Social

Quality	9
Human Rights	10
Human Capital ·····	10
Supply Chain Management (Procurement)	12
Philanthropic Activities	12
Social Data	13

Quality

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 reasonable 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>

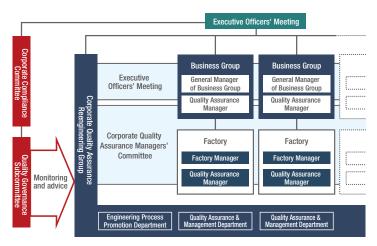
- 1. We will not only comply with the laws related to product safety, but also work on offering safe and reliable products to our customers.
- 2. We will prevent product-related accidents by indicating cautions and warnings to help customers use our products safely.
- 3. We will work actively to collect 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. In addition, the Engineering Process Promotion Dep. (QED) was newly established to implement realize a company-wide environment that enables designers to carry out their design work in a consistently manner, thereby promoting facilitating the realization of quality assurance reform. 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 each country's laws and standards, 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 of failure cases that have occurred in the Mitsubishi Electric Group. We use this database to build quality into products to prevent defect recurrence. We also working to prevent defects by consolidating and utilizing our technical resources, such as defect analysis methods, and applying them in order to build quality into products and to improve quality.

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)

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 (In Japanese text)

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 refrigerators, as well as to public equipment such as elevators, through considering the needs of all users. This approach is continuing to evolve.

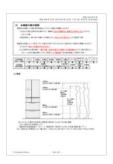
- Uni & Eco: The Uni & Eco business strategy was developed for home appliances in fiscal 2005 as a philosophy that combines "Uni," or universal design, (the aim of which is to achieve accessibility for all users), with "Eco," meaning ecological soundness that is perceivable, achievable, and communicable.
- RakuRaku Assist: By raising the target demographic to people in their 70s starting in fiscal 2011, we developed the RakuRaku Assist business strategy and are still advancing it. The aim is to enable more people to take advantage of the latest convenient features freely and easily.

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

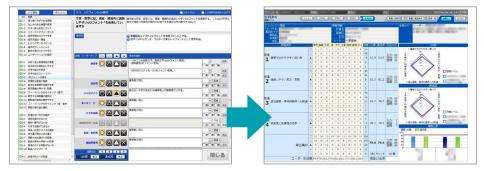
UD-Checker is Mitsubishi Electric's proprietary tool that can be used by both industrial designers and engineers to evaluate for universal design (UD) qualities. This tool shows four quantitative measures of UD, namely recognition, identification, physical use, and safety/ usability, indicating specific 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.



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-G221AKS 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.

Safety sensor & audio support

<Features>

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

Other "RakuRaku Assist" products (in Japanese text)



Large character & numerical indication of steps for use



Safety sensor & audio support

Application to the industrial sector

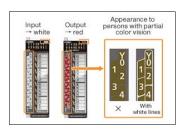
Even in the industrial sector, where there is a high level of specialization and a relative lack of diversity in terms of operators who handle equipment, the labor environment is changing. Examples of this transformation include the aging of workers, and more foreign and inexperienced workers – changes 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.

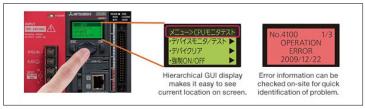
- Easy-to-understand expressions, such as printed designs that are images of actual objects, make the displayed content more intuitive.
- The unit employs a large UD font display and offers good contrast against the background color, considering people with impaired color vision.
- By showing the text 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.





Quick Guide (Basic operations)

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

Award received

In fiscal 2023, following the International Association for Universal Design (IAUD)'s evaluations of Mitsubishi Electric's attempts to find a better alternative solution to the increasingly severe labor shortage, we won awards at the IAUD International Design Awards. The accolades included the Gold Award for the Safety Monitoring Support (Anshin Mimamori Support) MelCare, and the Bronze Award for the "MR-MZ/WZ Series 6-door refrigerator and freezer" and the "Unified remote control design for air conditioners". 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.





Safety Monitoring Support, MelCare

MR-MZ/WZ Series 6-door refrigerator and freezer



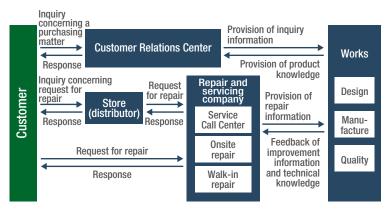
Unified remote control design for air conditioners

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.

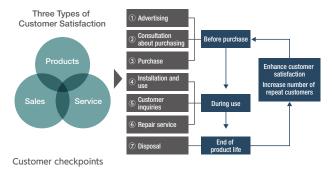
Each works conducts satisfaction surveys of its major products using questionnaires to product purchasers and questionnaires to employee monitors. The results of these surveys are shared within the Group and reflected on sales and development strategies.

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.



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.







Service Call Center





Repair Service Station

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 room air conditioner Brand Cconcept: "We can make people more comfortable."

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.

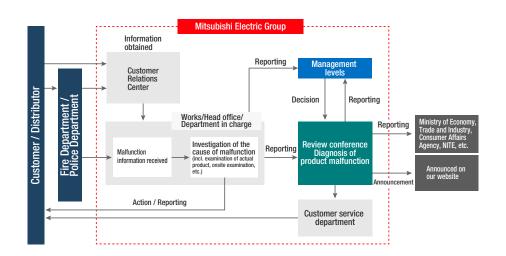
List of important information pertaining to products (n Japanese text)

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

Concept of Respect for Human Rights

Policy on Respect for Human Rights

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.

Mitsubishi Electric Group Human Rights Policy

Action Guidelines of Respect for Human Rights

In its "Code of Conduct," the Mitsubishi Electric Group has established the following guidelines for respecting human rights (excerpts follow).

- Respect for Human Rights of Employees
 - ✓ We prohibit forced labor, child labor, harassment, and all other acts that disregard individuality.
 - ✓ We prohibit discrimination based on race, ethnicity, nationality, gender, age, belief, religion, social status, gender identity/sexual orientation, disability, and so forth.
 - ✓ We ensure fair opportunities and treatment.
 - \checkmark We protect personal data and other information.
- Fair Employment
 - ✓ We ensure compliance with labor-related laws and regulations as well as the work rules of each country and region, etc.
- Respect for Human Rights
 - ✓ We respect human rights based on international norms, thereby ensuring there are no human rights violations or other problems.

Mitsubishi Electric Group Code of Conduct

Policy on Respect for Human Rights in the Supply Chain

In 2018, we established the CSR Procurement Guidelines to inform suppliers of the Mitsubishi Electric Group's approach to sustainability and the points that we expect suppliers to comply with, and we rolled the Guidelines out to our suppliers.

Based on the RBA Code of Conduct, the CSR Procurement Guidelines clearly prohibit forced labor, hazardous and harmful labor, and child labor; mandate a reduction in the number of excessive working hours; and ensure the right to a minimum wage, etc. We ask our suppliers to understand and comply with the Mitsubishi Electric Group's approach.

☑ Green Accreditation / CSR Evaluation☑ Transitioning to RBA-compliant initiatives

Respect for Human Rights in Utilizing AI

The Mitsubishi Electric Group ensures that business activities that involve utilization of Al respect human rights.

Mitsubishi Electric Group AI Ethics Policy

Ensuring Personal Information Protection

In order to balance the usability of personal information while respecting the right to privacy, which is an essential human right, the Mitsubishi Electric Group is promoting personal information protection initiatives according to rules based on the eight privacy principles defined in the OECD Privacy Guidelines.

☑ Initiatives for Personal Information Protection

Personal Information Protection Policy

| 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, a permanent "Human Rights Subcommittee" was established as a subordinate organization to the Sustainability Committee in order to respond promptly to improve human rights initiatives and to resolve issues.

Since human rights issues relate to a wide range of fields, the responsible division is identified first to work on specific issues, while the Human Rights Subcommittee discusses and decides which direction to take with respect to issues of concern to the entire company. A system is in place for reporting progress to the Sustainability Committee and the Executive Officers Meeting, and to have the Executive Officers and Directors provide guidance and oversight.

The Human Rights Subcommittee is chaired by the Senior General Manager of the Sustainability Planning Division and consists of the heads of the relevant divisions.

In addition, the Human Rights Working Group, which is composed of Section Manager-level members from the divisions that make up the Human Rights Subcommittee, examines the practical implementation of various human rights-related initiatives.

In fiscal 2023, the Human Rights Subcommittee met three times, while the Human Rights Working Group met eleven times. The main agenda items of the Human Rights Subcommittee meetings held in fiscal 2023 were as follows.



