communities. To the wider array of voices from stakeholders, each contact personnel who responds to these voices must have an understanding on how the company's businesses and operations are related to human rights of stakeholders. Otherwise, they will not identify these voices as opinions and grievances on human rights. I hope the Mitsubishi Electric Group will also build and enhance training programs that boost employees' understanding of business and human rights.

Mr. Masao Seki

Senior Advisor on Sustainability at Sompo Japan Insurance Inc.

and Professor, School of Business Administration, Meiji University

Specialty: Sustainability management, Business and society



Comments received:

- To be able to respond to major changes in the future, it is necessary to identify issues with a perspective that starts at society—that is to say, outside-in approach—rather than identifying issues with a perspective that starts with your company's products or technologies (inside-out approach).
- In order to have an outside-in viewpoint, you may wish to increase opportunities for direct dialogue with customers, employees, and other stakeholders as much as possible. Regarding human rights in particular, it is necessary to grasp the whole picture about human rights issues and then think about how these rights should be protected through direct dialogue with NGO/NPOs, relevant organizations, and human rights holders. I also believe that holding continued dialogues with employees may help in creating the sustainability-oriented corporate culture as defined in your materiality.
- I hope a global company like Mitsubishi Electric Group will set up decarbonization goals not only in your own value chain, but also from the viewpoint of how to reduce CO₂ across the entire world. I expect that you will demonstrate a future-oriented and proactive attitude to encourage society to act by taking advantage of your strengths.

Results of Reader Surveys

Questionnaire-based Survey Conducted on the Sustainability Report

The Mitsubishi Electric Group conducted a survey questionnaire among its stakeholders in Japan regarding the Group's sustainability initiatives and Sustainability Report 2021, resulting in responses from 600 individuals.

A portion of the survey results is presented here. The Group's initiatives were quite well-thought of overall, with the responders offering many positive options. They also raised certain issues. The Group takes these points seriously and will adjust based on them in future activities, with the Group as a whole seeking to push further forward on its sustainability efforts.

Survey summary and partial results

[Period]

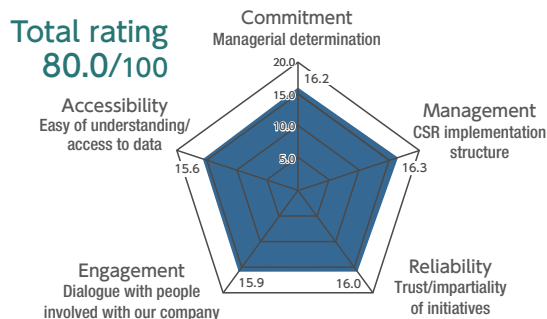
- December 2021

[Questionnaire responders]

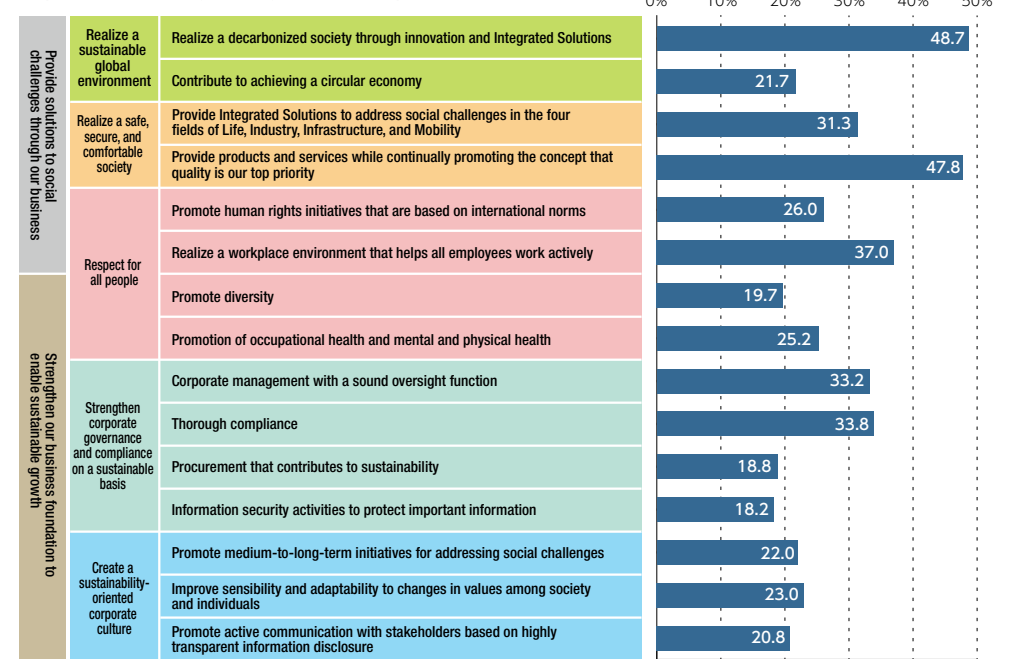
- Japan
- 600 persons
- General population nationwide, men and women aged 15 or older (people with a strong interest in sustainability)

