

# Social

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# Quality

We would like to sincerely apologize to all our customers and other parties concerned for the impact of the series of improper quality control practices that has occurred in the Group. At Mitsubishi Electric, we take these incidents seriously and we will ensure that thorough measures are taken to prevent recurrence by analyzing the related factors and pursuing the root causes. While responding to customers and people in society with utmost sincerity, we will endeavor to restore public trust.

We have established the Emergency Response Division led by the president to work to investigate the causes and take measures to prevent recurrence. We have also been striving to realize three reforms that we have formulated based on suggestions on recurrence prevention measures from an Investigative Committee of external experts.

One of these three reforms is "Quality Assurance Reform," and to engage in this, we have established the Corporate Quality Assurance Reengineering Group under the direct control of the president. The Group will take a leading role in driving and implementing company-wide measures.

Specifically, we will implement the company-wide measures given below.

Task	Specific initiatives
1. Creating a new company-wide structure for quality assurance (led by head office)	<ul style="list-style-type: none"> <li>• A Chief Quality Officer (CQO) was appointed from outside the company to oversee the Corporate Quality Assurance Reengineering Group.</li> <li>• The Corporate Compliance Committee's quality governance subcommittee has assessed the Corporate Quality Assurance Reengineering Group's activity every two months.</li> <li>• The company has identified the infrastructure it needs to ensure compliance with law, standards, and customer specification and strengthen the quality assurance process, and has decided to invest ~5 billion yen in FY2022 and plans to invest 30 billion yen or more over two years.</li> </ul>
2. Company-wide measures for quality assurance reforms	
2-1 Restructure the control functions	<ol style="list-style-type: none"> <li>1) <b>Greater independence and separation of chain of command.</b> In April 2022, Corporate Quality Assurance Reengineering Groups and Quality Assurance &amp; Management Departments were established at all work sites, provided shipping authority, and began operating.</li> <li>2) <b>Strengthening of quality assurance functions</b> In FY2022, quality audits were conducted at five sites with an emphasis on ensuring products conform to laws, standards, and customer specifications. From April 2022, the auditing process will be improved to help identify issues at sites and facilitate improvements; these improved audits are planned for 28 work sites.</li> </ol>
2-2 Addressing technical capabilities and resources issues	<ol style="list-style-type: none"> <li>1) <b>Strengthen and ensure compliance with laws, regulations and public standards.</b> Different from conventional management of information on laws and regulations relevant to each site, the company finished drafting the outline of a system via which the Corporate Quality Assurance Reengineering Group centrally collects and manages information on laws and regulations common to all sites. Using an external organization, the company started viewings of information on the revision/abolition of legal standards and standards documents.</li> <li>2) <b>Enhance quality through IT and digitalization</b> <ul style="list-style-type: none"> <li>• The company decided on basic specifications clearly defining what points should be checked when assessing consistency between customer specifications and shipped products.</li> <li>• Tools for the digital management of customer specifications and inspection data are scheduled to be introduced.</li> </ul> </li> <li>3) <b>Strengthen head office support for manufacturing sites</b> The quality support team is gathering information on problems experienced in three specific workplaces. This will be used to provide support going forward. A contact center has also been set up to handle inquiries on technical issues from manufacturing sites.</li> <li>4) <b>Training of quality-control personnel</b> <ul style="list-style-type: none"> <li>• A survey of the skills possessed by manufacturing sites' quality assurance and quality control departments was completed. Internal training courses tailored to skill levels were rolled out company-wide. The survey results will be used to visualize skills strengths and weaknesses and an enhancement plan will be formulated.</li> <li>• A quality assurance and quality control department leadership training course has started.</li> </ul> </li> </ol>
2-3 Enhance an awareness of quality compliance	<ol style="list-style-type: none"> <li>1) <b>Revitalize personnel rotation</b> Quality assurance department personnel rotations will be scheduled across manufacturing sites.</li> <li>2) <b>Instill awareness of quality compliance among senior managers</b> A compliance seminar for executives was held.</li> <li>3) <b>Quality Compliance Awareness Training</b> <ul style="list-style-type: none"> <li>• Improper Conduct Prevention meetings using the Kani Factory as a case study were held in all workplaces.</li> <li>• July 2 has been designated Company-wide Quality Day; the CEO and business division heads are slated to issue messages to employees.</li> </ul> </li> </ol>

## Basic Policy and Management

### Basic Policy

The Mitsubishi Electric Group conducts business under the Purpose, "We, the Mitsubishi Electric Group, will contribute to the realization of a vibrant and sustainable society through continuous technological innovation and ceaseless creativity." This Purpose inherits the principles outlined in the Keys to Management (in Japanese, Keiei no Yotei) set out when Mitsubishi Electric was established with regard to "our contribution to social prosperity," "quality improvement," and "customer satisfaction," and forms the basic spirit of our relationship with society and our customers.

To give concrete shape to this basic spirit, employees perform their work according to "Our Values," which teach us to develop relationships based on strong mutual trust, ensure products and services that satisfy standards provided in laws and regulations and the specifications agreed upon with customers are delivered in the best quality, and provide society with new value by enhancing our technology and onsite capabilities.

Based on these values, we constantly strive to increase customer satisfaction and contribute to social prosperity in all aspects of our business, from the production of high-quality, easy-to-use products to our after-purchase support, response to major issues, and product disposal.

### Four Basic Quality Assurance Principles

The Four Basic Quality Assurance Principles reflect the spirit of "Service through Quality" adopted in 1952 and "Memorandum of Quality" issued in 1958. The spirit of serving society through steady quality continues to be upheld by each employee of the Mitsubishi Electric Group up to the present day.

#### <Four Basic Quality Assurance Principles>

1. Product quality is our top priority. It comes before price and on-time delivery.
2. Our commitment to the highest quality under any circumstances is unwavering.
3. Products must be safe to use, have a long usage life, and have consistent performance.
4. Every manager and employee involved in manufacturing a product shares equal responsibility for product quality.

### Product Safety-related Principles

Based on the "Purpose" and "Our Values," the Mitsubishi Electric Group promotes initiatives to ensure product safety under the following principles:

#### <Product Safety-related Principles>

1. We will not only comply with the laws related to product safety, but also work on offering safe and reliable products to our customers.
2. We will prevent product-related accidents by indicating cautions and warnings to help customers use our products safely.
3. We will work actively to collect information about product-related problems, disclose them appropriately to our customers, and report them quickly to the government and other bodies as required under the law.
4. If any serious accidents occur resulting from product-related problems, we will take appropriate measures to avoid further damage.
5. We will investigate the cause of product-related accidents and work to prevent any recurrence.
6. We will make continuous efforts to improve our product safety promotion system.

Particularly in regard to consumer products, Mitsubishi Electric is committed to preventing serious hazards that could result in death, injury, fire, or other damage, by subjecting all products to a quantitative risk assessment at the development stage, while also designing and developing products in consideration of their end-of-life management (to ensure safety even at the stage where products are prone to break or be discarded). At the same time, our Service Call Center and Customer Relations Center in Japan operates 24 hours a day, 365 days a year to gather information on product-related issues and enable prompt response. Furthermore, we disclose accident information, including information on the status of ongoing investigations, on our Japanese official website.

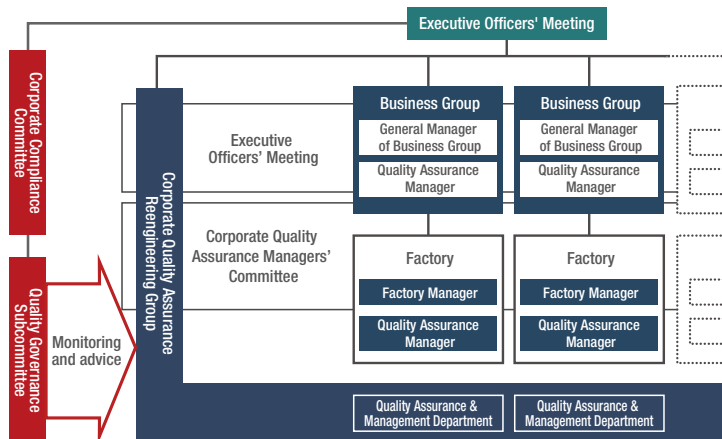
[📄 Important information about our products \(in Japanese text\)](#)

## Management

The Corporate Quality Assurance Reengineering Group under the direct control of the president has been implementing company-wide measures to promote quality assurance reform and strengthen activities for improving quality. The Quality Assurance & Management Departments under the Corporate Quality Assurance Reengineering Group assigned to each manufacturing base assumes the function for checking, including shipping authority. It is also responsible for acting as the contact point for consultation on issues in the field.

The Quality Governance Subcommittee has been established under the Corporate Compliance Committee, to which business execution has been delegated from the Executive Officers' Meeting, and the Corporate Quality Assurance Reengineering Group implements the PDCA cycle for improvement in response to the monitoring and advice from the Subcommittee.

Our works in Japan and overseas are responsible for ensuring the quality of individual products, and implementing specific improvement activities for quality assurance activities in our business process, including market investigation and development and design, manufacturing, distribution, maintenance services following shipment, and product disposal.



Promotion of Quality Assurance and Improvement Activities (Mitsubishi Electric)

## Quality Improvement Activities

The Mitsubishi Electric Group incorporates the promotion of quality into products from the design and development stage, promotes activities to improve quality in all business processes—including maintenance and servicing after shipping—and works to improve product quality, safety and reliability.

With regard to development and design in particular, we have continued to develop human resources who are capable of assessing customer requests and basic product functions as well as executing and driving designs and evaluation that ensure and guarantee safety, reliability, and stability of functions. These human resources improve our development and design quality by ensuring all parties involved are familiar with the elemental technology guidelines necessary for ensuring quality, alongside other efforts.

As for procured products, we have been working to improve quality in collaboration with our suppliers, who are important partners of the Mitsubishi Electric Group, by asking them to understand our policy that gives top priority to quality.

With regard to product defects, we have also built a database for sharing quality-related information. It consists of detailed information provided by employees on past problems, lessons learned, explanations, and examples of improvements that have been made. We have also added content summarizing the rules and principles regarding common factors of defects as an attention reminder and use it across the entire Group along with the database, which have been used for helping to build quality into products, implement quality improvement measures, prevent the occurrence or recurrence of problems, and train young engineers.

Please see here for a list of announcements from us on cases of improper quality control practices, as well as the latest details on the status of registration and certification with ISO and other standards.

[List of Announcements: Cases of Improper Quality Control Practices at Mitsubishi Electric\(in Japanese text\)](#)

[Status of Registration and Certification with ISO and other Standards\(in Japanese text\)](#)



"Learning from Failure"  
(Database of past incidents and lessons)  
This program is set up so that users can systematically browse and utilize lessons, precautions, improvement case studies, and countermeasures from a managerial perspective and the perspective of their technological field.

## Providing Easy-to-Use Products

### Basic Policy

The Mitsubishi Electric Group engages in universal design under the principle of "creating user-friendly products and comfortable living environments that benefit as many people as possible." To achieve user-friendliness and comfortable living in the true sense of the words, we are committed to providing products and living environments that offer a high level of satisfaction to as many people as possible.

### Mitsubishi Electric Group's Efforts in Universal Design

We have applied the concept of universal design (UD) to home appliances such as air conditioners and televisions, as well as to public equipment such as elevators, through considering the needs of all users. This approach is continuing to evolve.

- Uni & Eco: The Uni & Eco business strategy was developed for home appliances in fiscal 2005 as a philosophy that combines "Uni," or universal design, (the aim of which is to achieve accessibility for all users), with "Eco," meaning ecological soundness that is perceivable, achievable, and communicable.
- RakuRaku Assist: By raising the target demographic to people in their 70s starting in fiscal 2011, we developed the RakuRaku Assist business strategy. The aim is to enable more people to freely and easily take advantage of the latest convenient features.
- SMART QUALITY : We are also advancing the RakuRaku Assist strategy in our SMART QUALITY efforts. This started in fiscal 2013 as an initiative to improve the quality of future lives by connecting societies, livelihoods, products, and people through smart, connected, and waste-eliminating technologies.

### Universal Design Guidelines for widespread usability

The Universal Design Guidelines are a set of standards that apply to a wide range of product development, and were formulated based on the expertise gained through using the UD-Checker. To promote greater usability of our products by all users, including children, senior citizens, and people with physical disabilities, we created guidelines on changes that occur to human characteristics with age and that consider disabilities. The guidelines are structured in the same way as the UD-Checker, which incorporates the four perspectives of recognition, identification, physical use, and safety/usability.



### UD-Checker, the universal design evaluation system

UD-Checker is Mitsubishi Electric's proprietary tool that can be used by both industrial designers and engineers to evaluate for universal design (UD) qualities. This tool shows four quantitative measures of UD, namely recognition, identification, physical use, and safety/usability, indicating specific design aspects for development and improving the efficiency of product development. The UD-Checker is used on a wide variety of Mitsubishi Electric products from home appliances and public equipment to industrial equipment.

The UD-Checker's four evaluation criteria

1. Recognition: consideration for ease of understanding
2. Identification: consideration for ease of reading and/or hearing
3. Physical use: consideration for comfortable posture and minimum physical load
4. Safety/usability: consideration for usability without danger or operating errors.

Recognition	Consideration for ease of understanding	Identification	Consideration for ease of reading and/or hearing	Physical use	Consideration for comfortable posture and minimum physical load	Safety/usability	Consideration for usability without danger or operating errors.
E.g.) Buttons with easy-to-understand functions (Television remote control with record function)		E.g.) Large characters easy even for aged persons to read				E.g.) A rice cooker that considers safety by preventing the danger steam burns	
<p>We have named the buttons after their functions (what the user wants to do)</p> <p>*Rovi, G-GUIDE, and the G-GUIDE logo are trademarks or registered trademarks of Rovi Corporation in the United States and/or its affiliates in Japan.</p>		<p>Main characters/numbers</p> <p>電源 ↑ 7.5 mm or more Power</p>		<p>E.g.) Handle design that allows optimized gripping options for various cleaning scenarios</p>			

The UD-Checker's four evaluation criteria

Results sheet is automatically output based on the entry into the check items

Details of "UD-Checker" (In Japanese text)



## Universal Design Examples to Date

### Application to home appliances

Mitsubishi Electric has been ahead of the game in applying the concepts of universal design (UD) to home appliances. For instance, we have applied the Universal Design Guidelines to the RakuRaku-IH Cooking Heater cooking equipment.

- Using a simple control plate with few buttons, the design features button sizes and text displays that are both large.
- We made the order of basic controls for IH cooking easier to understand by displaying numbers. Moreover, we clarified the heat-intensity display by adopting simple words like "strong" and "weak."
- Another innovation was adding the benefit of voice-generated control assistance and alerts.
- Human sensors that monitor the surroundings of the IH unit have also been integrated into the equipment. The unit emits spoken alerts if no one is around during cooking or to give warnings of overheating.

#### "RakuRaku-IH" Cooking Heater CS-G20AKS

Large characters & numerical indicators of steps for use

##### <Features>

- Characters are approximately 1.8\* times the size of our conventional system. (Compared with Mitsubishi Electric's conventional model G38MS)
- Can be operated simply by pressing buttons in order of numbers displayed.

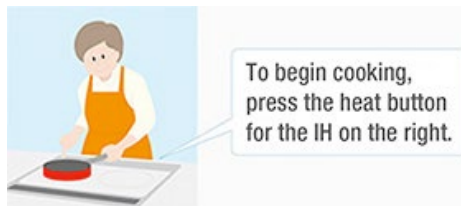


Large character & numerical indication of steps for use

#### Safety sensor & audio support

##### <Features>

- Built-in sensor checks for people in vicinity.
- Offers audio support for ease of operation.



Safety sensor & audio support

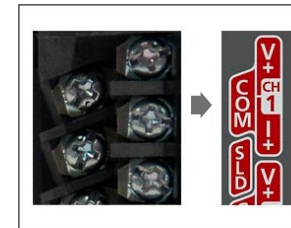
Other "RakuRaku Assist" products (In Japanese text)

### Application to the industrial sector

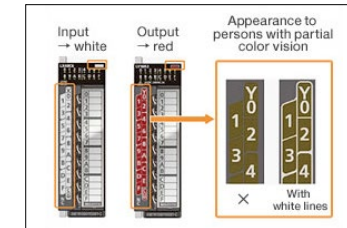
Even in the industrial sector, where there is a high level of specialization and a relative lack of diversity in terms of operators who handle equipment, the labor environment is changing. Examples of this transformation include the aging of workers, and more foreign and inexperienced workers – changes that have increased the need for universal design. At Mitsubishi Electric, we are applying the concept of universal design (UD) in our industrial products, such as factory automation (FA) equipment and electric power devices, as well as to the installation and maintenance of equipment on factory floors.

We are also employing the Universal Design Guidelines for sequencers in FA equipment.

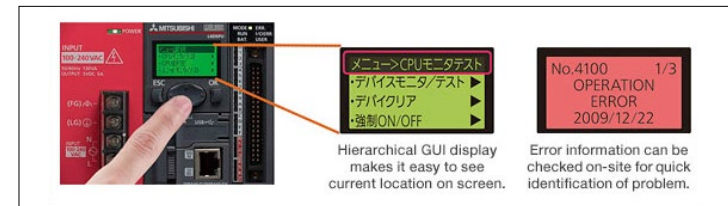
- Easy-to-understand expressions, such as printed designs that are images of actual objects, make the displayed content more intuitive.
- The unit employs a large UD font display and offers good contrast against the background color, considering people with impaired color vision.
- By showing the text in both English and Japanese hierarchically for easy understanding, inexperienced workers can easily identify the cause of on-site malfunctions.
- Operability has been improved by employing the cabinet design, to feature a larger, more spread-out surface for the enlarged control portion.



Print design illustrating the actual wiring



Presentation with consideration for persons with impaired color vision



Easy to understand information display



The enlarged control portion has improved operability

### Creating easy-to-understand instruction manuals

Under a campaign to provide first-rate instruction manuals, Mitsubishi Electric Group is directing its efforts to creating easy-to-read and easy-to-understand instruction manuals to ensure the safe and comfortable use of our products. Forming the basis of this effort is Mitsubishi Electric's original "Guidelines for the creation of instruction manuals for home appliances—Instructions." To raise the quality level of instruction manuals, this handbook is distributed to all affiliates in Japan who handle home appliances.

#### Example instruction manual: Mitsubishi Electric Kirigamine FL Series room air conditioners

Our Quick Guide (Basic Operations) enlarges each button, allowing users to recognize at a glance which button they should push on their remote control. In addition to this, large font sizes and ample margins make the explanations extremely easy to understand.

☑ Instruction manual for Mitsubishi Electric Kirigamine FL Series room air conditioners (In Japanese text)



Quick Guide (Basic operations)



### Award received

In fiscal 2022, following the International Association for Universal Design (IAUD)'s evaluations of Mitsubishi Electric's solutions for social challenges based on an inclusive approach, we won awards at the IAUD International Design Awards. The accolades included the Grand Award for efforts concerning the "SwipeTalk"® (speech-to-text) app for the hearing impaired and cross-cultural communication, the Silver Award for the ceiling-suspended exposed model of the Lossnay total heat exchanger for schools, and the Bronze Award for the P-Series two-door refrigerator suited to living alone and cooking one's own meals.

Going forward, Mitsubishi Electric aims to continue creating universal products and services that take ingenious approaches and consider various perspectives across a broad range of business areas.



Efforts concerning the "SwipeTalk"® (speech-to-text) app for the hearing impaired and cross-cultural communication



P-Series two-door refrigerator suited to living alone and cooking one's own meals

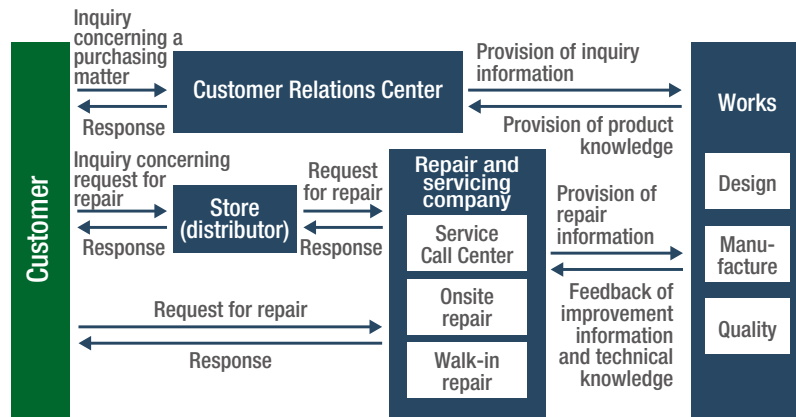


Ceiling-suspended exposed model of the Lossnay total heat exchanger for schools

## Improving Customer Satisfaction

### Basic Policy

Customer satisfaction has been a priority management principle of the Mitsubishi Electric Group since its founding. Inheriting this spirit, we collect feedback from our customers through customer satisfaction surveys as appropriate to the characteristics of each business operation, and incorporate customer opinions into product development, marketing strategies, and services. We also strive to maintain customer satisfaction by strengthening our repair/service systems, providing effective staff training, and expanding access to information via our websites.