Main agenda items of the Human Rights Subcommittee

	Agenda item
First meeting	Confirmation of the purpose of establishing the Human Rights Subcommittee Background on the need for human rights initiatives and the current status of the Mitsubishi Electric Group Future action items for the Human Rights Subcommittee to promote Report on the results of the fiscal 2022 Human Rights Impact Assessment and discussion of improvement activities, etc.
Second meeting	 Approval of proposed improvement activities based on the results of the fiscal 2022 Human Rights Impact Assessment Approval of mid- to long-term human rights goals and the roadmap Outline of sustainability procurement activities and use of the RBA management process Complaint handling mechanism (membership in JaCER) Japanese government guidelines, etc.
Third meeting	Report on activities in fiscal 2023 Approval of the activity plan for fiscal 2024

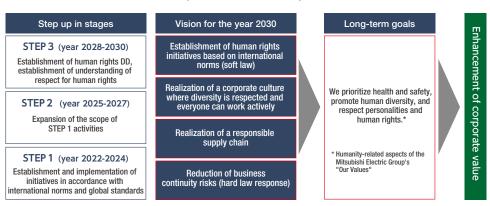
Human Rights Management

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

Mid- to Long-Term Goals and Roadmap for Human Rights Initiatives

The Human Rights Subcommittee discussed mid-to-long-term goals and the roadmap for respecting human rights since human rights initiatives are diverse and must be prioritized, and improvements must be ongoing rather than one-off activities.

In the short term (one year), specific action items and KPIs are set, and the Human Rights Subcommittee and the Sustainability Committee follow up on the results.



Mid- to long-term goals and the roadmap for human rights initiatives (in brief)

Human Rights Due Diligence

The Mitsubishi Electric Group is committed to human rights due diligence in accordance with the United Nations Guiding Principles on Business and Human Rights.



1. Identification and assessment of negative impacts on human rights (Human Rights Impact Assessment)

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.

The human rights impact assessment conducted in fiscal 2022 at a total of 417 sites among Mitsubishi Electric, domestic affiliates, and overseas affiliates identified human rights issues for which the Mitsubishi Electric Group should strengthen its efforts and evaluated the statuses of efforts at each site.

2. Correcting, preventing, and mitigating negative impacts on human rights

The Mitsubishi Electric Group has taken the following actions to address the issues identified.

Human rights issues to be addressed and strengthened

Issue to be addressed / strengthened	Overview
Harassment prevention	We strengthened the following efforts: Awareness-raising activities, including the publication of a harassment prevention handbook
Working time management	Reduction in the number of long working hours by implementing organizational culture reform Partial acquisition of ISO 45001 certification
Occupational health and safety	Regarding harassment prevention, reform of working practices and reduction in the number of long working hours, and occupational health and safety initiatives
Human rights education	 In addition to the harassment and diversity training that has been conducted, we explained business and human rights, the Mitsubishi Electric Group Human Rights Policy, and other topics in the new company-wide training course "Sustainability in the Mitsubishi Electric Group."
Supply chain human rights initiatives, addressing conflict minerals	• In addition to our existing CSR procurement activities, we are exploring the possibility of implementing the supply chain management process of the Responsible Business Alliance (RBA), which we joined in 2022 (we plan to start explaining the process to our suppliers in fiscal 2024). ☑ Supply Chain Management (Procurement)
Grievance handling	 We joined the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER) primarily to strengthen the collection of human rights complaints across the supply chain. We have improved user accessibility by providing a separate "Human Rights Contact Desk" on our official website and by improving the homepage (landing and description) in the "Inquiries on Sustainability" section of the official website.

In addition, at any site where human rights efforts are deemed inadequate, improvement plans are developed to correct, prevent, or mitigate negative impacts on human rights.

3. Tracking and evaluating human rights initiatives

We review the progress of each site's plans and strive to achieve continuous improvement.

4. Identification and assessment of negative impacts on human rights in fiscal 2024 (Human Rights Impact Assessment)

To identify significant human rights issues in our operations, we plan to conduct a more objective human rights impact assessment based on global standards with the help of external human rights experts.

| Initiatives Related to Employee 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 Capital

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 jointed 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



Compliance with Laws and Regulations on Human Rights

Mitsubishi Electric is working with relevant divisions to respond in a timely and appropriate manner to legislation being developed in various countries regarding the implementation of human rights due diligence by companies.

UK 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. Due consideration is also given to the UK Gender Pay Gap Report.

Statement on the UK Modern Slavery Act

Australian Modern Slavery Act

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.

Human Rights Education

The Mitsubishi Electric Group takes various opportunities to educate its employees on human rights.

Human rights education

Hierarchy-specific training

For new employees and newly appointed managers, we provide ongoing training programs regarding human rights. In the training for managers, after completing the course, participants confirm from a manager's perspective whether any problems have occurred in their own workplaces, thereby facilitating the realization of workplace environments in which employees can work comfortably.

Company-wide training (e-learning)

In the "Mitsubishi Electric Group Sustainability" e-learning course for all employees of Mitsubishi Electric and its domestic affiliates, we provide education on global trends in human rights, the reasons why human rights must be respected, and the Mitsubishi Electric Group's human rights policy, etc., to provide employees with opportunities to deepen their understandings of the importance of corporate efforts to respect human rights.

Harassment training

To prevent harassment by promoting proper understanding of harassing behavior and practicing appropriate communication skills when performing work, Mitsubishi Electric started conducting harassment training in the second half of fiscal 2020.

The training 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 affiliates. In particular, all employees of Mitsubishi Electric and its domestic affiliates have completed the e-learning program on harassment prevention implemented in accordance with the Mitsubishi Electric Workplace Culture Reform Program.



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

Grievance Handling Mechanism

Primary contact point for human rights grievances

The Mitsubishi Electric Group has established several contact points to receive human rights inquiries from various stakeholders as listed in the table below.

In fiscal 2023, to further strengthen prompt identification of information on human rights violations in the supply chain and remediation activities, as well as to improve transparency in complaint handling, we joined the Japan Center for Engagement and Remedy on Business and Human Rights ("JaCER") as a founding member (regular member) in October 2022. This enables Mitsubishi Electric stakeholders to report grievances to JaCER, a non-judicial grievance platform in accordance with the UN Guiding Principles on Business and Human Rights.

In addition, JaCER participants, including Mitsubishi Electric, can obtain third-party investigations, advisory mediation, and other services through JaCER as needed.

Furthermore, we have improved user accessibility by providing a separate "Human Rights Contact Desk" on our official website and by improving the homepage (landing and description) in the "Inquiries on Sustainability" section of the official website.



Responding to human rights grievances

In response to individual reports on human rights risks, the responsible division shall promptly confirm the facts of the case in accordance with the consultation content.

In the event that a human rights violation or other problem is identified to have resulted from the Mitsubishi Electric Group's business activities, we shall promptly implement corrective and remedial measures as well as take appropriate actions, including responding to victims and considering disciplinary measures for those who committed such violations, etc.

The Mitsubishi Electric Group's main point of contact shall share the details of each consultation with the division in charge of resolving the problem. Nevertheless, efforts shall be made to minimize information sharing among the parties concerned.

No whistleblower shall be retaliated against by any company or individual for making a report.

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	Inquiries regarding the Mitsubishi Electric Group's sustainability Other various inquiries regarding the Mitsubishi Electric Group's business activities	<japanese> Inquiries on sustainability Other Inquiries <global (english)=""> Inquiries on sustainability Other Inquiries</global></japanese>
	Japan Center for Engagement and Remedy on Business and Human Rights (JaCER)*1	Whistleblowing or consultations on human rights violations within the Mitsubishi Electric Group, especially those in the supply chain.	[⊿] JaCER
Mitsubishi Electric employees, group companies employees* ² , suppliers to Mitsubishi Electric* ²	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) *3*4
Mitsubishi Electric employees	Points of contact for consultation on sexual harassment, power harassment, etc.	Whistleblowing or consultation on various types of harassment in Mitsubishi Electric's workplace	Human Resource Div. at each office of Mitsubishi Electric

^{*1} The Japan Center for Engagement and Remedy on Business and Human Rights (JaCER) provides a non-judicial "Engagement and Remedy Platform," in accordance with the UN Guiding Principles on Business and Human Rights. The "Engagement and Remedy Platform" receives grievances and reports of violations or alleged violations of international and national codes of conduct as well as assists member companies in addressing grievances.

- *2 Limited to whistleblowing that is relevant to Mitsubishi Electric in personal and business aspects.
- *3 The points of contact are listed on Mitsubishi Electric's intranet, internal posters, "Code of Corporate Ethics and Compliance," etc.
- *4 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 2023, as part of the "Business and Human Rights Academy: Human Rights Due Diligence Training for Japanese Companies" organized by the United Nations Development Programme (UNDP), we had the opportunity to participate in individual sessions with human rights experts from Japan and overseas. In this session (held in January 2023), Ms. Alice Cope (Director and Chief of Operations, Pillar Two) and Mr. Hideaki Umetsu (Mori Hamada & Matsumoto) provided in-depth advice on the Mitsubishi Electric Group's ongoing human rights due diligence and supply chain management issues.

Ms. Alice Cope commented on the importance of collaboration among companies to prevent and address negative impacts on human rights, the importance of ensuring that every employee understands why respecting human rights is part of their role, and clarifying our expectations of suppliers in key documents such as our human rights policies.

