

Fighting Against Forced Labour and Child Labour in Supply Chains Act

FY2025 Statement

Company Name: Mitsubishi Electric Sales Canada Inc.
Signed by: Takashi Nishikuma, President and CEO
Effective Date: May 31, 2026
Next review: May 2027

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1. Mitsubishi Electric Group's Commitment to Forced Labour and Child Labour (FY2025)

Mitsubishi Electric Sales Canada Inc. (“MESCA”) is a wholly owned subsidiary of the Mitsubishi Electric Corporation of Japan and a member of the Mitsubishi Electric Group. This is the third statement MESCA has made under the Fighting Against Forced Labour and Child Labour in Supply Chains Act (“the Law”).

MESCA is a reporting entity under the Act as it imports goods produced outside of Canada into Canada and meets the applicable size thresholds set out in the Act.

This statement is prepared by MESCA. The statement sets out our ongoing commitment to respect international standards on human rights, to respect the law, to act with the highest integrity, and to always act with respect for human rights.

This statement outlines the steps that the Mitsubishi Electric Group and MESCA, as a member of the Mitsubishi Electric Group, have taken in FY2025 and will continue to take in FY2026 to address the risks of forced labour and child labour in our operations and supply chain in accordance with the Law. The fiscal year 2025 (FY2025) refers to the period from April 1, 2025, to March 31, 2026.

2. Description of Mitsubishi Electric’s structure, operations, activities and supply chains

MESCA is a wholly owned subsidiary of the Mitsubishi Electric Corporation of Japan and is a member of the Mitsubishi Electric Group.

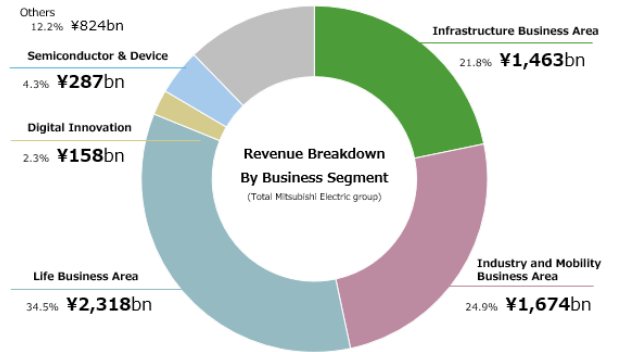
Some basic information about Mitsubishi Electric Corporation and MESCA is provided below (based on the fiscal year ended March 31, 2026):

(1) Organizational and Supply Chain Structure

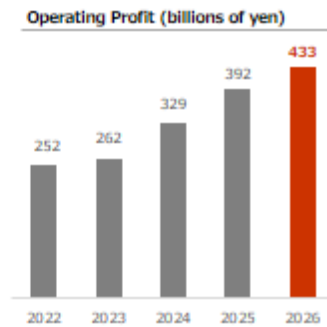
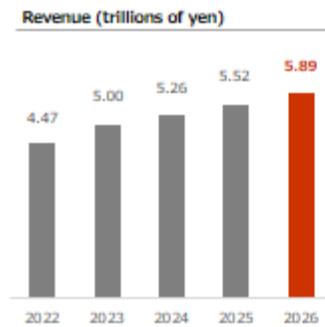
Corporate Information

Head Office Location	Tokyo Building, 2-7-3 Marunouchi, Chiyoda-ku, Tokyo 100-8310
President & CEO	Uruma Kei
Foundation	February 1, 1921
Revenue	¥ 5,894,747million
Paid in capital	¥ 175,820million
Shares Issued	2,056,165,496 shares
Total Assets	¥ 7,357,512million

Revenue Breakdown by Business Segment

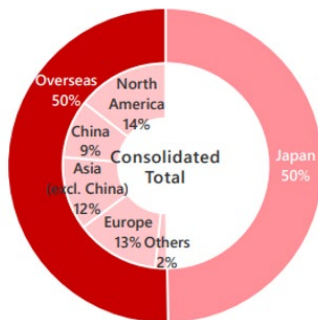


Revenue & Operating Profit Revenue by Location of Customers

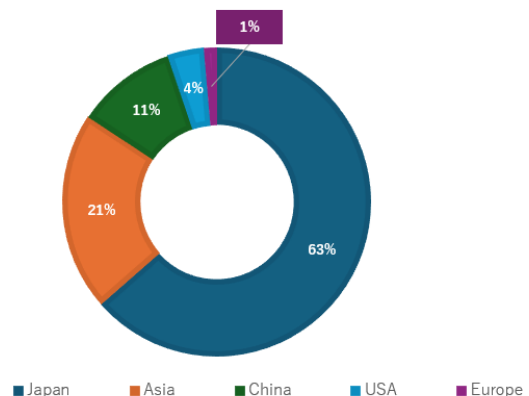


(FY2025: Year ended March 31, 2025)

