

Panasonic Group

Sustainability
Data Book
2026

Editorial Policy for Our Sustainability Website and Sustainability Data Book 2026

Basic Approach

Our Sustainability website and Sustainability Data Book provide comprehensive, detailed information on our sustainability initiatives. The website provides updated information throughout the year, while information that should be archived annually is compiled and published as a data book in PDF format once a year.

[Sustainability website](https://holdings.panasonic/global/corporate/sustainability.html) <https://holdings.panasonic/global/corporate/sustainability.html>

Scope of Reporting

Except when noted otherwise, results are calculated based on the following:

- **Period:** Fiscal 2026 (April 1, 2025, to March 31, 2026)
Some information includes past data and data covering the period after April 1, 2026, with the time periods specified.
- **Organization:** Panasonic Group (Panasonic Holdings Corporation and its consolidated subsidiaries).
Some consolidated subsidiaries that joined the Group through acquisitions or other means may not be included.
Unless otherwise noted, performance data includes Panasonic Housing Solutions Co., Ltd. (PHS) for the period from April 1, 2025, to March 31, 2026; however, PHS is excluded from data as of March 31, 2026.
In addition, unless otherwise noted, historical performance data includes Panasonic Automotive Systems Co., Ltd. (PAS) through November 30, 2024.
In this Data Book, “the Company” refers to Panasonic Holdings Corporation, and “we,” “Panasonic,” and “the Group” refer to the Panasonic Group mentioned above.

- **Data:**
 - Data concerning manufacturing sites cover all the manufacturing sites (totaling 213) that constitute the Panasonic Group’s environmental management system
 - Energy data and CO₂ emissions data from energy sources are added for non-manufacturing sites (totaling 84)
 - Data for which the fiscal year and region are not expressly stated are global results for fiscal 2026
 - GHG emissions quantification is subject to uncertainty when measuring activity data, determining emission factors, and considering scientific uncertainty inherent in the Global Warming Potentials. Hence, the selection of a different but acceptable measurement method, activity data, emission factors, and relevant assumptions or parameters could have resulted in materially different amounts being reported.

Assurance

KPMG AZSA Sustainability Co., Ltd. has assured the primary environment-related data. For details please refer to Limited Assurance Report on [page 121](#). Assured indicators are marked with .

Reference Guidelines

- Reporting requirements of the GRI Standards
- Japanese Ministry of the Environment, “Environmental Reporting Guidelines 2018”

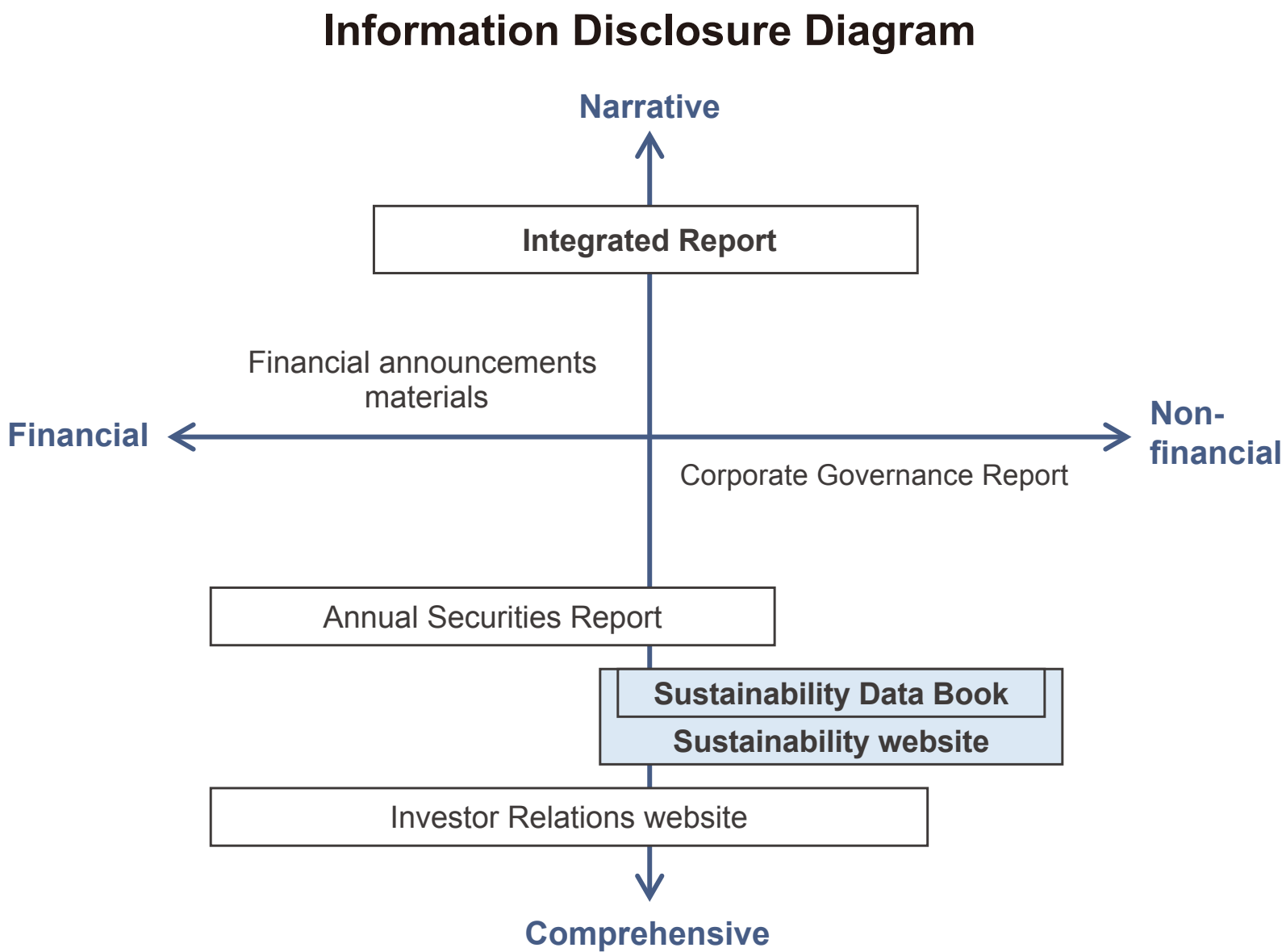
Publication Date and Update Schedule

- Sustainability Website
Updated annually every August (last updated at the end of August 2026). Subject to further updates as necessary.
- Sustainability Data Book 2026
Published at the end of August 2026. It reflects the content on the Sustainability website as of the end of the August 2026.

Sustainability Website and Data Book Positioning

We edit and publish our corporate reports according to the approach outlined in the diagram below. We pursue a cohesive narrative combining sustainability-related and financial information in our integrated report, and we comprehensively supplement it with the Sustainability website and Data Book.

[Integrated Report](https://holdings.panasonic/global/corporate/investors/library/annual-report.html) <https://holdings.panasonic/global/corporate/investors/library/annual-report.html>



Basics

Editorial Policy

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Limited Assurance Report by
KPMG AZSA Sustainability Co., Ltd.

GRI Standard Contents Index

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* Please note that "Corporate Governance" links to our website, where the latest information is available and may differ from the reporting period covered by this Data Book.

Group CEO Message

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Group CEO Message

Achieving a Better, Sustainable Society



In 1932, the Panasonic Group's founder, Konosuke Matsushita, set forth a visionary "250-year plan." This plan, divided into ten phases of 25 years each, is grounded in his aspiration to create "an ideal society with affluence both in matter and mind." Since then, we have dedicated ourselves to fulfilling this mission by addressing various social issues through our business activities, thus contributing to both customers and society.

As we continue down this path, it is becoming increasingly important to achieve well-being in society and people's lives in a sustainable manner. This requires us to deeply engage with the

challenges threatening social sustainability—labor shortages due to a declining birthrate and aging population, economic disparities and the resulting impact on human rights, concerns about ethics and privacy, and other looming dilemmas—all of which continue to grow in complexity. By actively taking on and meeting these challenges, we at Panasonic will help foster a more harmonious society where every individual can experience a greater sense of well-being.

To achieve sustainable well-being for society as a whole, we must find solutions to global environmental challenges. In particular, global warming and the depletion of natural resources have reached critical levels. Meanwhile, innovations like generative AI are creating new challenges, such as the sharp rise in energy demand. In building a sustainable future, we believe these pressing issues must be tackled as a shared responsibility of every sector of society.

In each of our businesses, the Panasonic Group is committed to addressing these diverse challenges. By continuing to make meaningful contributions to both our customers and society, we aim to build sustainability for the coming generations. In turn, these efforts will enhance our corporate value and enable us to make even greater contributions to the world. This is how we will promote sustainability management and fulfill our lofty mission.

Guided by this conviction, we in the Panasonic Group believe that, as we strive to make long-term contributions, our employees are our greatest asset. "Developing People and Making the Most of Their Potential"—a key tenet of the Panasonic Group's Basic Business Philosophy—is the very foundation of our management and the source of our competitiveness. Accordingly, we are accelerating our initiatives to empower every employee to pursue new endeavors and achieve personal growth.

However, our efforts alone cannot ensure that these initiatives succeed. They can only be achieved through communication, collaboration, and co-creation with you, our stakeholders: customers, business partners, shareholders, employees, and communities. As a public entity of society, the Panasonic Group will continue to work with all of you, through steady progress, to help create a better and sustainable society.

Yuki Kusumi
Group CEO

Sustainability Management Basic Philosophy & Structure

Basic Philosophy

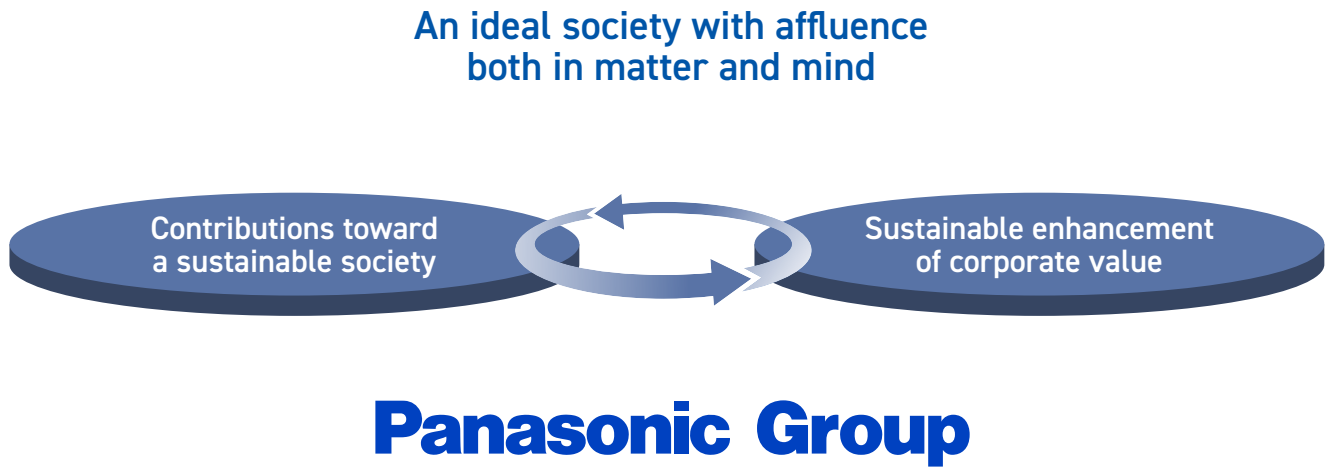
The Panasonic Group’s mission is to achieve “an ideal society with affluence both in matter and mind.” This is grounded in the dream of achieving prosperity both in matter and mind, which is the ideal state of society that our founder Konosuke Matsushita envisioned and pursued. In 1932, the founder set forth a 250-year plan, consisting of ten successive phases of 25 years, to reach the ideal society he envisioned.

For our Group, “sustainability management” is the pursuit of this mission.

We will strive to address social issues through our business activities and contribute to a more prosperous and sustainable society thereby enhancing our corporate value. Through these consistent efforts, we aim to achieve our goal to realize “an ideal society with affluence both in matter and mind.”

To achieve this, we will always squarely address the social issues of the time and continue to create new value through our business activities. At the same time, we will also focus on building and strengthening a sustainable management foundation that will enable sustainable value creation.

As a public entity of society, the Panasonic Group will share this mission and philosophy with all of its stakeholders, and together we will pursue the ideal society we envision.



Structure for Promoting Sustainability Management

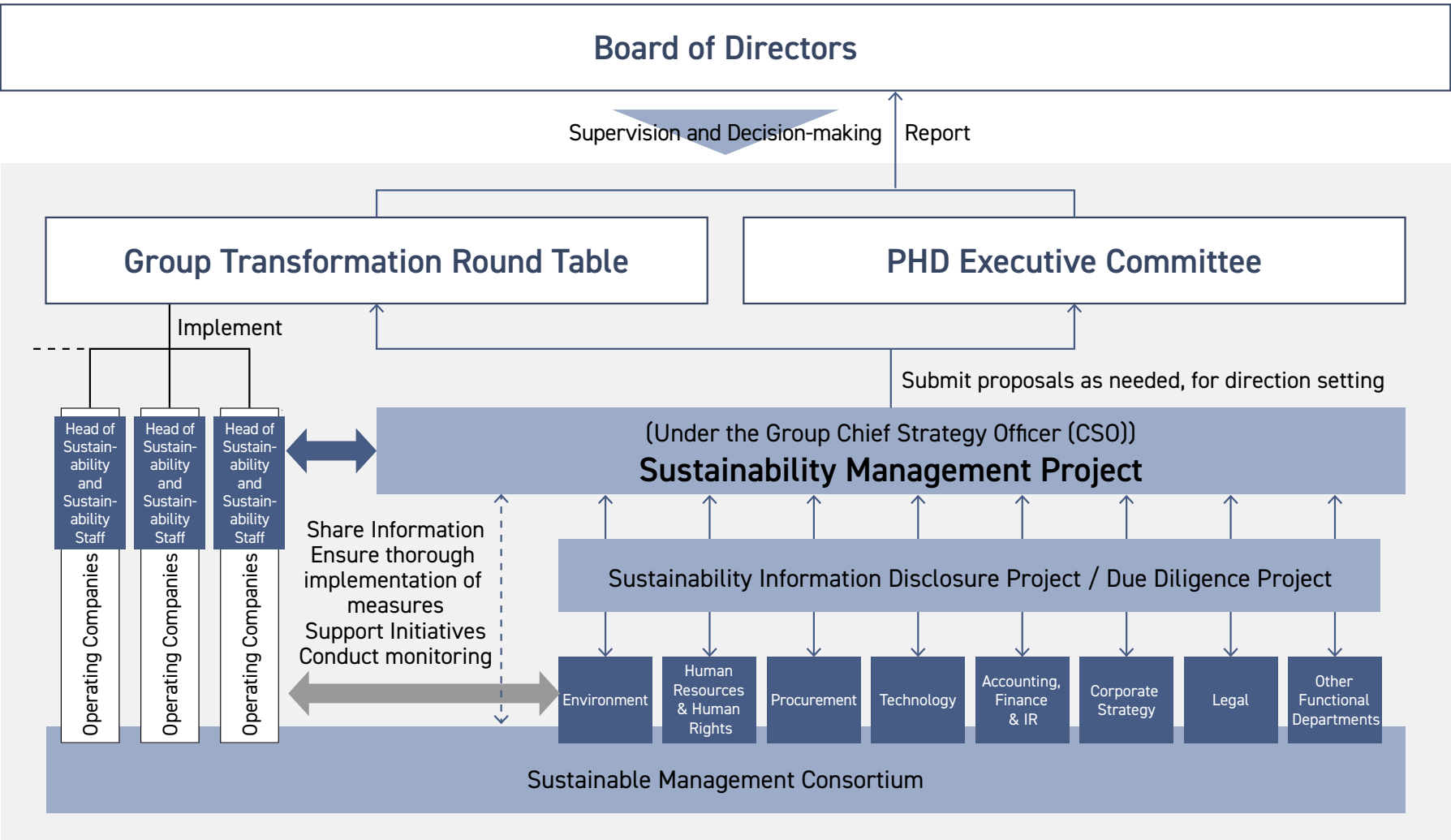
■ Evolution of the Promotion Structure Integrating Group Strategy and Sustainability (Starting April 2026)

Starting from fiscal 2027, the Group will integrate sustainability into Group strategy and management in order to further promote the resolution of social issues through business

activities. Within this integrated management framework, discussions and direction-setting for sustainability-related policies, strategies, indicators, and targets will continue at management meetings such as the Group Transformation Round Table (GTRT)*², in which Business CEOs*¹ also participate, as well as the PHD Executive Committee*³.

The structure for promoting sustainability management is shown in the figure below. The Board of Directors holds the oversight function for sustainability, and matters deliberated and decided by GTRT and other relevant meetings are reported to the Board of Directors depending on their content. By establishing a cross-functional project related to sustainability within Panasonic Holdings Corporation and developing a sustainability promotion structure for each operating company, the Group has built a collaboration system for the entire Group. In addition, the Sustainable Management Consortium serves as a voluntary and flat internal platform for information exchange, bringing together employees from across the Group – mainly those engaged in addressing environmental issues – to discuss a wide range of sustainability-related topics. The Sustainability Management Project team also participates in and supports the operation of this consortium.

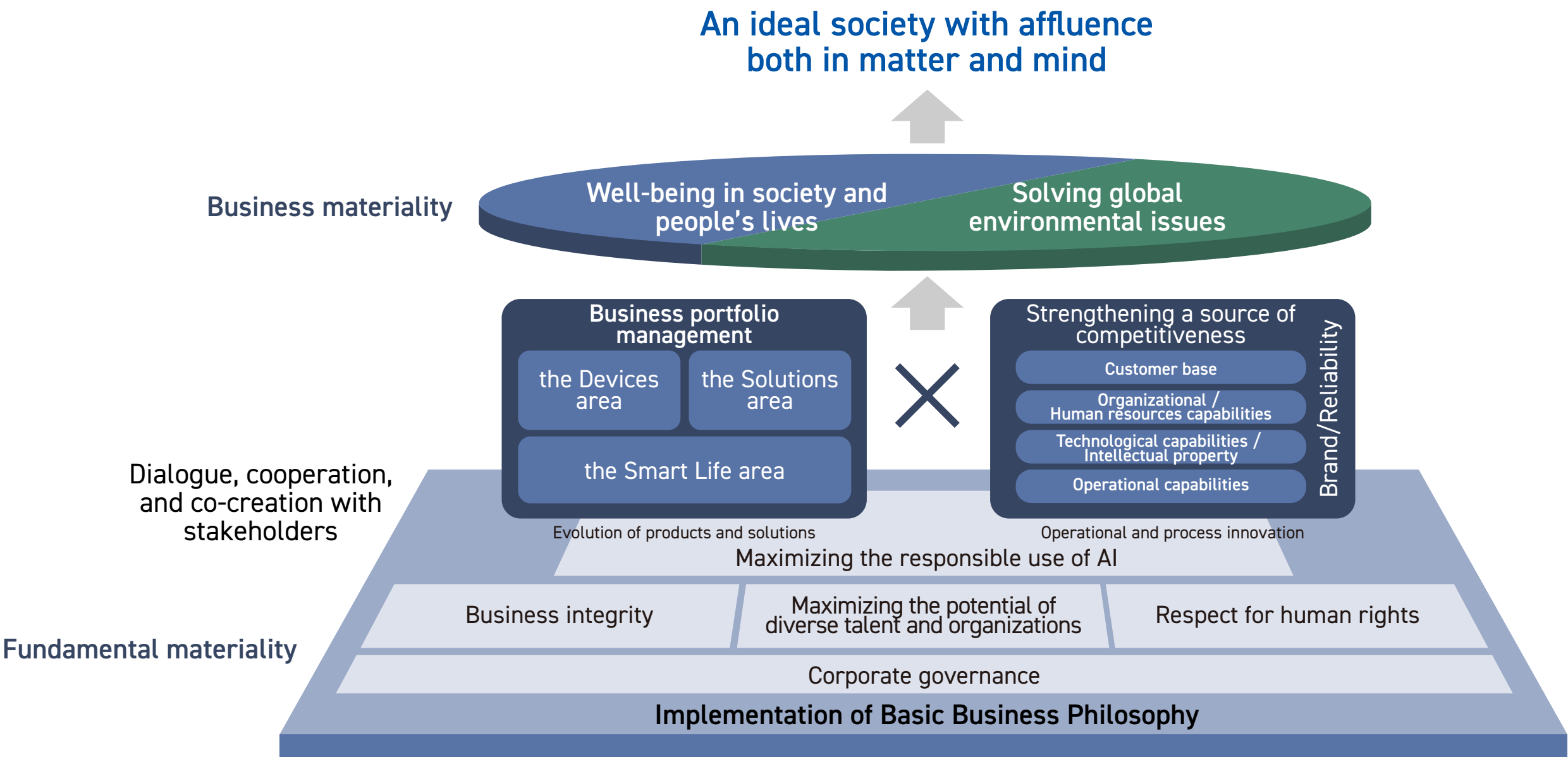
Structure for Promoting Sustainability Management (As of June 2025)



Value Creation Process and Materiality

Value Creation Process

The Value Creation Process details the kinds of value that we are generating in order to sustainably contribute to society and enhance our corporate value, and describes how this is being achieved. In essence, the process is as shown in the conceptual diagram below:



Toward its mission of achieving “an ideal society with affluence both in matter and mind,” the Panasonic Group will continue to create value through its business activities in the form of “contributing to solving global environmental issues” and “well-being in society and people’s lives” (= business materiality). To achieve this, we will optimize our business portfolio and strengthen our focus areas while also working to continually strengthen intangible properties, which are a source of competitiveness common to the Group. By combining these initiatives, we will maximize value creation.

At the same time, we will also focus on building and strengthening a management foundation that will enable sustainable value creation (= fundamental materiality). In addition to initiatives such as “corporate governance,” “business integrity,” “respect for human rights,” and “maximizing the potential of diverse talent and organizations,” we will enhance our business through the evolution of products and solutions and strengthen our source of competitiveness through operational and process innovation by “maximizing the responsible use of AI.”

The basis for all of these initiatives is our Basic Business Philosophy. As a public entity of society, we will engage in dialogue, cooperation, and co-creation with all relevant stakeholders, aiming to achieve the ideal society we envision together.

Materiality

Materiality (from FY2026)

At Panasonic we regard materiality as “priority issues for creating value for society”, and, to support this value creation, we have opted for business materiality, which involves the creation of value through business activities, and fundamental materiality, which involves the building and strengthening of a management foundation. These are important elements in the aforementioned value creation process.

We set and continually try to improve KPIs for each materiality, with a view to creating even greater value.

As outlined in the Group growth strategy, toward 2032, the Group will focus on the efficient use of energy and the alleviation of frontline labor shortages, and will further enhance its contributions by supporting AI infrastructure and social operations. At the same time, in Smart Life area, the Group will work to further enhance comfort and convenience in people's lives by providing products and services underpinned by quality and reliability, and by strengthening core technologies that deliver clearly differentiated value to customers. By promoting these initiatives in an integrated manner, the Group aims to realize "well-being in society and people’s lives” from both societal and individual perspectives. The indicators for "well-being in society and people's lives” will continue to be examined.

Regarding "maximizing the responsible use of AI," our Group views the introduction of responsible AI as "a promise to the rest of the world to apply AI in ways that are human-centered and that respect human rights," and is promoting the development and operation of appropriate AI products and services, as well as the utilization of AI. In fiscal 2026, we established the position of Group CAIO (Chief AI Officer) effective April 1, 2026, to lead the acceleration of AI utilization across the Group for solving customer issues and optimizing internal operations. Furthermore, we support the implementation of responsible AI by leveraging a system that assists with self-assessment of AI ethics risks at AI development and utilization sites. In fiscal 2027, under the Group CAIO, we will accelerate the transformation of "Business model," "Operational processes," and "Organization culture" in the realm of AI utilization, as part of our Group's Digital Transformation (DX) initiative, Panasonic Transformation (PX). Indicators for "maximizing the responsible use of AI" will continue to be reviewed as these initiatives progress.

In addition, regarding productivity indicators, each operating company sets indicators tailored to its specific business characteristics, and Panasonic Holdings Corporation ("PHD") monitors their progress.

Materiality identification process

In FY2024, the Group identified important opportunities and risks as materialities from the two perspectives of financial effects on the Group and impact on society. The identification process is as follows:

- 1. List issues that could represent opportunities and risks based on demands from society and foreseeable future challenges
- 2. Assess the importance of these issues from the perspective of the Group and its stakeholders and extract materialities
- 3. Confirm the validity of this process and the extracted materialities through dialogue with multiple external experts
- 4. Identify materialities after deliberation at the meetings of the Group’s Sustainability Management Committee and the Group Management Meeting and with the Board of Directors.

Furthermore, starting from FY2026, we have narrowed down our materialities to “priority issues for creating value for society” and are reviewing them to ensure they are consistent with our future business direction and strategies.

Panasonic Group's Sustainability Management

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Materiality List

Materiality			Indicators		FY2026 Results	FY2026 Targets	Targets	Report on related items	
Business Materiality ^{*1}	Contributing to solving environmental issues	Contributing to decarbonization	CO ₂ reduction impact		300 million tons (by 2050)				
					CO ₂ emissions reductions in the Group's value chain ^{*3} - 32.96 million tons (27.45 million tons) ^{*4}	- 40.12 million tons (17.01 million tons) ^{*4}	16.00 million tons (FY2029)		
					Avoided emissions ^{*5} 48.46 million tons	47.50 million tons	71.00 million tons (FY2029)		
		Net zero CO ₂ sites ^{*6}		A total of 60 sites ^{*6}	A total of 49 sites	A total of 86 sites (FY2029) All sites (FY2031)			
	Promoting a circular economy	Amount of recycled materials used	Recycled resins	17,100 tons	25,000 tons	22,000 tons (FY2029)			
			Recycled steel (electric arc furnace-based steel)	— (Newly established from FY2027)		2,500 tons (FY2029)			
		Number of circular economy business models/products created		A total of 15 businesses	A total of 16 businesses	A total of 17 businesses (FY2029)			
	Well-being in society and people's lives	Well-being in society	Further review will continue in line with the new Group Growth Strategy						—
		Well-being in people's lives							
Fundamental Materiality ^{*2}	Maximizing the responsible use of AI	Evolving products and solutions through the use of AI	Further review will continue in line with the new Group Growth Strategy						
		Promoting operational and process innovation through the use of AI							
	Maximizing the potential of diverse talent and organizations	Organization culture transformation	UNLOCK indicator ^{*7}	43%	—	60% (FY2029) 70% (FY2032) ^{*8}			
		Develop & appoint transformational leaders	Diversity ratio in management team (PHD Executive Officers) ^{*9}	55%	More than half	More than half			
			Ratio of female managers (in Japan) ^{*10}	8.3%	—	12% (April 2028) 16% (April 2031)			
		Safe, secure and healthy work environment	The number of serious or major accidents	8	0	0			
		Productivity indicator		Each operating company sets its own indicators, and monitoring is conducted accordingly					
	Respect for human rights	Implementation rate of in-person training on forced labour prevention provided to Group sites in Japan and overseas that employ foreign migrant workers		81%	—	100% (FY2027)			
		Level of understanding of participants in "Human Rights Due Diligence Promotion Training" to develop the promotion leaders at each operating company ^{*11}		88%	80%	80%			
	Business integrity	Occurrence of serious compliance violations		0	0	0			
	Corporate governance	Enhancing constructive dialogue with shareholders		Implemented	Implemented	Implemented			
		Ratio of outside directors in the PHD Board of Directors		More than half	More than half	More than half			
		Chairperson of the Board of Directors to be Outside Director who is Independent Director		Implemented	Implemented	Implemented			
Adoption of nonfinancial indicators in compensation for directors		Implemented	Implemented	Implemented					

*1 Priority issues for value creation through business activities

*2 Priority issues for building and strengthening a management foundation that will enable sustainable value creation

*3 The amount of reductions in total CO₂ emissions (Scope 1, 2, and 3) in the business activities of the company, from procurement of raw materials to manufacturing, distribution, sale, use, after-sale services, and disposal.

*4 Minus sign (-) indicates an increase in emissions. The figures in parentheses represent the amount of CO₂ emissions reductions from fiscal 2021 (the baseline year) in the target businesses for fiscal 2026, including those for which calculations became available after 2021.

*5 An indicator representing the amount of CO₂ emissions reductions contributed to society and customers through business activities, calculated as the difference in CO₂ emissions before and after the introduction of the company's products or services.

*6 Sites that achieved net zero CO₂ emissions through the combined promotion of energy saving activities, the introduction of renewable energy, and the utilization of energy certificates and carbon credits.

*7 Favorable response rate for both questions in the Employee Opinion Survey, "Motivation from the company or supervisors to do more than is required" and "No significant barriers at work to doing job well" (Target: Group employees globally)

*8 Based on the Group management reform implemented in fiscal 2026, the target achievement years have been postponed by one year respectively.

*9 Diversity of PHD Executive Officers (Total ratios of female, non-Japanese citizens and mid-career hires, excluding US region)

*10 Japan region (PHD, PEX, PCO and operating companies)

PEX: Panasonic Operational Excellence Co., Ltd.

PCO: Panasonic Connect Co., Ltd.

¹¹ The post-training questionnaire focuses on assessing the level of empathy towards "business and human rights" and the level of awareness regarding its promotion, in addition to the level of understanding of the content.

Relationship of materiality to value creation

When redefining materiality as a key issue for value creation, we examined how the activities related with each materiality are linked to social impact and increased corporate value, and organized those relationships accordingly.

Group CEO Message

Sustainability Management Basic Philosophy & Structure

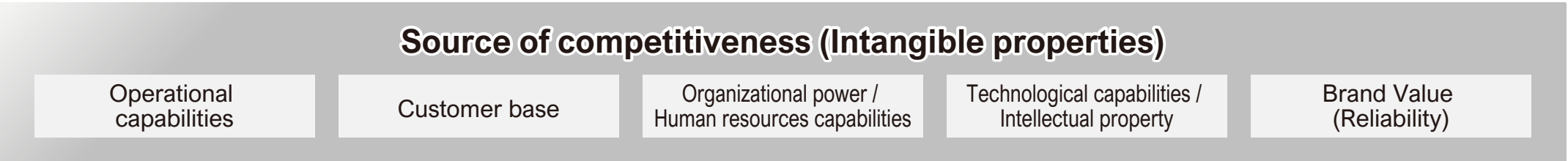
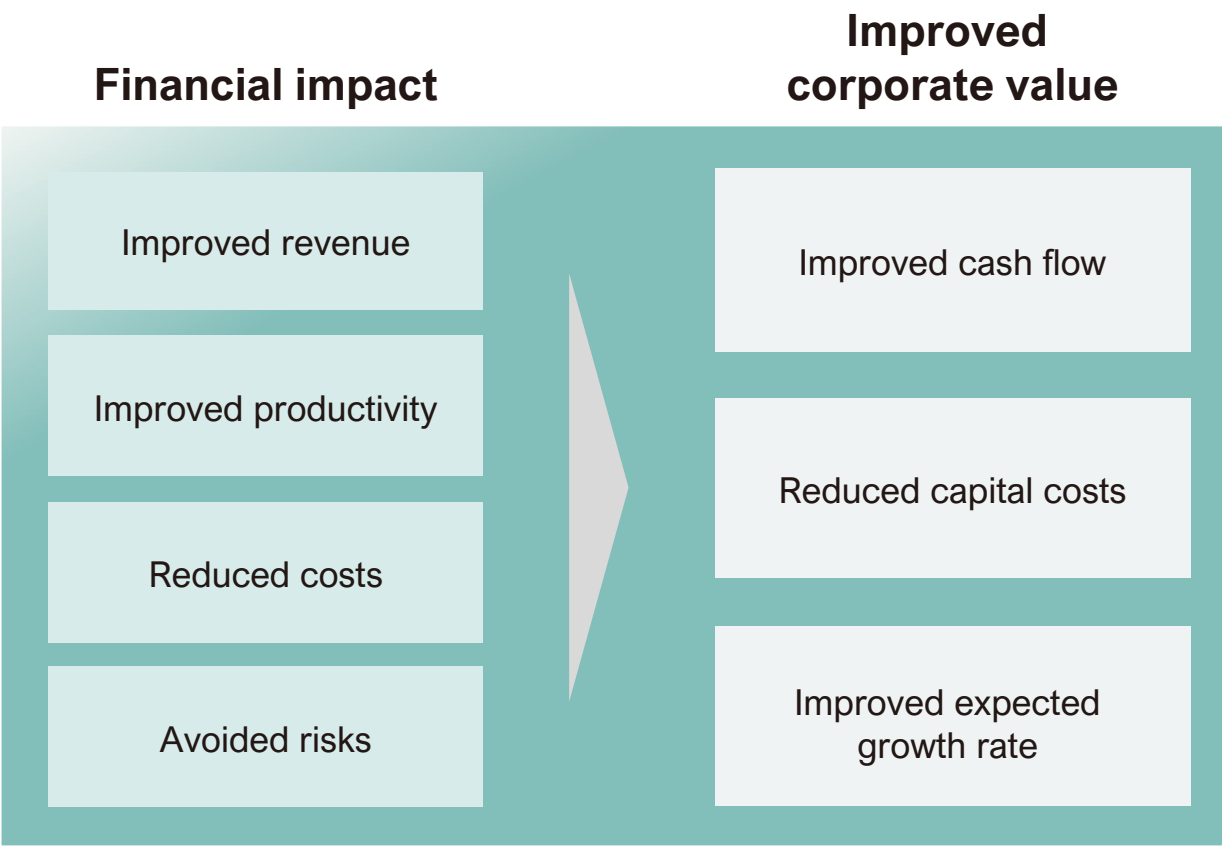
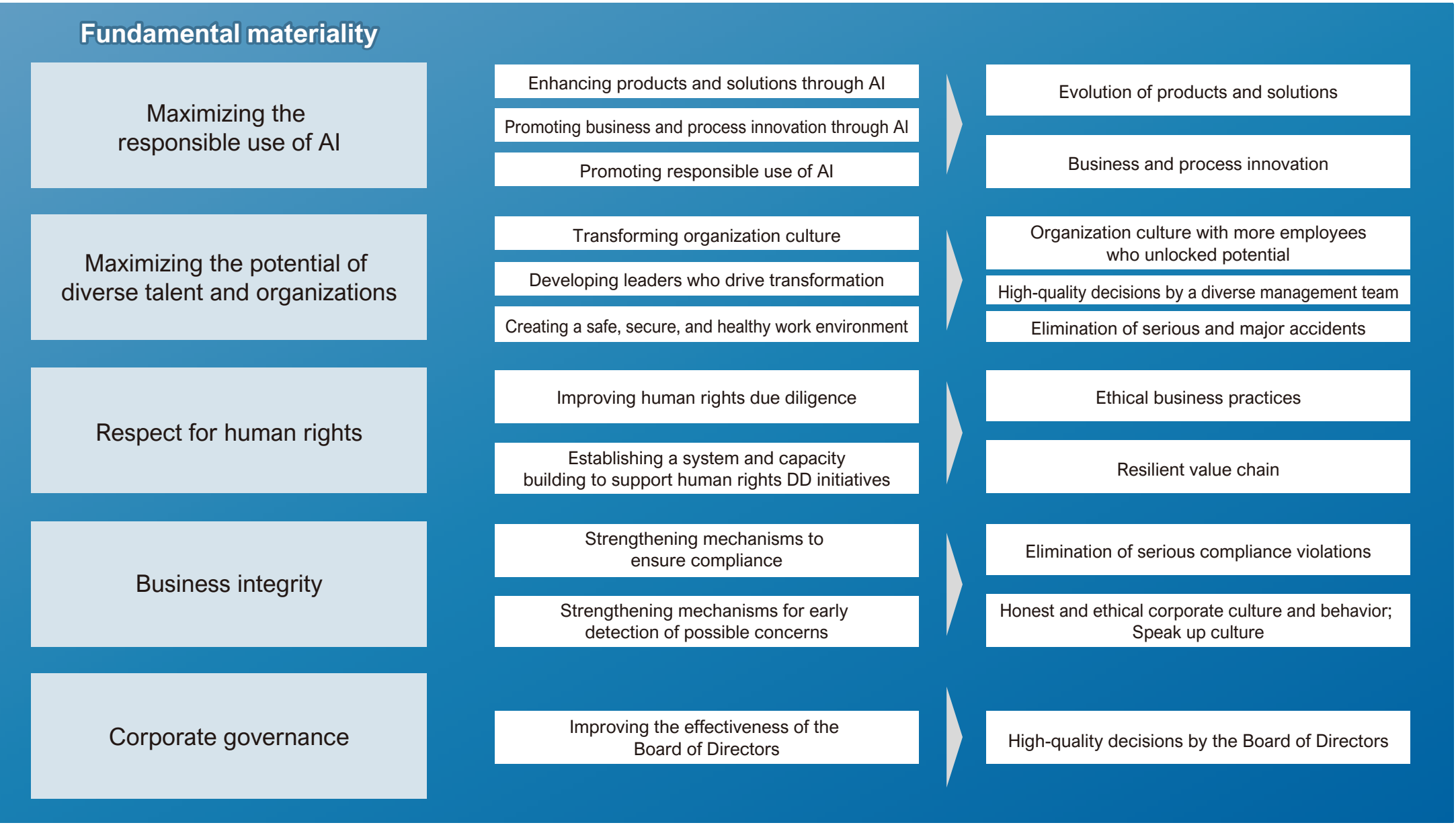
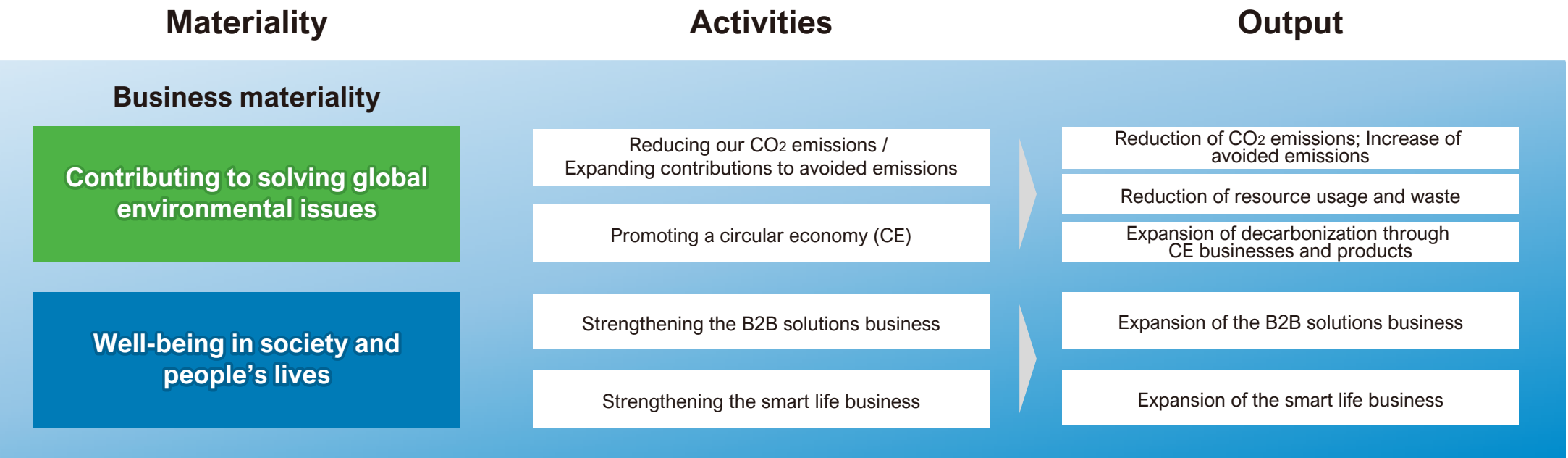
Value Creation Process and Materiality

Value Creation Process

Materiality

Stakeholder Engagement and Participation in External Initiatives

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Stakeholder Engagement and Participation in External Initiatives

Stakeholder Engagement

The Panasonic Group engages in dialogue with its diverse range of stakeholders worldwide on various aspects of its business. The Group incorporates the opinions it receives into its business activities and product creation.



Examples of Stakeholder Engagement

Objectives	Means/Methods (Figures in brackets are for fiscal 2026)	Report on related items
Customers To incorporate customer feedback into our management and provide accurate and honest information and communication.	Business activities; Website; Customer care center (1.08 million cases)/ Call center; Voice of Customer (VOC) activities; Publicity and advertising.	Sustainability Data Book 2026 Social > Customer Relations (p. 89-94)
Shareholders/Investors To fulfill our accountability, improve the quality of management, and increase corporate value, through constructive dialogue and feedback to management.	General meeting of shareholders (once); Financial results announcements (4 times); Strategy briefing (8 times*); Group/individual meetings (totaling approximately 2,000 companies). * Includes 4 information sessions organized in collaboration with securities companies	Investor Relations
Suppliers To promote procurement activities based on mutual trust that comply with laws, international and social norms, and corporate ethics, and that fulfill our social responsibilities in areas such as human rights and labor, health and safety, global environmental conservation, and information security.	Procurement activities; Suppliers' meeting; CSR self-assessment (More than 12,400 companies); Supplier audit (Cumulative total: 409 companies as of fiscal 2026).	Sustainability Data Book 2026 Social > Responsible Supply Chain (p. 78-82)
Employees To create an environment where each employee can UNLOCK their potential, maximize their capabilities, and continue to grow.	Employee Opinion Survey (once); Messages from top management (announcement of management policies, etc.); Dialogues/networking event; Intranet & in-house SNS; Training (regarding management philosophy, etc.); Group CEO Award.	Sustainability Data Book 2026 Social > Maximizing the Potential of Diverse Talent and Organizations (p. 55-68)
Government/Industry Organizations To comply with domestic and international laws and regulations and solve common issues across the industry.	Participation in business and industrial organizations; Contribution to policy development by international organizations and governments; Participation in initiatives.	Sustainability website Environment > Other Initiatives > Environmental Communication Sustainability Data Book 2026 Environment > Creating Value through Panasonic GREEN IMPACT > Initiatives to raise awareness of and enhance the recognition of avoided emissions (p. 25-26) Social > Respect for Human Rights > Participation in International and Industrial Partnerships (p. 74-75) Governance > Ethics & Compliance > Ensuring Transparency of Political Contribution Funds (p. 113)

*2 Note Regarding DEI and Diversity Disclosures

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External Recognition

Evaluation and certification by major certifying organizations are as follows. Indices marked with an asterisk (*) were adopted by the Government Pension Investment Fund (GPIF) to promote ESG investment.

FTSE

Panasonic Holdings Corporation is a constituent of the FTSE4Good Index Series, the FTSE JPX Blossom Japan Index* and the FTSE JPX Blossom Japan Sector Relative Index*.

 **FTSE4Good** <https://www.lseg.com/en/ftse-russell/indices/ftse4good>

 Blossom Japan Index Series <https://www.lseg.com/en/ftse-russell/indices/blossom-japan>



**FTSE JPX Blossom
Japan Index**

FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that Panasonic Holdings Corporation has been independently assessed according to the FTSE4Good criteria, and has satisfied the requirements to become a constituent of the FTSE4Good Index Series. Created by the global index provider FTSE Russell, the FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. The FTSE4Good indices are used by a wide variety of market participants to create and assess responsible investment funds and other products.

FTSE Russell confirms that Panasonic Holdings Corporation has been independently assessed according to the index criteria, and has satisfied the requirements to become a constituent of the FTSE JPX Blossum Japan Index. Created by the global index and data provider FTSE Russell, the FTSE JPX Blossum Japan Index is designed to measure the performance of companies demonstrating specific Environmental, Social and Governance (ESG) practices. The FTSE JPX Blossum Japan Index is used by a wide variety of market participants to create and assess responsible investment funds and other products.



FTSE JPX Blossom Japan Sector Relative Index

FTSE Russell confirms that Panasonic Holdings Corporation has been independently assessed according to the index criteria, and has satisfied the requirements to become a constituent of the FTSE JPX Blossom Japan Sector Relative Index. The FTSE JPX Blossom Japan Sector Relative Index is used by a wide variety of market participants to create and assess responsible investment funds and other products.

MSCI

Panasonic Holdings Corporation is a constituent of the MSCI Selection Indexes, the MSCI Japan ESG Select Leaders Index and the MSCI NIHONKABU ESG Select Leaders Index*.



2026 CONSTITUENT MSCI JAPAN
ESG SELECT LEADERS INDEX

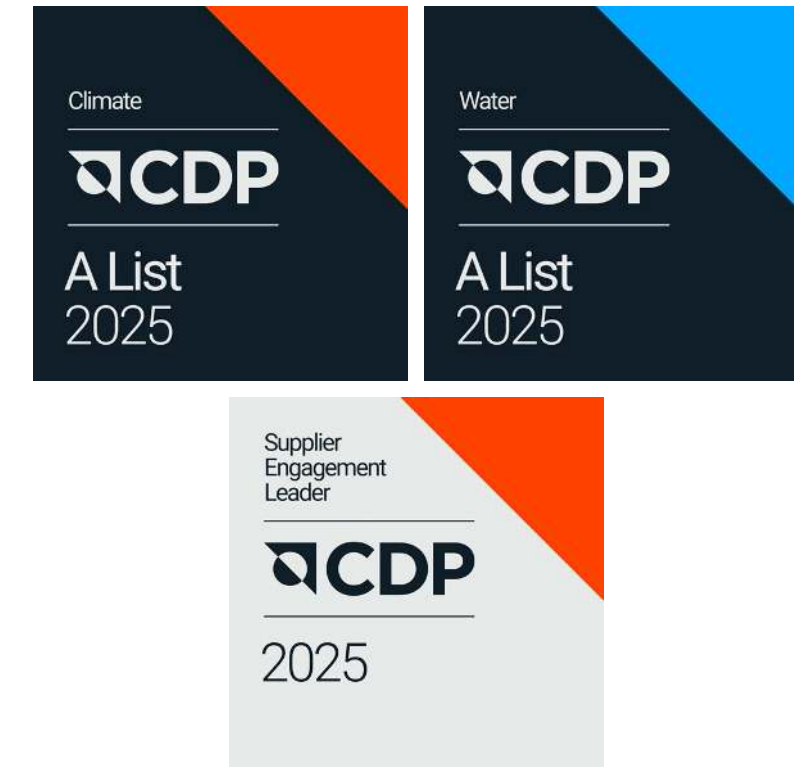
2026 CONSTITUENT MSCI NIHONKABU
ESG SELECT LEADERS INDEX

S&P/JPX Carbon Efficient Index*

Panasonic Holdings Corporation has been a constituent of S&P/JPX Carbon Efficient Index, one of the environmental stock indices of the world's largest pension fund, the Government Pension Group Investment Fund (GPIF) since 2018.

CDP 2025

CDP (formerly the Carbon Disclosure Project), a UK non-profit organization, evaluates the environmental initiatives and information disclosure of companies and local governments around the world every year through questionnaires using its own environmental information disclosure platform. In January 2026, CDP published the scores of over 22,100 companies worldwide that responded to the CDP2025 questionnaire. Panasonic Holdings Corporation received an “A,” the highest of eight ratings, for four consecutive years in recognition of its initiatives for climate change—such as reducing CO₂ emissions and setting medium- to long-term targets— and its information disclosure.



Furthermore, our water resource risk assessment, which uses the LEAP approach recommended by the TNFD*, was highly evaluated for our efforts to conserve water resources, achieving our first "A" listing in the water security category since we began responding to CDP's survey in 2010.

In addition, every year CDP evaluates a company's efforts to address climate change issues in its supply chain (Supplier Engagement Assessment (SEA)), and our group has received the highest rating of A for six consecutive years.

*TNFD (Taskforce on Nature-related Financial Disclosures): An international framework for companies to understand their dependency on natural capital and their impact on the natural environment, and to appropriately disclose this information.

EcoVadis

EcoVadis provides a global platform for supplier sustainability assessment and is used in over 180 countries. EcoVadis evaluates sustainability based on 21 indicators in four areas: Environment, Labor and Human Rights, Ethics, and Sustainable Procurement. Panasonic Holdings Corporation receives a rating from EcoVadis every year. In the scorecard issued in February 2026, the overall score was 75 out of 100 and the percentile was 90 (top 10%).

Fiscal 2026 External Awards in the Environmental Field

The Panasonic Group received various awards as results of environmental activities implemented by whole Panasonic group in Fiscal 2026, following the previous year.