Mr. Hideaki Umetsu advised us to include human rights clauses in basic transaction agreements and also commented on the importance of making employees understand that they too are rightsholders in order to expand human rights activities within the Group.

The advice we received was shared and discussed at the Human Rights Subcommittee meeting held in March 2023, and will be reflected in our future efforts to respect human rights in the Mitsubishi Electric Group for continuous improvement.



Session with Ms. Alice Cope

Topics

Exchanging Opinions with Experts

Mitsubishi Electric provides opportunities to receive opinions from experts who are active in various fields and have deep knowledge and experience. Last fiscal year, we held a session for exchanging opinions about the theme of "Inclusion" with Ms. Leah Kats-Hernandez, an advisor to the Mitsubishi Electric America Foundation, and two Mitsubishi Electric executive officers in charge of sustainability.

"Technology Utilization and Inclusion"



Ms. Leah Katz-Hernandez Microsoft CEO Communications Manager

(Advisor to Mitsubishi Electric America Foundation)

[Career]

Leah Katz-Hernandez is a communications expert and inclusion advocate, and the first deaf person to serve as a reception at the White House during the Obama administration. Most recently, President Biden appointed her to the President's Advisory Council on Promoting Equity and Economic Opportunity in Hispanic Education. After participating in the support program of the Mitsubishi Electric America Foundation, she became an advisor in 2017.

The use of technology can go a long way toward fostering a culture of inclusion in the workplace. Technology enables people with disabilities to work on an equal footing with peers without disabilities. When people with disabilities work together with people without disabilities, they can create more sophisticated services and products, which leads to increased value for the company.

For example, online communication, which has spread rapidly over the past decade, is not suitable for the hearing-impaired. It was difficult to use because I couldn't hear what was being said. Recently, however, captions can be displayed, making it much easier to communicate and obtain information. This technology is also useful for nonnative speakers who want to keep meeting notes or learn another language.

In this way, products and services that are convenient for people with disabilities are useful for everyone.

I sincerely hope that Mitsubishi Electric's five areas of social issues, "inclusion," will be addressed from such perspective.



Exchange opinion via American Sign Language Interpretation (ASL)

AI Ethics Policy

Mitsubishi Electric Group Al 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 Al. Furthermore, the Mitsubishi Electric Group will promote the responsible development and use of Al, 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 Al, 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 Al.

1. Realization of a Human-Centered Al society

The Mitsubishi Electric Group aims to realize a society in which human dignity is protected by developing and utilizing Al 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 Alequipped 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 Al products or services to, so that fairness principles are respected in all applications of Al 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 Al to ensure that they work as expected. We will also continue to work on security measures such as protecting the Al 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 Al-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 Al 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 Al-equipped products and services.

Human Capital

Basic Policy on Human Capital

Basic Policy

In the Mitsubishi Electric Group Medium-term Management Plan for 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. People are the driving force behind this sustainable growth, and we will continue to promote "human capital management," which views "people as the capital that creates future value." To regain the trust of society and to develop as a " Circular Digital-Engineering Company" amid increasingly intense global competition, the Mitsubishi Electric Group will implement all kinds of reforms by mobilizing all of our human capital, i.e., our diverse and versatile "individual" powers.

Human capital development

Recognizing that "business development and social contribution cannot be achieved without employee growth," we will raise the overall level of our employees by investing in education and training for all employees, and nurture "diverse and versatile human capital" who will practice "Changes for the Better" by thinking independently, acting proactively, and continuing to take on challenges.

Improvement of the internal environment

To achieve sustainable growth, we believe it is important to create a work environment in which each and every employee can maximize their abilities within a limited time frame. We will therefore promote a sense of unity and collaboration with our organization by respecting diversity, individual fulfillment, and enhancing engagement as well as improving the working environment to realize one in which everyone can work realizing a safe, secure, and rewarding.

• Human capital 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 capital 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 capital for strengthening our business.

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

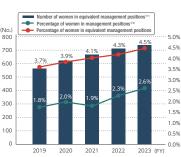
In April 2021, Mitsubishi Electric established the Diversity Promotion Office within the Corporate Human Resources Division, and in addition to the existing measures to support the personal and career development of women and employees raising children, we have been implementing various initiatives aimed at creating a workplace environment and culture that recognizes diversity in the way employees work and as a broader concept.

In April 2023, this organization has been reorganized as the "Human Capital Management Group," and is working to strengthen various initiatives, considering the promotion of diversity as part of the overall efforts for talent management, including the promotion of women to management positions. Through these efforts, we aim to create a workplace where diversity, including not only gender, but also age, nationality, disability, sexual diversity (LGBTQ) and work style, is respected and where individuals can maximize their abilities and work actively.

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.



Trend in the number of woman managers or equivalent (Mitsubishi Flectric)

*1 Women in equivalent management positions: Those whose duties and responsibilities are equivalent to those of a section manager. *2 Percentage of women in management positions: Ratio of women in

management positions to all management positions.

* As of March 15 for the relevant fiscal year.

Employment situation

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 FY2023		
Percentage of woman in management	2 times (Compared to FY2021)	1.38 times		
Percentage of newly hired women	1.2 times (Compared to the average for FY2017–2021)*1	1.3 times (FY2022–2023)*1		
Percentage of men on childcare leave*2	70%	76.1%		

^{*1} Total from FY2022

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

A career forum is offered to young female 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 independently and act proactively, 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.

Furthermore, in FY2023, we introduced a new training program for employees returning from childcare leave (including men taking childcare leave) and their supervisors as an opportunity for both parties to communicate with each other in an inclusive manner.



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.

☑ Percentage of female employees in all new hires☑ Basic Policy on Human Capital

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 are held with employees who are 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



Top page of a featured website

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.



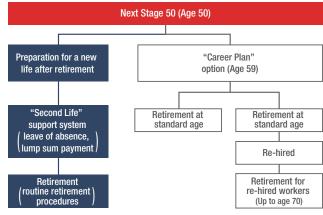
^{*2} Includes those who obtained special leave for childcare purposes

| 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 "Next Stage 50" training session at each of our business site to employees turning 50 years old. 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, health, and other topics.

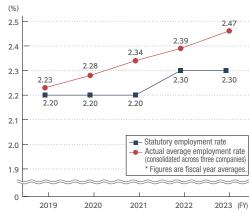
Employees in their fifties can choose one style of working from among various options



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, 2023, people with disabilities comprised 2.48% of the total workforce at Mitsubishi Electric and its special subsidiaries combined. The



Changes in the Ratio of Hired People with Disabilities

company name of Melco Tender Mates Corporation expresses the principle that employees with or without 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 122 people with disabilities as of March 15, 2023.

The company plans to gradually expand its operations and further promote the employment of people with disabilities by opening a cookie factory in FY 2018, the Nagoya Works in FY 2021, the Himeji Works in FY 2023, and the Itami Works in FY 2024.

* Special subsidiary: A company that meets certain requirements under Act to Facilitate the Employment of Persons with Disabilities (Employment Promotion Act for Persons with Disabilities), and is deemed to be one business establishment (employed by the parent company) of the parent company (Mitsubishi Electric Corporation) after receiving permission from the Minister of Health, Labor and Welfare, and also is included in the parent company's employment rate for persons with disabilities as an exception.







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 would develop a workplace environment that was 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 (supervisors who are holding a higher level position in the company) 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 (currently the Human Capital Management Group) 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 2022" Gold Award Received

Mitsubishi Electric received the Gold award for the "PRIDE Index 2022," an index developed by the private organization "work with Pride" to evaluate initiatives for LGBTQ people and other sexual minorities at workplaces in Japan. In recognition of its ongoing commitment to sexual diversity (LGBTQ), Mitsubishi Electric received the Gold award for the first time, following the Silver award in 2021.



Supporting Career Development

Basic Policy

"A company is its people, and cannot grow without their growth. The development and utilization of human capital 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 human capital development for all our employees.

As a global company, the Mitsubishi Electric Group has 203 consolidated subsidiaries in Japan and overseas, with approximately 140,000 employees working around the world. We are working to assign and develop human capital with the aim of creating a corporate entity in which all Mitsubishi Electric Group employees can enjoy working with a sense of responsibility and vitality while instilling our purpose in our group employees and sharing our values globally. As part of this effort, a video introducing Mitsubishi Electric's history and purpose has been produced and made available in multiple languages, with the aim of spreading the purpose and empathy for its values on a global scale.

Human Capital 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 mindset 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 hires, we provide company orientation and training sessions to give them employee mindset and educate them on basic knowledge, management principles, compliance, and other matters.

Mitsubishi Electric has also introduced job-level specific training to provide each individual with the opportunity to acquire the abilities and skills required at each stage of their career, with the aim of enabling them to fulfill their respective roles and expectations. This training program places particular emphasis on strengthening communication skills for younger employees and management skills, including leadership and the development of subordinates and junior colleagues, for mid-level and managerial employees, in an effort to foster a culture of development throughout the workplace.

