

June 23, 2021

Re: Mitsubishi Electric Group's Reply to the Joint Communication from Special Procedures (AL OTH 134/2021)

Dear Madams and Sirs,

We are writing in response to your letter to Takeshi Sugiyama, CEO of Mitsubishi Electric Corporation, dated April 27, 2021.

The Mitsubishi Electric Group will contribute to the realization of a vibrant and sustainable society through continuous technological innovation and ceaseless creativity. In accordance with this "Purpose", we have established the following value: "Humanity: We prioritize health and safety, promote diversity and respect personalities and human rights" in "Our Values". This clarifies our attitude to respect humanity.

Protection of human rights and support for internationally agreed human rights standards 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 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, if any, in order to ensure that its business activities do not have a negative impact on human rights. We are advancing efforts to "Respect each and every person" as one of our materiality on sustainability.

We also seek the cooperation of various stakeholders involved throughout our value chain, including businesses, products, and services, in our efforts to respect human rights, and contribute to creating a society in which human rights are respected.

In response to your eight questions, we will respond as follows.

1. We do not have any additional information about the allegation regarding the forced labor of Uyghurs.

2. (1) Human Rights Due Diligence in the Group's Business Activities

As stipulated in the "Mitsubishi Electric Group Human Rights Policy," our human rights due diligence measures are undertaken based on the United Nations Guiding Principles on Business and Human Rights. We regularly conduct human rights impact assessments to identify risks that may have an adverse impact on human rights in the Group's business activities, and conduct risk mitigation activities based on the results of these assessments. This includes ensuring freedom of movement and protection from forced labor, human trafficking, and other forms of modern slavery.

Human Rights Policy:

<https://www.mitsubishielectric.com/en/sustainability/csr/social/humanrights/policy/index.html>

About Human Rights Management:

<https://www.mitsubishielectric.com/en/sustainability/csr/social/humanrights/management/index.html>

(2) Human Rights Due Diligence in the Supply Chain

We have established the "CSR Procurement Guidelines", which include, but are not limited to, the prohibition of forced labor and child labor, in order to better inform our suppliers of the Mitsubishi Electric Group's approaches to sustainability initiatives and the items we expect them to observe. Our "CSR Procurement Guidelines" are in line with the RBA Code of Conduct, developed and published by the Responsible Business Alliance, and Guidelines for Responsible Business Conduct Guidelines, published by the Japan Electronics and Information Technology Industries Association (JEITA). In our human rights due diligence in the selection of suppliers, we require the responsible management of our suppliers to sign a consent form to ensure compliance with the Guidelines, and we conduct regular monitoring surveys to ensure that their activities are in line with the Guidelines.

About Supply Chain Management:

<https://www.mitsubishielectric.com/en/sustainability/csr/social/supplychain/index.html>

3. (1) Monitoring the Status of Activities Within the Group

The Group effectively utilizes the result of the human rights impact assessment, and identified risks of human rights violations based upon such assessment, for education and awareness-raising and other risk mitigation efforts. The status of the initiatives is reported to the Sustainability Committee of Mitsubishi Electric Corporation, which is appointed by Mitsubishi Electric Corporation's Executive Officers' Meeting, and an action plan reflecting the opinions of the Committee members is decided by the Committee. The details of the Sustainability Committee meetings are reported to the senior executives at the Executive Officers' Meeting and the Board of Directors' Meeting of Mitsubishi Electric Corporation. In addition, we annually hold dialogues with experts on the Group's human rights initiatives and utilizes the advice in the following year's activities.

(2) Monitoring the Status of Activities in the Supply chain

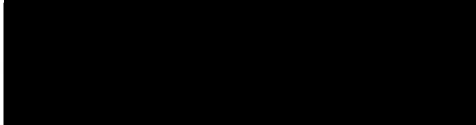
In order to confirm suppliers' efforts to meet the requirements of the CSR Procurement Guidelines, we ask suppliers to fill out a survey (prior to commencing transactions in the case of new transactions and at certain intervals in the case of ongoing transactions (every three years, as a rule)). We provide feedback on the results and the Group's evaluation of suppliers' responses, and the Group communicates with suppliers with low scores in any one of the survey items, such as through individual meetings, and asks them to take corrective measures. The activities based on the CSR Procurement Guidelines for suppliers are targeted at primary suppliers, but we also request primary suppliers to implement the initiatives described in the Guidelines for secondary and subsequent suppliers, and to confirm the implementation status. In addition, we are cooperating with industry associations to comply with regulations for responsible minerals procurement. We use the survey forms commonly used by the automotive and electronics industries, i.e. CMRT: Conflict Minerals Reporting Template and CRT: Cobalt Reporting Template, and conduct surveys of suppliers as necessary.

4. For our employees of the Group, we provide human rights education and awareness-raising on a regular basis through training sessions on sustainability, harassment and diversity, and the internal Corporate/Group newsletters. For our suppliers, we hold outreach sessions at each of our business sites to ensure that they understand our "CSR Procurement Guidelines", and we also regularly exchange opinions with our suppliers based on their responses to the survey.
5. As explained in the previous paragraphs, the Group's "CSR Procurement Guidelines" stipulate "Respecting human rights and prohibiting discrimination, child labor, and forced labor." We ask our suppliers to understand our "CSR Procurement Policy" and to submit a consent form and survey form to confirm their compliance with the Policy. We have already confirmed that we do not purchase any products from the company pointed out by the Australian Strategic Policy Institute (ASPI). In addition to this, we are currently confirming with our primary suppliers to confirm if any relevant company pointed out by ASPI is involved in the commercial flow as secondary and subsequent suppliers. If forced labor is confirmed in any of the suppliers, our Group's "CSR Procurement Guidelines" stipulates the Group will request the primary supplier to take corrective measures, and when the corrective measures cannot be confirmed, the Group will suspend business with the primary supplier.
6. We have exchanged views with the relevant Japanese ministries and agencies on the ASPI report dated March 1, 2020.
<https://www.aspi.org.au/report/uyghurs-sale>

7. The Group has the "Grievance Handling Mechanism" on the Group's official website, which inform we accept grievances. This contact point is open to all our stakeholders, including secondary and subsequent suppliers. They can access the contact point to report grievance details. We will promptly investigate the facts of any grievances received at the contact point. If human rights violation is confirmed through the Group's corporate activities, the Group will promptly take corrective measures and improve the situation, and appropriate measures will be taken, including prompt remedy for victims, and consideration of disciplinary action against those responsible for the incident. For suppliers with whom we have direct contracts, the "ethics and legal compliance hotline" (internal notification system, so-called " whistle blowing system") is also available. The "ethics and legal compliance hotline" has both internal and external contact points. External channels are managed by independent law firms. The hotline is informed by our official website and posters. If facts of human rights violations, such as forced labor, are confirmed in secondary and subsequent suppliers, the Group will request the relevant primary supplier to take corrective measures. If corrective measures cannot be confirmed, the Group will suspend business with the primary supplier.

8. In order to improve the effectiveness of the Group's grievance mechanism, the Group has held dialogues with experts and received advice from human rights NGOs.

Best Regards,



Asako Ueno
Senior General Manager
Sustainable Planning Division
MITSUBISHI ELECTRIC CORPORATION