

CORPORATE SOCIAL RESPONSIBILITY

MHI Group CSR Action Guidelines

(formulated July 2007)

In order to ensure a secure future for the Earth, we will establish and maintain:

Close ties with the Earth

Safeguard an abundantly green Earth through environmental technologies and environmental awareness;

Close ties with Society

Build a relationship of trust with society through proactive participation in society and trustworthy actions;

A bridge to the next Generation

Contribute to the cultivation of human resources who can shoulder responsibility in the next generation through technologies that can realize dreams.

Carrying out CSR through manufacturing that contributes to society

The MHI Group adheres to our Creed in fulfilling its obligation to be an innovative partner to society. We strive as a manufacturer to supply the world with energy and environmental protection equipment, as well as products and technologies that support the social infrastructure, thereby helping resolve global issues.

MHI believes the basis of corporate social responsibility (CSR) is to engage in business activities that take its diverse range of stakeholders into consideration and return the profit we have obtained to all stakeholders in an optimum fashion while at the same time providing excellent technologies and products to realize a certain future for people and the Earth.

Formulating the MHI Environmental Vision 2030

We set targets for 2030 based on our recognition of the need to achieve the “3Es”—energy security, environmental protection, and economic growth—simultaneously to realize a sustainable future. Through this vision, we have articulated our pledges in the various aspects of our energy and environmental technologies and business fields. These are to make, store,

distribute, and use power, and explore new resources. The vision lists 17 specific objectives that we categorized according to their applications on land, at sea, in the air, or in space.



Undertaking ISO 26000-Focused Initiatives

The MHI Group has broadened its CSR program from the domestic front to the global stage. From fiscal 2011, we began according priority to ISO 26000, which provides international guidelines on the social responsibilities of organizations. In fiscal 2011, we engaged in dialogue with experts who could be helpful with certain important initiatives while contributing to communities, providing ongoing assistance to disaster-hit areas, and otherwise involving ourselves with communities. We will continue to draw on ISO 26000 in soliciting stakeholder participation as we identify important initiatives for the entire value chain and pursue CSR management based on global standards.

For more detailed information, please refer to the CSR Report page of MHI's corporate website.

<http://www.mhi.co.jp/en/csr/csrreport/index.html>

CSR TOPICS

Topic
1

Close Ties with the Earth

Contributing to China's pursuit of an energy shift Provision of high-efficiency gas turbines and technologies

Together with Dongfang Turbine Co., Ltd., a partner to which we transferred our large-scale gas turbine manufacturing technology, we delivered a gas turbine combined cycle power plant to supply electricity and heat in Beijing, China's fast-growing capital.

MHI proposed the city adopt a combined-cycle power generation system adaptable to the seasons. In winter, steam generated from the high-temperature waste heat from gas turbines can serve as the primary heating source, and in other seasons the same steam can be utilized to generate electricity. This dual system has enabled a suitable supply of heat and electricity according to demand.

In addition, the adoption of the very latest gas turbine, MHI's M701F4, raises generation efficiency by approximately 2% relative to the previous system. Moreover, as the amount of required fuel is reduced, the new system can be expected to lower CO₂ emissions by 35,000 tons, compared to a previous annual emissions volume of roughly 1.6 million tons.



Topic
2

Close Ties with Society

Helping resolve the world's food problems through construction of fertilizer plants

Harnessing the world's foremost chemical process technologies, MHI to date has constructed and delivered 41 nitrogen fertilizer plants to natural-gas-producing regions worldwide, including Asia, Russia and the Middle East. Other related developments in fiscal 2011 include the receipt of an order in October from a state-owned oil corporation in Malaysia for a large-scale fertilizer plant. Also, in November the MHI, together with three other Japanese firms, concluded a front-end engineering design (FEED) agreement for a fertilizer plant to be built in the Republic of Angola. The agreement covers areas

such as basic design, preparation of engineering documents and contracts, and site surveys. Global demand for fertilizer is expected to rise with ongoing population growth. MHI will continue to build its fertilizer plant business around the world and help resolve food problems.



Topic
3

A Bridge to the Next Generation

The MHI Group offers science education across Japan utilizing the characteristics of its respective businesses

MHI believes that nurturing personnel who can contribute to global society through science and technology is one of the social responsibilities of a manufacturing company. To this end, the Group's works nationwide have sought to communicate the joys of science and technology to children, using science classes and the study of manufacturing to support an increased interest in manufacturing among the next generation. In fiscal 2011, we held a total of 54 science and manufacturing classes

at schools located near our various works for nearly 2,700 students, utilizing our products and technologies. These classes provide the opportunity to learn how interesting science can be, and to interact with the manufacturing process.

