

Initiatives to Create Value

The Mitsubishi Electric Group aims to realize "a vibrant and sustainable society" that we have committed to in our Purpose. Furthermore, we have returned to our fundamental principle of "addressing social challenges through our businesses" and positioned the realization of sustainability as the cornerstone of our management. By utilizing all the resources available to the Mitsubishi Electric Group and realizing "Circular Digital-Engineering," we aim to create social and economic value, solve social challenges and sustainably enhance our corporate value.

Purpose
We, the Mitsubishi Electric Group, will contribute to the realization of a vibrant and sustainable society through continuous technological innovation and ceaseless creativity.

Business Foundation

Human capital

- Consolidated number of employees: **149,655** (as of March 31, 2023)
- Investments in human capital development and workplace environment: **approx. 20 billion yen** (Target for FY2024–FY2026 (Mitsubishi Electric))

Financial capital

- Mitsubishi Electric Corp. stockholders' equity: **3,239.0 billion yen** (FY2023 actual)
- Ratio of Mitsubishi Electric Corp. stockholders' equity: **58.0%** (FY2023 actual)
- Cash flow from operating activities: **166.7 billion yen** (FY2023 actual)

Manufacturing capital

- Manufacturing companies: **79** (consolidated subsidiaries, as of March 31, 2023)
- Capital investment: **365.3 billion yen** (FY2023 actual^{*)})

Intellectual capital

- R&D expenditures: **212.3 billion yen** (FY2023 actual)
- Number of patents held: **62,102** (31,833 in Japan and 30,269 overseas) (as of March 31, 2023, Mitsubishi Electric)

Natural capital

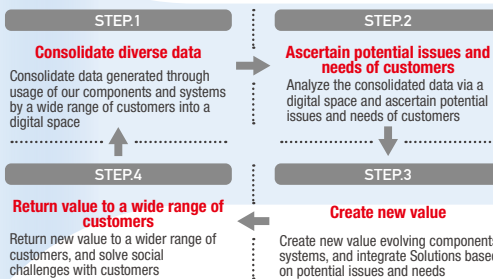
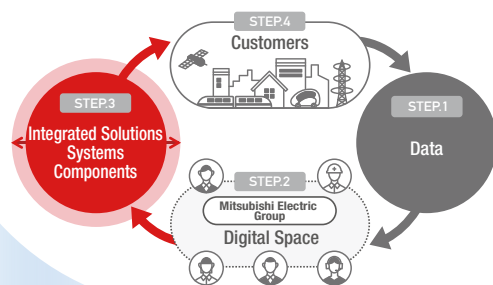
- Total energy input: **20.92 million GJ** (FY2023 actual)
- Water consumption (intake + reuse): **14.98 million m³** (FY2023 actual)
- Effective utilization rate of waste plastic (Japan): **92.5%** (FY2023 actual)

Social capital

- Group locations (number of countries/regions): **44 countries/regions** (as of March 31, 2023)
- Investment in startup companies via the ME Innovation Fund^{**}: **Cumulative total of 5 companies** (as of July 19, 2023)
- Funds invested in social contribution activities (Japan, overseas): **Approx. 1.77 billion yen** (FY2023 actual)^{**3}

Business Model

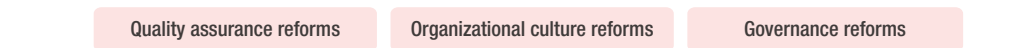
Circular Digital-Engineering



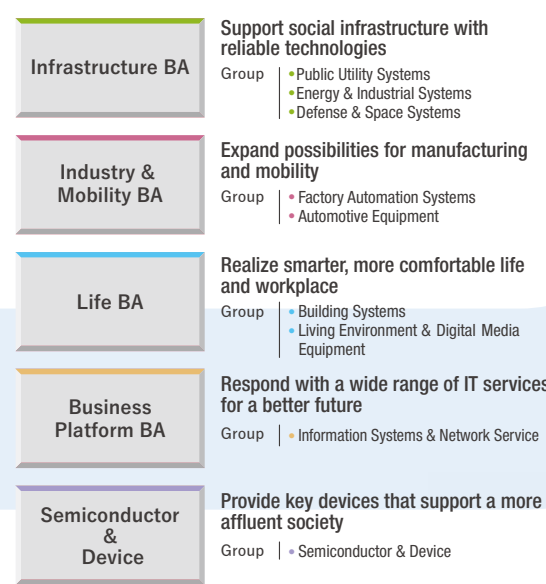
Materiality (important challenges)



Three key reforms



Business Area (BA), Segment



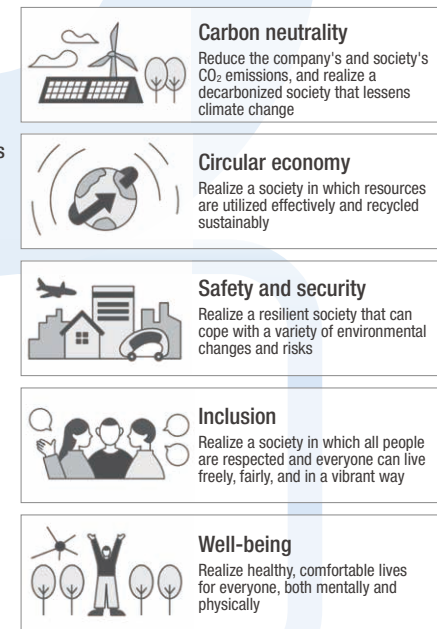
Value Creation

Economic value (FY2026 financial target)



* Adjusted operating cash flow

Social value



^{*}1 Total investment amount determined in FY2023
^{**}2 Corporate venture capital fund established by Global Brain, an independent venture capital firm, and Mitsubishi Electric
^{**3} Including philanthropic-related expenses such as internal programs and product donations