Major External Awards in Environmental Fields (Fiscal 2026)

Category	Presenters and awards	Award titles	Recipient companies and details	URL
Products & services	Japan: The Energy Conservation Center, Japan (ECCJ) Energy Conservation Grand Prize 2025	Minister of Economy, Trade and Industry Award / Products and Business Model Category (Business Model category)	Panasonic Corporation Heating and Ventilation A/C Company Industry's first AI-based air conditioning control "energy-saving management service"	https://news.panasonic.com/jp/press/jn251224-1
		Agency for Natural Resources and Energy Commissioner's Award /Product & Business Model Category (Home Appliance category)	Panasonic Corporation Heating and Ventilation A/C Company Eolia, the room air conditioner with the Eco Rotary Compressor that conserves energy even for long periods of time	
	Japan: Japan Electrical Manufacturers' Association (JEMA) The 74th (2025) Electrical Industry Technical Achievement Awards	Industry category Excellence Award	Panasonic Industry Co., Ltd. Development of FineX transparent conductive film that achieves both outstanding optical transparency and EMC performance	https://holdings.panasonic.jp/corporate/technology/awards/winner_2025.pdf
		IoT/AI/DX category Superior Award	Panasonic Corporation Living Appliances and Solutions Company Contribution to eliminating food waste! Development of AI camera-equipped refrigerator and food products recognition technology	
		Home Electrical Appliances category Superior Award	Panasonic Ecology Systems Co., Ltd. Development of F-YEX120B Clothes Dryer/Dehumidifier with eco-hybrid dehumidifying system	
		Home Electrical Appliances category Superior Award	Panasonic Corporation Heating and Ventilation A/C Company Development of home air conditioner capable of high-efficiency operation at low capacity levels and suited to highly insulated homes	
		IoT/AI/DX category Encouragement Award	Panasonic Holdings Corporation Development of an automated dismantling system for air conditioner outdoor units, designed for high-level resources recycling	
		Committee Activities Superior Award	Panasonic Holdings Corporation Creation and verification of a new recognition and display system that visualizes the performance values of motors/inverters in CO ₂ emissions reduction	
		Committee Activities Superior Award	Panasonic Electric Works Co., Ltd. Development of a testing method of multiple-unit operation performance for household fuel cells employing an electric power/heat sharing system	
	Japan: Japan Institute of Design Promotion 2025 Good Design Award	Good Design Best 100, etc.	Panasonic Corporation Freezer refrigerator NR-C37WS2 Room air conditioner Eolia CS-EX225D	https://panasonic.jp/info/design2025.html
	Japan: Japan Packaging Institute 2025 Japan Packaging Contest	Technical Packaging Award	Panasonic Corporation, received jointly with other organizations Packaging material for turntable use, achieving both eco-consciousness and safety	https://holdings.panasonic.jp/corporate/technology/awards/list/2025.html
	Japan: The Promotion Foundation for Electrical Science and Engineering The 73rd Electrical Science and Engineering Promotion Award	Electrical Science and Engineering Promotion Award	Panasonic Holdings Corporation Development and commercialization of hybrid communication technology (Nessum)	https://holdings.panasonic.jp/corporate/technology/awards/list/2025/73rd_ohm.html
	Japan: Osaka Industrial Research Association The 75th (2025) Electrical Science and Engineering Promotion Award	Industrial Technology Award	Panasonic Holdings Corporation Development of fully biodegradable cellulose fiber molding material and its biodegradation switch	https://tech.panasonic.com/jp/phd/topics/20250529.html
Production activities	Japan: Osaka Prefectural Government 2025 Osaka Climate Change Countermeasures Award	Special Prize: Gold decarbonization rank	Panasonic Energy Co., Ltd. Evaluation findings from the performance report submitted by the Osaka Prefectural Government ordinance on promoting action against climate change Decarbonization ranking: 87.8% reduction rate over the base year (basic units)	https://www.pref.osaka.lg.jp/o120020/chikyukankyo/jigyotoppage/kikouhendoutaisaku.html
		Special Prize: S rating of performance report	Panasonic Energy Kaizuka Co., Ltd. Evaluation findings from the performance report submitted by Osaka Prefectural Government ordinance on promoting action against climate change Decarbonization ranking: 47.7% reduction rate over the base year (basic units); Implementation rate of priority issues: 108%	

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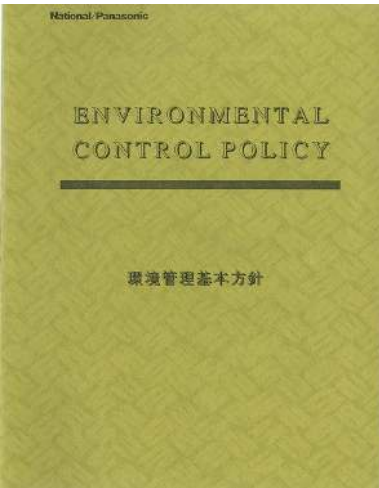
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The mission of the Panasonic Group is realization of an ideal society where people enjoy their lives both materially and spiritually, which is the philosophy of our founder, Konosuke Matsushita: “Happiness through both material and spiritual affluence.” We aim to solve issues in people's lives and society through our business. In 1932, Konosuke Matsushita proclaimed that we would achieve our ideals over the coming 250 years, which is known as “Meichi,” the revelation of our corporate mission. Since then, we have been proactively working to address a variety of environmental issues, including the pollution problems of the 1970s, under this management philosophy of contributing to the sound development of society.

To share our approach to environmental issues, which are spreading on a global scale, we announced our Environmental Control Policy (Matsushita Environmental Charter) in 1991, and our Environmental Statement in 1993. Since then, the Panasonic Group has been demonstrating its commitment to serving society as a public entity and leading environmental activities through united group efforts across the world.

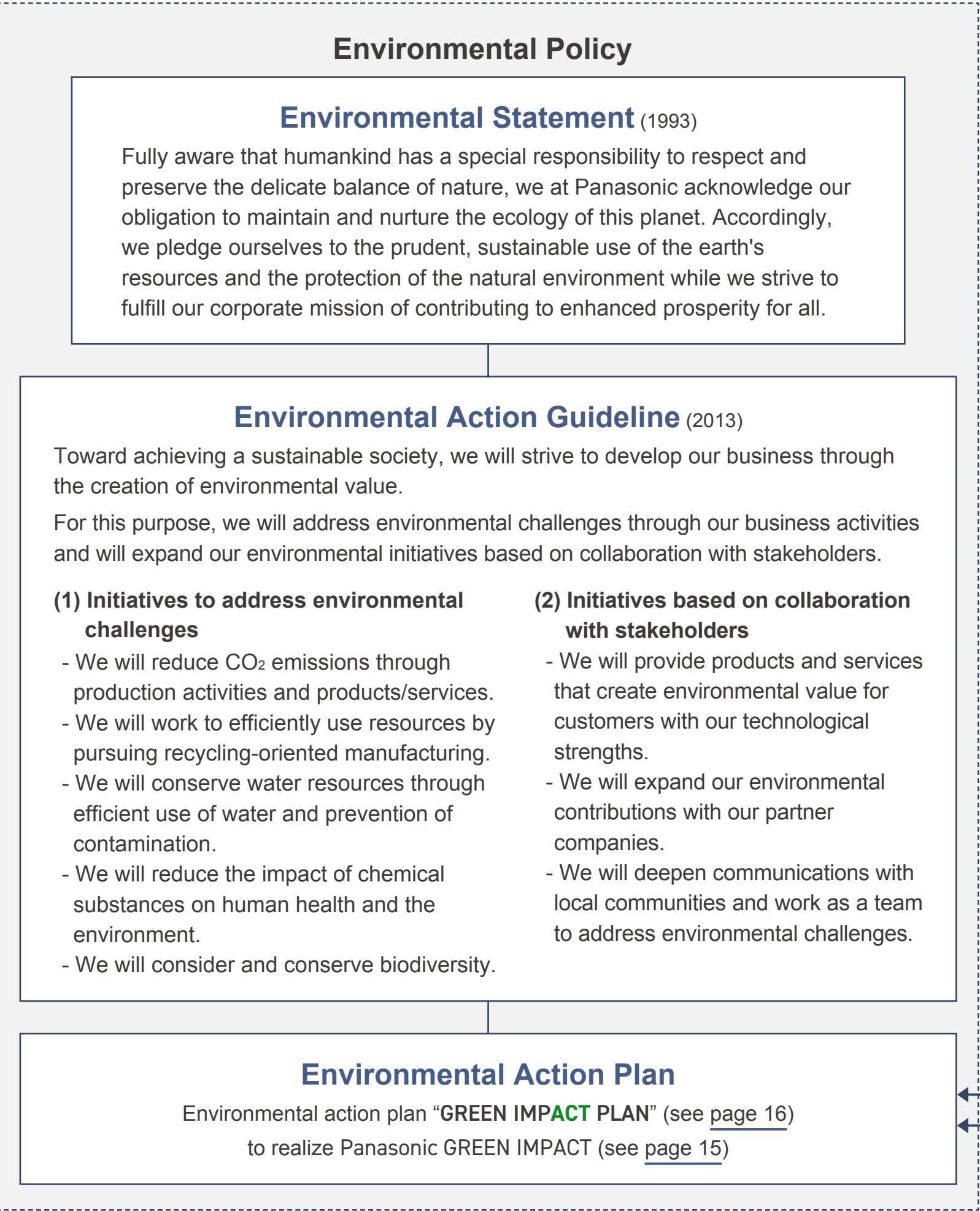
Our current work is based on Panasonic GREEN IMPACT ([page 15](#)), the long-term environmental vision announced in 2022, towards achieving our 2050 goals through improving our environmental management over the medium- to long-term.

We also established our Circular Economy Group Policy in 2023, in addition to our decarbonization efforts, as the principle of our priority activities that aim at the most efficient use of material resources.

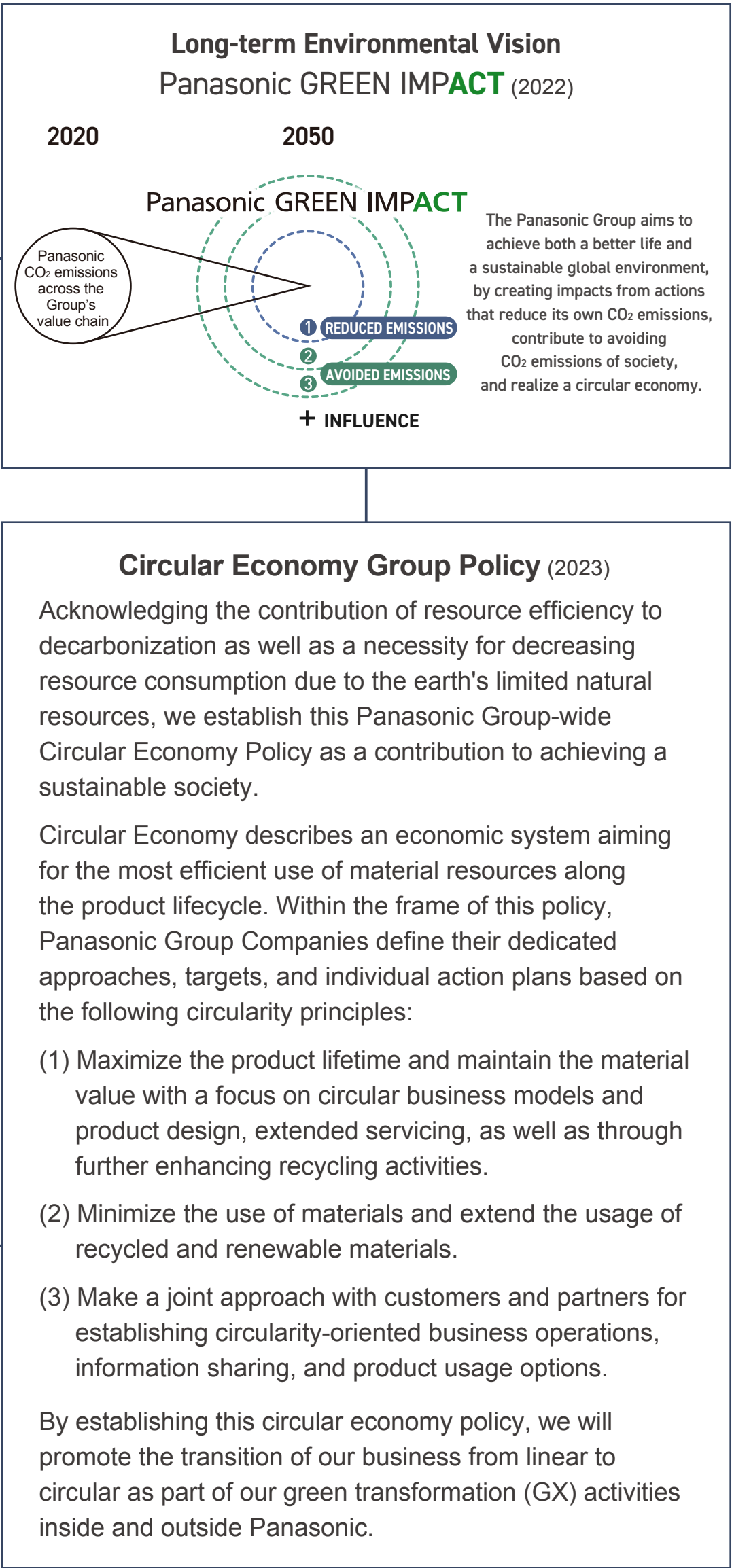


Environmental Control Policy (1991)

- (1) Applied by all business sites worldwide
- (2) Original text in English (Japanese text is a translated version)
- (3) There are punitive clauses



Towards achieving Panasonic GREEN IMPACT, the Panasonic Group establishes the GREEN IMPACT PLAN, a medium- to long-term environmental action plan. This plan specifies the KPIs for priority environmental issues and their targets, and also includes business materiality indices. Together with targets for decarbonization by fiscal 2031, we are currently working under GREEN IMPACT PLAN 2028, which covers the fiscal 2027 to 2029 KPIs in coordination with our business strategy ([page 16](#)).



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Materiality

The Panasonic Group positions contribution to solving issues related to the global environment as one of business materiality.*¹ Two issues of particular urgency are climate change and resource exhaustion. Therefore, we believe it is indispensable to build a carbon neutral (CN) society*² by limiting the temperature rise to 1.5°C by 2050 and shifting to a circular economy (CE),*³ which is a resource-recycling economic system.

To commit to achieve these goals as a responsible company, and to accelerate our contribution to society and to our customers, we announced Panasonic GREEN IMPACT (PGI), our group-wide long-term environmental vision, in January 2022.

PGI is a strategy to address the social issues of climate change alleviation and resource recycling as an opportunity to improve our corporate value by reducing their risks, identifying opportunities to grow businesses and generate income, and strengthen our capital market reputation. PGI is designed to deliver both “better lives” and “a sustainable society” through our business activities. By accumulating each effort (ACT) made by the group, we aim at early resolution of environmental issues, such as climate change and resource exhaustion.

*1 Priority issues to create value for society through business activities (page 7).

*2 Achieving net-zero emissions of GHG gases (including CO₂) by balancing emissions and absorptions.

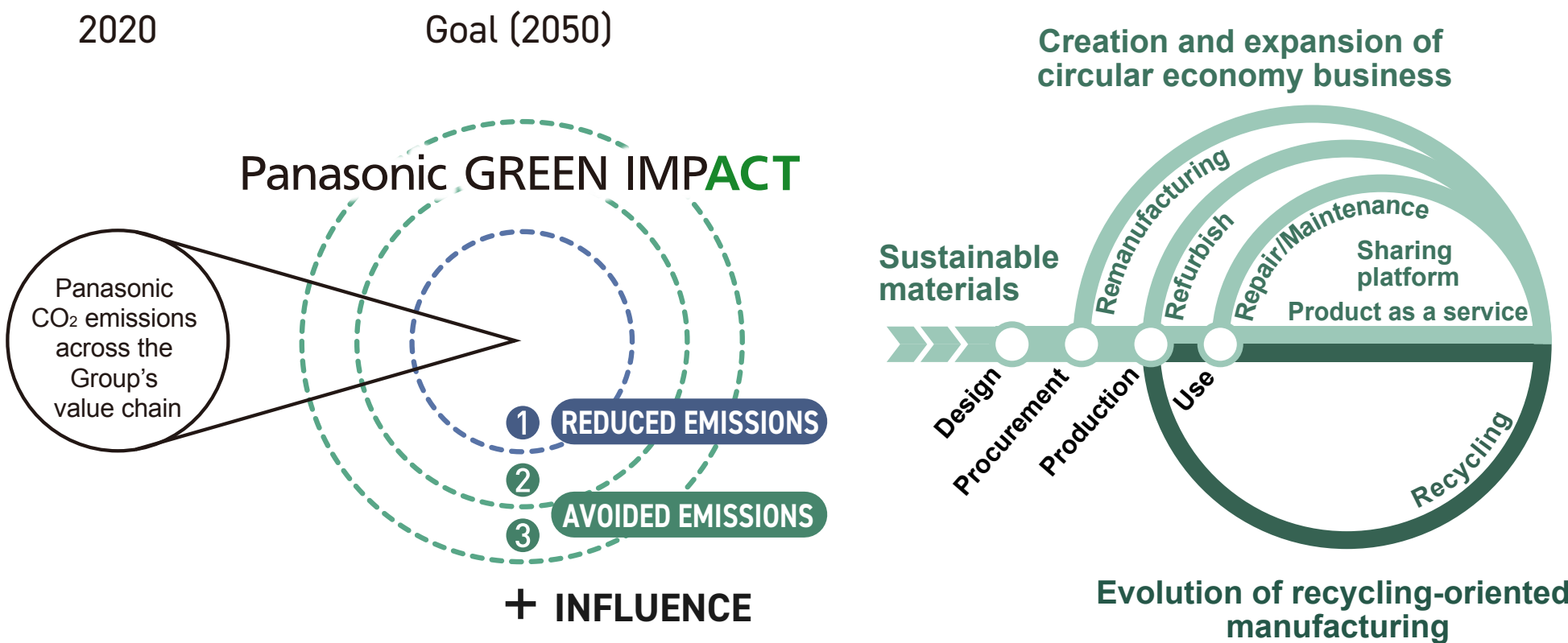
*3 An economic system that preserves and maintains the values of products, materials, and resources for as long as possible to minimize waste generation.

Toward achieving carbon neutrality

By 2050, we aim at reducing our CO₂ emissions by at least 300 million tons per year, which is equivalent to 1% of current global CO₂ emissions.

Toward achieving a circular economy

The concept of a circular economy toward a sustainable society (④⑤⑥)



Converting CO₂ Reduction Impact into Business Growth, Financial Value, and Corporate Value

【2050 Goal】

By 2050, we aim to create a CO₂ reduction impact of 300 million tons or more per year,*⁴ through exercising our duty and influence throughout the value chain (①OWN IMPACT), contributing to society and customers (②CONTRIBUTION IMPACT), expanding such contribution (③FUTURE IMPACT), and spreading their effect throughout society (INFLUENCE). The results should then be converted to our financial and corporate values.

*4 300 million tons is equivalent to approximately 1% of global CO₂ emissions (31.7 billion tons) in 2020.

①OWN IMPACT: Reduced CO₂ emissions compared with CO₂ emissions from the entire value chain (VC) in 2020.

We aim to achieve net zero CO₂ emissions within our own value chain*⁵, along with the effect of the broader decarbonization of society*⁶ OWN IMPACT shows the “impact from CO₂ emissions reduction” by comparing the difference between the CO₂ emissions of the current year and those in 2020.

*5 Total of CO₂ emissions from our business activities (Scopes 1 to 3) including emissions from our operating companies (Scopes 1 and 2), emissions from manufacturing components and materials (Scope 3, Category 1), and emissions in product use (Scope 3, Category 11) (see page 17 for details)

*6 Improvement in CO₂ emissions factor for electricity by respective electric power suppliers.

②CONTRIBUTION IMPACT: Avoided CO₂ emissions in present business fields*⁷

We aim to achieve avoided CO₂ emissions of at least 100 million tons per year among customers and society through our present business fields.

③FUTURE IMPACT: Avoided CO₂ emissions by creating new technologies and businesses*⁷

We aim to achieve avoided CO₂ emissions of at least 100 million tons per year among customers and society by creating new technologies and businesses.

*7 Amount of our contribution as CO₂ emissions reduction to society and customers through using our products and services (see page 18 for details).

+ INFLUENCE: Positive ripple effect of energy reform and decarbonization of society

We provide a positive influence on society by changing the behavior (ACT) of a wider range of people through the Panasonic Group's products, services, and social communications. (Initiatives to raise awareness of and enhance the recognition of avoided emissions (page 25), [free publication of patents](#), [corporate citizenship activities](#), [environmental education](#), etc.)

Creation and Expansion of Economically Rational CE Business

In 2023, we announced the CE Group Policy (page 14) in order to set out the maintenance and improvement of the value generated by resources as the foundation of our business operations. Based on this policy, we will identify the issues in shifting to CE-oriented business according to the characteristics of individual businesses. By working around such issues we can further the creation and implementation of our business strategies and action plans.

- ④ Maximize the product lifetime and maintain the material value with a focus on circular business models and product design, extended servicing, as well as through further enhancing recycling activities.
- ⑤ Minimize the use of materials and extend the usage of recycled and renewable materials.
- ⑥ Make a joint approach with customers and partners for establishing circularity-oriented business operations, information sharing, and product usage options.

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■ Status of GREEN IMPACT PLAN (GIP) 2024+1

To contribute to resolving global environmental issues (Panasonic GREEN IMPACT, page 15), the Panasonic Group established and is driving forward its environmental action plan, setting out Environmental KPIs—clear targets to address priority issues.

Our environmental action plan commenced as Green Plan 2010 announced in 2001, and evolved into Green Plan 2018 announced in 2010, then to Green Plan 2021 in 2018. These plans were formulated focusing on climate change alleviation and resource recycling to integrate environmental consideration with business management. The plan has been adapted according to changes in medium- to long-term management policies and business portfolios, taking account of the relationships between social issues and our respective businesses. Social movements, such as the Paris Agreement in 2015, have also been reflected in the plan.

Along with the announcement of PGI in 2022, we also formulated GREEN IMPACT PLAN (GIP) 2024, which is linked to the medium- to long-term business strategy to reinforce our environmental engagement. In fiscal 2026, we commenced GIP 2024+1, a single year target that was extended from GIP 2024, to prepare for the group-wide growth strategy to begin in fiscal 2027, along with structural reform of the group management. With GIP 2024+1, we achieved the OWN IMPACT targets thanks to the steady increase in net zero factories^{*1} toward the 2030 targets in the CO₂/Energy area, as well as the accelerated spread of LED lighting and expanded usage of natural refrigerants in ventilation and aircon equipment were also contributors to reducing emissions from customers using our products.

From an overall perspective, we also achieved the CONTRIBUTION IMPACT targets. However, efforts in the Resource/Circular Economy (CE) area are still working toward their targets in each business.

^{*1} Sites that have achieved our definition of “net zero” when energy-derived CO₂ emissions from our business activities (at factories and offices) are combined with energy saving, renewable energy use, purchase of renewable energy electricity certificates and carbon credits.

GREEN IMPACT PLAN 2024+1 (FY2026 Targets, Results, and Evaluation Points)

Note: This article refers to Priority Issues only.

Environmental KPI (Priority issues) ★ Business materiality KPI			GREEN IMPACT PLAN 2024 + 1 (FY2026)		Evaluation Points
			Targets	Results	
CO ₂ / Energy	OWN IMPACT ★ CO ₂ emissions reduction in our own Value Chain ^{*2}		▲ 40.12 Mt ^{*6} (17.01 Mt)	▲ 32.96 Mt (27.45 Mt)	[Supplement] The difference between 107.51 million tons in fiscal 2021 CO ₂ emissions and 140.47 million tons in fiscal 2026 emissions. The value in brackets () refers to the difference between 167.92 million tons in the fiscal 2021 emissions that newly included refrigerants, motors, etc., and the fiscal 2026 emissions. • Of 297 sites, 20% achieved net zero CO ₂ emissions. • Each site will increase investment and further refine activities for faster target achievement. • The Green Energy Certificate criteria in China was changed in November 2025. ^{*7} The number of sites (60) was determined using the criteria before this change. • Emissions were 109 million tons. The major reduction contributors (compared to FY2021) were lighting, fans, refrigerants (leaked volume), FA servo motors, etc. • The top three products produced 60% of avoided emissions. - First: Lithium-ion EV batteries - Second: DC fan motors for ventilation systems - Third: Back up batteries for data centers • Three new products: Energy-saving effect from insulated interior windows, increased power generation from solar panels made with fine tungsten wires, and reduced replacement frequency for alkaline batteries compared to manganese batteries due to their longer lifespan.
	Scopes 1&2 ^{*3}	Net zero sites ★	Total 49 factories ^{*7}	Total 60 factories	
		CO ₂ reductions	0.81 Mt	0.96 Mt	
	Scope 3 ^{*3} (Category 11)	CO ₂ reductions during use of our products by customers	16.11 Mt	30.67 Mt	
	CONTRIBUTION IMPACT ★ Avoided CO ₂ Emissions for society ^{*4}		47.50 Mt	48.46 Mt	
Resources/ CE* * Circular Economy	Recycled resin used ^{*5} (Fiscal 2023 to 2025 total for GIP2024 targets) ^{*5}		25,000 tons	17,100 tons	• Despite successful new employment and business creation, they caused an insufficient short-term economic rationality and therefore the targets were not met.
	Circular economy business models and products (Total) ★		Total 16 businesses	Total 15 businesses	

^{*2} Amount obtained by subtracting the amount of emissions in the relevant fiscal year from the amount of emissions in fiscal 2021. ^{*3} Classification according to the GHG Protocol (Accounting and Reporting Principles). ^{*4} Amount calculated by subtracting the lifetime CO₂ emissions after introduction from the lifetime CO₂ emissions assuming that the Group's products and services do not exist (see page 18 for details). ^{*5} Mass of recycled materials contained in the recycled resin used in our products. ^{*6} Minus sign (-) means increasing emissions. Including increases or decreases in Scope 1,2 and Scope 3 Category 11, Category 1 (procurement), Category 12 (disposal), and other indirect emissions. ^{*7} Based on the Implementation Rules for the Management of Renewable Energy Green Electricity Certificates (Trial) enforced in November 2025. It includes the revision of the Green Electricity Certificates rules in China. ^{*8} The figures is a comparison with fiscal 2021 results (starting point) reflecting the equivalent amount of emissions from the products whose calculations became available after 2021.

■ GIP 2028 and FY2031 targets

GIP 2028 sets out the Group targets to achieve by fiscal 2029 (including the renewed fiscal 2031 target for CO₂ reduction impact). GIP 2028 is linked with the new business growth strategy established after the Group management reforms that took place in fiscal 2026, covering new and expanded indices that can be corporate value drivers. The following are the main renewal points:

- OWN IMPACT in fiscal 2031 will be estimated to be 5.5 million tons despite the fiscal 2026 result being 27.45 million tons. This figure took account of two factors: firstly, the CO₂ emissions increase due to the spread of air conditioners and ventilators while reducing their emissions by improving energy-saving performance and lowering the GWP^{*1} of refrigerants; and, secondly, practical estimation of the slowing speed of improvement in electricity-related CO₂ emission factors in different regions across the world.
- To achieve net zero CO₂ emissions in all designated sites by fiscal 2031, we upgraded the former CO₂ reduction criteria to “net CO₂ reductions,” which utilize energy-saving schemes, renewable energy usage (self-power generation and PPA^{*2}), and purchase of renewable energy certificates.
- Avoided emissions for our customers and society^{*3} (CONTRIBUTION IMPACT) was set at 77 million tons to be achieved by fiscal 2031, based on the 48.46 million tons recorded in the fiscal 2026 results. These results will be mainly led by the achievements in the Device area; at the same time the portfolio making up the contribution areas set in the original PGI has changed.
- A new index was added to the CE area to expand recycled material applications. In addition to recycled resin, recycled steel (electric furnace steel) was added as a new index. We also plan to generate two new CE business models or products.

^{*1} Global Warming Potential: an indicator of the size of the global warming effect from a gas.

^{*2} Power Purchase Agreement: a purchase contract of renewable energy-sourced electricity.

^{*3} Amount calculated by subtracting the lifetime CO₂ emissions using the Group's products and services from the lifetime CO₂ emissions of not introducing the Group's products and services (page 18).

GREEN IMPACT PLAN 2028 (FY2029 Targets) and CO₂ Reduction Impact FY2031 Targets

Business materiality		Indicator ☆ Business materiality KPI		GREEN IMPACT PLAN 2028 FY2027 Targets FY2029 Targets		FY2031 Targets
Contribution to solving global environment issues	Contribution to carbon neutrality (CN)	CO ₂ reduction impact	300 million tons (PGI ^{*4} target by 2050) ★	—	—	—
			OWN IMPACT ★ CO ₂ emissions reduction in our own Value Chain ^{*5}	21.00 Mt	16.00 Mt ★	5.5 Mt
			CONTRIBUTION IMPACT ★ Avoided CO ₂ Emissions for society ^{*3}	59.00 Mt	71.00 Mt ★	77.00 Mt
		CO ₂ emissions from all sites	Net zero sites ^{*6} ★	Total 64 sites	Total 86 sites ★	All sites ^{*8} ★
			Net CO ₂ reduction in sites 	0.74 Mt	1.40 Mt	1.91 Mt
			Energy saving	0.034 Mt	0.25 Mt	0.28 Mt
	Promoting a Circular Economy (CE)	Recycled material used ^{*5}	Recycled resins ★	17,000 tons	22,000 tons ★	—
			Recycled steel (electric furnace steel) ^{*10} ★ 	1,500 tons	2,500 tons ★	—
		Creation of new CE business models or products ^{*11} ★		Total 15 businesses	Total 17 businesses ★	—
		Initiatives relating to issues other than Business Materiality KPIs				
Nature Positive (NP) /water & biodiversity, etc.		Reducing the impact of business activities on the ecosystem and restoring it to a nature positive state.		Chemical substances	Reducing environmental loads of the chemicals used in our business activities and products	
		Procurement of sustainable raw materials, Green space of operating units that contribute to biodiversity, Products and services that contribute to biodiversity		Local communities	Promoting environmental initiatives to contribute to local communities and educating the next generation.	
		Reducing water consumption in business activities and products/services.		Compliance	Ensuring compliance with environmental laws and regulations.	
		Promoting water resources management in manufacturing sites in areas of high water risk		—	—	

^{*4} Panasonic GREEN IMPACT (see page 15 for details). ^{*5} To ensure the Group's reduction efforts, the baseline FY2021 emissions were recalculated using products covered by the FY2027 plan. ^{*6} Sites that have achieved our definition of “net zero” when energy-derived CO₂ emissions from our business activities (at factories and offices) are combined with energy saving, renewable energy use, purchase of renewable energy electricity certificates and carbon credits. ^{*7} CO₂ emissions reduced by energy-saving schemes, renewable energy generation, and purchasing renewable energy certificates. ^{*8} 297 sites as of March 2026. ^{*9} The mass of recycled materials contained in the recycled resin used in the Group's products. The amount is calculated based on the information available to us, as some manufacturers have restrictions on disclosing their production information. ^{*10} The mass of electric furnace steel used in the Group's products. ^{*11} Among the CE businesses under our definition, the number of businesses that started a new service or product that offers novel recycling value.

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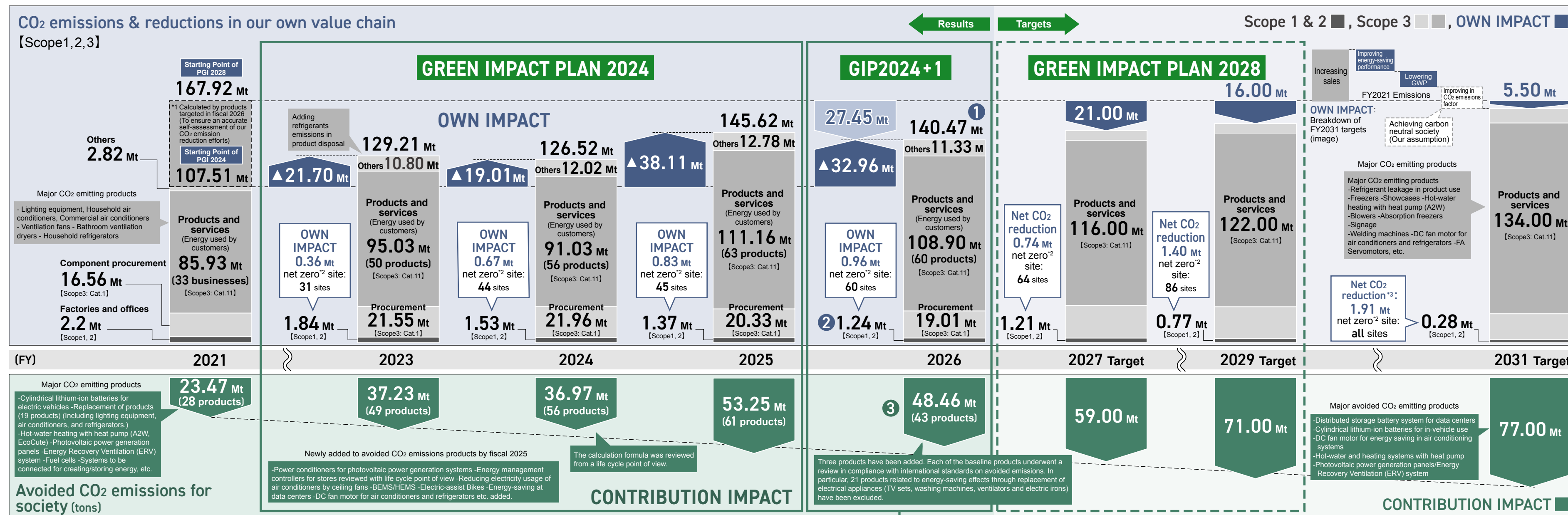
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■ The Status of Progress in CO₂-related Indices to Fiscal 2026 and Breakdown of GIP 2028 and 2030 Targets



*1 Dotted area is estimated emissions due to the widening of responsible areas in line with the introduction of stricter laws and regulations and refinement of calculation since 2022, when PGI was established. Extended coverage of disclosure by laws and regulations (motors and refrigerants in use/ disposal), refinement of calculation (26 products such as freezers), business portfolio changes (Hussmann Corporation, etc.) and new business growth (AZW, etc.) *2 Sites that have achieved our definition of "net zero" when energy-derived CO₂ emissions from our business activities (at factories and offices) are combined with energy saving, renewable energy use, purchase of renewable energy electricity certificates and carbon credits. *3 CO₂ emissions reduced as a result of energy savings, renewable energy use and renewable energy electricity certificates.

(Unit : 10kt)

1 [CO₂ Emissions by Scope] For details, refer to Environmental Data P. 48.

Scope 1,2,3 Subtotal					14,047	
Scope 1,2 Subtotal					124	
Scope 1: Direct emissions from facilities owned and controlled by the Panasonic Group					25	
Scope 2: Emissions from production of energy consumed at facilities owned and controlled by the Panasonic Group.					100	
Scope 3: *The numbers 1–15 at the beginning are category numbers. Categories 8, 13, and 14 are not covered.					13,923	
Procurement				Other Scope 3 Categories		1,133
1	Purchased goods and services		1,901	2	Capital goods	162
Products and services				3	Fuel- and energy-related activities	27
				4	Upstream transportation and distribution	78
11	Use of sold products		10,890	5	Waste generated in operations	0.1
	Energy-derived	10,301	6	Business travel	2.7	
		Refrigerant leakage	590	7	Employee commuting	9.5
				9	Downstream transportation and distribution	26
				10	Processing of sold products	12
				12	End-of-life treatment of sold products (Refrigerant: 515, Others: 178)	693
				15	Investments	126

2 [Environmental Preservation and Economic Effects of Sites]

We collect data on how our environmental impact (and controlled emissions) affects investments/expenditures and economic benefits. This data is utilized internally as basic information for our continuing environmental sustainability management.

Categories	Emission reduction			Investments and expenses	Economic benefit*
	Reference indicator: environmental impact				
	FY2025	FY2026			
CO ₂ emissions from production activities	130 kt	1.24 Mt	1.11 Mt	Investments ² 4,711 million yen	303 million yen
Human Environmental Impact	▲101 k count	339 k count	440 k count		
Landfill of waste	▲0.1 kt	1.9 kt	2.0 kt	Expenses ³ 51 million yen	
Water withdrawal	40,000 m ³	13.49 Mm ³	13.45 Mm ³		

*1 Energy-based CO₂ emissions under Scope 1 + Scope 2 - carbon credit amount (differs from subtotal of Scopes 1 and 2)

*2 Includes all investments relating to environmental conservation. The difference or appropriate portions (divided proportionally) are not calculated.

*3 Expenses include a cost of capital investment depreciation. For example, if latest energy-saving facilities were installed, the value includes depreciation for the first year but not for the second year and later.

*4 The economic benefit represents the cost of energy savings achieved through energy conservation, which translates into cost reductions that contribute to climate change mitigation.

③[Environmental and Economic Effects for Customers]

Electricity reduction at customers (during product use)	
Reduced amount of electricity ⁵	76.1 TWh
Reduced electricity costs ⁵	2,277.4 billion yen

*5 Calculated under the same conditions as CONTRIBUTION IMPACT (Avoided CO₂ emissions); however, contribution of electrification was excluded.

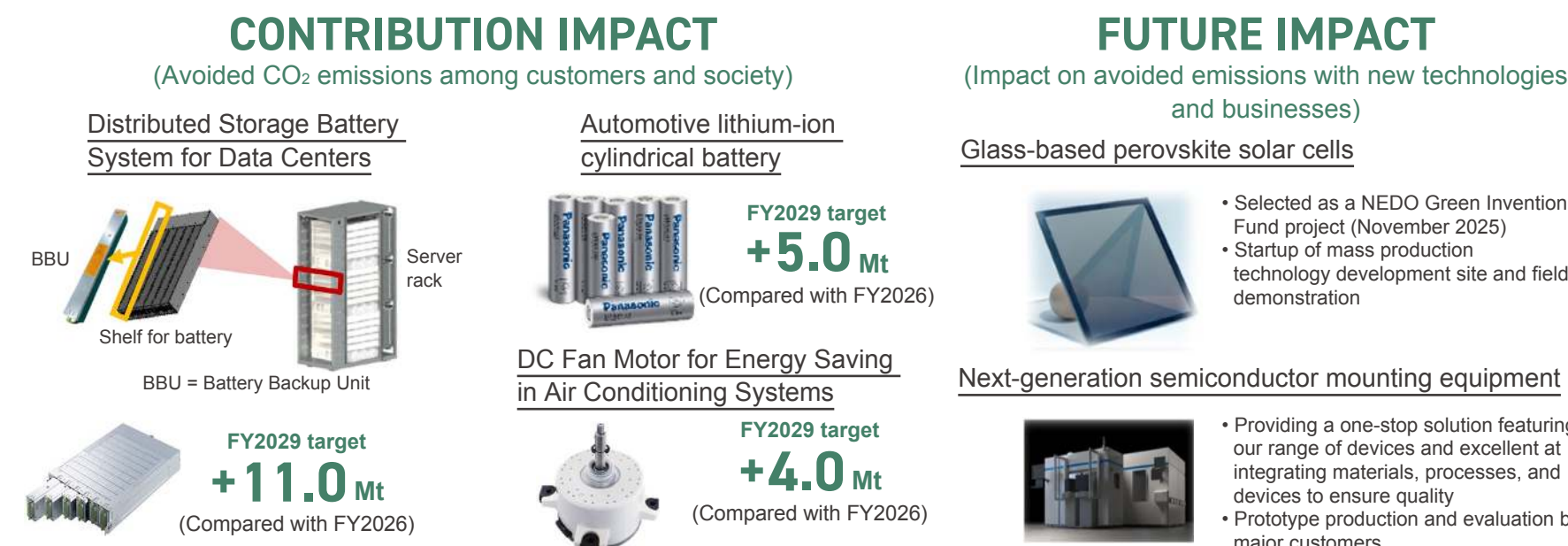
*6 Electricity costs were set for each region based on our investigation.

■ Simultaneous increase in avoided CO₂ emissions and business opportunities in growth areas, converted to financial and corporate values

Avoided CO₂ emissions (“avoided emissions”) is a leading indicator of growth calculated by converting the volume of electricity and fuel consumption that is made efficient by the introduction of new technologies and products and services (“products”) to show quantitatively the reduction in CO₂ emissions provided to customers and society. Internationally, the term “avoided emissions” represents an approach to determine the volume of emissions that would have been released if the product had not introduced, thus defining the product’s positive impact on climate change. The increase in avoided emissions from our existing businesses (CONTRIBUTION IMPACT) and from new technologies expected to generate new business (FUTURE IMPACT) signify a rise in our competitiveness and business opportunities in growth markets.

In CONTRIBUTION IMPACT, our contribution to CO₂ reduction is being propelled in our Devices business by products such as lithium-ion batteries (used in electric vehicles^{*1}, storage battery systems for data centers^{*2}, etc.) and DC motors^{*3} (used in air conditioning systems, etc.), increasing from 48.46 million tons in fiscal 2026 to 71 million tons in fiscal 2029 and further to 77 million tons in fiscal 2031.

In FUTURE IMPACT, expected to accelerate the rise in avoided emission in the future (impact of new technologies and businesses that emerged after announcement of PGI in 2022), we are making advances in renewable energy use in urban areas by the use of building-integrated Perovskite photovoltaics glass. In next-generation semiconductor mounting equipment, we are involved in the development and future implementation of technology that achieves both advanced semiconductor performance and energy-saving with the 3D stacking process.



CONTRIBUTION IMPACT Results and Plans Unit: Mt / Figures in parentheses indicate the number of products

Business field	FY2026 Results					Plans			Major Products and Services
		Electrification	Replacements	Solutions	Others	FY2027	FY2029	FY2031	
Solutions	19.84 (26)	2.01 (2)	3.69 (13)	2.27 (5)	11.87 (6)	19.00	20.50	19.70	Photovoltaic power generation systems, Pure hydrogen fuel cells, Heat pump water heaters/heating systems (improving energy conversion efficiency), LED lighting (reduction in energy consumption through replacement of fluorescent light bulbs), Heat exchange system/ceiling fans in Southeast Asia (energy-saving air conditioning), BEMS/HEMS (reduction in energy consumption by air conditioning, Lighting and other electrical appliances inside buildings), HVAC CLOUD (greater efficiency in air conditioner operation), Genelink absorption chiller system (reduction in fuel consumption through waste heat use), Inverter air conditioners, ceiling fans, Dehumidifiers and refrigerating showcases (improving energy-saving performance when in use)
Devices	28.34 (7)	12.51 (2)	8.82 (2)	6.98 (1)	0.03 (2)	39.50	50.00	56.80	Rechargeable lithium-ion batteries for electric vehicles, Electric motorcycles and electric construction equipment, Distributed storage battery system for data centers (improving accumulator efficiency), DC motors for air conditioner and refrigerator fans (reduced power consumption), Alkaline dry cells (CO ₂ reduction effect other than the effects of a longer battery life)
Smart life*	0.28 (10)	0.17 (1)	0.11 (5)	0 (0)	0.005 (4)	0.50	0.50	0.50	Electrically-assisted bicycle (replacing motor vehicles and motorcycles), Household refrigerators/washing and drying machines/vacuum cleaners/dryer/compressors for refrigerators (improving energy-saving performance when in use), Dishwashers (CO ₂ -equivalent in conserved water volume when compared with hand washing), Microwave ovens (reduction in energy used in parboiling), MULTI SHAPE modular personal care system (reduction in life cycle CO ₂ emissions as a result of multiple uses), VIXELL cooling boxes for pharmaceutical products (reduction in shipping fuel as a result of reduction in cold storage materials), Home delivery communication box (eliminating need for redeliveries), Insulated interior windows (energy conservation in air conditioning)
Total	48.46 (43)	14.69 (5)	12.62 (20)	9.25 (6)	11.90 (12)	59.00	71.00	77.00	

* The results for fiscal year 2026 include five products from the current Panasonic Housing Solutions Co., Ltd.

In avoided emissions, we refer to two main international standards (WBCSD Guidance on Avoided Emissions^{*4} and IEC 63372, the international standard governing the quantification and communication of avoided emission, published by IEC^{*5}). By creating a reference scenario and baseline products (products subject to comparison) based on “hypothetical” emissions that are most likely if the product is not launched, the difference in the volume of emissions through the product’s entire life cycle or before and after connection of the product is multiplied by its valid period and annual sales volume. Next, these baseline products and the various factors employed in calculation are reexamined and updated in business planning each year.

Our products and services were classified into the following four, based on the reduction mechanism.

- Electrification: Electrified appliances and components that use energy more efficiently than those that use fossil fuels.
- Replacements (Better energy-saving performance): Products with same functional performance but better energy-saving.
- Solutions: Products that optimize power consumption throughout entire building spaces and facilities.
- Others: Various contributions other than above, such as clean power generation, building insulation., etc.

Typical examples of how CONTRIBUTION IMPACT is generated are shown on the next and subsequent pages. Examples of various products and services that contribute to CO₂ reduction at our customers and in society are also shown on the following website.

🔗 <https://holdings.panasonic.jp/corporate/sustainability/environment/vision/product.html>

[Supplement] We conduct the following measures in time with the disclosure of avoided emissions in this Report.

- Disclosure assumes that steady advances are being made in value chain emissions (Scope 1, Scope 2 and Scope 3) to fulfill our mission to achieve SBT’s net zero standard (Page 29)
- We examine the “rebound effect” which is found in each product after product dissemination. To date, we have not found any significant rebound other than an increase in life cycle emissions.
- To enhance the objectivity of the disclosed information, independent third-party assurance has been obtained for the avoided emissions calculated using the methodologies and supporting data described in this Report.

The CO₂ reduction impact has already been actualized^{*6} as financial value. To ensure that avoided emissions win the appropriate evaluation in the capital markets as a new value indicator linked to financial value, we have standardized it as an indicator that enables international and inter-company comparisons, together with the creation/growth of the impact, for integrated action to achieve social implementation by companies and connection/coordination with financial and capital markets. Additionally, we are encouraging a behavioral change in our stakeholders and the conversion of social value into financial and corporate values.

^{*1} In the case of the electric vehicle, chiefly the difference between electricity and fuel-derived CO₂ emissions through the entire life cycle when compared with an internal combustion engine vehicle
^{*2} In the case of storage battery systems for data centers, the difference in CO₂-equivalent volume through the entire life cycle of electric power supplied to IT equipment when compared with a conventional centralized power source
^{*3} For DC (direct current) motors, the difference in CO₂-equivalent volume of electricity consumption through the entire life cycle when compared with conventional AC (alternate current) motors
^{*4} World Business Council for Sustainable Development
^{*5} International Electrotechnical Commission
^{*6} An example is the tax deduction of \$35/kWh we receive for the volume of mobile batteries we manufacture in North America under the US Inflation Reduction Act (IRA).

Electrification

Solution Field

Hot-Water and Heating Systems with Heat Pump (EcoCute, A2W^{*1})

^{*1} A2W (Air to Water) : Air-to-water Heat Pumps for Europe

Main product life stages subject to avoided CO₂ emissions



Product overview:

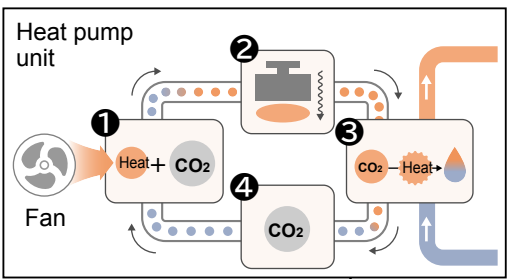
A heat pump (HP) hot-water and heating system supplies hot water and heats rooms. The system extracts ambient heat from the air by an electric fan and transfers it into a natural refrigerant (CO₂). Next, it compresses the refrigerant in an electric compressor to heat it, and the refrigerant's heat is exchanged with the water. The heated water can then be used for hot water and for room heating. To obtain the same amount of heat, electric HPs have 2.4 to 4.3 times^{*2} better energy efficiency than conventional fossil fuel combustion systems using city gas.

^{*2} Our own calculation based on information^{*3} in METI's 'Top Runner Program'.
^{*3} METI's Top Runner Program for Gas Water Heaters https://www.enecho.meti.go.jp/category/saving_and_new/saving/enterprise/equipment/toprunner/14_gasonisui.html (In Japanese)

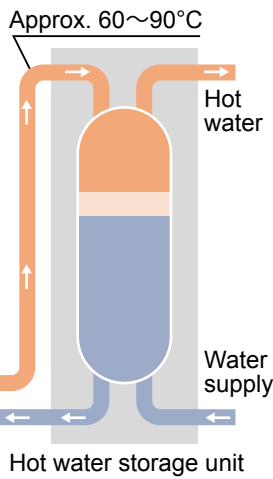
Avoided CO₂ emissions mechanism:

Avoided emissions are the difference between the direct CO₂ emissions from fuel combustion in a gas system and the indirect CO₂ emissions (calculated from the amount of power consumed in an electric HP system) over their lifetimes (10 years).

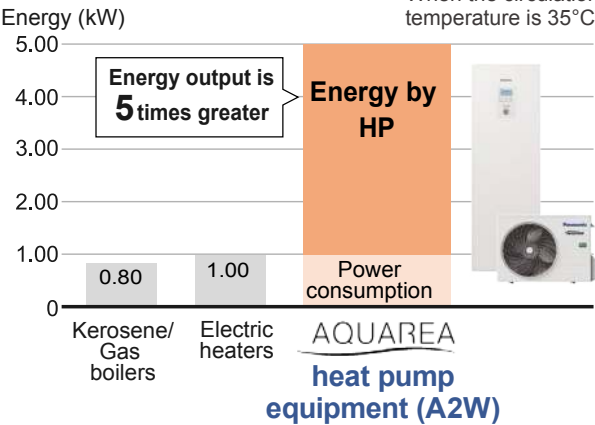
How EcoCute works



- 1 Take ambient heat into the natural refrigerant (CO₂).
- 2 Compress the refrigerant to increase its temperature.
- 3 Transfer the heat from the refrigerant to the water.
- 4 Expand the refrigerant to decrease the temperature.



Comparison: Energy output per 1kW power consumption



Know Your EcoCute! (in Japanese) | EcoCute | Hot water & Heater | Panasonic

Baseline scenario: (Simulation without this product)

Gas water heater would remain in use in Japan, and gas boilers/heaters would remain in use in Europe until the end of product life (assumption).

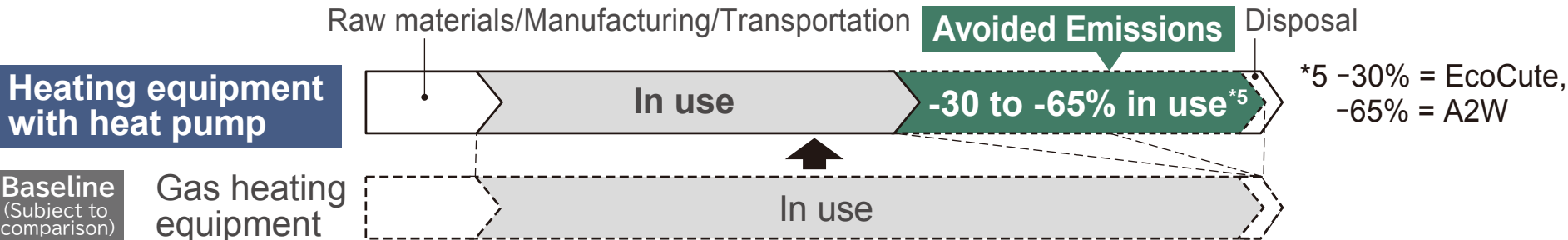
Baseline: (Subject to comparison)

(EQ) CO₂ emissions^{*3} of a standard gas water heater on the market
(A2W) CO₂ emissions from existing gas water heater/heaters

Coverage of quantification: (System boundary)

The difference in the CFPs^{*} for both the HP system and the gas system.
The HP system also showed less CO₂ emissions when not in use; however, the difference between the CO₂ emissions from the HP system and the gas system when not in use is smaller than the difference when in use.^{*4} We decided not to add the non-use difference to the avoided emissions to retain a conservative viewpoint in quantification.