[Main questions]

- Is senior management pursuing sustainability initiatives in earnest?
- Does the company have the framework that will allow it to implement sustainability efforts as a total organization?
- Are company initiatives truly moving forward?
- Is the company engaging in dialogue with the relevant parties in its orbit?
- Does the company consider ease of comprehension and access to information?
- Please select all those items in the report that made a particular impression on you (e.g. evoked positive feelings, sparked interest, felt you could approve of it, etc.).
- What do you expect regarding the materiality?



Expectations regarding materiality



Main comments received on expectations regarding materiality

Realize a sustainable global environment	<ul style="list-style-type: none"> • As each company has its unique strengths, I think there are things that only Mitsubishi Electric can do. I hope the company will use its technologies developed through experience to help our society. (Female, age 38) • I have great expectations for the company to engage in activities for building our future society while considering measures against environmental impact and climate change as a manufacturer that handles electronics. (Male, age 31)
Realize a safe, secure, and comfortable society	<ul style="list-style-type: none"> • I have expectations for the company to create economic and social value. (Male, age 54) • Many cases have been pointed out regarding issues at the Mitsubishi Electric Group, and so there is an urgent need to address and ameliorate these issues. Sustainability cannot be realized without such action. (Male, age 55)
Respect for all people	<ul style="list-style-type: none"> • I hope the company will serve as a model for international rules as it operates globally. (Male, age 57) • Growth of the economy is important, but this can only be achieved when people are mentally and physically healthy. (Male, age 75)
Strengthen corporate governance and compliance on a sustainable basis	<ul style="list-style-type: none"> • As there was a series of issues related to misconduct, I hope the company will first commit to restoring trust. (Male, age 54) • I think the company lags behind the competition in ensuring compliance in actual services. (Female, age 56)
Create a sustainability-oriented corporate culture	<ul style="list-style-type: none"> • Since connections with civil society are critical for capturing needs and implementing initiatives that bring real benefits, I believe active communication is necessary. (Male, age 31) • I have expectations for the Group to continue working on information disclosure. (Male, age 47)

Measures for Internal Dissemination

The following initiatives have been implemented to ensure sustainability has reached every part of our company.

Direct Dialogue between the President and Employees

Mitsubishi Electric holds meetings between the president and employees at each workplace to communicate the president's thoughts regarding reforms to employees, as well as to exchange views between them. In fiscal 2022, the meeting was carried out at a total of 42 bases. In fiscal 2023, to help bring the conversation deeper, these gatherings are continually held in a town meeting style with small groups. The president listens to diverse opinions from employees and will implement them in various reforms going forward.



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 Sustainable Development Goals (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 Sustainability Committee commenced reviews by devising potential responses by their own companies. In fiscal 2019, we decided on "Priority SDG initiatives" and reviewed them in fiscal 2022.

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 contribute to the achievement of the SDGs as part of our operations.

Main initiatives to the present

- Lecture presentation for executives by Toshio Arima, a board member of Global Compact Network Japan (fiscal 2018)
- Reflecting of SDGs in our business strategy (fiscal 2018-)
- Holding lecture presentations regarding the SDGs for research and development divisions (fiscal 2018, fiscal 2020)
- Promoting understanding about the SDGs through internal newsletters (fiscal 2018-)
- Sustainability Manager Training (fiscal 2018, fiscal 2019, fiscal 2022)
- SDGs training (fiscal 2019, fiscal 2020)
- Issuing the internal document "Guidelines for Using the SDG Logos" (fiscal 2022)

