

Mitsubishi Electric Europe B.V.

**ANTI-SLAVERY & HUMAN TRAFFICKING POLICY STATEMENT**  
**for the financial year ended 31 March 2020**

**Our Policy**

We have zero tolerance policy with regard to modern slavery and human trafficking.

We are committed to monitoring, developing and improving our operations to combat slavery and human trafficking.

We seek to ensure there is no modern slavery human trafficking or other abuse of human rights in our business operations or in any of our supply chains.

As a member of the Mitsubishi Electric Corporation group of companies, we apply the Mitsubishi Electric Group Human Rights Policy<sup>1</sup> and Mitsubishi Electric Group Conduct Guidelines<sup>2</sup>. These include our continuing commitment to respect international standards related to human rights and to respect the law, to act with highest integrity, and always to conduct ourselves with respect for human rights.

**Our Organisation's structure**

Mitsubishi Electric Europe B.V. is a wholly owned subsidiary of Mitsubishi Electric Corporation.

Our UK business operations include:

- sales and marketing of Mitsubishi Electric air conditioning, heating, cooling and ventilation products and services, automation and control products and services, automotive parts, lift and escalator systems and services;
- sales support activities for Mitsubishi Electric semiconductors, photo printers and display screen products marketed by other national branches of Mitsubishi Electric Europe B.V.;
- supply of goods and services to the power engineering sector, including supply of gas insulated switchgear systems and wind turbine switchgear and associated R&D activity;
- purchase of materials and products within Europe for export to our parent company.

As of 31 March 2020 we employ over 650 staff in the UK and our annual turnover to 31 March 2020 in the UK was in excess of £450 million.

**Our Supply Chains**

Our principal supplier of goods and services is our parent company Mitsubishi Electric Corporation. We also buy goods and services from other Mitsubishi Electric group companies.

We may source other goods and services to meet our business needs - whether for onward supply to our customers in conjunction with our supply of Mitsubishi Electric goods and services or for export to our parent company.

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

2 See link to the English language version at:  
[http://www.mitsubishielectric.com/company/csr/social/fair\\_compliance/pdf/Conduct\\_Guidelines\\_Final.pdf](http://www.mitsubishielectric.com/company/csr/social/fair_compliance/pdf/Conduct_Guidelines_Final.pdf)

Our UK terms and conditions of purchase include Corporate Social Responsibility compliance undertakings from the supplier to apply policies to ensure the supplier and any sub-contractor to the supplier:

- do not permit any slavery or human trafficking in its business or supply chain and to take all reasonable steps to ensure no slavery or human trafficking takes place in its business or supply chain;
- respect ILO (International Labour Organisation) Conventions protecting children and young workers and never use child labour; and
- never use any forced or bonded labour or involuntary prison labour;
- never mistreat or abuse their workers.

Since 2019, Mitsubishi Electric Corporation have been seeking consent from suppliers to agreement on initiatives for social issues including human rights issues. In addition, Mitsubishi Electric Corporation have continued to promote efforts and give instruction to understand human rights violation risks by suppliers (i.e., forced labour using foreign labourers, dangerous and hazardous labour).

### **Our Due Diligence processes for slavery and human trafficking**

- **Procurement of goods or services from Mitsubishi Electric Corporation or a member of its group of companies (together “Mitsubishi Electric Group Supplier”):**

We rely on each Mitsubishi Electric Group Supplier’s own due diligence processes for risk assessment and verification and its contractual compliance requirements as applicable to its sub-contractors to support compliance within the procurement supply chain.

As part of these processes, Mitsubishi Electric Europe B.V. and Mitsubishi Electric Group Supplier each apply:

(i) the Mitsubishi Electric Group Human Rights Policy, as implemented on 20 September 2017: this confirms that 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. Our policy commitment includes the following:

- The Mitsubishi Electric Group recognises that, as a minimum, it must respect international standards related to human rights, such as the International Bill of Human Rights and the International Labour Organisation’s Declaration on Fundamental Principles and Rights at Work. On that basis, we shall respect human rights while making sure to adequately understand relevant laws and regulations in every country and region where we do business. If such laws and regulations do not conform to international standards related to human rights, we shall consult with local authorities on how to properly handle cases involving human rights in order to respect the international standards.
- Based on the United Nations Guiding Principles on Business and Human Rights, the Mitsubishi Electric Group shall undertake human rights due diligence measures, such as specifying and assessing the impact of its business activities on human rights, and studying ways of proactively preventing or mitigating any negative impact of those activities. Furthermore, the Group shall put a framework in place for rectifying any cases in which its business activities are found to have negatively impacted human rights, or its members are found to have been clearly involved in violations of human rights.
- The Mitsubishi Electric Group has identified CSR (Corporate Social Responsibility) materialities, has set concrete tasks and goals for those materialities, and works to achieve them, and, through that process, takes steps to ascertain the status of its initiatives related to respect for human rights, and properly discloses its findings.

- The Mitsubishi Electric Group shall work to ensure that its initiatives related to respect for human rights are implemented with the participation of all executives and employees. Furthermore, the Group shall request cooperation from various stakeholders involved in its whole value chains such as business activities, products, and services, in order to help promote respect for human rights in society at large.
- The Mitsubishi Electric Group shall implement training programs and awareness campaigns on a continuous basis for the purpose of ensuring that all executives and members of the Group understand initiatives related to respect for human rights, and conduct themselves accordingly.