Flow of responses to customer inquiries (Mitsubishi Electric)

### CS Activities by the Home Appliances Group (in Japan)

The Living Environment & Digital Media Equipment Group handles matters related to home appliances and carries out customer satisfaction (CS) improvement activities in Japan. It makes sure that customers across the country are satisfied with the Mitsubishi Electric product they purchase, and strives to increase the number of such satisfied customers.

### The beginning of CS activities related to home appliances

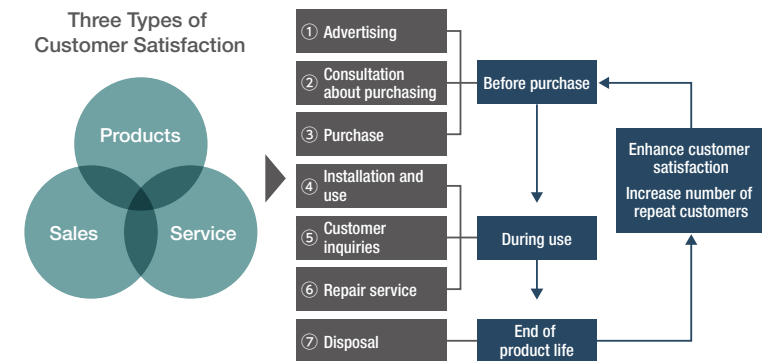
The CS Department at Mitsubishi Electric was established in Japan in July 1993. In addition to assuring product quality and optimum product usability and functionality, the department engages in CS improvement activities with strong awareness of the significance of customer satisfaction. Mitsubishi Electric quickly proceeded to create the necessary culture, systems and tools that would enhance its products, marketing strategies, and services. Each works conducts satisfaction surveys of its major products using questionnaires to product purchasers and questionnaires to employee monitors. The results of these surveys are shared within the Group and reflected on sales and development strategies.

### Understanding customer satisfaction

A customer's selection, purchase, and use of a product involve a number of different departments, such as the development, manufacturing, sales, and service departments. Customer satisfaction cannot be achieved if a customer is discontented with any aspect of this process, or if there is any weakness in the departments concerned. Customer satisfaction increases in the following order.

- Assurance: The customer is assured that the product is not flawed or defective
- Contentment: The product satisfies the customer's needs and requirements
- Emotion: The customer acquires a new value from the product

The ultimate form of customer satisfaction is achieved when a product exceeds customer expectations and provides an emotional benefit. The key to achieving customer satisfaction is to therefore assess and satisfy customer expectations.



Customer checkpoints

### Taking calls 24 hours a day, 365 days a year

To satisfy customer expectations, it is necessary to think of customers throughout the sales, service, development, and manufacturing stages, and to quickly detect and respond dynamically to signs of market changes. As one strategy to provide a response to customers in Japan when they require one, in October 1998, Mitsubishi Electric extended the service hours of its Japan Customer Relations Center to 24 hours a day, 365 days a year. Previously the center responded to inquiries concerning product usage only during daytime hours from Monday through Saturday except on holidays. Today, the Customer Relations Center and Service Call Center operate 24 hours a day, 365 days a year. The Technical Support Call Center, which responds to technical inquiries from distributors, and the Repair Service Station, the stronghold of repair services operated by Mitsubishi Electric System & Service Co., Ltd., also respond to inquiries 365 days a year (excluding some regions). As the relations center receives a wide array of inquiries every year due to the diversification of product functionality, we are constantly reinforcing staff members, and are making consistent efforts to provide proper training.

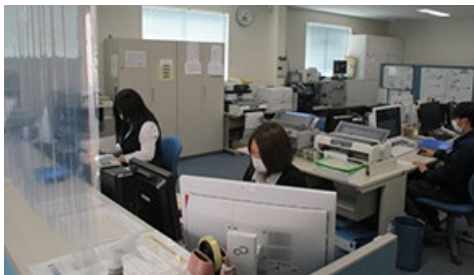




Customer Relations Center



Service Call Center



Repair Service Station(1)



Repair Service Station(2)

### System of reviewing customers' comments

The content and results of consultations and repair requests from customers and the details of technical inquiries are sent as feedback to the manufacturing works at the end of each day. They are used to improve both products under production and development, and to provide repair information to distributors.

#### Customer relations center

Customers' comments that are collected by the Customer Relations Center are entered into a database and analyzed in terms of trend, and the analysis results are regularly sent to relevant manufacturing plants, sales companies, and research institutes. Manufacturing plants and sales companies utilize this information in their ongoing efforts to improve existing products and to make websites, catalogs, and instruction manuals even easier to understand. Research institutes utilize the information to refine products that are under development. Particularly with respect to information that is obtained following the release of a new product, efforts are made to convey customers' expectations, wishes, and dissatisfactions regarding the new product to relevant departments in a timely manner, so they may review the feedback as quickly as possible.

At the same time, regular liaison meetings are held between each manufacturing plant and Customer Relations Center to identify medium-term issues that are brought to light by customers' comments and enhance their cooperation in collecting further information.

### Manufacturing plants

At Shizuoka Works, where Mitsubishi Electric manufactures air conditioners, quality improvement efforts are made by arranging opportunities for development engineers to personally hear the opinions of customers and provide feedback to their product development. More specifically, Shizuoka Works actively invites questions and comments from customers, or when a quality issue occurs that is thought to be of high technical difficulty, directly visits the customer's home to inspect the product installation environment.

There are many cases where customers' comments have benefited product development. With air conditioners, most inquiries are related to how to use the product and problems with cooling and heating functions. Therefore, direct visits are made to customers' homes to personally hear their inquiries, and such visits are used to improve product quality by reflecting the results in design criteria or incorporating them into measures for improving product control specifications.

As an example, our unique sensory temperature control was developed based on customers' comments, with some customers saying the air conditioner is too weak, and others saying it overcools. We looked into this issue and found that in addition to ambient temperature, humidity and floor temperature also affect sensory temperature. With regard to the noise of outdoor units, we found that not only the loudness but also the nature of the noise also makes a difference in how noise is actually heard, and thus incorporated this concept in our development evaluation criteria.

We will continue to refer to customers' opinions as we continue to accumulate a history of Kirigamine air conditioners.



Kirigamine FZ Series room air conditioner MSZ-FZ4022S  
The mirA.I.+ moving eye function continuously delivers comfort to users at home.

### CS Activities by the Building Systems Group (in Japan)

The Building Systems Group handles elevators and escalators that provide vertical transportation within buildings and building management systems. By ensuring their safety and security and continuously delivering comfortable means of transportation and living spaces as indispensable social infrastructures on a global scale, we contribute to making society even more vibrant and sustainable. Under the slogan "Quality in Motion", the Building Systems Group continues to pursue the highest level of quality in relation to safety, comfort, efficiency, safety, and the environment in its overall business activities (sales, development, manufacturing, installation, and maintenance), making use of our advanced technologies and environmental expertise. By this means, we are able to provide our customers with optimal solutions and a level of security and reliability that wins their complete satisfaction.

### 24-hour, 365-day Safety Hotline

Mitsubishi Electric information centers situated in eight locations throughout the country provide a "safety hotline" for response in cases of trouble, such as failure signals and telephone calls from customers following issues with elevators, refrigerators, air-conditioning equipment, or other building facilities. Mitsubishi Electric information centers constantly monitor remotely the status of contracted customers' building facilities. When an error signal is received, the system provides information on the current locations, works in progress, and even the technical levels of approximately 6,000 engineers, so that the most appropriate engineer closest to the customer's building can be located and dispatched to the site immediately.

The system also supports the quick recovery of building functions, by taking actions such as e-mailing information on the history of repairs and other matters related to the building to the engineer, or processing urgent orders for parts. Moreover, by monitoring changes in data on the operational status of elevators and air-conditioning facilities, we can detect and address abnormalities before they develop into a malfunction and prevent problems from occurring.



Information center

### Mitsubishi Elevator and Escalator Safety Campaign

Elevators and escalators are used to transport a large and indefinite number of persons, so a high level of safety is imperative, and they are thus required to be equipped with various safety devices and functions.

At the same time, to ensure safe operation, it is necessary to maintain the functioning of elevators and escalators through regular maintenance and inspection, and for people to use them correctly. Based on this awareness, we not only perform maintenance and inspection as appropriate, but have also been holding a safety campaign since 1980 to increase

understanding of the proper usage of elevators and escalators among users and to promote their safe usage.

We also hold explanatory meetings for users, to teach children, senior citizens, people with disabilities, and other such users the proper and safe way to ride elevators and escalators, as well as explanatory meetings for apartment and building owners and managers, with a focus on daily management methods and emergency responses. These meetings have been attended by more than 300,000 people to date, and will continue to be held as an important safety activity of the Mitsubishi Electric Group.



Mitsubishi Elevator and Escalator Safety Campaign

### Inazawa Building Systems Works SOLAÉ showroom

The showroom attached to the 173-meter-tall SOLAÉ elevator testing tower receives visitors from facility owners, design offices, and construction companies—as well as children from the local community—and having them see, feel, and experience actual products and technologies related to elevators, escalators, and building management systems from Mitsubishi Electric that are fundamental to building operation, the showroom communicates the safety and security of Mitsubishi Electric's products.

The elevator and escalator zone introduces visitors to the history of elevators and escalators, and, using actual elevator and escalator units, provides a survey of subjects ranging from their basic structure to the latest products and technologies that ensure their safety, security and comfort. Visitors can also experience the "function to connect with people" that improves operating efficiency and comfort as well as the "function to connect with the building" for integrating elevators with other building facilities. The building management system zone allows visitors to experience technologies including the latest building management and security systems.



SOLAÉ elevator testing tower



SOLAÉ showrooms

## Responding to Product-Related Issues

### Basic Policy

If we receive any report of a major issue occurring in a product that we have sold, we have a system in place that includes the top management to ensure quick and accurate decisions on the steps and measures to take, so that we can take proper action while always placing top priority on not inconveniencing our customers. In addition, we will share information on major issues that occurred with regard to products across the entire Group promptly to strengthen our ability to respond to such issues.

For recalls in particular, we work on an ongoing basis to ensure that all the relevant products that were sold are returned and repaired, and apply these efforts to a wide array of sales channels.

### Reporting Major Product Issues (in Japan)

A detailed list of information pertaining to important product-related and quality issues is posted on Mitsubishi Electric's Japanese-language official website.

[List of important information pertaining to products \(In Japanese text\)](#)

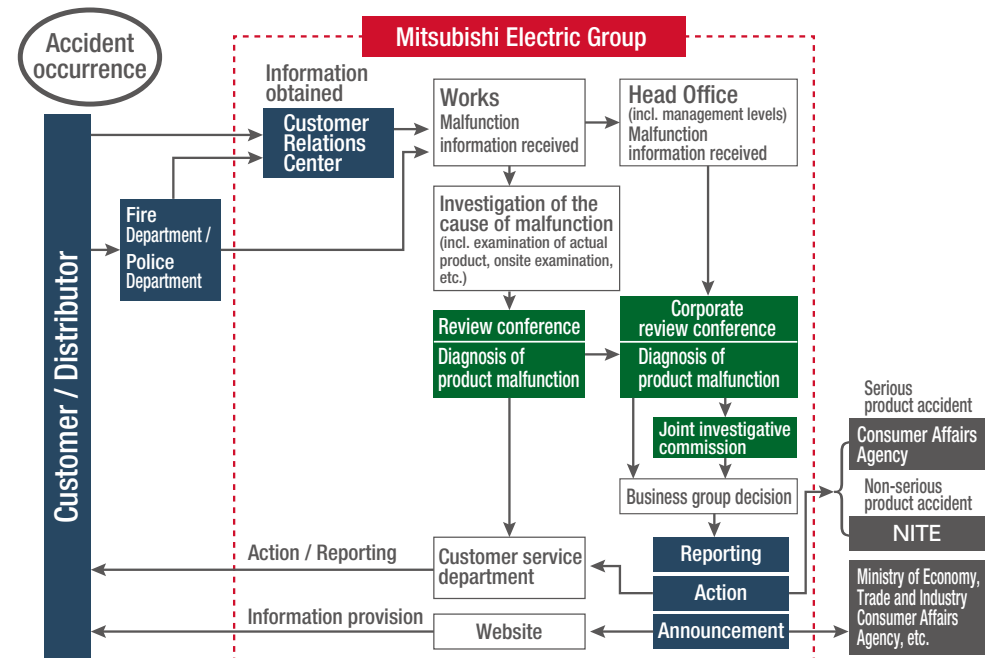
### Accident Reporting Based on the Consumer Product Safety Act

In Japan, we promptly release appropriate information on issues in consumer products, which directly and deeply affect consumers.

Detailed information on our compliance with Japan's revised Consumer Product Safety Act, which went into effect in May 2007, is available on Mitsubishi Electric's Japanese-language official website.

[Accident reporting based on the Consumer Product Safety Act \(In Japanese text\)](#)

Under our policy regarding the disclosure of accident information, we also disclose information on cases that are accidents related to products other than gas or oil equipment and that have not been identified as accidents caused by products or that have been determined as being uncertain as to whether they were caused by products.



Flow of responses to accidents (Mitsubishi Electric Group)

# Human Rights

## Human Rights Policy

### Mitsubishi Electric Group Human Rights Policy

Protection of human rights and support for internationally agreed human rights are imperatives for the Mitsubishi Electric Group's business activities. Accordingly, as members of the Group, we recognize our duty to prevent any complicity with human rights violations.

On that basis, the Mitsubishi Electric Group enacted its Corporate Ethics and Compliance Statement in 2001 and pledged that all executives and members of the Group "will conduct ourselves always with a respect for human rights, will not discriminate based on nationality, race, religion, gender, or any other reason."

As the Mitsubishi Electric Group continues to expand its business globally, in accordance with the spirit of the Mitsubishi Electric Group's "Purpose" and "Our Values," it has established this Human Rights Policy and shall raise awareness of human rights among its members and make sure to properly deal with related incidents in order to ensure that its business activities do not have a negative impact on human rights.

1. The Mitsubishi Electric Group recognizes that, as a minimum, it must respect international standards related to human rights, such as the International Bill of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. On that basis, we shall respect human rights while making sure to adequately understand relevant laws and regulations in every country and region where we do business. If such laws and regulations do not conform to international standards related to human rights, we shall consult with local authorities on how to properly handle cases involving human rights in order to respect the international standards.
2. Based on the United Nations Guiding Principles on Business and Human Rights, the Mitsubishi Electric Group shall undertake human rights due diligence measures, such as specifying and assessing the impact of its business activities on human rights, and studying ways of proactively preventing or mitigating any negative impact of those activities. Furthermore, the Group shall put a framework in place for rectifying any cases in which its business activities are found to have negatively impacted human rights, or its members are found to have been clearly involved in violations of human rights.
3. The Mitsubishi Electric Group has identified materiality (material issues), has set concrete tasks and goals for those materiality, and works to achieve them, and, through that process, takes steps to ascertain the status of its initiatives related to respect for human rights, and properly discloses its findings.
4. The Mitsubishi Electric Group shall work to ensure that its initiatives related to respect for human rights are implemented with the participation of all executives and employees. Furthermore, the Group shall request cooperation from various stakeholders involved in its whole value chains such as business activities, products, and services, in order to help promote respect for human rights in society at large.
5. The Mitsubishi Electric Group shall implement training programs and awareness campaigns on a continuous basis for the purpose of ensuring that all executives and members of the Group understand initiatives related to respect for human rights, and conduct themselves accordingly.



## Code of Conduct (Excerpt from "Mitsubishi Electric Group Code of Conduct")

### ● Respect for Human Rights of Employees

1. We respect human rights in every aspect of our business activities, and will not allow child or forced labor.
2. We provide all employees with fair opportunities to acquire education, experience, skills and abilities in accordance with their duties. We also treat all employees fairly in accordance with their experience, skills, abilities performance and growth potential.
3. We value diversity and inclusion in the workplace. We accept the individuality of each employee and foster working environment where diverse employees can work with each other synergistically.
4. We will not allow any form of discrimination based on race, ethnicity, nationality, gender, age, beliefs, religion, social status, sexual orientation, gender identity, disability, etc. in employment and working conditions.
5. We respect the rights of each employee and will not engage in any harassment, libel or defamation, humiliating or hostile conduct or any other actions that deny human rights in the countries and regions in which we conduct business. We check our words and actions continuously to make sure they do not raise any misunderstanding or perception of such actions that deny human rights.
6. We value every employee's personal data, and are committed to only collecting, using, retaining and disclosing personal data in a legal, fair, transparent and secure way. We ensure safeguards are in place to prevent unauthorized access, leakage, loss and alteration of personal data.

### ● Fair Employment

1. We comply with labor laws and regulations of the countries and regions in which we conduct business, and internal rules and procedures.
2. We comply with safety and health laws and regulations, and take care of the safety and wellbeing of all our employees so that they can stay healthy at work with a healthy state of mind and body.
3. We create and maintain comfortable working environments in which every employee can work with peace of mind.

### ● Respect for Human Rights

1. We respect human rights and ensure we adequately understand relevant laws and regulations of the countries and regions in which we conduct business. We strive not to violate any human rights.
2. We request cooperation from various stakeholders involved in the whole value chains of our business activities, products and services to help promote respect for human rights in society at large.
3. If we receive any complaint or consultation regarding human rights from various stakeholders, or if we see or hear any behavior that infringes upon human rights in Mitsubishi Electric Group activities, we promptly contact the department in charge so that measures can be taken to resolve it.

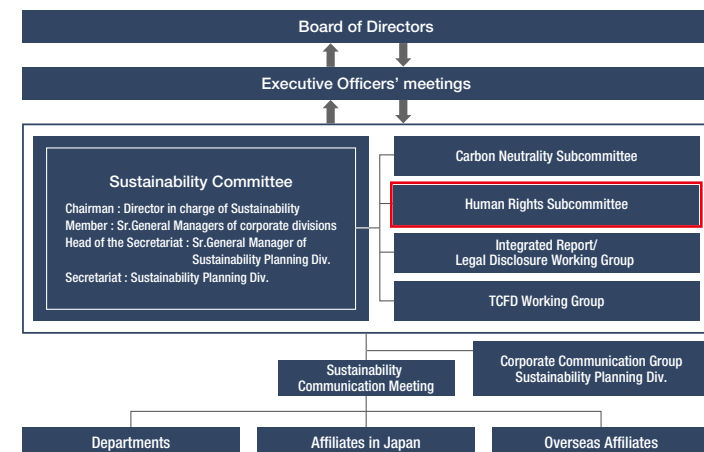
## Management System Related to Respecting Human Rights

In order to undertake human rights due diligence and other measures based on the United Nations Guiding Principles on Business and Human Rights, etc., the Mitsubishi Electric Group has been implementing the Plan-Do-Check-Act (PDCA) cycle, in which the results of human rights initiatives are confirmed and policies and plans are considered and approved in a meeting of the Sustainability Committee held every year.

In fiscal 2023, the Group will establish the Human Rights Subcommittee as a permanent organization that is subordinate to the Sustainability Committee to determine potential improvements, solutions for issues, and other matters related to human rights initiatives, and to take rapid action. The Human Rights Subcommittee will be headed by the Senior General Manager of the Sustainability Planning Division, and will be composed of the heads of the Corporate Strategic Planning Division, the Corporate Human Resources Division, the Corporate Purchasing Division, the Corporate Legal & Compliance Division, the Corporate Risk Management Division, the Corporate Economic Security Division, and the Global Planning & Administration Department.

Since human rights issues are related to a broad range of fields, the Group will establish a system for it to clarify the responsible division, work on initiatives, and report the status of progress to the Sustainability Committee. In addition, the Executive Officers and Directors

will receive reports on initiatives as necessary and supervise them, thereby strengthening the integration of human rights initiatives.





## Human Rights Management

Based on its "Human Rights Policy," the Mitsubishi Electric Group identifies "respect for all people" as materiality and promotes the following initiatives.

### Human Rights Impact Assessment

As part of human rights due diligence required by the United Nations Guiding Principles on Business and Human Rights, the Mitsubishi Electric Group periodically carries out "Human Rights Impact Assessments" in order to assess the impact of the Group's business activities on human rights.