For managers, we are working to support the acquisition of skills such as measures to revitalize communication in the workplace, active listening, and stress management methods,

Governance

so that they can provide support tailored to the needs of each employee working directly under their supervision. We will promote the development of core human capital in order to create a workplace with openness for communication.

≓	Management	Ke			☆MELCO Seminar (M	/I-Semi)		Fun	ctional 1	training)		161-
aining	candidate function person development		son	Area of specialty		Common areas		Global	Skill training		Individual functional training	Level-specific training	
Training and development measures	Mitsubish Electric Business Innovation School (MBIS)	Advanced Technology System Course	JIT improvement instructor / driver development	Planning / Development	Sales Career produce Communication and Al/Media Information software Electronics / Devices and Machines - Electricity / Energy and Control Quality, Environment, Production	Globalization Business knowledge / Business knowledge / Intellectual production capacity New business creation skills Corporate principles / Governance	Overseas OJT system Study abroad system	Training before overseas assignment Language study abroad / Dispatching to domestic language schools	Mitsubishi Electric Group skills competition	Company-wide supervisor meeting	Administrative division personnel training (Purchasing, accounting, general affairs, etc.)	Job-level specific training / Management training	Company-wide welcoming ceremony / New employee training
Career development support	Supporting each and every employee to envision and shape their future career by developing the necessary skills				☆Career consulting Role/achievement re ☆Self-development ☆Job-Net* ☆Care	eview system* To support system		fe program					
Knowledge sharing	Place to accumulate, pass down, and develop information related to technology and business. Human networking beyond individual areas of business			☆ Melcollege ☆ 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 k Mitsubishi Electi is provided and a is developed wit	ric Group an appro	employe priate mi		Compliance, safety,	quality, sustainab	ility, o	diversity, etc	c .				

Amain measures and systems that employees can utilize independently

Human capital development system diagram (Mitsubishi Electric)

Annual amount of human resources development and training	
expenses per employee (Mitsubishi Electric)	

Approx. 124,000 yen/person

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. From fiscal 2023, it will review the content of the program and further strengthen the development of human capital 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 20,000 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

^{*} Includes some non-development measures.

^{*} Results solely for training organized by corporate divisions in FY2023; does not include training conducted by divisions and production sites. (Note that trainee training is included in the results.)

Global Human Capital Development

Global (borderless) organization management and human capital utilization

Mitsubishi Electric is working to utilize human capital 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 participate in 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 FY 2023, training programs have been resumed one after another and face-to-face training has begun with participants from various countries coming to Japan.

In April 2023, the first MGEP* participant has been appointed as a senior executive officer of Mitsubishi Electric, and we will continue to organically link the training and deployment of national staff to further expand the program.

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

	2018	2019	2020	2021	2022	Cumulative total
MGEP	5	7	Canceled due	18	15	53
GMW	29	30	to the impact of	Canceled	30	238
WKP	91	105	COVID-19	Canceled	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



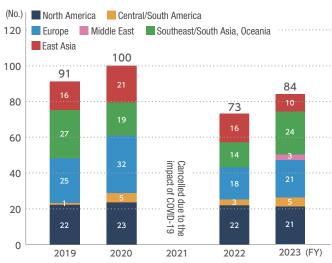


GMW in FY 2023

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 capital who will drive our global businesses.

Employees dispatched under the overseas OJT system



Strengthening Career Ownership by Respecting Employee Autonomy and Challenges

Transfer Opportunities that Contribute to Employees' Career Development In order to support employees' autonomous career development, Mitsubishi Electric instituted an internal recruitment system (Job-Net) and job search system (Career Challenge System).

Job-Net enables employees to apply for job openings within the Mitsubishi Electric Group that are posted on the intranet.

Career Challenge System is a system in which employees register their career aspirations, experience, skills, and so forth and the recruiting department then makes offers to them.

Both Job-Net and Career Challenge System allow for transfers to be realized through mutual matching between employees and the recruiting department. Approximately 100 employees were transferred using these systems in fiscal 2023.

Lifestyle Design Training

We offer an annual "lifestyle design 40" training session at each of our business sites to employees turning 40 years old. The sessions encourage employees to take an interest in planning the rest of their lives and designing a rewarding lifestyle by providing information on career design and mid- to long-term life planning, including retirement benefits and health, and other topics, and by facilitating group discussions.

Self-development Support Program

Mitsubishi Electric instituted a self-development support program that supports employees' voluntary skills development based on a human capital 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.

Establishment of the Career Consulting Room

In order to strengthen support for employees "independent career realization" and "self-realization through their careers," in addition to the existing consultation and resolution function between managers and employees, a new "Career Consulting Room" has been established where career consultants (advisors) provide consultation and advice on career development to employees regardless of the department they belong to.

We provide consultation and awareness support for employees regarding their career development, introduce/explain internal and external systems and consultation services to employees upon their request, and encourage relevant internal departments.

Fair Evaluation and Compensation

Basic Policy

The Mitsubishi Electric Group upholds a management policy, 'In addition to realizing well-balanced corporate management from the three perspectives of growth, profitability/efficiency, and soundness, we will return to our fundamental principle of "addressing social challenges through our businesses" and position the realization of sustainability as the cornerstone of our management. From this approach, we will pursue a sustained enhancement of our corporate value and fulfill our responsibility to society, to our customers, shareholders and employees, and to all other stakeholders' and 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

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.



Organic combination of components through management enhancements

Promoting Communication in the Workplace

At Mitsubishi Electric, 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 capital, to promote improved communication in the workplace. In fiscal 2023, such interviews were carried out for 98% overall (98% for men and 99% for women) 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.

| 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 Group to survive through the tough international competition and continuously increase our corporate value, we believe it is vital to create a working environment where all employees can work to their full potential within their limited time by mobilizing the power of diverse human capital. Based on this belief, 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

Organizational culture reform

The Mitsubishi Electric Group took the multiple work-related issues that it experienced until fiscal 2020 within the Group seriously, and has been 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. Regarding this program, we completed the application of short-term priority measures in fiscal 2022 and implemented long-term measures focusing on "improvement of work engagement," "active communication," and "fostering of organizational culture and mindset" in fiscal 2023. Going forward, we will integrate these efforts with "organizational culture reform," which is one of the Three Key Reforms, and we will more vigorously pursue their implementation. To create a workplace environment where employees can thrive and engage more easily, Mitsubishi Electric has set key performance indicators (KPIs) related to a "rewarding work" and "work life balance." We will regularly monitor these indicators, thereby continuing to work to further improve and entrench our organizational culture and workplace environment.

Changes in effort evaluation indicators

Employee engagement scores remained flat in the second half of fiscal 2023. We will continue to strive to improve the scores by continuously implementing the following measures: increasing opportunities for dialogue between management and employees; developing measures to prompt communication between supervisors and subordinates in the workplace (one-on-one meetings, etc.); reforming outdated and overly formalized procedures; strengthening measures to support the formation and development of employees' career paths; and carrying out various robust implementation measures with a resolve to reform the organizational culture, such as revision of the personnel system, etc.

KPI	Result for FY2021	Result for 1H FY2022	Result for 2H FY2022	Result for 1H FY2023	Result for 2H FY2023	FY2026 Goal
Employee Engagement Score (Percentage of employees who are proud and motivated to work for the Company) *	63%	61%	54%	54%	54%	70% or higher
Percentage of employees who responded that they had a good work-life balance	66%	66%	65%	65%	66%	70% 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"

Social Data

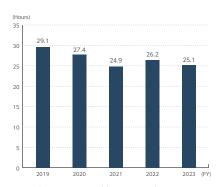
Work Style Reform and Prevention of Long Working Hours

Mitsubishi Electric determined "Work Style Reforms" as an important management policy in fiscal 2017 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 fiscal 2021, 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



"Work Style Reforms" internal poster



Changes in monthly overtime hours per employee (including managers)

hours. We believe that these efforts have paid off to some extent. Specifically, in fiscal 2023, we reduced monthly overtime hours per employee by 14% compared to fiscal 2019.

In the future, we will also work on "Work Style Reforms" in conjunction with "Organizational Culture Reforms" to prevent long working hours and to create workplaces where all employees can work actively while maintaining their physical and mental health. In addition, we will ensure that employee healthcare measures are implemented based on properly recorded working hours.

