Biodiversity Preservation Measures at Business Sites

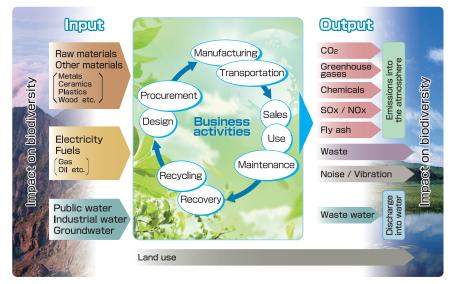
All human activities benefit from the workings of a wide variety of organisms living on earth. At the same time, various activities by human beings are destroying ecosystems and are otherwise having serious effects on biodiversity. Now, at a time when the extinction of many species is being reported, biodiversity preservation is a shared issue for all humanity.

In 2010, the Mitsubishi Electric Group introduced the Biodiversity Action Guidelines. These guidelines have two main features: (1) they include the pledge of every Mitsubishi Electric Group employee to understand the relationship between business activities and biodiversity in order for the Group to consider biodiversity in all of its business activities; and (2) they are structured according to each stage of the product lifecycle to facilitate this. Furthermore, in Environmental Sustainability Vision 2050, which was set forth in June 2019, "Activities to Preserve Biodiversity" are recognized as one of the key activities leading up to 2050. Through these activities, we are striving to live in harmony with nature while also interacting with local communities.

Visualizing the Relationship between Business Activities and Biodiversity to Implement Proper Action

To deepen employee understanding of biodiversity, Mitsubishi Electric has summarized the relationship between the company's business activities and biodiversity in a chart as shown below. Using this chart, the Mitsubishi Electric Group's business sites both in Japan and overseas are renewing their awareness of relations between their own business activities and the biodiversity and natural environment of their surrounding region, and are linking this awareness to concrete actions that contribute to communication with local communities and to the preservation of biodiversity.

Relationship between Business Activities and Biodiversity



Biodiversity Preservation Activities

| Activity | Purpose | Details |
|---|--|--|
| Mitsubishi Electric Outdoor Classroom →Please refer to page 32 for details. | Foster environmental awareness among employees | In natural classroom settings such as woodlands, parks, waterways, and seacoasts, employees who serve as leaders invite families to experience nature to learn about the interrelationship between living creatures. |
| "Satoyama" Woodland Preservation Project | Contribute to society, drawing on the voluntary efforts of employees | Employees strive to restore parks, woodlands, rivers, and other natural areas located close to business sites. |
| Preserving biodiversity at business sites | Activities centered around co-existence with nature carried out at business sites | Confirmation and appropriate management of rare species, endemic species, and non-native species; promotion of co-existence with nature; and gaining an understanding of our involvement with the surrounding natural environment. |

Environmental Plan

Aiming for a Higher Level of Activities

The Mitsubishi Electric Group engages in initiatives that give specific consideration to all species of living creatures. These initiatives include the Mitsubishi Electric Outdoor Classroom, the Satoyama Woodland Preservation Project, and measures to reduce the impacts of development pressure*1 and alien species pressure*2 on ecosystems. As the basis of these initiatives, we have been promoting a biodiversity preservation policy at business sites since fiscal 2015, with a focus on improving the quality of greenery within the premises of all business sites. The policy aims for all employees to make a direct contribution to regional/urban ecosystems in areas around their site by working to preserve biodiversity at their own workplace. It also encourages employees to take positive and voluntary action by regarding biodiversity as a personally relevant issue.

As these initiatives have spread to a certain extent, in fiscal 2020, we embarked on establishing a structure to consistently step up our activities. In March 2020, an internal technical committee formulated the Biodiversity Guidelines (a check sheet). Since then, the implementation level of activities and the quality of greenery at each business site in Japan have been assessed in numbers for quantitative monitoring. In fiscal 2022, we will implement these guidelines on a trial basis with a view to introducing them to affiliated companies across Japan. At the same time, we will calculate the rates of improvement in assessment over the base year, and will make the results of these improvements and refinements visible in this way every year, to firmly establish our ecosystem improvement activities.

- *1 Development pressure: An action resulting in the destruction of habitats. The construction of a new business site and development (including that in the supply chain) intended to extract natural resources are deemed as such behaviors. One such example is when the use of water by operations affects the surrounding area, the source of water, and subsequently the habitats of living creatures.
- *2 Alien species pressure: When ditches, greenery at the side of buildings, and hedges are created, non-native species of insects, vegetation, etc. may be introduced. The unintentional transfer of living creatures could pose a threat to the habitats of indigenous species or trigger genetic pollution.

Improving Enterprise Value through a Long-term Commitment to Environmental Initiatives

Environmental Data

The destruction of the global ecosystem by human activities is the essence of environmental issues. Biodiversity preservation is essential for the continued existence of us human beings, and should be prioritized in all human activities. This is now a prevalent belief, as also clearly expressed in the Aichi Target*1 and the National Biodiversity Strategy of Japan*2 2012–2020.

As it takes many years to maintain and enhance biodiversity, steady and continuous efforts are required.