In fiscal 2022, we carried out the second "Human Rights Impact Assessment" of Mitsubishi Electric, affiliates in Japan, and overseas affiliates, covering a total of 417 sites. In addition, we decided to add the "Human Rights" category to the "General Control Self-Check," in which risks that may have material impact on the management are inspected based on the decisions made by the Board of Directors. We also checked the status of progress of the "Human Rights Impact Assessment."

#### 1. Actions carried out

##### ● Assessment of occurred risks

We assessed the probability of the human rights violation risk that "our group may have a negative impact" with respect to forced labor, child labor, discrimination, freedom of association, harassment, and others, and assigned one of three levels (low, medium, or high) through a questionnaire survey with our four stakeholders: employees, consumers, the supply chain, and the local community.

##### ● Assessment of human rights initiatives

In order to ascertain the current status of initiatives for the Group's human rights risks and to clarify activities that we should prioritize in the future, we evaluated the initiatives at each site according to three levels (actively working on initiatives, working on initiatives, or effort is insufficient). For example, regarding harassment measures, if, in addition to periodical education and notifications, the site is engaged in using a discerning eye when appointing people for management positions, strictly punishing those who have committed harassment, constructing a system for accepting complaints and inquiries for consultation, we give the site 3 points. If the site is engaged only in regular education and instructions, we give the site 2 points. If education at the site is insufficient (it is provided only to managers or to a limited degree), we give the site 1 point.

#### 2. Assessment and evaluation results and initiatives for fiscal 2023

##### ● Results from assessment of human rights violations risks

Based on the results of the Human Rights Impact Assessment, we have identified the areas within the Group's initiatives to be strengthened in the future.

- Harassment measures ● Work hour management ● Occupational safety and health
- Human rights education ● Human rights initiatives in the supply chain
- Response to conflict minerals ● Grievance mechanism

#### 3. Initiatives in fiscal 2023

We will present indexes regarding what will specifically be done within company-wide initiatives and to what extent, and we will encourage each base to make improvements.

For the time being, we will carry out the Human Rights Impact Assessment every year and continue to confirm the status of improvements made to each initiative.

#### Initiatives Related to Employees' Human Rights

We will respect the human rights of employees and implement initiatives, such as embracing diversity, maintaining a favorable working environment, and ensuring occupational safety and health and mental and physical health, in order to create a work environment where all employees can work actively with a sense of security.

[Human Resources](#)

#### Human Rights Initiatives in the Supply Chain; Joining the RBA

Since fiscal 2019, we have been seeking consent from suppliers to agreement on initiatives for social issues including human rights issues.

[Supply Chain Management \(Procurement\)](#)

In order to enhance the objectivity and transparency of the Mitsubishi Electric Group's human rights initiatives, in February 2022 we joined the Responsible Business Alliance (RBA), an alliance that promotes corporate social responsibility in the global supply chains. We commit to progressively align our own operations with the provisions of the RBA Code of Conduct, to promote continuous improvement of our sustainability efforts.

[RBA](#)



## Response to the UK's Modern Slavery Act and Australian Modern Slavery Act

In fiscal 2017, Mitsubishi Electric Europe B.V. and Mitsubishi Electric Air Conditioning Systems Europe Ltd. issued a statement in response to the Modern Slavery Act that was enacted in the UK with the aim of eradicating forced labor, human trafficking, and other such acts that constitute "modern slavery." We update the content of the statement and disclose it every year. Continued efforts will be made to ensure information disclosure and strengthen relevant initiatives. Due consideration is also given to the UK Gender Pay Gap Report. Likewise, Mitsubishi Electric Australia submitted a Modern Slavery Statement to the Australian authorities in response to the Modern Slavery Act enforced in Australia as of January 1, 2019.

[Statement by Mitsubishi Electric Europe B.V.](#)

[Statement by Mitsubishi Electric Air Conditioning Systems Europe Ltd.](#)

## Ensuring Personal Information Protection

In order to balance the usability of personal information while respecting the right to privacy, namely a key human right, the Mitsubishi Electric Group is promoting personal information protection initiatives as per rules based on the eight privacy principles defined in the OECD Privacy Guidelines

[Activities for Personal Information Protection](#)

## Human Rights Education

### Human rights training

In fiscal 2022, we carried out the following forms of training:

- We held the "Directors' Compliance Seminar" targeted at all directors on the theme of "Business and Human Rights" in fiscal 2022. Inviting Mr. Hideaki Umetsu, attorney-at-law and partner at Mori Hamada & Matsumoto, as the lecturer, a lecture was given on a wide range of topics, including trends surrounding business and human rights, practical response by companies, and areas within initiatives that the Mitsubishi Electric Group should strengthen in the future.
- At Mitsubishi Electric, in line with the implementation of the "Human Rights Impact Assessment," we provided human rights education to sustainability managers to deepen their understanding on global trends regarding human rights issues, international human rights norms, as well as the Mitsubishi Electric Group's Human Rights Policy (approx. 400 attendees). For overseas affiliates, we also created training materials in English and Chinese.
- For new employees and newly appointed managers, we provide ongoing training programs regarding human rights. In fiscal 2022, we conducted a group training session related to human rights and harassment in each office for 941 new employees, 436 newly appointed managers, and 713 employees in charge of new employee training.

## E-learning

Since fiscal 2019, we have been conducting a sustainability-related e-learning program that includes themes on human rights for employees of Mitsubishi Electric and domestic family companies. In fiscal 2020, we created the English version of contents and conducted the program at overseas family companies as well. In fiscal 2023, we plan to significantly upgrade the contents of this program and provide it for all employees while incorporating human rights based on international norms as a main theme.

## Harassment training

Starting in the second half of fiscal 2020, Mitsubishi Electric has enhanced the content of harassment education in line with the Mitsubishi Electric Workplace Reform Program. The e-learning program for harassment prevention education is given to all Mitsubishi Electric employees, and training has also been conducted on harassment prevention at each office. The role of managers is important for creating a workplace environment that will not cause harassment. For this reason, we focus on the training of newly appointed managers. Through this training, we place emphasis on ongoing harassment prevention by encouraging them to have a correct understanding of instances of harassment and implement appropriate communication skills for providing operational guidance. Those who attended the program actively engage in creating a comfortable working environment for employees, by making certain there are no harassment issues in the workplace, as is their responsibility as managers.

The education of all employees includes not only providing information on power harassment and sexual harassment, including harassment against people of the same sex and LGBTQ people, maternity harassment, SOGI harassment, and so on but also introducing specific case studies of harassment. Lectures are given that allow each employee to identify any harassment issues in the workplace and report and communicate any issues that they have become aware of by communicating internal and external points of contact for consultation to everyone. We have deployed this harassment training program to family companies as well and all the employees of domestic family companies participate in harassment prevention training programs that are implemented in line with the Mitsubishi Electric Workplace Reform Program.



Lecture on "Respect for human rights and the active participation of diverse human resources"

## Grievance Handling Mechanism

The Mitsubishi Electric Group has established multiple points of contact to respond to and understand inquiries from various stakeholders, of which main points of contact are listed in the table below. We also receive consultation requests on human rights through them. For each whistleblowing case on human rights risk, the responsible division quickly confirm facts according to the content of consultation. If a violation of human rights, etc. in business activities of the Mitsubishi Electric Group is confirmed, we appropriately respond to the instance by dealing with the victim and considering the punishment of those who engaged in the case in question, etc. as well as promptly making a correction and improvement. However, please understand that the Mitsubishi Electric Group may not deal with an instance for which facts cannot be confirmed as a result of confirmation and investigation or with a case which is determined as difficult to investigate due to being groundless, slander, and so on.

### Mitsubishi Electric's main points of contact for whistleblowing/consultation

Service available to	Name of point of contact for whistleblowing/consultation	Matters to be consulted	Contact
Various stakeholders (customers, people in the community)	"Inquiries on sustainability" and "Other Inquiries" on the Mitsubishi Electric Group official website	<ul style="list-style-type: none"> <li>● Inquiries regarding the Mitsubishi Electric Group's sustainability</li> <li>● Other various inquiries regarding the Mitsubishi Electric Group's business activities</li> </ul>	<Japanese> <a href="#">Inquiries on sustainability</a> <a href="#">Other Inquiries</a> <Global (English)> <a href="#">Inquiries on sustainability</a> <a href="#">Other Inquiries</a>
Mitsubishi Electric employees, family companies employees*1, suppliers to Mitsubishi Electric*1	Ethics observance hotline	Whistleblowing or consultation regarding organized or individual employees' fraud, legal violation, act of breach of ethics	Internal points of contact/external points of contact (lawyers) *2*3
Mitsubishi Electric employees	Points of contact for consultation on sexual harassment, power harassment, etc.	Whistleblowing/consultation on various types of harassment in Mitsubishi Electric's workplace	Human Resource Div. at each office of Mitsubishi Electric

\*1 Limited to whistleblowing that is relevant to Mitsubishi Electric in personal and business aspects.

\*2 The points of contact are listed on Mitsubishi Electric's intranet, internal posters, "Code of Corporate Ethics and Compliance," etc.

\*3 A whistleblowing system has been established at each domestic and overseas family companies of the Mitsubishi Electric Group.

## Discussion with External Parties

In order to make the Mitsubishi Electric Group's efforts for human rights issues effective, we have discussions with experts, human rights NGOs and other parties to receive advice on human rights initiatives. In fiscal 2022, we had an opportunity to hold discussions with Emi Sugawara, professor at Faculty of International Studies, Osaka University of Economics and Law. Ms. Sugawara gave us the following advice:

- When considering Mitsubishi Electric's human rights and other high priority issues, it is essential to understand what the stakeholders (consumers, employees, local residents involved in business activities, etc.) are actually saying.
- Human rights laws have been established in each country, but they differ between countries. Instead of comprehensively responding to all legal systems, it is necessary to think about respect for human rights on the basis of the guiding principle and work on issues according to your own logic, and then explain your initiatives to stakeholders.

[Interviews with Experts](#)

## AI Ethics Policy

### Mitsubishi Electric Group AI Ethics Policy

The Mitsubishi Electric Group has declared that it will contribute to the realization of a vibrant and sustainable society through continuous technological innovation and ceaseless creativity. In accordance with this, we will contribute to the realization of a sustainable society by solving social issues through technological innovations in AI. Furthermore, the Mitsubishi Electric Group will promote the responsible development and use of AI, taking into account not only convenience, but also safety and security. In addition, we will adapt and evolve this policy based on changes in the technology related to AI, social trends, and continuous dialogue with diverse stakeholders. In summary, using this policy as a guide, the Mitsubishi Electric Group will create a brighter tomorrow by contributing to the realization of a society of Human-Centered AI.

#### 1. Realization of a Human-Centered AI society

The Mitsubishi Electric Group aims to realize a society in which human dignity is protected by developing and utilizing AI that leads to people's happiness and active participation in the society.

#### 2. Fair and non-discriminatory utilization

The Mitsubishi Electric Group recognizes the possibility that decisions may be biased in AI-equipped products and services, but will always strive to treat people fairly and not discriminate in a society where diverse people coexist. In addition, the Mitsubishi Electric Group will seek cooperation with the customers and business partners who we provide AI products or services to, so that fairness principles are respected in all applications of AI technology.

#### 3. Ensuring safety and security

The Mitsubishi Electric Group aims to ensure that the lives and freedoms of people in our society are not threatened by rigorously testing the safety of products and services equipped with AI to ensure that they work as expected. We will also continue to work on security measures such as protecting the AI products and services against unauthorized access by outsiders.

#### 4. Consideration for privacy

The Mitsubishi Electric Group believes that the appropriate handling of data including personal information is of utmost importance and will work to ensure that the privacy of data associated with AI-equipped products and services is maintained.

#### 5. Transparency and accountability

The Mitsubishi Electric Group strives to enhance the transparency of AI by explaining the reasons for certain decisions in AI-equipped products and services. In addition, through continuous dialogue with diverse stakeholders, we will aim to be accountable regarding the purpose of use and usage of AI, as well as the various effects that could be expected when using AI-equipped products and services.

#### 6. Development of AI and human resources

The Mitsubishi Electric Group will continuously evolve AI technologies and AI-equipped products and services. Also, we will train our employees to understand AI technologies and issues, enabling them to contribute to the realization of a Human-Centered AI society.

#### 7. Compliance with laws and regulations

The Mitsubishi Electric Group will comply with the laws and regulations of each country and region in the development and utilization of AI-equipped products and services.

# Human Resources

## Basic Policy on Human Resources

### Basic Policy

In the Mitsubishi Electric Group Medium-term Management Plan Towards FY2026, the Mitsubishi Electric Group states it will contribute to realizing a vibrant and sustainable society, including response to decarbonization, by increasing the provision of integrated solutions through the strengthening of the business management foundation, promoting digital transformation, and other activities. We place extreme importance in the hiring and development of human resources who have diverse values and abilities toward this end, and we will focus on the following initiatives:

- **Human resource investment**

In Japan, we have been continuing to invest in the hiring of more than 3,000 new graduates and mid-career people every year. We also promote the reinforcement of human resources overseas in an attempt to strengthen our business and technology development, marketing, and manufacturing capabilities. We will continue to secure and invest in the necessary human resources for strengthening our business.

- **Human resource development**

With the understanding that "there is no business development or social contribution without the growth of employees," we are investing in education training for all employees while enhancing other measures, and we will conduct personnel rotation for employees' career enhancement in a planned manner.

- **Workplace culture**

We will improve employee engagement and the workplace environment, promote diversity, and engage in other activities to realize a workplace environment where employees can work actively with a sense of security.

## Workforce Diversity & Inclusion

### Basic Policy

As the business environment around Mitsubishi Electric Group is rapidly changing, providing a workplace where employees can work to their full potential regardless of gender or age is essential to business development. Furthermore, it has become more vital than ever before to employ an even greater diversity of people, given the increasingly aging and diminishing population in Japan. Based on this awareness, Mitsubishi Electric promotes employee diversity through the following measures.

### Promotion Framework

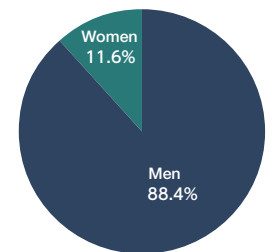
To enrich the personal lives and build the careers of women employees and employees who are raising children, Mitsubishi Electric established the CP-Plan\* Promotion Center within its Corporate Human Resources Division in April 2006. In April 2021, the Center's name was changed to the Diversity Promotion Office. Various initiatives are being strengthened to create workplaces where employees respect diversity, which includes age, nationality, disabilities, LGBTQ, workstyles, and gender as well as work vibrantly, thereby maximizing their potential at work.

\* Career management & Personal life well-balanced Plan

### Women's Participation

Mitsubishi Electric formulated an action plan based on the Act on Promotion of Women's Participation and Advancement in the Workplace\* and set the following targets. To achieve these targets under the current action plan, we have created measures such as nurturing young employees by giving them business experience and providing training opportunities in a systematic manner, as well as the proactive dissemination of information regarding various support systems for balancing work and family life.

\*Act enacted in 2016 which stipulates the responsibilities of the national government, local governments, and general employers in promoting female participation with the aim of realizing a society in which women can fully embody their individuality and abilities.



Gender ratio  
(Mitsubishi Electric)

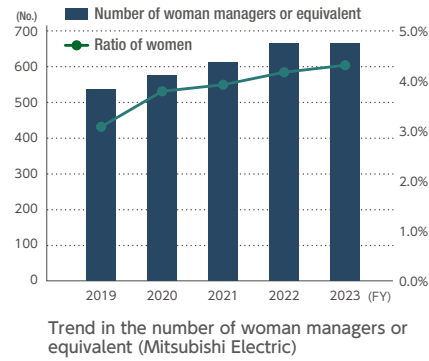
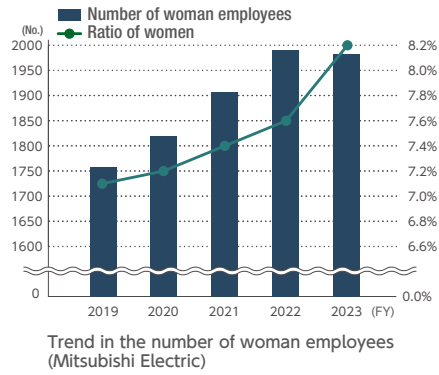
### Mitsubishi Electric's Action Plan based on the Act on Promotion of Women's Participation and Advancement in the Workplace (Target: FY2026)

Initiatives	Target	Performance for FY2022
Percentage of woman in management	2 times (Compared to FY2021)	1.25 times
Percentage of newly hired women	1.2 times (Compared to the average from FY2017 to FY2021)	1.2 times
Percentage of men on childcare leave*	70%	65.3%

\* Includes those who obtained special leave for childcare purposes



Basic data



Initiatives for Even Greater Participation of Women  
Career forum for young woman employees

A career forum is offered to young woman employees to actively inspire them to form a career vision that considers work-life integration. Through a lecture personally given by the president on the managerial significance of promoting women's participation, talks by a woman outside director of the company on her own career experiences and her thoughts about working, stories of senior employees' personal experiences, and group discussions, the forum, attended by around 200 people every year, encourages woman employees to think and act on their own and promotes personal networking.

In addition to this forum that is held at the Head Office, exchange events are also held in some offices.

Strengthening management capacities

Various efforts are made to raise management's awareness of women's participation and strengthen management capacities. For example, a curriculum on women's participation is included in the training program for newly appointed managers, to disseminate an understanding of the managerial significance of women's participation and considerations to be heeded in the management of woman subordinates.

Handbook on supporting work/childcare balance for employees and supervisors

Various initiatives are in place so that employees who have taken childcare leave can smoothly return to the workplace and perform to the maximum of their ability while caring for their children. For example, a handbook is distributed both to these employees and their supervisors, and regulations require that these employees meet with their supervisors periodically before and after returning to their positions.



Handbook on supporting work/childcare balance for employees and supervisors

Recruitment to promote women's participation: Organizing events to promote further understanding of Mitsubishi Electric and producing promotion Media (websites, leaflets, etc.)

Mitsubishi Electric makes active efforts to recruit woman students by setting a future goal for the woman ratio in new recruits in the company's Action Plan, pursuant to the Act on Promotion of Women's Participation and Advancement in the Workplace.

Ratio of women among new recruits (Mitsubishi Electric)

	FY 2019 (actual)	FY 2020 (actual)	FY 2021 (actual)	FY 2022 (actual)	FY 2023 (estimated)
Overall	17.5%	15.1%	18.8%	20.0%	23.3%
Administrative	31.0%	31.5%	37.0%	38.0%	44.3%
Engineering	13.1%	9.4%	13.4%	14.4%	15.0%

The ratio of women among new recruits in engineering fields is steadily increasing, particularly within a competitive environment owing to more students keeping themselves away from science fields and with the seller's market remaining strong.

\*Fall hires and April hires

[Basic policy on human resources](#)

Various events are organized to actively disseminate genuine perspectives on working at Mitsubishi Electric. These include exchange forums where woman students in science can interact with woman employees at various business areas and occupations, from junior employees and other employees who have children to managers, and seminars that include a tour designed to introduce in-house facilities at Mitsubishi Electric. Websites and leaflets that introduce the way Mitsubishi Electric's woman employees carry out their jobs and their careers are also produced and meetings were held with employees who were former students of the same university as candidates. The whole of Mitsubishi Electric Group is actively making efforts to promote women's participation and advancement in the workplace; its domestic group companies create websites featuring woman employees; Mitsubishi Electric's overseas sites lead participation in "Grace Hopper Celebration," the world's largest event for exchanges between personnel, as a sponsor company.



Pamphlet for woman students wishing to pursue a career in engineering



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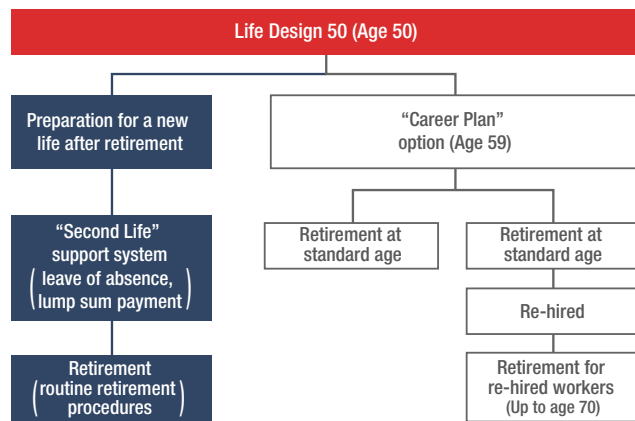
### Acquisition of Eruboshi

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.