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

Environment

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*1
- 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*2

- Promoting improvement activities suitable for each workplace through activities in small groups*3
- 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
- *1 A system that automates tasks that were previously performed manually using software that incorporates AI technology, etc.
- *2 Just-in-time improvement activities (productivity improvement activities) implemented to improve the efficiency and productivity of indirect operations in departments that are not directly involved in production activities
- *3 Improvement activities by workplaces to address latent issues and problems in all business processes

Support for Flexible Working Styles

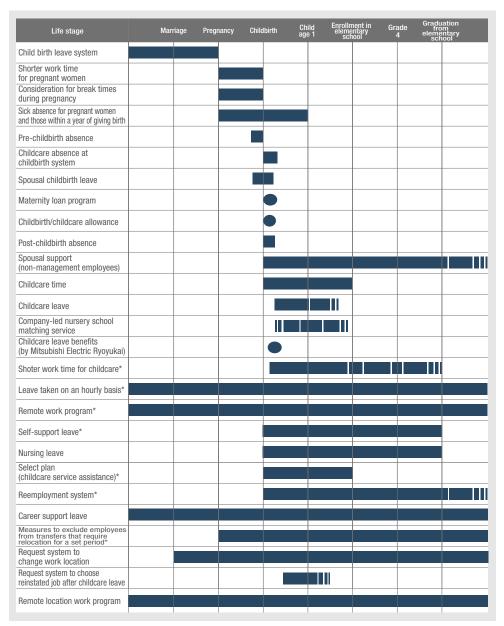
Development and implementation of childcare and family-care programs

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 (selfsupport 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

!	
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.
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.
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.



^{*} Nursing care reasons are also eligible.

The eligibility period is the one during which the reason occurs.

(As of April 2023)

Childcare balance support measures (Mitsubishi Electric)

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 ²				
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.

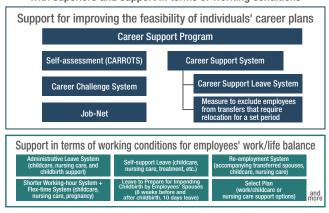
Remote location work program

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.

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)

☑ Utilization status of childcare and family care programs

Occupational Safety & Health Management

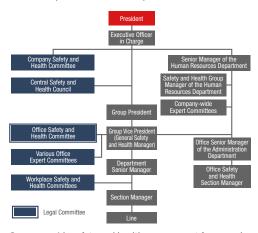
Basic Policy

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. If 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

In addition, Mitsubishi Electric identifies hazards through risk assessment and implements risk reduction measures in the following cases.

- When new equipment is installed and when equipment is changed
- When there is new work or a change in work
- For work involving the handling of chemical substances

Occupational Safety and Health Management System

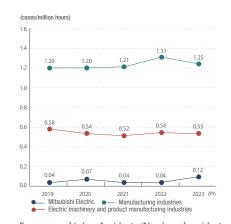
In 2009, Mitsubishi Electric introduced the Occupational Safety and Health Management System (OSHMS*). Under the program, each office runs PDCA cycles for safety and health activities by implementing internal audits based on the Mitsubishi Electric Group's requirements for safety and health management 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



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

	FY2020	FY2021	FY2022	FY2023
Domestic	0	0	0	0
Overseas	3	0	0	0

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

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."*

* A facility for conducting danger simulation training by simulating the dangers of being caught between or in equipment or suffering electric shock (e.g., the Danger simulation room at Mitsubishi Electric's Himeji Works).

Training name	Date conducted	No. of participants
Training for newly appointed safety and health section managers	April 2022	12
Training for newly appointed safety and health members	June 2022	45
Training for newly appointed safety and health promotion members	July 2022	40
Training for newly appointed occupational health physicians and public health nurses	May 2022	9
Liaison meetings for safety and health members	October 2022	79
Company-wide safety and health education (for general employees)	July to September 2022	34,161
Company-wide safety and health education (for managers and supervisors)	July to September 2022	4,849

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

Employees who took safety and health education programs

"Danger simulation room" at Mitsubishi Electric's Himeji Work

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.

MHP "Lively and Exciting Action" Activity Goals and Achievements <Health Satisfaction>

	Target item	Target value(by FY2027)	FY2023 result
Good appetite	Percentage of people who have a good appetite and enjoy eating well	90.0% or more	87.2%
Good sleep	Percentage of people sleeping comfortably and soundly	80.0% or more	55.9%
Good bowel movements	Percentage of people who are not constipated and have good bowel movements	80.0% or more	64.8%

<Lifestyle>

Target item		Target value(by FY2027)	FY2023 result
Diet	Controlled quantity and quality of meals	50% or more	15.9%
Exercise	Performance of weekly exercise that leaves one breathless and sweaty	50% or more	31.3%
	Walking an average of at least 8,000 steps per day	50% or more	30.3%
Sleep	Doing things that lead to a good night's sleep	60% or more	40.2%
Dental care	Taking care of one's teeth three times a day	40% or more	26.6%
	Regularly undergoing tartar removal and dental cleanings	65% or more	50.0%
Smoking	Never smokes	90% or more	79.2%
Drinking	Moderate alcohol consumption	90% or more	69.8%

Mitsubishi Electric Group Health Declaration(in Japanese text)

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, we have actively worked on the primary prevention of employee mental health disorders. As a place to check issues related to mental health and also for cooperation between parties developing a location (office) policy and measures, after formulating a Mental Health Development Plan, 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

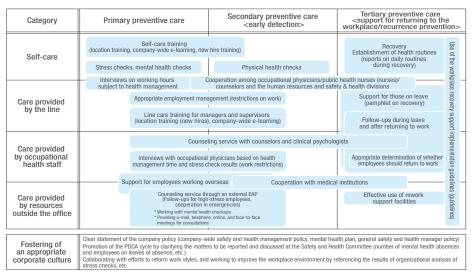
workplace as a whole can provide support for smoothly returning after a long leave.

Furthermore, by conducting stress checks and 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.



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 and is committed to creating a comfortable work environment where everyone can work actively that is designed with the elderly and people with disabilities in mind. 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.

In addition, working conditions for employees not covered by this labor agreement are generally set according to the labor agreement concluded between Mitsubishi Electric and the Mitsubishi Electric labor union, while taking into consideration each employee's employment status and laws related to equal pay for equal work.

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 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

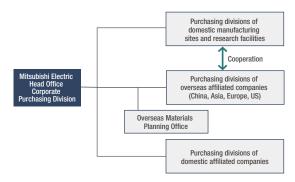
4. Promotion of fair trade based on corporate ethics

- 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 aimed to achieve the lowest cost ratio ever starting in fiscal 2021. In this effort, we developed and promoted the 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

| Mid- to Long-Term Priority Activity Objectives

Continuing activities to identify and address risks involving major human rights violations (forced labor, hazardous or dangerous labor, and child labor) in the supply chain

The Mitsubishi Electric Group verifies the progress of suppliers' initiatives to respond to the requirements outlined in the Green Accreditation Guideline 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 2023. In the guidelines, we will also include reduction of the number of excessive working hours and the right to a minimum wage, and we will continue to confirm this by means of the survey form.

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

Transitioning to RBA-compliant initiatives

We joined the RBA in February 2022. In fiscal 2023, we organized our thinking on how to align the current CSR Procurement Guidelines and the Green Accreditation Guideline with the RBA Code of Conduct. Going forward, we will prepare specific guidelines and explain them to suppliers.

Establishing a grievance mechanism for the entire supply chain

We joined the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER) to strengthen our "grievance mechanism" for receiving and resolving grievances in the supply chain, and we have added a grievance point of contact.

☐ Human Rights Management ☐ Procurement Activities

Initiatives to decarbonize procurement supply chain activities

The Environmental Sustainability Vision 2050 aims to achieve decarbonization in the entire value chain. We will grasp the level of reduction in CO2 emissions generated during production by suppliers and call for further reductions. In fiscal 2023, we conducted a survey on the status of carbon neutral initiatives and greenhouse gas emissions of our major suppliers. Based on the survey results, we will improve the accuracy of "greenhouse gas emissions in the value chain."

☑ Environmental Sustainability Vision 2050

Strengthening Sustainability Initiatives along the Procurement Supply Chain

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

Toward 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 and EMRT*²) that is commonly used in the automobile, electric, and electronic industries. In fiscal 2023, surveys were carried out on 658 suppliers, and responses in survey form were obtained from 575. As a result of the survey, 350 smelters were identified. Of the identified smelters, 165 were RMAP*³ compliant. We will continue to promote RMAP compliance among smelters through industry activities.

- *1 Conflict Minerals (tin, tantalum, tungsten, and gold) Reporting Template issued by the Responsible Minerals Initiative
- *2 Cobalt/Mica Reporting Template by the Responsible Minerals Initiative
- *3 Responsible Minerals Assurance Process: A program in which a third party certifies that the minerals processed by a smelter come from sources that are not complicit in conflicts or human rights abuses

☑ Number of smelting companies identified in a survey of conflict minerals ☑ Count and list of smelters identified in fiscal 2023

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 Accreditation Guideline 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.

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

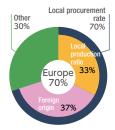
Procurement Activities

Strengthening of global optimal procurement

The Mitsubishi Electric Group aims to realize global optimal procurement.









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

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

Requests to suppliers

We ask our suppliers to understand the Mitsubishi Electric Group's Purchasing Policy and CSR Procurement Policy*, and to inform their supply chains of these policies. We also ask all suppliers to be thoroughly aware of the items that 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.