The Mitsubishi Electric Group is committed to contributing to the achievement of the Aichi Target and attainment of the SDGs*3, and to implementing biodiversity preservation activities as part of its business activities. Through initiatives related to the above, we will further contribute to preserving regional ecosystems, and by earning respect and trust from local communities, we will strive to improve our corporate value.

- *1 Aichi Target: Global target adopted by the 10th meeting of the Conference of the Parties to the Convention of Biological Diversity (COP 10) held in October 2010.
- *2 National Biodiversity Strategy of Japan: Japan's baseline plan regarding the preservation and sustainable use of biodiversity, based on the Biodiversity Treaty and the Biological Diversity Act.
- *3 SDGs (Sustainable Development Goals): Sustainable development goals to be achieved by 2030 included in the 2030 Agenda for Sustainable Development adopted by the United Nations General Assembly in September 2015.

Activities Contributing to Local Ecosystems



Our Environmental Considerations for Value Environmental Strategy for **Biodiversity Preservation** Comparison of Policy/ About This Report Sustainability Vision Climate Change Management System Environmental Plan Chain Management **Environmental Data** Communication Activities

Environmental

Improving the Quality of Greenery in Line with Three Courses of Action

The Mitsubishi Electric Group has set forth three courses of action as guidelines for all business sites. They are: (1) reducing negative impact on living creatures, (2) aiming for a richer symbiosis with other living creatures, and (3) restoring the relationship between employees and nature in the working environment. At each business site, action plans provide for the preservation of local indigenous species, control of alien species, and development of green space in consideration of the surrounding ecosystem, to ensure these initiatives are steadily addressed in all businesses.

The Structure of

Three Courses of Action

| Courses of Action | Exam | | |
|---|--|--|--|
| A Reducing negative impact on living creatures | Control development pressure and alien species pressure* | (1) Assessment of impacts on living creatures | |
| | species pressure | (2) Alien species control | |
| | Call attention to and preserve rare species and endemic species | (1) Disclosure of list of living creatures on premises | |
| | | (2) Preservation of rare species and endemic species | |
| | | (3) Cooperation in regards to conservation issues for surrounding areas | |
| | 3. Manage pesticides, preserve greenery | (1) Control the killing/harming of living creatures | |
| | and natural resources | (2) Consideration to natural resources, such as water and soil | |
| B Aiming for more fruitful symbiosis with other living creatures | 4. Set up functional greenery | (1) System to manage green space | |
| | | (2) Management of land used by flying organisms | |
| | | (3) Development of priority land for greenery and living creatures | |
| | | (4) Provision of continuity of greenery with areas surrounding business sites | |
| | | (5) Contribution to biodiversity preservation activities in areas surrounding business sites | |
| | 5. Break away from agricultural orientations such as simplifying/specifying greenery | (1) Diversification/multi-stratification of vegetation | |
| | | (2) Management of greenery that accords with the characteristics of plants, etc. | |
| | | (3) Contribution/consideration to regions | |
| C Restoring the relationship between employees and nature in the working environment | 6. Proactively utilize ecosystem services in the workplace (break rooms, individual | (1) Provision and utilization of opportunities for cultural services | |
| | floors) | (2) Provision and utilization of opportunities for supply services | |
| | 7. Change situation from everyone being disinterested and unrelated to everyone | (1) Education for understanding and promoting action | |
| | being involved | (2) Creation of relationships through the workplace or work duties | |

^{*} Activities are carried out pursuant to the regulation on raising, planting, storing, carrying, or other handling of specified IAS in the Invasive Alien Species Act.

Mitsubishi Electric Outdoor Classroom

Mitsubishi Electric Outdoor Classroom is one of the directives of "fostering environmental awareness" aimed at the realization of a society in tune with nature. These classrooms utilize nearby natural habitats and provide an opportunity for participants and classroom leaders alike to experience nature.

Contemplating the Necessity of Preserving Nature and Taking Action

The Mitsubishi Electric Group is developing personnel who contemplate what is necessary to preserve nature and then take action themselves; in other words, people who are environmentally aware. We want participants to get in touch with nature so that they can realize the impact humans have on nature, increase their awareness of the importance of preserving nature, and take action to reduce their environmental load as much as possible (see the figure below). Biodiversity is essential to the continuation of our business activities. On the other hand, our activities such as consuming various resources, discharging chemical substances, and producing waste place a burden on ecological systems on a daily basis. We must be aware of this and contribute to reducing the negative impact on the water, air, and soil, in addition to reducing our environmental load and helping to improve the environment through our products.

The foundations of environmental awareness are strengthened deeply and strongly through "fully experiencing nature with the five senses." The Outdoor Classroom is our initiative to allow ourselves, together with our employees, their families, and local communities, to discover ecology (relationships among living creatures) through experiencing nature. Preserving nature cannot be achieved by the Mitsubishi Electric Group alone. Therefore, it is vital that environmental awareness is spread to various groups of people.

Since the program began in October 2006, the Outdoor Classroom has been playing a role as an opportunity for contributing to society and the environment, and has acted as a forum for communication within each region.