Revenue Ratio by Destination Region

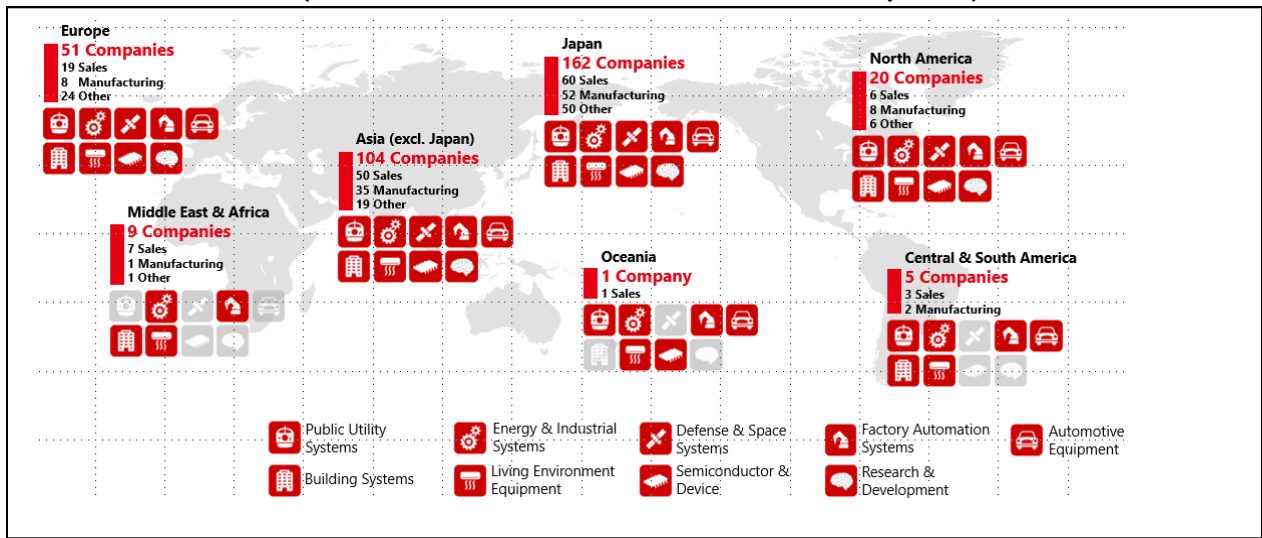


**Procurements by Regions
(Number of the Major Suppliers)**



Global Value Chain by Products

(Locations of Production Sites and Sales Companies)



(2) Supply chain understanding

The Mitsubishi Electric Group consolidates procurement information from all sites by the Corporate Procurement Group at headquarters for account management. For Tier 2 and subsequent suppliers, management provisions are incorporated into the “Supply Agreement” with Tier 1 suppliers, requesting management in accordance with the Mitsubishi Electric Group Supply Chain Code of Conduct.

(3) Products, sectors, and services

Mitsubishi Electric Corporation

The Mitsubishi Electric Group is engaged in the manufacturing, sales, and service of Energy and Electric Systems, Industrial Automation Systems, Information and Communication Systems, Electronic Devices, Home Appliances and more.

Mitsubishi Electric Sales Canada Inc.

MESCA is engaged in the supply and distribution to the Canadian market of heating, ventilation, air conditioning (“HVAC”) products and accessories, in addition to hand dryer products, manufactured by Mitsubishi Electric Corporation. MESCA also supplies to the Canadian market a limited number of HVAC products and accessories manufactured by third parties



(4) Direct and indirect suppliers

The Mitsubishi Electric Group's Major Suppliers, accounting for 80% of its procurement spending, number 814 companies (as of 2025). By region, these are: Japan (517 companies), Asia (169 companies), China (86 companies), the United States (31 companies), and Europe (11 companies). Major procurement items include semiconductors, substrates, electrical and electronic components, equipment and devices, materials (copper, aluminum, non-ferrous metals), plastic molded products, outsourced processed goods, and others.

(5) Modern slavery risk management governance

The Sustainability Committee, appointed by the Executive Officers' Meeting, formulates policies and plans regarding human rights initiatives, verifies performance, and obtains approval from higher-level organizations.

In fiscal year 2022, to swiftly address improvements in human rights initiatives and resolve issues, a permanent "Human Rights Subcommittee" was established under the Sustainability Committee. Given the broad scope of human rights-related issues, initiatives are undertaken with clearly defined responsible divisions. Cross-divisional issues are discussed, and direction is determined by the Human Rights Subcommittee. Progress and results are reported to the Sustainability Committee, which then reports to the Executive Officers' Meeting and Board of Directors. This structure ensures guidance and oversight from Executive Officers and Directors.

In fiscal year 2025, the Human Rights Subcommittee was held three times and the Human Rights Working Group, which is a subordinate body of the Human Rights Subcommittee and consists of operational members, was held ten times.



As a member of the Mitsubishi Electric Group, MESCA follows the Mitsubishi Electric Group Human Rights Activities Structure. The Mitsubishi Electric Group promotes continuous improvement activities based on the Plan-Do-Check-Act ("PDCA") cycle in order to promote human rights due diligence and other initiatives in accordance with international norms such as "the UN Guiding Principles on Business and Human Rights".

(6) Information gathering

The Mitsubishi Electric Group will progressively implement the SAQ provided by the Responsible Business Alliance (RBA) at all 16 internal manufacturing sites and all 71 affiliated companies responsible for manufacturing (32 in Japan, 39 overseas; as of 2025) by fiscal year 2028. The Sustainability Innovation Group at headquarters aggregates and analyzes information related to human rights, labour, occupational health and safety, etc., based on the SAQ results.

For the supply chain, Mitsubishi Electric is sequentially requesting the 814 Major Suppliers (as of 2025) that account for 80% of group procurement spending to complete the SAQ provided by the RBA by fiscal year 2026. The Corporate Procurement Group at headquarters aggregates and analyzes the SAQ results.