### Providing Diverse Employment Formats for Older Employees

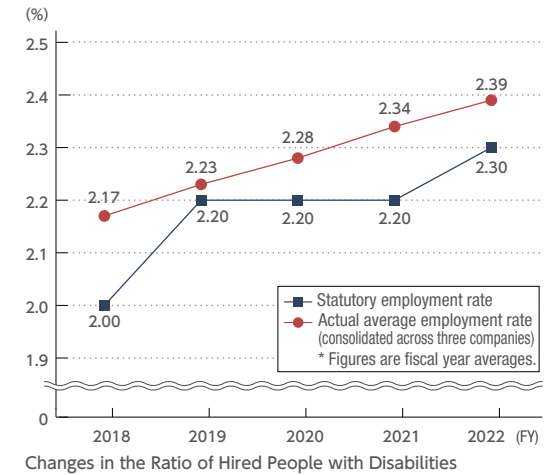
In Japan, Mitsubishi Electric instituted various multi-track personnel systems in FY 2002, which makes diverse employment formats possible by allowing employees aged 50 and over to choose from among a variety of options. The options include financial assistance for an employee's "second life" following retirement, a "second life" support program that provides two years of paid vacation, and extending employment up to the age of 65 through a reemployment program. In April 2021, we introduced a rehiring system that allows for extended employment up to age 70. We will continue to build an environment in which older workers with a wealth of experience and skills can work actively. Furthermore, we also offer an annual "lifestyle design" training session at each of our business sites to employees turning 50 and their spouses. The sessions encourage employees to take an interest in planning the rest of their lives and designing a rewarding lifestyle by providing information on pensions and retirement benefits, social insurance, taxes, hobbies, health, and other topics, and by facilitating group discussions.



Multi-track personnel system (Mitsubishi Electric)

### Promoting Employment of People with Disabilities

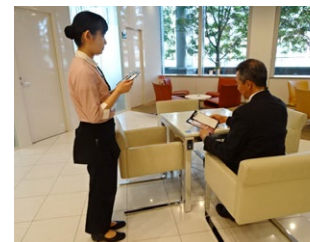
The Mitsubishi Electric Group has been actively employing people with disabilities in various companies from the perspectives of sustainability and diversity promotion. We promote barrier-free initiatives to create comfortable work environments for people with disabilities. In October 2014, Mitsubishi Electric established Melco Tender Mates Corporation, a special subsidiary\* that specializes in businesses mainly suited to people with intellectual disabilities. As of March 15, 2022, people with disabilities comprised 2.41% of the total workforce at Mitsubishi Electric and its special subsidiaries combined. The company name of Melco Tender Mates Corporation expresses the principle that able-bodied employees and employees with disabilities are equal partners in the workplace and peers who mutually care for each other. The company mainly engages in the cleaning service, cafe, business card, food service, and health promotion (massage) businesses, and employs 102 people with disabilities as of March 15, 2022. A cookie factory was established in FY 2018, the Nagoya Office opened in FY 2021 and the Himeji Office opened in FY 2023. The company will continue to gradually expand its businesses to increase its employment of people with disabilities.



Changes in the Ratio of Hired People with Disabilities

The company name of Melco Tender Mates Corporation expresses the principle that able-bodied employees and employees with disabilities are equal partners in the workplace and peers who mutually care for each other. The company mainly engages in the cleaning service, cafe, business card, food service, and health promotion (massage) businesses, and employs 102 people with disabilities as of March 15, 2022. A cookie factory was established in FY 2018, the Nagoya Office opened in FY 2021 and the Himeji Office opened in FY 2023. The company will continue to gradually expand its businesses to increase its employment of people with disabilities.

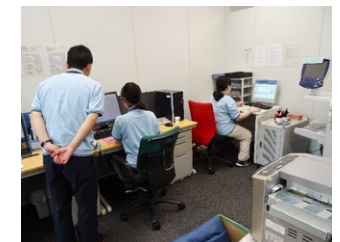
\* Special subsidiary: A subsidiary which, if certain requirements are met, is regarded as the same business entity as its parent company and whose rate of employment of people with disabilities is calculated in consolidation with that of the parent company.



Cafe business



Cookie manufacturing



Business card production

## Initiatives for LGBTQ

Mitsubishi Electric respects diversity and promotes initiatives that deepen understanding on sexual diversity (LGBTQ), with the aim of realizing a workplace environment where all individuals can maximize their own ability and work actively. In June 2021, the president sent out a message that we will develop a workplace environment that is comfortable for LGBTQ people and all other employees to work. We have designated June as the Mitsubishi Electric Pride Month and we will conduct initiatives to understand sexual diversity (seminars for the management and human resources divisions to understand LGBTQ, and e-learning for employees). We have established an external contact point for consultation for use by not only LGBTQ people but also their superiors and colleagues at the workplace.

### In-house Community Activities and Penetration of Understanding Among Internal Personnel

In fiscal 2022, we have designated the Diversity Promotion Office as the secretariat and started "Mitsubishi Electric Ally Community\*" activities. Inviting external lecturers, we learn the significance of ally activities and deepen our understanding by exchanging views.

\* An in-house community in which anyone can participate to understand and support LGBTQ people.

### Recognition of Same-sex Partners as Spouses

In March 2022, we reviewed the Work Regulations to recognize same-sex marriage partners as spouses and to apply the same systems to these couples as those that are applied to legally married people.

### "PRIDE Index 2021" Silver Award Received

Mitsubishi Electric received the Silver award for the "PRIDE Index 2021," an index developed by the private organization "work with Pride" to evaluate initiatives for LGBTQ people and other sexual minorities at workplaces in Japan. We satisfied the evaluation criteria in the "Policy," "Representation," "Inspiration," and "Engagement/Empowerment" indexes.



## Supporting Career Development

### Basic Policy

"A company is its people, and cannot grow without their growth. The development and utilization of human resources is the source of a company's development, and education is a fundamental undertaking that creates the foundation of management."

Under this principle, the Mitsubishi Electric Group believes it is important to link the expertise, skills, and mentality it has cultivated as an organization to maintaining and strengthening corporate competitiveness and contributing to society. By adding new values at times and achieving further growth, we actively promote the human resource development of all our employees. While instilling the corporate principles within our group employees and sharing our Values globally, we aim to become a corporate body where all 140,000 employees working in countries around the world can work actively and responsibly and enjoy their work.

### Human Resources Development System Supports the Skills Development of Each and Every Employee

The Mitsubishi Electric Group's training system for all employees, including those of group companies, consists of passing down everyday business know-how and acumen through on-the-job training. Knowledge and skills that are difficult to acquire through on-the-job training as well as career development are provided through off-the-job training on a supplementary basis while proactively holding online seminars. Off-the-job training consists of conferring information on ethics, legal compliance, and other matters. Exceptional teachers from inside or outside the company provide expertise and skills training, or motivational training. Tests and competitions to improve skill levels are conducted, and practical training or international study opportunities at overseas sites and universities in Japan and abroad are provided.

With regard to new graduate employees and mid-career recruits, we provide company orientation and training sessions to elicit their consciousness as workers and educate them on basic knowledge, management principles, compliance, and other matters.

For personnel in managerial positions who are responsible for human resource development, we support the acquisition of skills, including a plan to stimulate communication in the workplace, active listening, and ways of coping with stress, so that they can give appropriate support to each and every employee who works under their immediate control. We will promote the development of core human resources in order to create a workplace with openness for communication.

Company-wide training/ development measures	Mitsubishi Electric Business Innovation School (MBIS)	Key functional person development	☆MELCO Seminar (M-Semi)		Functional training			Level-specific training
	Technology management school / Sales management school / Next-generation leader management school / Executive management school / Managerial training program	Advanced Technology System Course	Area of specialty	Common areas	Global	Skill training	Individual functional training	Job-level specific training / Management position-specific training
					Overseas: OJT system	Company-wide supervisor meeting	Administrative division personnel training (Purchasing, accounting, general affairs, etc.)	
Career development support	Supporting each and every employee envision and shape his/her future career by developing the necessary skills		Role/performance review system	Total life program	☆MELCO English proficiency test ☆Training point system ☆Self-development support program ☆Job-Net ☆Career Challenge System			
Knowledge sharing	Place to accumulate, pass down, and develop information related to technology and business. Human networking beyond individual areas of business		☆Engineering Divisions' Meeting ☆Engineers' Meeting Chief Engineers' Meeting Engineering Committee ☆Technical help desks ☆Mitsubishi Electric quality-related information sharing system					
Training for all employees	Ensuring basic knowledge for Mitsubishi Electric Group employees is provided and an appropriate mindset is developed within them		Compliance, safety, quality, sustainability, diversity, etc.					

☆Main measures and systems that employees can utilize independently

Human resource development system diagram (Mitsubishi Electric)

Annual amount of human resources development and training expenses per employee (Mitsubishi Electric)	Approx. 86,000 yen/person
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### Development of core management personnel

Mitsubishi Electric has been building the "Mitsubishi Electric Business Innovation School" program as a measure for developing core management personnel. In fiscal 2023, it will review the content of the program and further strengthen the development of human resources that will drive businesses, including work to bolster areas such as compliance and sustainability for the Group as a whole.

In addition, Mitsubishi Electric has also been building a wide range of management executive development programs, including the introduction of business coaching to personnel in executive management positions and dispatching potential next-generation leaders to business schools in Japan and overseas.

### Strengthening and handing down technologies and business capabilities

In pursuit of strengthening its technologies and business capabilities, Mitsubishi Electric has been developing group-wide seminars under the name "MELCO Seminar" that can be selected and attended according to the needs of each individual. Approximately 450 types of seminars are provided in total, with more than 17,000 annual participants. Online courses are also provided, making it easy to attend from any office. In addition, we have set up the "Advanced Technology System Course" as the top level seminar course to bolster our important technologies, and we are focusing efforts to develop key persons in the relevant areas.

Moreover, a knowledge sharing network has been constructed between Group companies. In the Engineering Divisions' Meeting, the largest organization in the network, approximately 20,000 people participate in a total of 14 meetings featuring lectures given by people invited from outside of the company, presentation sessions within the Group, workshops, and many other mutual study activities to relay a broad range of information. We have also established technical help desks through which newer employees can consult with highly experienced employees via the company intranet.

### Strengthening and handing down skills

A skills competition is held annually as a measure to strengthen the skills of the Mitsubishi Electric Group, with the aim of "handing down skills and raising skills to even higher levels," "further creating a climate that respects skills," and "developing top-level technicians." The company-wide competition is joined by representatives from manufacturing facilities and has approximately 130 participants in total. The CEO also attends the opening and awarding ceremonies.

As a measure to improve the ability of supervisors, company-wide supervisor meetings and supervisor training programs are held to hand down skills at each manufacturing site.



Mitsubishi Electric Group Skills Competition

### Principles for Developing Global Human Resources

#### To become a global company that employs global human resources

As a global company, Mitsubishi Electric has 205 consolidated group companies in Japan and overseas, employing some 140,000 employees. Particular attention is given to personnel assignments and development, with the aim of becoming a corporate body where all employees of the Group can work actively and responsibly and enjoy their work. As part of this effort, we create videos introducing our history and corporate principles in multiple languages with the aim to instill the corporate principles within our group employees and share our values globally.

### Global (borderless) organization management and human resource utilization

Mitsubishi Electric is working to utilize human resources across countries in an attempt to assign excellent personnel at optimal positions regardless of nationality or race. In fiscal 2022, the Global Mobility Guidelines were established for the purpose of promoting personnel changes between third countries without intervention from Japan. We are also working on borderless organizational management to make the most of online communication, while gradually implementing a virtual assignment mechanism in which employees engage in the business of a Group company in another country while staying in their own country.

### Promotion and training of international staff from overseas affiliates to senior management positions

In our overseas affiliates, we are driving promotion of quality international staff to senior management positions with the purpose of enhancing the management of local businesses and improving employee engagement. We intend to achieve this by organically linking training and placement, including career development through training and the formulation of succession plans.

In addition to the training plans in each company and each region (regional management), Mitsubishi Electric also takes initiative in conducting training in Japan. To be specific, engineers in overseas affiliates stay in Japan to go through training to learn technologies and skills at production sites. Selected executives and those in management positions in overseas affiliates gather at the Mitsubishi Electric headquarters to go through training to learn the necessary knowledge and mindset as a global leader as well as to understand management in the Mitsubishi Electric Group.

While participating in training from overseas, the international staff grow as individuals and develop a sense of unity as the Mitsubishi Electric Group and a network, which transcends national borders and is connected globally.

In fiscal 2021, due to the restrictions to enter Japan because of the effects of COVID-19, we had to cancel the training sessions where the international staff come to Japan, but in fiscal 2022, many staff participated in the training utilizing an online tool from all over the world.

### Trend in the number of people from overseas participating in training programs held in Japan

	2011	2012	→	2016	2017	2018	2019	2020	2021	Cumulative total
MGEP	—	—		—	8	5	7	Canceled due to the impact of COVID-19	18	38
GMW	13	18		23	26	29	30		Canceled	208
WKP	—	17		44	59	91	105		Canceled	407

MGEP : Mitsubishi Electric Global Executive Program (In some years, one or two selected members in Japan may participate.)

GMW : Global Management Workshop

WKP : Workshop for Key Personnel

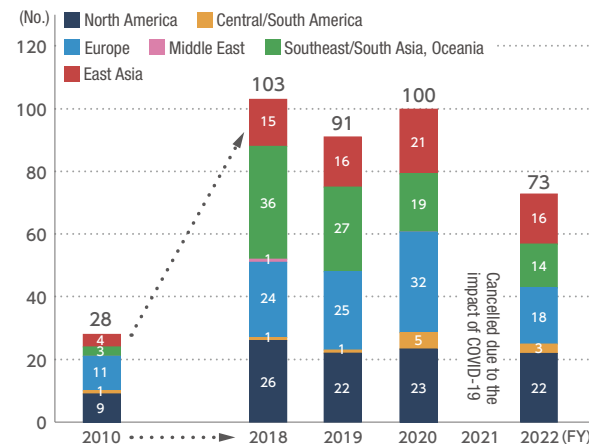
### Training measures for employees in Japan

Mitsubishi Electric dispatches its employees in Japan to overseas affiliates or overseas business schools, universities, languages schools, and the like as a program that allows them to not only improve language skills, but also experience and understand the local business, culture, and lifestyles.

The overseas OJT system involves dispatching employees to an overseas affiliate for one year, and about 100 employees are dispatched to overseas affiliates every year, as part of our efforts to develop human resources who will drive our global businesses.

In FY 2021, this type of overseas dispatching training was cancelled due to the impact of COVID-19. We have restarted some of the programs in FY 2022.

### Employees dispatched under the overseas OJT system





## Fair Evaluation and Compensation

### Basic Policy

The Mitsubishi Electric Group upholds a management policy, "In addition to realizing corporate management that balances growth, profitability/efficiency, and soundness, we will contribute to realizing sustainability through all of our activities, and further enhance corporate value that emphasizes the creation of both economic and social value," and the Group implements various policies to realize its corporate strategy.

Mitsubishi Electric believes that realizing a workplace environment where all employees can thrive and increasing employee engagement leads to increased motivation and productivity among each employee as well as to greater corporate value.

Efforts to boost employee engagement underlie Mitsubishi Electric's personnel policies. At the same time, the policies described below are implemented in response to the trends of the times, social circumstances, and changes in the management environment and personnel frameworks.

### Compensation System Based on Individual Job Descriptions and Performance

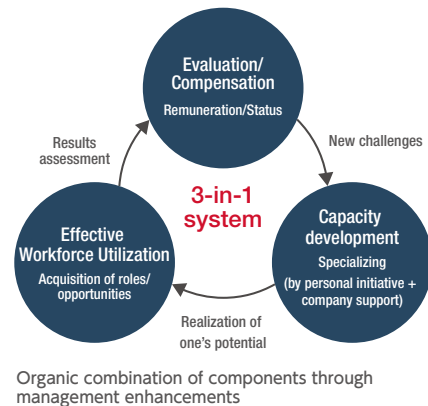
In Japan, Mitsubishi Electric has adopted a compensation system with a view to developing a corporate culture in which employees each recognize organizational targets as well as their own roles, work to raise their own value, and take on the challenge of difficult goals.

Under this compensation system, employee performance is emphasized, with appropriate assessment given to employees who contribute substantially to management and participate actively in it. Bonuses are awarded for outstanding service. In order to increase understanding of employees about the operation of the system, we fully disclose its evaluation methods and standards, conduct surveys on the functioning of the system to gauge employee opinion on it, provide a system for handling complaints, and otherwise work to increase understanding and acceptance by employees and further enhance operations.

We are committed to making the system function effectively by organically combining and harmonizing the three components of the system, evaluation/compensation, capacity development, and effective workforce utilization, in order to provide opportunities for employees to develop their own skills and advance their careers.

### Promoting Communication in the Workplace

At Mitsubishi Electric in Japan, each employee sets individual goals based on the policies and objectives of the organization or division to which they belong, and a system for reviewing employee roles and performance is implemented to track the progress of those goals through



communication between employees and their managers. Under this system, regularly-scheduled interviews are held in which employees and managers discuss such topics as the employee's development and training based on evaluation of performance, and the placement and utilization of human resources, to promote improved communication in the workplace. In fiscal 2022, such interviews were carried out for 98% of employees.

We consider that creating a workplace with openness for communication is essential for workplace reforms. Accordingly, in addition to the above mechanism involving regularly-scheduled interviews, we share the importance of daily communication during management training programs and other opportunities to stimulate such communication.

We also place value on a corporate culture in which labor and management share an understanding of the status of business, management strategies, and personnel management policies, working together to address issues through labor-management meetings and committees.

### Supporting Employees in Building Careers Transfer Opportunities at the Request of Employees

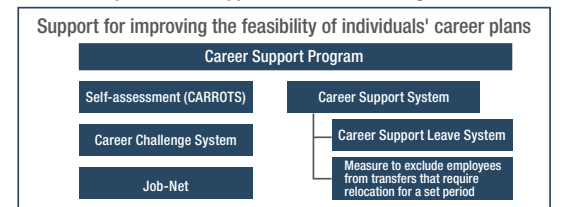
In order to assign the employees to positions that are suitable for them and provide transfer opportunities at the request of employees, Mitsubishi Electric instituted an intranet-based recruitment system (Job-Net) and job search system (Career Challenge System).

Specifically, Job-Net on our company intranet allows employees to build a career plan on their own. The site posts information on recruitment and skill development training at Mitsubishi Electric and Group companies as well as companies outside the Group.

### System for continuing careers according to individual employees' circumstances

In addition to providing transfer opportunities, Mitsubishi Electric has introduced the Career Support Program that allows employees who need to engage in childcare or nursing care can continue their career, in light of the recent increased diversity in home environments and the change in views and values among individuals regarding work as well as diversifying requirements for careers among employees in line with such changes. The Career Support Program features a "Career Support Leave System" that enables employees to take administrative leave for self-improvement, volunteer activities, or to accompany their spouse who has been transferred to an overseas site. The program also features a system that excludes employees from transfers that require relocation for up to three years if they have difficulty relocating due to childcare, nursing care, treating illnesses, or other circumstances.

#### Sharing and fulfilling career requests through daily communication with superiors and support in terms of working conditions



Career support program (Mitsubishi Electric)

### Self-development support program

Mitsubishi Electric instituted a self-development support program that supports employees' voluntary skills development based on a human resource development system that allows employees to take the initiative to actively develop their own skills.

The program provides support in the form of money and time for participants in educational programs inside and outside the company and also pays bounties to employees that have acquired certain external certifications. The program is intended to foster a corporate culture in which each and every employee independently and actively takes on the challenge of developing their skills to reach higher goals as a professional.

### Motivating Employees with Bonuses for Inventions (in Japan)

In line with provisions in the Japanese Patent Law, Mitsubishi Electric has established an employee invention bonus system to motivate employees to create inventions. Regarding inventions made by employees during the course of their work, the Company pays patent filing and registration bonuses to those employees as a reward. If the inventions are outlicensed to another company, the relevant employees also receive utilization bonuses from the Company. If inventions that have contributed to the Company's business win an award from outside the Company, the relevant employees receive a cash reward appropriate to the award, with no upper limit set.

Furthermore, to maintain fairness and transparency of the system, the criteria of the employee invention bonus system is disclosed, an Invention Consultation Committee is established to deliberate on petitions from employees concerning their bonus, and an Invention Evaluation Committee is established to discuss the amount of cash reward to disburse for inventions that contribute to business.

In addition to the above, a program for rewarding outstanding inventions and industrial designs also encourage inventions by employees. Each year, this program honors inventions and industrial designs, and those that are judged as especially outstanding receive commendation from the president.