^{*4} 1 to 3% of the avoided emissions (actual results for Panasonic in FY2026)



Calculation formula:

$$\frac{[\text{Amount of activities}] \text{ (Units)}}{\text{The total annual sales volume}} \times \frac{\text{The replacement rate from existing gas heating equipment}}{\text{Annual city gas consumption per gas heating equipment (m}^3\text{)} \times \text{City gas CO}_2\text{ emission factor (kg CO}_2\text{/m}^3\text{)}} - \frac{\text{Annual power consumption per unit of the heating equipment with heat pump (kWh)} \times \text{Electric power CO}_2\text{ emission factor per sales region (kg CO}_2\text{/kWh)}}{\text{Annual avoided emissions by one heating equipment with heat pump replacing a gas heating equipment.}} \times \text{Period (Ten years)}$$

• Electric power CO₂ emission factor: Japan 0.449 kg/kWh, and Europe 0.254 kg/kWh (Source: IEA 2025)
• City gas CO₂ emission factor: 2.05 kg/m³ Data from the Ministry of the Environment used globally.

Amount of activities: (Regional sales unit per product group)

EcoCute: The number calculated by the following equation: the annual sales volume in Japan x 70%^{*6} which is the replacement ratio of gas heating equipment with heating equipment with heat pump.

^{*6} Our own calculation based on data from the Japan Refrigeration and Air Conditioning Industry Association (JRAIA).

A2W: The number of annual sales of A2W in Europe (Unit)^{*7}

^{*7} We deemed that replacement ratio of old A2Ws with new ones can be ignored as the sales started in 2008.

Period: (Flow method: Include entire lifetime CO₂ emissions of the product in its first sales year) 10 years (The holding years of repair parts.) CO₂ emissions reduction effect continues during that period. (Assumption)

Fiscal 2026 avoided emissions: 2 million tons

^{*} **CFP** (Carbon Footprint of Products): CO₂ emissions converted from GHG emissions throughout the entire product life cycle—from raw material procurement to disposal and recycling of a product and service (per one unit).

Electrification

Device Field

Cylindrical Lithium-ion Batteries for In-vehicle Use

Main product life stages subject to avoided CO₂ emissions



Sales regions: North America

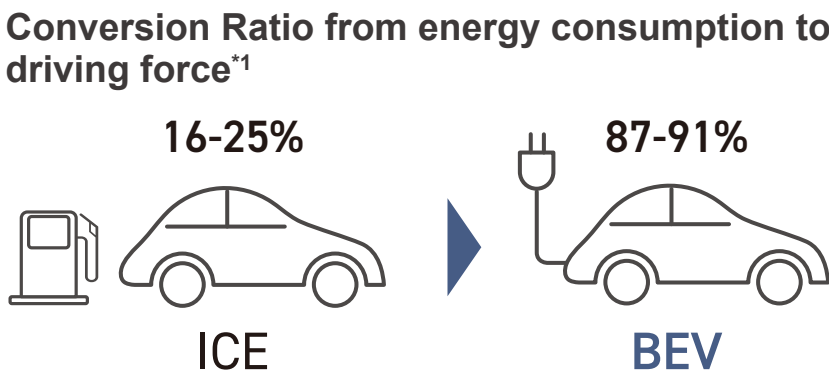
Product overview:

Compared with Internal Combustion Engine (ICE) vehicles, Electric Vehicles (EVs) have better energy efficiency*1 and lower CO₂ emissions throughout their lifecycles. Among EVs, Battery Electric Vehicles (BEVs) are propelled by all-electric motor rotation. The batteries used in BEVs are regarded as one of their most important components as they are equivalent to the fuel supply in ICE vehicles.

*1 [Electrifying transportation reduces emissions AND saves massive amounts of energy » Yale Climate Connections](#)

Avoided CO₂ emissions mechanism:

By running a BEV with Panasonic rechargeable batteries and an ICE vehicle over the same distance, calculate the CO₂ emissions equivalent to the power consumed by the BEV and the CO₂ emissions from fuel combustion in the ICE. When comparing these CO₂ emissions, there would be a difference because the BEV has better energy conversion efficiency.



Baseline scenario: (Simulation without this product)

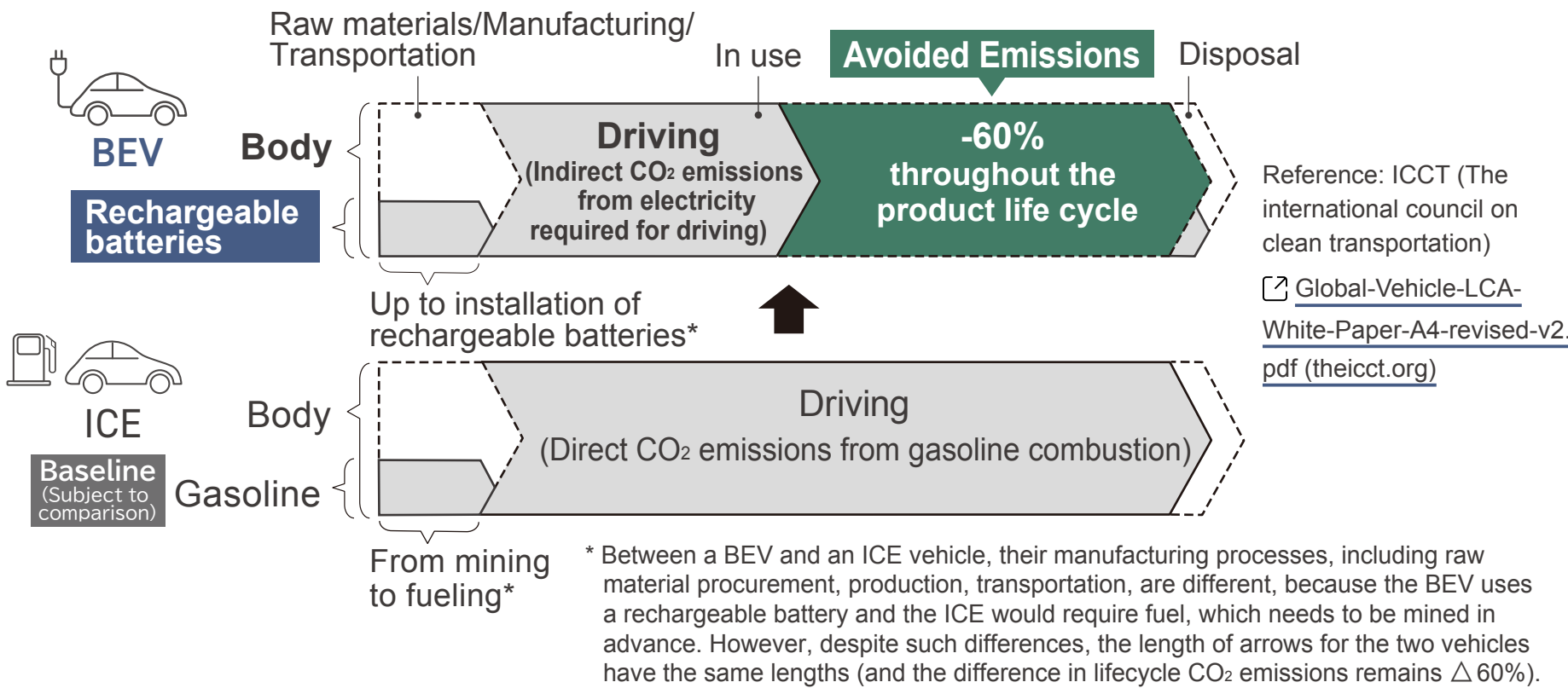
An assumption based on an average ICE vehicle in the U.S. used over its deemed lifetime mileage

Baseline: (Subject to comparison)

CO₂ emissions from an average ICE vehicle in the U.S. over its entire product lifecycle, including fuel production and usage.

Coverage of quantification: (System boundary)

The difference between the total CO₂ emissions from the BEV and the ICE vehicle. The total CO₂ emissions cover the entire lifecycle of the respective vehicles, from the stage of raw material mining to disposal and recycling, including usage over the same lifetime mileage.



Calculation formula:

Amount of activities	Avoided emissions for a given amount of activities	CO ₂ emissions-related values and factors	Period
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[Amount of activities] (Units)
The CO₂ emissions converted from the number of BEVs of the battery capacity sold per year

*2 Not only during use of batteries (driving the vehicle), but also at every stage from the mining of raw materials needed for production, manufacturing, transportation, and disposal.

$$\times \left(\text{CO}_2 \text{ emissions for an ICEV throughout the entire product life cycle}^{*2} - \text{CO}_2 \text{ emissions for a BEV throughout the entire product life cycle}^{*2} \right) \times \text{Lifetime mileage}$$

(kg-CO₂/km) (kg-CO₂/km)

Average annual mileage respectively in Japan, U.S. and Europe x 10 years

Annual avoided emissions per travel distance for one BEV replacing an ICEV

Amount of activities: (Unit)

CO₂ emissions converted from the number of sold cylindrical lithium-ion batteries for in-vehicle use per year to the number of BEVs.

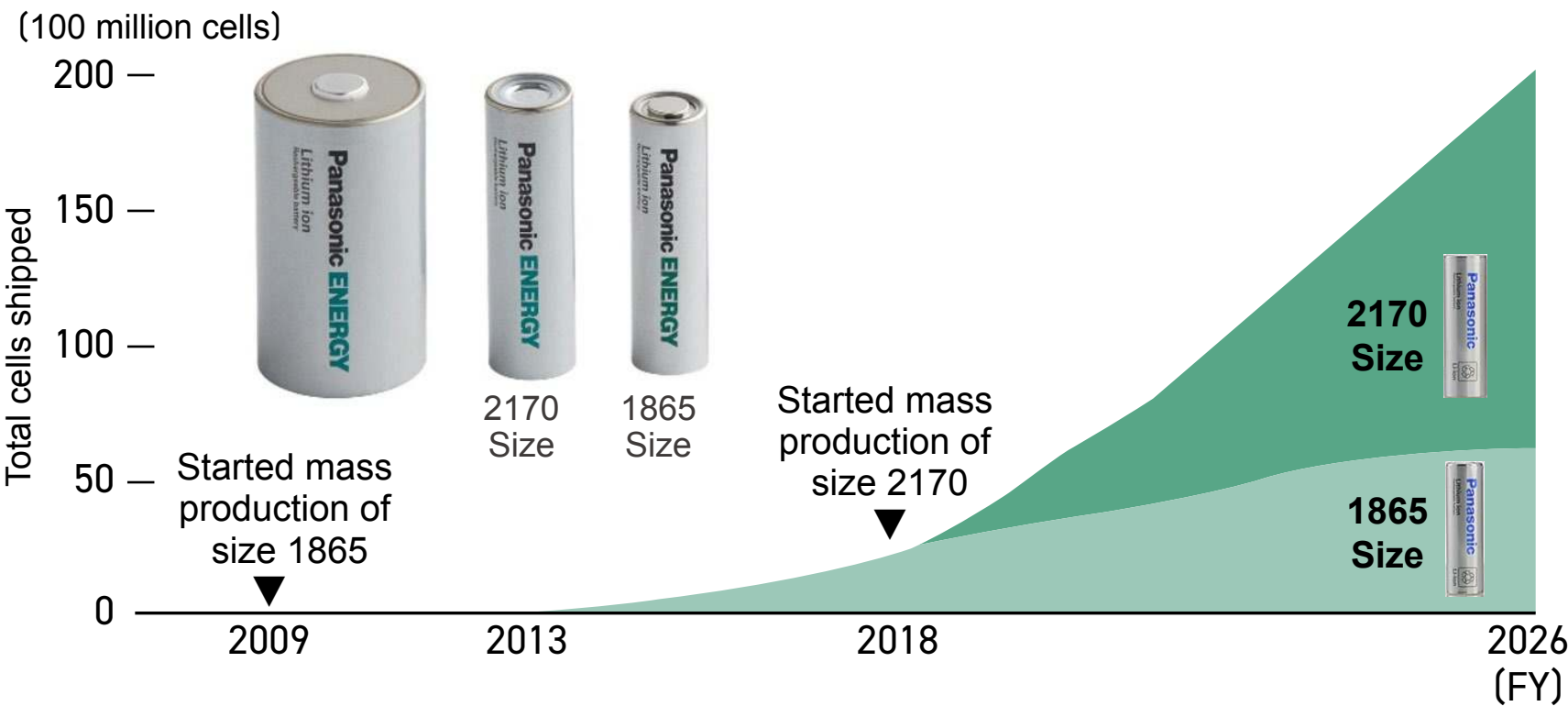
Period: (Flow method: Include entire lifetime CO₂ emissions of the product in its first sales year)

Lifetime travel distance.

- Average annual travel distance respectively in Japan, U.S. and Europe*3 x Vehicle life (10 years)
- CO₂ emissions reduction effect continues during that period.

*3 Assuming that vehicles equipped with cylindrical lithium-ion batteries are sold on the global market, we used the average for the three regions.

The Shipping Quantity of Cylindrical Lithium-ion Batteries for In-Vehicle Use



Energy Saving

Device Field

DC* Fan Motor for Energy Saving in Air Conditioning Systems

* Direct Current (DC)

Main product life stages subject to avoided CO₂ emissions



Sales regions: China, Southeast Asia, Europe, North America

Product overview:

The fan motor is an indispensable component that determines the performance of an air conditioner. Although the motor's power consumption is less than 10% of that of the entire air conditioner, the fan motor saves energy over its lifetime while being used by a customer, and directly contributes on CO₂ emissions reduction. Compared to an Alternating Current (AC) motor, a Direct Current (DC) motor can be operated optimally for a given load, thereby consuming energy more efficiently.

Avoided CO₂ emissions mechanism:

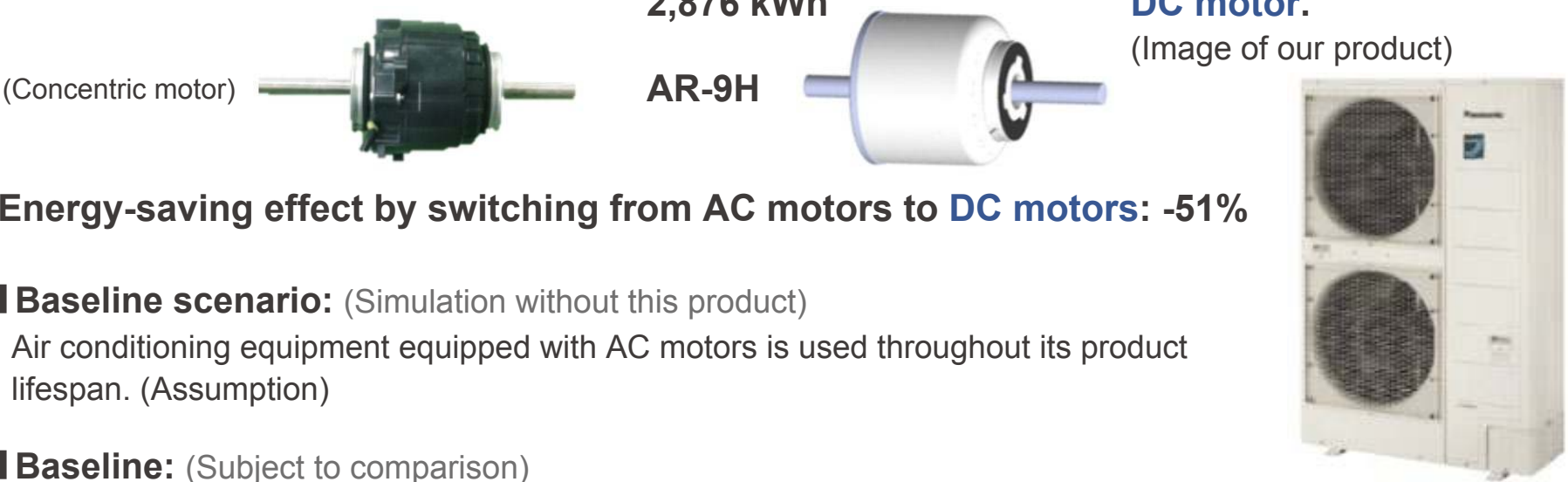
The difference between converted CO₂ emissions equivalent to the power consumption of an AC motor and a DC motor are the avoided emissions.

Example

Annual power consumption of AC motor 5,897 kWh

Annual power consumption of DC motor 2,876 kWh

Outdoor unit for a multi-split air conditioning system for buildings, equipped with a DC motor.



Energy-saving effect by switching from AC motors to DC motors: -51%

Baseline scenario: (Simulation without this product)

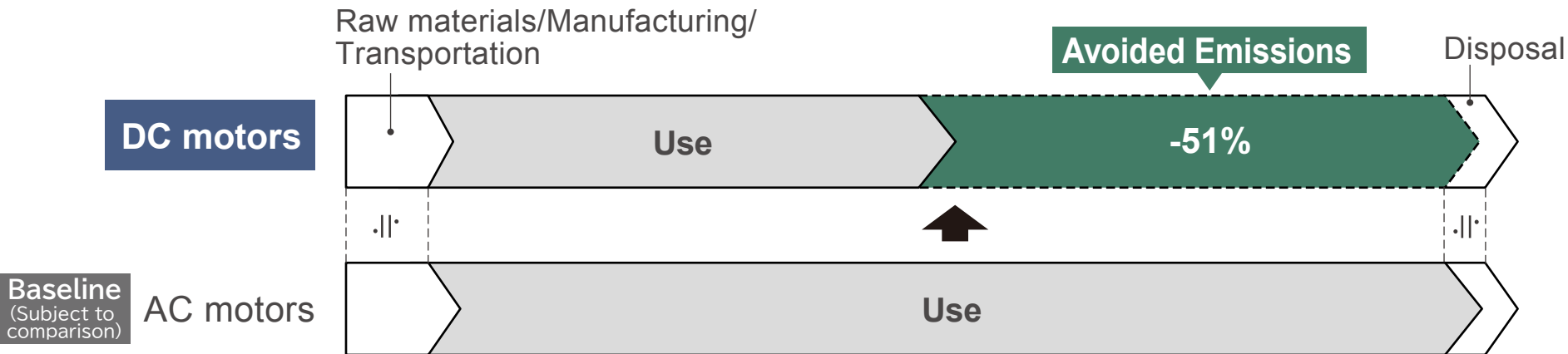
Air conditioning equipment equipped with AC motors is used throughout its product lifespan. (Assumption)

Baseline: (Subject to comparison)

Lifetime CO₂ emissions from an AC motor that drives the fan in an air conditioner

Coverage of quantification: (System boundary)

The difference between CFPs* of an AC motor and a DC motor. The CFP difference when not using the two motors was excluded from the data by our decision. This was because the average 80 to 90% CFP from an electric appliance, including the motor, is derived from its usage, and the CFPs of the two motors when not in use are equivalent.



Calculation formula:

Amount of activities, Avoided emissions for a given amount of activities, CO₂ emissions-related values and factors, Penetration rate and period

[Amount of activities] (Number of units) The number of units sold per year × AC motor penetration rate per sales region × (Annual power consumption of AC motors (kWh) - Annual power consumption of DC motors (kWh)) × CO₂ emission factor for electricity per sales region (kg CO₂ /kWh) × Period (9 years) = Annual avoided emissions from energy-saving effect by one replaced product

Amount of activities: (Unit)

Annual sales in each sales area (penetration rate, etc.), also taking account of the pre-DC motor period sales.

Period: (Flow method*)

* Include entire lifetime CO₂ emissions of the product in its first sales year

- 9 years. (Product life defined by us) The CO₂ emissions reduction effect continues during the period.
- We deemed that 9 years for holding spare parts is a conservative estimate as the life of home appliances can be extended with appropriate use and maintenance.
- The CO₂ emissions reduction effect is assumed to continue during the period.
- With the extended product life, further CO₂ emissions reduction effects are also expected because of efficient utilization of resources.

Fiscal 2026 avoided emissions: 8 million tons

* CFP (Carbon Footprint of Products): CO₂ emissions converted from GHG emissions throughout the entire product life cycle—from raw material procurement to disposal and recycling of a product and service (per one unit).

CO ₂ Emissions Factor from Electricity (IEA2025) Unit: kg/kWh	
Region	Factor
Japan	0.449
Europe	0.254
North America	0.331
China	0.590
India	0.748
Southeast Asia	0.378
Central and South America	0.244
Middle East and Africa	0.597

Reducing Heat Loss Solution Field

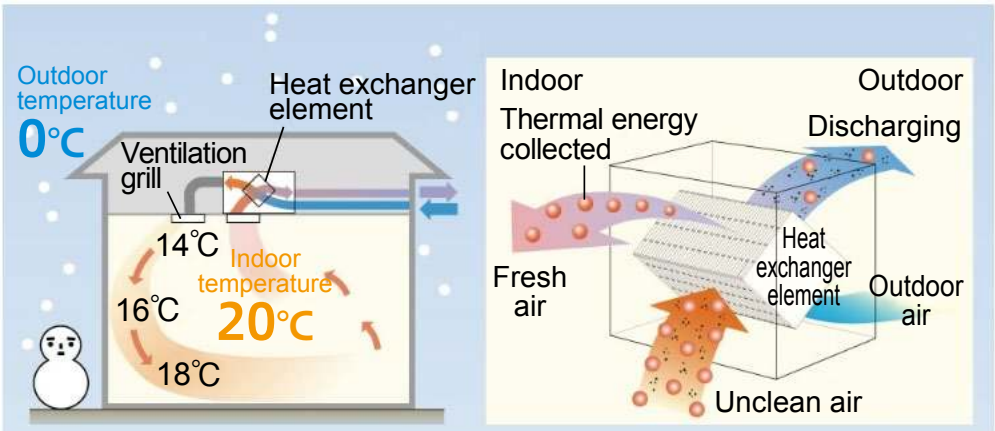
Main product life stages subject to avoided CO₂ emissions *1 Reduction in CO₂ emissions from reducing air conditioning heat loss from room spaces during the period of use of the products.



Sales regions: Japan, China, North America, and Europe

Product overview:

Our heat exchange system exchanges the ambient heat between the interior and exterior air during ventilation. By either heating or cooling the exterior air using a heat exchange element before sending it into the interior, the system reduces the air conditioning load. The system is also equipped with an air purifier to maintain good air quality, and is thus capable of reducing heat loss in rooms while also delivering air purity. The system can be widely adopted in houses, shops, and buildings where high air tightness (insulation) is required across many countries, including Japan, China, the U.S. and Europe.



How ERV System works (winter)

Avoided CO₂ emissions mechanism:

CO₂ emissions converted from the reduced amount of power or fuel consumption by adopting this ERV^{*2} System in room spaces under the same conditions compared to those from average ventilation method for ventilation in the market. *2 Energy Recovery Ventilation

Baseline scenario: (Simulation without this product)

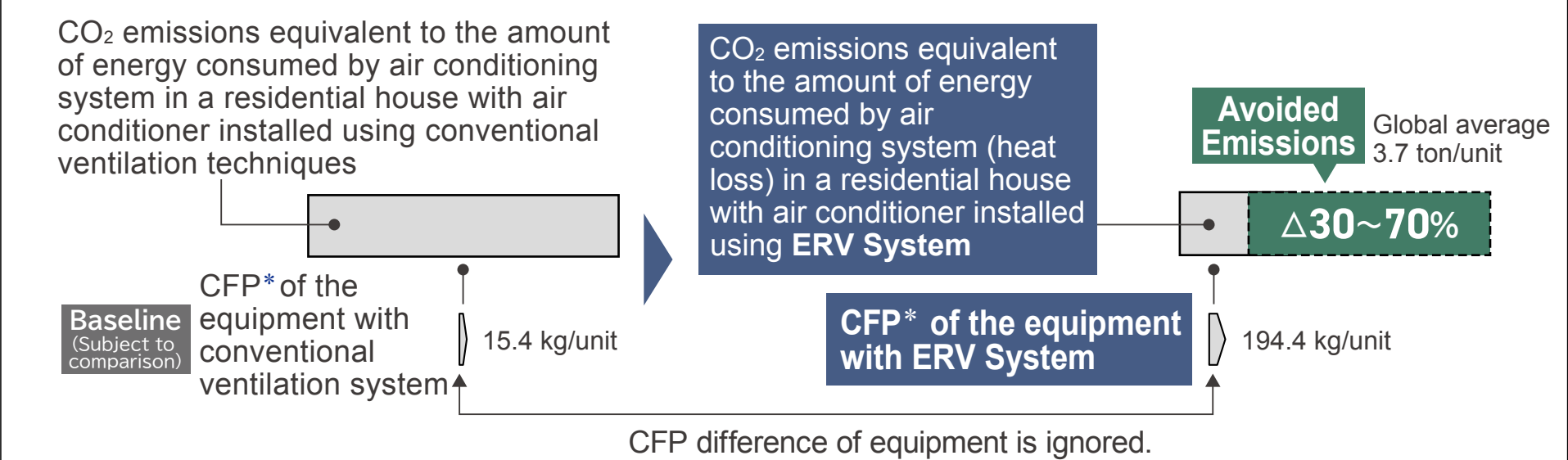
The use of air conditioners in a residential house where the current average ventilation systems in the market (Assumption)

Baseline: (Subject to comparison)

CO₂ emissions converted from power and fuel consumption per each sales region from the use of air conditioners in a residential house where the current average ventilation systems in the market are installed.

Coverage of quantification: (System boundary)

Difference in the heating and cooling load of the house before and after installation of the heat exchange system (this product). The CFP* for this product is bigger than for a conventional ventilation system; however, the equivalent CO₂ emissions from the difference in the heating and cooling load in a residential house before and after installation of a heat exchange air system is small (our calculation). Therefore, we decided that the effect can be ignored.



Heat Exchange System

Calculation formula:

Amount of activities, Avoided emissions for a given amount of activities, CO₂ emissions-related values and factors, Period

[Amount of activities] Annual system installation volume (The number of heat exchange systems)

Annual energy consumed by air conditioning in a residential house with conventional ventilation methods (volume of thermal loss) × CO₂ emission factors by electricity or fuel type in each sales region

Annual energy consumed by air conditioning in a residential house with a ERV System (volume of thermal loss) × CO₂ emission factors by electricity or fuel type in each sales region

Annual avoided emissions by installed one ERV System × Period

CO₂ emission factor for electricity: 0.449 kg/kWh in Japan, 0.590 kg/kWh in China, 0.331 kg/kWh in North America, and 0.254 kg/kWh in Europe (Source: IEA 2025)

CO₂ emission factor for kerosene: 2.49 kg/liter Data from the Ministry of the Environment used globally.

Amount of activities: (Unit)

The number of annual sales of heat exchange units, which is the core function of the system.

Period: (Flow method: Include entire lifetime CO₂ emissions of the product in its first sales year in one time.)

- Designed lifetime of ERV System (10 years)
- CO₂ emissions reduction effect continues during the period.

Fiscal 2026 avoided emissions: 0.7 million tons

* CFP (Carbon Footprint of Products): CO₂ emissions converted from GHG emissions throughout the entire product life cycle—from raw material procurement to disposal and recycling of a product and service (per one unit).

Distributed Storage Battery System for Data Centers

Energy Saving
(+ Peak Shaving)

Device
Field

Main product life stages subject to avoided CO₂ emissions *1 Reduction of CO₂ emissions in data centers during the period of use of the products



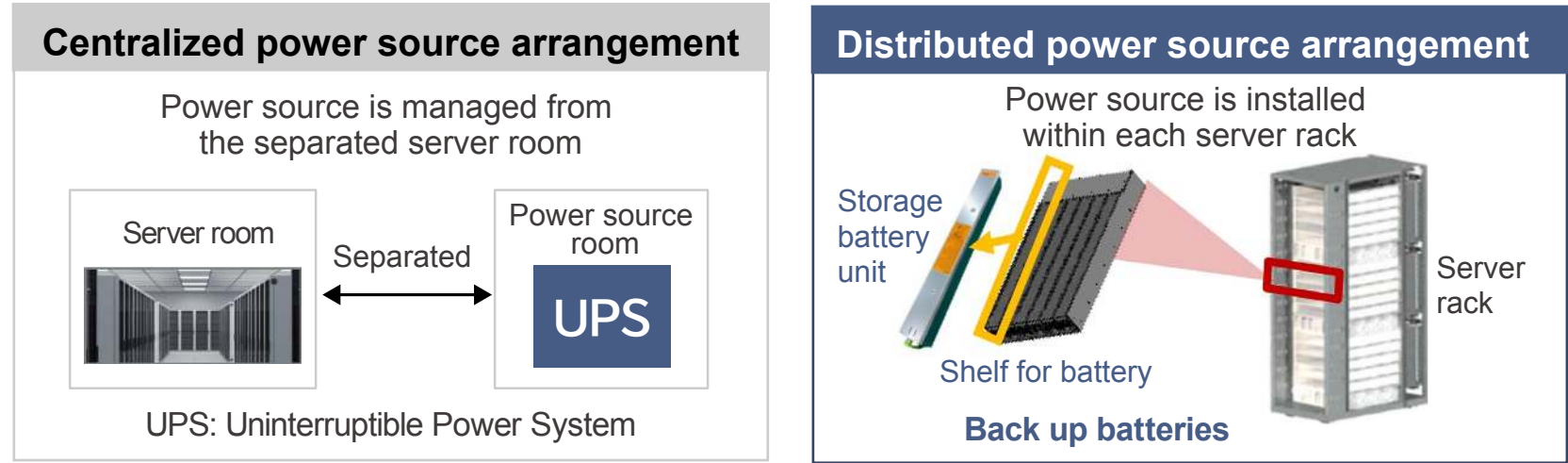
Product overview:

Electricity demand from data centers is rapidly increasing due to the spread of high-performance servers for AI use. Stabilizing power supply is now indispensable to reduce peak power demand and avoid momentary power outages. In our distributed power supply system using lithium-ion batteries, a power supply unit is located at each server rack. This is both space saving and also offers better power supply efficiency by reducing the number of voltage conversions to the servers compared with conventional lead-acid batteries.

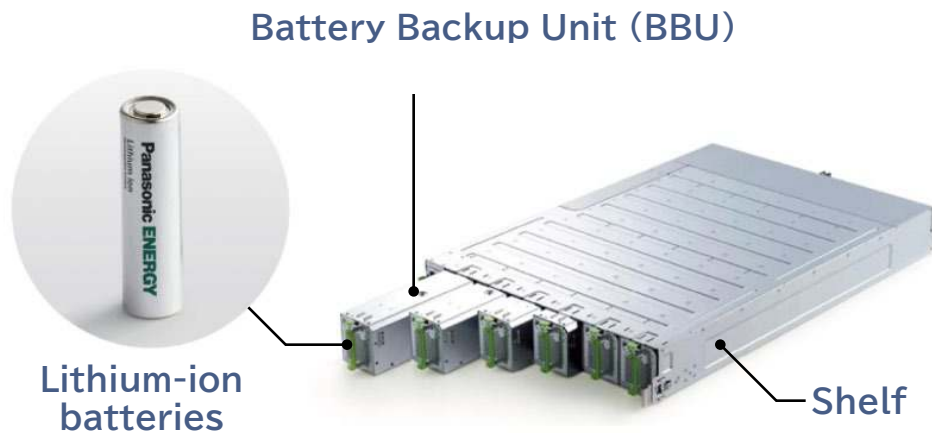
Avoided CO₂ emissions mechanism:

The calculation assumed the same load of computing is operated in two data centers, one equipped with a distributed power supply system and the other with a central power supply system. The avoided emissions are equivalent to the reduced power consumption achieved by the voltage conversion loss reduction.

Wide ← Installation space → Narrow



The server rack storage battery system for data centers consists of storage battery modules (BBU: Battery Backup Unit) containing lithium-ion batteries, and a shelf that stores the BBU.



Baseline scenario: (Simulation without this product)

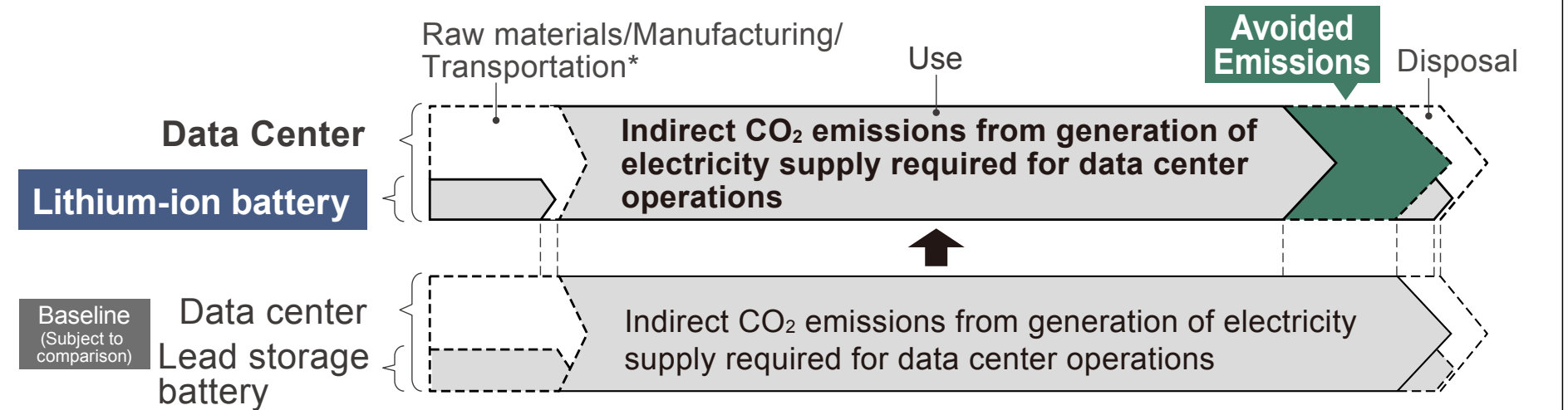
A data center with a central power supply system that operates a certain level of computing load.

Baseline: (Subject to comparison)

CO₂ emissions equivalent to the power consumption required for the data center with a central power system to operate the said level of computing load for a certain period.

Coverage of quantification: (System boundary)

Determine the power consumption required via the power supply systems for a data center to operate at a specified level of computing load. Then determine the difference in voltage conversion loss between the centralized power supply system with lead-acid batteries and the distributed power supply system with lithium-ion batteries. Calculate the CO₂ emissions equivalent to the loss difference.



* A lithium-ion battery's CFP (1.6 kg/kWh) is about 80% of a lead storage battery's CFP (2 kg/kWh). This difference was not included in the avoided emissions to retain a conservative viewpoint in quantification.
[Reference] LCAs of lithium-ion batteries and lead storage batteries <https://doi.org/10.1016/j.jclepro.2022.131999>

Calculation formula:

$$\begin{aligned} & \left[\text{Amount of activities} \right] \times \left(\text{Annual power consumption by centralized power source arrangement (MWh)} - \text{Annual power consumption by distributed power source arrangement (MWh)} \right) \\ & \times \left(\text{CO}_2 \text{ emission factor for electricity in North America} \right) \times \left(\text{Period} \right) \\ & \quad \quad \quad (0.331 \text{ ton- CO}_2 \text{ /MWh}) \end{aligned}$$

Annual avoided emissions from energy loss reduction by distributed power source arrangement

Amount of activities: (Unit)

The annual sales of distributed storage battery systems containing lithium-ion batteries installed in DCs.

Period: (Flow method: Include entire lifetime CO₂ emissions of the product in its first sales of the year)

Designed product life. CO₂ emissions reduction effect continues during the period.

[Reference] About distributed storage battery system for data centers

https://holdings.panasonic/content/dam/holdings/jp/ja/corporate/investors/pdf/irday2025_ene_j.pdf (in Japanese)

* **CFP** (Carbon Footprint of Products): CO₂ emissions converted from GHG emissions throughout the entire product life cycle—from raw material procurement to disposal and recycling of a product and service (per one unit).

Electrification

Smart Life Field

Electrically-Assisted Bicycle

Main product life stages subject to avoided CO₂ emissions



Sales regions: Japan

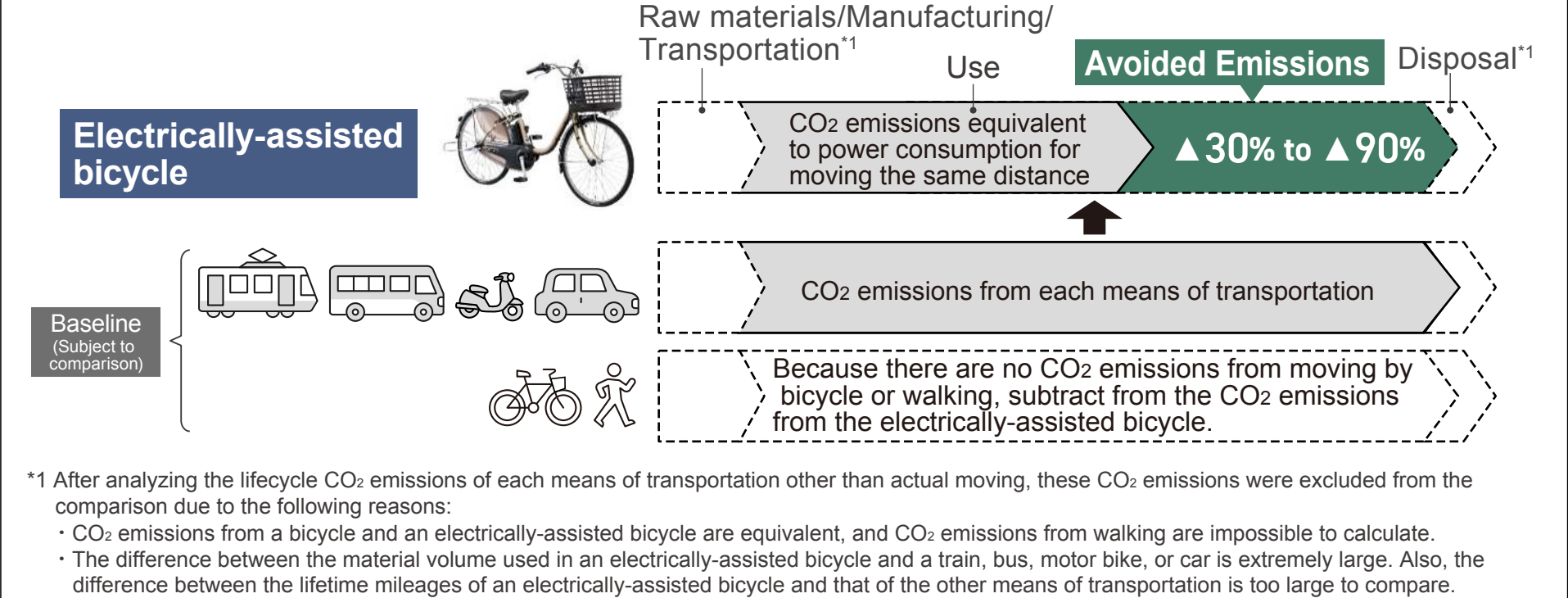
Product overview: An electrically-assisted bicycle provides auxiliary power via a motor driven by pedaling. It is a means of transportation mainly achieved by human pedaling but with the help of a motor that reduces the physical burden of going uphill and carrying a load.

Avoided CO₂ emissions mechanism: The difference between the CO₂ emissions equivalent of the electricity consumed by a train and the CO₂ emissions from the combustion of fossil fuels by a motorcycle, bus, or car—all moving the same distance—and the CO₂ emissions equivalent of the electricity consumed by an electrically-assisted bicycle is calculated as the avoided emissions. The CO₂ emitted by a bicycle and walking*¹ are subtracted.

Baseline scenario: (Simulation without this product) Means of transportation (train, motorcycle, bus, car, bicycle, and walking) that move the same distance as the electrically-assisted bicycle (Assumption)

Baseline: (Subject to comparison) CO₂ emissions from moving the above distance by train, motorcycle, bus, and car (zero emissions from a bicycle and walking)

Coverage of quantification: (System boundary) The difference between the CO₂ emissions from the average lifetime mileage of an electrically-assisted bicycle and that from a train, motor bike, bus, and car



Calculation formula:

[Amount of activities] Annual sales (Unit)

Annual avoided emissions per electrically-assisted bicycle

Amount of activities: (Unit) Number of annual sales of electrically-assisted bicycles

Replacement rate: (Unit) Specified according to means of transportation in surveys conducted to purchasers of electrically-assisted bicycles fiscal 2024 model. (Right table)

Period: (Flow method*³)

*3 Include entire lifetime CO₂ emissions of the product in its first sales of the year

Electrically-assisted bicycle life (8 years)

CO₂ reduction effects continue during the period (assumption)

Fiscal 2026 avoided emissions: 168 thousand tons

Means of Transportation Before Purchase of an Electrically-Assisted Bicycle, and Its Percentage (Replacement Rate)

Means of Transportation	Replacement Rate
Train	2.9%
Motorcycle	3.5%
Bus	2.1%
Car	19.1%
Walking	12.3%
Bicycle	37.6%
Electrically-assisted bicycle (Note)	(22.5%)

Note: The figure for purchase electrically-assisted bicycles indicates the percentage of purchasers who had already owned or used electrically-assisted bicycles.

Environment

Environmental Management

Policy

Creating Value through Panasonic GREEN IMPACT Materiality

Converting CO₂ Reduction Impact into Business Growth, Financial Value, and Corporate Value

Creation and Expansion of Economically Rational CE Business

Environmental Action Plan GREEN IMPACT PLAN

Initiatives to raise awareness of and enhance the recognition of avoided emissions

Our Businesses' Contribution to Carbon Neutrality

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Response to TNFD

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Initiatives to raise awareness of and enhance the recognition of avoided emissions

While established frameworks exist for assessing greenhouse gas (GHG) emissions associated with a company’s business activities, they do not fully capture its contribution to decarbonization across society through those activities, that is, the opportunity side of climate action. Although the concept of avoided emissions is becoming widespread, internationally unified standards and a disclosure system that enables data comparison are still under development. In this situation, it is important to build an environment in which companies’ contributions to decarbonization are properly evaluated while advancing technological development and innovation.

Panasonic GREEN IMPACT, our long-term environmental vision, is designed to value not only our own contributions to CO₂ emissions reduction, but also those of society as a whole. We regard avoided emissions as one indicator of a company’s contribution to decarbonization. Based on this view, we work with companies, financial institutions, and international organizations that share the same ambitions. Through this collaboration, we contribute to international standardization efforts, raise awareness, and promote practical implementation. In doing so, we seek to create an environment that drives the decarbonization of society as a whole and enables appropriate evaluation of avoided emissions in the capital market. To this end, we advance standardization, social implementation, and financial sector engagement in an integrated manner, with the aim of translating avoided emissions into financial value and enhancing corporate value.

■ Standardization Activities

International Electrotechnical Commission (IEC)

The international standardization of avoided emissions, to which we have contributed, has progressed, and IEC 63372, covering electrical and electronic products and systems, was published in January 2026. This international standard addresses quantification and communication of carbon footprints, GHG emission reductions, and avoided emissions of electrical and electronic products and systems. It clarifies important points within the actual quantification and communication, including reporting avoided emissions separately from the company’s own GHG inventory emissions, determining baselines, defining system boundaries, and avoiding double counting for GHG data. As a member of the international committee, we contributed to the development of the standard, including by providing calculation examples.

World Business Council for Sustainable Development (WBCSD)

WBCSD is a global organization of approximately 200 leading companies committed to sustainable development, working together to accelerate the transition to a sustainable world. Endorsing the principles of WBCSD, Panasonic Holdings Corporation (PHD) joined WBCSD in 2022 to accelerate the Panasonic Group’s PGI activities. Following the publication of Guidance on Avoided Emissions in 2023, WBCSD has been working on an updated version of the

guidance and developing sector-specific guidance. As a member of WBCSD, we also participate in discussions concerning such revisions and their implementation. WBCSD helps connect the concept of avoided emissions with corporate practices and dialogue with the financial sector. We also work with other member companies and relevant stakeholders to improve the credibility of avoided emissions and promote their wider adoption.

Panasonic Holdings Joins WBCSD (World Business Council for Sustainable Development)

<https://news.panasonic.com/global/press/en221007-2>

International Organization for Standardization (ISO) and Greenhouse Gas Protocol (GHG Protocol)

In fiscal 2025, significant progress was also made within ISO and GHG Protocol. Under their strategic partnership, ISO and the GHG Protocol are working to integrate the revision of ISO 14064-1: Greenhouse gases - Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals with the GHG Protocol’s corporate standards into harmonized, co-branded international standards. Within the GHG Protocol’s Actions and Market Instruments (AMI) discussions, work is under way on a framework for transparently reporting decarbonization impacts on society, including avoided emissions. Through alignment across the IEC standard, WBCSD guidance, ISO, and the GHG Protocol, we aim to create an enabling environment in which avoided emissions can be used as a transparent and comparable indicator. This will support corporate disclosure of contributions to decarbonization, dialogue with financial institutions, and broader societal understanding of such contributions.

GX League*

To establish a system whereby the opportunities for Japan’s corporations contributions to climate change, such as by reducing emissions from the products and services they provide to the markets, are properly evaluated, Panasonic has participated as a leading member of the GX Business Working Group since its inception, in the area of rulemaking for market creation that is one of the GX League activities.

To expand awareness of the avoided emissions that is one of the disclosure items used in the Panasonic Group’s long-term environmental vision in evaluating opportunities related to climate change, we jointly published with other GX league member company a collection of use examples by financial institutions in December 2023, and in May 2024 a virtual collection of recommended information disclosure by our operating companies, following to “the Basic Policy for disclosure and evaluation for opportunities related to climate change” published in fiscal 2023. We disclosed a sample calculation of avoided emissions on the GX Dashboard.

* GX stands for ‘Green Transformation’. In February 2022, the Industrial Science and Technology Policy and Environment Bureau of the Ministry of Economy, Trade and Industry (METI) announced the GX League Basic Concept. GX League was launched as an apparatus where the company groups who are proactively working for GX with players in industry, government, academia and financial institutions challenge towards GX as a whole to discuss transformation of a whole society, economic and environmental system and implement activities to create new markets.

Establishment of the GX League Business Working Group and Appointment of PHD as a Leader – Building a Framework and Promoting Evaluation and Disclosure on Climate-Related Opportunities

https://news.panasonic.com/jp/topics/204865

Appeal of the avoided emissions at international events

As a result of our fiscal 2023 activities for raising awareness and dissemination of the avoided emissions at international events, the activities were clearly stated in the 2023 G7 outcome documents. We have continued working to raise awareness and valorize the avoided emissions in fiscal 2026.

COP30 (The 2025 Conference of the Parties of the United Nations Framework Convention on Climate Change (UNFCCC))

In November 2025, the Panasonic Group participated in the seminar, “Turning Avoided Emissions into Corporate Value—Paving the Way for Practical Action,” organized by the Ministry of Economy, Trade and Industry (METI) in the COP30 Japan Pavilion. We presented the three steps that corporations should take for disclosure: standardizing the calculation processes; collecting concrete examples of calculations; and disclosure of calculation results based on standardization. We also mentioned that one current challenge is that only a limited number of corporations disclose avoided emissions. Therefore, it is essential to increase the quantity and quality of avoided emissions disclosures so that they are properly valued by stakeholders. We also introduced the Avoided Emissions Platform, a global database of avoided emissions impact, in which we participate.