3. Mitsubishi Electric Group policies relating to modern slavery, forced labour and child labour

(1) Internal operating policies

The Mitsubishi Electric Group formulated and published the "Mitsubishi Electric Group Human Rights Policy" in 2017. This policy underwent a comprehensive revision in fiscal year 2024 to align with international standards. Going forward, the content will be reviewed every two years, with necessary revisions made as needed.

[Human Rights Policy | MITSUBISHI ELECTRIC Global website](#)

The "Mitsubishi Electric Group Human Rights Policy" explicitly addresses freedom of association and the right to collective bargaining, prohibits threats of violence, harassment, or intimidation, forbids forced overtime, prohibits child labour, and commits to providing relief, compensation, and access to justice for victims/survivors of modern slavery, striving to prevent modern slavery.

The Mitsubishi Electric Group signed "the Ten Principles of the United Nations Global Compact" on Human Rights, Labour, Environment and Anti-Corruption in 2018. The entire Mitsubishi Electric Group is committed to implementing policies and procedures consistent with its moral and ethical obligation to end modern-day slavery.

In sustainable procurement, to enhance understanding of our approach and the requirements suppliers must adhere to, Mitsubishi Electric established the "Mitsubishi Electric Group Supply Chain Code of Conduct" in 2024, aligned with the RBA Code of Conduct. Mitsubishi Electric requests suppliers not only to comply with this Code but also to respect the rights of individuals belonging to groups or ethnicities at higher risk of human rights impacts, such as children, migrant workers, indigenous peoples, and ethnic minorities.

As a member of the Mitsubishi Electric Group, MESCA is fully aligned with and committed to upholding these principles in all aspects of its operations. MESCA mirrors the Group's Human Rights Policy and related commitments by integrating these standards into its own policies, procedures, and business practices. This includes promoting ethical conduct, respecting human rights, and ensuring that our operations and supply chain activities reflect the same dedication to preventing modern slavery, protecting vulnerable groups, and maintaining responsible and sustainable business practices.

(2) International standards

The Mitsubishi Electric Group recognizes the following as key international standards regarding human rights that must be upheld and has clearly stated and publicly disclosed them in its Human Rights Policy.

- International Bill of Human Rights
- OECD Guidelines for Multinational Enterprises
- OECD Due Diligence Guidance for Responsible Business Conduct
- UN Guiding Principles on Business and Human Rights
- UN Guiding Principles Reporting Framework
- ILO Declaration on Fundamental Principles and Rights at Work
- United Nations Global Compact
- ISO 26000 (Guide to Social Responsibility)
- GRI Standards
- RBA (Responsible Business Alliance) Code of Conduct

(3) Stakeholder engagement

In revising the Human Rights Policy in fiscal year 2024, Mitsubishi Electric incorporated external perspectives and proposals. This included reviewing the policy with external human rights experts from Business for Social Responsibility (BSR) and conducting third-party discussions on the revised policy outline with human rights experts from Japan (Mori Hamada & Matsumoto LPC) and overseas (Pillar Two) during expert guidance sessions organized by the United Nations Development Programme (UNDP).

(4) Communication and enforcement

The "Mitsubishi Electric Group Human Rights Policy" is publicly available in 23 languages on the official website. An "Explanatory Guidance of the Human Rights Policy" has been created for internal employees. This guidance, along with the Human Rights Policy, is published on the internal intranet "sustainability website", ensuring awareness among all executives and employees. During Human Rights Week in December 2024, the policy was redistributed to all internal divisions and Group affiliates, requesting each company to inform employees and publish it on their respective websites. In fiscal year 2025, Mitsubishi Electric conducted a survey of all affiliated companies and confirmed that 39% of companies had posted the Mitsubishi Electric Group Human Rights Policy on their own websites. Mitsubishi Electric will follow up to ensure all affiliated companies post the Human Rights Policy.

MESCA has adopted a Human Rights Policy aligned with the Group's Human Rights Policy and commitments. This policy is accessible to all MESCA employees and is made available through internal communication channels, ensuring awareness and understanding across the organization. MESCA remains committed to upholding these principles in its operations and fostering a culture of respect for human rights.

Within the supply chain, "Mitsubishi Electric Group Supply Chain Code of Conduct" continues to be distributed to (a) all suppliers with ongoing business relationships and to pursue activities aimed at obtaining agreement confirmation from all companies; and to (b) new suppliers and request their compliance beyond fiscal year 2026.

4. Risk management processes

Building on the organizational structure and policies described above, the Mitsubishi Electric Group implements the following risk management processes to identify and address modern slavery risks.

(1) Risk assessment frequency

The Mitsubishi Electric Group conducted a Human Rights Impact Assessment in fiscal year 2023 in collaboration with the third-party organization Business for Social Responsibility (BSR) to identify human rights potential risks throughout the entire value chain.

The Mitsubishi Electric Group plans to conduct Human Rights Impact Assessments every 3 to 4 years going forward.