Measures for Internal Dissemination of Sustainability

Target	Description of Initiative
Executives	<ul style="list-style-type: none"> • Sustainability lectures Lecture presentations are held by experts who are asked to speak about changes in social perspectives and the latest industrial trends concerning sustainability to Mitsubishi Electric executives and members of the Sustainability Committee.
Affiliate companies in Japan	<ul style="list-style-type: none"> • Sharing of sustainability information in conferences of Mitsubishi Electric Group administrative managers Twice a year, general managers of administrative departments of affiliate companies in Japan gather in a conference to discuss compliance and other related matters, in which they share information on the Mitsubishi Electric Group's company-wide sustainability policy and initiatives.
Affiliate companies overseas	<ul style="list-style-type: none"> • Sustainability promotion activities in each region Overseas affiliates of the Mitsubishi Electric Group also hold committees for promoting sustainability and otherwise implement activities as needed for each region.
Sustainability managers	<ul style="list-style-type: none"> • Sustainability manager training Mitsubishi Electric holds training for sustainability managers from the company's offices and affiliates in Japan. Through lectures, they learn the basic principles of sustainability, social demands, and the Mitsubishi Electric Group's sustainability initiatives.
Group employees	<ul style="list-style-type: none"> • Promoting understanding of sustainability through training and in-house newsletters E-learning educational materials are distributed so that employees of Mitsubishi Electric and its group companies in Japan can learn about sustainability. In addition, in-house newsletters distributed to the group companies in Japan and overseas introduce sustainability initiatives both in Japanese and English.
New employees	<ul style="list-style-type: none"> • Sustainability training Every year, sustainability training is held for new employees of Mitsubishi Electric to deepen their understanding of sustainability as a basic foundation of corporate management, to ensure ethics and legal compliance in their daily operations, and to instill the importance of addressing quality and environmental issues.

Communication with stakeholders

Status of Communication

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.

Major stakeholders	Responsibilities and issues	Major contact departments	Major communication opportunities
Customers Individual and corporate customers	<ul style="list-style-type: none"> • Improvement of customer satisfaction • Product safety and quality • Customer response and support 	<ul style="list-style-type: none"> • Sales departments • Quality departments 	Inquiry centers (home appliances: Customer Relations Center; building systems: Information Center, etc.), sales activities, websites, showrooms, events, exhibitions, customer questionnaires, mass media / commercials
Employees Workers related to the Mitsubishi Electric Group in general	<ul style="list-style-type: none"> • Occupational health and safety • Respect for human rights • Human resource development • Respect for diversity 	<ul style="list-style-type: none"> • Personnel departments • Sustainability promotion departments 	Hotlines , intranets, in-house bulletins, training programs , meetings between management and employees , employee awareness surveys
Government, local governments, industrial organizations Governmental institutions, local governments and industrial organizations relevant to the business activities of the Mitsubishi Electric Group	<ul style="list-style-type: none"> • Compliance with laws and regulations • Compliance with restrictions • Policy proposals 	<ul style="list-style-type: none"> • External affairs departments 	Participation in advisory councils and committees, participation in the activities of industrial and economic organizations
NGOs and NPOs NGOs/NPOs citizens groups, etc. with relevance to the social and environmental aspects of Mitsubishi Electric Group	<ul style="list-style-type: none"> • Grants and partnerships through contributions to regional communities • Dialogues on social and environmental issues 	<ul style="list-style-type: none"> • Sustainability promotion departments 	Philanthropic activities (funds, foundations, volunteer activities) , dialogues on social and environmental issues
Business partners Business partners that supply raw materials and parts	<ul style="list-style-type: none"> • Fair transactions • Sustainability promotion through the supply chain 	<ul style="list-style-type: none"> • Materials departments 	Information sessions on sustainability procurement, BCP seminars , meetings based on the results of fair selection and evaluation of suppliers
Regional communities Communities near Mitsubishi Electric offices	<ul style="list-style-type: none"> • Contribution to four activity philanthropic areas (social welfare; science and technology; global environmental conservation; culture, art and sports) 	<ul style="list-style-type: none"> • Sustainability promotion departments 	Contributions through business, philanthropic activities (funds, overseas foundations, volunteer activities) , grants to universities , plant inspection tours , factory open-house events
Shareholders Shareholders, investment institutions, investors, etc. directly or indirectly possessing Mitsubishi Electric Group shares	<ul style="list-style-type: none"> • Increase in corporate value • Proper redistribution of profits • Information disclosure • Response to ESG investments 	<ul style="list-style-type: none"> • IR departments 	Financial results presentation meeting (4 times yearly) , general meetings of shareholders (once a year) , IR events/individual meetings , websites (IR library) , responses to interviews , shareholder communications
Others Academic institutions and research institutions	<ul style="list-style-type: none"> • Cooperation in creating innovation • Joint studies 	<ul style="list-style-type: none"> • R&D departments 	Industry-academia cooperation in research , stakeholder dialogues (once a year)
Future generations	<ul style="list-style-type: none"> • Provision of education opportunities 	<ul style="list-style-type: none"> • Sustainability promotion departments • Overseas foundations 	Inquiry centers, philanthropic programs , factory inspection tours , grants via foundations , events