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

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

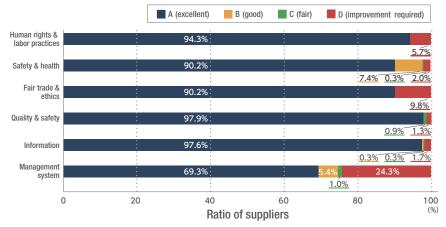
Please take appropriate measures to protect against computer network threats. (Construction of prevention measures against computer viruses and cyberattacks; prevention of information leakage through proper management of confidential information and personal information, etc.)

Evaluation status of suppliers' initiatives to address sustainability issues Basic policy on supplier surveys

The Mitsubishi Electric Group verifies the progress of suppliers' initiatives to respond to the requirements outlined in the Green Accreditation Guideline 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.



Fiscal 2023 results of green accreditation and CSR procurement surveys among suppliers (Mitsubishi Electric)

Number of suppliers given guidance in fiscal 2023 and the content of the guidance (Mitsubishi Electric)

	No. of companies given guidance	27
Environment	No. of completions	0
LIMIOIIIICIIC	Content of guidance	Clarification of the person in charge of environment management (participation in environment management conducted by management at business partners)
Human rights, labor	No. of companies given guidance	73
practices,	No. of completions	2
safety and health	Content of guidance	Encouraging secondary suppliers to take up sustainability practices



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

☑ Responses to the Green Accreditation/CSR Procurement survey form, Rate of green accreditation certification among suppliers

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

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.

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 2023, 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)

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)



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



VE workshop in the Asia region (Thailand)



Meeting with a supplier in the China region

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, we hold lectures on 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, and we provide guidance and training to ensure thorough compliance. 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



People

Coexistence with the Global Environment

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.

Satoyama Woodland Preservation Project

Mitsubishi Electric Outdoor Classroom



Coexistence with Local Communities

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.

Mitsubishi Electric SOCIO-ROOTS Fund

Mitsubishi Electric Science Workshops

Coexistence with All People 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.

Para-sports support Sports promotion

Culture & arts support

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 FY2023

- 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 of human resources 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
- Holding Soccer clinics in Asia

FY2023 Activity Results

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

billion yen Approx.

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

FY2023 Activity Results

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"



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 under the guidance of Nihon Yagaiseikatsu Suishin Kyokai (the Japan Wildlife Activity Association).

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, when we were significantly affected by the COVID-19 pandemic, we have been using guidelines formulated through consultation with industrial physicians regarding the avoidance of the three Cs and health management. As an alternative measure for group activities, we are striving to continue our promotion through the event "Biodiversity Observation by One Million People," which has started and lets individual families enjoy nature and using the BIOME living things collection app (Biome Inc.) for smartphones.

In FY2024, we expect to be able to resume in-person and going forward, employees will continue to put in physical effort to live in coexistence with nature, which also helps to broaden communication with the local community in collaboration with local governments, the Japan Environment Association (the Junior Eco-Club) and other environmental activity organizations, local experts, kindergartens, and nursery schools.



Preservation of natural conservation areas (Chiba Prefecture)



Outdoor Classroom in the forest (Hiroshima Prefecture)



Restoration of idle farmland (Kanagawa Prefecture)



Living creature observation at the site (Kagawa Prefecture)



Nature School class in a rice field (Hyogo Prefecture)



Forest preservation activities (Fukuoka Prefecture)

Coexistence with Local Communities

Mitsubishi Electric SOCIO-ROOTS Fund

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 2023, the Fund has provided more than 1.49 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.

Donation and fundraising activities at our business locations

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.





Fundraising 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, 2023, it has donated a sum of 198.5 million yen since the program began in fiscal 2012.



Science and Technology Mitsubishi Electric Science Workshops

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



FY2023 Activity Results

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.





Experiments on heat transfer

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 parasports, 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 (JWBF), we contribute to spreading and raising awareness of para-sports.

JWBF Player Discovery Support Project "Challengers presented by Mitsubishi Electric" In fiscal 2023, we sponsored a player discovery support project which was held at six locations (Tokyo, Kagawa, Aomori, Okinawa, Niigata, and Osaka) and had a total of 80 participants.



Osaka Challengers presented by Mitsubishi Electric

Became a Special Cosponsor of the 48th Emperor's Cup Japan Wheelchair Basketball Tournament

The 48th Emperor's Cup Japan Wheelchair Basketball Tournament was held with spectators for the first time in 3 years and 8 months. More than 6,000 spectators attended. (For visitors' enjoyment, a photo booth for visitors and a photo exhibition of the U23 World Championships were offered at the tournament site.)

We also gift "competition wheelchairs" so that as many people as possible can participate in this sport.



48th Emperor's Cup Japan Wheelchair Basketball Tournament: Presentation of additional prizes



"Odaiba Challengers" Competition Wheelchair Award Ceremony

Governance

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.

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, and efforts to help people recover emotionally were made through enjoying tennis with local residents in disaster-affected areas.

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.

Badminton

Our badminton team in S/J League II, 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.



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



Wheelchair Workshops



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



Badminton workshop

Culture and Arts

Mouth and Foot Painting Artists of the World Exhibition

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. 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



Mouth and Foot Painting Artists of the World Exhibition

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 since 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 supporting 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.



Introduction of foundations operating internationally Mitsubishi Electric America Foundation

The Mitsubishi Electric America Foundation (MEAF) has been working toward 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, MEAF has invested \$16.5M, to date, in national grant projects designed to empower youth with disabilities to lead productive lives. MEAF also matches Mitsubishi Electric U.S. group company employee donations to support local community needs with \$8.9M contributed and matched, for a total of \$25.4M in contributions in the U.S. to date.

* Disability Employment Statistics ¦ U.S. Department of Labor (dol.gov): The unemployment rate for working aged persons with a disability was 9.0 percent in Mar. 2023, compared to 3.5% for those without a disability.



MEAF is the lead supporter of the documentary film My Disability Roadmap, which was featured in The New York Times Op-Docs and won Best Documentary Shot at the LA Shorts Festival.



The American Association of People with Disabilities (AAPD) celebrated the 20th anniversary of the MEAF-supported AAPD Internship Program in Washington, DC

Example National Grant Activities

Through its eleven-year "M>PWR possible" initiative, MEAF has helped "empower" more than 53,000 youth and veterans with disabilities to secure jobs in diverse industries, like hospitality, healthcare, distribution, manufacturing, IT, animation, and electronics recycling.

MEAF has been recognized for its efforts to prepare the next generation of youth with disabilities for employment with receipt of the American Association of People with Disabilities "Catalyst Award" in 2018, the Blue Star Recyclers "Star Partner Award" in 2019, and the Nuts, Bolts and Thingamajigs® charitable



The MEAF-supported Nuts, Bolts and Thingamajigs Inclusive Manufacturing Camps introduce students with disabilities to careers in manufacturing. The program was featured on local TV news stations.

foundation of the Fabricators & Manufacturers Association, International $^{\text{@}}$ "Industry Innovation Award" in 2020.

Collaboration with U.S. Employees

Mitsubishi Electric U.S. group company employees volunteer more than 12,000 hours annually to support their communities. From supporting special needs schools, to food banks, to environmental conservation efforts, Mitsubishi Electric employees are "On the M.O.V.E." to make a difference in society.





Mitsubishi Electric employees participate in the ALS Ice Bucket Challenge to raise money for the ALS Association

Mitsubishi Electric Thai Foundation

Established in 1991, the Mitsubishi Electric Thai Foundation (METF) has been contributing to the development of education in Thailand for over 30 years by providing scholarships to college students and helping educational institutions to operate independently. Since we started our environmental preservation initiatives in collaboration with the Thai government and private organizations, as well as Mitsubishi Electric Group companies in Thailand in 2014, we have actively engaged in volunteer activities related to environmental conservation. In addition, we established the Thai Philanthropic Committee in order to strengthen sustainability initiatives in Mitsubishi Group companies in Thailand. The Committee's latest initiatives include COVID-19 and drought countermeasures to meet Thailand's current needs.

Example of activities

(1) Support for educating the next generation Scholarship program

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.



Ceremony at Thammasat University

Science school

We provide a science class program for elementary school students with a different venue each time across Mitsubishi Electric Group companies. Our enjoyable science school activities include scientific experiments and introductions to technologies used in products from the Mitsubishi Electric Group to help educate children and contribute to the community.





Science school (Kang Yong Electric Public Co. Ltd)

Prateep Dek Thai Project

METF matches contributions from employees at Mitsubishi Electric Group's locations in Thailand and funds projects to construct nursery schools in rural areas that are in need of such facilities to help children grow healthily and to provide support for households that are struggling financially.



Ceremony for the Prateep Dek Thai Project

Partnership School Project

As we consider schools to be the hubs of lifelong learning in communities, we engage students and communities in collaboration with the Mechai Viravaidya Foundation and Thai's educational ministry. Program participants can make preparations to become entrepreneurs by learning about crop production, marketing, accounting, and other topics.