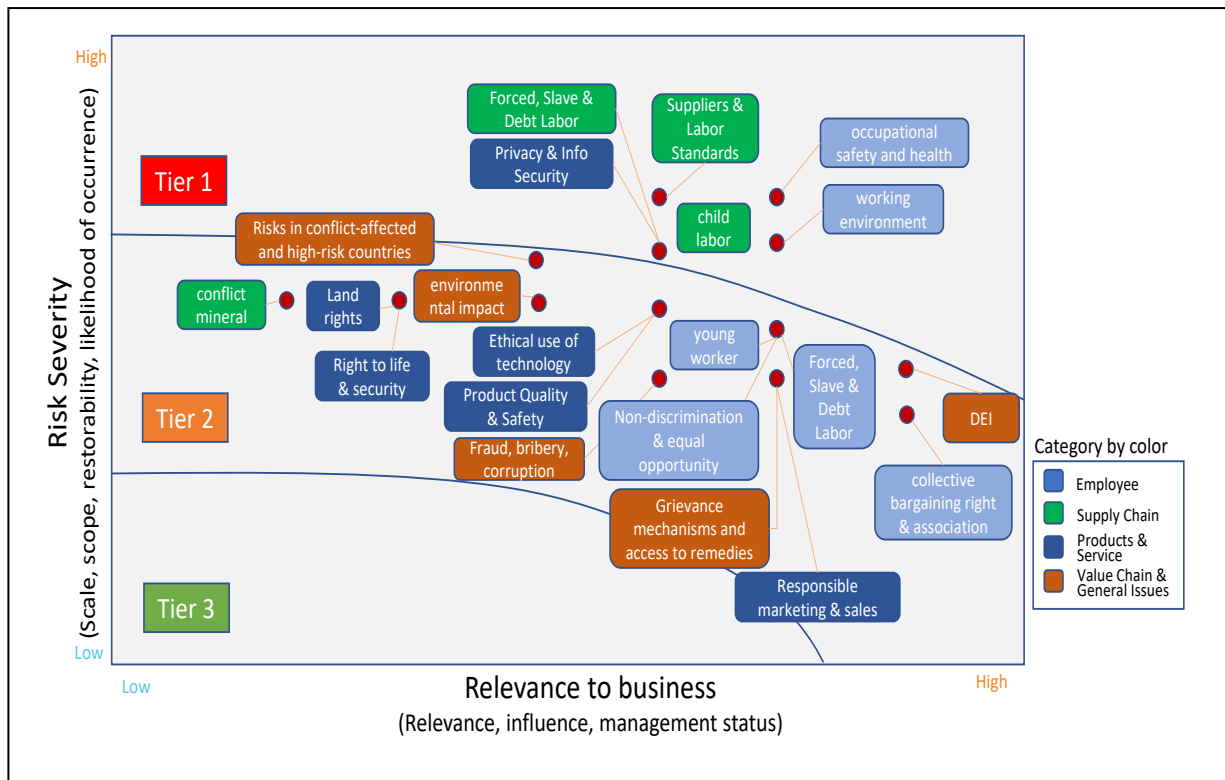
As part of the Mitsubishi Electric Group, MESCA received and participated in the "Survey on the Current Status of Human Rights Promotion Measures" conducted by Mitsubishi Electric Corporation in FY2025. MESCA completed the questionnaire in alignment with the Group's initiative, contributing to the overall assessment of human rights promotion efforts across the organization.

(2) Risk assessment governance

Risk assessment is overseen by Takahiko Hase, Senior General Manager, Sustainability Management Division at Headquarters, with Sustainability Management Division serving as the secretariat to compile the assessments. Improvement plans and progress for identified risk issues are reported to the Sustainability Committee through the Human Rights Subcommittee.

(3) Identifying and assessing risks

In the Human Rights Impact Assessment conducted in fiscal year 2023, BSR collaborated with the Secretariat to conduct desktop research and interviews with all relevant divisions, identifying and prioritizing 21 potential risk issues (see figure below). BSR also presented the Secretariat with 86 recommendations for areas where Mitsubishi Electric should improve.



(4) Highest priority risks to workers

Among the 21 risk issues identified by BSR in the 2023 Human Rights Impact Assessment, the following five items, assessed as high-priority risks based on likelihood and severity, are the top priority risks for workers.

Key Risk Issues:

- Workplace Environment for Employees
- Employees' Health and Safety
- Labour Standards in the Supply Chain
- Forced, Bonded, or Debt Labour in the Supply Chain
- Child Labour in the Supply Chain

(5) MESCA-Specific Risk Assessment

As a Canadian importer and distributor of HVAC products manufactured primarily by Mitsubishi Electric Corporation in Japan and, to a limited extent, by third-party manufacturers, MESCA's principal forced labour and child labour risks relate to: (a) the manufacturing of HVAC products and components by Mitsubishi Electric factories in Japan and other countries, particularly given the reliance on raw materials such as copper, aluminum, and semiconductors sourced from regions with elevated forced labour risk profiles (e.g., parts of Southeast Asia and China); (b) third-party manufactured HVAC products and accessories, where MESCA has less direct visibility into manufacturing conditions; and (c) the extraction and processing of raw materials (e.g., cobalt, rare earth minerals) used in electronic components. MESCA assesses the risk of forced labour or child labour in its direct operations in Canada as low, given the nature of its activities (sales, distribution, and customer service) and Canadian labour law protections.

(6) Continuous improvement

In fiscal year 2025, Mitsubishi Electric prioritized 21 risk issues and categorized them into three groups. For the five high-priority Key Risk Issues, Mitsubishi Electric formulated improvement plans, including establishing mechanisms to prevent their occurrence.