\* An easy-to-understand description of the employee invention bonus system and its provisions are posted on the company Intranet for access by all employees.

## Maintaining a Favorable Working Environment

### Basic Policy

Japan's working population is expected to dramatically decrease in conjunction with its aging and declining population, and there is apt to be a further increase in the number of employees, both men and women, who work while caring for children or elderly members of their family. In order for Mitsubishi Electric to survive through the tough international competition and realize sustainable growth under these circumstances, we believe it is vital to create a working environment where all employees can work to their full potential within their limited time.

Various initiatives are in place at the Mitsubishi Electric Group to create a working environment where all employees can work actively while maintaining good physical and mental health.

### Create a Work Environment Where All the Employees can Work Actively with a Sense of Security

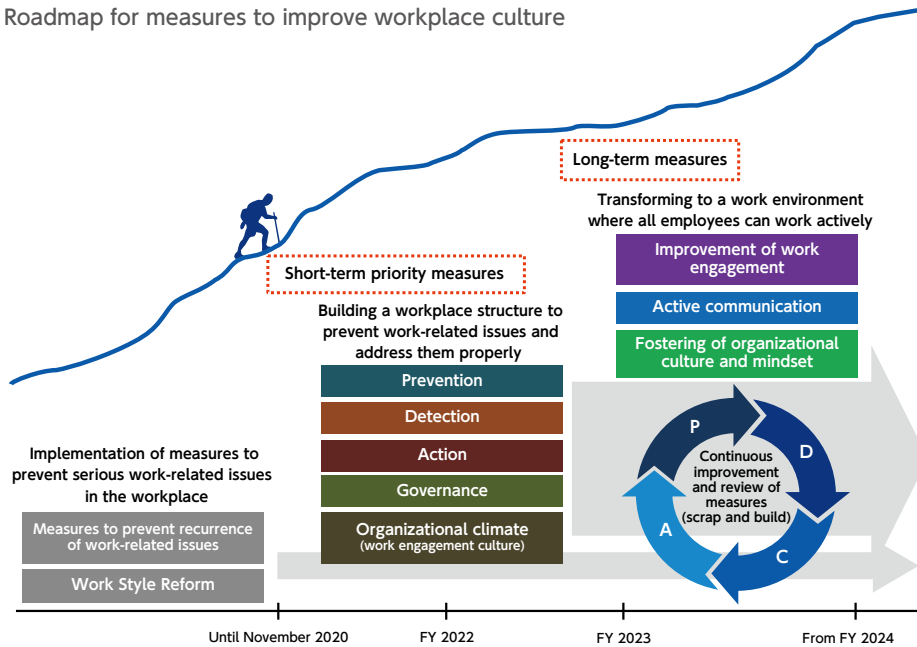
#### Mitsubishi Electric Workplace Reform Program

The Mitsubishi Electric Group takes the multiple work-related issues that it experienced until FY2020 within the Group seriously, and is working on the Mitsubishi Electric Workplace Reform Program that aims at creating a workplace where employees can openly communicate with one another, thorough and appropriate care of employees with mental health issues, and other goals.

After implementing and applying measures in FY2021, third-party assessments were conducted by experts. A Verification Committee comprised of representatives from the company, labor union, and external experts was consulted regarding the assessment results and a roadmap of measures for workplace culture improvement is being developed. In FY2022, while continuing to apply the measures that have been implemented, short-term priority measures have been implemented based on this roadmap. In FY2023 onward, we will work to further improve the workplace environment by accelerating the development of organizational culture reforms among the three reforms as part of measures to prevent recurrence in quality-related improper practices, as well as other long-term initiatives.

Continuing from FY2021, we have implemented a variety of measures especially with regard to eliminating power harassment. In addition to implementing anti-harassment education for all employees, we conducted a monthly employee awareness survey of all employees to check for workplace harassment and whether employees have any problems with their interpersonal relationships in the workplace in order to identify, respond, and improve upon problems at an early stage. If an employee reports harassment, the employee is invited to an interview and measures are taken to correct the situation. Furthermore, we actively disseminated information on the expanded options to ask for help and the point of contact regarding these options, in an attempt to create an environment in which employees can easily seek assistance.

### Roadmap for measures to improve workplace culture



Category	Item	Measure	Performance for FY2022
Short-term priority measures	Improvement in governance	<ul style="list-style-type: none"> <li>Management that matches the values, abilities, and aptitudes of subordinates (Enhanced training in leadership, coaching, and other skills)</li> </ul>	<ul style="list-style-type: none"> <li>Implemented (Enhancement of training for newly appointed managers)</li> </ul>
	Organizational climate	<ul style="list-style-type: none"> <li>Further participation of leaders in communication and labor management in the workplace</li> <li>Thorough implementation of shared organizational values (e.g., Corporate Principles) and policies (Creation and deployment of tools for sharing values)</li> </ul>	<ul style="list-style-type: none"> <li>Implemented (Dissemination and entrenching of the Purpose, Our Values, and Commitment, which were revised as the group celebrated its 100th anniversary)</li> </ul>
Long-term measures	Improvement of work engagement	<ul style="list-style-type: none"> <li>Creation of opportunities to find meaning in work at Mitsubishi Electric Corporation</li> <li>Career development support based on individual values and aspirations</li> </ul>	<ul style="list-style-type: none"> <li>Commenced work. The initiatives will continue to be implemented going forward.</li> </ul>
	Active communication	<ul style="list-style-type: none"> <li>Elimination of communication gaps caused by different job classes or other reasons (Efforts to improve communication skills and facilitate casual communication)</li> </ul>	
	Fostering of organizational culture and mindset	<ul style="list-style-type: none"> <li>Promotion of concrete actions in accordance with shared organizational values</li> </ul>	

### Changes in evaluation indicators

Updated in February 2023

To create a workplace environment where employees can thrive and engage more easily, Mitsubishi Electric has set key performance indicators (KPIs) related to a "sense of purpose in work" and "work life balance." We continually improve and review measures by implementing the PDCA cycle through periodical monitoring of these KPIs and reflecting them in our activities. Although the employee engagement score remained flat in 2H FY2023, we have set up opportunities for the management and employees to talk together, and we carried out many different reforms including the renovation of the personnel system, with the aim of making improvements.

KPI	Result for FY2021	Result for 1H FY2022	Result for 2H FY2022	Result for 1H FY2023	Result for 2H FY2023	Goal
Employee Engagement Score (Percentage of employees who are proud and motivated to work for the Company) *	63%	61%	54%	54%	54%	80% or higher
Percentage of employees who responded that they had a good work-life balance	66%	66%	65%	65%	66%	80% or higher

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

### Short-term priority measures, long-term measures, and progress in the Workplace Reform Program

Category	Item	Measure	Performance for FY2022
Short-term priority measures	Prevention of problems	<ul style="list-style-type: none"> <li>Further clarification of the Company's stance on harassment prevention (Adoption of Five Joint Statements of Labor and Management) (Submission by all Directors, Executive Officers, and employees of a declaration to refrain from harassment) , and (Revision of Work Regulations that clearly indicate service provisions)</li> <li>Assignment of managers and educators on the basis of multi-faceted evaluations (Introduction of 360-degree feedback for managers)</li> </ul>	<ul style="list-style-type: none"> <li>Implemented (Implementation of initiatives based on the Joint Statements of Labor and Management)</li> <li>360-degree feedback was conducted for all executive members and some officers (approx. 4,000 members and officers)</li> </ul>
	Detection of problems	<ul style="list-style-type: none"> <li>Enhanced analysis of employee attitude surveys and stress checks</li> <li>Improvement of the utilization of the results in the workplace (Formulation and enhancement of guidelines for utilization)</li> </ul>	<ul style="list-style-type: none"> <li>Implemented (Formulation and dissemination of guidelines)</li> </ul>
	Action against problems	<ul style="list-style-type: none"> <li>Enhanced support for the return to work by employees with mental health issues (Creating guidelines to welcome employees back to work)</li> <li>Establishment of a process and system for dealing with work-related issues when they occur (Development of guidelines for measures to address work-related issues and information disclosure to employees, such as information on cases of power harassment)</li> </ul>	<ul style="list-style-type: none"> <li>Implemented (Creation and dissemination of a guidebook and guide)</li> </ul>

### Third-party evaluation of recurrence prevention measures

Continuing from FY2021, the Mitsubishi Electric arranged for an assessment to be conducted by external third-party experts regarding the penetration of various measures. The assessment involved quantitative data analyses of employee awareness survey results, stress check results, and other details, as well as qualitative analyses based on interviews with employees. As a result, the external experts reported that, among the measures that have already been implemented, "drastic streamlining of operations," "management according to the value, ability, and competence of subordinates," "career development based on the value and orientation of individuals," and others must be committed at a higher priority. We will work to enhance and entrench these measures while continuing to receive advice from external experts.

### Work Style Reforms and Prevention of Long Working Hours

Mitsubishi Electric determined "Work Style Reforms" as an important management policy in FY2017 to create a workplace environment in which everyone can maintain physical and mental health and thrive with a good work-life balance and has promoted a variety of measures that contribute to the improvement of operational efficiency and productivity, as well as a reduction in total working hours. In FY2021, we will move to the next stage and deepen the initiatives, especially focusing on work style reform and work quality improvement, with the slogan, "Kaeru! MELCO (Kaeru is a Japanese word that, depending on how it is written, means both to make changes and to go home)."

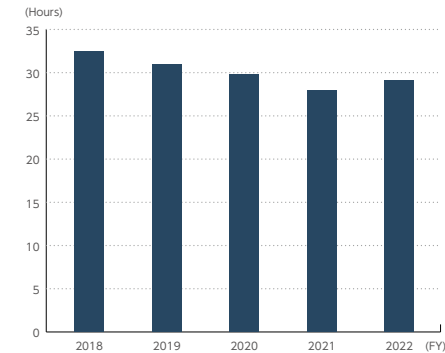
Specifically, the Company has spread policies and raised awareness through messages from the President to employees and other activities, while establishing an environment for efficient business operation; for example, by distributing laptop PCs to all employees, enhancing online meeting facilities, expanding the work-from-home program, promoting company-wide paperless work environments, and expanding IT use.

In addition to these initiatives, we have attempted to properly manage working hours in line with reality by automatically calculating working hours from objective data such as the entry/exit time and PC logon/logoff time from the viewpoint of preventing long working hours. We believe that these efforts have paid off to some extent. Specifically, in FY2022, we reduced monthly overtime hours per employee by 10% compared to FY2018.

To further increase effectiveness, we will continue to promote "Work Style Reforms" in the future. We also implement in a reliable manner health measures for employees in light of properly tracked working hours.



"Work Style Reforms" internal poster



Changes in monthly overtime hours per employee (including managers)

### Examples of workstyle reform initiatives

At Mitsubishi Electric, Head Office management departments play a central role in improving the quality of company-wide operations by promoting company-wide activities, with each office conducting activities in line with the circumstances of business.

#### Examples of company-wide activities

##### 1. Developing an IT environment

- Promote the elimination of paper documents throughout the company
- Providing mobile terminals to employees in all offices who need them
- Implementing online conferences for meetings between remote offices
- Realizing flexible working styles by enhancing the work-from-home program
- Developing and releasing manuals describing how to use IT tools, etc.

##### 2. Simplifying and reducing company-wide documents

- Promoting initiatives for expansion of RPA
- Simplifying documents by shortening discussion times and schedules in management meetings
- Reducing the number of periodic reports (weekly reports, monthly reports, etc.) issued by each department
- Reviewing report formats

##### 3. Promoting indirect JIT Kaizen activities

- Promoting improvement activities suitable for each workplace through activities in small groups
- Analyzing operations by external consultants and implementing JIT Kaizen activities company-wide

### Examples of activities at offices

- Lectures from external lecturers for personnel in managerial positions and workshops intended for business improvement
- Establishing conference rules (50 minutes long in principle, no meetings to be held after 5 p.m., etc.)
- Introducing condensed work times
- Introducing "Refresh Wednesday" to promote work-life balance

## Support for Flexible Working Styles

### Development and implementation of childcare and family-care programs

Mitsubishi Electric is making every effort to fully establish a work-life balance support system that more than satisfies the legal requirements, and to develop workplace conditions that allow employees to comfortably do their jobs and raise children or care for elderly family members. Our childcare leave system can be extended to the month of March following the child's first birthday (or to the first end of March following the child's second birthday if there is a special circumstance). We also have a program that allows employees to work shorter hours when raising their children, and this program can be extended up until the end of March in the year the child graduates from elementary school. Our nursing care leave program allows employees with families that meet the requirements to take a leave of absence for more than three years. It also allows employees to work shorter hours for up to three years to help them take care of their families. In addition, we have a childbirth support leave system for employees who wish to undergo fertility treatment to support the development of the next generation. There is also a program to provide the spouse with special paid leave (self-support leave) to use in certain circumstances such as to participate in a child's school event, a remote work program (work from home), as well as a re-employment system for employees who have temporarily left the company to provide childcare and family care.

To raise employee awareness of these initiatives, we actively disseminate relevant information through a portal site, which features a range of information on work-life balance, such as a list of support systems for employees raising children (see chart below), and interviews with working mothers. We make this information available to employees, managers, and new hires, aiming to create an environment that is conducive to using these support systems. Along with enhancing our programs, we will work to foster a workplace culture in which employees can enrich their personal lives while advancing their careers.

### Status of development of main childcare and nursing care systems for the last three years

FY2021	
Increased the number of days of Leave to Prepare for Impending Childbirth by Employees' Spouses	The number of days of special leave that can be taken to prepare for forthcoming childbirth by employees' spouses has been increased from 5 days to 10 days.
Introduced a measure to exclude employees from transfers that require relocation for a set period	A system that excludes employees from transfers that require relocation for up to three years for employees who have difficulty relocating due to childcare, nursing care, treating an illness, or other circumstances.
Introduced the Career Support Leave System	A system that enables employees to take leave for self-improvement, volunteer activities (including Overseas Cooperation Volunteers), or to accompany their spouse who has been transferred to an overseas site.
FY2022	
Introduced the request system to change work location	A program whereby employees can apply to change their work location to where their spouse is located in order to offer employees the possibility to move in with their spouse when they get married or when their spouse changes work location.
Introduced the request system to choose reinstated job after childcare leave	A program that allows employees who are returning from childcare leave to indicate their preference for a workplace.
Enhanced the remote work program	Covered all employees, eliminated the upper limit for the use of the program, and expanded the range of applicable work locations.
Introduced the Company-led Nursery School Matching Service	A match-making service between employees looking for a nursery school and company-led nursery schools with openings to accept children.
FY2023	
Introduced the remote location work program	A program that allows employees to live outside the commuting area of their offices and engage mainly in remote working (commenced on a trial basis in FY2022)
Newly established the Childcare Absence at Childbirth System, etc.	Newly established the Childcare Absence at Childbirth System (with no payroll deduction) and developed an environment where employees can feel comfortable taking childcare leave in response to the Child Care and Family Care Leave Act revised in 2022.



Life stage	Marriage	Pregnancy	Childbirth	Child age 1	Enrollment in elementary school	Grade 4	Graduation from elementary school
Child birth leave system	■	■					
Shorter work time for pregnant women		■	■				
Consideration for break times during pregnancy		■	■				
Sick absence for pregnant women and those within a year of giving birth		■	■	■			
Pre-childbirth absence			■				
Childcare absence at childbirth system			■				
Spousal childbirth leave			■				
Maternity loan program			●				
Childbirth/childcare allowance			●				
Post-childbirth absence			■				
Spousal support (non-management employees)			■	■	■	■	■
Childcare time			■	■	■	■	■
Childcare leave			■	■	■	■	■
Company-led nursery school matching service			■	■	■	■	■
Childcare leave benefits (by Mitsubishi Electric Ryoyukai)			●				
Shorter work time for childcare			■	■	■	■	■
Leave taken on an hourly basis	■	■	■	■	■	■	■
Remote work program	■	■	■	■	■	■	■
Self-support leave			■	■	■	■	■
Nursing leave			■	■	■	■	■
Select plan (childcare service assistance)			■	■	■	■	■
Reemployment system			■	■	■	■	■
Career support leave	■	■	■	■	■	■	■
Measures to exclude employees from transfers that require relocation for a set period		■	■	■	■	■	■
Request system to change work location		■	■	■	■	■	■
Request system to choose reinstated job after childcare leave			■	■	■	■	■
Remote location work program	■	■	■	■	■	■	■

Work-life balance support measures (Mitsubishi Electric)

(As of April 2022)

### Diamond Kids Day-care centers

To support the career development of employees raising children, Mitsubishi Electric opened Diamond Kids, an onsite day-care center, in Kamakura City, Kanagawa Prefecture and Amagasaki City, Hyogo Prefecture on October 1, 2014, with an enrollment of approximately 10 children in each center.

By providing its services in locations adjacent to a Mitsubishi Electric workplace on days and during hours corresponding to the workplace, catering to extended hours, and ensuring security measures that prevent intrusion by suspicious individuals as well as accident prevention measures, Diamond Kids offers a childcare environment that allows employees to fully concentrate on their jobs without worrying about their children. It also promotes employees' return to work after taking a leave, by accepting children all year round.

Name	Diamond Kids Shonan	Diamond Kids Itami
Location	5-1-1 Ofuna, Kamakura City, Kanagawa Prefecture Within the Information Technology R&D Center	6-9-22 Tsukaguchi-honmachi, Amagasaki City, Hyogo Prefecture Within the Mitsubishi Electric Health Insurance Association Itami General Gymnasium BRIO
Facility area	Floor space: approx. 100m <sup>2</sup>	
Enrollment capacity	Approx. 10 children	
Children's ages	Ages 0 (children over 57 days old) up to enrollment in primary school	
Eligibility	Mitsubishi Electric employees	
Operating hours	8:00 – 18:00 (extended hours up to 21:00)	

### Cafeteria plan (selectable plan)

Mitsubishi Electric is introducing a cafeteria plan in 2004 with the aim of respecting the independence and diverse value of each individual employee and supporting each individual employee achieve happiness through a welfare program with selectable options. In the cafeteria plan, points equivalent to 83,000 yen are granted in the start of the fiscal year and each employee can apply for subsidies by selecting the necessary menu item as desired according to his/her life stage or lifestyle.

To support employees in balancing childcare or nursing care with work, support is given to the value of double the regular number of points for menu items related to subsidies for childcare and nursing care service usage fees.

### Special paid leave (Self-support leave)

The self-support leave is a system that allows employees who do not use up their annual paid vacation time by the end of the fiscal year to accumulate up to 20 days of unused vacation time and carry them over to the next fiscal year and onward.

Those who receive company approval to participate in their children's school programs, recuperate from an illness, engage in family care, take part in a volunteer activity, etc., may acquire a self-support leave.

### Remote location work program

Mitsubishi Electric has introduced the remote location work program, which allows employees to live outside the commuting area of their offices and engage mainly in remote working, to realize diverse workstyle regardless of employees' place of work. Following the trial in FY2022, the program will be introduced at full scale in FY2023 to enable personnel to achieve a workstyle that suits their own lifestyle by eliminating situations of employees living separately from their family members and by letting them engage in child care or nursing care.

#### Utilization status of childcare and family care programs (by Mitsubishi Electric employees)

Number of employees who took leave	FY2020			FY2021			FY2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Childcare leave	66	348	414	144	369	513	240	394	634
Rate of taking leave from work (%) * Including the taking of days off when an employee's spouse gives birth	—	100%	—	—	99%	—	65.3%*	99%	—
Shorter working hours for childcare	14	392	406	13	393	406	16	397	413
Shorter working hours during pregnancy	—	14	14	—	3	3	—	11	11
Nursing leave	7	9	16	6	6	12	8	7	15
Shorter working hours for nursing care	1	20	21	4	12	16	1	26	27
Prematernal/postnatal absence	—	198	198	—	204	204	—	209	209
Spousal childbirth leave	861	—	861	920	—	920	923	—	923
Nursing absence	29	19	48	6	20	26	19	21	40

\* Including the taking of days off when an employee's spouse gives birth

## Occupational Safety & Health Management

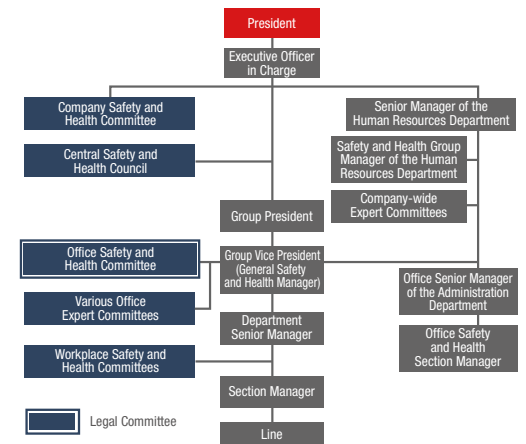
### Basic Policy

Adhering to the basic policy of prioritizing the safety and health of our employees above all else, the Mitsubishi Electric Group aims to establish a culture that places top priority on safety and health in all social and business environments based on the understanding that health and safety management form the foundation of business management. Furthermore, we aim to establish health management and create a workplace environment that allows everyone to maintain good health both mentally and physically and thrive in work as one of our core management policies for increasing employee engagement.