Growing vegetables in agricultural field training



Meditation class at an educational institution we support

(2) Environmental preservation activities Community Water Management Project

We provide support for initiatives to construct reservoirs for villages suffering from droughts and floods. We promote these initiatives in collaboration with the Utokapat Foundation. In January 2023, the Mitsubishi Electric Thai Foundation received an award from Her Royal Highness Princess Sirindhorn for its contributions.



Observing of a reservoir



Award ceremony (January 2023)

Governance

Climate change initiatives

In collaboration with Thai government organizations, the Mitsubishi Electric Thai Foundation works to prevent global warming and foster independent communities through environmental conservation activities by reducing greenhouse gas emissions, promoting carbon sinks (initiatives to absorb greenhouse gases, including carbon dioxide), and more.







Building a reservoir

Collaborative planting initiatives across the Group

As a nature preservation initiative, the Mitsubishi Electric Thai Foundation holds an annual planting activity through volunteer work by employees in collaboration with eleven Mitsubishi Electric Group companies in Thailand. In June 2022, over 200 Group employees gathered to plant trees and construct a dam.



Group-wide volunteer activity

Topics

Soccer clinics in Asia

On the title sponsorship of the AFF Mitsubishi Electric Cup 2022, we held soccer clinics in Thailand, Singapore, Malaysia, Indonesia, and Vietnam in cooperation with the ASEAN Football Federation (AFF). Former national team players from each country were invited as coaches, and Mitsubishi Electric Group employees participated as assistant coaches and played minigames with the children. We hope that this activity will give children, who will be leading the next generation, the opportunity not only to acquire soccer skills but also to dream big.



Soccer clinic in Singapore



Soccer clinic in Thailand



Soccer clinic in Malaysia

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.



Volunteering at renovations for a children's hospital (Poland)



Environmental protection promotion activities (China)



Hosting a business plan contest toward attaining a circular society (Germany)



Tree planting activity (India)



Pangolin (endangered species) conservation activities (Taiwan)



Supporting local food banks (England)



Opening a school STEM Lab (Vietnam)



Tree planting activities (Columbia)



Environmental protection activities (Philippines)

Social Data

Human Capital

Employment situation

[Mitsubishi Electric]

Cate	gory		FY2019	FY2020	FY2021	FY2022	FY2023
Full-time employee		Total	35,203 persons	35,649 persons	36,162 persons	36,700 persons	35,136 persons
		Male	31,619persons	31,997persons	32,346 persons	32,701 persons	31,141 persons
		Female	3,584 persons	3,652 persons	3,816 persons	Y2021 FY2022 52 persons 36,700 persons 46 persons 32,701 persons 56 persons 3,999 persons 8 persons 6,682 persons 9 persons 4,092 persons 9 persons 2,590 persons 9 persons of age 41.0 years of age 16.9 years 16.9 years 15.9 years 16.8 years 12.3% 2.7% 2.2% 2.7% 2.4% 3.1% 3,544 yen 8,067,252 yen 71.6% 71.4% 60.7% 61.0% 63.5% 63.6%	3,995 persons
Temporary staff		Total	7,202 persons	7,105 persons	6,838 persons	6,682 persons	6,505 persons
		Male	_	_	4,179 persons	4,092 persons	4,130 persons
		Female	_	_	2,659 persons	2,590 persons	2,375 persons
		Total	40.4 years of age	40.5 years of age	40.7 years of age	41.1 years of age	41.3 years of ag
Averag	e age	Male	_	_	40.6 years of age	41.0 years of age	41.3 years of age
		Female	_	_	41.2 years of age	41.3 years of age	41.3 years of ago
		Total	16.3 years	16.4 years	16.6 years	16.9 years	16.9 years
Average of years		Male	_	_	16.5 years	16.8 years	16.9 years
or youro	Workou	Female	_	_	17.2 years	17.1 years	16.9 years
		Total	2.2%	2.7%	2.3%	2.7%	2.8%
Turnove	er rate	Male	_	_	2.2%	2.7%	2.8%
		Female	_	_	2.4%	3.1%	3.5%
E.	Full-time	Total	8,169,232 yen	8,069,144 yen	7,963,544 yen	8,067,252 yen	8,273,671 yen
	employee	Gender difference*1	70.4%	70.8%	71.6%	71.4%	71.3%
Average annual wage	All workers	Gender difference*1	54.9%	58.5%	60.7%	61.0%	61.5%
aiiiuai waye	Full-time employee*2	Gender difference*1	61.2%	62.3%	63.5%	63.6%	63.6%
	Non-regular employee	Gender difference*1	71.0%	66.5%	63.5%	62.4%	63.2%
	Managerial position	Female employees (%)*3	1.8%	2.0%	1.9%	2.3%	2.6%
Diversity &	Manager- equivalent position*4	Female employees (%)	3.7%	3.9%	4.1%	4.3%	4.5%
inclusion		Total	24,715 persons	25,138 persons	25,308 persons	25,391 persons	24,559 persons
	Regular position	Female employees (%)	6.8%	7.0%	7.3%	7.6%	8.2%

^{*1} Female average annual wage compared to male average annual wage, expressed as a percentage

Employee breakdown per segment and Business Area [Mitsubishi Electric Group] (Unit: No. of people)

Segment	FY2019	FY2020	FY2021	FY2022	FY2023
Energy & Electric Systems	46,732	46,852	47,697	47,113	_
Industrial Automation Systems	33,480	33,544	32,975	32,692	_
Information & Communication Systems	15,185	15,042	13,900	13,818	_
Electronic Devices	5,415	5,431	5,323	5,393	_
Home Appliances	26,789	27,462	27,545	28,710	_
Other	12,716	12,643	12,603	12,329	_
Common	5,500	5,544	5,610	5,641	_
Total	145,817	146,518	145,653	145,696	_

[Mitsubishi Electric Group] (Unit: No. of people)

Business Area (BA)	FY2019	FY2020	FY2021	FY2022	FY2023
Infrastructure BA	_	_	_	_	21,840
Industry & Mobility BA	_	_	_	_	31,897
Life BA	_	_	_	_	61,833
Business Platform BA	_	_	_	_	11,557
Other	_	_	_	_	16,575
Common	_	_	_	_	5,953
Total	_	_	_	_	149,655

New graduates

[Mitsubishi Electric Group (in Japan)] (Unit: No. of people)

		October 2019 and April 2020 (result)	October 2020 and April 2021 (result)	October 2021 and April 2022 (result)	October 2022 and April 2023 (projection)	October 2023 and April 2024 (plan)
_ ≤	Engineering positions	660	560	500	600	600
Mitsubishi	Sales & administrative positions	200	170	200	200	200
ii Electric	Technical positions	300	210	200	300	300
ric	Total	1,160	940	900	1,100	1,100
	Group companies in Japan	1,500	1,370	1,200	1,300	1,600
	Total	2,660	2,310	2,100	2,400	2,700

^{*2} Full-time employees and non-regular employees who are full-time, open-ended

^{*3} Percentage of female employees in managerial positions out of all employees in managerial positions

^{*4} Persons with work tasks and responsibilities that are equivalent to those of a section manager

Mid-career hires

[Mitsubishi Electric Group (in Japan)] (Unit: No. of people)

	FY2020 (result)	FY2021 (result)	FY2022 (result)	FY2023 (result)	FY2024 (plan)
Mitsubishi Electric	530	420	400	900	1,000
Group companies in Japan	1,000	660	700	1,000	1,000
Total	1,530	1,080	1,100	1,900	2,000

Percentage of female employees in all new hires

[Mitsubishi Electric] (Unit: %)

	FY2020 (result)	FY2021 (result)	FY2022 (result)	FY2023 (result)	FY2024 (projection)
Overall	15.1	18.8	20.0	23.3	18.4
Sales & administrative positions	31.5	37.0	38.0	44.3	36.1
Engineering positions	9.4	13.4	14.4	15.0	11.3

Employment rate of people with disabilities

[Consolidated across three companies*] (Unit: %)

FY2019	FY2020	FY2021	FY2022	FY2023
2.23	2.28	2.34	2.39	2.47

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

Starting salary

[Mitsubishi Electric]

	Monthly wage	Compared to the minimum wage
High school graduate	179,000 yen	104%
Technical high school graduate	202,000 yen	118%
College graduate	232,000 yen	135%
Graduate school graduate	257,000 yen	150%

^{*} Minimum wage is calculated based on the minimum wage for Tokyo Prefecture as of March 2023 (1,072 year per hour), working 20 8-hour days per month.

Annual amount of human resources development and training expenses per employee

[Mitsubishi Electric]

	FY2019	FY2020	FY2021	FY2022	FY2023
Training hours/year	_	_	_	_	25.7 hours
Training expenses/year	_	_	_	86,000 yen	124,000 yen

^{*} Results solely for training organized by corporate divisions in FY2023; does not include training conducted by divisions and production sites. (Note that trainee training is included in the results.)