To verify whether risks such as forced labour and child labour are being mitigated at internal sites, The Mitsubishi Electric Group conducted the RBA Self-Assessment Questionnaire (RBA-SAQ) at all 16 Mitsubishi Electric manufacturing sites in Japan during fiscal year 2025. The results for all 16 sites were classified as medium risk in total, confirming the absence of forced labour and child labour. Starting in fiscal year 2026, Mitsubishi Electric Group will continue conducting the SAQ annually at these 16 sites and expand the scope to include manufacturing sites of all affiliated companies both domestically and internationally by fiscal year 2028.

In the supply chain, Mitsubishi Electric Group conducted the SAQ to 581 suppliers (517 domestic and 64 overseas) in fiscal year 2025, receiving responses from 530 of them. In fiscal year 2026, Mitsubishi Electric will expand the scope of the SAQ to all 814 Major Suppliers (as of fiscal year 2025) that account for 80% of our procurement spending.

Going forward, Mitsubishi Electric Group will use the RBA-SAQ to assess risks at all Mitsubishi Electric locations, all group affiliates, and all Major Suppliers' manufacturing sites, and will implement corrective measures as necessary, focusing on Key Risk Issues.

5. Mitsubishi Electric Human Rights Due Diligence Approach

To address the risks identified through the processes outlined above, the Mitsubishi Electric Group has implemented the following due diligence measures.

(1) Prevention and mitigation

In fiscal year 2025, Mitsubishi Electric communicated with 31 domestic suppliers that received high-risk scores in the SAQ conducted in fiscal year 2024. After listening to the suppliers' perspectives and providing a more detailed explanation of the Mitsubishi Electric Group's policy, the Group confirmed the existence of misunderstandings on the supplier's side. As a result, 24 of the 31 suppliers were reclassified as medium risk.

Mitsubishi Electric Group held discussions with the remaining 7 suppliers via online meetings or on-site visits, including on-site inspections. As a result of these more detailed discussions, risk factors were eliminated from 6 suppliers, and they are now classified as medium risk.

For all 31 suppliers, including the one remaining high-risk supplier, Mitsubishi Electric will reassess improvement status based on the results of the SAQ conducted in fiscal year 2025 and take necessary actions.

No forced labour or child labour was confirmed among the responding suppliers.

In addition to the Group-level SAQ process, MESCA has implemented contractual requirements in its agreements with suppliers - including third-party manufacturers of HVAC products and accessories - to prevent forced labour and child labour in its supply chain. These provisions require suppliers to comply with applicable laws and international standards regarding forced labour and child labour, and provide MESCA with the ability to take corrective action, up to and including termination, in the event of non-compliance.

(2) Human rights due diligence approach

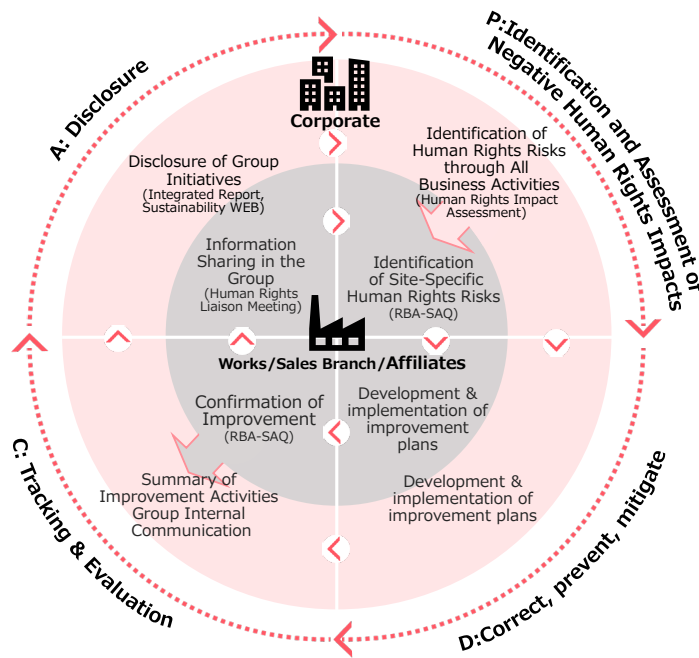
The Mitsubishi Electric Group implements human rights due diligence through a PDCA cycle (see diagram below), advancing it through two parallel tracks: corporate-level activities centered on the Human Rights Subcommittee (pink circle) and site-level activities (gray circle).

While STEP 1 (FY2022–FY2024) of the mid-to-long-term roadmap focused primarily on corporate-level activities, STEP 2 (FY2025–FY2027) and beyond will see the RBA-SAQ progressively rolled out across Mitsubishi Electric

Group sites (manufacturing plants, factories, branch offices, sales companies, service companies, and affiliated companies).

Within the supply chain, Mitsubishi Electric will conduct site-level SAQs for Major Suppliers and indirect spend suppliers. This will enable suppliers to implement improvement measures on their own sites. If improvements are needed in Mitsubishi Electric side, corporate-level improvement activities, similar to those conducted internally will be undertaken.

The Mitsubishi Electric Group policy is to promote human rights due diligence at the site level and encourage the implementation and establishment of autonomous improvement activities by each site and supplier.



(3) Grievance mechanisms

The Mitsubishi Electric Group operates two contact points that accept inquiries and complaints from all stakeholders in the Mitsubishi Electric Group's global value chain 24 hours a day, 365 days a year.

Additionally, each Mitsubishi Electric Group site has established its own dedicated contact points, such as harassment hotlines and whistleblower protection systems.