This basic policy underlies our company-wide Safety and Health Five-year Plan (current plan covering the five years from FY2023 to FY2027), which defines priority measures in safety and health management, respectively, to annually create a company-wide safety and health management policy by which we implement specific activities toward achieving annual targets. This program has been rolled out to our group companies in Japan and overseas who also engage in health and safety management activities in line with relevant laws, national regulations and company-specific issues.

### Promotional Framework

The Mitsubishi Electric Group actively promotes safety and health activities across the entire Group under the strong leadership of the top management. Ongoing efforts are made to strengthen the safety and health management framework, as Mitsubishi Electric and its group companies in Japan and overseas cooperate in exchanging information, engage in education activities, and implement various safety and health measures. Active communication is also held with employees through meetings with labor unions and the Safety and Health Committee, and labor management efforts are made to promote both top-down and bottom-up activities that aim to raise the level of safety and health. Specifically, we discuss the content of training for taking care of younger personnel as well as self-care and line-care in the course of considering mental health care measures, introduce such training programs, and review their content. In case of an industrial accident occurs, safety measures are immediately taken by the department where the accident occurred. At the same time, efforts are made to prevent similar accidents by delegating a third party to conduct safety management status inspections, and laterally disseminating case reports of disasters and countermeasures developed through root cause analysis.



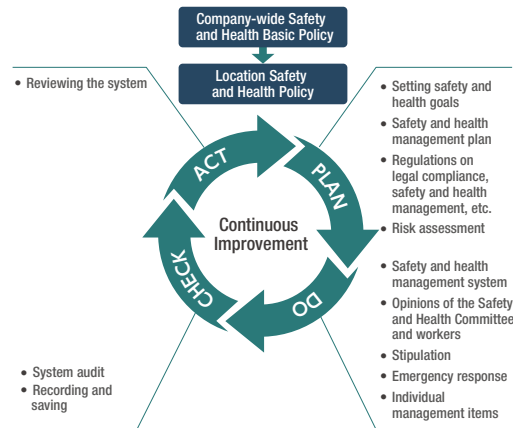
Company-wide safety and health management framework

## Occupational Safety and Health Management System

In 2009, Mitsubishi Electric introduced the Occupational Safety and Health Management System (OSHMS\*). Under the program, each office runs PDCA cycles for safety and health activities by implementing system audits based on the Mitsubishi Electric Group's requirements for safety and health management on foundation management and items to be individually managed. These requirements range from the development of policy and management frameworks in each office governed by a safety and health supervisor to the implementation of risk assessment and other accident prevention activities through education to improve employee awareness of safety and health management.

The goal is to raise the occupational safety and health management level of the company as a whole. As a result of this initiative, we have achieved one of the lowest frequency rates and severity rates of industrial accidents (number of people killed or injured in a fatal accident or an accident that requires time off from work per 1 million hours of work, and number of working days lost per 1,000 hours) in the industry.

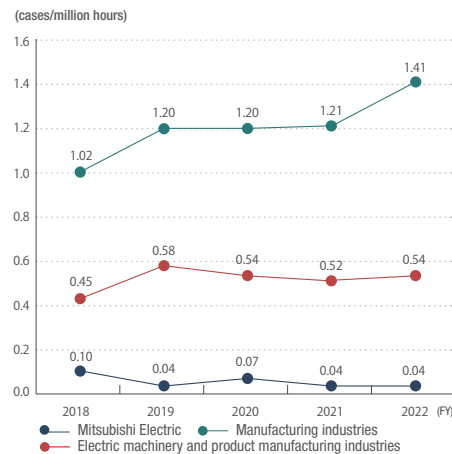
\* OSHMS: Occupational Safety and Health Management System



Occupational Safety and Health Management System

	FY2019	FY2020	FY2021	FY2022
Domestic	1	0	1	0
Overseas	1	3	1	0

Frequency of fatal accidents (Mitsubishi Electric Group (domestic/overseas), excluding worktime accidents in construction)



Frequency of Labor Accidents (Number of accidents requiring a leave, per million hours)

## Thorough Safety and Health Education

The Mitsubishi Electric Group implements safety and health education that matches its business characteristics and social environment, including stratified programs and occupation-specific programs, in addition to education programs as stipulated by law.

As a common feature of the Group, Mitsubishi Electric and its group companies in Japan also provide safety and health education based on an internal e-learning system, which has been instrumental in promoting greater understanding of the principles and concept of safety and health to more than 100,000 employees, managers, and supervisors every year. Furthermore, efforts are also made to strengthen employee safety education through risk simulation, such as by installing a "safety room."



E-learning of Safety and Health Education

Training name	Date conducted	No. of participants
Training for newly appointed safety and health section managers	April 2021	7
Training for newly appointed safety and health members	June 2021	42
Training for newly appointed safety and health promotion members	September & October 2021	33
Training for newly appointed occupational health physicians and public health nurses	May 2021	8
Liaison meetings for safety and health members	October 2021	58
Company-wide safety and health education (for general employees)	July to September 2021	33,916
Company-wide safety and health education (for managers and supervisors)	July to September 2021	4,864

Examples of training held by the head office (Mitsubishi Electric)

## "Danger simulation room" at Mitsubishi Electric's Himeji Works

Under the slogan of "putting safety awareness into action," Himeji Works provides danger simulation education to all onsite employees and employees of group companies (approx. 6,000). The Works has been working to increase all employees' awareness of danger by upgrading the simulation machine, introducing a virtual reality (VR) simulator, developing and providing education to instructors, and establishing an education system.



"Danger simulation room"

## Health Management Initiatives toward a Healthy Company

Since 2002, Mitsubishi Electric and its group companies in Japan have carried out the Mitsubishi Electric Group Health Plan 21 (MHP21) intended for their 100,000-some employees and their families, as a three-party cooperation project (Collaborative Health) with the labor union and health insurance society for 20 years, in an attempt to promote a review of lifestyle habits from an early stage, as a means for preventing lifestyle-related diseases and thereby improving Quality of Life (QOL), and for realizing a "health-oriented company."

In FY2023, MHP21 was renamed to the "Mitsubishi Electric Group Health Management Plan" and another five-year activity has started as "MHP Lively and Exciting Action." Under the activity principle, "We promote fitness activities for each one of us to be excited to spend time in a lively way," we are developing activities with the ultimate goal of achieving a subjective feeling of liveliness and excitement, that is to say, improved health satisfaction among each and every employee as well as their family members.

Specifically, we have set "good appetite," "good sleep," and "good bowel movements" as three indexes to represent the daily level of health satisfaction (degree of liveliness and excitement) regarding the mental and physical health among each and every one of us, for the purpose of assessing the degree of achievement of the activity principle and objective. In addition, we have set diet, exercise, smoking, care for the teeth, sleep, and drinking as six indexes for lifestyle habits that can lead to improved health satisfaction. We utilize these indexes in a system that is designed to visualize each person's health condition using ICT and other technologies, and that encourages changes in behavior according to lifestyle habits. We also use these indexes in a system that allows targets to be set according to the achievement status of each individual. In this way, we have been further stimulating activities across the Group.

Our group companies overseas are likewise taking initiatives to maintain and promote health among their employees, in consideration of the health situation in their respective countries.

### Targets and results of MHP21 activities

MHP21 activities Priority items	Before commencement of activities (FY2002)	Stage I Final year (FY2012)	Stage II Final year (FY2017)	Stage III Fourth year (FY2022)	Stage III Target (FY2018–2022)
People maintaining proper body weight*1	73.0%	71.7%	70.4%	67.7%	73% or more
People who have an active lifestyle*2	11.7%	16.2%	24.1%	27.7%	39% or more
Smokers	40.0%	27.6%	24.7%	20.8%	20% or less
People who brush their teeth three times a day or more	13.3%	20.5%	22.5%	26.9%	25% or more
People who get enough sleep and are well rested*3	—	—	—	68.7%	85% or more

\*1 BMI of 18.5 or more and less than 25.0

\*2 30 minutes or more of exercise twice a week or more, or an average of 10,000 steps (1 hour of walking) or more per day

\*3 Included from Stage III

## Recognized under the Health & Productivity Management Outstanding Organizations Recognition Program

Mitsubishi Electric has been recognized, by the Ministry of Economy, Trade and Industry and Nippon Kenko Kaigi under the 2022 Health & Productivity Management Outstanding Organizations Recognition Program (the large-scale corporate category), for excellence in a variety of our activities that contribute to health and productivity management. These include preventing lifestyle-related diseases among healthy persons and high-risk persons, including the implementation of Mitsubishi Electric Group Health Plan 21 (MHP21), preventing productivity from lowering among employees, and preventing accidents, adjusting work hours, and ensuring work/life balance and time for living. We will continue to strive to ensure occupational safety and health as well as mental and physical health by considering health management for employees from a managerial perspective.



### Promoting Mental Health Care

Mental health care is a top priority for health management in the Mitsubishi Electric Group. By establishing a counseling program that includes an industrial physician and/or counselor and other such initiatives, active efforts are made to help employees cope with everyday worries related to work and family and other emotional issues.

Through conventional telephone and e-mail counseling and a newly introduced face-to-face counseling program as well as an online counseling program provided by an employee assistance program (EAP\*), which covers domestic group companies as well, importance is placed on the primary prevention of employee mental health disorders. As a place to check and share issues related to mental health and also for cooperation between parties developing a location (office) policy and measures, the Office Safety and Health Committee (Committee to Promote Mental Health) will further be effectively used. By disclosing through the Committee information such as the presence or absence of employees who had an injury/sick leave or absences due to mental health, the status of implementation of measures to ensure health and welfare (the number of people eligible for long-term counseling, etc.), and the plans for and results of mental health-related training programs, continuous improvement activities are promoted.

With regard to a stress check system in line with legislation, efforts are being made to improve the workplace climate of organizations with issues in light of the results of organizational analysis.

Employees who return to work after taking a mental health leave are fully supported by the belonging department, human resource department, and industrial physician based on the Mitsubishi Electric Guidelines for Return-to-Work Support revised in 2021, and every effort is made to facilitate their return to their workplace and prevent any relapse. Specifically, inspection is carried out in order to ensure thorough operation regarding the periodic ascertainment of the situation of employees who are absent from work, compliance with giving consideration to employees who have returned to the workplace based on the opinions of an industrial physician (restricting work, etc.), such as creating an environment where the

workplace as a whole can provide support for smoothly returning after a long leave.

Furthermore, by appointing dedicated counselors in the Mitsubishi Electric head office, focused care is also provided to employees posted outside of Japan, where working and living environments largely differ from Japan.

In terms of education, line-care and self-care training are repeatedly implemented through lectures, to provide sessions on mental health and strengthen responses to mental health among managers and employees, especially for mental health. As a common feature of the Group, Mitsubishi Electric and its group companies in Japan also provide safety and health education based on an internal e-learning system, which has been instrumental in promoting greater understanding of mental healthcare (line-care, self-care) to more than 100,000 employees, managers, and supervisors every year.

Starting fiscal 2021, these education programs will be strengthened by making mental healthcare education for new employees mandatory and enhancing the resilience training program.

\* EAP (Employee Assistance Program): a program that provides support to employees, by providing a wide range of counseling covering physical health, relationships with family and colleagues, as well as mental health.

Category	Primary preventive care	Secondary preventive care <early detection>	Tertiary preventive care <support for returning to the workplace/recurrence prevention>
Self-care	Self-care training (location training, company-wide e-learning, new hire training) Stress checks, mental health checks	Physical health checks	Recovery Establishment of health routines (reports on daily routines during recovery)
Care provided by the line	Interviews on working hours subject to health management Appropriate employment management (restrictions on work) Line care training for managers and supervisors (location training (new hires), company-wide e-learning)	Cooperation among occupational physicians/public health nurses (nurses)/counselors and the human resources and safety & health divisions	Support for those on leave (pamphlet on recovery) Follow-ups during leave and after returning to work
Care provided by occupational health staff	Counseling service with counselors and clinical psychologists Interviews with occupational physicians based on health management time and stress check results (work restrictions)		Appropriate determination of whether employees should return to work
Care provided by resources outside the office	Support for employees working overseas Counseling service through an external EAP (Follow-ups for high-stress employees, cooperation in emergencies) * Working with mental health checkups * Providing e-mail, telephone, online, and face-to-face meetings for consultations	Cooperation with medical institutions	Effective use of rework support facilities
Fostering of an appropriate corporate culture	Clear statement of the company policy (company-wide safety and health management policy, mental health plan, general safety and health manager policy) Promotion of the PDCA cycle by clarifying the matters to be reported and discussed at the Safety and Health Committee (number of mental health absences and employees on leaves of absence, etc.) Collaborating with efforts to reform work styles, and working to improve the workplace environment by referencing the results of organizational analysis of stress checks, etc.		

Mental health initiatives (Mitsubishi Electric)

### Creating Comfortable Workplace Environments

The Mitsubishi Electric Group recognizes that people spend a large part of their lives at their place of employment, so we make people-friendly enhancements to the workplace environment and promote the creation of pleasant spaces that also give consideration to elderly people and people with disabilities. By establishing own standards (workplace environment standards) for air, lighting, noise, and facilities, and by working to achieve each standard, Mitsubishi Electric pursues ongoing efforts to create comfortable workplace environments.

## Labor-management Relationship

### Basic Policy

Mitsubishi Electric is committed to respecting the basic rights of employees, an approach that is included in the principles of the Universal Declaration of Human Rights as well as the United Nations Global Compact, as provided in Mitsubishi Electric Group Code of Conduct.

In addition, Mitsubishi Electric respects the freedom of association as a company and assures Mitsubishi Electric labor union to hold the three basic rights of labor (the right to organize, the right to collective bargaining, and the right to act collectively), under the labor agreement entered into between Mitsubishi Electric and Mitsubishi Electric labor union.

### Relationship with Labor Union

Mitsubishi Electric and Mitsubishi Electric labor union strongly realize that it is important for them to cooperate in promoting the company's growth and improving the working conditions of labor union members based on an awareness of the company's social mission and responsibility, and to form and maintain a labor-management relationship founded on mutual sincerity and trust. Based on this realization, they enter into a labor contract by consent of both parties and mutually comply with the contract in good faith.

With a basic principle of seeking resolutions by holding thorough rational discussions on equal footing, the company and labor unions periodically hold meetings of a management council and labor council to facilitate mutual negotiations and have active communication based on the labor agreement.

Under the union-shop system, all employees (excluding management level employees) become union members after completing a trial period, as a rule.

Group companies in Japan and overseas also share the principle of holding thorough rational discussions between labor and management, and endeavor to maintain and improve sound working conditions and workplace environments in compliance with labor-related laws and regulations concerning employment, personnel affairs, work duties, wages, working hours, immigration control, and so on in the countries and regions where they do business, as well as with internal regulations and procedures.

### Notification of secondments and transfers within and outside the organization

In the labor contract established with the Mitsubishi Electric labor union, Mitsubishi Electric has stipulated that the company will swiftly notify the labor union of secondments and transfers of employees within and outside the organization for business reasons. The contract states that, particularly when large numbers of employees will be seconded or transferred within or outside the organization, Mitsubishi Electric will consult with the labor union regarding the basic terms.



# Supply Chain Management (Procurement)

## Procurement Policy and Supplier Criteria

The Mitsubishi Electric Group ensures fair and impartial selection and evaluation of business partners in Japan and overseas by providing an explanation of the Group's Purchasing Policy and CSR Procurement Policy (Sustainability Procurement Policy), and requesting business partners' understanding of these policies. By ensuring proper evaluation of suppliers based on selection and evaluation criteria established by the Group, procurement risks are also mitigated along the supply chain.

The Group's criteria for evaluating business partners include not only quality, cost, delivery schedules and services, but also initiatives in response to environmental regulations and sustainability initiatives. As a basic policy, the Group preferentially procures materials from suppliers who rank high in a comprehensive evaluation.

In order to enhance the objectivity and transparency of the Mitsubishi Electric Group's human rights initiatives, in February 2022, we 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.

### Our Purchasing Philosophy

Mitsubishi Electric purchases a wide variety of materials and components from both Japanese and overseas markets. We recognize our corporate responsibility and are eager to provide business opportunities for the communities in which we operate.

#### 1. Easy Access and Equal Opportunity

To guarantee our customers the highest-quality products, we are constantly searching for new suppliers. We encourage business partners from all over the world, regardless of size, to contact us about submitting a quotation. The decision to embark on a new business relationship is made after careful consideration of three major factors: product price, product quality, and delivery performance. To ensure continued high quality and efficiency, we periodically review our relationships with our partners.

#### 2. Mutual Prosperity

We believe in long-term relationships built upon understanding and trust. This will allow the participation of our business partners during the product development stage, paving the way for mutual prosperity.

#### 3. Ecological Soundness

We are interested in the materials and manufacturing processes used by our suppliers. Because we value the environment, we buy only ecologically sound products. Our mission is to satisfy the needs of people around the globe. To meet their growing expectations, we must widen and strengthen our affiliations with companies all over the world. We are seeking cooperation, not just business, and are looking for potential partners who are willing to join us in our drive toward global prosperity.

### CSR Procurement Policy

We carry out material procurement activities in line with our "CSR Procurement Policy," which was established in 2007. We have also established the CSR Procurement Guidelines in 2018 to widely disseminate Mitsubishi Electric's sustainability policies and matters for compliance by our business partners. The guidelines are prepared in four languages (Japanese, English, Chinese, and Thai) and are shared with business partners globally as our directions for procurement. We are approaching all business partners to verify their agreements to promote procurement activities in line with the guidelines.

#### 1. Compliance with domestic and foreign laws/regulations and social standards

- 1) Ensuring compliance with laws and regulation
- 2) Respecting human rights and prohibiting discrimination, child labor, and forced labor
- 3) Creating proper work environments and giving consideration to safety and health

#### 2. Assurance of quality and safety of products and services

#### 3. Environmental considerations

- 1) Procuring materials with less negative impact on the environment
- 2) Ensuring strict management of harmful chemical substances based on an environmental management system

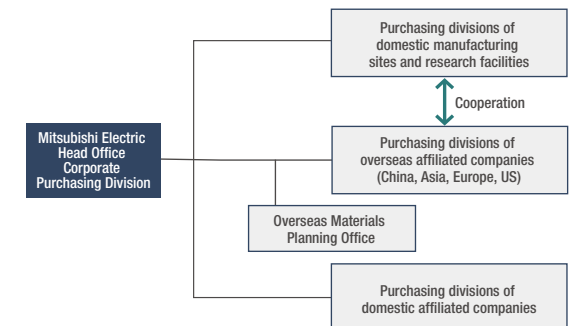
#### 4. Promotion of fair trade based on corporate ethics

- 1) Practicing honest trade on fair and equal footing, based on laws/regulations and agreements
- 2) Ensuring strict management and safeguarding of information by establishing an information security system
- 3) Thorough elimination of fraudulence, bribery, and other such conduct that violates corporate ethics

## Framework for Promotion of Procurement Supply Chain Management

Under globally sustainable procurement, target costing and cost co-creation by enhancement of partnership (G-STEP) strategy toward strengthening the purchasing structure, the Mitsubishi Electric Group aims to achieve the lowest cost ratio ever starting in fiscal 2021. In this effort, we will develop and promote the following measures with the following aim: "We will contribute to the realization of sustainability through all corporate activities. By doing so, we will make further efforts to enhance economic and social value so as to raise our corporate value," which is the Group's business goal, through sustainable and stable procurement. In cooperation with the Materials Planning Office in regional corporate offices in China, Asia, Europe and the Americas, we implement purchasing strategies through conferences of procurement officers and other such meetings to promote optimal procurement activities suited to each region.