Initiatives to Enhance Awareness, Standardization and Financial Sector Engagement for Cooperation with Avoided Emissions

FY2023					FY2024			FY2025				FY2026
Awareness-enhancement	Progress	Recognition of avoided emissions was limited, and international standards for calculation and disclosure had yet to be established.			Clearly stated in the official documents	Moved forward with the discussions on the social value significance of avoided emissions and the need for standardization.		Moved forward with the use of a performance indicator for evaluating avoided emissions by financial institutions and other organizations.				Published international standards in the electrical and electronics fields.
	International frameworks, conferences, etc.	Tokyo GX Week / GGX ^{*1}	COP27 ^{*2} Japan Pavilion, etc.	Sustainable Bond Conference ^{*3}	G7 Sapporo Ministerial Meeting, Hiroshima Summit	Tokyo GX Week / GGX ^{*1} × TCFD Summit	COP28 ^{*6} Japan Pavilion, etc.	6th CEFIA Public-Private Forum ^{*4}	WBCSD Two Lakes Dialogue	COP29 ^{*2} Japan Pavilion, etc.	CES 2025 keynote	COP30 ^{*2} Japan Pavilion, etc.
	Key messages from Panasonic	Communicated the significance of avoided emissions and importance of expanding international recognition.	Promoted balance between decarbonization and economic growth through avoided emissions	Announced increase in avoided emissions and communicated the importance of evaluating avoided emissions even amid a production increase.	Advocated that appropriate evaluation of corporate decarbonization would contribute to achieving a decarbonized society at METI's GX League.	Communicated the significance, fairness and comparability of decarbonization indicators.	Emphasized standardization, fairness and comparability for the financial sector with a view to financial use.	Communicated the visualization and significance of avoided emissions in ASEAN.	Communicated our expansion of avoided emissions across various business and the promotion of environmental contribution projects in China.	Communicated the significance and progress of standardization.	Communicated the importance of avoided emissions to accelerate decarbonization technologies and innovation.	Communicated the importance of ensuring the quantity and quality of avoided emissions.
		Initiated action to gain global recognition for the value of avoided emissions in PGI.										
International Standardization		IEC Japan and Germany participated in IEC 63372			Publication of Panasonic case studies in the Committee draft second edition (CD2)		Committee Draft for Voting (CDV)		Final Draft International Standard (FDIS)		International Standard IEC 63372:2026 January 2026	
		October: Panasonic joined			Alignment		Aligned with revisions of the GHG protocol.					
		WBCSD Guidance published: Panasonic endorsed the significance of avoided emissions.							Compilation of case studies/ Revision in progress		Released Guidance version 2.	
Financial sector engagement for cooperation		June: Kick off and Panasonic participated.			Alignment							
		METI GX League Announced the Basic Policy. Lead rule-making activities for creating new markets at the GX Management Promotion Working Group.			Compilation of case studies for financial institutions		Compilation of recommended disclosure case studies for operating companies		Disclosed Panasonic Group's avoided emissions on the GX League Dashboard.			
		Expanding dialogue with companies and organizations globally										

*1 GGX: Global Green Transformation Meeting

*2 COP27 (November 2022, Egypt), COP28 (November 2023, UAE), COP29 (November 2024, Azerbaijan), and COP30 (November 2025, Brazil)

*3 Co-hosted with the International Capital Market Association (ICMA) and the Japan Securities Dealers Association

*4 Cleaner Energy Future Initiatives for ASEAN (CEFIA) is a public-private partnership framework platform led by METI to promote decarbonization in Asia. The 6th Public-Private Forum, Session 6 (Bangkok, Thailand)

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(From FY2026 business results)

Amount of GHG emissions

Reduced amount
(Estimates indicated by )

Products with emissions

Products with avoided CO₂ emissions

The products with avoided CO₂ emissions that are not included in the total

Flow of electricity

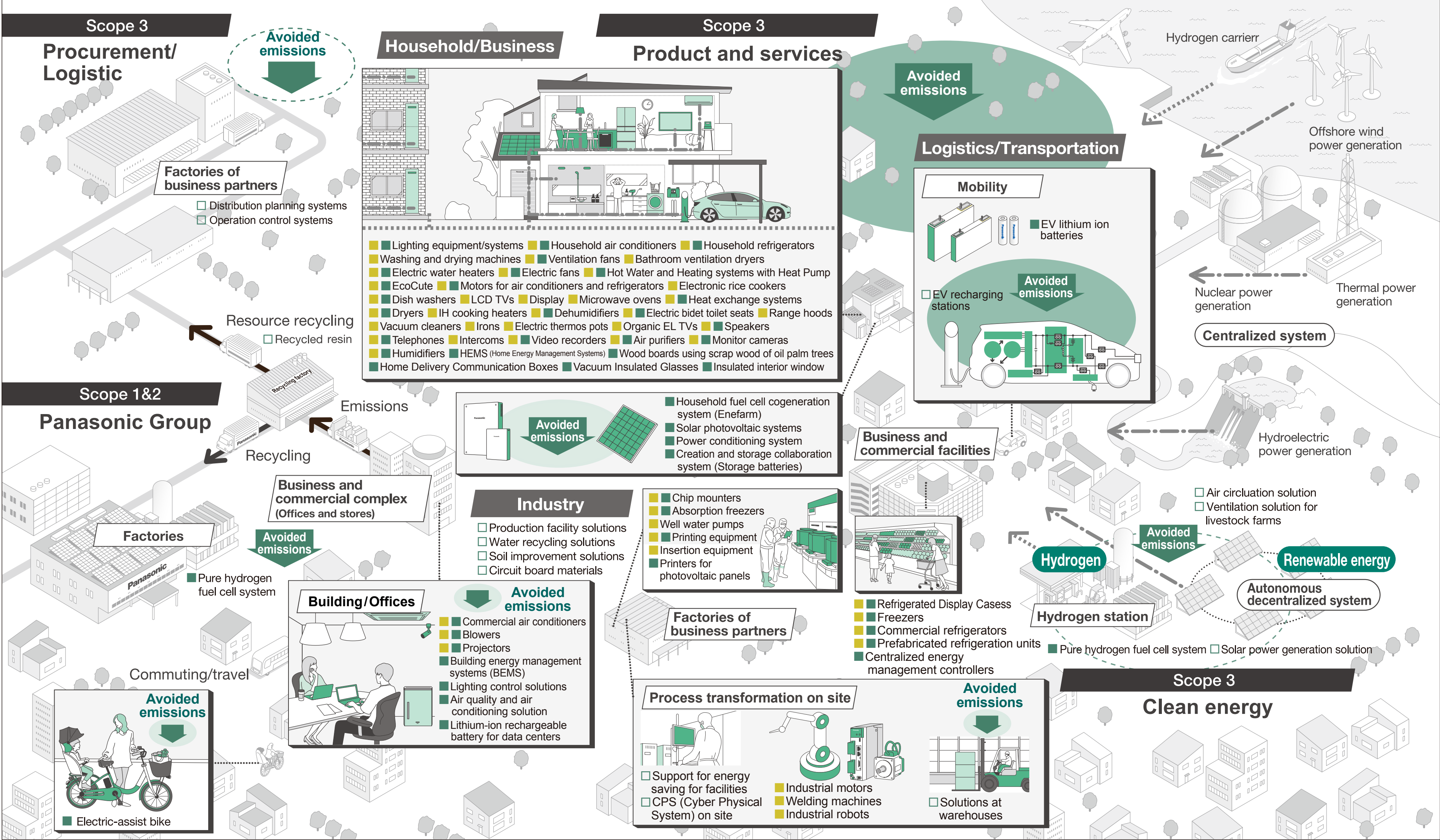
Flow of hydrogen

Flow of emitted recyclables

* The size of circle indicates size of GHG emissions amount.

* The amount of GHG emissions and reduced amount were calculated from the energy usage amount.

Scope 1 Panasonic Group's direct emissions of GHGs (Fuel combustion and industrial processes). **Scope 2** Panasonic Group's indirect emissions from using electricity, heat, and steam provided by third parties. **Scope 3** Other indirect emissions, excluding Scope 1 and Scope 2 (emissions from third parties involved in Panasonic Group's business activities).



* Total of the number of product names given in the Figure for emissions/reduction contribution does not match the number of businesses given in our GREEN IMPACT PLAN on Pages 16-17, due to mergers and splitting of operations in some product groups.

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Response to TCFD

Panasonic Group endorsed the TCFD recommendations*1 in May 2019. As Panasonic Group recognizes risks and opportunities concerning climate change as a critical management issue, we identify our business risks and opportunities and verify business resilience and strategy by thoroughly analyzing the scenarios, considering the TCFD’s recommendation. We also disclose information on thematic areas recommended by TCFD, i.e., ‘governance’, ‘strategy’, ‘risk management’, and ‘indices and targets’, assuming future engagement with investors, etc.

*1 TCFD: an abbreviation of Task Force on Climate-related Financial Disclosures. The task force was set up by the Financial Stability Board (FSB) in response to a request by the G20 Finance Ministers and Central Bank Governors. TCFD published its recommendations in 2017.

Governance

Panasonic Group system to promote group-wide environmental sustainability management is headed by board of directors, so that information on group-wide environmental sustainability management from all of the operating companies are reported to the board of directors.

From 2026, the progress made in the KPIs established under GREEN IMPACT PLAN, as well as issues and social developments, are deliberated in the Group Transformation Round Table attended by Group Business CEOs and other meetings. Depending on their importance, the issues deliberated and decisions made are reported to the Board of Directors, which directs groupwide sustainability measures, for them to make prompt decisions.

This process, under which the PDCA cycle is implemented throughout the Group, was announced in 2022 and is part of Panasonic GREEN IMPACT, our long-term environmental vision.

See [🔗 Environmental Governance](#) for more details.

Strategy

We analyzed impacts on certain items of Panasonic Group Businesses that are likely to affect climate change, based on our assessment of the risks and opportunities in Panasonic Group business operations. The results were used to develop a social scenario for the year 2050, focusing on matters with the greatest impact. We then used the scenario as the basis for examining strategies, and verified the business resilience in our strategy.

See Strategic Resilience through Scenario Analysis for more details.

Panasonic GREEN IMPACT (PGI) is our transition plan to low-carbon economy as a Panasonic group. To support this transition, we have set up short-term targets in our Green Impact Plan (GIP) 2028. We have also set out following medium-term targets.

- Make our total CO² emissions (Scope 1 and Scope 2) net-zero by 2030.
- Reduce CO₂ emissions from use of our products that Panasonic Group sold by 30% compared with the 2019 level by the year 2030.

See [pages 36-38](#) for initiatives for Scope 1 and Scope 2.

Risk Management

As a tool to continuously reduce environmental risks, Panasonic Group is working to establish operating company-specific Environmental Risk Management Systems, in accordance with the basic risk management policy for all Group companies (see [page 114](#)). The management policy includes identification of environmental risks and group-wide risk management each year, and ensuring quick responses to reported environmental risks.

At Panasonic Holdings Corporation (PHD), once a year, risks requiring a response or monitoring by PHD or the Group, as well as their priorities, are identified, analyzed and assessed from top-down, bottom-up and cross-functional perspectives, based on changes in the external and internal environment and management’s recognition of risks in light of the Group’s management policies and plans.

In addition, The Panasonic Group is promoting risk management based on the same process at Panasonic Holdings Co., Ltd. and operating company. Once a year, the Enterprise Risk Management Committee identifies risks that could affect the entire Group based on changes in the external and internal environment and management's risk awareness. In fiscal 2026, the Panasonic Group addressed high-priority risks related to environmental issues and climate change.

See page [🔗 Environmental Risk Management](#) for more details.

Metrics and Targets

The Panasonic Group has set its medium- to long-term targets for reducing greenhouse gas emissions which were accredited SBT^{*2} 2.0°C in October 2017. Furthermore, in May 2023, our new greenhouse gas emissions reduction target was accredited as SBT 1.5°C.

In addition, we set long-term targets and received accreditation for our net-zero emissions targets in September 2024.

*2 SBT: an abbreviation of Science Based Target. It is a target to reduce GHG emissions in consistent with scientific knowledge toward the goals to limit the increase of global temperature to less than 2.0°C, or less than 1.5°C if possible, above pre-industrial levels.

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GHG emissions reduction targets (SBT 1.5°C accreditation)

Target		Progress rate
Emissions from Panasonic Group business activities (Scopes 1 and 2)	Reduce by 90% by 2030 (compared to FY2020) 2019: 2,311 kt	52%
Emissions from use of Panasonic Group products (Scope 3)	Reduce by 30% by 2030 (compared to FY2020) 2019: 95,040 kt	—*3

GHG emissions reduction targets (SBT net-zero accreditation)

Target		Progress rate
Emissions from Panasonic Group business activities (Scope 1, 2 and 3)	Reduce by 90% by 2050 (compared to FY2020) : 127,039 kt	—*3

*3 Progress rate not calculated due to increase in emissions because of expansion of products subject to calculation (see [page 17](#))

Moreover, regarding indices related to climate change, we are discussing to set targets for following each item.

• Transition risk

In response to a rise in the awareness of environmental issues, we are particularly focusing on the risks associated with the introduction and expansion of environmental regulations and policies in the international community. The rise in energy procurement costs, forced purchase of emission credits, increase in manufacturing costs because of switching to use materials with lower environmental impact, and commoditization of low-carbon products, resulting from the introduction of carbon pricing, such as a carbon tax and the Emission Trading System, are all may adversely affect our Group’s business operations and performance. In addition, any delay in taking action to take measures against these environmental issues may lead to a loss of business opportunities to expand in the European and other markets as well as a loss of business opportunities as a result of trade halts. Furthermore, our drive to use tax deductions, subsidies and other methods to gain business opportunities under regulatory systems for energy security assurance and climate change measures in these countries may adversely affect our Group’s business since we will not be able to receive fruitful results as we expected.

• Physical risk

Each operating company assesses and monitors natural disaster risks, as well as their emergency responses to those risks. Each operating company also established financial assessment standards on the scale of the impact of the potential risks, rating the risk as high when the impact is more than 10 billion yen and as medium or low according to the impact risk.

• Climate-related business opportunities

As the target set under our PGI announced in April 2022, we will strive to reduce CO₂ emissions, with a aim of by 2050, achieving reduction impact of more than 300 million tons that is ‘approx. 1%’ of the total CO₂ emissions discharged all over the world as of now, through group business activities.

In addition to our business operations in the automotive battery business for environmentally friendly vehicles that are designed to significantly reduce CO₂ emissions and activities to reduce CO₂ emissions from our air quality and air conditioning business in Europe, we are working to reduce environmental impact in the data center business by improving energy efficiency and minimizing the power consumption associated with power conversion loss and cooling. This is achieved using a novel cooling system, in which three layers of technology—power supply, devices, and cooling—are optimized through integration of a highly efficient power system, high performance devices, and air and liquid coolers.

• Internal carbon pricing

Panasonic Group introduced internal carbon pricing (ICP) in March 2022 for capital investment, with a setting the price of CO₂ emissions at 6,000 yen/t- CO₂.^{*4} We plan to increase the installation of energy-saving facilities and renewable energy-fueled equipment, including photovoltaic power generation, while maintaining economic rationality that is consistent in the future, by considering the impact of future carbon taxation and the like. As for further expansion in the scope of our activities and price setting, we will determine in line with our business decisions.

In order to accelerate our competitiveness in businesses contributing to ‘carbon neutrality (decarbonization)’ and ‘circular economy’, Panasonic Corporation, one of our Panasonic Group companies, introduced the ICP scheme where CO₂ emissions reduction in Scope 3 in our entire value chain and avoided CO₂ emissions contribute to society are used as criteria for investment decision, to all Panasonic Corporation in fiscal 2025.

Until now, priority investments have been made in the business of automatic demand response control for refrigerators and part of the Panasonic Factory Refresh business.

• Remuneration

Since April 2022, we have adopted a new performance evaluation system for executive remuneration of directors and executive officers of the holding company and of the presidents of the operating companies. The evaluation items for performance-based remuneration include those related to sustainability viewpoint such as environmental contributions. One of the examples of the contribution to our environmental performance index is reduction of CO₂ emissions in our own value chain.

^{*4} Subject to change because of market conditions

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TNFD Recommendations*1

In the same way as the TCFD recommendations, the TNFD recommendations comprise the four thematic areas of Governance, Strategy, Risk and Impact Management, and Indices and Targets, for corporations to voluntarily identify and disclose business risks and opportunities.

The Panasonic Group recognizes risks and opportunities concerning natural capital as a critical management issue. Based on the TNFD recommendations, we are currently identifying these business risks and opportunities, as well as verifying the resilience of our business strategies. We are also assessing business sustainability using scenario analysis.

*1 In September 2023, the Taskforce on Nature-related Financial Disclosures (TNFD) released a set of disclosure recommendations and guidance for organizations to report and act on evolving nature-related dependencies, impacts, risks, and opportunities.

General Requirements

- (1) The approach to materiality
This report assesses and describes “impacts from natural capital on our business activities” and “impacts from our business activities on natural capital” applying a dual materiality approach.
- (2) The scope of disclosures
This report adheres to the four pillars of the disclosure recommendations, which are Governance, Strategy, Risk & Impact Management, and Metrics & Targets. The scope of the analysis covers the Panasonic Group’s business activities and those of the upstream and downstream of the supply chains. The analysis includes nature-related impact from all manufacturing sites across the group, and then the business-related dependencies and impacts were analyzed under the electronics sector. The risks and opportunities were identified using the LEAP approach,*2 recommended by TNFD, and scenario analysis.
- (3) The location specificity of nature-related issues
The analysis used data from the areas where we operate.
- (4) Integration with other sustainability-related disclosures
The analysis took into account the relation to environmental issues, such as climate change and resource recycling.
- (5) Time span
We use three time spans: Short term—up to three years into the future; Medium term—up to 2030; and Long term—up to 2050.
- (6) Stakeholder engagement
We hold dialogues with major media outlets coinciding with the publication of annual sustainability data books. We also hold regular meetings between external experts and our

management to deepen understanding of natural capital and gain objective perspectives on the Panasonic Group’s efforts.

We are closely engaged with institutional investors to discuss the sustainability strategy that helps to increase our medium- to long-term corporate value. Every company inevitably causes direct and indirect impacts from its business operations. The direct impact is to the company’s operating area and surrounding areas, and the indirect impact is to all stakeholders affected by the direct impact. We are watchful for human rights infringements occurring from these direct and indirect impacts and are aware of the importance of managing and correcting any infringements. The Panasonic Group endorses all human rights-related international rules and models, and values the human rights of anyone who may be affected by our business activities. We put the greatest emphasis on our efforts to fulfill this responsibility. We are keen to understand the status of impact from our businesses on indigenous peoples, local communities, and other stakeholders, and are reinforcing our system to protect their human rights. Please refer to the following section, Governance, for more details.

*2 LEAP approach
TNFD adopted the LEAP approach to comprehensively assess nature-related risks and opportunities. The LEAP approach comprises four phases: Locate the company’s interfaces with nature; Evaluate its dependencies and impacts on nature; Assess its nature-related risks and opportunities; and Prepare and report on material nature-related issues.

Governance

Aiming to build a sustainable society, the Panasonic Group regards issues relating to natural capital—such as biodiversity—as a critical management issue. We manage such issues under Groupwide governance using the same system and schemes as we do for TCFD (see [page 28](#)). We are working to build a society in harmony with nature, contributing to a nature-positive future by supporting the recovery of natural ecosystems. As a part of this effort, we value the human rights of any stakeholders who could be affected indirectly by nature altered by our businesses and supply chain—especially those who are vulnerable to environmental deterioration, such as indigenous peoples and local communities. Such stakeholders have the right to obtain accurate and appropriate information, the right to effectively participate in decision making concerning their environment (including the right of self-determination and to prevent forced relocation of indigenous peoples and local communities), and the right to receive effective remedies. We understand the importance of such rights, as well as of engagement with them to support and exercise their rights. We are aiming to enhance our capability to address these issues.

Strategy

The Panasonic Group provides products and solutions that contribute to people’s lives and businesses. Such products and services include home appliances, housing facilities, devices and systems for production and distribution sites, and batteries and electronic components that

support transportation systems and social infrastructure. Our businesses largely depend on natural capital, such as water and mineral resources, and biodiversity.

Business management that can bring both business results and natural capital protection is essential to maintaining a sustainable business. With full awareness of this point, we are working to identify and assess nature-related risks in our value chain.

In 2024, we qualitatively evaluated our businesses’ relationships with nature and prioritized any issues using the ENCORE^{*3} and LEAP approaches. The scope of this assessment covered general product life cycles, including procurement, production, usage, and disposal. The production phase was then analyzed according to the Group companies—Living Appliances and Solutions, Connect, Industry, Energy, and others. Subsequently, these analyses were studied according to the characteristics of major products. We plan to build a more precise assessment

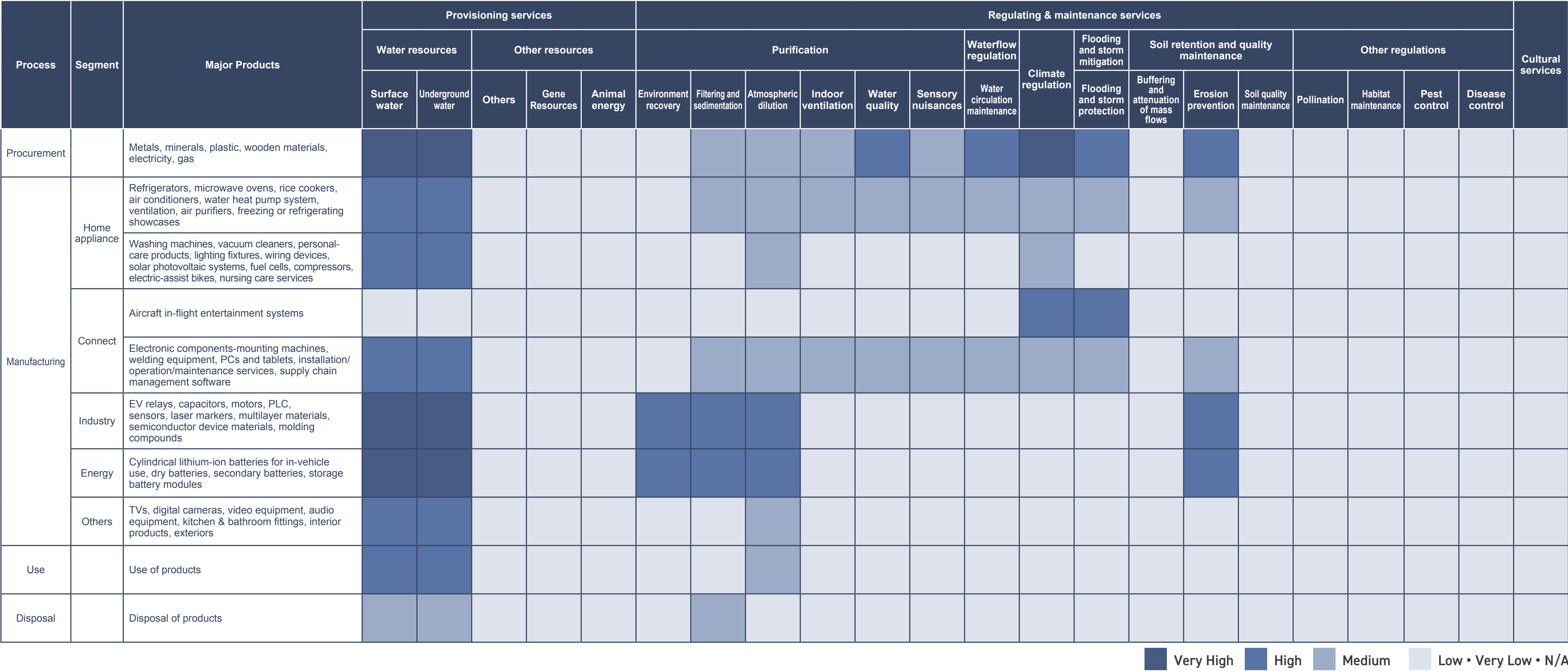
system by continuing detailed analysis and improving the assessment procedure.

^{*3} ENCORE: Exploring Natural Capital Opportunities, Risks and Exposure. A tool developed by the UN Environment Programme World Conservation Monitoring Centre (UNEP-WCMC) to systematically visualize how businesses impact and depend on natural capital, enabling companies to be aware of their exposure to nature through business operations and material procurement in the supply chain. The tool is recommended by the TNFD Guidance and the Ministry of the Environment.

■ Dependency Heatmapping

We created a heatmap that shows our value chain’s dependencies on ecosystem services, categorized into Very High, High, Medium, and Low (including Very Low and N/A). As a result of ENCORE scoring, many of our business segments showed high dependency on water resources, both surface and underground water.

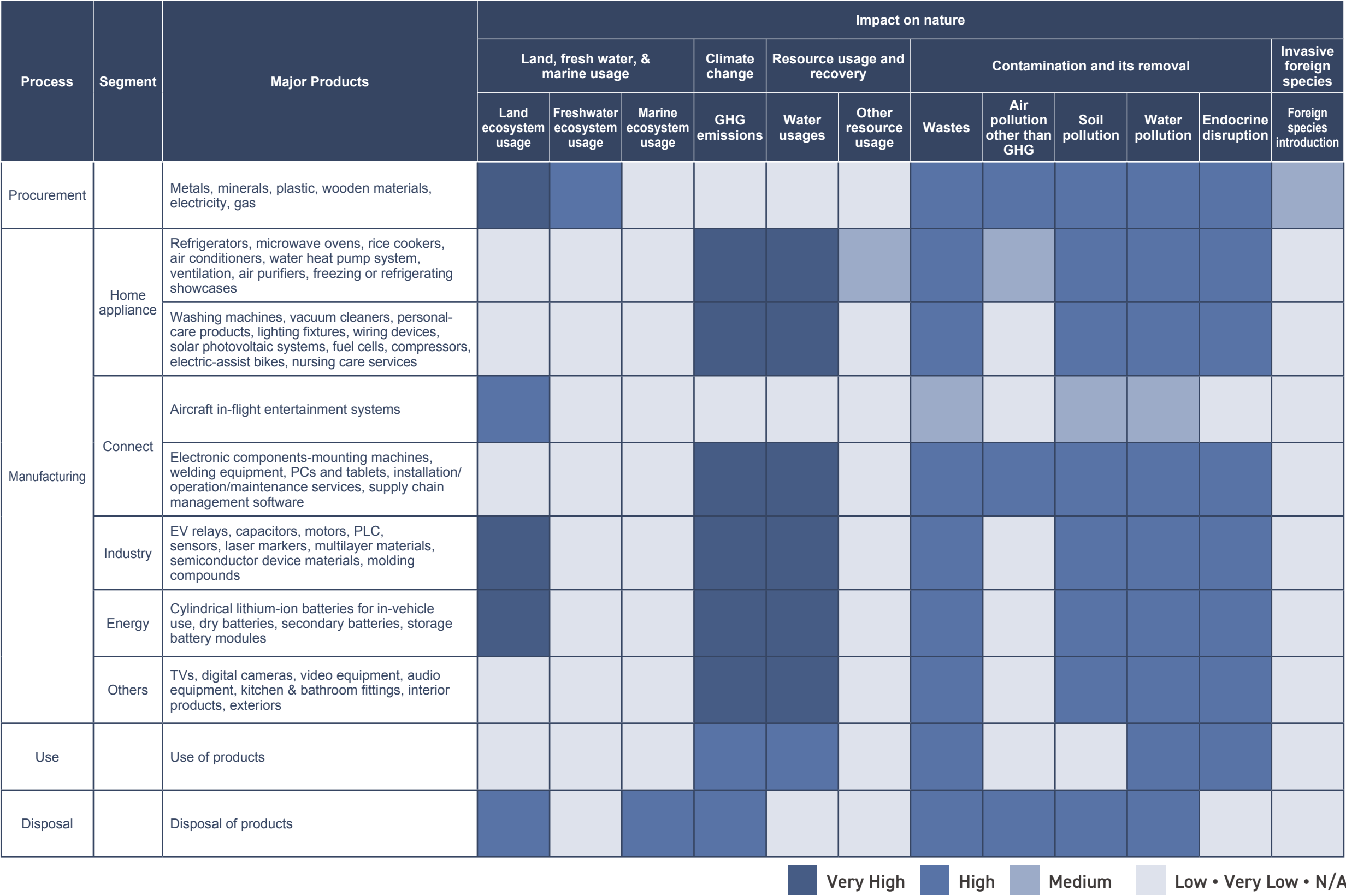
Ecosystem service dependency heatmap



Impact Heatmapping

We have also created a heatmap of impacts from our businesses using four categories of Very High, High, Medium and Low (including Very Low and N/A). As a result, many of our business segments showed a high impact for GHG emissions, water usage, land ecosystem usage, waste emissions, soil pollution, and water pollution.

Ecosystem service impact heatmap



Locating Nature Priority Sites (Locate)

Among all the Panasonic Group’s manufacturing sites, we identified Sensitive Locations as defined by TNFD. Combining the analysis tools and database referred to by TNFD, we identified Sensitive Locations according to the score for each manufacturing site calculated for the following areas: Areas Important for Biodiversity; Areas of High Ecological Integrity; Areas Important for Ecosystem Services Provision; and Areas of Physical Risks for Water. As for the physical risks for water, 54% of our entire sites were found to be in sensitive locations. Taking account of the importance of our group businesses, we will continue to identify the Priority Locations as defined by TNFD.

Sensitive locations among all manufacturing sites

Criteria for sensitive locations	Tools	Index	Specific criteria	Summary of results
Criteria for sensitive locations	IBAT	1. WDPA, 2. KBA, 3. Rarity-weighted species richness	Evaluated according to World Database on Protected Areas (WDPAs), Key Biodiversity Areas (KBAs), and Species Diversity Indices	- 8% of all manufacturing sites are in sensitive locations - Including sites in Malaysia, Taiwan, and Singapore
High ecological integrity	1. Newbold, 2. Global Forest Watch	1.Biodiversity intactness index, 2. Tree cover loss	Evaluated for Biodiversity Intactness Index, and Green Cover Depletion	- 13% of all manufacturing sites are in sensitive locations - Including sites in Malaysia, Thailand, and Japan
Important for Ecosystem Services Provision	Land Mark	Land of indigenous peoples and local communities	Evaluated for proximity to land of indigenous peoples and local communities	- 6% of all manufacturing sites are in sensitive locations - Includes sites in India, Mexico, Vietnam, and America
Physical Risks for Water	1. Aqueduct, 2. WRF, 3. Flood risk finder	1. Baseline water stress, 2. Surface water quality index, 3. Flooding depth	Evaluated for water stress, quality of surface water, flooding depth, etc.	- 54% of all manufacturing sites are in sensitive locations - Many sites face water pollution risks. China showed the highest number with 32 sites.

The Locate phase for water resources is described [on Web](#). The qualitative analysis of the impact on the ecosystem from iron resources is currently being undertaken (for details, see https://holdings.panasonic/global/corporate/sustainability/environment/resources/recycling_oriented_manufacturing.html#iron)

Identifying Risks and Opportunities Based on Scenario Analysis

The Panasonic Group is aware of the impact and dependencies of our business activities on natural capital (ecosystem services), and regards our response to related risks and opportunities as priority issues in business management. As a part of such efforts, we ran scenario analyses based on the TNFD recommendations to identify nature-related risks and opportunities. With our eyes set on 2050, we analyzed four scenarios (phases) formed on the two axes of “ecosystem service degradation” and “alignment of market and non-market forces,” as recommended by TNFD. As a result, we adopted the following two scenarios for detailed analysis based on their perceived likelihood and potential scale of impact.

- Nature Positive (NP) Scenario

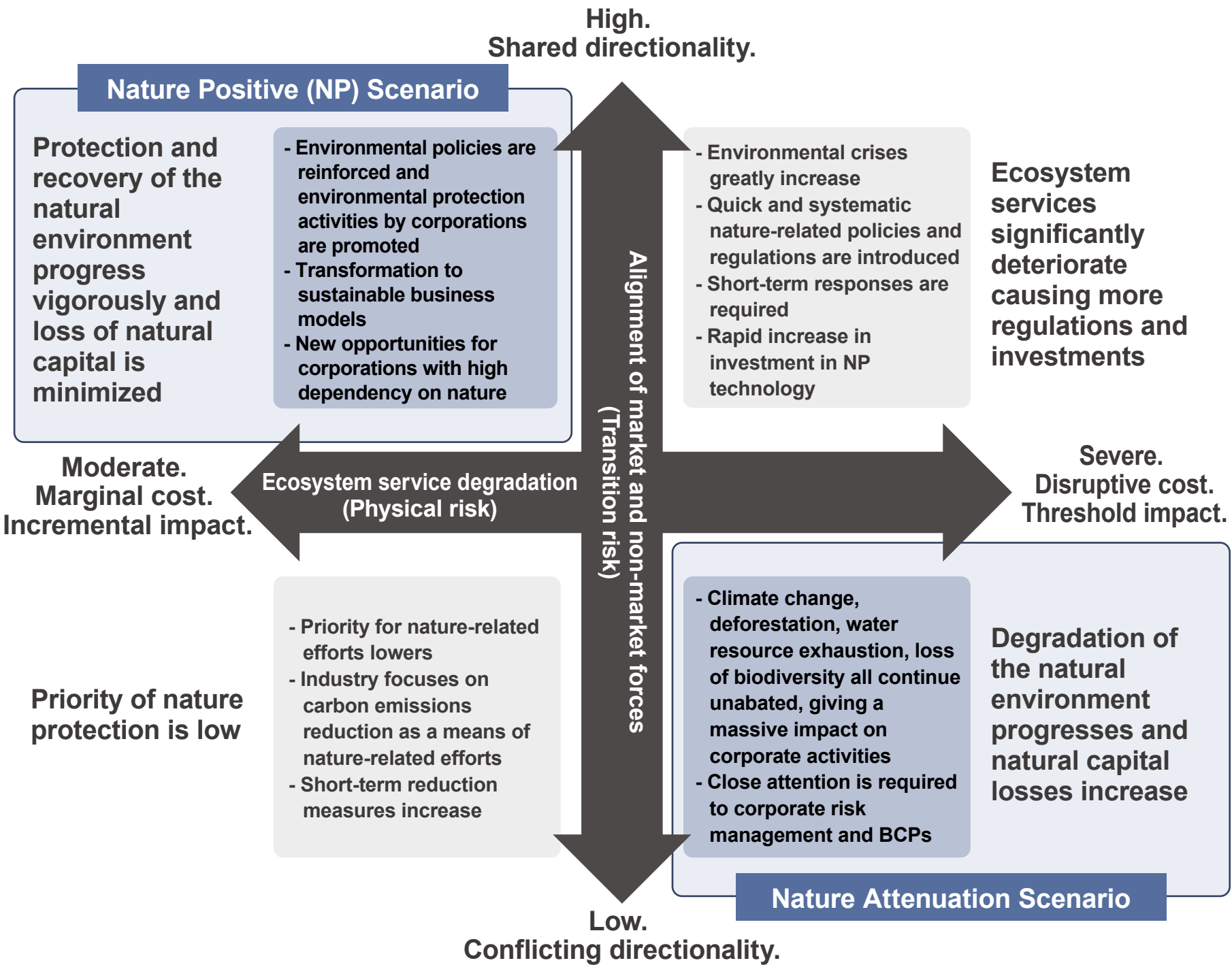
This scenario assumes vigorous progress in nature protection and recovery whereby natural capital would be recovered in the future. This is a scenario based on Vision 2050 of the Kunming-Montreal Global Biodiversity Framework (GBF), which aims at a world living in harmony with nature, or equivalent to a +1.5°C climate change scenario.

- Nature Attenuation Scenario

This scenario assumes a world where natural capital and biodiversity are largely lost due to lack of international cooperation towards nature positive. This is equivalent to a +4°C climate change scenario that describes the accelerated degradation of the natural environment.

Based on these two scenarios, we identified potential issues in the upstream, direct operations, and downstream of the value chain, as well as in the business areas of each operating company. We then assumed the impact from such issues (risks and opportunities) on our finances and businesses. Taking account of the scale of the impacts and their possible frequency, as well as their time span, we made a relative evaluation between the risks and opportunities. Based on the evaluation results, we then devised countermeasures to minimize the risks and maximize the opportunities. These countermeasures were developed from the standpoint of measures already enforced, other measures currently being discussed, and future plans.

Four Scenarios and Assumed Worlds



Scenario Analysis on the Value Chain Upstream

Upstream analysis identified issues related to material procurement, which has a close relationship with nature. In the Nature Positive scenario, where nature protection and recovery progress vigorously, mandatory usage of materials with low environmental impact and tighter material usage restrictions may be enforced. These changes may cause instabilities in material

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procurement, stricter pursuit of illegal procurement, lowering of business value due to increase in lawsuit and compensation risks, and damage to our brand image. While in the Nature Attenuation scenario, where nature degradation and social indifference progress, we assume risks such as unstable material procurement due to intensified natural disasters and flooding arise with the lowering natural power of climate regulation and water retention. To respond to such risks, we would need to disperse the upstream sites over different areas, keeping pace with the latest regulation changes, and requiring closer cooperation with suppliers.

Risks, opportunities, and countermeasures (upstream)

Scenario	Possible issues	Risks and opportunities		Risk assessment and opportunity assessment	Time span	Risk countermeasures
NP	Mandatory usage of materials with low environmental impact. Tighter usage restrictions of specific hazardous chemicals and materials.	Risks	Growing instability and difficulties in resource and material procurement.	Medium to large	Short- to mid-term	Distributed procurement from appropriately dispersed suppliers across value chain upstream sites.
		Opportunities	Securing business competence through development of technologies related to procuring materials with low environmental impact.			Offering products and services with low environmental impact through visualization of procurement (monitoring and database DX).
NP	Stricter pursuit of procurement legality. Increase of lawsuits and compensation demands.	Risks	Lowered business value and damage to brand image.	Medium to large	Mid- to long-term	Requesting suppliers to ensure legal material procurement. Replacing product materials with recycled materials.
		Opportunities	Improving reputation and brand image by adopting materials with low environmental impact.			Following the latest global trends, adopting self-regulation stricter than legal requirements. Establishing internal standards and regular revision. Introducing checkup and inspection system.
Nature Attenuation	Intensified natural disasters and flooding due to lowered natural power of climate regulation and water retention.	Risks	Growing instability and difficulty of resource and material procurement. Increasing cost of recovery, repairs, and operations.	Medium to large	Short- to long-term	Distributed procurement from appropriately dispersed suppliers across value chain upstream sites.
		Opportunities	Disaster countermeasures in the value chain upstream sites. Facility investment for more efficient operations.			Offering (energy-saving) products with less CO ₂ emissions and/or less water usage, and circular services.

■ Scenario Analysis of Direct Operations in the Value Chain

Direct operation analyses revealed that there are many issues in manufacturing, where natural materials are used. In the Nature Positive scenario, mandatory usage of materials with low environmental impact and tighter material usage restrictions may be enforced. These changes may cause risks, such as business stagnation and suspension. At the same time, increased demands for products and services with low environmental impact would require us to operate our business to suit such demands and publicly announce our contribution to ecosystems. Also, we would need to convert our business models to recycling-oriented, by creating products and services that provide a positive impact on nature and ecosystems, collecting and recycling used

products, and expanding refurbished products. To realize this, we are aware of the necessity of strategic and well-planned resource deployment; facility investment; and development of eco-conscious product design and manufacturing technologies, as well as resource extraction technologies within the recycling process. In the Nature Attenuation scenario, we are concerned about the growing instability of material procurement and business operations due to the increase in natural disasters and flooding caused by deterioration in nature’s capability with respect to climate regulation and water retention.

Risks, opportunities, and countermeasures (direct operations)

Scenario	Possible issues	Risks and opportunities		Risk assessment and opportunity assessment	Time span	Risk countermeasures
NP Nature Attenuation	Providing products and services with positive impact on nature and ecosystems. Collecting and recycling used products. Reviewing refurbishment-based business models.	Risks	Delays, suspensions, and stoppages concerning research, development, production, services, and sales.	Medium to large	Short- to mid-term	Following the latest global trends, strategically training people for risk reduction and accident prevention, and making well-planned facility investments.
		Opportunities	Developing and commercializing low environmental impact technologies.			Developing eco-conscious materials. Solutions to visualize ecosystem protection and recovery. Developing recycling-oriented product design and manufacturing technologies, and resource extraction technologies for recycling.
NP	Mandatory usage of materials with low environmental impact. Tighter usage restrictions of specific hazardous chemicals and materials.	Risks	Production difficulties and increased costs due to restrictions on materials with high environmental impact.	Medium to large	Mid- to long-term	Reforming business processes to reduce resource usage, DX, more efficient operations using AI, and cost reduction.
		Opportunities	Developing products and services with low environmental impact throughout their life cycles.			Developing eco-conscious materials. Solutions to visualize ecosystem protection and recovery. Developing recycling-oriented product design and manufacturing technologies, and resource extraction technologies for recycling.
NP	Diversified customer preferences concerning products and services with low environmental impact. Intensified natural disasters and flooding due to lowered natural power of climate regulation and water retention.	Risks	Lowered brand image and trust due to insufficient efforts on ecosystem. Worsened relationships with stakeholders.	Medium	Short- to mid-term	Providing products and services that support and contribute to the ecosystem. Publicly announcing information about this approach. Acting on ecosystem protection and recovery in direct operation sites in the value chain (from procurement to sales).
Nature Attenuation	Intensified natural disasters and flooding due to lowered natural power of climate regulation and water retention.	Risks	Delays, suspensions, and stoppages concerning research, development, production, services, and sales.	Medium to large	Short- to long-term	Moving operation sites from a global viewpoint, such as natural disaster occurrence frequency and resource usage regulations. Dispersed deployment of appropriate sites related to value chains (production, distribution, sales, and maintenance).
		Opportunities	Disaster countermeasures in production, distribution, and sales sites. Facility investment for efficient operations.			Offering (energy-saving) products with less CO ₂ emissions and/or less water usage, and circular services.

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■ Scenario Analysis in the Value Chain Downstream

The downstream analysis identified a number of risks related to collection and recycling of used products, and refurbishing. In the Nature Positive scenario, we assumed that a circular economy and recycling-related regulations would be reinforced. We would need to develop and introduce recycling-oriented product design and manufacturing technologies, along with resource extraction technologies. We would also need to establish a system to measure and assess the quantity of used materials and generated wastes in each process of a product life cycle. It would also be necessary to build a closer relationship among partner corporations (joint development and testing, service provision, and forming new partnerships), as well as developing solution technologies to visualize ecosystem protection and recovery.

In the Nature Attenuation scenario, the electronic device and battery business, which uses rare mineral resources as a major material, would face challenges concerning how we can achieve ecosystem protection and a successful business at the same time. For this reason, it is essential to keep pace with the latest regulation trends, establish and maintain internal standards stricter than the legal requirements, and establish a system to carry out regular checkups and inspections. Further, it is important to publicly announce such efforts and results in an appropriate manner.

Risks, opportunities, and countermeasures (downstream)

Scenario	Possible issues	Risks and opportunities		Risk assessment and opportunity assessment	Time span	Risk countermeasures
NP Nature Attenuation	Collecting and recycling used products. Revising business models to allow refurbishing.	Risks	Increase in design costs (materials and disassembly). Value chain reform costs.	Medium to large	Short- to mid-term	Promoting corporate collaboration: joint development and testing, service provision, partnerships, and corporate ecosystems.
		Opportunities	Developing and commercializing low environmental impact technologies.			Developing eco-conscious materials. Solutions to visualize ecosystem protection and recovery. Developing recycling-oriented product design and manufacturing technologies, and resource extraction technologies for recycling.
NP	Increased and reinforced natural capital-related (recycling) regulations.	Risks	Complications and cost increase in product development in order to be compliant with reinforced regulations.	Medium to large	Mid- to long-term	Achieving better product development efficiency and cost reduction by developing and introducing recycling-oriented design, manufacturing, and resource separation technologies.
		Opportunities	Developing products and services with low environmental impact throughout their life cycles.			Establishing systems to measure and assess quantity of used materials and generated wastes in each process of the product life cycle.
Nature Attenuation	Achieving a successful business and ecosystem protection in the electronic device and battery business, which uses rare mineral resources as a major material.	Risks	Risks of reputational damage, lawsuits, and boycotts, due to using materials with high ecosystem destruction risks or little consideration given to environmental or human rights due diligence.	Medium to large	Mid- to long-term	Following the latest global trends, adopting self-regulation stricter than the legal requirements. Establishing internal standards and regular revision. Introducing a checkup and inspection system.
		Opportunities	Announcing our environmental impact reduction through collecting, recycling, and refurbishing used products.			Appropriately announcing that our products and services support and contribute to ecosystems.

Risk and Impact Management

The Panasonic Group regards issues related to natural capital, including biodiversity, as a critical management issue, just as we do for climate change issues. We are working to alleviate impacts from identified risks and enhance opportunities by integrating them within the Groupwide risk management system, as we do for TCFD (see [page 28](#)).

Metrics and Targets

Under Panasonic GREEN IMPACT, our long-term environmental vision, the Panasonic Group has set out targets that aim to reduce risks and expand opportunities related to natural capital protection (resource-related numerical targets and qualitative goals concerning biodiversity and water). We are working hard to achieve these targets and goals to reduce environmental impact across our value chain (see [page 16](#)). We will continue our efforts leading to natural capital protection through our global environmental activities and by setting new indices and targets in our business activities.

Future actions

Under the Group's long-term environmental vision, Panasonic GREEN IMPACT, we began TNFD framework-aligned disclosures from a Panasonic Group perspective in the previous fiscal year to visualize our dependencies and impacts on natural capital, including biodiversity, and to accelerate the sustainable creation of corporate value. This fiscal year, we initiated an analysis of our nature-related risks and opportunities based on the LEAP approach, focusing on our lithium-ion battery business, one of our growth areas.

Going forward, we will use this analysis as a starting point to further refine our analysis and enhance our disclosures in a phased manner. We will also advance initiatives to mitigate future impacts and promote conservation and restoration, further deepen our TNFD disclosures, and enhance corporate value over the medium to long term.

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To achieve Panasonic GREEN IMPACT, Panasonic Group has been working on toward making net zero sites*¹ by promoting our efforts internally and externally to realize net zero CO₂ emissions at own sites in all our operating companies by 2030.*²

For this medium term, we established the GREEN IMPACT PLAN 2024+1. In our efforts for OWN IMPACT Scopes 1 and 2, we have increased the number of net zero sites to 60, reducing CO₂ emissions by 960,000 tons as a result. In the Medium-Term Management Plan starting in fiscal 2027, our target for Own Impact Scopes 1 and 2 under Green Impact Plan 2028 is to increase the number of net zero sites to 86 and at the same time reduce CO₂ at sites to 1.4 million tons through energy conservation and the use of renewable energy sources.

In the Net Zero Factory Promotion Taskforce we started up in September 2021. The taskforce aims to create and provide Group-wide measures to accelerate the creation of net zero sites. The Taskforce consists of the Energy Saving Working Group (WG) that promotes a range of energy-saving measures, the Renewable Energy Utilization WG that assess the usage expansion of renewable energy in each site, and the Renewable Energy Procurement WG that promotes the procurement of renewable energy. With the participation of related sectors, our manufacturing, procurement, and environment specialists work together to support the united efforts of all operating companies. During this fiscal year, we held seminars to introduce internal excellent examples and the latest information on energy saving and energy recycling to Group members. We also hold study session by region outside Japan.

We also participate in the Keidanren Carbon Neutrality Action Plan, a voluntary action plan to alleviate global warming promoted by the entire electric and electronics industry. The industry set a target of an “average 1% improvement in energy intensity in sites and large offices per year towards 2030” and we are now working steadily to save more energy in sites and offices.

*1 The Panasonic Group’s net zero sites mean realization of net zero CO₂ emissions from sites across the world. This will be attained by promoting our conventional energy saving activities (e.g. using LED lighting), advanced energy saving technologies, such as Factory Energy Management System (FEMS), productivity improvement, and innovative manufacturing. Other means include a combination of the following efforts: promoting renewable energy usage, such as by adopting photovoltaic power systems, energy storage modules, and hydrogen fuel cells; procuring 100% renewable energy-sourced electricity; and obtaining environmental values (energy certificates and carbon credits). The Panasonic Group publishes, both internally and externally, our accelerating efforts towards reaching our goal of net zero CO₂ emissions in all the operating companies’ sites by 2030.

*2 Panasonic’s direction: To become a top runner in the fields of “environment” and “high usability in business.”
<https://news.panasonic.com/global/stories/2021/90376.html>

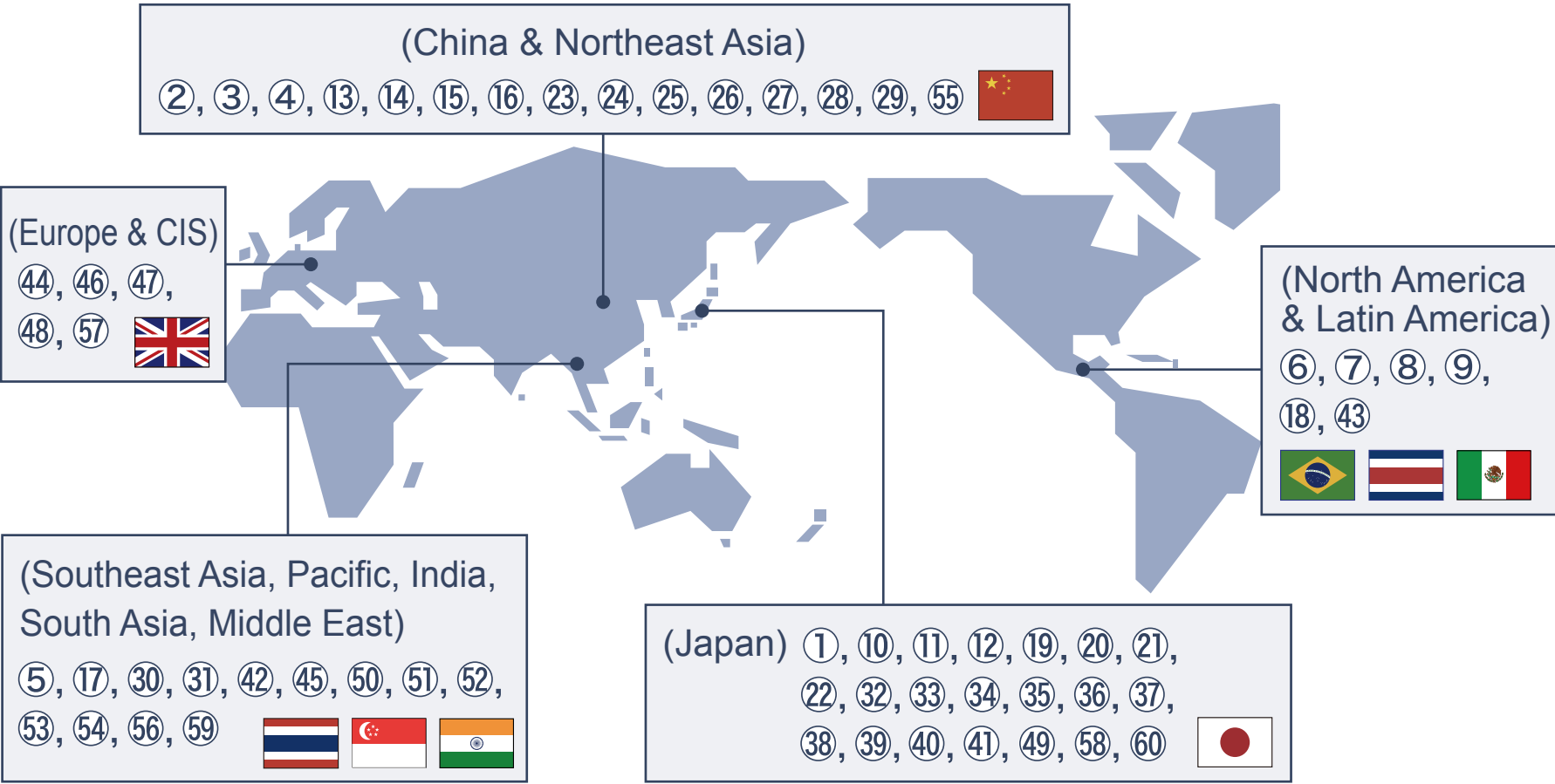
■ Increasing the number of net zero sites

After realizing the group’s first net zero factory in fiscal 2019, Panasonic Group has realized 9 net zero sites in 5 regions*³ by fiscal 2022.

Subsequently, we entered the phase to increase the number of net zero sites: to 31 sites in fiscal 2023, 44 sites in fiscal 2024 and 45 sites in fiscal 2025; then in fiscal 2026, a total of 60 sites*⁴ - 21 sites in Japan (+2 over the previous year), 15 sites in the China and Northeast Asia regions (+1), 13 sites in the Southeast Asia, Pacific, India, South Asia, Middle East, and Africa regions (+8), 6 sites in the North America and Latin America regions (+0), and 5 site in Europe and CIS (+4). This has exceeded the GIP2024+1 target to reach a total of 49 sites with net zero CO₂ emissions.

(The number of new net zero sites in each fiscal year excludes the 12 sites that reached net zero in fiscal 2024 for Panasonic Automotive Systems Company, which became unconsolidated in December 2024, and Panasonic Solar Amorton Co. Ltd., which was transferred in fiscal 2026.)