(ii) the Mitsubishi Electric Group Conduct Guidelines and in particular the Group's Corporate Ethics and Compliance Statement at page 5 of those Guidelines which states:

"In all countries and regions where we operate, we will always conduct ourselves in compliance with the following principles:

**Respect for Human Rights:**

We will conduct ourselves always with a respect for human rights. We will not discriminate based on nationality, race, religion, gender, disability or any other reason prohibited by applicable laws nor will we violate international laws providing protection for individual and human rights or any treaties providing such protection to which the country where any of our companies is located is a party. "

These Guidelines further state at page 6:

"We will not allow any form of child labour or forced labour in any of our companies."

During the term:

- the Mitsubishi Electric Group assessed and evaluated the impact on human rights related to the Group's corporate activities for a material number of sites, including Mitsubishi Electric group offices and affiliated companies both in Japan and internationally;
- Mitsubishi Electric Corporation conducted human rights education for employees involved in CSR at offices of Mitsubishi Electric Corporation and at affiliated companies in Japan;
- Mitsubishi Electric Corporation has continued to review the functionality of the Technical Intern Training Programme across the Mitsubishi Electric Group and that it is operating in compliance with the Mitsubishi Electric Group Conduct Guidelines; and
- Mitsubishi Electric Group has provided an e-learning programme to a majority of employees of Mitsubishi Electric Corporation and its affiliated companies in Japan.

Mitsubishi Electric Corporation has a continuing programme for the evaluation of the CSR initiatives of "business partners" (i.e. third party suppliers). Mitsubishi Electric Corporation's policy is to evaluate all new suppliers.

During the term:

- Mitsubishi Electric Corporation completed CSR evaluation surveys with a significant number of existing and new suppliers; resulting in a number of suppliers being given guidance to encourage their subcontractor suppliers to take up CSR compliance practices.

Under globally sustainable procurement, target costing and cost co-creation by enhancement of partnership (G-STEP)\* strategy toward strengthening the purchasing structure, the Mitsubishi Electric Group aims to achieve the lowest cost ratio ever starting in

fiscal 2021. This includes initiatives to mitigate any perceived risks regarding a range of issues related to ensuring compliance to labour laws and regulations.

- **Procurement of goods and services from third party suppliers**

We apply a proportionate approach to our due diligence processes for risk assessment and verification with regard to slavery and human trafficking.

For our risk assessment we take into account the relevant products, components, packaging materials and services, production location and supply chain data.

We also take into account a supplier's self-declaration of compliance and any compliance policy and/or other compliance representations.

Should we identify any higher risk supplier then we would consider deeper verification processes to assess compliance and for remedy of any non-compliance.

During the term:

- Mitsubishi Electric Corporation have continued to issue its suppliers and procurement partners with consent forms for the CSR Procurement Guidelines, these ask for information pertaining to understanding and mitigating serious human rights risks in the supply chain (forced labor of foreign laborers, dangerous or hazardous labour, etc.);
- In addition to the investigations in progress as a result of responses to the consent forms, we apply an additional check sheet to discern the existence of human rights violations, and conduct activities aimed toward mitigating those issues;
- We received signatures for the consent forms for the CSR Procurement Guidelines from a total of about 2,200 suppliers, and will continue to seek to obtain consent forms from suppliers that have yet to respond and new suppliers during the balance of the fiscal year; and

### **Our Internal Accountability & Training**

Every Mitsubishi Electric Europe B.V. employee receives a personal copy of the Mitsubishi Electric Group Conduct Guidelines and must conform to those Guidelines and with all applicable laws.

We have briefed our purchasing staff with regard to the requirements of the legislation, our corporate policies and this Anti-Slavery and Human Trafficking Statement.

During the financial year ending 31 March 2020 we have conducted an eLearning compliance training module for the UK Modern Slavery Act 2015 to our staff.

In the UK, more than 650 members of our staff completed this eLearning.

In addition, outside of the UK, since 2019, Mitsubishi Electric Corporation have been conducting a CSR-related eLearning program that includes themes on human rights for employees of Mitsubishi Electric and domestic affiliated companies. In fiscal year 2020, Mitsubishi Electric Corporation created the English version of contents and conducted the program at overseas affiliated companies as well. Mitsubishi Electric Corporation plan to continue to conduct the program on a regular basis while revising the content in light of the trends on CSR and human rights trends.

In 2020 Mitsubishi Electric Corporation also conducted face to face group training sessions related to human rights (and harassment) for new employees and newly appointed managers.

In 2020 Mitsubishi Electric Corporation published commentaries on human rights as a four-part series with the themes of "What are human rights?" in the company and Group newsletters.

Mitsubishi Electric Corporation will continue raising employee awareness of human rights within the Mitsubishi Electric Group.

## **Whistleblowing**

Mitsubishi Electric Corporation, have a whistleblowing system in place for its staff in regard to cases related to human rights infringements. This includes protection for whistleblowers. For any such alleged whistleblowing case, the responsible division is requested to promptly confirm facts in accordance with Mitsubishi Electric Group's consultation procedures, which also delineate methods for reporting infringements and conflict management.

## **UK Statutory Compliance**

This statement outlines the steps we have taken during the past year to seek to ensure that slavery and human trafficking is not taking place (i) in any of our supply chains, and (ii) in any part of our own business.

This statement is approved by our Board of Directors and constitutes our slavery and human trafficking statement for the financial year ending 31 March 2020 as required by section 54(1) of the UK's Modern Slavery Act 2015 for 'Transparency in supply chains etc.'.

This statement is for publication on our website. Our website's homepage carries a prominent link to this statement.

Signed by:

**Tatsuya Ishikawa**

**Tatsuya Ishikawa**  
President and CEO  
Managing Director  
Mitsubishi Electric Europe B.V.

Issue date:

15-9-20