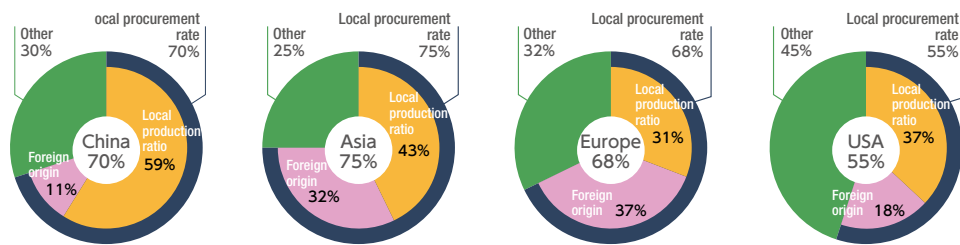
In addition to this initiative, we will also promote activities to mitigate any perceived risks regarding a range of issues related to labor practices and environmental problems in the procurement supply chain and thereby strengthen our business continuity plan (BCP).



Framework for promotion of procurement supply chain management

Priority activities

1. Establishing a framework for strengthening stable procurement
2. Further strengthening the cost planning activity
3. Expanding centralized purchasing
4. Strengthening procurement quality control
5. Strengthening a procurement platform for supporting relevant activities and measures
6. Strengthening global optimal procurement



Local procurement rate in the major regions (Mitsubishi Electric Group)

- \*1 Local procurement rate: Materials, parts, etc. (regardless of country of origin) that are procured by overseas production sites at their own discretion
- \*2 Local production ratio: Among all locally procured items, the procurement ratio of items produced in the country of the overseas site
- \*3 Foreign origin: Among all locally procured items, the procurement ratio of items produced in countries other than the country of the overseas site

Mitsubishi Electric Group Policies for Responsible Minerals Procurement

The Mitsubishi Electric Group aims for transparency in its procurement supply chain to avoid any affiliation with armed groups that trade in conflict minerals\*1 as their source of funding. We also recognize the possibilities of human rights violations occurring in the severe labor conditions in cobalt mining sites as a major problem. The Group adheres to the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas\*2, and removes certain minerals from the procurement supply chain in situations where their procurement encourages or contributes to serious human rights violations or environmental destruction.

- \*1 Conflict minerals refers to gold, tin, tantalum, tungsten, and other minerals that have been determined by the U.S. State Department to be a source of support for armed groups when mined in the countries referred to above.
- \*2 [OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Area](#)

Report of survey results of restrictions on conflict minerals

Mitsubishi Electric takes part in the Responsible Minerals Trade Working Group of the Japan Electronics and Information Technology Industries Association (JEITA), and addresses restrictions on conflict minerals in cooperation with other industry organizations. Surveys are conducted using the survey form (CMRT\*1, CRT\*2, MRT\*3, or EMRT\*4) that is commonly used in the automobile, electric, and electronic industries. In fiscal 2022, surveys were carried out on 760 suppliers, and responses in survey form were obtained from 648 of these suppliers, which include 443 suppliers for which we have been able to identify all smelters. In addition to continuing to request suppliers to collect accurate information on smelting companies, various other measures will continue to be implemented in order to comply with the restrictions on conflict minerals.

- \*1 Conflict Minerals (tin, tantalum, tungsten, and gold) Reporting Template issued by the Responsible Minerals Initiative
- \*2 Cobalt Reporting Template issued by the Responsible Minerals Initiative
- \*3 Mica Reporting Template issued by the Responsible Minerals Initiative
- \*4 Extended Minerals Reporting Template; CRT and MRT are planned to be integrated into EMRT in the future.

Number of smelting companies identified in a survey of conflict minerals and their list in FY2022 (Number of smelting companies identified: 486 companies) (As of April 11, 2022)

Tin	Tantalum	Tungsten	Gold
165 companies (of which, 1 company is from an applicable country*)	50 companies (No applicable countries)	69 companies (No applicable countries)	202 companies (of which, 2 companies are from an applicable country)

List of smelters identified in the FY2022 Survey

\* Applicable countries: A total of ten countries designated as applicable countries for conflict minerals, including the Democratic Republic of the Congo, Angola, Zambia, Tanzania, Uganda, South Sudan, Rwanda, Central African Republic, Republic of Congo, and Burundi

## Strengthening Sustainability Initiatives along the Procurement Supply Chain

### Initiatives to address environmental issues

Since 2006, the Mitsubishi Electric Group has been evaluating the progress of suppliers' initiatives to address environmental issues under the Green Accreditation System. Based on the Green Procurement Standards Guide and using an original survey form, the System involves a survey of each supplier's progress in acquiring environmental management system certification, the supplier's status of compliance with laws and regulations related to the environment, and its management of chemical substances contained in components and materials they deliver to our company. Under the System, suppliers who meet our standards are certified. We ultimately minimize environmental risks by properly evaluating the progress of our suppliers' environmental initiatives under this System, and by providing advice on any corrections that should be made by suppliers who do not meet the certification standards.

[Procurement Activities](#)

### Initiatives to address social issues

From 2009, the status of sustainability initiatives has been included in the survey items, and a survey is also made of issues such as human rights, labor practices, safety and health, legal compliance, and product safety. Furthermore, the CSR Procurement Guidelines were established in 2018 based on the RBA Code of Conduct (Version 7.0) that was formulated and announced by the Responsible Business Alliance. To verify our suppliers' commitment to promoting the content of the guidelines, a consent form is attached to the last page of the guidelines.

[Procurement Activities](#)

We have raised the following points as the core activity objectives of fiscal 2023 as well as for the medium term.

#### 1. Continuing activities aimed at understanding and mitigating serious human rights risks in the supply chain (forced labor, dangerous or hazardous labor, child labor)

The Mitsubishi Electric Group verifies the progress of suppliers' initiatives to respond to the requirements outlined in the Green Procurement Standards Guide and CSR Procurement Guidelines by requesting principal suppliers who fall within the top 80% in terms of purchase amounts to complete a survey form once every three years. We identify high risk business partners through the survey and by confirming survey questionnaire answers by individually determining the presence of especially major human rights violations risks, such as forced labor, dangerous or hazardous labor, and child labor. In the case that a risk is identified, we will continue to request corrections through communication with the applicable business partners. Note that we have not identified any business partners who are cause for concern about such major human rights violations risks based on the survey in fiscal 2022.

In addition, we have conducted a survey of 390 main subcontract factories in the Mitsubishi Electric Group's production activity on foreign technical intern trainees in 2019. Although there were no suppliers who are at risk of infringing on the Technical Intern Training

Act, we will continue promoting activities for preventing the violation of human rights of foreign technical intern trainees.

[Survey on Foreign Technical Intern Trainees](#)

#### 2. Integration of the CSR Procurement Guidelines and the Green Accreditation Guideline following joining the RBA

We joined the RBA in March 2022. Going forward, we will align our initiatives with the RBA Code of Conduct and plan to integrate the CSR Procurement Guidelines and the Green Accreditation Guideline in a way that aligns them to the RBA Code of Conduct in an attempt to continue to improve procurement sustainability.

#### 3. Building a mechanism for handling grievances for the entire supply chain

We will consider enhancing the mechanism for handling grievances to receive complaints from the secondary suppliers and suppliers further down the supply chain and to resolve issues. Currently, we have the following as the points of contact for handling grievances.

[Human Rights Management](#)

[\[About\] Procurement Activities](#)

#### 4. Decarbonization in the procurement supply chain

The Environmental Sustainability Vision 2050 aims to achieve decarbonization in the entire value chain. We will grasp the level of reduction in CO<sub>2</sub> emissions generated during production by suppliers and call for further reductions.

[Environmental Sustainability Vision 2050](#)

#### Requests to Suppliers

Suppliers to the Mitsubishi Electric Group are requested to gain an understanding of the Group's Purchasing Policy and CSR Procurement Policy\*, and to disseminate these policies to their supply chain. They are especially requested to thoroughly comply with the points below, which the Group has identified as priority issues to be addressed through the entire procurement supply chain. Additionally, new suppliers are asked to submit their agreement to comply with the CSR Procurement Policy and a completed survey form upon reading and understanding the guidelines. For details, please refer to each of our guidelines (Green Procurement Standards Guide, CSR Procurement Guidelines).

\* The Mitsubishi Electric Group's Green Procurement Standards Guide and CSR Procurement Guidelines are provided below. These documents have been revised appropriately in response to changes in laws, regulations and social norms.

[\[About\] Procurement Activities](#)

## Important requests to suppliers

### 1. Compliance with laws, regulations and social norms

Please comply with laws and regulations in countries and regions where you engage in business, as well as with international agreements, transaction ethics, and social norms. (Elimination of corrupt practices such as bribery, embezzlement, and illegal political contributions; compliance with relevant laws and regulations, including the Antimonopoly Act, Subcontractor Act, and Foreign Exchange Act; prohibition of the illegal acquisition and utilization of intellectual property; proper information disclosure; execution of faithful transactions based on contracts, etc.)

### 2. Respect for human rights

Please respect basic human rights in countries and regions where you engage in business. (Prohibition of inhumane treatment like forced labor, child labor, abusive treatment, human trafficking, and harassment; prohibition of all forms of discrimination; proper payment of wages; proper management of working hours; respect for the right to organize, etc.)

### 3. Consideration for health and safety

Please give due consideration to health and safety in all countries and regions where you engage in business. (Safety measures for machines and devices; evaluation and measures against the occurrence of accident and health hazard risks; preventive measures against large-scale disasters and accidents, etc.)

### 4. Environmental considerations

Please take measures to provide products and services that place minimum burden on the environment. (Acquisition, maintenance and management of environmental management system certification; compliance with environmental laws and regulations; proper management of chemical substances in products, etc.)

### 5. Product and service quality and safety

Please take measures to ensure the quality and safety of products and services you provide. (Design, evaluation and testing for ensuring safety; compliance with laws and regulations related to safety; construction, maintenance and management of quality management systems, etc.)

### 6. Security measures for information systems

Please take appropriate measures to protect against computer network threats. (Construction of prevention measures against computer viruses and cyberattacks; prevention of information leakage through proper management of confidential information and personal information, etc.)

## Evaluation Status of Suppliers' Initiatives to Address Sustainability Issues

### Basic policy of supplier surveys

The Mitsubishi Electric Group verifies the progress of suppliers' initiatives to respond to the requirements outlined in the Green Procurement Standards Guide and CSR Procurement Guidelines by requesting principal suppliers who fall within the top 80% in terms of purchase amounts to complete a survey form (prior to commencing transactions in the case of new transactions and at certain intervals in the case of ongoing transactions (every three years, as a rule)). In response to our suppliers' replies to these surveys, we provide feedback about the results of the evaluation. We also communicate with suppliers who have scored low in any one of the survey items, to request the necessary corrections. This is done through individual meetings and other such means. The survey form has been revised in 2018 following the formulation of the CSR Procurement Guidelines.

### Activity results

From 2006, the evaluation covered domestic suppliers only. However, the range was expanded in fiscal 2018 to include overseas suppliers also. The fiscal 2018 survey placed priority on the China and Thailand region, but from fiscal 2019, we extended survey implementation to Europe and the U.S.

### Responses to the Green Accreditation/CSR Procurement survey form (Mitsubishi Electric)

(As of April 11, 2022)

	FY2019	FY2020	FY2021	FY2022
Existing suppliers	1,201	455	511	809*
New suppliers	60	97	69	125
Response rate	96%	82%	88%	82%

\*1 Number of suppliers with whom we do business continuously: Approx. 7,000 companies

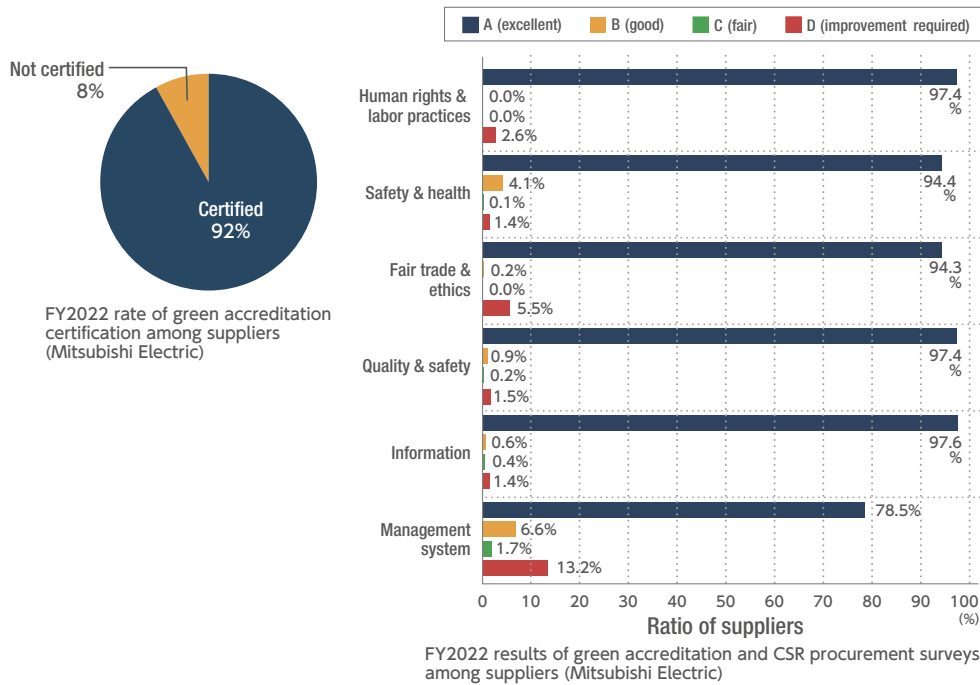
\*2 We conducted surveys with about 2,500 companies including our major suppliers in the three-year period between 2017 and 2019.

\*3 The above figures include the cases where the companies resubmitted their survey response after receiving the improvement instructions.

### Responses to the Green Accreditation/CSR Procurement survey form (domestic and overseas affiliated companies of Mitsubishi Electric)

(As of April 11, 2022)

	FY2019	FY2020	FY2021	FY2022
Surveyed suppliers	595	1,169	1,080	615
Response rate	61%	74%	71%	84%



**Number of suppliers given guidance in fiscal 2022 and the content of the guidance (Mitsubishi Electric)**  
(As of April 11, 2022)

Item	No. of companies given guidance	No. of completions	Content of guidance
Environment	52	3	Clarification of the person in charge of environment management (participation in environment management conducted by management at business partners)
Human rights, labor practices, safety and health	114	10	Encouraging secondary suppliers to take up sustainability practices



Providing safety guidance during an onsite inspection of a supplier's company (overseas)



**Survey on Foreign Technical Intern Trainees**

In fiscal 2020, Mitsubishi Electric conducted a survey of 390 main subcontract factories in the Mitsubishi Electric Group's production activity on foreign technical intern trainees and obtained responses from all the companies surveyed. Among the companies surveyed, 136 companies hire technical intern trainees, and we confirmed with the suppliers as to whether they are "excellent implementing organizations\*" and the presence or absence of risks associated with implementing training (50 suppliers have been accredited as "excellent implementing organizations"). As a result of the survey, it was found that 24 out of 86 companies who have not been accredited as "excellent implementing organizations" are required to make improvements. However, there were no suppliers who do not observe the Technical Intern Training Act, the Labor Standards Law, etc. We will provide guidance on items to be improved as well as continue promoting activities on an ongoing basis for preventing the violation of human rights of foreign technical intern trainees.

\* An accreditation system administered by the Organization for Technical Intern Training (OTIT). A total score for a track record of acquiring the skills, the acceptance system, employment conditions of technical intern trainees, presence or absence of violations of laws and regulations, and consultation and support system for technical intern trainees of at least 60% of the full marks conforms to the criteria for the excellent implementing organizations. When a company is accredited as an excellent implementing organization, the intern training period is extended and the quota for the number of trainees accepted is increased.

**Items to be improved and the number of companies**

Matters to be improved	No. of companies (may be duplicated)
A procedure or mechanism for "accepting requests" and "considering taking measures" for cases where special facilities must be provided for religious reasons (worship, meals, etc.) is absent	9
Important indications for safety and health, such as dangerous goods labels and the display of evacuation routes, are not displayed in languages understood by technical intern trainees	17
Matters supervised by the supervising organization are not recorded or saved	5
A mechanism for internal or external whistleblowing has not been built	2



Guidance on multilingualization of dangerous materials (Gunma Works)



Doorways and evacuation routes (Gunma Works)



## Communication with Suppliers

At each office, the Mitsubishi Electric Group holds seminars that disseminate a full understanding of the Group's Purchasing Policy and CSR Procurement Policy among suppliers. In order to gain the approval of suppliers to the Mitsubishi Group's policies as demonstrated through these activities, we hold regular exchanges of views with our suppliers based on their responses to our Supplier Surveys. Suppliers are asked to further strengthen sustainability initiatives at their companies as well. Even after the spread of COVID-19, we continue to hold various seminars both on site and online.

We will continue to conduct support activities for Business Continuity Planning (BCP)\*, as well as holding a variety of seminars, including those about changes in chemical substance restrictions such as the EU RoHS Directive, and programs about compliance (including export control, information security and management, the Subcontract Act, etc.).

\* BCP (business continuity planning): Being prepared for any disaster or other emergency situation by planning how to minimize damage to the company and how to continue or restore business activities.

## Value Engineering (VE) Activities with Suppliers

The Mitsubishi Electric Group engages in joint-development from the initial stages to the development of parts and materials, and works in partnership with suppliers to engage in Value Engineering (VE) activities with the aim of adopting advanced products, recycling resources, and reducing the consumption of materials. Through these activities, we reduce the input of materials and minimize environmental burden by making products more compact and lightweight, and build a win-win relationship that leads to increased sales and enhanced technology capabilities for both Mitsubishi Electric and our partners. We also give awards to suppliers whose achievements are especially significant.

Mitsubishi Electric proactively conducts this activity to suppliers not only in Japan but also overseas, including in the UK, US, China, Thailand, Indonesia, Mexico, India, and Colombia. We also promote internal and external human resource development, such as by conferring an instructor's certificate on those who have taken a written test and participated in the VE program in VE lectures, and demonstrate a certain level of knowledge.



Award given by Mitsubishi Electric executives  
(Inazawa Building Systems Works)



VE lecture in the Southeast Asia region (Indonesia)



VE lecture in the Southeast Asia region (India)



Presenting an award to a supplier in the Southeast Asia region (Malaysia)



Meeting with a supplier in the China region

## Initiatives for Strengthened Partnership with Suppliers

Mitsubishi Electric also participated in the Declaration of Partnership Building introduced in response to the discussion in the Council on Promoting Partnership Building for Cultivating the Future hosted by the Cabinet Office and the Ministry of Economy, Trade and Industry, and Mitsubishi Electric announced its declaration on July 1, 2020.

We have been conducting a supplier satisfaction questionnaire survey since fiscal 2021 aimed at improving business practices with suppliers and further strengthening the partnership based on the policy of building mutually-beneficial relationships as stated in the Declaration of Partnership Building.

In fiscal 2022, we conducted a survey following from the previous fiscal year with a total of 16 questions covering Mitsubishi Electric's business attitude, ethics, compliance, and other topics in an attributed survey form for each supplier using a website.

We aggregate the results of answers to the questionnaire received from suppliers and analyze each survey item comparing with the results from the previous fiscal year, and we use the results to extract areas to be improved, to analyze causes, and to correct Mitsubishi Electric's business attitude.

We will continue to conduct this activity in the future to utilize it to find potential issues in transactions with suppliers and to further promote improvement by taking the results seriously.

[📄 Declaration of Partnership Building by Mitsubishi Electric Corporation \(in Japanese text\)](#)

## Providing Learning Programs on Procurement Laws and Regulations

The Mitsubishi Electric Group offers various learning programs on laws and regulations related to the operations of employees in charge of procurement activities. In Japan for example, our course on materials procurement laws provides guidance and education for thorough compliance with laws and regulations that particularly pertain to procurement activities, such as the Anti-Monopoly Act, the Act against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors, and the Construction Contractors Law. Guidance and education are also provided overseas. Based on the Code of Conduct and check sheets, learning programs strictly teach employees not to become involved in bribery, embezzlement, or any other form of action that goes against the principle of fair trade. Compliance education related to procurement is also held for local employees in charge of procurement operations overseas. To further strengthen CSR initiatives (particularly along our procurement supply chain), we are making greater efforts to share information on activities implemented by each office as well as instructional information, such as by holding Review Meetings for CSR Promotion in the Supply Chain and providing CSR education to employees in procurement departments.



Compliance education related to procurement in the Thailand region



Review meeting for CSR promotion in the supply chain

# Philanthropic Activities

## Our Philosophy on Philanthropic Activities




As a corporate citizen committed to meeting societal needs and expectations, the Mitsubishi Electric Group will make full use of the resources it has at hand to contribute to creating an affluent society in partnership with its employees.

## "Three forms of coexistence" that the Mitsubishi Electric Group Aims for

To realize an inclusive society, the Mitsubishi Electric Group has been promoting activities at the level of people with a focus on each and every individual, the level of society as an aggregate of local communities, and the level of the Earth, which is the foundation for all individuals and communities.