Global map of net zero factories



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Up to fiscal 2022: ① Panasonic Eco Technology Center Co., Ltd., ② Panasonic Energy (Wuxi) Co., Ltd., ③ Panasonic Energy (Suzhou) Co., Ltd., ④ Panasonic Manufacturing (Beijing) Co., Ltd., ⑤ Panasonic Energy (Thailand) Co., Ltd., ⑥⑦⑧ Panasonic Do Brazil (Includes 3 Factories (San Jose, Manaus, Extrema)), ⑨ Panasonic Centroamericana S.A.

Fiscal 2023: ⑩ Panasonic Energy Co., Ltd. (Sumoto Factory), ⑪ Panasonic Energy Higashiura Co., Ltd., ⑫ Panasonic Energy Nandan Co., Ltd., ⑬ Panasonic Electronic Devices (Jiangmen) Co., Ltd., ⑭ Panasonic Industrial Devices (Tianjin) Co., Ltd., ⑮ Panasonic Industrial Devices Materials (Guangzhou) Co., Ltd., ⑯ Panasonic Industrial Devices SUNX Suzhou Co., Ltd., ⑰ Panasonic Energy India Co., Ltd., ⑱ Panasonic Energy Mexico S.A. de C.V.,

Fiscal 2024: ⑲ Panasonic Industry Co., Ltd. (Motomiya), ⑳ Panasonic Energy Co., Ltd. (Suminoe Factory), ㉑ Panasonic Energy Co., Ltd. (Tokushima Factory), ㉒ Panasonic Energy Co., Ltd. (Nishikinohama Factory), ㉓ Panasonic Motor (Zhuhai) Co., Ltd., ㉔ Panasonic Motor (Hangzhou) Co., Ltd., ㉕ Panasonic Industrial Devices Taiko (Shenzhen) Co., Ltd., ㉖ Panasonic Industrial Devices (Qingdao) Co., Ltd., ㉗ Panasonic Manufacturing (Xiamen) Co., Ltd., ㉘ Panasonic Industrial Devices Materials (Suzhou) Co., Ltd., ㉙ Panasonic Industrial Devices Materials (Shanghai) Co., Ltd., ㉚ Panasonic Industrial Devices Singapore Pte. Ltd., ㉛ Panasonic Carbon India Co., Ltd.

Fiscal 2025: ㉜ Panasonic Electric Works Co., Ltd. Niigata Factory, ㉝ Panasonic Electric Works Co., Ltd. Tsu Factory, ㉞ Panasonic Electric Works Electrical Construction Materials Mie Co., Ltd. Headquarter Factory, ㉟ Panasonic Electric Works Electrical Construction Materials Mie Co., Ltd. Anotsudai Factory, ㊱ Panasonic Lighting Devices Kumihama Co., Ltd., ㊲ Panasonic Switchgear Systems Co., Ltd., ㊳ Panasonic Energy Co., Ltd. (Wakayama Factory), ㊴ Panasonic Energy Co., Ltd. (Moriguchi Factory), ㊵ Panasonic Energy Kaizuka Co., Ltd., ㊶ Panasonic XC KADOMA, ㊷ Panasonic Manufacturing (Thailand) Co., Ltd., ㊸ Panasonic Industrial Devices Mexicana S.A. de C.V., ㊹ Panasonic Manufacturing UK Ltd.,

Fiscal 2026: ㊺ Panasonic Industrial Devices Vietnam Co., Ltd., ㊻ Panasonic Industrial Devices Slovakia s.r.o., ㊼ Panasonic Industrial Devices Europe GmbH Pfaffenhofen, ㊽ Panasonic Industry Europe GmbH, ㊾ Panasonic Switching Technologies Co., Ltd. Ishioka Factory, ㊿ Panasonic Appliances Vietnam Co., Ltd.-RF, ① Panasonic Appliances Vietnam Co., Ltd.-LV, ② Panasonic Manufacturing (Thailand) Co., Ltd.-AP, ③ Panasonic Appliances India Co., Ltd., ④ Panasonic Manufacturing Philippines Corporation-HQ, ⑤ Panasonic Ecology Systems Guangdong Co., Ltd., ⑥ Panasonic Appliances Air-Conditioning Malaysia Sdn. Bhd., ⑦ Panasonic Heating & Ventilation Air-Conditioning Czech, s.r.o., ⑧ Panasonic Industry Co., Ltd. Headquarters Tokyo, ⑨ PT. Panasonic Gobel Energy Indonesia DBD, ⑩ Panasonic Energy Co., Ltd. (Nishikadoma)

■ Activities for Increasing the Amount of Renewable Energy Use

To increase the amount of renewable energy in our business use, Panasonic Group has been actively promoting installation/application of renewable energy facilities in our own sites and renewable energy procurement from external suppliers.

The amount of renewable energy adopted at our sites*5 in fiscal 2026 marked 0.14 TWh.

Installation of renewable energy facilities has been actively encouraged in our own sites across the world in a way to suite to the regional characteristics. Particularly, photovoltaic power generation systems are recommended for installation wherever possible.

Panasonic HVAC & CC Systems Co., Ltd. installed a photovoltaic power generation system with a generation capacity of 5.2 MW in fiscal 2025 at the Hot-Water and Heating Systems with Heat Pump (A2W) plant building of Panasonic Appliances Air-Conditioning Malaysia Sdn. Bhd. (PAPAMY). In fiscal 2026, an additional photovoltaic power generation system with a capacity of approximately 4.0 MW has been installed in the air conditioner compressor production plant

building, resulting in startup of photovoltaic power generation totaling 9.2 MW for the PAPAMY site as a whole. The photovoltaic power generation capacity is the largest of its kind in the Panasonic Group. Annual power output reaches approx. 10,338 MWh (estimate), with CO₂ emission reductions totaling approx. 6,703 t (estimate) per year. Photovoltaic power generation is expected to supply roughly 18% of the total power consumption of the entire site.*6



Photovoltaic power generation systems at the Panasonic Appliances Air-Conditioning Malaysia Sdn Bhd.

For further examples of our renewable energy usage, see the following website:

<https://holdings.panasonic/global/corporate/sustainability/environment/site.html>

Procurement of renewable energy from external sources has been also promoted across the globe. In Japan, at our own site, we are an electricity user, and at the same time, an electricity retailer (registration number: A0136). Since 2005, we have been supplying power to our own sites, factories, and offices. Utilizing our knowhows and experience of electricity procurement and trading that we have accumulated to date, we procure 100% renewable electricity generated from wind, etc., as well as electricity with environmental value such as those with non-fossil fuel energy certificates and credits to offset CO₂ emissions from fossil fuel. This effort contributed to converting factories in Japan, China, and Southeast Asia to net zero factories. Furthermore, the photovoltaic power station with approx. 18,000 kW capacity for use at our own sites that we determined to develop in fiscal 2022 started its operations for Panasonic Energy Co., Ltd., in February 2023. In fiscal 2024, operation of power stations with a capacity of approx. 11,500 kW started for Panasonic Automotive Systems Co., Ltd. and Panasonic Industry Co., Ltd. In fiscal 2025, an additional power generation plant with a capacity of roughly 18,000 kW came into operation as a startup power supply for Panasonic Living Appliance and Solutions Company. In the same fiscal year, full scale supplies of power from an onshore wind power generation plant started for Panasonic Energy Company and Panasonic Industry Co., Ltd. As described above, we continue to contribute to expanding use of electricity from new renewable energy sources. We also started selling to Panasonic Group employees in Japan, electricity derived from practically 100% renewable energy in fiscal 2021.



An onshore wind power generation plant for the Panasonic Group.

In August 2019, Panasonic Group joined “RE100”^{*7}, an international initiative that brings together companies committed to sourcing 100% renewable electricity for their global business operations. We aim to switch all the electricity used in our sites across the world to that sourced from 100% renewable energy by 2050. Progress in fiscal 2026 was 37.2%.

*5 The amount from photovoltaic energy is included. The amount from heat pumps is excluded.

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*6 Press release on February 12, 2026

<https://news.panasonic.com/jp/topics/206608>

*7 Press release on August 30, 2019.

Panasonic Joins RE100 Aiming for Business Operations with 100% Renewable Energy

<https://news.panasonic.com/global/press/data/2019/08/en190830-2/en190830-2.html>

Activities for reducing energy use and CO₂ emissions

To ensure implementation of reduction of the amount of energy used and CO₂ emissions, it is important to visualize trend of the energy consumption of each facility in the site and the effects of the measures for specific emissions reduction. To date, we are working on CO₂ reduction by adopting more than 40,000 measurement equipment systems and Factory Energy Management System (FEMS) at all of our global manufacturing sites, promoting METAGEJI (Meter and Gauge)*⁸, which visualizes and analyzes energy consumption. An example of factory energy-saving support service is on the following website.

<https://www.panasonic.com/global/corporate/sustainability/eco/co2/service.html>

In fiscal 2026, we expanded the scale of energy saving activities at our non-manufacturing sites. Although non-manufacturing sites tend to be of secondary in importance over manufacturing sites, these sites have numerous energy consumption sources, including lighting fixtures, air conditioning systems, IT devices and transport facilities and current important but complicated concerns for promoting energy conservation.

Because of the irregular operating hours and energy use load at non-manufacturing sites in comparison to manufacturing sites, there is much to be done in the area of energy saving through operational improvements and facility updates. In recognition of the issues, energy saving diagnosis of our non-manufacturing sites was conducted by outside experts, focusing in particular on the development division, logistics warehouses and building/facility management division, considering the commonality of issues and the projected ripple effects.

The knowledge obtained in the diagnosis has been applied to non-manufacturing sites in the most useful form. At the same time, the knowledge, along with commentary by in-house specialists, has been systematized in an easy-to-understand style and released internally as manuals and effect estimation tools, to enable work sites to identify improvement themes and estimate effect in their energy saving studies. At present, the knowledge and tools are being utilized by non-manufacturing sites in starting up energy-saving activities and broadening their application. We expect to accelerate these activities at non-manufacturing sites in this manner, sharing and expanding application to the Group as a whole, both manufacturing and non-manufacturing, and making solid advances in cutting down energy consumption and CO₂ emissions in our business activities.

*8 METAGEJI is a coined word created by the Panasonic Group which refers to visualizing energy consumption and implementing measurable reduction measures by adopting measurement instruments, such as meters and gauges.

Activities to provide supports for energy-saving in the China region

The long-term state policy announced by the Chinese government includes carbon peak out and carbon neutrality, focusing on further reductions to CO₂ emissions. With its many business sites in China, the Panasonic Group introduced a three-year energy-saving support initiative in the country in fiscal 2023 designed to achieve efficient energy-savings across the entire region in line with China's long-term state policy.

From fiscal 2023 to fiscal 2025, we developed a regional energy saving platform and engaged in energy-saving diagnosis, development of an energy-saving infrastructure and of human resources through joint efforts with the head office and outside experts. At the same time, we improved the diagnostic and recommendation skills of regional members through specialized training, energy saving diagnosis tours and inspection tours of outside companies that are advanced in the area.

In fiscal 2026, we introduced an energy saving diagnosis service provided chiefly by regional members, achieving non-dependent energy saving support in the region. Diagnosis was conducted at two plants and is estimated to generate energy-saving effects of 1,173 MWh per year. Additionally, we provided 12 energy saving tools, including compressor measurement and analysis kits, to help identify energy saving problems and boost visibility of the effects.

In working to establish net zero factories, we continue with our rapid and low cost energy-saving measures to improve the level of energy saving in China's regions.



Diagnosis of energy saving diagnosis in China region

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These efforts in fiscal 2026 produced 4.5 TWh of the energy used in our business activities, and the amount of CO₂ emissions under Scope 1 and Scope 2 was 1.142 million tons including deduction of the amount of carbon credits.

Data on other energy consumption volumes, etc., can be found in the Environmental Database ([page 47-50](#)).

The fiscal 2026 investment to reduce the amount of energy used and CO₂ emissions by the efforts was 4.7 billion yen.*⁹

*9 The total amount includes all investments concerning reduction of the amount of the energy used and CO₂ emissions. Note that differences or proportions of the investment are not calculated.

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Promotion of Circular Economy

Alongside changes in customer lifestyles, there is a growing global trend for customers to use only specific functions of a product, rather than using or owning the whole product. In Europe, building a circular economy for sustainable economic growth has become a major economic strategy, in a move away from continuous resource consumption. This trend is spreading around the world along with the change in customers' sense of values. In compliance with the Circular Economy Group Policy (see [page 14](#)), the Panasonic Group is moving forward in efforts to promote effective utilization of resources and maximization of customer value.

The circular economy activities we promote have two aspects: 1) creation of circular economy businesses, and 2) evolution of recycling-oriented manufacturing.

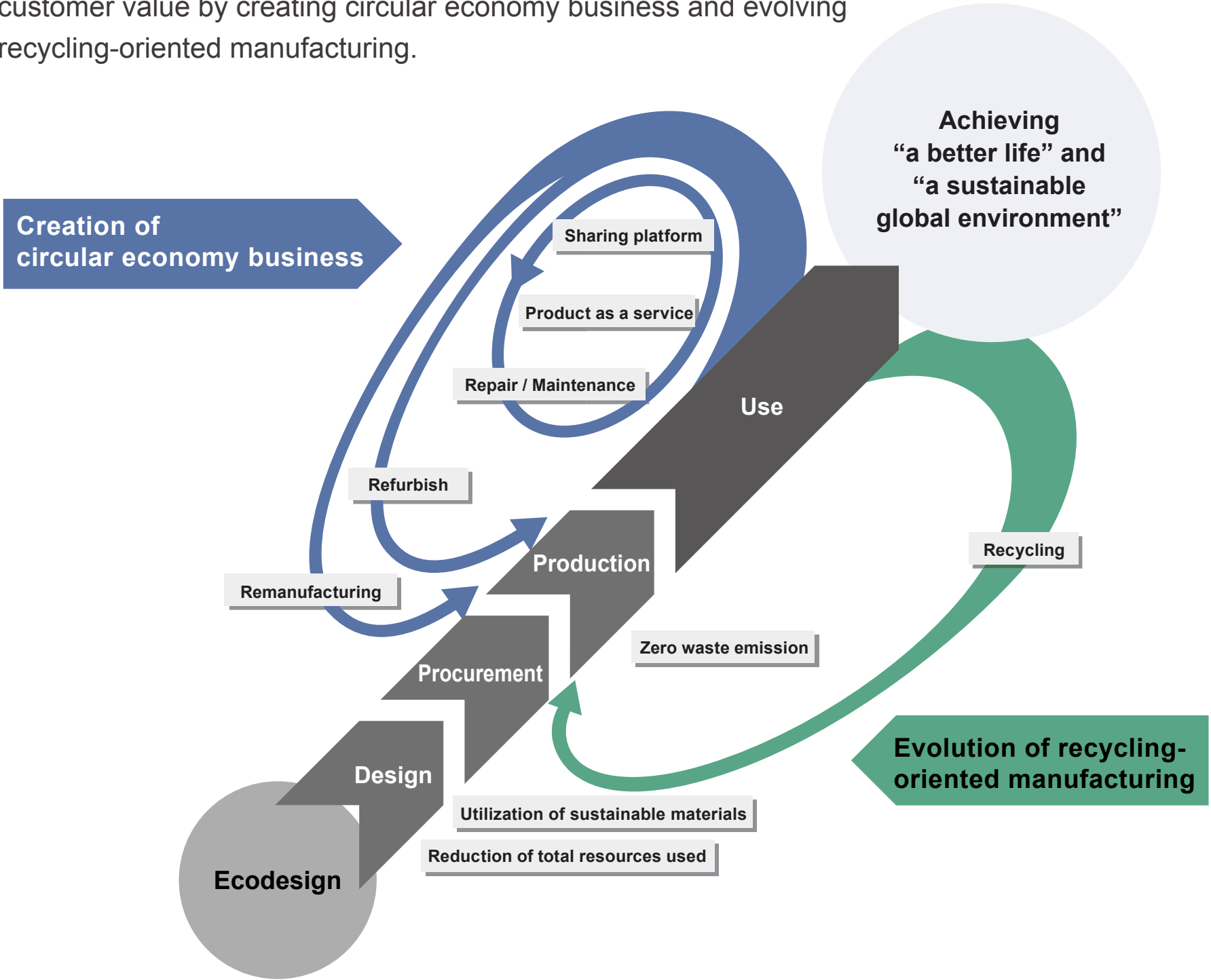
In order to realize the new value of using only product functionalities instead of using or owning the whole product, we will strive to create circular economy businesses. For instance, these include a “Sharing service”, where multiple users use the same individual product, a “Product as a service” where services are fulfilled based on functions, and “Repair and Maintenance, Refurbish and Remanufacturing”, where functions, values, and the lifecycle of a product are utilized in the most efficient manner by recycling or reusing the product itself or the components used in the products.

Alongside this, we continue to implement recycling-oriented manufacturing by reducing the total amount of resources used, utilizing sustainable resources, and striving towards zero waste emissions. Furthermore, we continue to develop recycling-oriented manufacturing to a higher level by using innovative materials and the latest digital technologies.

With all these activities, we aim to realize both “A better life” and a “Sustainable global environment” towards Panasonic GREEN IMPACT, based on an ecodesign concept which maximizes customer value in use by increasing resource efficiency at each process in design, procurement, and production.

[Concept for the Actions toward Circular Economy]

We will promote effective utilization of resources and maximization of customer value by creating circular economy business and evolving recycling-oriented manufacturing.



In fiscal 2026, we worked toward achieving our individual targets under the GIP2024+1.

As for recycled resin, its cumulative usage in fiscal 2026 reached 17,100 tons. In fact, we could not achieve our initially targeted amount of 25,000 tons within one year because of significant price decreases for virgin plastic, but we promoted producing resin that has characteristics suitable for its usage purposes, securing stable supply, establishing adaptability in production sites to use the recycled resin, and developing recycling technologies.

Although we were unable to launch a completely new circular economy business model according to the target set in GIP2024+1, we proceeded in applying the existing 15 businesses to a wider range of products, including the expanded use of recycled materials.

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GIP2028 has newly established targets related to the circular economy. Regarding the use of recycled resin, we have set targets of 17,000 tons for fiscal 2027 and 22,000 tons for fiscal 2028. We will also actively pursue recycled iron as another goal. Regarding circular economy businesses, we will continue to launch new businesses and expand from the existing 15 businesses to 17 by fiscal 2029.

At COP30 in November 2025 in Brazil, the World Business Council for Sustainable Development (WBCSD) jointly with the One Planet Network (OPN, hosted by UNEP (United Nations Environment Program)) launched the new Global Circularity Protocol for Businesses, briefly called GCP*1. The GCP has been developed in a global, multi-lateral collaboration with a wide group of stakeholders, including experts from various industries, academia and think tanks, policy makers, standardization bodies, and financial institutions. We support the GCP and have actively participated in its development to provide a practical framework for circular performance management and disclosure for all kinds of businesses globally. As a member of the "GCP Front Runner Coalition" and a proactive company in the circular economy business, we are considering utilizing and implementing the GCP within our Group.

*1 Global Circularity Protocol (GCP) for Business | WBCSD
<https://www.wbcd.org/actions/global-circularity-protocol-for-business-gcp/>

Creation of Circular Economy Business

Among various circular business models, one of the examples is called LAUNDROOM. It is the first of its kind in the industry designed to realize the sharing of washing machines in shared rental accommodation in Japan*2. The service uses one of our drum-type washer dryers that boasts excellent energy and water-saving capabilities, as well as providing an IoT function that enables users to view the washing machine operating status and to receive a notification upon completion of washing operations. Also, a designated repair contact will quickly respond to unexpected issues. Attention to detailed usability has evolved the service into a total solution that makes using a washing machine in a rental property shared by multiple households more comfortable and convenient. Use of the LAUNDROOM service is widely expanding with multiple real-estate companies adopting it into their shared rental accommodation. Such adoptions include “TOMORE Shinagawa Nakanobu,” the first property of the Co-Living Rental Residence TOMORE service offered by Nomura Real Estate Development Co., Ltd., and “nears Yokohama Hakuraku,”*3 a shared residence operated by Cosmos Initia Co., Ltd., a Daiwa House Group company. LAUNDROOM is also incorporated in “HAUN Ogu” and “HAUN Kuramae”*4 operated by HAUN Co., Ltd., as well as in “TOMORE Tabata,” a second TOMORE property, and in student dormitories.*5



*2 <https://news.panasonic.com/jp/press/jn241112-1>
*3 <https://news.panasonic.com/jp/topics/206603>
*4 <https://news.panasonic.com/jp/press/jn250801-2>
*5 <https://news.panasonic.com/jp/topics/206607>

As part of our “product as a service” businesses, we also offer a rental service for the VIXELL vacuum-insulating cooling boxes that realize the safe and secure transportation of pharmaceuticals as another model for providing cooling value.*6

Biopharmaceuticals such as anticancer drugs and coronavirus vaccines require strict temperature control during storage and transportation. As globalization advances in the pharmaceutical industry, cold-insulating containers are also being used in the import and export of pharmaceuticals. However, efforts to spend the time and money required to recover and reuse the containers have not become sufficiently established and the current situation is that the cold-insulating containers are being thrown away after use. In response to this, as an effort to realize a sustainable society, we started a service in April 2023 where we not only rent out VIXELL boxes as shipping containers, but also collect the VIXELL boxes from the export destinations ourselves, refurbish them, and then rent them out to other customers. This service covers not only exports from Japan, but also from Europe, and we plan to increase the number of regions covered in the future. To go beyond pharmaceutical transportation, we participated in the experimental aerial transportation of frozen sushi from Japan to the U.S. organized by DAY BREAK Co., Ltd., in August 2025. Our VIXELL boxes successfully proved their capability to control temperatures and product quality in refrigerated transportation. This trial result raised expectations for VIXELL’s contribution to forming frozen food cold chains.

In response to customer requests, we began renting VIXELL pallets and VIXELL containers suitable for increased volume of cargo transport in April 2024 and June 2025, respectively*7. VIXELL pallets and VIXELL containers follow the characteristics of the VIXELL box, which are to be robust, lightweight, and stay cool for a long period of time. As a result, they are lighter than conventional containers, which require a power source to keep cool, and we believe they can contribute to reducing CO₂ emissions during transportation. In addition, VIXELL pallets can be used to transport cargo in general transportation trucks containing loads from multiple customers, meaning there is no need to charter a refrigerated vehicle. The width of the pallets is approximately 1,000 mm, making them suitable for standard logistics services within Japan. We believe that they can contribute to solving the logistical problems that started facing Japan due to law changes in 2024.

* 6 <https://www.panasonic.com/jp/business/vixell.html>
* 7 <https://news.panasonic.com/jp/press/jn240306-2>



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In May 2024, the Group launched a Heat Pump Unit Cleaning Service*8 for our NA-LX series of drum-type washers and dryers. This service is designed to provide long-term, reliable use of the energy-saving heat pump drying function. The service involves a home visit by a certified technician who has undergone special training, who will thoroughly clean the heat pump unit and drying path using special tools that we have developed. With our unique top unit structure, the heat pump unit is placed on the top of the main body, eliminating the need to move the body of the machine or carry out extensive disassembly, allowing for full-scale cleaning on the spot. This ensures that optimal drying performance continues to be maintained. Through this service, we provide peace of mind that customers can continually use our products comfortably, while providing value that contributes to nature and the environment through long-term use. We will continue to accelerate our efforts to reduce environmental impact.



* 8 <https://news.panasonic.com/jp/press/jn240527-2>

In April 2024, we launched a new business offering Panasonic Factory Refresh—certified and guaranteed refurbished products—through both sales and subscription-based services. We refurbish home appliances, such as washing machines, refrigerators, and TVs, and other products across a total of 12 categories, collected after use, to a reusable state for reselling*9. Those products that satisfy the high quality standards set by the Panasonic Group are then made available for sale. For example, TVs are inspected to ensure they do not carry any scratches, damage, or missing parts in the main body and accessories that could cause a malfunction. They are also thoroughly cleaned, and the image quality is checked. Any failed parts are replaced, and all the products are tested for product safety. To meet the Group standards, the display output is adjusted, and performance tests are conducted. Only after all these processes have been completed, the products are finally put on sale for customers.



* 9 <https://news.panasonic.com/jp/press/jn250217-1>

Modular products can be regarded as a circular economy business as they reduce input resources by streamlining the components for efficient resource utilization.

In June 2022, we launched a modular personal care system*10 for the European and North American markets. The initial system comprises a single main unit and five different detachable heads, including trimmers for beards, hair, body hair, and nose hair; a shaver; and a tooth brush. Users can purchase the necessary care parts individually. With the battery and motor being integrated into a single body, the system flexibly adapts to various personal care and grooming needs at home or when traveling for leisure or business. Utilizing a standard design

to fit the same main unit and power adapter reduced the product weight by approximately 60% compared to conventional products, thereby saving resources. In recognition of our contribution to environmental impact reduction through streamlined system design, we received the Gold Award 2023 under the iF Design Award, sponsored by iF International Forum Design. Since then, the product has continued to be featured in various media and received high evaluation including awards.



In September 2024, a further four different heads were introduced in the European and U.S. markets. With these new heads, the product now offers whole-body care, including haircutting with a professional blade, precise beard trimming, eyebrow shaping, facial brushing, and removing hard skin from feet.

*10 <https://connect.panasonic.com/jp-ja/products-services/tough/lineup/40-j/extensibility>

Another example among our products featuring modular designs is our TOUGHBOOK, a notebook PC with a particularly robust casing. It offers a variety of modular attachments (sold separately) allowing users a flexible configuration of additional functions. For example, companies can adopt an IC card authorization system for PC usage without replacing their current TOUGHBOOKs—by simply adding optional non-contact IC card readers*11. This modular design not only offers the flexibility for future functional enhancement but also prolongs product life. In case of failure, only the affected component needs to be replaced. This reduces waste and loss, which in turn contributes to reducing environmental impact.



*11 <https://connect.panasonic.com/jp-ja/products-services/tough/lineup/40-j/extensibility>

Products that are made using recycled resources are regarded as a part of our circular economy business for their effective utilization of resources. We achieved sustainable body design in the PT-VMZ82 Series projectors by incorporating 59%*12 recycled resin in the plastic used in their main units. The recycled resin is used in the outer casing and for some internal structures after assessing material properties and selecting the most suitable parts for this purpose.

Along with ensuring stable quality while using recycled materials, the PT-VMZ82 Series adopts a range of solutions that contribute to reducing environmental impact. Such solutions include a combination of a long-life filter and a highly reliable laser light source, operable for 20,000 hours,*12 to minimize maintenance work, operational costs, and waste materials; an energy-saving Auto Power On function; and molded pulp trays for packaging.



* 12 <https://connect.panasonic.com/jp-ja/products-services/projector/lineup/vmz82>

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In June 2022, we began installing collection boxes for used dry batteries at 31 local 7-Eleven stores in Thailand, in cooperation with CP ALL Plc., the operator of 7-Eleven. In March 2024, we established a scheme to recycle the collected used dry batteries manufactured by us, in partnership with UMC Metals Ltd., a Thai steelmaker. This initiative allows us to melt our dry batteries, which do not contain environmentally harmful substances, and recover reusable materials, thereby contributing to efficient resource utilization. As of June 2024, we have achieved a total of 1,000 collection box locations at 7-Eleven stores.



*13 <https://news.panasonic.com/jp/topics/205760>

As described above, we are working to create circular economy businesses. We are continuing to expand the scale of our circular economy business.

1	S-cubo Cs “food refrigeration” as a service	9	Upcycling of factory waste (reuse for alternative purposes)
2	VIXELL cooling box rental service for pharmaceutical use	10	Adopting non-plastic packaging
3	Akari E Support, LED lighting leasing service	11	Maintenance service for air ventilation systems in road tunnels
4	Battery Life Cycle NAVI, a battery life management service that forms part of the corporate PC subscription service, Slim Work Support	12	Refurbished home appliance products, Panasonic Factory Refresh
5	Renovating existing buildings as a multi-use complex	13	Adopting recycled resin into our own products
6	Market expansion of cellulose-mixed resin “kinari” and adoption into our own products	14	Customizable modular design products
7	Refurbishment of equipment in client stores (China)	15	LAUNDROOM washer-dryer sharing service for rental housing
8	"noiful" home appliance subscription service for rental housing		

Evolution of Recycling-Oriented Manufacturing

We use many kinds of resources, including iron (28% of total resources used) and plastic (11% of total resources used), because of our wide range of products and businesses, from home appliances, components such as semiconductors and batteries, housing, and B2B solutions. In recycling-oriented manufacturing, we are further working on reducing the input of virgin resources, while increasing the amount of recycled resources. And in that context, we are working to establish a circular system according to resource type and features.

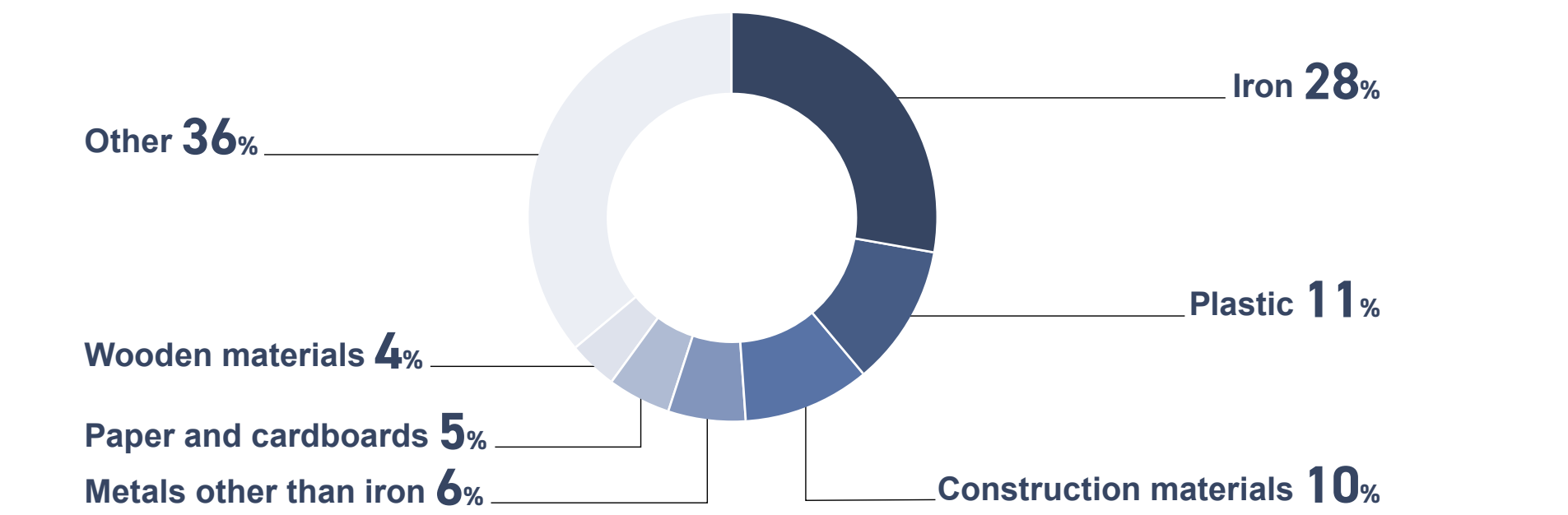
Furthermore, we are clarifying the use of recycled materials by identifying the volume of each type of resources used across the Panasonic Group. For example, , we used 17,100 tons of recycled resin in our products in fiscal 2026. This was achieved by producing resin that has characteristics suitable for its usage purposes, securing stable supply, establishing adaptability in production sites to use the recycled resin, and developing recycling technologies. However, the above efforts did not meet the required level, and therefore we could not attain the GIP2024 target. We plan to accelerate our efforts to address these issues to steadily increase use of

recycled resin. Moreover, we are promoting the development of plant-based resin with lower environmental impact and its application for the products.

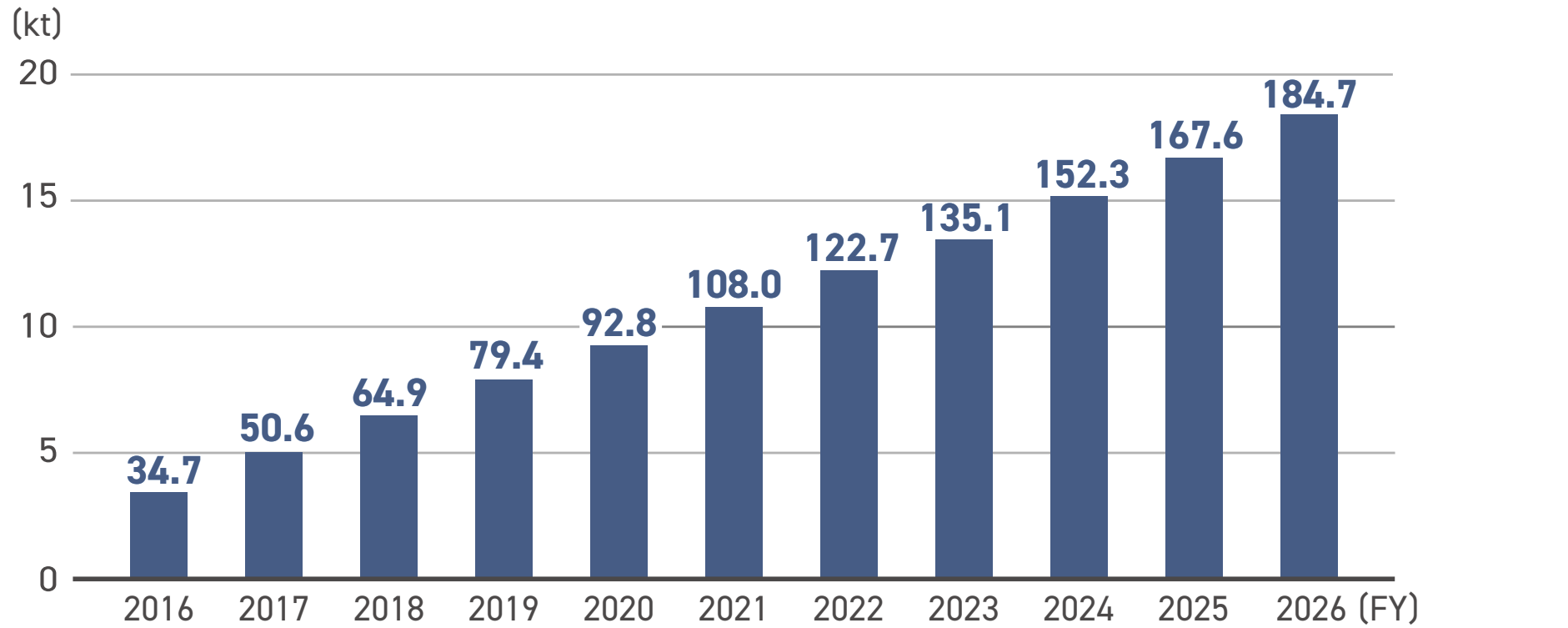
As for the factory waste recycling rate*14, we had traditionally set different targets for Japan and other countries according to the relevant local infrastructures. However, given increased awareness of the importance of zero waste emission activities, we have set a fixed global target since fiscal 2011 and are taking steps to improve the standard level of waste recycling across the entire Group. In recent years, we have been maintaining our factory waste recycling rate at 99% or more. Since this has become part of our operational standard procedures, we have removed thisfigure from our fiscal 2026targets.

*14 Factory waste recycling rate = Amount of resources recycled / (Amount of resources recycled + Amount of landfill)

Breakdown of Total Resources Used in Fiscal 2026 (by category)



Results of Recycled Resin Usage (Cumulative total from fiscal 2016)



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■ Reduction in Resources Used

To minimize the use of resources for production, we continuously look to reducing the weight of our products. Through the Product Environmental Assessment (see <https://holdings.panasonic/global/corporate/sustainability/environment/green-products.html>), we have been promoting resource saving from the product planning and design stage, such as using less resources, making our products lighter and smaller, and using less components. We also implement various measures from the standpoint of resource recycling throughout the product life cycle, such as component reuse, longer durability, use of recycled resources, easier battery removal, and labels necessary for collection/recycling. Examples of weight reduction and recyclable product design are also introduced in the following website.

https://www.panasonic.com/global/corporate/sustainability/eco/resource/recycling_oriented_manufacturing.html

■ Use of Sustainable Materials

Under the concept of “product-to-product”, we are enhancing our initiatives of utilizing resources recovered from used products. As for resin, we promote the reuse of resin recovered from our used home appliances (refrigerators, air conditioners, washing machines, and TVs) for our products.

We also started recycling scrap iron recovered from used home appliances in our products in 2013. Examples of “Products to Products” and inventions to streamline and automate the process of recovering resources from used products are introduced in the following website.

https://holdings.panasonic/global/corporate/sustainability/environment/resources/recycling_oriented_manufacturing.html

🔗 Our Approach to Resources Recycling

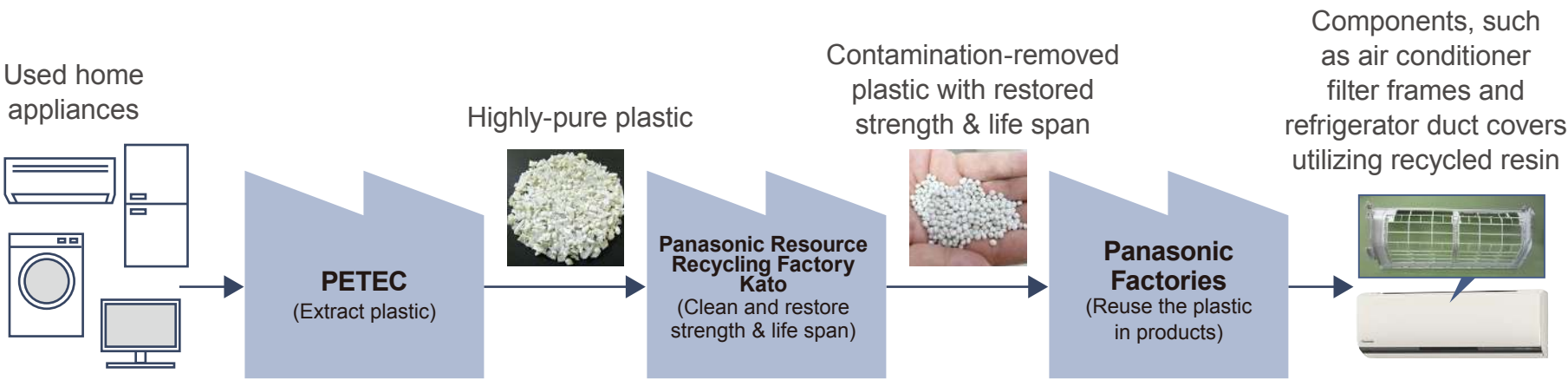
<https://holdings.panasonic/global/corporate/sustainability/environment/resources-recycling.html>

■ Enhanced Use of Recycled Resin

To efficiently utilize resin recovered from used home appliances in addition to metals such as iron, copper, and aluminum, our recycling factories—Panasonic Eco Technology Center Co., Ltd. (PETEC), and Panasonic Resource Recycling Factory Kato (PRRFK)—work together for resin recycling.



Process of Resin Recycling



Using technologies such as our original near-infrared identification technology, PETEC is capable of sorting shredder residue of waste home appliances into three major types of resins with different purposes and properties—polypropylene (PP), acrylonitrile butadiene styrene (ABS), and polystyrene (PS)—at a material purity of over 95%.

The recycled single resins sorted and recovered at PETEC are then transferred to the adjacent Panasonic Resource Recycling Factory Kato to be further purified and processed to recover their chemical properties. Panasonic Resource Recycling Factory Kato (PRRFK) is a manufacturing and development site that promotes the use of recycled resin in home appliance manufacturing and sales. The factory plays an important role in enhancing recycled resin utilization by developing recycling technologies, such as a more efficient method that improves the performance of recycled resin. Generally, the strength and lifespan of resin deteriorate over time. This is why its chemical properties have to be recovered to the level of new resin to make them usable as materials and components in new products.



Near-infrared sorting machine that can sort three types of resin simultaneously

Due to the differences in the physical properties required by different products, we have been examining the properties of recycled polypropylene, polystyrene and acrylonitrile butadiene styrene, and have developed technologies to create new formulas for resin components, adding our own proprietary antioxidant and mixing recycled resin with new resin. To increase usage of recycled plastic across Panasonic Group, we plan to find recycled plastic suppliers based on the recycled plastic development and quality assessment techniques cultivated in our Panasonic Resource Recycling Factory Kato.

Development and Use of New Sustainable Materials

Cellulose fiber, contained in plant-based wastes such as used paper and wood chips, has become a focus of attention as a resource with low environmental impact. In fiscal 2016, we commenced research and development to reduce the use of fossil-based resin by utilizing cellulose fiber. In fiscal 2019, we successfully produced an easy-to-process molding material with less resin by mixing cellulose fiber at a high concentration level into the resin. This material was launched under the brand name of “kinari,” followed by kinari55-PP^{*15} with 55% cellulose

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fiber content in 2022, and kinari70-PP^{*16} with 70% content (biomass rate) in 2024. Further, we started sample sales of kinari90 in the same year.^{*17} kinari90 boasts a 90% biomass rate by combining biomass polyethylene (at 90% or more biomass rate) produced from the sugarcane pulp (bagasse) left after the juice is extracted, while maintaining a physical strength equivalent to that of conventional resin.

kinari has now been adopted in the S-story pendant lamp shade produced by Panasonic Electric Works Co., Ltd. With the plant fiber content representing approximately 50% of the weight of the shade, we successfully reduced the usage of fossil-based resin by half.^{*18} Despite being mass produced, each lamp shade offers varying impressions by incorporating different marble patterns created when molding the shade as a part of the lamp design. When the lamp is turned on, the light gently diffuses through the shade creating a relaxing atmosphere in the room. Further, the changing colors of the shade and wooden fragrance gives the impression that the product matures over time.



We are also working to expand the application of kinari by reinforcing its material strength. We have successfully produced a low-density cellulose fiber molding material that demonstrates a strength equivalent to PBT-GF30% (polybutylene terephthalate with 30% glass fiber) at 80°C utilizing our newly developed engineering plastics compounding technology.^{*19} Aiming at complete biodegradation of the above materials, we also developed a soil-biodegradable version in fiscal 2023 by mixing in plant-derived resins, such as polylactic acid.^{*20}

Relating to “kinari” production, we are reinforcing relationships with local communities to utilize their regional resources under collaboration. Among these collaborative projects, we concluded an agreement with Fukuchiyama City, Kyoto Prefecture, to use their timber from forest thinning. We also jointly commercialized our eco-friendly tableware using this timber. On September 4, 2023, all 23 municipal primary schools and junior high schools in Fukuchiyama City started using some 6,700 sets of this tableware for their school lunches. At the same time, all these schools started an environmental education program in which we cooperated by providing the program contents. Another collaboration with a local company took place in Okinawa Prefecture. Together with Food Reborn Co., Ltd., in 2024 we developed a kinari tumbler utilizing pulp from Okinawan pineapple leaves^{*21, *22}.

Such efforts relating to our kinari resin have earned a high social reputation and resulted in a number of awards, including the MEXT Minister’s Prize under the FY2021 50th Japan Industrial Grand Prize held by Nikkan Kogyo Shimbun, Ltd., and the Contribution Prize under the 57th Ichimura Industrial Awards, hosted by the Ichimura Foundation for New Technology in April 2025^{*23}.

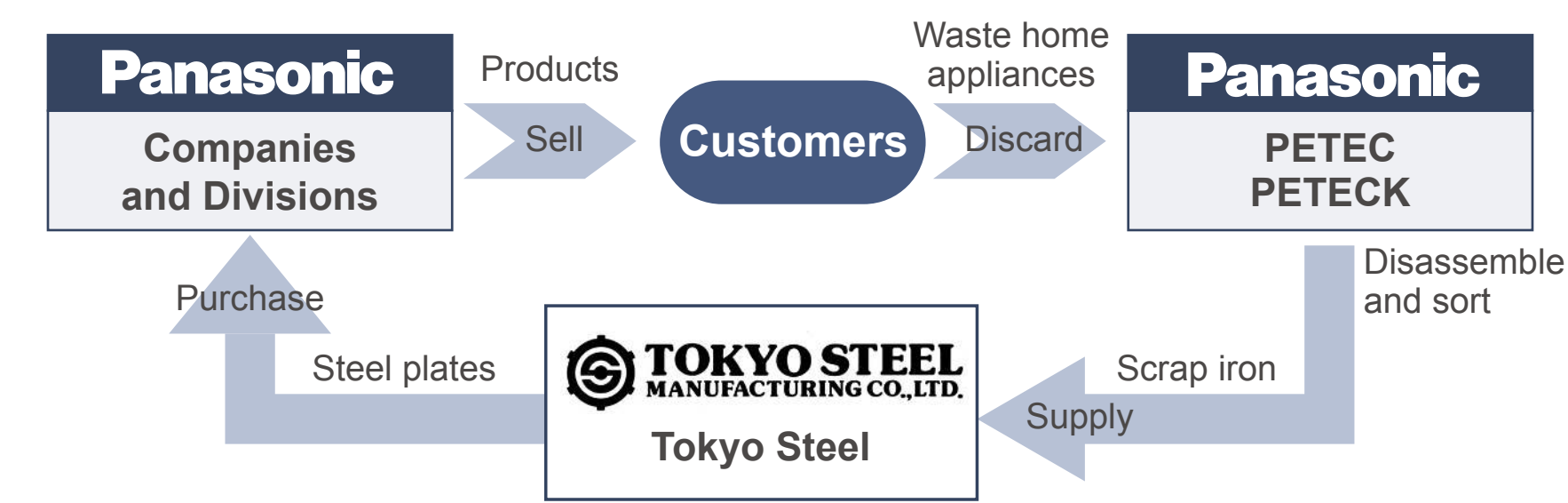
We intend to develop more new products with this technology, focusing also on developing new recyclable resources.

^{*15} See <https://news.panasonic.com/jp/press/jn190708-1>
^{*16} See <https://news.panasonic.com/jp/press/jn210204-1>
^{*17} See <https://news.panasonic.com/jp/press/jn220318-2>
^{*18} See <https://news.panasonic.com/jp/press/jn260306-1>
^{*19} See <https://news.panasonic.com/jp/press/jn250515-2>
^{*20} See <https://news.panasonic.com/jp/press/jn221206-1>
^{*21} See <https://news.panasonic.com/jp/press/jn230825-2>
^{*22} See <https://www.city.fukuchiyama.lg.jp/site/kyouiku/59063.html>
^{*23} See <https://news.panasonic.com/jp/press/jn250421-2>

Building a Recycling Scheme for Scrap Iron

Jointly with Tokyo Steel Co., Ltd., we started a recycling scheme for scrap iron in July 2013. In this scheme, we recover the scrap iron from used home appliances and Tokyo Steel makes it into steel sheets. We then purchase the sheets back as a material for our products. Supplying scrap iron for recycling and repurchasing the recycled iron is the first scheme of its kind in the Japanese electrical manufacturing industry.

Self-recycling Scheme for Electric Steel Plates



Specifically, scrap iron from home appliances collected and treated at PETEC and Panasonic Eco Technology Kanto Co., Ltd. is supplied to Tokyo Steel, where the scrap iron is processed into electrical steel plates^{*24}. We procure the recycled steel plates and utilize them in products.

Discussions with Tokyo Steel commenced, and we have worked together since then to improve the quality of recycled iron to a level sufficient for production use, as well as developing the technology to improve the applicability of the recycled iron. From this we identified the optimum application of the electrical steel plates, and refined its specific features (e.g. shape, strength, and weldability) to meet application-specific requirements. The use of thin electrical steel plates in our products was first made possible. Through this close collaboration, we materialized this recycling scheme, a scheme where a home appliance recycling company that we own supplies scrap iron to be used to make electrical steel plates. The amount of scrap iron we initially supplied to Tokyo Steel was about 50 t per month. In fiscal 2026, it reached over 1,300 tons per

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year, and the recycled steel is being used in our Group products, including washing machines and ceiling materials for housing.

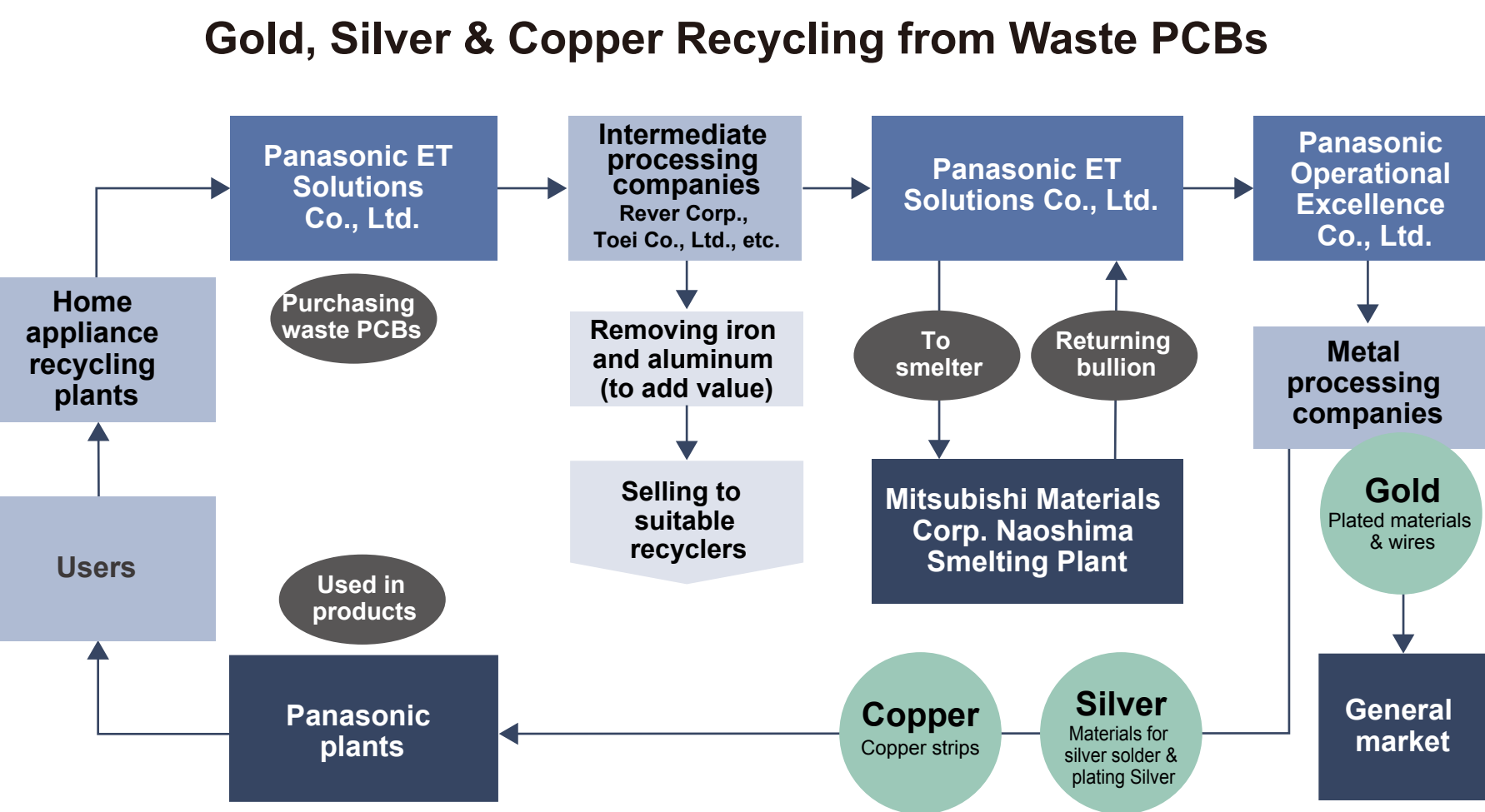
Beyond used products, we also recycle waste generated from factories. In Panasonic Electric Works Co., Ltd. Niigata Plant, we supply iron scrap generated during production to an electric arc furnace manufacture and utilize the iron recycled by the manufacturer in some of the products made in the plant^{*25}. This trial of making iron from scrap supplied by our plant and then utilizing the recycled iron in the same plant is the first of its kind within the Panasonic Group. Concretely, we utilize hot-dip galvanized steel sheets in our light fitting components. We started using it for general processing in fiscal 2024 and for spinning/deep drawing processing in fiscal 2027. We also started using painted hot-dip galvanized steel sheets in the main body of lighting equipment in fiscal 2027. The introduction of such materials in mass production is the first of its kind in the lighting industry. We are also running a similar scheme for resin.