To date, the Mitsubishi Electric Group has not received any reports concerning forced labour or child labour through the multiple contact points established.

Contact Desk	Inquiry Content	Link
Mitsubishi Electric Official website "Sustainability Inquiry desk"	Inquiries about the sustainability of Mitsubishi Electric Group	Inquiries MITSUBISHI ELECTRIC Global website (EN)

children's earnings. To date, no instances of forced labour or child labour have been identified in MESCA's operations or supply chain. Accordingly, no remediation of income loss has been required.

Should such instances be identified in the future, MESCA, in coordination with the Mitsubishi Electric Group, is committed to taking a responsible approach to remediation that prioritizes the well-being of affected workers and families. This includes: (a) engaging with affected suppliers to develop corrective action plans that do not result in abrupt termination of employment relationships; (b) collaborating with the Mitsubishi Electric Group's Human Rights Subcommittee and, where appropriate, external human rights experts, to assess the impact on vulnerable families; and (c) considering referrals to local support services or programs, including educational alternatives for children removed from child labour situations.

(6) Incidents of modern slavery

To date, there have been no instances of modern slavery in the SAQ results for all internal manufacturing sites, affiliated companies within the group that have been surveyed, and Major Suppliers accounting for 80% procurement.

(7) Business model

The Mitsubishi Electric Group has set "100% agreement obtained from Major Suppliers to the Mitsubishi Electric Group Supply Chain Code of Conduct" as a KPI for fiscal year 2024, published it on its official website and reported the results in its fiscal year 2025 Integrated Report.

For fiscal year 2025 KPI, in line with progress in business and human rights-related activities, the "100% Implementation of Corrective Actions for High-Risk Suppliers Based on Sustainable Procurement Survey Results (SAQ Results)" was published on the official website. Mitsubishi Electric is setting more specific targets and taking action to prevent modern slavery.

KPIs are deliberated and approved by the Sustainability Committee and reported to the Executive Officers' Meeting and Board of Directors.

(8) Stakeholder engagement

To ensure the Mitsubishi Electric Group's human rights initiatives are effective, the group creates opportunities for dialogue with experts and NGOs.

In June 2025, the Mitsubishi Electric Group invited Ms. Asako Nagai, Managing Director of Business for Social Responsibility (BSR), to advise us on our group's initiatives to respect human rights.

(9) Continuous improvement

In fiscal year 2025, the Mitsubishi Electric Group requested 581 out of 814 Major Suppliers to complete SAQ surveys.

Of those, the Mitsubishi Electric Group requested SAQ from all 517 domestic suppliers and received responses from 466. One high-risk supplier was identified. The Mitsubishi Electric Group visited the site to conduct an on-site inspection and held discussions with the management regarding improvements. The Mitsubishi Electric Group will conduct an RBA audit at the supplier in fiscal year 2026 and provide ongoing guidance for improvement based on the results. The Group confirmed that forced labour and child labour were not identified among the responding suppliers.

For overseas, the Mitsubishi Electric Group requested SAQ from 64 suppliers in China and Thailand out of 297 Major Suppliers and received responses. There were no high-risk suppliers, and it was confirmed that forced labour and child labour do not exist at all 64 suppliers.

In fiscal year 2026, the Mitsubishi Electric Group plans to roll out the SAQ to Major Suppliers in other overseas regions, completing its implementation for all Major Suppliers. Mitsubishi Electric will also continue individual follow-ups with non-responding suppliers to improve the response rate.

6. A description of the training provided to employees

As part of its efforts to prevent and mitigate modern slavery risks, the Mitsubishi Electric Group provides the following training programs.

(1) Internal and external training

Mitsubishi Electric conducts "Mitsubishi Electric Group Sustainability training" as part of the annual e-learning program for all executives and employees, which includes human rights education. The number of participants in fiscal year 2025 was 41,332 for Mitsubishi Electric Corporation (including contract and temporary employees) and 25,327 for domestic affiliated companies.

In fiscal year 2025, Mitsubishi Electric held a total of six regional meetings (Americas, EMEA, Asia/India, China, Korea, Taiwan) for the newly assigned "Human Rights Promotion Officers" within Mitsubishi Electric and all affiliated companies. These meetings covered foundational knowledge on business and human rights, the Mitsubishi Electric Group's initiatives, and expectations for Promotion Officers.

In fiscal year 2025, as part of internal training on business and human rights, Mitsubishi Electric continued its training program for all new employees and newly appointed managers. Additionally, new training programs were introduced for key personnel in the procurement division and tiered training for procurement division staff.

In fiscal year 2026, Mitsubishi Electric will establish a training program within the "MELCO Seminar", an elective training program for all Mitsubishi Electric executives and employees. Additionally, Mitsubishi Electric will introduce elective training programs within the Human Resources and General Affairs divisions.

At MESCA, additional initiatives have been implemented, including Human Rights Day awareness training and Code of Conduct training for all employees to reinforce these principles.

In FY2025, 87 MESCA employees completed Human Rights Day awareness training.

The number of participants in each training program for fiscal year 2025 was as follows.