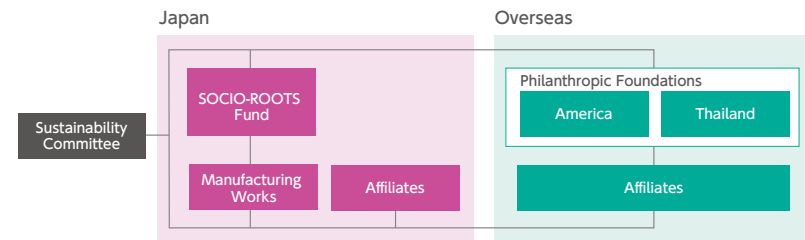
The Mitsubishi Electric Group will continue to strive to achieve "coexistence" at each of these levels.

Employees and the company shall work together to promote the "three forms of coexistence" and realize an inclusive society

 <b>Global Environment</b>	<p><b>Coexistence with the Global Environment</b></p> <p>Promote activities that remind us how much we appreciate nature, which nurtures a diversity of life and provides us with many blessings, and encourage environmentally conscious behavior, through activities to protect and nurture nature.</p>	<p><b>Satoyama Woodland Preservation Project</b></p> <p><b>Mitsubishi Electric Outdoor Classroom</b></p>
 <b>Social</b>	<p><b>Coexistence with Local Communities</b></p> <p>Collaborate with NPOs and other organizations in the field of social welfare, education and other basic infrastructure for daily life to promote activities that focus on realizing sustainable and vibrant local communities where all people, including people with disabilities, can live their life in their own way.</p>	<p><b>30th Anniv.</b></p> <p><b>Mitsubishi Electric SOCIO-ROOTS Fund</b></p>
 <b>People</b>	<p><b>Coexistence with All People</b></p> <p>Create opportunities and environments where all people, from adults to children, with or without disabilities, can respect and recognize each other and improve their physical and mental health.</p>	<p><b>Para-sports support</b></p> <p><b>Sports promotion</b></p> <p><b>Culture &amp; arts support</b></p>

## Philanthropy Promotion Framework

As part of the Group's Sustainability initiatives, each Mitsubishi Electric Group company and business site is pursuing community activities to meet local needs. This effort is based on the philosophy on philanthropic activities. The Group also maintains the Mitsubishi Electric SOCIO-ROOTS Fund, an independent charity through which the company matches employee donations in Japan, and independent Mitsubishi Electric charitable foundations in Thailand and the United States.



## Main Activities in FY2022

- Donations from the Mitsubishi Electric SOCIO-ROOTS Fund to support social welfare facilities and children at disaster areas
- Satoyama Woodland Preservation Project, Mitsubishi Electric Outdoor Classroom, and Mitsubishi Electric Science Workshop
- Support for developing the next generation through donations to organizations related to culture, the arts, and sports
- Employment assistance for young people with disabilities from the Mitsubishi Electric America Foundation
- Support for educational institutions from the Mitsubishi Electric Thai Foundation

## FY2022 Activity Results

Philanthropic activity expenditures  
(Mitsubishi Electric and major domestic and overseas affiliates)

Approx. **2.19** billion yen

\* Expenditures include philanthropic-related expenses such as internal programs and product donations

## Coexistence with the Global Environment

Activities promoted by employees together with the local community for harmonious coexistence with nature "Woodland Preservation Project" "Mitsubishi Electric Outdoor Classroom"

### — Overview —

The Mitsubishi Electric Group conducts two types of environmental conservation activities for achieving coexistence with nature, led by employees at each business site.

The Satoyama Woodland Preservation Project, which started in 2007, seeks to restore "familiar nature," such as forests, the ocean, rivers, and fields located in the vicinity of our business sites. With the Mitsubishi Electric Outdoor Classroom project, which started in 2006, employees act as nature leaders to encourage their awareness of nature ecosystems through experiencing nature with the local people.

The aim of this project is to repay nature for its various bounties and for cultivating diverse life, and to contribute to the communities where our business sites are located.

Since FY2021, guidelines formulated through consultation with industrial physicians regarding the avoidance of the three C's (closed spaces, crowded places, and close-contact settings) and outdoor health management are utilized so that these activities can be continued even during the COVID-19 pandemic. As an alternative measure in case the Outdoor Classroom cannot be held, the event "Biodiversity Observation by One Million People" has started, which lets individual families enjoy nature. Using the Biome living things collection app (Biome Inc.) for smartphones, we are promoting activities in collaboration with employees' families, the Junior Eco-Club (Japan Environment Association) and other environmental activity organizations, kindergartens, and nursery schools.

Going forward, employees continue to put in physical effort to live in coexistence with nature, which also helps to broaden communication with the local community.

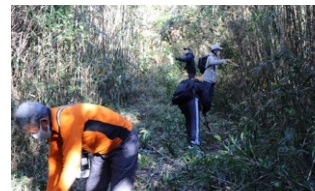
### FY2022 Activity Results



River Cleanup (Shizuoka Prefecture)



Preparing shiitake mushroom bed logs (Fukuoka Prefecture)



Satoyama (woodland) preservation (Kagawa Prefecture)



Wetland preservation (Okinawa Prefecture)



Finding living things with IoT (BIOME smartphone app)



Outdoor class for learning from the forest (Kanagawa Prefecture)

## Coexistence with Local Communities Mitsubishi Electric SOCIO-ROOTS Fund

### — Overview —

The Mitsubishi Electric SOCIO-ROOTS Fund was established in 1992 as a gift program in which the Company matches the amount of any donation made by its employees, thus doubling the goodwill of the gift. Many employees participate in the Fund each year. As of March 2022, the Fund has provided more than 1.44 billion yen to some 2,300 various social welfare facilities and programs.

Branches have been set up at each of our business sites across Japan so that employees can provide monetary gifts that benefit social welfare facilities in their community. Community chest of in each prefecture have cooperated since the Fund's inception to provide referrals to donation recipients and information about community needs.

The Fund will continue to steadily support grass roots activities, as its name indicates, so that it can help to create smiles with big support that consists of consideration shown to people in need by each employee.

### — Donations —

Each Mitsubishi Electric business site makes inventive efforts to facilitate donation by its employees, carrying out fund-raising activities suitable to the site. Some examples of these activities include charity bazaars, charity auctions, and donations through vending machines. In addition to the conventional donation boxes, a new online donation system has also been introduced in FY2022, as a means that agree with the recent increase in remote working.

### FY2022 Activity Results



Fund-raising activities at each business location



### Assistance that Delivers Our Commitment

— Conveying the Good Intentions of Employees with a Smile —



We provide assistance to not only facilities supporting people with disabilities, but also nurseries, maternal and child living support facilities, foster homes, and assisted living facilities. Through presentation ceremonies, we strive to convey the feelings of our employees and provide support that people can put a face to. Messages of thanks from these facilities are a big motivator for our activities and always put a smile on employees' faces.

### Donations to areas affected by natural disasters

— Support for the healthy growth of children —



The Fund is making ongoing efforts to support children affected by natural disasters including the Great East Japan Earthquake. As of March 31, 2022, it has donated a sum of 191.5 million yen since the program began in fiscal 2012.

### Living with diversity Culture and Arts, Sports

#### Para-sports support

Mitsubishi Electric promotes initiatives to realize an inclusive society in which everyone, with or without a disability, respects and accepts each other. For example, by supporting para-sports, we train people to recognize and care for those who need support. As an official partner of the Japanese Para-Sports Association and the Japan Wheelchair Basketball Federation, we contribute to spreading and raising awareness of para-sports.



Presentation ceremony for a competition wheelchair at the Kitakyushu Champions Cup (November 2021)

#### Activities by Mitsubishi Electric's Sports Teams Basketball

Nagoya Diamond Dolphins and Mitsubishi Electric Koalas actively engage in activities to promote basketball, such as regularly sending their coaches and players to basketball workshops held throughout Japan for primary and junior high school students.



DEFENSE ACTION workshop to learn about disaster prevention activities while enjoying basketball

#### Tennis

Professional players and employees who belong to Mitsubishi Electric's Tennis Japan League team "Mitsubishi Electric Falcons" sponsor tennis workshops throughout Japan. Also, through wheelchair tennis and blind tennis, people with/without disabilities interact learning the importance of deepening mutual understanding.



Workshops in Tohoku

#### American football

The American football team utilizes its players' power to carry out volunteering in reconstruction assistance for the Great East Japan Earthquake and cleaning activities in a park near practice areas to express their gratitude toward society.



Cleaning of fallen leaves and sludge collected in a pond in the park



## Badminton

Our badminton team in S/J LeagueII, called Diamond Wings, engages in activities to promote badminton and contribute to the local community mainly in Hyogo prefecture, where the team is based. It helps train athletes and shares the excitement of badminton by holding training sessions and allowing high school students to participate in practices.



Badminton workshop

## Culture and Arts

Mouth and Foot Painting Artists of the World Exhibition Every year, Mitsubishi Electric Building Solutions Corporation sponsors "Mouth and Foot Painting Artists of the World Exhibition" throughout Japan. As the title indicates, the exhibition features paintings by artists around the world who are deprived of the use of their hands, and thus paint using their mouths or feet to hold a paintbrush.



Mouth and Foot Painting Artists of the World Exhibition

The company encountered paintings drawn by artists belonging to the Association of Mouth and Foot Painting Artists of the World for the first time in 1991, when it purchased paintings to put on the wall of a lodging attached to a training facility in Kodaira city, Tokyo. Employees who saw these paintings were so impressed with the pieces that were laboriously painted by such artists, that they hosted an informal painting exhibition in the training facility in 1992. The response to this exhibition was so overwhelmingly positive that it came to be held throughout Japan starting in 1994. Promotional activities for the event are being continued by volunteers including the company employees and their families.

## Supporting Narimichi Kawabata, a world-famous vision-impaired violinist

After graduating from Toho Gakuen School of Music, Mr. Narimichi Kawabata studied abroad at Royal Academy of Music where he was conferred Special Artist Status. Mitsubishi Electric has been continuing to support Mr. Kawabata since he started activities in the UK. In addition to supporting Mr. Kawabata, Mitsubishi Electric supports orchestra and opera houses to help develop the next-generation of artists.



## Science and Technology Mitsubishi Electric Science Workshops

### — Overview —

Since 2009, through the "Mitsubishi Electric Science Workshops" children can experience basic scientific principles related to electricity, heat, sound, light, wind, communications and programming. The workshops convey the joy of science through experiments and other activities, show the relationships between the basic scientific principles taught and real products, and help the children realize how the products are useful in society. It is also a good opportunity for employees, who serve as lecturers, to look back on their work.

During FY2021 to FY2022, while more workshops were put off due to the impact of COVID-19, activities were carried out using measures such as online classrooms and on-demand distribution of learning content.



Experiment on the three primary colors of light and making a light kaleidoscope

FY2022 Activity Results



## Introducing Our Foundations

### Mitsubishi Electric America Foundation

#### Summary

The Mitsubishi Electric America Foundation (MEAF) has been working to realize a more inclusive society in the United States since 1991. Given the high unemployment rate\* of people with disabilities, combined with the need for capable talent in society, MEAF has invested \$15.2M, to date, in nationwide grant projects designed to empower youths with disabilities to lead productive lives. MEAF has also contributed \$8.4M to support local needs in communities where Mitsubishi Electric Group companies in the U.S. are located, by matching the donations made by employees of those companies. MEAF's contributions in the U.S. have totaled \$23.6M thus far.

\* Figures are from the U.S. Bureau of Labor Statistics: The unemployment rate of people with disabilities was 10.1 percent in 2021 and roughly twice as high as the rate for people without disabilities.



People with disabilities supporting the electronics device recycling business (Illinois State)



Work experience at a local factory (Kentucky State)

#### Example of Nationwide Grant Activities

The "M>PWR possible" initiative, which MEAF has been implementing for a decade now, has helped to empower more than 50,000 youths and veterans with disabilities to secure jobs in diverse industries, including the service, healthcare, distribution, manufacturing, IT, animation, and electronics recycling industries.

In recognition of its long-standing efforts, MEAF has received the "2018 Catalyst Award" from the American Association of People with Disabilities. It has also gained high acclaim for its efforts to secure employment opportunities for next-generation youths, such as in the form of the Blue Star Recyclers "Star Partner Award" in 2019, and the "Industry Innovation Award" in 2020 from Nuts, Bolts and Thingamajigs®, a charitable foundation that supports individuals to pursue a career in manufacturing.

#### Collaboration with U.S. employees

Every year, more than 12,000 employees of Mitsubishi Electric Group companies in the U.S. volunteer in activities to support their local communities. Under the banner of "M.O.V.E. - Mitsubishi Electric Organized Volunteer Efforts," they support special needs schools and food banks, and engage in environmental conservation activities, as their contribution to their local communities.



Food bank support from employee volunteers (Illinois State)

## Mitsubishi Electric Thai Foundation

### Summary

Established in 1991, the Mitsubishi Electric Thai Foundation (METF) provides support that accords with various needs in Thailand. For example, it offers scholarships to university students, supports the independent management of educational institutions, and provides relief against COVID-19 and drought. METF also focuses on Group-wide volunteer activities in collaboration with philanthropy officers in each Mitsubishi Electric Group company in Thailand.

### Example of activities

Since 1993, scholarships have been awarded to students at four engineering universities. They are intended for students who have excellent grades but have difficulties in studying due to economic circumstances, and play an important role in the development of science and technology in Thailand.

In 2020, METF has also started an initiative to support the independent management of educational institutions, and in 2021 a project to support the construction of a reservoir in a village that has suffered severe drought damage.



Growing vegetables at one of our supported educational institutions

### Collaboration with Thai employees

In collaboration with local Mitsubishi Electric Group companies in Thailand, METF contributes to local communities through tree-planting activities, Science classroom for elementary school students, and making donations to temples that care for AIDS patients. More than 500 employees and local people participated at maximum at a time, and participants were able to share joy with many people through these activities. In 2017, the Foundation began supporting the "Prateep Dek Thai Project" to build a Child Development Centers in underprivileged areas.



Support for the Prateep Dek Thai project



### Example of Overseas Activities by the Mitsubishi Electric Group

As a company globally expanding of our business, Mitsubishi Electric Group carries out activities worldwide to contribute to the realization of a vibrant and sustainable society.



Establish PLC training facility for engineers in a university (Turkey)



Food pantry support activities (U.S.)



Hosting an engineering competition with university students (Vietnam)



Donating garden aids to an elementary school (The Philippines)



Food support to families in need (Brazil)



Tree planting activity (India)



Environmental protection promotion activities (China)



Sponsoring a regional event (lantern festival) (Taiwan)



Distribution of care packs for regions that require support (Singapore)



Online science workshops (Thailand)



Volunteering in the Special Olympics (UK)



Donating backpacks to support education (Columbia)

## Data Section (Social)

### Personnel Data

#### Employment Situation

【Non-consolidated】

Category		2017	2018	2019	2020	2021
Full-time employee	Total	34,561 persons	35,203 persons	35,649 persons	36,162 persons	36,700 persons
	Male	31,312 persons	31,820 persons	32,172 persons	32,346 persons	32,701 persons
	Female	3,249 persons	3,383 persons	3,477 persons	3,816 persons	3,999 persons
Temporary staff	Total	7,413 persons	7,202 persons	7,105 persons	6,838 persons	6,682 persons
	Male	—	—	—	4,179 persons	4,092 persons
	Female	—	—	—	2,659 persons	2,590 persons
Average age	Total	40.2 years of age	40.4 years of age	40.5 years of age	40.7 years of age	41.1 years of age
	Male	—	—	—	40.6 years of age	41.0 years of age
	Female	—	—	—	41.2 years of age	41.3 years of age
Average No. of years worked	Total	16.3 years	16.3 years	16.4 years	16.6 years	16.9 years
	Male	—	—	—	16.5 years	16.8 years
	Female	—	—	—	17.2 years	17.1 years
Turnover rate	Total	2.5%	2.2%	2.7%	2.3%	2.7%
	Male	—	—	—	2.2%	2.7%
	Female	—	—	—	2.4%	3.1%
Average annual income	Total	7,924,292 yen	8,169,232 yen	8,069,144 yen	7,963,544 yen	8,067,252 yen

#### Employment Situation

【Consolidated】 (Unit: No. of people)

Segment	2017	2018	2019	2020	2021
Total	142,340	145,817	146,518	145,653	145,696
Energy & Electric Systems	45,919	46,732	46,852	47,697	47,113
Industrial Automation Systems	32,399	33,480	33,544	32,975	32,692
Information & Communication Systems	15,131	15,185	15,042	13,900	13,818
Electronic Devices	5,588	5,415	5,431	5,323	5,393
Home Appliances	26,000	26,789	27,462	27,545	28,710
Other	12,005	12,716	12,643	12,603	12,329
Common	5,298	5,500	5,544	5,610	5,641

#### New graduates

【Mitsubishi Electric Group Companies in Japan】 (Unit: No. of people)

		October 2018 and April 2019 (result)	October 2019 and April 2020 (result)	October 2020 and April 2021 (result)	October 2021 and April 2022 (projection)	October 2022 and April 2023 (plan)
Mitsubishi Electric	Engineering positions	690	660	560	500	650
	Sales & administrative positions	240	200	170	200	200
	Technical positions	300	300	210	200	250
Mitsubishi Electric		1,230	1,160	940	900	1,100
Group companies in Japan		1,500	1,500	1,370	1,200	1,550
Total		2,730	2,660	2,310	2,100	2,650

#### Mid-career Hires

【Mitsubishi Electric Group Companies in Japan】 (Unit: No. of people)

	FY2019 (result)	FY2020 (result)	FY2021 (result)	FY2022 (projection)	FY2023 (plan)
Mitsubishi Electric	650	530	420	400	950
Group companies in Japan	1,000	1,000	660	700	950
Total	1,650	1,530	1,080	1,100	1,900



## Changes in the percentage of female employees of all new hires (Mitsubishi Electric)

【Non-consolidated】 (Unit: %)

	FY2019 (result)	FY2020 (result)	FY2021 (result)	FY2022 (result)	FY2023 (projection)
Overall	17.5	15.1	18.8	20.0	23.3
Sales & administrative positions	31.0	31.5	37.0	38.0	44.3
Engineering positions	13.1	9.4	13.4	14.4	15.0

## Employment rate of people with disabilities

【Consolidated across three companies\*】 (Unit: %)

FY2018	FY2019	FY2020	FY2021	FY2022
2.17	2.23	2.28	2.34	2.39

\* Actual average employment rate (consolidated across three companies)  
Figures are fiscal year averages.

## Starting Salary

【Non-consolidated】

	Monthly wage	Compared to the minimum wage
High school graduate	174,000 yen	104%
Technical high school graduate	197,000 yen	118%
College graduate	227,000 yen	136%
Graduate school graduate	251,000 yen	151%

\* Minimum wage is calculated based on the minimum wage for Tokyo Prefecture as of March 2022 (1,041 yen per hour), working 20 8-hour days per month.

## Utilization status of childcare and family care programs (by Mitsubishi Electric employees)

【Non-consolidated】 (Unit: No. of people)

No. of employees who have taken a leave		FY2018	FY2019	FY2020	FY2021	FY2022
Childcare leave	Men	24	38	66	144	240
	Women	273	302	348	369	394
	Total	297	340	414	513	634
Acquisition rate of leave of absence (%)	Men	1.7%	2.7%	4.5%	9.7%	13.1%
	Women	98%	99%	100%	99%	99%
	Total	18%	20%	23%	28%	28%
Reduced working hours for childcare	Men	11	13	14	13	16
	Women	368	379	392	393	397
	Total	379	392	406	406	413
Reduced working hours during pregnancy	Women	11	20	14	3	11
Family care leave	Men	7	11	7	6	8
	Women	4	7	9	6	7
	Total	11	18	16	12	15
Reduced working hours for family care	Men	4	1	1	4	1
	Women	8	6	20	12	26
	Total	12	7	21	16	27
Prenatal and postnatal absence	Women	182	178	198	204	209
Paternity leave	Men	735	769	861	920	923
Nursing absence	Men	13	20	29	6	19
	Women	15	15	19	20	21
	Total	28	35	48	26	40

## Occupational Safety and Health

## Frequency of accidents

(Mitsubishi Electric Group (domestic/overseas))

【Mitsubishi Electric Group】 (Unit: No. of people)

		FY2018	FY2019	FY2020	FY2021	FY2022
Fatal accidents	Domestic	0	1	0	1	0
	Overseas	4	1	3	1	0
Frequency rates of industrial accidents (%)		0.1%	0.04%	0.07%	0.04%	0.04%