^{*24} Steel produced from scrap iron melted and refined in an electric arc furnace.

^{*25} See <https://www2.panasonic.biz/jp/lighting/facilities/baselight/id/environment/>

Gold, Silver, and Copper Recycling from Waste PCBs

The Panasonic Group is running the Product-Material-Product (PMP) Loop scheme together with Mitsubishi Materials Corporation. In this scheme, gold, silver, and copper are extracted from waste printed circuit boards (PCBs) formerly installed in our home appliances, and reused within and outside the Panasonic Group^{*26}.



The scheme works as follows: One of our group companies, Panasonic ET Solutions Co., Ltd. (PETS), recovers waste PCBs from home appliance recycling plants and repair sites

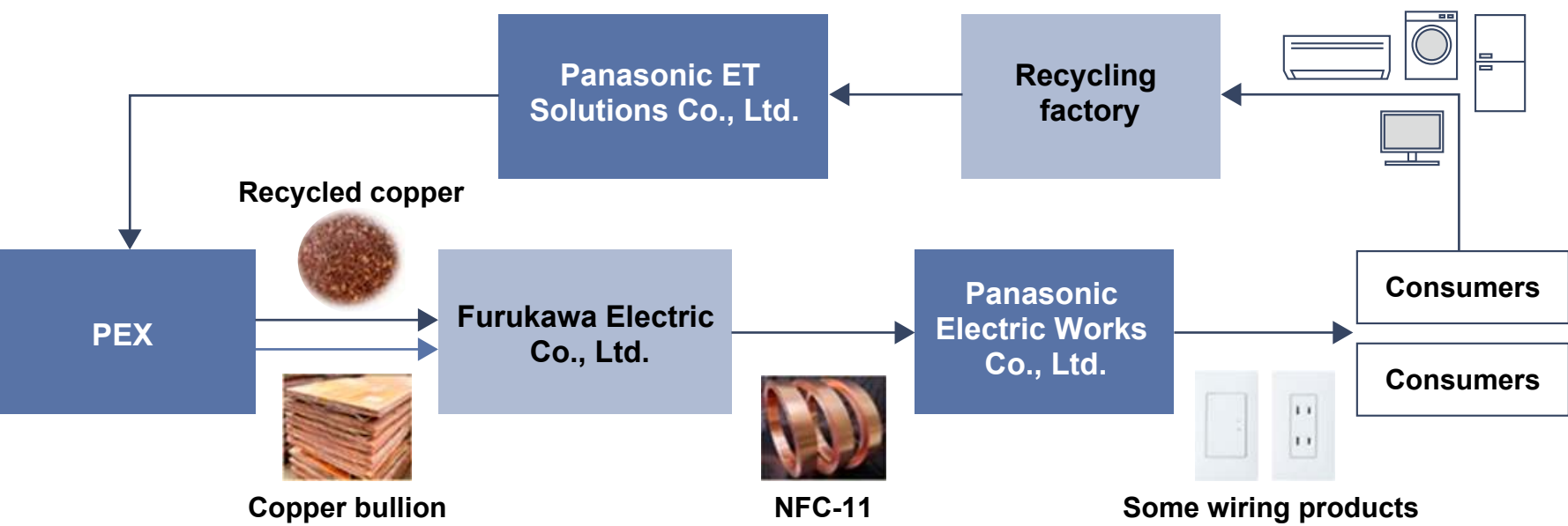
across Japan, and commissions initial waste processing to our recycling partner companies. The recycling companies remove the iron and aluminum during shredding and smelting to improve the quality of waste PCB materials. The processed PCBs are then passed to Mitsubishi Materials. Mitsubishi Materials extracts gold, silver, and copper from the waste PCBs through smelting and returns the materials to PETS. The recovered gold, silver, and copper are made into gold plating solution, copper wire, etc. to be utilized in our products again. Total amounts of recovered metals from the waste PCBs through the PMP Loop scheme to date have reached 1.2 tons of gold, 35 tons of silver, and 8,700 tons of copper^{*27}.

^{*26} See <https://news.panasonic.com/jp/press/jn250117-4>

^{*27} Based on the research of our Group and Mitsubishi Materials Corporation as of December 2025.

Building a Recycling Scheme for Copper from Waste Home Appliances

Together with Furukawa Electric Co., Ltd., Panasonic Operational Excellence Co., Ltd. (PEX) has newly established a copper recycling scheme. This scheme replaces some of the copper bullion used by Furukawa Electric to produce copper alloy materials for Panasonic Group products with recycled copper derived from our waste home appliances. The operation commenced in June 2025^{*28}.



Panasonic ET Solutions Co., Ltd. extracts high quality copper with less impurities through its improved refining process from materials selected after disassembly in our recycling factory. The recycled copper is then provided to Furukawa Electric directly through the PEX Procurement Sector, without being returned to a copper refiner. Furukawa Electric has created conditions that enable production of copper alloy for wiring with stable properties even when partially using recycled copper. This scheme resulted in an 8% reduction in CO₂ emissions in Furukawa Electric's copper alloy production.

We plan to apply this know-how in recycled copper use to other Panasonic Group products to further reduce our environmental impact.

^{* 28} https://news.panasonic.com/uploads/tmg_block_page_image/file/32764/jn250519-2-1.pdf

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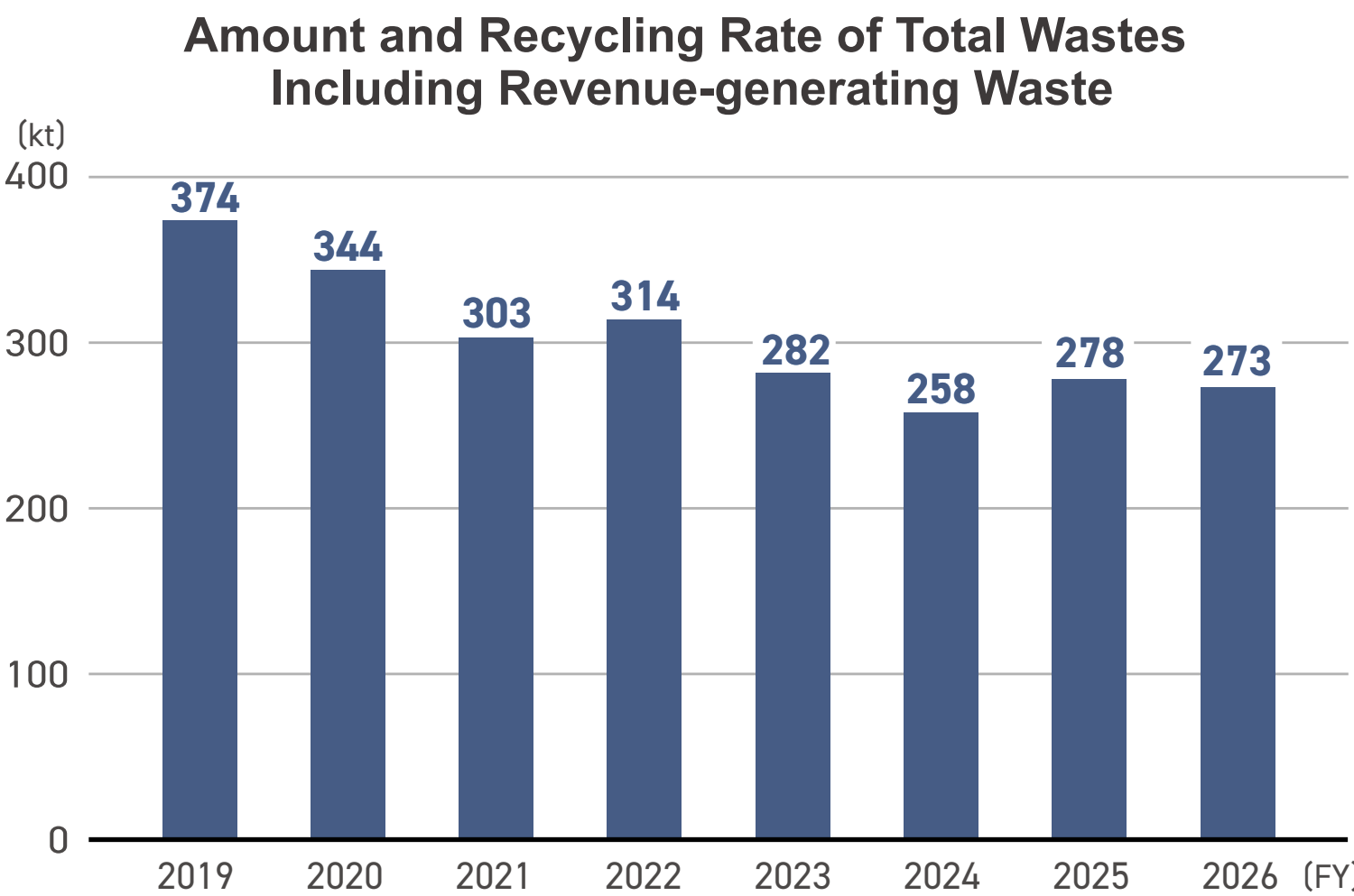
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Promoting Zero Waste Emissions

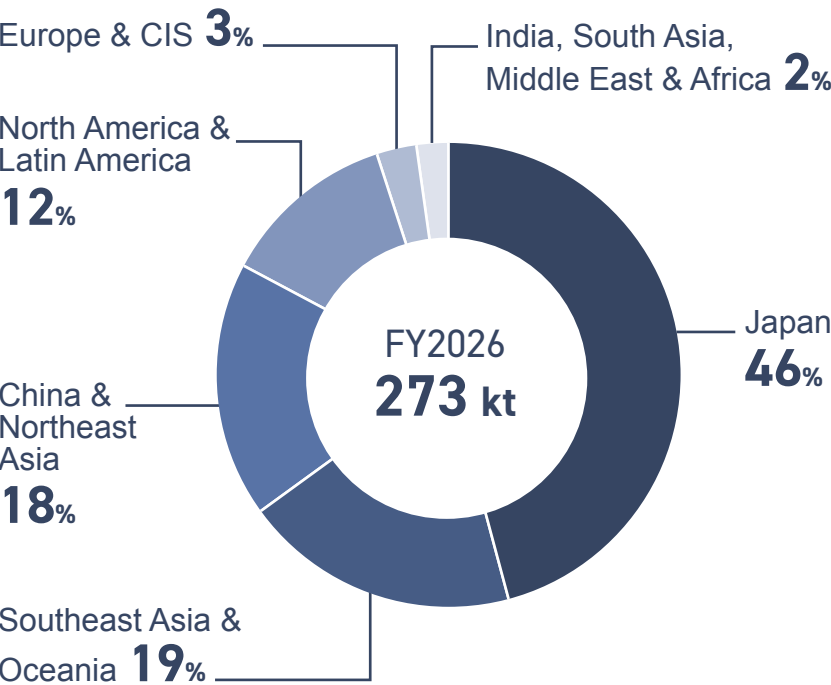
From the viewpoint of effective usage of resources, we believe that generation of waste and revenue-generating waste at factories must be minimized, even if such waste could be sold as valuable commodities. Based on this belief, we identify the amount of generated waste (including both revenue-generating waste and factory generated waste) and classify it into: (1) recyclable waste (including those that can be sold and those which can be transferred free of charge or by paying a fee) and (2) landfill (waste with no option other than being sent to landfills). In our production processes, we have been working to reduce the waste shipped to landfill to nearly zero, particularly through increasing the use of resources recycled. As a result, we have been maintaining a high factory waste recycling rate of more than 99% already for many years and, therefore, have removed this figure from our fiscal 2026 targets.

As an initiative to reduce the amount of final disposal of waste and valuables, we will reduce the amount of materials that are particularly difficult to recycle, such as thermosetting resins. We are also strictly adhering to waste sorting practices in production processes to further expand the reuse of resources. In addition to accelerating the information sharing on waste recycling issues between our overseas factories and group companies in Japan, we also promote the sharing of excellent examples and know-how among our factories across regions by utilizing BA Charts^{*29} prepared by each region, following our long-standing approach toward CO₂ reduction activities.

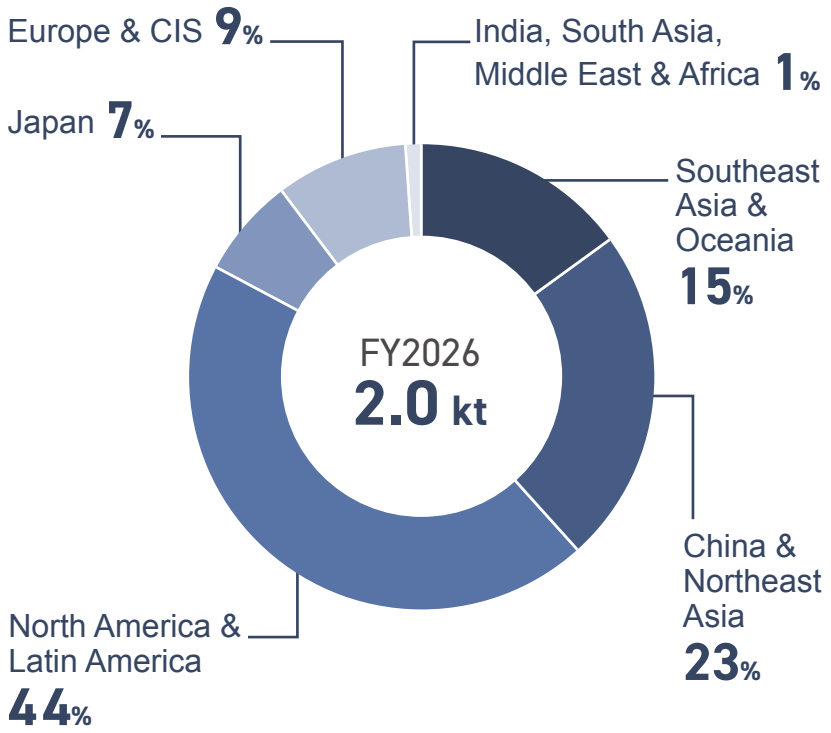
^{*29} A chart-format summary of comparisons between “before and after” implementation of waste reduction and recycling measures.



Breakdown of Total Wastes Including Revenue-generating Waste (by region)



Breakdown of Landfill (by region)



Breakdown of Total Wastes Including Revenue-generating Waste for Fiscal 2026 (by category)

Items	Total wastes	Recycled	Landfill
Metal scrap	121	120	0.06
Paper scrap	28	27	0.2
Plastics	32	30	0.6
Acids	21	17	0.1
Sludge	9	8	0.6
Wood	25	25	0.02
Glass/ceramics	3	3	0.03
Oil	10	9	0.06
Alkalis	18	16	0.03
Other ^{*30}	7	6	0.3
Total	273	261	2.0

^{*30} Combustion residue, fiber scraps, animal residue, rubber scraps, debris, ash particles, items treated for disposal, slag, infectious waste, polychlorinated biphenyls (PCBs), waste asbestos.

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The scope of calculation is the same as the scope of reporting as described in ■ Data (page 1).

Where the two scopes do not match is indicated with a note.

■ Breakdown of Energy Consumption (D1)

		FY2024	FY2025	FY2026	Items regarding environmental data such as the calculation methods, etc.
Energy		4.5 TWh	4.5 TWh	4.5 TWh ☒	Sum of (Energy consumption) in each site (respective energy consumption below) ^{*D1-1}
	Purchased electricity	3.08 TWh	3.07 TWh	3.07 TWh	a1) Sum of (Purchased general electricity consumption) in each site ^{*D1-2}
	including renewable energy	0.72 TWh	0.95 TWh	1.08 TWh ☒	a2) Sum of (100% Renewable energy-sourced electricity consumption out of Purchased general electricity consumption) in each site ^{*D1-3, D1-4, D1-5}
	On-site renewable energy generation (self-consumed)	0.07 TWh	0.11 TWh	0.14 TWh ☒	a3) Sum of (Volume of self-consumption out of self-produced renewable energy) in each site
	City gas	68 million m³	70 million m³	66 million m³	Sum of (City gas consumption) in each site
	LNG	9.9 kt	10.8 kt	10.9 kt	Sum of (LNG consumption) in each site
	LPG	4.5 kt	4.4 kt	4.3 kt	Sum of (LPG consumption) in each site
	Heavy oil	7.0 MI	6.2 MI	5.5 MI	Sum of (Heavy oil consumption) in each site
	Light oil	1.9 MI	2.0 MI	1.9 MI	Sum of (Light oil consumption) in each site
	Kerosene	1.6 MI	1.6 MI	1.7 MI	Sum of (Kerosene consumption) in each site
	Gasoline	0.1 MI	0.1 MI	0.1 MI	Sum of (Gasoline consumption) in each site
	Steam	373 TJ	336 TJ	340 TJ	Sum of (Consumed steam procured from a third party) in each site
	Hot Water	37 TJ	37 TJ	42 TJ	Sum of (Consumed hot water procured from a third party) in each site

*D1-1: Electricity is calculated in kWh. Fuel is converted to a unit of electrical energy, which is 1 kWh = 3.6 MJ. The figures are then combined.

*D1-2: The calculation includes all electricity service plans.

*D1-3: The calculation includes offsite renewable PPA (solar, onshore wind, geothermal) procurement.

*D1-4: 100% renewable energy-sourced electricity includes deemed 100% renewable energy contracts that use a renewable energy certificate.

*D1-5: Electricity certificates such as Non-Fossil Certificates (NFC), International RECs (I-REC) and Green Electricity Certificates (GEC) are used.

■ Breakdown of GHG Emissions (Scopes 1 and 2): From Energy Sources, From Non-Energy Sources, and Carbon Offset by Credits (D2)

		FY2024	FY2025	FY2026	Items regarding environmental data such as the calculation methods, etc.	
Scope 1			317 kt	272 kt	242 kt	b)+c)
	GHG emissions from energy sources		216 kt	220 kt	201 kt ☒	b) Sum of (GHG emissions derived from fuel consumption) in each site ^{*D2-1, D2-2}
	GHG emissions from non-energy sources		101 kt	53 kt	41 kt ☒	c) Sum of (GHG emissions other than CO ₂ emissions derived from fuel consumption) in each site ^{*D2-3, D2-4}
	(Breakdown)	CO ₂	1 kt	1 kt	1 kt	—
		HFC	97 kt	50 kt	38 kt	—
		SF ₆	2 kt	2 kt	2 kt	—
		NF ₃ and others	1 kt	1 kt	1 kt	—
Scope 2 from energy sources (Market-based)		1,207 kt	1,099 kt	994 kt ☒	d) Sum of (Purchased volume of electricity and heat) in each site x (CO ₂ emission factor) ^{*D2-1, D2-2, D2-5, D2-6}	
Total of Scope 1 and 2		1,523 kt	1,370 kt	1,235 kt	e) = b)+c)+d)	
Carbon offset by credits		-57 kt	-79 kt	-92 kt	f) Sum of (GHG offset volume by carbon credit retirement) in each site ^{*D2-7}	
The amount subtracting carbon offset by CO ₂ credits from the total of Scope 1 and 2 emissions		1,465 kt	1,291 kt	1,142 kt ☒	b)+c)+d)+f)	

*D2-1: (Respective energy consumption) x (CO₂ emission factor per energy)

*D2-2: For all global regions we used emission factors based on GHG Emissions Accounting and Reporting Manual (Ver. 5.0) by MOE.

For city gas, we used emission factors published by gas suppliers. Where necessary, we used replacement figures based on Emission Factors per Gas Supplier - FY2026 Supply Results by MOE. In China, we used a steam emission factor based on GB/T 32150-2025 General Guidelines of the Greenhouse Gas Emissions Accounting and Reporting for Industrial Enterprises.

*D2-3: Scope of GHGs and Global Warming Potentials (GWPs) used to determine CO₂ emissions were based on the Order for Partial Revision of the Order for Enforcement of the Act on Promotion of Global Warming Countermeasures (Cabinet Order No. 20 of 2026).

*D2-4: GHG emissions other than CO₂ emissions from energy sources were calculated for manufacturing sites only (non-manufacturing sites were excluded), excluding results from 10 manufacturing sites under Panasonic HVAC & CC.

*D2-5: A unit of electrical energy was used for electricity. Emission factors for each country were set by the Panasonic Group based on factors listed in CO₂ Emissions from Fuel Combustion published by the International Energy Agency (IEA). For fiscal 2026, IEA Emissions Factors 2025 was used. For purchased electricity in Japan in fiscal 2026, we used Emission Factors per Electric Utility - FY2026 Supply Results by MOE.

*D2-6: Heat includes steam and hot water.

*D2-7: Carbon credits based on the certification system such as J-Credits, Verified Carbon Standard (VCS), and Clean Development Mechanism (CDM) are used.

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Breakdown of GHG Emissions (Scopes 1 and 2): By Global Regions (D3)

		FY2024	FY2025	FY2026	Items regarding environmental data such as the calculation methods, etc.
Total of Scope 1 and 2 (By region)		1,523 kt	1,370 kt	1,235 kt	e) in Table D2
	Japan	617 kt	570 kt	515 kt	Breakdown of Japan
	China and Northeast Asia	244 kt	232 kt	240 kt	Breakdown of China and Northeast Asia region
	Southeast Asia and Pacific	413 kt	329 kt	211 kt	Breakdown of Southeast Asia and Pacific region
	North America and Latin America	194 kt	184 kt	218 kt	Breakdown of North America and Latin America region
	India, South Asia, Middle East and Africa	42 kt	44 kt	41 kt	Breakdown of India, South Asia, Middle East and Africa region
	Europe and CIS	13 kt	11 kt	11 kt	Breakdown of Europe and CIS region

CO₂ Emissions Intensity (Compared to Fiscal 2014) (D4)

	FY2024	FY2025	FY2026	Items regarding environmental data such as the calculation methods, etc.
CO ₂ emissions intensity improvement rate (Compared to fiscal 2014)	37	34	33	Emissions intensity (Compared to fiscal 2014) (= Intensity improvement rate) was calculated as follows: ^{D4-1, D4-2} FY2025 intensity improvement rate (%) = A2014×A2015×A2016×A2017×A2018×A2019×A2020×A2021×A2022×A2023×A2024 An = $\frac{\text{(Group CO}_2\text{ emissions in fiscal n / Group sales in fiscal n)}}{\text{(Group CO}_2\text{ emissions in fiscal n-1 / Group sales in fiscal n-1)}}$ n = 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024 FY2014 emissions are set to 100.

^{D4-1}: CO₂ emissions in the numerator of emissions intensity was changed to calculate by e) in fiscal 2026.

^{D4-2}: Sales in the denominator of emissions intensity is the figure reported in the Annual Securities Report.

Breakdown of GHG Emissions (by scope, by category) (D5)

*See [Page 17](#)

		FY2024	FY2025	FY2026	Items regarding environmental data such as the calculation methods, etc.
Scope 1		317 kt	272 kt	242 kt	b)+c) in Table D2
Scope 2		1,207 kt	1,099 kt	994 kt	d) in Table D2
Scope 3		124,995 kt	144,246 kt	139,226 kt	Sum of CO ₂ emissions from all categories in Scope 3
	1. Purchased goods and services	21,954 kt	20,324 kt	19,001 kt	Sum of (External purchase figure per material in previous FY) x (monetary CO ₂ emission intensity per material) ^{D5-1}
	2. Capital goods	1,546 kt	2,030 kt	1,617 kt	Sum of (Capital investment per segment) x (CO ₂ emissions intensity) ^{D5-2}
	3. Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2	243 kt	251 kt	265 kt	(Amount of purchased electricity + Amount of energy used) x (CO ₂ emission factor per electricity and energy)
	4. Upstream transportation and distribution	741 kt	720 kt	778kt	(Cargo t-km) x (CO ₂ emissions intensity per weight) and (Transportation costs) x (CO ₂ emissions intensity per transportation costs)
	5. Waste Generated in Operations	1 kt	1 kt	1 kt	Sum of (Landfill volume per waste type) x (CO ₂ emissions intensity per waste type)
	6. Business travel	31 kt	30 kt	27 kt	(Number of employees) x (CO ₂ emissions intensity per industry specified by MOE) ^{D5-2}
	7. Employee commuting	107 kt	106 kt	95 kt	(Number of employees) x (CO ₂ emissions intensity per industry specified by MOE) x (Working days) ^{D5-2}
	8. Upstream leased assets	—	—	—	Out of scope
	9. Downstream transportation and distribution	146 kt	147 kt	253 kt	{{(Total weight of all global products) x {Sum of (Travel distance by trucks and pickup trucks) x (CO ₂ emissions intensity of trucks and pickup trucks)}}
	10. Processing of sold products	234 kt	170 kt	115 kt	(Emissions from processing sold products) = (Emissions after delivering in-vehicle components) = (Emissions per sales unit of assembly business) x (Sales of component business)
	11. Use of sold products	91,027 kt	111,151 kt	108,900 kt ☒	Sum of the following ① and ② calculated for each major product group ^{D5-3} ① CO ₂ emissions from energy consumption: (Annual electricity or fuel consumption per product) x (Product life ^{D5-4}) x (CO ₂ emissions in the region where the product is used) x (Annual unit sales) ② Refrigerant leakage during product usage: (Volume of refrigerant filled per product) x (Annual leakage rate) x (Product life ^{D5-4}) x (Global warming factor ^{D5-6}) x (Annual sales units)
	12. End-of-life treatment of sold products	7,860 kt	7,999 kt	6,921 kt	Sum of ① and ② below ① Refrigerant non-disposal part: (Total weight of all global products) x (CO ₂ emissions intensity per industry specified by MOE) ② Refrigerant to be disposed: (Volume of refrigerant filled per product) x (1- Collection rate) x (Global warming factor ^{D5-6}) x (Annual sales units)
	13. Downstream leased assets	—	—	—	Out of scope
	14. Franchises	—	—	—	Out of scope
	15. Investments	1,108 kt	1,322 kt	1,256 kt	(Equity ratio to an equity method affiliate) x (Sales of the affiliate) x (CO ₂ emissions intensity of the affiliate businesses) ^{D5-7}
Total		126,518 kt	145,616 kt	140,461 kt	Total of CO ₂ emissions from Scopes 1, 2, and 3

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Logistics (D11)

*See <https://holdings.panasonic/global/corporate/sustainability/environment/logistics.html>

			FY2024	FY2025	FY2026	Items regarding environmental data such as the calculation methods, etc.
Energy			1.32 TWh	1.31 TWh	2.34 TWh	[Japan] Energy usage [GJ]* ^{D11-1, D1-1} • Excludes some organizations • Truck 1. Truck fuel method: (Fuel usage [kl]) x (Calorific value per unit [GJ / kl]) 2. Truck fuel consumption method: (Fuel usage [kl] = {Transportation distance [km] / Fuel consumption [km/l]} x 1/1000 (kl/l)}) x (Calorific value per unit [GJ/kl]) 3. Improved truck ton-kilometer method: (Cargo volume [t-km]) x (Revised t-km-based fuel use intensity [l/t-km]) x 1/1000 (kl/l) x (Calorific value per unit [GJ/kl]) • Rail, sea, and air Conventional ton-kilometer method: (Cargo volume [t-km]) x (Energy use intensity [ML/t-km]) × 1/1000 (kl/l)
Biodiesel fuel			1.27 kl	0.399 kl	0.124 kl	[Japan] Fuel usage of bio-diesel (B5) [kl]* ^{D11-5}
CO ₂ Emission: global			741 kt	720 kt	778 kt	* ^{D11-6}
	International transportation		215 kt	205 kt	470 kt	(Cargo volume t-km) x (CO ₂ emissions intensity per weight)* ^{D11-2}
	Intra-region outside Japan		411 kt	403 kt	177kt	(Transportation costs) x (CO ₂ emissions intensity per transportation costs)* ^{D11-3}
	Japan		115 kt	112 kt	130 kt ☒	• Excludes some organizations* ^{D11-5} • Truck* ^{D11-4} 1. Truck fuel method: (Fuel usage [kl]) x CO ₂ emission factor 2. Truck fuel consumption method: (Fuel consumption [kl]) = (Transportation distance [km] / Fuel efficiency [km / l] x 1/1000 (kl / l) x CO ₂ emission factor 3. Improved truck ton-kilometer method: (Cargo volume [t-km]) x (Improved truck ton-kilometer method based fuel use intensity [l / t-km] x 1/1000 (kl / l) x CO ₂ emission factor • Rail, sea, and air Conventional ton-kilometer method: (Cargo volume [t-km]) x (Conventional t-km-based CO ₂ emissions intensity [g-CO ₂ / t-km]) × 1/1,000,000 (t-CO ₂ / g-CO ₂)
	Transportation Amount by Transportation Method (Japan)		770 million tons-kilometers	750 million tons-kilometers	680 million tons-kilometers	Sum of cargo volume [t-km] in Japan • Excludes some organizations* ^{D11-5}
	(Breakdown)	Air	1 million tons-kilometers	1 million tons-kilometers	1 million tons-kilometers	—
		Truck	713 million tons-kilometers	676 million tons-kilometers	617 million tons-kilometers	—
		Ship	51 million tons-kilometers	59 million tons-kilometers	51 million tons-kilometers	—
		Railroad	5 million tons-kilometers	15 million tons-kilometers	10 million tons-kilometers	—

^{*D11-1}: Consignors' Guidelines for the Act on Rationalization of Energy Use and Shift to Non-fossil Energy – 2026 Revised Version
^{*D11-2}: Use of "Global Logistics Emissions Council Framework v3.1" from FY 2026
^{*D11-3}: Emissions Intensity Database for Calculating Greenhouse Gas Emissions of Organizations through Supply Chains (Ver. 3.6) by MOE
^{*D11-4}: Joint Guidelines for CO₂ Emissions Calculation Methods in Logistics (Ver. 3.2)
^{*D11-5}: Six of the domestic group companies are excluded as they are not equipped with an emissions calculation system.
^{*D11-6}: The above calculations are for transportation where the Panasonic Group is the consignor, as specified in Energy Saving Law Guidebook for Consignors published by the Agency for Natural Resources and Energy.

Resources

*See [Page 39](#)

	FY2024	FY2025	FY2026	Items regarding environmental data such as the calculation methods, etc.
Recycled resin	17.2 kt	15.2 kt	17.1 kt	Of the recycled resin, the mass of the pure recycled material that includes neither new resin nor any newly added or mixed additives or fillers. The calculation is based on the information available to us because some manufacturers have restrictions on disclosing their production information.
Total wastes including revenue-generating waste	258 kt	278 kt	273 kt ☒	Sum of the generated volume of industrial wastes, general wastes, and valuables.
Landfill	1.5 kt	1.9 kt	2.0 kt	—
Factory waste recycling ratio	99.3%	99.2%	—	Amount of resources recycled / (Amount of resources recycled + Amount of landfill) In recent years, the recycling rate of industrial waste has remained at a high level of more than 99%. As this figure was excluded from the FY 2026 target, no figures are provided.

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Recycling

		FY2024	FY2025	FY2026	Items regarding environmental data such as the calculation methods, etc.
Collected products		151 kt	145 kt	140 kt	• The calculations cover results in Japan. • Personal computers are not included in the totals. As for personal computer, PC3R Promotion Association collects and recycles PCs under the joint scheme with member companies. • The number or weight of products processed for recycling are the total of waste home appliances to which we applied some form of recycling process during fiscal 2026. • The number of products collected from designated recyclers and products processed for recycling do not include items of which the manufacturer is unknown due to an error in the recycling form, or any other reason. • All figures were truncated after the decimal point.
	CRT TVs	3 kt	3 kt	2 kt	
	Plasma/LCD TVs	9 kt	9 kt	8 kt	
	Air conditioners	34 kt	35 kt	36 kt	
	Refrigerators/freezers	56 kt	51 kt	48 kt	
	Washing machines/clothes dryers	46 kt	44 kt	44 kt	
Recycled products		113 kt	110 kt	108 kt	• The calculations cover results in Japan. • Others include plastics, chlorofluorocarbons, etc. • All figures were truncated after the decimal point.
	Metals	83 kt	81 kt	79 kt	
	Glass	1 kt	1 kt	0.9 kt	
	Other	28 kt	27 kt	27 kt	
Generated waste (=Collected products-Recycled products)		37 kt	35 kt	32kt	• The calculations cover results in Japan. • All figures were truncated after the decimal point.

Water

* See <https://holdings.panasonic/global/corporate/sustainability/environment/water.html>

		FY2024	FY2025	FY2026	Items regarding environmental data such as the calculation methods, etc.
Water Withdrawal		13,866 thousand m³	13,486 thousand m³	13,453 thousand m³	Total water withdrawal (total water withdrawal from municipal water/industrial water, groundwater, rivers/lakes)
	Municipal water/industrial water	8,622 thousand m³	8,344 thousand m³	8,365 thousand m³	—
	Groundwater	5,244 thousand m³	5,142 thousand m³	5,088 thousand m³	—
	Rivers/lakes	0 thousand m³	0 thousand m³	0 thousand m³	—
Recycled water		1,392 thousand m³	1,400 thousand m³	1,326 thousand m³	—
Water discharged		10,598 thousand m³	10,446 thousand m³	10,230 thousand m³	Total water discharge (to sewage and public water areas)
	Sewer systems	4,902 thousand m³	4,710 thousand m³	4,582 thousand m³	—
	Waterways	5,696 thousand m³	5,736 thousand m³	5,648 thousand m³	—
Water withdrawal at factories per unit of production		35.1 %	35.4 %	36.6%	Compared to FY2010

Water Consumption by Region (FY2026)

* See <https://holdings.panasonic/global/corporate/sustainability/environment/water.html>

Region	Water withdrawal				Water discharged			Consumption	Items regarding environmental data such as the calculation methods, etc.
		Municipal water/ industrial water	Groundwater	Rivers/lakes		Sewer systems	Waterways		
Japan	7,627 thousand m³	3,077 thousand m³	4,550 thousand m³	0 thousand m³	6,371 thousand m³	1,419 thousand m³	4,952 thousand m³	1,256 thousand m³	—
China and North East Asia	2,624 thousand m³	2,614 thousand m³	10 thousand m³	0 thousand m³	1,965 thousand m³	1,637 thousand m³	328 thousand m³	659 thousand m³	—
Southeast Asia and Pacific	2,285 thousand m³	2,057 thousand m³	228 thousand m³	0 thousand m³	1,447 thousand m³	1,108 thousand m³	339 thousand m³	838 thousand m³	—
North America and Latin America	610 thousand m³	523 thousand m³	87 thousand m³	0 thousand m³	362 thousand m³	333 thousand m³	29 thousand m³	248 thousand m³	—
Europe and CIS	71 thousand m³	64 thousand m³	7 thousand m³	0 thousand m³	54 thousand m³	54 thousand m³	0 thousand m³	17 thousand m³	—
India, South Asia, Middle East and Africa	236 thousand m³	30 thousand m³	206 thousand m³	0 thousand m³	31 thousand m³	31 thousand m³	0 thousand m³	205 thousand m³	—
Total	13,453 thousand m³	8,365 thousand m³	5,088 thousand m³	0 thousand m³	10,230 thousand m³	4,582 thousand m³	5,648 thousand m³	3,223 thousand m³	—

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Chemical Substances

* The scope of chemical substances is as specified in Panasonic Group Chemical Substances Management Rank Guidelines (for Factories).

* Results from 10 production sites under Panasonic HVAC & CC were not included.

* See <https://holdings.panasonic/global/corporate/sustainability/environment/chemical.html>

		FY2024	FY2025	FY2026	Items regarding environmental data such as the calculation methods, etc.
Input		188 kt	197 kt	183 kt	—
Release/Transfer		3.44 kt	3.65 kt	4.22 kt ☒	—
Release	Release	2.78 kt	2.93 kt	3.37 kt	—
	Released into waterways	0.07 kt	0.03 kt	0.03 kt	—
	Released into air	2.71 kt	2.90 kt	3.34 kt	—
	including VOC emissions	1.43 kt	1.59 kt	1.52 kt	Emissions of Volatile Organic Compounds (VOC) into the air associated with use. The calculation covers 100 major VOC substances that Panasonic Group selected from those listed in the Air Pollution Control Act.
	Released into soil	0 kt	0 kt	0 kt	—
Transfer		0.66 kt	0.72 kt	0.85 kt	Includes substances transferred as waste, as well as those discharged into the sewage system. Recycled amount which is free of charge or accompanies treatment cost under the Waste Management and Public Cleansing Act is included in Recycled.
Recycled		11.9 kt	12.7 kt	13.1 kt	The amount of substances recycled with revenue, as well as those recycled free of charge or with any payment.
Shipped as products		159 kt	167 kt	153 kt	The amount of substances that have been changed to other substances as a result of chemical reactions, and/or those that are contained in or accompanied with products and shipped out of factories.
Removed		12.9 kt	13.0 kt	12.8 kt	The amount of substances converted into other substances through neutralization, decomposition, or other chemical treatment.
Human Environmental Impact		386 kcount	339 kcount	440 kcount	* The scale of human environmental impact = Hazardousness factor x (Substance emission volume + Substance transfer volume) Hazardousness factors are generated by the Panasonic Group by applying a factor to substances categorized according to their impact on human health and the environment. The applicable factors are: A: 10,000; B: 1,000; C: 100; D: 10; E: 1.

Environmental Accounting

*See [Page 17](#)

		FY2024	FY2025	FY2026	Items regarding environmental data such as the calculation methods, etc.
Environmental conservation in factories					
	Investments	3,791 million yen	3,241 million yen	4,711 million yen	Includes all investments relating to environmental conservation. The difference or appropriate portions (divided proportionally) are not calculated.
	Expenses	128 million yen	61 million yen	51 million yen	Includes all investments relating to environmental conservation. The difference or appropriate portions (divided proportionally) are not calculated. Expenses include a cost of capital investment depreciation. For example, if latest energy-saving facilities were installed, the value includes depreciation for the first year but not for the second year and later.
	Economic benefit	907 million yen	394 million yen	303 million yen	The economic benefit represents the cost of energy savings achieved through energy conservation, which translates into cost reductions that contribute to climate change mitigation.
Environmental Conservation Benefits (in physical terms)					
	CO ₂ emissions from production activities	265 kt	127 kt	137 kt	Calculated as the year-on-year reduction in net emissions, where net emissions are the total of Scope 1 and 2 emissions less the amount offset by carbon credits, excluding non-energy-source emissions.
	Human Environmental Impact	45 kcount	47 kcount	▲101 kcount	—
	Landfill of waste	0.8 kt	▲0.4 kt	▲0.1 kt	—
	Water consumption	1,405 thousand m³	380 thousand m³	33 thousand m³	—
Economic Effects for Customers (Electricity cost reduction from product usage)					
	Reduced amount of electricity	46.7 TWh	80.6 TWh	76.1TWh	Calculated under the same conditions as CONTRIBUTION IMPACT (Avoided CO ₂ emissions); however, excluding the contribution from electrification.
	Reduced electricity costs	1,256,718 million yen	2,298,065 million yen	2,277,429 million yen	Electricity costs were set for each region based on our investigation.

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Number of ISO 14001 certifications obtained

* See <https://holdings.panasonic/global/corporate/sustainability/environment/governance/ems.html>

		FY2024	FY2025	FY2026	Items regarding environmental data such as the calculation methods, etc.
Number of certifications obtained		144	133	128	The number includes integrated certifications. The number of obtained status varies every year depending on the situation such as reorganization or closure of business divisions/sites, or promotion to obtain integrated certification.
	Manufacturing	123	113	109	
	Japan	20	18	16	
	North America and Latin America	13	9	9	
	Europe and CIS	7	6	4	
	Southeast Asia and Pacific	34	33	33	
	China and North East Asia	43	41	41	
	India, South Asia, Middle East and Africa	6	6	6	
	Non-manufacturing	21	20	19	
	Japan	10	10	9	
	North America and Latin America	0	0	0	
	Europe and CIS	1	1	1	
	Southeast Asia and Pacific	8	7	7	
	China and North East Asia	1	1	1	
	India, South Asia, Middle East and Africa	1	1	1	

Cases of violations of laws and ordinances

*Global (Japan)

*See <https://holdings.panasonic/global/corporate/sustainability/environment/governance/risk.html>

		FY2024	FY2025	FY2026	Items regarding environmental data such as the calculation methods, etc.
Environmental pollution		4 (0)	0 (0)	0 (0)	• Number violations of environmental laws and ordinances that occurred in Group factories.
	Air	2 (0)	0 (0)	0 (0)	—
	Water quality	0 (0)	0 (0)	0 (0)	—
	Noise	0 (0)	0 (0)	0 (0)	—
	Odor	0 (0)	0 (0)	0 (0)	—
	Waste	2 (0)	0 (0)	0 (0)	—
Other	Permission /Approval	0 (0)	0 (0)	0 (0)	—

Soil and Groundwater Pollution Surveys and Remedial Measures

*Global (Japan)

*See <https://holdings.panasonic/global/corporate/sustainability/environment/governance/risk.html>

	FY2024	FY2025	FY2026	Items regarding environmental data such as the calculation methods, etc.
Number of sites that completed remedial measures	4 (4)	2 (1)	2 (1)	—
Number of sites currently taking remedial measures	40 (35)	38 (34)	37 (34)	—

Total Procurement of Timber and Wood Materials

* See <https://holdings.panasonic/global/corporate/sustainability/environment/biodiversity.html>

	FY2024	FY2025	FY2026	Items regarding environmental data such as the calculation methods, etc.
Total procurement	199 thousand m³	193 thousand m³	149 thousand m³	—
Category 1: Timber and wood materials with priority procurement	76.6 %	65.3 %	80.6%	• Materials certified by a third party as not destroying forests with high conservation value • Those certified by a third party that the supplier conducts sustainable forest management • Recycled wood materials
Category 2: Timber and wood materials acceptable for procurement	23.4 %	34.7 %	19.4%	• Those confirmed as being legally logged. • Materials for which legality of logging has been certified by an industry organization or equivalent.
Category 3: Timber and wood materials to be avoided for procurement	0 %	0 %	0%	• Materials for which legality of logging cannot be confirmed.

Other Initiatives

The following items are described on the webpage.

■ Environmental Management

🔗 Environmental Governance

<https://holdings.panasonic/global/corporate/sustainability/environment/governance.html>

🔗 Environmental Management Systems

<https://holdings.panasonic/global/corporate/sustainability/environment/governance/ems.html>

🔗 Environmental Information Systems

<https://holdings.panasonic/global/corporate/sustainability/environment/governance/it.html>

🔗 Eco-conscious Products and Factories

<https://holdings.panasonic/global/corporate/sustainability/environment/green-products.html>

🔗 Collaboration Across the Supply Chain

<https://holdings.panasonic/global/corporate/sustainability/environment/supply-chain.html>

🔗 Strategic Resilience through Scenario Analysis

<https://holdings.panasonic/global/corporate/sustainability/environment/tcfd/resilience.html>

■ Climate Change

🔗 Global Warming Adaptation

<https://holdings.panasonic/global/corporate/sustainability/environment/solution.html>

🔗 Environmental Support for the Entire Factory

<https://holdings.panasonic/global/corporate/sustainability/environment/site/service.html>

🔗 Green Logistics

<https://holdings.panasonic/global/corporate/sustainability/environment/logistics.html>

■ Resources

🔗 Global Initiatives for Used Product Recycling

<https://holdings.panasonic/global/corporate/sustainability/environment/resources/recovery.html>

■ Biodiversity Conservation

🔗 <https://holdings.panasonic/global/corporate/sustainability/environment/biodiversity.html>

■ Water Resource Conservation

🔗 <https://holdings.panasonic/global/corporate/sustainability/environment/water.html>

■ Pollution

🔗 Environmental Risk Management

<https://holdings.panasonic/global/corporate/sustainability/environment/governance/risk.html>

🔗 Chemical Substance Management

<https://holdings.panasonic/global/corporate/sustainability/environment/chemical.html>

■ Environmental Sustainability Management Across the World

🔗 <https://holdings.panasonic/global/corporate/sustainability/environment/global-activities.html>

■ Human Resource Development

🔗 <https://holdings.panasonic/global/corporate/sustainability/environment/human-resources.html>

■ Environmental Communication

🔗 <https://holdings.panasonic/global/corporate/sustainability/environment/communication.html>

■ History of Environmental Activities

🔗 <https://holdings.panasonic/global/corporate/sustainability/environment/history.html>

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Panasonic Group is committed to realizing well-being and job satisfaction by creating a work environment where every Panasonic employee^{*2} can work in a safe, secure, and healthy state with their individuality respected and eliminating the risk of infringement on their rights and opportunities through unfair treatment, discrimination, or prejudice.

^{*1} The information provided regarding DEI and diversity set forth policies, initiatives, and indicators is applicable to PHD, PEX, operating companies and affiliated companies in the Japan region, as well as certain other regions, and does not intend to refer to the United States. Employment practices in the United States are administered in accordance with applicable laws and regulations and other relevant requirements.

^{*2} Within this section, the following list of stakeholders are collectively referred to as “Employees”: (1) all employees having employment relationships with any Panasonic Group company including those working under contracts with the Group, as well as external contractors and seconded employees working under the control and supervision of any Panasonic Group company; and (2) all board directors, executive officers, executive counselors, fellows, corporate auditors, supervisory board, and corporate advisors or persons in equivalent positions appointed by any Panasonic Group company. It also includes employees of key companies subject to some Group HR and other systems.

Policy

Panasonic Group Founder Konosuke Matsushita pursued management that emphasized nurturing and developing people so that they can thrive based on his philosophy of “develop people before making products.” At its foundation lies the philosophy that human beings are like rough diamonds—depending on how they are polished, they can shine in different ways. This idea is closely aligned with the concept of a growth mindset, which holds that people’s abilities are not fixed but can continue to develop through experience and challenges.

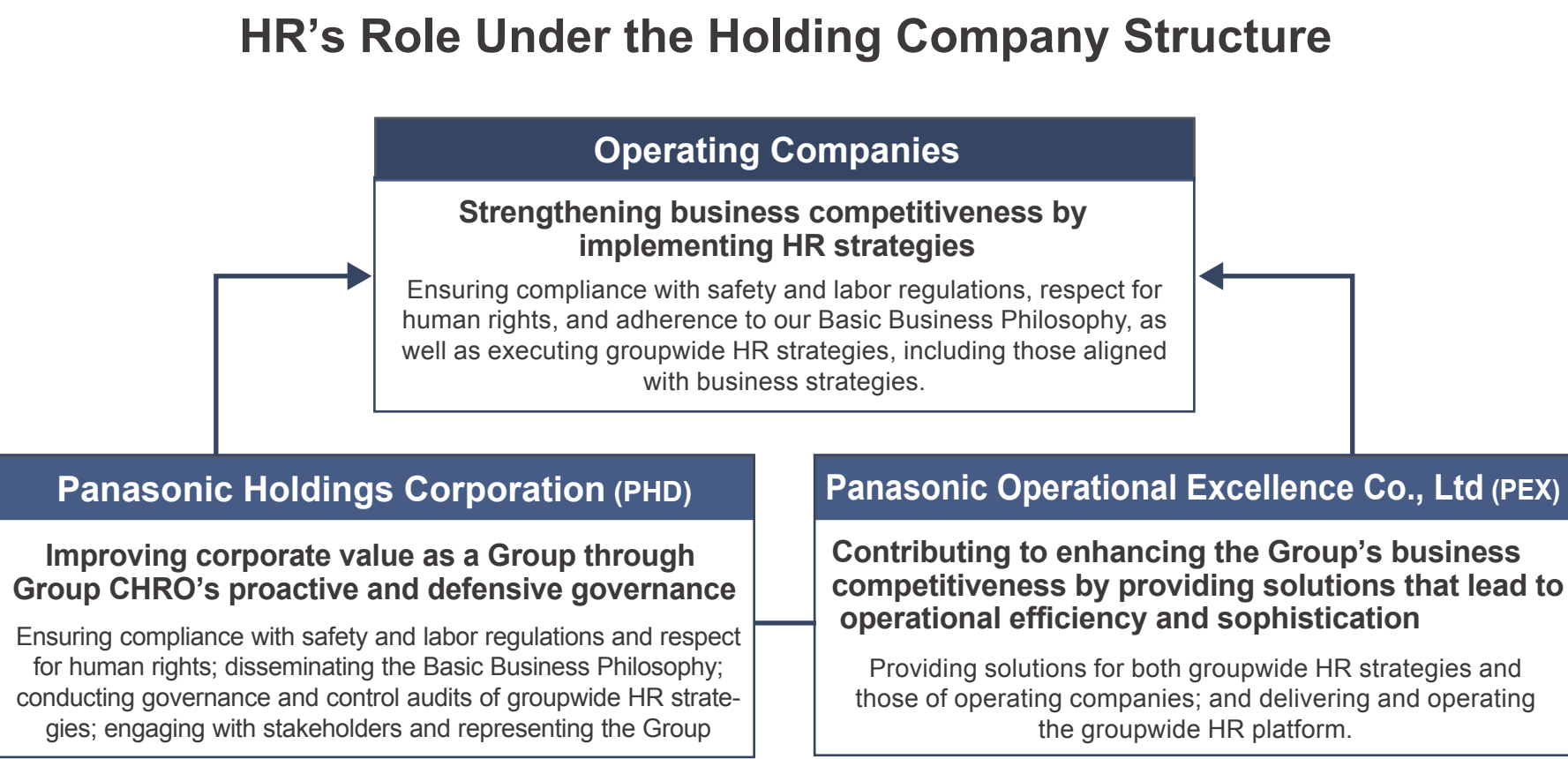
We carry forward this philosophy and, with our unwavering Basic Business Philosophy as our foundation, practice human capital management to maximize the value of the human capital entrusted to us by society.