Company-wide New Employee Training: 923 participants

Company-wide Newly Appointed Management Training: 1,020 participants

Procurement Fundamentals Course: 27 participants

Mid-Level Procurement Personnel Training: 38 participants

Sustainable Procurement Staff Meeting: 53 participants

New Procurement Division Manager Training: 11 participants

(2) Training program materials and Training package development

In fiscal year 2025, Mitsubishi Electric launched the "Business and Human Rights Academy" on the Mitsubishi Electric intranet, making the following eight materials freely accessible for viewing and downloading by all executives and employees. While the materials were created by the Sustainability Management Division at headquarters, some were developed with the cooperation of external human rights experts from Mori Hamada & Matsumoto LPC. Mitsubishi Electric will continue awareness activities within the Group through various opportunities, including Human Rights Day Week.

① Business and Human Rights Fundamentals

② Background on Why Businesses Must Respect Human Rights

- ③ Human Rights Companies Must Protect
- ④ Mitsubishi Electric Group's Human Rights Initiatives
- ⑤ Explanation of the Human Rights Policy
- ⑥ Toward Strengthening Human Rights Initiatives
- ⑦ Human Rights Risks in the Value Chain
- ⑧ Examples of Integrating Human Rights Risk Reduction Measures into Operations

The eight training materials were introduced to all affiliated companies at the "Human Rights Promotion Officers Meeting" held in fiscal year 2025. Mitsubishi Electric will proceed with distributing training materials to affiliated companies and facilitate the implementation of their own training programs.

(3) Continuous improvement

As mentioned in item (2), in fiscal year 2025, Mitsubishi Electric launched the new "Business and Human Rights Academy" on the intranet and also integrated human rights education into the training frameworks of the Procurement and Human Resources & General Affairs divisions. Furthermore, Mitsubishi Electric will establish optional training within the "MELCO Seminar", our company-wide training system.

Mitsubishi Electric will continue to expand the distribution of training materials to affiliated companies, implement human rights training at each company, and enhance the content of these programs.

Mitsubishi Electric plans to conduct a Business and Human Rights training session for directors and executive officers in June 2026. The goal is for management to understand the human rights risks specific to the Mitsubishi Electric Group and to serve as drivers for future initiatives.

7. Assessment of the effectiveness of preventative and responsive actions relating to modern slavery, forced labour, child labour, and due diligence processes

To evaluate the effectiveness of these actions and processes, the Mitsubishi Electric Group has established the following monitoring and assessment processes.

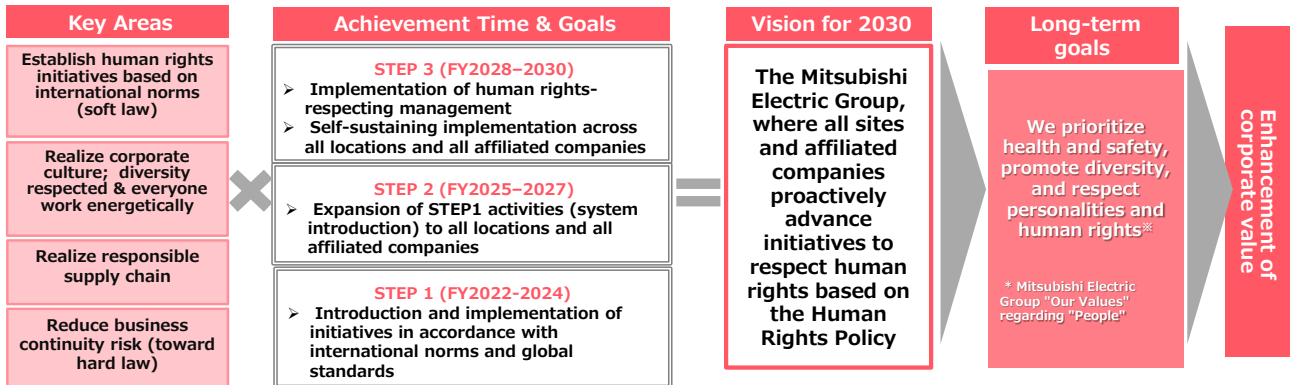
(1) Goal setting

The Mitsubishi Electric Group is working toward its Vision for 2030: "The Mitsubishi Electric Group, where all sites and affiliated companies proactively advance initiatives to respect human rights based on the Human Rights Policy."

By fiscal year 2027, Mitsubishi Electric will establish a system to conduct annual SAQs and risk assessments at all internal manufacturing sites and Group affiliates. Over the following three years, Mitsubishi Electric will deepen and embed preventive measures for Key Risk Issues, including modern slavery.

Mitsubishi Electric has defined specific goals for each step within each priority area and share these as common Group goals across all sites and affiliated companies.

Human Rights Initiatives Mid- to Long-Term Goals and Roadmap (Overview)