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

[Mitsubishi Electric Group] (Unit: No. of people)

	FY2019	FY2020	FY2021	FY2022	FY2023	Cumulative total
MGEP	5	7	Canceled due to the impact of COVID-19	18	15	53
GMW	29	30		Canceled	30	238
WKP	91	105		Canceled	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

Employees dispatched under the overseas OJT system

[Mitsubishi Electric Group (in Japan)] (Unit: No. of people)

	FY2019	FY2020	FY2021	FY2022	FY2023
North America	22	23		22	21
Central/South America	1	5	Canceled due	3	5
Europe	25	32		18	21
Middle East	0	0	to the impact of	0	3
Southeast/South Asia, Oceania	27	19	COVID-19	14	24
East Asia	16	21		16	10
Total	91	100		73	84

Evaluation indicators related to workplace culture improvement initiatives

[Mitsubishi Electric] (Unit: %)

[Massassin Electric] (emissassin Electric)							
	Result for FY2021	Result for 1H FY2022	Result for 2H FY2022	Result for 1H FY2023	Result for 2H FY2023	FY2026 Goal	
Employee Engagement Score (Percentage of employees who are proud and motivated to work for the Company) *	63	61	54	54	54	70 or more	
Percentage of employees who responded that they had a good work-life balance	66	66	65	65	66	70 or more	

^{*} 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"

Monthly overtime hours per employee

[Mitsubishi Electric] (Unit: hours)

FY2019	FY2020	FY2021	FY2022	FY2023
29.1	27.4	24.9	26.2	25.1

Utilization status of childcare and family care programs

[Mitsubishi Electric] (Unit: No. of people)

		FY2019	FY2020	FY2021	FY2022	FY2023
	Total	340	414	513	634	747
Childcare leave	Men	38	66	144	240	362
	Women	302	348	369	394	385
Spousal childbirth leave	Men	769	861	920	923	991
Prematernal/postnatal absence	Women	178	198	204	209	204
	Total	_	_	_	_	_
Rate of taking leave from work(%)	Men*	55.4%	59.1%	64.9%	67.8%	76.1%
- ()	Women	99%	100%	99%	99%	100%
	Total	392	406	406	413	413
Shorter working hours during childcare	Men	13	14	13	16	13
odoa.o	Women	379	392	393	397	400
Shorter working hours during pregnancy	Women	20	14	3	11	11
	Total	18	16	12	15	25
Nursing leave	Men	11	7	6	8	16
	Women	7	9	6	7	9
	Total	7	21	16	27	27
Shorter working hours for nursing care	Men	1	1	4	1	2
naronig caro	Women	6	20	12	26	25
	Total	35	48	26	31	40
Nursing absence	Men	20	29	6	19	26
	Women	15	19	20	12	14

^{*} Including those taking special leave for childcare purposes

Human Rights

Human rights education

[Mitsubishi Electric Group (in Japan)] (Unit: No. of people)

			FY2019	FY2020	FY2021	FY2022	FY2023
		New employees	_	927	833	941	912
Group training session related	Mitsubishi	Newly appointed managers	_	584	478	436	534
to human rights and harassment	Employees in charge of new employee training	_	_	_	713	696	
e-learning Group Companies in Japan		_	_	_	_	39,001	
		_	_	_	_	35,085	

Occupational Safety & Health Management

Frequency of fatal accidents

[Mitsubishi Electric Group]

	FY2019	FY2020	FY2021	FY2022	FY2023	
Fatal accidents	Domestic	1	0	0	0	0
ratal accidents	Overseas	1	3	0	0	0
Number of accidents causing lost worktime	Mitsubishi Electric	3	0	3	3	10
Frequency rate of industrial accidents (%)	Mitsubishi Electric	0.04	0.07	0.04	0.04	0.12

Targets and results of "MHP Lively and Exciting Action" activities

<Health satisfaction>

[Mitsubishi Electric Group (in Japan)] (Unit: %)

	Target	Target value (by FY2027)	FY2023 result
Good appetite	Percentage of people who have an appetite and enjoy their meals	90.0 or more	87.2
Good sleep	Percentage of people who sleep comfortably and soundly	80.0 or more	55.9
Good bowl movements	Percentage of people with good bowel movements that leave them feeling comfortable	80.0 or more	64.8

<Lifestyle habits>

[Mitsubishi Electric Group (in Japan)] (Unit: %)

	Target	Target value (by FY2027)	FY2023 result
Food	People who can control the quantity and quality of the food they eat	50 or more	15.9
Exercise	People who engage in weekly exercise that gets them breathing more and working a sweat	50 or more	31.3
	People who walk an average of 8,000 steps or more in a day		30.3
Sleep	People who get enough sleep and are well rested	60 or more	40.2
	People who brush their teeth three times a day or more	40 or more	26.6
Oral hygiene	Oral hygiene People who regularly undergo professional tartar removal or prophylaxis dental cleaning		50.0
Smoking	People who do not smoke	90 or more	79.2
Alcohol	People who can drink alcohol in a moderated and controlled manner	90 or more	69.8

Employees who took safety and health education programs

[Mitsubishi Electric Group (in Japan)] (Unit: No. of people)

		FY2019	FY2020	FY2021	FY2022	FY2023
Training for newly appointed safety and health section managers	Mitsubishi Electric	12	14	6	7	12
Training for newly appointed safety and health members	Group Companies in Japan	38	43	43	42	45
Training for newly appointed safety and health promotion members	Mitsubishi Electric	30	24	46	33	40
Training for newly appointed occupational health physicians and public health nurses	Mitsubishi Electric	14	16	13	8	9
Liaison meetings for safety and health members	Mitsubishi Electric	39	39	54	58	79
Company-wide safety and health education (for general employees)	Mitsubishi Electric	37,039	37,557	33,639	33,916	34,161
Company-wide safety and health education (for managers and supervisors)	Mitsubishi Electric	_	_	4,814	4,864	4,849

Supply Chain Management (Procurement)

Number of smelting companies identified in a survey of conflict minerals

	FY2019	FY2020	FY2021	FY2022	FY2023
Number of smelting companies identified	Cumulative total: 4,600 companies	337 companies	364 companies	486 companies	350 companies
Tin	70%	91 companies	108 companies	165 companies	83 companies
Tantalum	73%	42 companies	43 companies	50 companies	37 companies
Tungsten	71%	48 companies	50 companies	69 companies	52 companies
Gold	74%	156 companies	163 companies	202 companies	178 companies

Responses to the Green Accreditation/CSR Procurement survey form

[Mitsubishi Electric Group] (Unit: No. of companies)

Governance

	Range of data	FY2019	FY2020	FY2021	FY2022	FY2023
Surveyed suppliers	All Mitsubishi Electric Group companies	1,856	1,721	1,660	1,549	499
Survey carried out by	Mitsubishi Electric					
Surveyed suppliers		1,261	552	580	934	338
Existing suppliers	BANK CALLED THE SAME	1,201	455	511	809	252
New suppliers	Mitsubishi Electric	60	97	69	125	86
Response rate (%)		96%	82%	88%	82%	83%
Survey carried out by	domestic and overseas affiliated co	ompanies				
Surveyed suppliers	Domestic and overseas affiliated	595	1,169	1,080	615	161
Response rate (%)	companies	61%	74%	71%	84%	82%

<Note>

Rate of green accreditation certification among suppliers

[Mitsubishi Electric] (Unit: %)

	FY2019	FY2020	FY2021	FY2022	FY2023
Certified	90	94	91	92	89
Not certified	10	6	9	8	11

FY2023 results of green accreditation and CSR procurement surveys among suppliers

[Mitsubishi Electric] (Unit: %)

	A (excellent)	B (good)	C (fair)	D (improvement required)
Human rights & labor practices	94.3	0.0	0.0	5.7
Safety & health	90.2	7.4	0.3	2.0
Fair trade & ethics	90.2	0.0	0.0	9.8
Quality & safety	97.9	0.9	0.0	1.3
Information security	97.6	0.3	0.3	1.7
Management system	69.3	5.4	1.0	24.3

[•] The survey on existing suppliers is carried out every three years in principle with principal suppliers who fall within the top 80% in terms of purchase amounts.

[•] The above figures include cases where the companies resubmitted their survey response after receiving improvement instructions.

Results of green accreditation and CSR procurement surveys among suppliers - Number of suppliers given guidance and the content of the guidance [Mitsubishi Electric] (Unit: No. of companies)

		FY2019	FY2020	FY2021	FY2022	FY2023
	Companies given guidance	97	52	64	52	27
Environment	Content of guidance	Further strengthening of initiatives regarding restrictions on chemicals contained in products (chiefly, responding to the revisions in the RoHS 2 Directive)	substances conta (creating manag understanding the c	gement of chemical ained in products ement rules and hemical substances n products)	environment management (participating	
Human rights, labor practices, safety and health	Companies given guidance	188	114	96	114	73
	Content of guidance	Encouraging secondary suppliers to take up sustainability practices				