Responsible Executive and Framework

The executive officer responsible for creating and promoting the HR strategy of Panasonic Holdings Corporation (“PHD”) and the entire Group is the Group Chief Human Resources Officer (“Group CHRO”). The PHD Strategic Human Resources Department is responsible for planning and formulating strategies across the Group. At the same time, the HR departments at the operating companies and their affiliated divisions have the same responsibilities at the organizational level and manage day-to-day operations.

Under the holding company structure, effective April 2022, each operating company must establish an optimal business structure tailored to its industry, customers, and competitors, in strict compliance with the concept of autonomous responsible management. Each operating company is responsible for planning and executing human resource strategies, including

acquiring and developing human resources, building compensation and evaluation systems, and promoting organizational development. Meanwhile, PHD is responsible for supporting the operating companies from the perspective of corporate governance and stakeholder engagement. Panasonic Operational Excellence (“PEX”) also assists the operating companies by providing solutions to enhance competitiveness.



The Group CHRO oversees corporate governance through our compliance with safety/labor regulations, respect for human rights, dissemination of the Basic Business Philosophy, and groupwide HR strategies. To this end, the Group CHRO holds one-on-one meetings with the CHROs of each operating company and reviews their HR strategies, which are then submitted to their respective boards of directors. Moreover, the Group CHRO actively discusses new initiatives in groupwide HR strategies through reports to the PHD Board of Directors.

Our Vision for Human Capital Management

The Panasonic Group has consistently addressed a wide range of social challenges throughout its history as it strives to fulfill its mission of achieving “an ideal society with affluence both in matter and mind.” Under our Group growth strategy through 2032, we will focus on addressing key societal issues such as the efficient use of energy and the alleviation of frontline labor shortages. By fiscal 2029, we aim to achieve adjusted operating profit of at least 750 billion yen, driven by businesses that support AI infrastructure. From fiscal 2030 onward, we will pursue further growth by expanding businesses that underpin societal operations.

To execute this growth strategy, we aim to become a company where every employee can

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UNLOCK their full potential, fully realize that potential, and continue to grow. Achieving this state represents the realization of our Basic Business Philosophy at a high level. To measure progress toward this goal, we have established our own “UNLOCK Indicators,” with a target of reaching 60% globally by fiscal 2029.

Human Resources and Organizational Challenges

Achieving a highly competitive and resilient talent portfolio

In fiscal 2026, we positioned the reform of our fixed cost structure—previously higher than that of our peers—as a major management priority to drive the Group’s growth. While we have strengthened our management foundation through measures such as workforce optimization described below, we must continue to maintain and further strengthen a lean management structure amid a rapidly changing business environment. At the same time, to execute our growth strategy, we must also transform our talent portfolio as follows.

Solutions Area	To meet the need to create sustainable value for business customers facing challenges such as labor shortages and energy issues in businesses that support social operations, it is essential to secure talent capable of providing solutions.
Devices Area	To meet the need to contribute to clients related to AI infrastructure by proposals that anticipate industry evolution, it is essential to secure talent with advanced materials and process technologies.

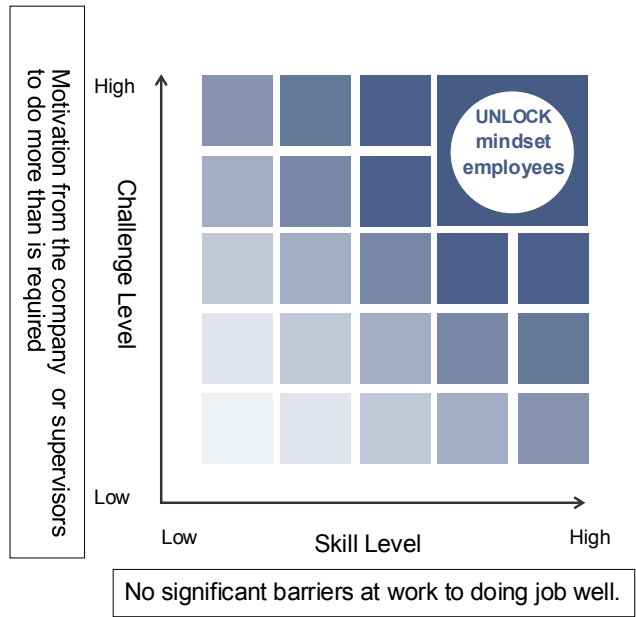
Realizing an Organization Where Each Individual Can Unlock and Fully Demonstrate Their Potential

Even if we secure talent with the necessary potential, we cannot leverage it for business growth unless we provide an environment that enables individuals to fully demonstrate their potential. At the Panasonic Group, we conduct an annual employee survey covering approximately 150,000 employees worldwide. Through fiscal 2025, we have placed particular emphasis on “employee engagement” (employees’ willingness to contribute proactively) and “employee enablement” (placing the right people in the right roles and providing a supportive working environment). While the favorable response rate has shown a continuous upward trend, scores for two items—“Motivation from the company or supervisors to do more than is required” and “No significant barriers at work to doing job well”—remained low among the nine questions.

This represents a critical issue for our goal of becoming a company in which each employee can “UNLOCK” their potential, fully demonstrate their capabilities, and grow. Accordingly, we have defined the positive response rates to these two questions as the UNLOCK indicators, and we are working to improve them while monitoring these indicators together with five related survey questions.

‘UNLOCK’ Indicators

Individuals maximize their potential and practice the Basic Business Philosophy at a higher level. Target: Achieve a global UNLOCK score of 60% by 2028 and 70% by 2031



UNLOCK indicators

Questions related to ‘UNLOCK’

In addition to 'UNLOCK' Indicators, the survey questions that are considered relevant are monitored.

	Questions in the Employee Opinion Survey
Evaluation & Compensation	When taking challenges, employees are supported with positive feedback.
Recruitment, Training & Selection of Leaders	Opportunities to achieve career goals
Design of Work	Creative approaches in how work is done
Organizational Structure & Placement	Cooperation across the company
	Our company is effectively organized & structured.

Key Indicators

The Panasonic Group has established as key indicators for its human capital initiatives metrics aligned with the Group’s materiality of “Maximizing the Potential of Diverse Talent and Organizations.” These include UNLOCK indicators, the diversity ratio of management teams, the ratio of female managers, serious and major occupational accidents, and productivity indicators.

Using these indicators, the Group continuously monitors the progress of its human capital strategy through forums such as the Group Talent Management Committee and the Group DEI Promotion Council. The Board of Directors and other relevant bodies provide appropriate oversight.

Materiality and Indicators Regarding “Maximizing the Potential of Diverse Talent and Organizations”

Materiality	Our vision		Indicators	Current situation	Targets
Organization culture transformation	Employees taking bold and positive challenges and maximizing their skills and abilities	UNLOCK indicator ³	Favorable response rate for both questions in the Employee Opinion Survey, "Motivation from the company or supervisors" and "No significant barriers at work" (Target: Group employees globally)	43%	60% (FY2029) 70% ⁴ (FY2032)
Develop & appoint transformational leaders	Transformational leaders making high-quality decisions	Diversity ratio in management team (PHD Executive Officers) ⁵	Diversity of PHD Executive Officers (Total ratios of female, non-Japanese citizens and mid-career hires)	55%	More than half
		Ratio of female managers (in Japan) ⁶	Female ratio in management positions (in Japan)	8.3%	12% (April 2028) 16% (April 2031)
Safe, secure and healthy work environment	Operating with a safe, secure, and healthy environment as a prerequisite	The number of serious or major accidents	Number of fatal accidents or accidents resulting in long-lasting physical disabilities, Number of accidents affecting at least three people	8	0

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- *3 Favorable response rate for both questions in the Employee Opinion Survey, "Motivation from the company or supervisors to do more than is required" and "No significant barriers at work to doing job well" (Target: Group employees globally)
- *4 Based on the Group management reform implemented in fiscal 2026, the target achievement years have been postponed by one year respectively.
- *5 Diversity of PHD Executive Officers (Total ratios of female, non-Japanese citizens and mid-career hires, excluding US region)
- *6 Japan region (PHD, PEX, PCO and operating companies)
PEX: Panasonic Operational Excellence Co., Ltd.
PCO: Panasonic Connect Co., Ltd.

Human Resource Portfolio Transformation

In fiscal 2026, as part of groupwide management reform, we implemented workforce optimization affecting approximately 12,000 employees. We will leverage this initiative to enhance our long-term competitiveness by reallocating talent to growth areas and acquiring the capabilities required for our growth strategy. To maintain and further strengthen a lean management structure, we will build highly productive business processes by leveraging data and technologies such as generative AI. At the same time, we will ensure rigorous management by monitoring workforce levels, personnel expenses, and productivity indicators—set for each operating company in line with its business characteristics—at the Group Transformation Round Table, a management forum attended by Business CEOs.

Furthermore, recognizing the need to transform our human resource portfolio, we are defining the capabilities required for our growth strategy while advancing the visualization of employees’ skills and experience. Through these initiatives, we will identify gaps between our target human resource portfolio and the current state, and systematically address them by combining measures such as recruitment, development (reskilling), internal reassignment, and external collaboration.

Solutions area	We will build the aforementioned pool of solution-related talent by implementing initiatives such as solution delivery skill development programs.
Devices area	In addition to strengthening the skills of talent with advanced materials and process technologies, we will focus on building a more resilient production system through flexible resource allocation.

Developing and Appointing Transformational Leaders Who Will Shape the Future

To achieve sustainable business growth for the Group, high-quality decision-making is indispensable. To this end, the development and appointment of transformational leaders are essential. In developing successors for management positions, the Panasonic Group emphasizes not only leadership behaviors based on the Panasonic Leadership Principles (PLP), but also relevant experience (such as business management, overseas management, and business creation), as well as knowledge and skills (including decision-making and judgment

capabilities, and the ability to formulate and execute strategies).

In order to continuously develop such leaders, we are establishing talent requirements and succession plans for all key positions across the Group, and conducting medium- to long-term, deliberate identification, development, and monitoring of successors. A central role in this process is played by the Group Talent Management Committee. This is a body in which presidents of operating companies and Executive Officers of Panasonic Holdings Corporation (PHD) discuss and make decisions regarding succession planning from groupwide and global optimization perspectives. The achievements in fiscal 2026 and future initiatives are as follows.

[Panasonic Group Human Capital Management Website > Develop & Appoint Transformational Leaders](#)
<https://holdings.panasonic/global/corporate/sustainability/human-capital-management/transformational-leaders.html>

Building a Strong Management Team

In fiscal 2026, we continued to promote the development of a strong management team led by transformational leaders. In April 2026, we welcomed Ken Sain, CEO of the Panasonic Connect Group, as an Executive Officer and Business CEO of PHD, and the PHD management team (Executive Officer structure) now comprises a total of 20 members, including 9 mid-career hires, 4 women, and 2 non-Japanese members, with a diversity ratio of 55% (excluding overlaps). We will continue to maintain a diversity ratio of 50% or higher and further strengthen the management team.

Establishing a System for Successor Development

In fiscal 2026, to further enhance the effectiveness of succession planning, we strengthened talent visibility through the use of a 9-block framework. This framework evaluates candidates along two axes—“Performance” and “Value (the degree of leadership behavior aligned with the PLP)” —and classifies them into a total of nine blocks across three levels for each axis, enabling visualization.

As a result of our ongoing efforts, we accelerated the early identification and development of transformational leaders in fiscal 2026. However, at present, the proportion of Directors appointed in their 40s remains at 35%. Going forward, in regions other than North America, we aim to increase the ratio of Directors appointed in their 40s to 60% by FY2029. To achieve this, we will systematically implement tough assignments for succession candidates.

Development of Successor Career Paths

In fiscal 2026, we promoted initiatives such as onboarding and creating opportunities for engagement with senior executives as part of development support tailored to candidates’ aspirations (their desired direction and future vision).

Going forward, we will further leverage the proprietary Panasonic Triangle Potential Model*7 to foster transformational leaders who demonstrate behavioral traits that embody “Develop People” and “Welcomes Uniqueness and Differences.”

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*7 A proprietary Panasonic Group model for identifying individuals with high potential to demonstrate transformational leadership behaviors, particularly those that “Develop People,” in addition to delivering strong performance.

Successor Readiness

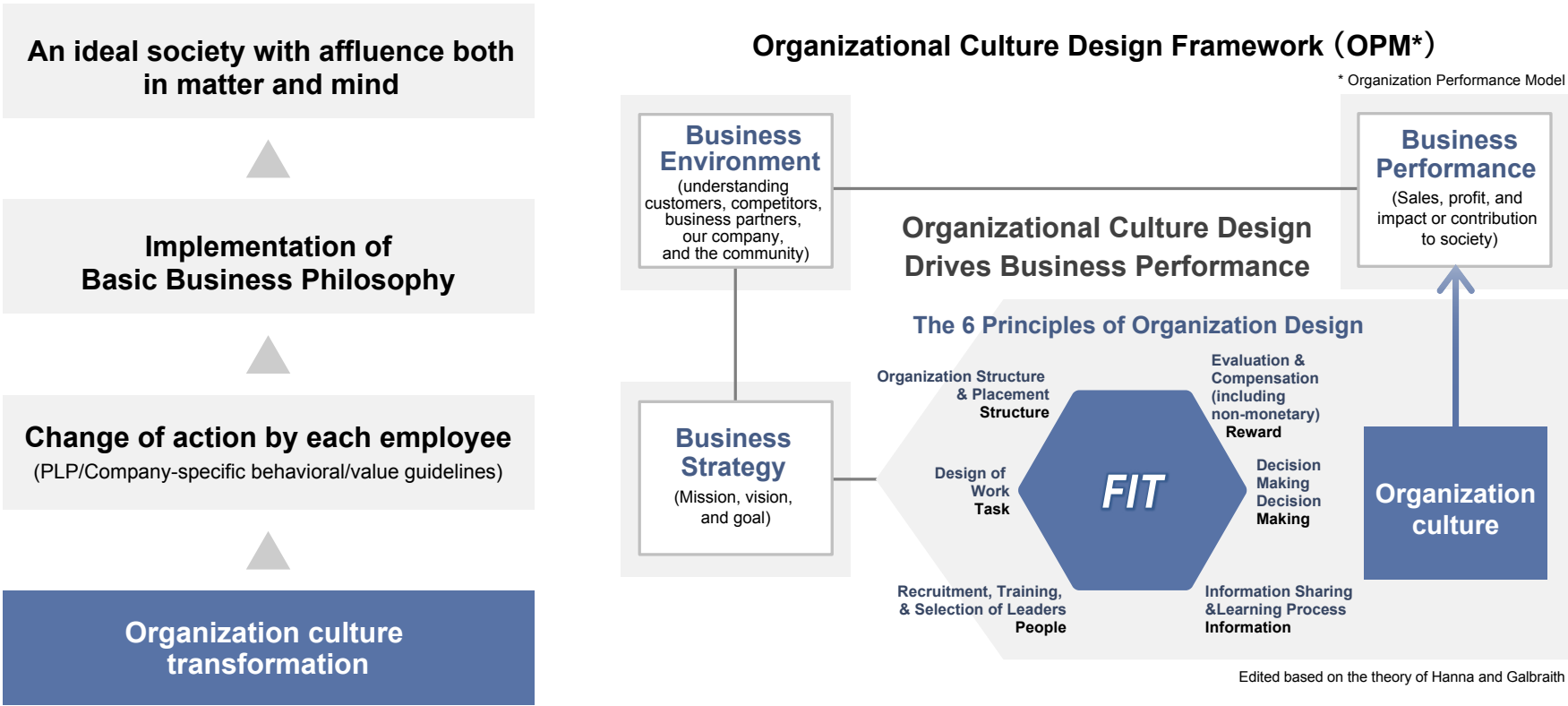
The number of successors for presidents of operating companies and Executive Officers of PHD is categorized by time frame for appointment—immediate, within five years, and within ten years. In fiscal 2026, the number of successors was revised based on the reorganized business portfolio.

	Fiscal 2024	Fiscal 2025	Fiscal 2026
Appointment possible immediately	25 people	24 people	24 people
Appointment possible within 5 years	34 people	35 people	29 people
Appointment possible within 10 years	70 people	66 people	48 people
Total	129 people	125 people	101 people

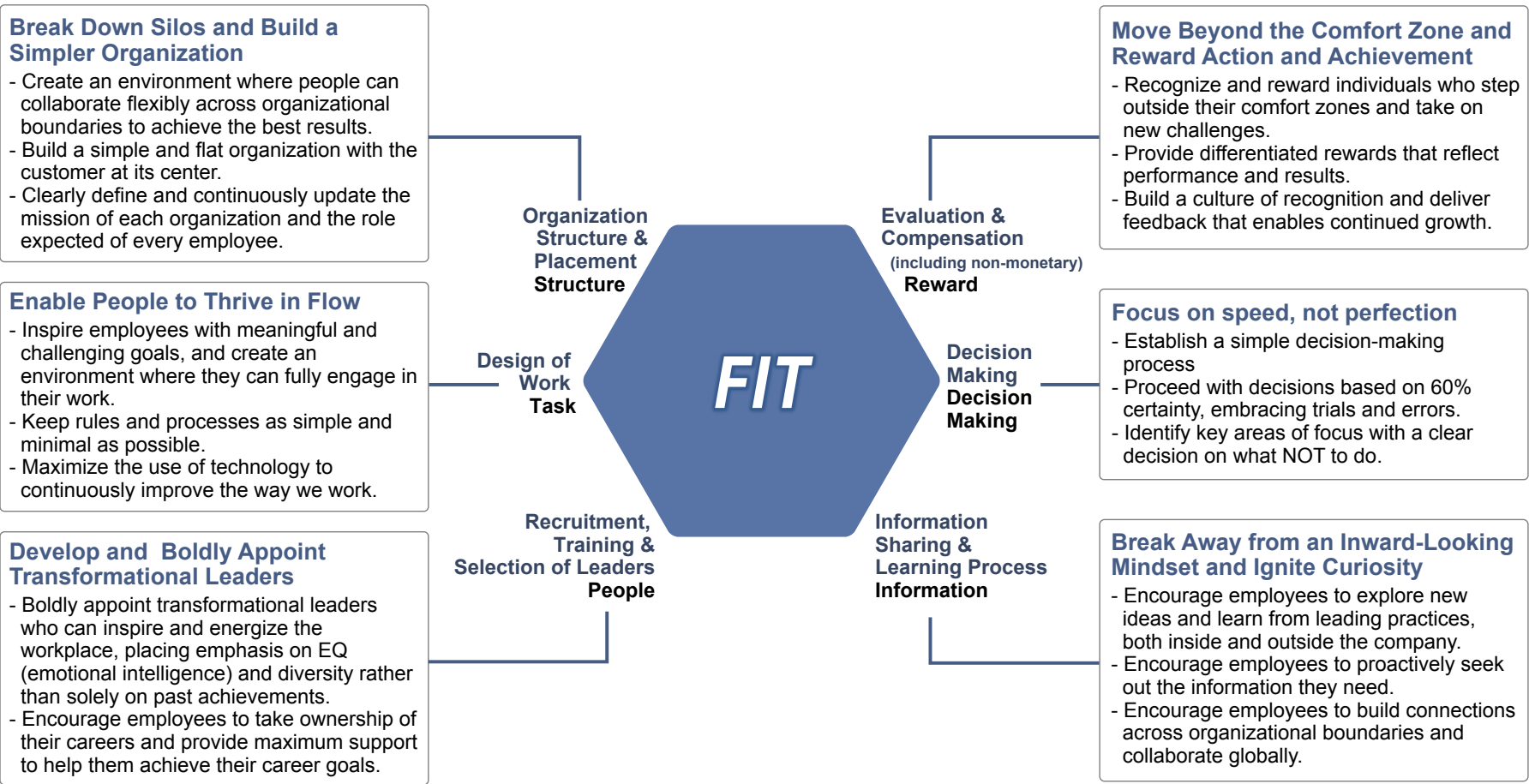
Organization Culture Transformation

Organizational culture is the culmination of the actions of individual employees, and it is important to design it deliberately in order to maximize business performance. Accordingly, we have developed, as a groupwide framework, the “6 Principles of Organization Design” (the “6 Principles”) based on the Organization Performance Model (OPM), and have clearly defined the organizational culture we aim to achieve. The 6 Principles are effective only when they are mutually aligned and work together as an integrated whole.

Designing Organization Culture to Support Strategy Execution



Panasonic Group’s 6 Principles of Organization Design



At the same time, each organization has its own unique design. Under these principles, executives and organizational leaders, such as division leaders and Business Unit (BU) heads, are leading organization culture transformation within their respective organizations.

In fiscal 2026, we implemented programs primarily for executives to share case studies related to organizational culture transformation and to develop relevant skills, with 564 participants in total. In addition, a groupwide cross-organizational community for organizational culture transformation was established, with selected members from each operating company beginning to support executive-led transformation efforts.

Initiatives	Outline	The total number of participants
Organization Design Workshop	Develop practical knowledge and skills for strategically shaping organizational culture, based on The Six Principles of Organization Design.	168 people (Results for fiscal 2025)
Group Management Workshop	Study leading examples of organization culture transformation from both inside and outside the Group.	343 people
Program for Organization Culture Transformation	Combine case-study learning with hands-on workshops to build skills for organizational culture transformation.	108 people
Resilience Program	A training program grounded in medical and psychological insights that enhances individual performance, enables people to turn adversity into growth for themselves and their organizations, and strengthens their ability to leverage diversity.	113 people

As we advance management reforms, through these initiatives and the leadership of executives and organizational leaders, approximately half of the Business Units (BUs) in Japan improved their UNLOCK indicators compared with the previous fiscal year. In these organizations, significant improvements were observed not only in the UNLOCK Index and related survey

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scores, but also in key business indicators directly linked to business management, such as production and development lead times and inventory levels, leading to tangible business outcomes.

Panasonic Group Human Capital Management Website > Signs of Change in Panasonic Group > Best Practice in Each Organization

https://holdings.panasonic/global/corporate/sustainability/human-capital-management/signs-of-change.html#sec_01

Below, we present specific examples of initiatives for each element of the “6 Principles of Organization Design.”

Panasonic Group Human Capital Management Website > Signs of Change in Panasonic Group > Best Practices across Group

https://holdings.panasonic/global/corporate/sustainability/human-capital-management/signs-of-change.html#sec_02

Evaluation & Compensation

“Evaluation and Compensation,” one of the six principles, means moving away from a “lukewarm” environment and ensuring that each individual is appropriately rewarded for their results and actions. We emphasize recognizing and valuing employees’ willingness to take on challenges, offering clearly differentiated rewards, and providing feedback that supports their future growth.

PHD, PEX, and the operating companies determine the Role/Grade System that forms the basis of employee compensation based on the responsibilities of each individual’s role. This system aims to compensate the Group’s diverse employees based on the scope of their work and responsibilities. This approach helps enhance the transparency of our human resources systems and fosters a greater understanding among employees. Clarifying goals for new challenges encourages people and organizations to take on these challenges boldly, without fear of failure.

We conduct annual evaluations of each employee’s actions and achievements in relation to the goals they have set for themselves. These evaluations involve engaging employees and their supervisors in dialogue to ensure that employees understand their evaluations and to foster a desire to take on further challenges.

We have adopted a performance-linked compensation system that sets bonuses for the current fiscal year based on corporate performance during the previous fiscal year. Corporate performance is reflected in compensation more at higher levels of management. Moreover, individual bonuses are determined based on an individual’s performance in their job during the previous fiscal year. With corporate and individual performance impacting compensation to some degree, Panasonic inspires the desire to improve both aspects of performance.

All Group companies implement or revise their systems by tailoring them to their respective industries and markets, such as introducing job-based talent management.

Panasonic Group Human Capital Management Website > Signs of Change in Panasonic Group > Best Practices across Group > Job-based HR Management

https://holdings.panasonic/global/corporate/sustainability/human-capital-management/signs-of-change.html#job

Decision-Making

In the Six Principles, “decision-making” refers to prioritizing speed over perfect decisions. We promote simple decision-making processes that allow us to move forward through trial and error, while maintaining a clear focus on priorities.

For example, across Panasonic Group sites in Japan and overseas, we have introduced “Obeya” (large room) activities to accelerate the resolution of frontline issues. In this approach, business division leaders, together with those responsible for production engineering, quality management, and other functions, regularly come together in one place to share progress and issues in real time and make prompt decisions on next steps.

Information Sharing & Learning Process

The “information sharing and learning process” within the 6 principles is designed to encourage a shift away from an inward-looking mindset and foster curiosity. By learning from leading practices both within and outside the Group, we encourage employees to actively seek out the information they need.

For example, in the Japan region, employees who share common interests or challenges voluntarily come together to form communities (Employee Resource Groups (ERGs)), regardless of their affiliated operating company or position. Motivated by a desire to improve the workplace environment, organizational practices, and management, these groups engage in a wide range of activities. Community themes cover a wide range of areas, including childcare and caregiving, disabilities, gender, LGBTQ+, mid-career recruitment, business model development, and technology development. For employees, these activities provide opportunities to make proposals to the Group, participate in management initiatives, address challenges they face, and foster a sense of belonging. For the Group, they contribute to addressing management challenges, fostering innovation, improving the work environment, mitigating turnover risk, and enhancing employee motivation. The Group places strong value on these voluntary, employee-led initiatives.

In addition, since April 2024, we have launched and have been expanding the “Panasonic Group Alumni Community,” a community that maintains connections with former employees (alumni) and promotes ongoing collaboration and co-creation.

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Recruitment, Training & Selection of Leaders

Under the “Recruitment, Training, and Selection of Leaders” principle in the 6 Principles of Organization Design, we focus on developing and boldly appointing transformational leaders. We actively appoint transformational leaders who can bring energy to the workplace, while encouraging employees to take ownership of their careers.

Panasonic Group Human Capital Management Website > Signs of Change in Panasonic Group
https://holdings.panasonic/global/corporate/sustainability/human-capital-management/signs-of-change.html#resilience

Global Recruitment Screening Based on Our Behavioral Guidelines

We introduced a global recruitment screening process based on the Panasonic Leadership Principles (PLP), our behavioral guidelines for implementing the Group’s Basic Business Philosophy. Our goal is to recruit individuals who align with our Basic Business Philosophy and are capable of implementing it effectively. Specifically, we are designing a screening process that utilizes selection criteria based on the PLP and standard models for conducting interviews. We are implementing them in each country, region, and company, tailored to their unique labor markets and business environments. Prioritizing action allows us to attract a diverse range of talent without bias toward specific attributes.

Panasonic Leadership Principles
https://holdings.panasonic/global/corporate/about/philosophy/panasonic-leadership-principles.html

Recruitment Strategy (Japan Region)

In the Japan region, we continue to promote both new graduate hiring and mid-career hiring to recruit future leaders and maintain systems that support their development.

New graduate hiring aims to cultivate a diverse pool of young talent that underpins our business foundation, and approximately 1,100 new graduates are expected to join us in fiscal 2028. Also, starting in fiscal 2028, we will abolish the school recommendation system for technical hires at universities and graduate schools and accept applications from all candidates through an open application process, as is already done for administrative positions. Through this initiative, we will provide broader opportunities for students from diverse fields of study, backgrounds, and cultures to apply, thereby enabling us to attract a diverse pool of talent that supports transformation. Under our comprehensive collaboration agreement with the National Institute of Technology, we will further enhance practical manufacturing education and promote personnel exchanges, thereby strengthening both the recruitment and post-entry training and development of students from KOSEN (colleges of technology).

For mid-career hiring, we are strengthening our recruitment efforts to acquire expertise not currently available within the Group, particularly in areas required for business transformation and enhancing competitiveness, across both hardware (manufacturing) and software (digital and software domains). While continuing to recruit specialized professionals who can contribute

immediately, we will accelerate technological innovation and link it to business growth (For fiscal 2027 hiring results, see “Social Data (Career and human resources development data)” on page 104).

Press Release (Japanese only)
https://news.panasonic.com/jp/press/jn251105-1

Basic Human Resource Development System

Nurturing and motivating the precious people society entrusts to us is the foundation of our management. The Group’s human resource development system offers a wide range of programs tailored to different levels and job types; however, we believe that the driving force behind these programs should come from within each workplace. At each workplace, we encourage employees to develop a growth mindset through one-on-one meetings with their supervisors. Daily, detailed on-the-job training (OJT) forms the foundation of talent development. Effectively combining OJT with group training complements and reinforces the knowledge, skills, and experience necessary for growth. Rather than the company providing educational opportunities unilaterally, we support employees in clearly envisioning their ideal selves and actively pursuing learning opportunities to achieve those goals.

Basic Education and Training System



In each country and region, we design and deliver tailored, selective executive development programs in cooperation with Japan to bolster our business leadership development.

Human Resource Development in Each Country and Region

Against the backdrop of intensifying global competition and rapid changes driven by digitalization and advances in AI, the Panasonic Group is strengthening its human resource development initiatives in each country and region. For example, in the APAC region, we are promoting a talent management cycle under the concept of “UNLOCK” to maximize the potential of our

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people by integrating the identification, development, evaluation, and assignment of high potential talent. For executive-level personnel, we provide an Executive Development Seminar to strengthen strategic leadership, the Accelerated Management Development Program to enhance team management and coaching capabilities, and individualized executive coaching. In addition, we are driving behavioral transformation and business results through the introduction of 360 degree evaluations and programs linked to organizational challenges including their solutions. In Thailand, we have established position-based training roadmaps and offer e-Learning on globally shared knowledge covering organizational culture, strategy, and problem-solving within a consistent development framework spanning from staff to executives. In Malaysia, we conduct cross-regional training programs for executive candidates, training in collaboration with external institutions, and function-specific specialized training in areas such as manufacturing, accounting, and human resources. Furthermore, we are strengthening cross-organizational talent development by sharing information among companies and linking talent data.

In the North American region, we offer a one-year, structured executive development program, “LEAD,” to foster future global leaders. Through practical training and coaching in cross-BU and cross-functional groups, participants strengthen the leadership capabilities required to lead complex business environments while developing multifaceted perspectives, thereby enhancing their ability to execute strategies and build networks. In addition, we host the Panasonic Leadership Summit each year for executive leaders. This brings together approximately 150 Director-level and above leaders from businesses across North America for a three-day program to discuss the latest management strategies, organizational transformation, and leadership themes, and to share insights. Through these activities, we strengthen senior leadership capabilities and build cross-Group networks.

Voluntary Challenges and Self-Directed Career Support (Internal Open Recruitment; Japan)

Internal open recruitment is one framework that supports each individual’s desire to take on challenges voluntarily and direct how their career develops. Groupwide programs include e-Challenge, e-Appeal Challenge, e-Matching, and Multiple Internal Roles, and our organizations remain open to the recruitment system even after becoming operating companies.

e-Challenge is a program in which employees apply for open positions and, if selected, transfer to those positions. Employees review recruitment information disclosed by business divisions and decide independently whether to apply. e-Appeal is a program that allows employees to proactively express their interest to departments of their choice. By presenting their strengths to their preferred departments, those selected are given opportunities to take on new roles. e-Matching is a program to be introduced in fiscal 2027. It allows recruiting departments to review resumes registered in advance by employees and identify potential candidates. This mechanism facilitates matching with roles that employees may not identify on their own. In fiscal 2026, use of these groupwide and operating company specific programs resulted in 3,470 applications and 1,282 transfers.

Additionally, the Multiple Internal Roles program allows employees to apply for open positions and, if selected, take on additional roles within the Group while remaining in their current departments. By applying their abilities and exploring their potential, employees can further their personal growth.

Design of Work

Under the 6 principles, “Design of Work” means creating an environment where employees can work in a state of passionate flow. We encourage each individual to set engaging, challenging goals, streamline business processes, and fully leverage technology.

Transformation of Work through the Promotion of Groupwide AI Utilization

In line with Panasonic Transformation (PX)—our Companywide initiative to drive corporate transformation centered on digital transformation (DX)—we are advancing initiatives across all regions globally.

In the Japan region, we are promoting the use of AI in the workplace by leveraging the Group’s AI infrastructure through initiatives such as PX Ambassadors and workplace PX contests. According to an annual survey of employees in Japan, the rate of generative AI use in the workplace reached 66% in fiscal 2026 (based on a survey of approximately 70,000 employees, with a response rate of 57%), an increase of 29 percentage points year on year. We will continue to advance initiatives to foster an organizational culture that supports AI use and further accelerate the adoption and utilization of AI.

In the China region, we have developed a proprietary AI infrastructure, “OoKoO,” and are promoting an integrated approach that encompasses fostering a culture that supports AI use, applying AI in operations, building AI platforms, and establishing governance frameworks. In fiscal 2026, OoKoO had 8,500 users and was used approximately 2.92 million times, resulting in an estimated reduction of about 730,000 working hours.

[🔗 Panasonic Group Human Capital Management Website > Signs of Change in Panasonic Group > Best Practices across Group > Promoting AI Utilization \(Japan\)](https://holdings.panasonic/global/corporate/sustainability/human-capital-management/signs-of-change.html#ai-japan)
<https://holdings.panasonic/global/corporate/sustainability/human-capital-management/signs-of-change.html#ai-japan>

Organization Structure & Placement

In the 6 Principles of Organization Design, “Organization Structure & Placement” refers to eliminating organizational silos and creating a simple, streamlined organization. We are creating an environment that enables collaboration across organizational boundaries, building organizational structures from the customer’s perspective, and clearly defining organizational missions as well as the roles of each individual.

In fiscal 2026, the Group strengthened its management base through measures such as personnel optimization. Going forward, we will build on these efforts to enhance our long-

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term competitiveness, including by reallocating resources to growth areas and acquiring the capabilities required (for details, see “Human Resource Portfolio Transformation” on [page 57](#)).

In addition, each organization is advancing initiatives to strengthen cross-organizational collaboration. For example, at the IH Cooking Heater SBU of Panasonic Corporation, revising the organizational structure and consolidating operations onto a single floor to strengthen collaboration among development, manufacturing, and sales have improved the speed of information sharing and decision-making, resulting in better business performance.

Promotion of Diversity, Equity & Inclusion (DEI) (Japan region)

The Panasonic Group promotes DEI in line with the Panasonic Group DEI Policy, aiming to realize participative management through collective wisdom by leveraging each individual’s unique differences as strengths, regardless of their attributes. To drive these efforts, we have established the Group DEI Promotion Council, chaired by the Group CEO and comprising operating company presidents and employees. The Council not only shares company-specific initiatives but also identifies and advances key actions across the Group. Each Group company promotes its own initiatives in accordance with applicable laws and regulations in its respective country and region.

Furthermore, we position DEI as essential to organization culture transformation, as it unlocks employees’ potential and enables both business growth and contributions to society.

The promotion of DEI is helping to create an environment where diverse talent can fully demonstrate their capabilities. In recent years, for example, mid-career hires have taken on increasingly prominent roles within the Group. As of April 2026, mid-career hires accounted for 24.6% of employees in the Japan region (up 2.1 percentage points from fiscal 2024), and 22.8% of managers (up 5.6 percentage points from fiscal 2024). This indicates that a more diverse workforce is thriving and that opportunities to participate in decision-making are expanding.

[🔗 Panasonic Group Human Capital Management Website > DEI \(Diversity, Equity & Inclusion\)](#)
<https://holdings.panasonic/global/corporate/sustainability/diversity-equity-inclusion.html>

Gender Equity

Despite no differences in capabilities based on gender, the proportion of female managers within the Panasonic Group remains low in the Japan region. We regard this as a representative example of the challenges in promoting participative management through collective wisdom, and have positioned the ratio of female managers as one of our key indicators. We are strengthening our initiatives with a target of increasing the ratio of female managers to 16% by 2031. Looking ahead to the future, we are committed to attracting and systematically developing female leaders to leverage the insights of an increasingly diverse workforce and foster the creation of innovative products and services. To achieve this, we are strengthening recruitment efforts, expanding flexible work options, and providing career development support.

Changes in the Ratio of Female Managers (%)

Fiscal Year	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Ratio of Female Managers	3.4	3.6	4.1	4.5	4.8	5.4	6.1	7.0	7.9	8.3

Target: Japan region (PHD, PEX, PCO, and other operating companies)

[🔗 Panasonic Group Human Capital Management Website > Gender Equity](#)

<https://holdings.panasonic/global/corporate/sustainability/diversity-equity-inclusion/support-gender-equality.html>

Social Data: Data on diversity and work styles (pages 103-104)

Transformation of HR Functions (AI Utilization)

The Panasonic Group is strengthening its management foundation to achieve long-term, sustainable growth by leveraging digital technologies under its corporate transformation program, “PX: Panasonic Transformation.”

In the HR domain, we leverage HR data and generative AI to enhance the experience value of all employees. At the same time, we are improving the sophistication and efficiency of organizational and talent management by organizational leaders, as well as increasing the productivity of HR functions.

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Creating a Safe, Secure, and Healthy Workplace

We have established the Panasonic Group Code of Ethics & Compliance (“Code of Ethics & Compliance”) and the Panasonic Group Occupational Health and Safety Policy (“Occupational Health and Safety Policy”) to ensure the health and safety of all workers within the Panasonic Group. We implement these across the Group, including for subcontractors and other companies operating within our facilities. PHD’s Board of Directors formulates and revises the Code of Ethics & Compliance, while the Group CEO issues the Occupational Health and Safety Policy. We also strive to ensure the safety of all persons not affiliated with Panasonic when they visit our workplaces.

1. Respecting each other, 2. Safeguarding health and safety, Chapter 2. Our Workplace, Panasonic Group Code of Ethics & Compliance

https://holdings.panasonic/global/corporate/about/code-of-conduct/chapter-2.html

Panasonic Group Human Rights and Labour Policy

https://holdings.panasonic/global/corporate/sustainability/social/human-rights/policy.html

Panasonic Group Occupational Health and Safety Policy

https://holdings.panasonic/global/corporate/sustainability/social/health-and-safety/policy.html

To establish a foundation for occupational safety and health management activities, prevent occupational accidents, maintain and enhance the health of employees, and contribute to business development, the Group has established the Safety and Health Management Rules, which apply to all occupational safety and health management activities across Group sites. In addition, important policies and measures are reviewed annually by the Central Safety and Health Committee, which consists of labor union representatives and representatives from the Group’s occupational safety and health management function. Each year, during Japan’s National Safety Week in July and National Occupational Health Week in October, the Group’s occupational safety and health management function raises awareness of the key initiatives for the fiscal year and promotes their thorough implementation both in Japan and globally.

The Group is also advancing initiatives to prevent harassment in accordance with the laws and regulations of each region.

Creating a Safe and Secure Workplace

Risk Assessment Initiatives (Japan)

The Panasonic Group conducts regular risk assessments at least once a year for machinery, equipment, and hazardous substances, in accordance with the provisions of the Occupational Health and Safety Act, to identify hidden risks such as the potential for industrial accidents, injuries, or illnesses, and reliably mitigate these risks in order of greatest priority. Moreover, we promptly share cases of occupational accidents that have occurred within the Group via the intranet, deploy countermeasures across the Group, and conduct activities to prevent recurrence

at all workplaces. Each of our business sites in Japan has a Health and Safety Committee composed of both employees and management (representatives of the union committee and the company committee) and charged with investigating measures to decrease risks at workplaces, prevent the causes and recurrence of industrial accidents, promote the maintenance or improvement of workers’ health, and prevent harm to workers’ health. To prevent industrial accidents among employees of contractors operating on our premises, we also require that all contracts include provisions for ensuring a safe and appropriate workplace environment. We regularly hold Health and Safety Meetings with these contractors and manage overall health and safety, including facilitating communication between operations.

Promoting External Certification

ISO45001

Workplaces within the Panasonic Group are working to obtain and implement ISO 45001 certification. This process involves clarifying the roles of all employees using the standard while setting goals and driving forward health and safety activities. Site general managers must also conduct regular reviews, revising their operations accordingly based on the results of those reviews. As of December 31, 2025, 177 of the Group’s 217 manufacturing sites globally have obtained ISO 45001 certification, with two sites scheduled to obtain certification in fiscal 2027.

Certified KENKO Investment for Health Outstanding Organizations Recognition Program (Japan)

In Japan, the Group has been working toward being recognized as an Outstanding Organization for Health and Productivity by the Ministry of Economy, Trade and Industry. As of March 2026, all Group operating companies have received this certification for four consecutive years. Furthermore, three Group companies have been recognized as

White 500 companies (the top 500 companies with notably outstanding initiatives within the large enterprise category of the Outstanding Organization for Health and Productivity certification). The Group positions health and productivity management as a key measure of management that enables all employees to reach their full potential. It promotes the mental and physical well-being of our employees and their families while fostering a workplace culture that supports the growth and development of all employees.

List of Panasonic Group Workplace Recognitions in 2026 (Japanese only)

https://phio.panasonic.co.jp/health/excellentList/index.html



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◇WELL Certification*8

The Panasonic Group has received the following international certifications for creating well-being-oriented workplaces where all employees can perform at their best.

- Jan. 2022: Panasonic Yizhuang Manufacturing (Beijing, China) - WELL Health Safety Rating
- Jan. 2022: Matsushita Memorial Museum (Beijing, China) - WELL Health Safety Rating
- Jan. 2022: Panasonic System Communication Company (Beijing, China) - WELL Health Safety Rating
- Mar. 2022: Panasonic Tokyo Shiodome Building (Tokyo, Japan) - WELL Health Safety Rating
- July 2022: Panasonic Hiroshima Nakamachi Building (Hiroshima, Japan) - WELL Health Safety Rating
- Jan. 2023: Panasonic Wellness Smart Town (WST) Showroom (Jiangsu, China) - WELL Performance Rating
- May 2023: Panasonic Electric Equipment (Jiangsu, China) - WELLv2 Platinum
- Aug. 2023: Panasonic Wellness Smart Town (WST) Showroom (Beijing, China) - WELL Performance Rating
- Jan. 2024: Panasonic XC KADOMA, Panasonic Operational Excellence (Japan) - WELLv2 CORE Silver Certification
- Jul. 2024: System Solutions Development Center, Panasonic Electric Works Company (Japan) - WELLv2 Platinum Certification
- Feb. 2025: Technology CUBE, Technology Division (Japan) - WELL_v2 Precertification
- Mar. 2025: SHIOMER, Solutions Development Division, Panasonic Electric Works Company (Japan) - WELLv2 Platinum Certification
- Jun. 2025: worXlab, Solution Engineering Division, Panasonic Electric Works Company (Japan) - WELLv2 Platinum Certification
- Jun. 2025: Panasonic XC OSAKA, Panasonic Operational Excellence (Japan) - WELLv2 CORE Gold Certification
- Feb. 2026: Technology CUBE, Technology Division (Japan) - WELLv2 Platinum Certification

*8 Established in 2014 by the U.S.-based International WELL Building Institute (IWBI), a public benefit corporation, this is an office space assessment system that aims to create better living environments by incorporating the perspective of “human health” into the design, structure, and use of spaces. There are four certification levels in WELLv2: Platinum, Gold, Silver, and Bronze. The WELL Health Safety Rating evaluates the health and safety of a space, while the WELL Performance Rating assesses the indoor environmental quality, including factors such as light, sound, and air quality. There are no certification levels except for WELLv2.

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Safety

◇Developing the Guidelines for Formulating Equipment Safety Standards

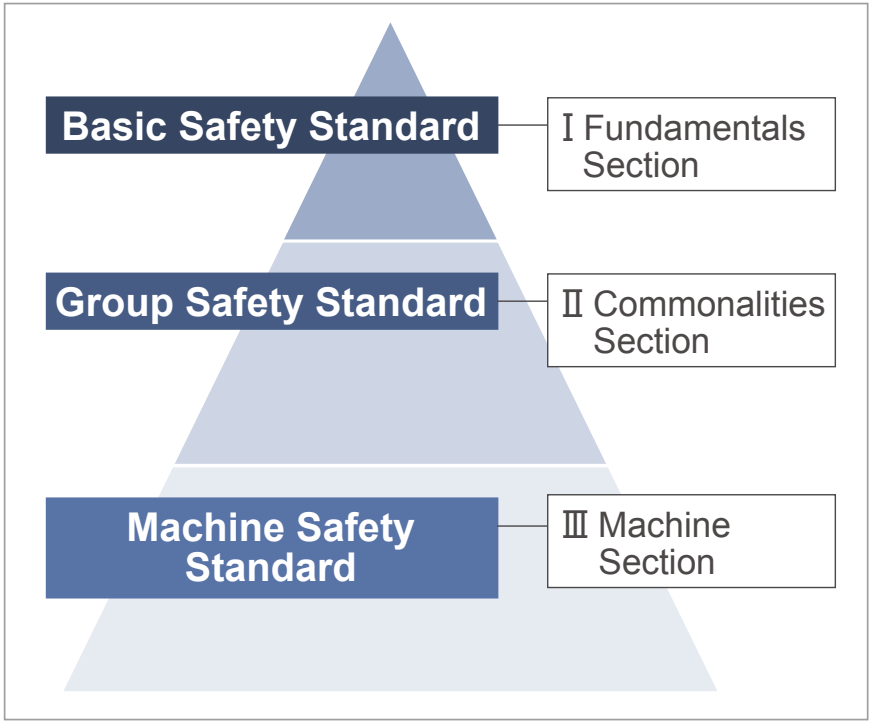
To prevent occupational accidents involving equipment, we identify risks and implement protective measures during the equipment design stage based on the Equipment Safety Standards. This process occurs whenever we develop, introduce, or purchase new production

equipment or technology/quality evaluation equipment and devices at our business sites. After multiple conformity assessments using our proprietary evaluation tools, the Health and Safety Committee reviews the conformity assessment at the final use stage, ensuring that we use equipment that meets safety standards. The Guidelines for Formulating Equipment Safety Standards apply globally to all business sites’ Equipment Safety Standards. These guidelines systematize international machinery safety standards, laws, and regulations, as well as safety expertise garnered throughout the company, and measures to prevent the recurrence of accidents. The Equipment Safety Standards Revision Committee, comprising experts from production technology, human resources, and safety departments across all Group companies, meets annually to discuss revisions, update provisions, and publicize the standards (translated into multiple languages). Additionally, we conduct hazard compatibility assessments to identify potential risks arising from mismatches between human behavior and capabilities and the work environment, and we implement ergonomic measures and considerations in the workplace to ensure safe operations.

System of Guidelines for Formulating Equipment Safety Standards

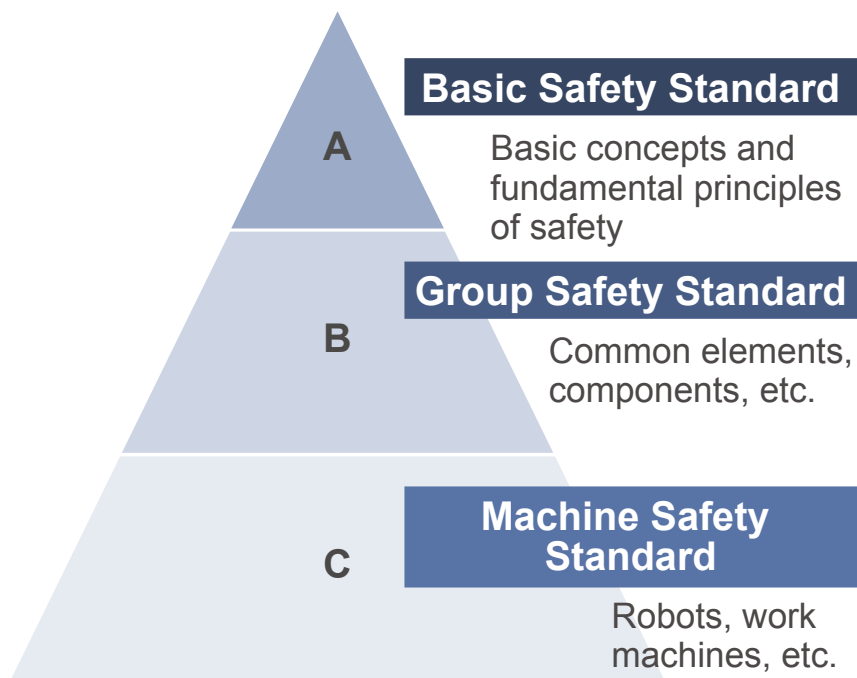
Diagram of the Equipment Safety Standards at Panasonic

- Uses the same system of standards at International Safety Standards 10S/IEC (Guide 51)
- Annually reviewed, updated, and publicized internally



Reference:

International Safety Standards ISO/IEC (Guide 51) JISZ8501



◇Response to Industrial Accidents

When a workplace accident occurs, the Panasonic Group follows our “Steps to Take in an Emergency Situation Like an Industrial Accident.” The Operating Site Supervisory Health and Safety Administrator where the workplace accident has occurred makes a prompt and accurate report to the Operating Company Supervisory Health and Safety Administrator. We have established mechanisms to manage industrial accidents at each global site, report serious

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incidents within 24 hours, and monitor them for a period of 365 days to share the case among the Group. We also share case studies and other knowledge gained from workplace accidents with the entire Group. At work sites where an industrial accident has occurred, we investigate the cause and implement measures to prevent recurrence, share the details of the accident throughout the Group, and ensure that other operating sites take preventive measures based on past accidents.