Achievement goals for each STEP				Priority areas	Achievement period	STEP 2 Goals (end of FY2027)	STEP 3 Goals (end of FY2030)	Vision for 2030
Establish Human Rights initiatives based on international norms	Policy & Governance		<ul style="list-style-type: none"> HR promotion organization has been established and measures from SIG are smoothly implemented within Group 	Regularly reviews its Human Rights Policy to reflect social trends The roles of management and each division are clear and accountable	<ul style="list-style-type: none"> Identifying issues throughout the value chain based on periodic Human Rights Impact Assessments and conduct rounds of DD RBA-SAQ is deployed at major Group manufacturing sites (consolidated basis) to identify risks at each site 	<ul style="list-style-type: none"> The company handles complaints in accordance with the Guiding Principles, and keeps track of and publishes the number of complaints within the group 	<ul style="list-style-type: none"> Assessment, improvement activities, and monitoring throughout the value chain are in place and published Human rights risk reduction activities using RBA-SAQ are being carried out as "practice as usual" at each site 	The Mitsubishi Electric Group, where all sites and affiliated companies proactively advance initiatives to respect human rights based on the Human Rights Policy
	Human Rights DD	<ul style="list-style-type: none"> Developed human rights complaint response rules and manuals in accordance with the UN Guiding Principles and have disseminated them to personnel at all Group locations. 	<ul style="list-style-type: none"> Engagement with a wide range of clients, employees, industry associations, experts, NGOs, etc., both domestically and internationally 					
	Complaint Handling	<ul style="list-style-type: none"> Dialogue with suppliers and employees has been initiated 	<ul style="list-style-type: none"> Each location plans and implements education programs tailored to its own and regional characteristics based on educational materials provided by SIM All employees understand and act in accordance with HR policy 					
	Engagement	<ul style="list-style-type: none"> Through HR Week events and training, key personnel at each location, such as HRPO, procurement & HR personnel, understand the importance of respecting human rights 	<ul style="list-style-type: none"> SAQ has been rolled out to sales offices and indirect suppliers Guidance, audits, and dialogue activities with suppliers are well-established 					
Realize corporate culture; diversity respected & everyone work energetically	Education and Awareness	<ul style="list-style-type: none"> Completed the rollout of RBA-SAQ to major suppliers and completed a cycle of risk reduction activities for high-risk suppliers 	<ul style="list-style-type: none"> The importance of mineral DD has permeated throughout the group, and the system and operations have become firmly established. 	<ul style="list-style-type: none"> Each location independently monitors regulatory trends and collaborates with SIM & SID to advance legal compliance efforts Responses to CSRD, CSDDD, and other legislations have been completed without issues 				
Realize responsible supply chain	Procurement DD	<ul style="list-style-type: none"> Integrated into the sustainability promotion framework, with systems and operations established and standardized Education is being rolled out across the entire group and integrated into the human rights education framework 						
	Mineral Response	<ul style="list-style-type: none"> HRPO at each location understand the legal trends in their respective countries Preparations for CSRD and CSDDD are being advanced without delay 						
Reduce business continuity risk	Legal Compliance							

(2) Key Performance Indicators

The Mitsubishi Electric Group has set "45% or higher implementation rate of improvement measures for identified human rights issues" as a KPI for fiscal year 2024, published it on its official website and reported the results in its fiscal year 2025 Integrated Report.

For fiscal year 2025 KPI, in line with progress in business and human rights-related activities, "Continuing improvement activities for issues identified through human rights impact assessments (Improvement measure implementation rate in FY2026: 100%)" was published on the official website. Mitsubishi Electric is setting more specific targets and taking action to prevent modern slavery.

KPIs are deliberated and approved by the Sustainability Committee and reported to the Executive Officers' Meeting and Board of Directors.

(3) Monitoring and evaluation governance

At the end of each fiscal year, the Sustainability Management Division compiles progress on KPIs and STEP goals for each priority area, reports to the Human Rights Subcommittee, and implements necessary measures in collaboration with relevant divisions.

(4) Use of data

Progress is evaluated by collecting progress reports from the responsible divisions as previously defined and assessing them at the Secretariat. Progress reports and evaluations strive to be as quantitative as possible.

(5) Evidencing outcomes

Progress evaluation results for company-wide KPIs and Key Risk Issues will be reported to the Human Rights Subcommittee and published on the official website.

The results of other goals will be reported to the Human Rights Subcommittee.

(6) Stakeholder engagement

To ensure the Mitsubishi Electric Group's human rights initiatives are effective, Mitsubishi Electric has established opportunities for dialogue with experts and human rights NGOs.

(7) Continuous improvement

Starting in fiscal year 2026, with the aim of promoting focused risk reduction and improvement activities for Key Risk Issues using a risk-based approach, Mitsubishi Electric has revised the KPIs to: "Promote risk identification and improvement activities at Group sites regarding key human rights issues using the RBA-SAQ" and "100% implementation of corrective actions for high-risk suppliers." Mitsubishi Electric will review and disclose the status of KPI achievement annually.

Going forward, Mitsubishi Electric will consider analyzing the accumulated SAQ response data using tools such as AI and providing feedback based on those analyses.

Mitsubishi Electric will encourage our sites and suppliers to implement self-improvement measures and, where necessary, take action to address significant risks, led by the Human Rights Working Group.

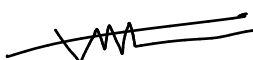
Approval

This report was approved pursuant to paragraph 11(4)(a) of the Fighting Against Forced Labour and Child Labour in Supply Chains Act by the governing body of Mitsubishi Electric Sales Canada Inc., namely its Board of Directors, on May 26, 2026.

Attestation

In accordance with the requirements of the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the "Act"), and in particular section 11 thereof, I, Takashi Nishikuma, in the capacity of President and CEO and member of the governing body, attest that I have reviewed the information contained in this report on behalf of the governing body of Mitsubishi Electric Sales Canada Inc. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in this report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed within this report.

MITSUBISHI ELECTRIC SALES CANADA INC.



[Takashi Nishikuma \(Jun 10, 2026 11:05:03 EDT\)](#)

Per: _____

Takashi Nishikuma

President & CEO

Date: May 26, 2026