Major/Serious Accidents and Recurrence Prevention

We are committed to eliminating serious accidents (fatal accidents or accidents resulting in long-lasting physical disabilities) and major accidents (those involving at least three employees). In fiscal 2026, seven serious accidents and one major accident occurred. The Panasonic Group recognizes these accidents as a critical issue that requires immediate attention. We analyze key accident patterns that the Group should address and share the results of our analysis to prevent serious accidents, prioritizing preventive measures for accident patterns that are highly likely to occur at each workplace. The most likely cause of serious accidents is performing non-standard operations on equipment that is in operation, which can lead to entrapment and entanglement in the equipment. Such incidents account for approximately 70% of past serious accidents. Our analysis suggests that we require safety measures for existing production equipment, particularly those installed before the introduction of the Equipment Safety Standards. To prevent recurrence, we ensure that employees are well-informed about the guidelines for safe work during non-standard operations and are fully compliant with the Group's Equipment Safety Standards. We also operate an Equipment Safety Education System to train individuals who can develop, practice, and establish equipment risk assessments and safety technologies on the production floor. Specifically, our certified instructors use three training programs: (a) training for employees who develop and install equipment, (b) training for employees who use equipment, and (c) in-house Equipment Safety Standard workshops. In China and other Asian regions, efforts are underway to develop local managers to promote equipment safety and ensure compliance with regulations. We will continue to expand these activities globally.

Social Data: Occupational health and safety data (Lost-time injury frequency rate, Severity rate, Serious accidents, Major accidents, and Accidents leading to lost work), page 105

Equipment Safety Education System

Learning about international standards			Learning about Group standards
Course title	(a) Seminar on Equipment Safety for Engineers	(b) Seminar on Equipment Safety for Managers	(c) Workshop on Equipment Safety Standards
Target participants	Production engineers who primarily design and improve equipment (including those responsible) - Production process engineering - Equipment maintenance - Health and safety, etc.	Those in production engineering or safety who primarily manage the use of equipment - Production process engineering - Equipment maintenance - Health and safety - Production line leaders, etc.	Anyone learning about the Group's policies for drafting, updating, and sharing Equipment Safety Standards - Production process engineering - Equipment maintenance - Health and safety - Production line leaders, etc.

Occupational Health

For hazardous work such as handling chemicals, we conduct hazard reviews using Safety Data Sheets (SDS), provide appropriate protective equipment, and attempt to reduce the necessity of such work. We regularly measure environmental impact and conduct health examinations to monitor employee exposure levels to substances specified by law, as well as substances we have independently defined as hazardous. We continually monitor these substances and implement environmental improvements to ensure a sustainable approach.

The Panasonic Group has established its Chemical Substance Management Standards to prevent exposure to chemical substances. In addition, it has established the Chemical Substance Management Working Group to define shared policies, rules, and training programs, and is implementing groupwide initiatives aimed at enhancing risk assessments and making the self-directed management of chemical substances a routine practice.

Chemical Substance Management Standards (Japan)

The Group established the Chemical Substance Management Standards to create the compliance provisions required by the Occupational Health and Safety Act and other relevant laws and regulations. We implement these Standards to manage health effectively and appropriately by eliminating and mitigating sources of danger or hazards, thereby preventing work-related illnesses caused by chemical or other substances in the workplace.

Promotional Framework (Japan)

Industrial Health and Safety Promotion Committee (Biannual)	
Objectives	Deciding on policy and measures
Chairperson	Executive officer in charge of HR
Members	Company committee representatives, Union committee representatives, Health Insurance Organization committee representatives
Chemical Substance Management Working Group (four times per year, in principle)	
Objectives	Deciding on the specifics of measures
Members	Company committee representatives, Health Insurance Organization committee representatives (Science Center of Industrial Hygiene)
Health and Safety Committees at each workplace (Monthly)	
Objectives	Executing measures
Members	Company committee representatives, Union committee representatives, Occupational health physician and nurse

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Training (Japan)

Panasonic Group provides education to employees, managers, occupational health and safety personnel, and external contractors based on the Occupational Health and Safety Education Guidelines and the Mental Health Education Guidelines it has established. The Group Health and Safety Management Division hosts and conducts management-level and groupwide training. In addition, each operating company and business site utilizes facilities such as the Anzen Dojo (safety training hall) to provide safety education to external contractors and other temporary employees upon their commencement of work. We also provide and promote training for managers, offering specialized training tailored to each manufacturing process, as well as training to develop qualified personnel. Moreover, we strive to raise awareness among contractors by providing them with the required information and educational content. (Examples of specialized training and training for qualified personnel held by the Group (also available to contractors): <https://phio.panasonic.co.jp/kagaku/roudou-eisei-kyouiku/c02.htm> (Japanese only))

Every year, we hold the Employee Personal Health/Occupational Health and Safety Symposium, attended by the Group’s safety and health personnel. During this symposium, the Group CEO shares insights on health and safety with all business managers and relevant individuals. The symposium also aims to set a high standard for health and safety activities by sharing best practices for initiatives on occupational health and safety, as well as employee personal health, from all business sites, and allowing attendees to learn from outside experts.

Social Data: Occupational health and safety data (Personal health & safety training), page 106

Promoting Health Management

Employee Health

We have sent out a message on health to the entire Group, clarifying our policy of boosting health investments to realize employee well-being. In Japan, all operating companies participate in various Panasonic Health Promotion Activities, a unified effort involving the company, labor unions, and health insurance organizations that meets health maintenance and betterment standards. We also review the results of periodic health checkups, EOSs, and stress checks to confirm that our efforts have been successful and further enhance our initiatives.

Social Data: Occupational health and safety data (Regular Health Checkup Attendance Rate), page 105

Health Maintenance and Promotion Standards (Japan)

In the interest of appropriately and effectively undertaking measures to maintain both employees’ physical and mental health, these Standards outline procedures for health checks and follow-up measures, guidelines for interviewing individuals working long hours, methods for assessing psychological burdens, and procedures for preventing those who are ill from returning to work. They also stipulate the creation of Health Maintenance and Betterment Plans, as well as mental

health promotion plans. We are coordinating the Group’s health maintenance and betterment measures with the Panasonic Health Insurance Organization’s healthcare business to create synergy between all their initiatives.

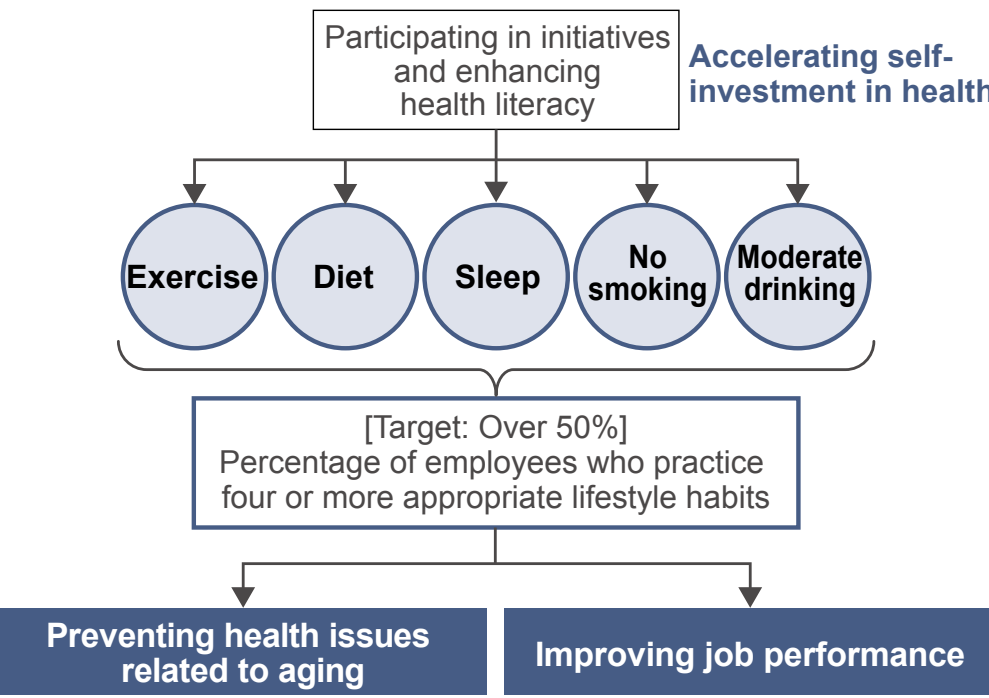
Promotional Framework (Japan)

Healthy Panasonic Promotion Committee (held twice a year)	
Objectives	Deciding on policy and strategy
Chairperson	Executive officer in charge of HR
Members	Company committee representatives, Union committee representatives, Health Insurance Organization committee representatives
Healthy Panasonic Working Group (held quarterly)	
Objectives	Deciding on the specifics of strategies
Members	Company committee representatives, Union committee representatives, Health Insurance Organization committee representatives
Health and Safety Committees at each workplace (held monthly)	
Objectives	Executing strategies
Members	Company committee representatives, Union committee representatives, Occupational health physician and nurse

Health Issues and Initiatives (Japan)

As the number of senior employees at Panasonic Group grows, the number of individuals with obesity or other health problems is increasing. Along with the increased flexibility of work styles, issues such as reduced physical activity and communication gaps associated with remote work have also become increasingly evident. We need to raise employees’ health literacy and encourage more employees to adopt healthy practices. There is a tendency for individuals with good lifestyle habits in all five areas (exercise, diet, sleep, no smoking, and moderate drinking) to be less likely to have health risks and have better job performance (based on self-evaluation). One of the goals of the new Panasonic Health Promotion Six-Year Plan

Panasonic Health Promotion Initiatives and Targets



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starting in fiscal 2025 is to increase the proportion of individuals who have good habits in four or more of these categories to at least 50% by the end of fiscal 2030. In fiscal 2026, the figure was 36.3%, representing a 3% increase over the previous six years.

Social Data: Occupational health and safety data (Rate of Employees with Healthy Lifestyle Habits), page 105

Panasonic offers ICT-based health promotion solutions through web services and lifestyle habit apps. These solutions provide health information, health checkup records, health challenges, effort-based health care point programs (exchange points for products related to health promotion), and tools for measuring health age after periodic health checkups.

◇Environmental Improvements (Japan)

We are promoting the development of workplace environments where employees can work in good health at all business sites through health promotion, disease prevention, mental health care, and other related initiatives.

As part of our measures to curb smoking, we are promoting indoor smoking bans (implementation rate: 93.7%). We will further achieve smoke-free environments at all Group business sites in Japan by the end of March 2029 and prevent involuntary exposure to secondhand smoke. In addition, some operating companies have introduced a no-smoking policy during working hours.

In fiscal 2026, we conducted mental health training for all groupwide managers and supervisors, with 96% participation. We will continue to implement this training in the coming years to deepen understanding of mental health issues.

For employees assigned overseas and their accompanying family members, periodic health checkups had previously been conducted during home leave. We have newly introduced a health management leave program to ensure that, in principle, they have opportunities to undergo medical checkups in Japan. Through these measures, we aim to prevent the exacerbation of illnesses.

Additionally, we conduct an annual food conditions survey in 102 Group cafeterias nationwide and promote healthy eating environments in collaboration with approximately 35 contracted food service companies. Currently, 32 cafeterias have obtained external certifications under the Healthy Eating and Dining certification system (two more than last year). Panasonic also prioritizes statutory employee safety by actively offering health guidance and occupational physician counseling, primarily through its 144 health management offices across Japan. These efforts are targeted at individuals who are subject to specific health guidance and are at high risk of experiencing health problems. For telecommuters, we have developed a “Guide to Working from Home in a Healthy and Safe Manner,” which provides essential points to consider when working from home and offers simple exercises that can be done at home, thereby helping employees proactively maintain their health.

◇Stress Checks (Japan)

All Panasonic group companies conduct stress checks annually to promote group analyses and workplace improvements at the corporate level, alongside the conventional response for those under high stress. In conjunction with these stress checks, we also recommend that employees practice self-care in terms of sleep, diet, and exercise as a crucial part of maintaining their health. The stress check test results provide employees with an opportunity to notice their own stress levels and offer organizational managers and workplaces feedback in the form of a diagnostic analysis. This analysis is used to develop measures aimed at preventing the occurrence of mental illness by revitalizing the workplace. Employees who work long hours or whose regular health screenings suggest a need for monitoring their safety receive a consultation from an occupational physician, based on the Panasonic Group’s own criteria. We also take measures to prevent harm to the employee’s health, including addressing working conditions and workplace environments. Furthermore, the Group is working to address excessive working hours in order to protect employee health and ensure compliance with laws and regulations. To support this, the Group is undertaking a fundamental review of work processes and is continuously improving working styles and leave practices.

Social Data: Occupational health and safety data (Stress Check Attendance Rate), page 105

■Initiatives for Preventing Harassment and Ensuring Compliance (Japan)

The Group aims to respect the individuality and abilities of each employee in all workplaces, ensuring that everyone feels motivated and comfortable in their work environment. Therefore, to encourage Panasonic employees to create a company free of harassment that everyone is proud of, we are strengthening our harassment prevention efforts in accordance with the Equal Employment Opportunity Act, the Child Care and Family Care Leave Act, the Power Harassment Prevention Act, and other relevant laws and regulations.

- We designated December as Harassment Prevention Month and have been raising awareness about harassment.
- We are strengthening our disciplinary rules against harassment as part of a groupwide effort to deter harassment.
- We established Workplace Harassment Prevention Rules at PHD and operating companies (April 2025).
- In July 2025, we provided harassment prevention training to managers and employees at all Group companies in Japan (PHD, PEX, operating companies and other affiliate companies). Approximately 92,000 employees (with a utilization rate of roughly 97%) have attended this training. They learned how to avoid committing harassment and how to proceed if they receive reports of workplace harassment. We plan to offer this course on a continual basis.
- In addition to the training above, we conducted a harassment recognition survey and shared its results on the intranet.

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Mental and Physical Stress Prevention and Response for Employees (Japan)

The Panasonic Group has established the following support lines to help employees prevent or manage mental or physical stress.

◇ Health Management Offices

Panasonic Group staffs these offices with full-time occupational physicians and occupational health staff to provide health support for preventing lifestyle-related diseases and helping individuals stop smoking, as well as consulting on mental and physical health.

◇ EAP*9 Counseling Offices

We contracted with external agencies that allow employees to receive consultations without their concerns being disclosed to the company or health insurance association. Clinical psychologists and mental health counselors provide support, including return-to-work programs that help employees transition from leave to return to work.

*9 EAP: Employee Assistance Program

Whistleblowing Regarding Discrimination and Harassment

The Group has set up a hotline where employees can anonymously report discrimination or harassment if they receive, see, or hear about it.

◇ Global Hotline EARS

For more details, see the “Whistleblowing System” in the ““Ethics and Compliance”” chapter ([pages 109-110](#)).

◇ Equal Partnership Counseling Offices (Japan)

We have established equal partnership counseling offices staffed with consultants at both PHD and the union, alongside separate offices at all operating companies to receive consultations from employees, including external contractors and freelancers, regarding sexual harassment (including LGBTQ+-related issues), harassment related to pregnancy, childbirth, and childcare leave, power harassment, and all other forms of harassment. Consultations are handled with care, ensuring the privacy of those seeking advice and obtaining their informed consent. Neither they nor any parties cooperating in the verification of the facts will be subject to any adverse treatment.

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Respect for Human Rights

The Panasonic Group upholds the management philosophy that a company is a public entity of society. We recognize that we have a responsibility to protect the rights of all people involved in our businesses, including our employees^{*1}, customers, and employees of our business partners, and to contribute to their well-being and happiness. As a company operating globally, we comply with all applicable laws and regulations in our business activities while considering the human rights of all our stakeholders and respecting internationally recognized human rights as expressed in the International Bill of Human Rights and the International Labour Organization’s (ILO) Declaration on Fundamental Principles and Rights at Work.

The Group is committed to pursuing human rights due diligence to identify, prevent, mitigate, and address any adverse human rights impacts related to our business activities, products, services, and transactions. We also seek our suppliers and business partners to understand and implement our human rights and labor compliance policies.

Respect for human rights is one of the Group's key material issues ([pages 7-9](#)).

^{*1} Panasonic employees: (1) all regular and contracted employees having employment relationships with any Panasonic Group company, all temporary staff and seconded employees working under the control and supervision of any Panasonic Group company, and (2) all directors, executive officers, executive counselors, fellows, corporate auditors, supervisory board members, and corporate advisors (collectively, “executives”) appointed by any Panasonic Group company. The definition also includes employees with employment relationships to any key companies, subject to certain Group HR and other systems.

Policy

The Group established the Panasonic Group Human Rights and Labour Policy (hereinafter, the Human Rights and Labour Policy), referencing the below international standards and incorporating external experts’ opinions. This policy states that, predicated on compliance with international standards and the laws and regulations of each country that apply to our business activities and transactions, we are committed to respecting internationally recognized human rights; identifying, preventing, mitigating, and remediating the adverse impact on human rights; promoting remedy and other measures for victims; creating a rewarding working environment; and engaging in dialogue on these issues with various stakeholders. Following this policy, we have established internal rules, developed a promotion system, and advanced specific initiatives for respecting human rights and creating a rewarding work environment.

Moreover, the Panasonic Group Code of Ethics and Compliance (hereinafter, Code of Ethics and Compliance) defines the commitments that all Group employees must fulfil and positions respect for human rights as our social responsibility. We strive to raise awareness of this responsibility.

[Main international standards used as reference]

- The United Nations Guiding Principles on Business and Human Rights

- The United Nations International Bill of Human Rights (Universal Declaration of Human Rights, International Covenant on Civil and Political Rights, and International Covenant on Economic, Social and Cultural Rights)
- ILO Declaration on Fundamental Principles and Rights at Work and ILO Fundamental Conventions (Core Labour Standards)

🔗 Panasonic Group Human Rights and Labour Policy

<https://holdings.panasonic/global/corporate/sustainability/social/human-rights/policy.html>

🔗 Panasonic Group Code of Ethics & Compliance, 5. Our Social Responsibilities, 1. Respecting human rights

https://holdings.panasonic/global/corporate/about/code-of-conduct/chapter-5.html#Sec_01

We regularly, and periodically as necessary, review these policies based on the opinions of external experts, relevant stakeholders, and their representatives. We revised our Human Rights and Labour Policy in August 2023 under the advisement of internal and external experts. This revision was meant to respond to the ILO’s adding occupational health and safety to its Core Labour Standards and to enhance and consolidate efforts to prevent forced labor in the supply chain. After reviewing the changes with the Group and its operating companies’ management and labor unions, the Group CEO approved and proclaimed the policy. The Group’s Human Rights and Labour Policy is available in Japanese and English on our website. We also demand that all our suppliers respect human rights by complying with the Panasonic Supply Chain CSR Promotion Guidelines.

🔗 Panasonic Supply Chain CSR Promotion Guidelines

https://holdings.panasonic/global/corporate/about/procurement/for-suppliers/pdf/guideline_E.pdf

Responsible Executive and Framework

The executive officer responsible for the Group’s initiatives on respecting human rights is the Group Chief Human Resources Officer (Group CHRO) (as of August 2026). The Group’s executive officers set sustainability-related indicators within their respective areas of responsibility as evaluation metrics reflected in their compensation, and the Group CHRO has designated initiatives on respect for human rights. Key human rights issues are discussed by the Sustainability Management Committee^{*2}, chaired by the Group CEO, under the supervision of the Board of Directors of Panasonic Holdings Corporation (PHD), and are reported to the Group Management Meeting and the Board. In fiscal 2025, the Committee discussed challenges in advancing human rights due diligence and related action plans. In fiscal 2026, discussions focused on enhancing internal frameworks and developing implementation plan to meet the requirement of the EU Corporate Sustainability Due Diligence Directive (CSDDD). In addition, human rights and labor compliance has been identified as a Group Major Risk for fiscal 2027,

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and mitigation efforts are being made at each business site (see “Risk Management” ([pages 114-116](#)) for more details).

The Social Sustainability Department, under the Group CHRO, leads our day-to-day efforts to respect human rights. As the supervising organization for the Group's human rights and labor initiatives, it collaborates primarily with HR functions, and also with other related functions such as legal and procurement, to promote these initiatives at each operating company of the Group. At each operating company, human rights due diligence promotion leaders take the initiative in addressing human rights issues identified within the company.

Refer to “Responsible Supply Chain” ([pages 78-82](#)) for details on our initiatives within the supply chain.

*2 The Sustainability Management Committee was dissolved at the end of March 2026. Beginning in fiscal 2027, the Group Transformation Round Table (GTRT) and the PHD Executive Committee (PEC) will continue to discuss and set directions for policies, strategies, indicators, and targets related to sustainability. See “Sustainability Management Basic Philosophy & Structure” ([pages 4-5](#)) for more details.

Key Indicators

The Group operates across a diverse range of business domains and locations through its operating companies, and the nature and severity of the human rights risks also vary accordingly. It is therefore important for each operating company to take the initiative in conducting human rights due diligence based on its own value chain and business characteristics. To this end, it is essential not only to establish human rights due diligence frameworks within each operating company, but also to secure the personnel and organizational structure necessary for their effective implementation. Accordingly, our Group has identified as one of its key indicators the development of human rights promotion leaders who possess a deep understanding of Business and Human Rights and are capable of appropriately identifying human rights risks on the ground and driving improvements.

In addition, through its human rights due diligence efforts, the Group has identified the prevention and mitigation of forced labor risks as a priority issue. It has also established awareness-raising and capacity building for Group sites that employ migrant workers who are vulnerable to forced labor as another key indicator.

Through these indicators, we continuously evaluate the progress of building the foundation for human rights due diligence and addressing priority issues, and strive to enhance the effectiveness of our initiatives.

Key Indicators	Targets	Progress
Level of understanding ^{*3} of participants in Human Rights Due Diligence Promotion Training to develop the promotion leaders at each operating company	80%	88% (fiscal 2026)
Implementation rate of in-person training on forced labour prevention provided to Group sites in Japan and overseas that employ foreign migrant workers	100% (three-year target for fiscal 2025–2027)	81% completed (32 sites in total; implemented at 13 sites in fiscal 2025 and 13 sites in fiscal 2026)

*3 In addition to the level of understanding of the content, the post-training questionnaire focuses on assessing the level of empathy toward Business and Human Rights and the level of awareness regarding its promotion.

Raising Awareness and Capacity Building

The Group places a strong emphasis on raising awareness and capacity building to ensure that all employees consistently put respect for human rights into practice. The Code of Ethics and Compliance, which includes respect for human rights, has been translated into 22 languages, and training opportunities are provided on regular basis, including at the time of hiring and promotion. In particular, for human rights promotion leaders appointed by each operating company, the Group conducts a two-day Human Rights Due Diligence Promotion Training every year (in fiscal 2026, the scope of participants was expanded beyond HR to include functions such as legal and procurement, with a total of 45 participants). The training focuses on practical, hands-on learning, including exercises on identifying and assessing human rights risks and developing mitigation measures. It also emphasized group work centered on discussions among participants. It also featured lectures provided by external experts on key international standards, a range of human rights risks surrounding business activities, and case studies from other companies.

In Japan, we conducted human rights seminars for supervisors (103 participants) in manufacturing divisions that employ foreign technical intern trainees and specified skilled foreign workers. Furthermore, training is provided to all newly seconded employees, including management personnel posted from Japan to overseas subsidiaries, with the aim of deepening their understanding of international standards on corporate responsibility to respect human rights, the laws and regulations of each country, and the Group’s initiatives, including the Human Rights and Labour Policy (489 participants in fiscal 2026). Training on Business and Human Rights was also conducted for HR personnel and others in Asian countries where most of our manufacturing operations are located (13 participants in fiscal 2026).

Human Rights Due Diligence

To respect the human rights of the stakeholders in its business activities, products and services, and transactions, the Group conducts human rights due diligence based on the UN Guiding Principles on Business and Human Rights and with reference to the OECD Due Diligence Guidance for Responsible Business Conduct. Furthermore, in light of legislative developments such as the EU Corporate Sustainability Due Diligence Directive (CSDDD), the Group launched a cross-functional project in fiscal 2025 to ensure a consistent level of reliability and effectiveness

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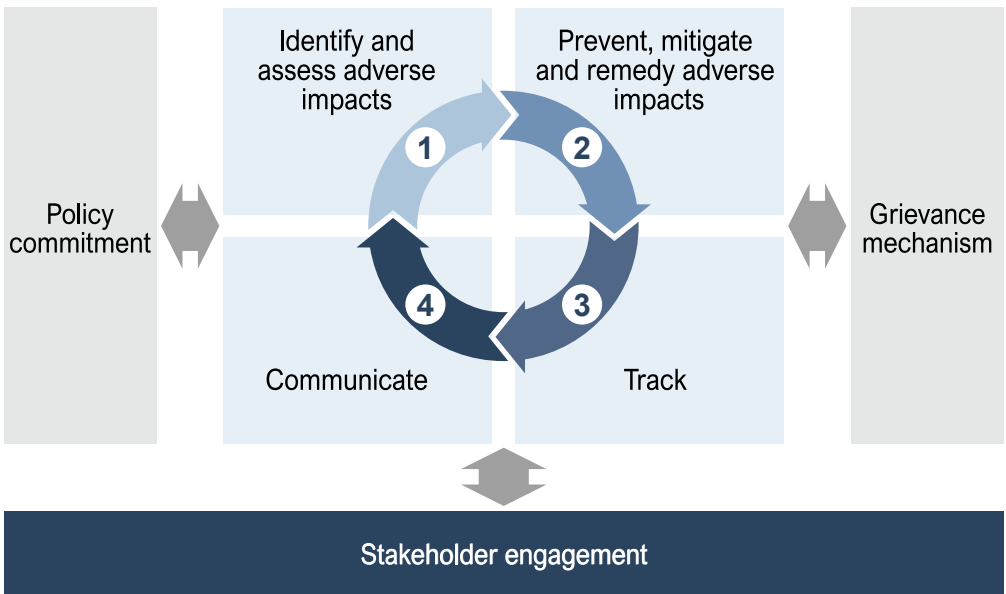
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in human rights due diligence across the Group, and has been continuously strengthening related processes and tools. In the course of these efforts, we also engage in dialogue, consultation, and collaboration with external experts as well as internal and external stakeholders.

Human rights due diligence process



Additionally, given the complexity of supply chains associated with our operations, we strive to prevent and mitigate human rights risks in collaboration with each operating company and regional procurement departments with the support of the Global Procurement Division engaging in responsible supply chains. See “Responsible Supply Chain” ([pages 78-82](#)) for more details on our efforts.

Identifying and Assessing Adverse Impacts on Human Rights

The Group recognizes the need to identify human rights risks across all business activities, including the value chain. In fiscal 2025, we first identified the following 17 human rights issues for assessment, taking into account international human rights standards and guidelines, as well as dialogue and consultation with internal and external stakeholders and human rights experts, and reflecting the characteristics of our Group’s businesses and the countries and regions in which we operate.

- Non-discrimination and equality before the law
- Harassment and abuse
- Women’s rights
- Child labor
- Forced labor
- Occupational health and safety
- Working hours
- Freedom of expression
- Intellectual property rights
- Adequate working conditions
- Wages
- Freedom of association and the right to collective bargaining
- Inequality in training and education
- Freedom of thought, conscience and religion
- Infringement of privacy
- Freedom of movement and residence
- Anti-bribery and anti-corruption

Next, each operating company evaluated these human rights issues along two axes—severity and likelihood—taking into account its own value chain and business characteristics, the results of interviews with relevant departments and the status of its own risk mitigation efforts. Based on this evaluation, each operating company identified priority human rights issues. Furthermore, by aggregating the human rights issues identified by each operating company, the Group identified forced labor and occupational health and safety as particularly high-priority salient human rights issues for the Group.

We will continue to improve the process for identifying priority human rights issues and, especially in the event of imminent human rights issues, we strive to prevent, mitigate, and remedy them as promptly as possible.

Preventing, Mitigating, and Remediating Adverse Impacts on Human Rights

In fiscal 2026, in response to the priority human rights issues identified in fiscal 2025, each operating company conducted assessments to understand actual conditions and implemented corrective actions for identified issues as well as preventive measures. The status of these initiatives is regularly reviewed by the supervising organization of PHD, which provides advice and recommendations as necessary.

In particular, with respect to forced labor and occupational health and safety, which are high-priority human rights issues for the Group, each company is undertaking Groupwide initiatives (see “Prohibition of Forced Labor” below and “Creating a Safe, Secure, and Healthy Workplace” ([pages 63-67](#)) for more details). In addition, we are implementing a variety of initiatives to prevent, mitigate, and remediate other human rights issues identified through human rights due diligence.

Prohibition of Forced Labor

The Group’s Human Rights and Labour Policy clearly states the prohibition of any form of forced labor. We promote efforts to establish a recruitment and employment environment free from forced labor and unfair treatment, in accordance with all applicable laws and regulations and our internal rules, and with reference to international standards and guidelines established by the ILO and other organizations. In the event that any instance of forced labor, or practices indicative of forced labor including those that fall under or may be associated with the ILO’s 11 Indicators of Forced Labour*4, is identified within the Group or among our suppliers or business partners, our internal rules stipulate that such impacts must be addressed promptly. This includes cessation, remediation, mitigation, and the provision of remedy to affected individuals.

Within the supply chain, the Group requires its suppliers to take measures to prevent forced labor in accordance with the Panasonic Supply Chain CSR Promotion Guidelines. For more details, see the “Responsible Supply Chain” chapter ([pages 78-82](#)).

*4 The 11 ILO Indicators of Forced Labour: abuse of vulnerability, deception, restriction of movement, isolation, physical and sexual violence, intimidation and threats, retention of identity documents, withholding of wages,

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debt bondage, abusive working and living conditions, and excessive overtime

◇ Responsible Recruitment and Employment

We recognize that migrant workers who cross national and regional borders to work at our manufacturing sites and in our supply chain are particularly vulnerable. Our Group companies in Malaysia, which employ the largest number of foreign migrant workers in the Group, launched the Responsible Employment Project in 2018 in collaboration with the International Organization for Migration (IOM), the UN Migrant Agency, which works globally to address persistent migration issues and has been engaged in identifying and correcting human rights issues as well as providing training on these issues in Malaysia and the wider region. In 2020, the Group companies in Malaysia formulated the Policy on Responsible Recruitment and Employment of Foreign Migrant Workers in April 2020 (revised in April 2025) and the corresponding standard operating procedures in September 2021 (revised in April 2025), under which Group companies have been promoting a range of related initiatives. In fiscal 2026, we developed the Panasonic Group Guidance on Responsible Recruitment and Employment based on the policy and standard operational procedures established in Malaysia, and from fiscal 2027, we will roll it out globally to Group companies that recruit and employ vulnerable foreign migrant workers. These Malaysian policies and the Group’s guidance clearly set out principles for protecting workers, including prohibiting foreign migrant workers from bearing recruitment fees and related costs, prohibiting companies from retaining personal documents such as passports, and transparently informing foreign migrant workers of basic employment terms and conditions in a language they understand before leaving their country of origin. In Malaysia, the Group companies also verify the implementation of the policy and standard operational procedures. In fiscal 2025, with the cooperation of the IOM, interviews were conducted with approximately 770 foreign migrant workers at manufacturing sites of four Group companies. These interviews identified insufficient awareness of internal rules and the operational-level grievance mechanism. Based on these findings, the policy and procedures were revised, and refresher training on workers’ rights and internal rules was provided to all foreign migrant workers (approximately 1,700) and supervisors at the four companies. In fiscal 2026, we conducted workshops for responsible managers and staff in related functions such as HR and legal to promote the dissemination of the policy and procedures (38 participants from eight Group companies).

In addition, from fiscal 2025, the Group companies have added requirements to respect for human rights to contracts with manufacturing contractors and various service providers in Malaysia, and have conducted training on international standards on forced labor, relevant national laws and regulations, and the Group’s Human Rights and Labour Policy (64 companies participated in fiscal 2025 and 52 companies in fiscal 2026).

🔗 Policy on the Responsible Recruitment and Employment of Foreign Migrant Workers for Panasonic Group Companies in Malaysia

https://www.panasonic.com/content/dam/Panasonic/corporate/my/corporate/sustainability/Malaysia-Panasonic-Policy-2025_English.pdf

In countries and regions with potential risks, we have been expanding initiatives implemented in Malaysia. In Taiwan, following a third-party audit conducted at a Group manufacturing company in fiscal 2025, we revised insufficient provisions in employment contracts, improved living conditions and hygiene, strengthened disaster preparedness in dormitories, and provided training to reinforce the operation of the company grievance mechanism. In Japan, we conducted awareness-raising, training and checks for potential risks at 13 sites employing foreign technical intern trainees and specified skilled foreign workers in fiscal 2026. In Thailand, we added human rights requirements to contracts with manufacturing contractors and various service providers (approximately 400 companies in total) in fiscal 2026. In addition, with the cooperation of IOM, we conducted training for 12 Group companies and 73 service providers on international human rights standards, risks of forced labor, and measures to mitigate such risks.

Based on the recognition that collaboration among governments, relevant organizations, companies, suppliers and business partners is essential to address the root causes of forced labor, the Group has participated, since fiscal 2026, in a working group of the Responsible Labor Initiative, a Responsible Business Alliance (RBA) initiative involving more than 190 companies, and is working to promote ethical recruitment. At the Group’s business sites in Malaysia, we have been working with recruitment agencies that meet ethical recruitment standards and have been certified by On the Level*5 program since fiscal 2026. In high-risk countries such as Malaysia and Thailand, the Group is also working to build relationships with government authorities, United Nations-affiliated organizations, and NGOs, and to promote key information and exchanging views.

*5 On The Level by the Fair Hiring Initiative is a certification program for recruitment agencies and labor suppliers, with the objective of promoting and ensuring the implementation of internationally recognized ethical recruitment standards.

Prohibiting Child Labor and Protecting Young Workers

Our Human Rights and Labour Policy clearly state our commitment to the effective eradication of child labor.

We comply with applicable laws and regulations in the countries where we recruit employees, and we require that our recruitment agencies and other business partners do the same. We also do not permit workers under the age of 18 to engage in hazardous or harmful work. In the supply chain, we request our suppliers to take the same approach in the supply chain as outlined in the Panasonic Supply Chain CSR Promotion Guidelines. For more details, see the “Responsible Supply Chain” chapter ([pages 78-82](#)).

Prohibition of Discrimination and Harassment

Our Human Rights and Labour Policy clearly seeks to eliminate discrimination in the field of employment and occupation. Moreover, in our Code of Ethics and Compliance, the Group prohibits discrimination, behavior that leads to discrimination, and harassment on the basis of age, gender, race, skin color, beliefs, religion, social status, citizenship, ethnicity, marital

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status, sexual orientation, gender identity and expression, pregnancy, medical history, viral infection status, genetic information, disability status, political affiliation or orientation, labor union affiliation, veteran status, or any similar status or characteristic. We also strive to raise awareness of this prohibition. By doing so, we aim to foster an inclusive and supportive workplace where diverse talents respect one another as valued partners and can thrive. For more details, see the “Maximizing the Potential of Diverse Talent and Organizations” chapter (pages 55-68).

◆ Recruitment Selection

We ensure that recruitment and selection processes are conducted in accordance with applicable laws and guidelines of each country and are strictly based on candidates’ qualifications, abilities, and motivation. If any human rights violations, including the above-mentioned forms of discrimination, or issues that may lead to such violations are identified during the selection process, we will not only take prompt corrective action but also strive to prevent recurrence through awareness-raising and education.

Respect for the Freedom of Association and the Right to Collective Bargaining

Our Human Rights and Labour Policy clearly expresses our support for freedom of association and the effective recognition of the rights to collective bargaining. In each country and region, we make efforts to establish healthy relations with employees and to solve their issues by active dialogue with them. In addition, based on our Human Rights and Labour Policy, we pursue ways to respect internationally recognized human rights principles at our locations in countries that do not legally permit the formation of labor unions.

◆ In Japan

The Group recognizes the rights of labor unions, including the right to organize, the right to collective bargaining, and the right to strike, as stipulated in the labor agreements concluded with each labor union with which the Group and its subsidiaries engage. We also prohibit discrimination against union members and any disadvantageous treatment based on union activities. Managers and employees are members of the labor union at a rate of 74.6%, while the rate is 97.2% when excluding managers (as of March 31, 2026).

Based on a common understanding that the Company’s sound development, improvements in labor and welfare conditions for employees, and social development are inseparable, the Company and the Union have established a system of Union participation in management based on equality and robust trust between labor and management. The Company and the Union discuss essential management matters in Labor-Management Council.

◆ In Europe

Following an EU directive*7 adopted in 1994, we have set up a voluntary labor agreement to provide a venue for healthy discussion between labor and management. We have also

established the Panasonic European Employee Congress (PEEC). Employee representatives and company representatives also meet to exchange opinions and discuss business issues including management strategies and living support for employees.

*7 EU directive: A directive that obliges all companies employing 1,000 or more employees in two or more European Union countries to establish a pan-European labor-management consultation committee.

◆ In China

Nearly all Group-affiliated companies in China have labor unions (gōnghuì). We hold regular opinion exchanges and discussions surrounding compensation, welfare and benefits, training, and the like through initiatives including periodic labor-management dialogues, proactive joint labor-management recreational events, and advance briefings to unions concerning critical management decisions, with a focus on building good relations between labor and management.

Occupational Health and Safety

The Human Rights and Labour Policy sets out its commitment to providing a safe and healthy work environment. This has been identified as one of the Group’s most salient human rights issues and is being addressed as a priority. For more details, see “Creating a Safe, Secure, and Healthy Workplace” in the “Maximizing the Potential of Diverse Talent and Organizations” chapter (pages 63-67).

Managing Working Hours

We have established provisions in our work regulations related to proper management of working hours, break times, overtime work, holidays, leave, and other matters in accordance with applicable labor laws in each country and labor-management agreements (e.g. collective bargaining agreements). Our internal rules also prohibit forcing workers to work overtime without their agreement as this constitutes a practice indicative of forced labor or may be considered forced labor.

In Japan, the standard working day is set at 7.75 hours per day, and any extra hours worked are eligible for extra pay, going beyond the minimum required by law. We have also established internal working hour management standards that are even stricter than legal requirements as part of our efforts to prevent excessive working hours.

We also provide more annual paid leave than legally required, and employees may accumulate up to 50 days of unused leave. We have made the system more flexible to accommodate individual needs, such as allowing leave to be taken on an hourly or half-day leave available.

In addition to those measures, we support employees’ physical and mental health by ensuring appropriate workforce allocation to prevent overtime from being concentrated among specific employees, and by providing additional medical examinations for employees who have worked long hours.

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Wage Management

We have established guidelines for the design of compensation systems, aiming to achieve market-competitive levels of remuneration. In accordance with applicable laws and regulations in each country, as well as labor-management agreements including collective agreements, we also set out in our work regulations appropriate wages, allowances, bonuses, and other types of occasional compensation or retirement benefits.

In addition, we establish rules in each country in compliance with all applicable wage-related laws and regulations, including those governing minimum wages, statutory benefits, and overtime pay. Wages are managed and paid in accordance with these rules, and employees are provided with the necessary information through payslips and electronic records. Payments are made directly to employees in accordance with the prescribed pay cycle and on designated payment dates.

Grievance Mechanism

The Group accepts human rights related grievances through various channels to ensure that they are addressed promptly and lead to corrective action and the provision of remedy. In addition, where human rights violations are confirmed, we work to provide remedy to the affected individuals.

As one of its whistleblowing channels, we have established the Global Hotline EARS (available in 32 languages), which is accessible to employees as well as external stakeholders, including suppliers and business partners. This allows individuals to report when they have been affected by or become aware of compliance violations, including human rights and labor issues. Reports may be made anonymously, and all information of the reporter and the reported content is kept confidential. In addition, our internal rules stipulate that neither internal nor external reporters shall be subject to retaliation or any disadvantageous treatment as a result of making a report. For more details, see “Whistleblowing System” in the “Ethics and Compliance” chapter ([pages 109-110](#)).

Furthermore, in order to more broadly accept human rights related reports from outside out Group, we have joined as a regular member of the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER), an industry-wide grievance platform established through the integration of initiatives led by the Business and Human Rights Lawyers Network, the Global Compact Network Japan, and the CSR Committee of the Japan Electronics and Information Technology Industries Association (JEITA). We utilize such third-party mechanisms to address human rights issues, ensuring fairness and transparency, as well as promoting dialogue.

Global Hotline EARS

<https://secure.ethicspoint.eu/domain/media/en/gui/104773/index.html>

Japan Center for Engagement and Remedy on Business and Human Rights (JaCER)

<https://jacer-bhr.org/en/index.html>

Participation in International and Industrial Partnerships

The Group has been a participant in the United Nations Global Compact since January 2022. We have declared our support for the ten principles in four areas, including human rights and labor, and uphold our accountability by reporting the progress and outcomes of our human rights and labor initiatives in accordance with international standards.

In addition, since October 2021, the Group has been a member of the Responsible Business Alliance (RBA), an international CSR organization in the electronics, ICT, and automotive industries, and also participates in the Responsible Minerals Initiative (RMI) under the RBA. In March 2026, the Group was involved from the planning stage in a dialogue hosted by the RBA between Malaysian government ministries and RBA member companies, and requested that Malaysian government agencies provide support to companies in their efforts to respect the rights of foreign migrant workers.

In February 2024, the Group entered into a strategic global partnership with IOM, a specialized UN agency, with a proven track record of assisting in the responsible recruitment and employment of foreign migrant workers in Malaysia—to improve the rights of foreign migrant workers in the supply chain.

In April 2025, we joined the Global Business Initiative on Human Rights (GBI), an international organization that supports corporate efforts to respect human rights. Through collaboration with GBI, we are deepening our understanding of the human rights challenges that companies face and leveraging this to continuously enhance our human rights due diligence.

The Group continues to strengthen its management system through these initiatives.

The Group also actively provides practical input on human rights from a corporate perspective to domestic and international organizations, as well as government agencies. In fiscal 2026, PHD personnel continued to participate in OECD's Sustainable Business Expert Group, Business at OECD (BIAC) and took a leading role as vice-chair of the Corporate Sustainability Committee of the Japanese Business Council in Europe (JBCE) consistently contributing to government policies related to human rights and due diligence in Europe. In 2025, the Group made proactive contributions to the drafting process of the Omnibus I Simplification Package, including the CSDDD. In Japan, through participation in the Sustainability Due Diligence Working Group under the CSR Committee of JEITA, the Group has been working to address common challenges faced by the electronics industry, including by submitting position papers to European policymakers regarding legislation on human rights due diligence. In Malaysia, the Group also continues dialogue with the Human Rights Commission of Malaysia (SUHAKAM) on human rights issues in the country. In January 2026, following the previous year, the Group hosted the Japan training program under the Training Course on Promoting Responsible Business Conduct in Vietnam organized by Japan’s Ministry of Economy, Trade and Industry. The Group

introduced its initiatives related to Business and Human Rights and exchanged views with executives from the Vietnam Chamber of Commerce and Industry and Vietnamese companies in the electrical and electronics sector that have business relationships with Japanese companies.

🔗 **United Nations Global Compact**
<https://www.unglobalcompact.org/what-is-gc/participants/149557-Panasonic-Corporation>

🔗 **Responsible Business Alliance (RBA)**
<https://www.responsiblebusiness.org/about/members/>

🔗 **Business at OECD (BIAC)**
<https://www.businessatoecd.org/about-us>

🔗 **Japan Business Council in Europe (JBCE)**
<https://www.jbce.org/en/>

🔗 **CSR Committee, Japan Electronics and Information Technology Industries Association (JEITA) (Japanese only)**
<https://home.jeita.or.jp/csr/>

🔗 **The Human Rights Commission of Malaysia (SUHAKAM)**
<https://suhakam.org.my/>

🔗 **GBI (Global Business Initiative on Human Rights)**
<https://gbihr.org/>

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It has often been pointed out that while new technologies can offer solutions for different kinds of issues and enrich people’s lives, the risks those same technologies bring have the potential to lead to human rights issues like violations of privacy, more intense illicit surveillance, and discrimination by algorithms that have been trained on biased data. The Panasonic Group considers our approach to AI ethics as “a promise to the rest of the world to apply AI in ways that are human-centered and that respect human rights,” and we work to apply that approach to AI ethics to the ways in which we develop and operate our AI products and services, as well as our AI utilization.

Policy

The Panasonic Group’s policy with regard to AI is to work to protect the safety and interests of all stakeholders, including any customers involved, and minimize the impact of risks throughout the AI utilization life cycle from the planning of AI products and services up to their sale and use. By fostering trust in our AI technologies and products in this way, we will encourage further AI utilization, through which we can make a greater contribution to society.

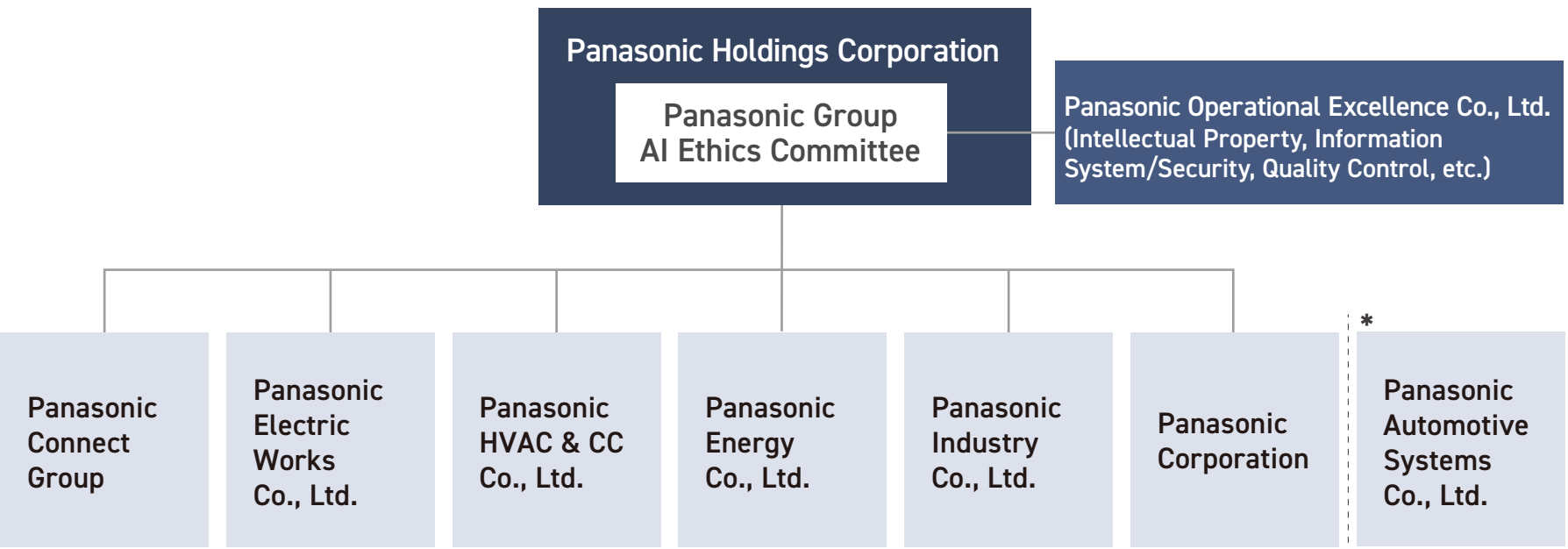
In order to do this, we have defined our AI Ethics Rules (which apply to the entire Group), and we conduct AI ethics activities to mitigate and avoid risks that can come with improvements to those technologies and processes by evaluating and managing risks related to AI ethics so that our AI utilization life cycle will function appropriately with reference to our AI Ethics Rules as well as relevant laws, regulations, and ethical guidelines for each country. In 2022, we established and published our AI Ethics Principles.

[🔗](#) **Panasonic Group Responsible AI**

<https://tech-ai.panasonic.com/en/responsible-ai/>

Promoting Organization

AI ethics activities for the Panasonic Group are driven by the Group CTO (Executive Officer), our head of AI operations (as of April 2026).



* On December 2, 2024, Panasonic Automotive Systems Co., Ltd. moved to a management structure in which 80% of its shares are held by funds managed by an affiliate of Apollo Global Management, Inc., and 20% by Panasonic Holdings Corporation. For more information, please refer to the following news release. PHD and Panasonic Automotive Systems Co., Ltd. will continue to collaborate in promoting AI ethics activities.

[🔗 https://news.panasonic.com/global/press/en241202-6](https://news.panasonic.com/global/press/en241202-6)

* Panasonic Housing Solutions Co., Ltd. became a member of the YKK Group as of April 1, 2026. For more information, please refer to [🔗 the news release](#) and [🔗 official website](#).

The AI Ethics Committee has been established within the Panasonic Holdings Corporation by the Group CTO, comprising staff members in charge of AI ethics and members from other related departments. The Committee provides the Group with systems and measures to be implemented in relation to AI ethics activities and provides operating companies with support for their AI ethics activities as well as understanding, reviewing, and formulating countermeasures against risks. Each operating company also has persons in charge of AI ethics, and these individuals cooperate with the AI Ethics Committee to carry out activities that fit the business and technologies of each company.

For extremely high-risk AI projects or those with manifest risks, the AI Ethics Committee will propose countermeasures, report them to the AI Ethics Committee Chair and the operating companies, and then collaborate with the operating companies on their implementation.

Education

The AI Ethics Committee provides educational materials on the basics and promotion of AI ethics to enable all our employees to work in line with the Group’s AI ethics principles. Since 2022, the AI Ethics Committee has been providing e-Learning courses on AI ethics for all employees in our domestic group companies every year. We also post e-Learning materials to our Intranet site so that all employees, including those in overseas companies and temporary staff, can strengthen their understanding whenever necessary.

Risk Assessment

In 2022, Panasonic introduced a monitoring system to identify the ethical risks of AI in Group products. The AI Ethics Committee collects risk assessment results of operating companies through the Group employee survey results and the groupwide risk check system and analyzes them to understand any risks within the Group. For matters that have been determined to pose a high level of risk, the Committee sets up review teams to conduct risk reviews or otherwise addresses them across organizational divisions.

External Cooperation

The AI Ethics Committee also conducts research and outreach related to AI ethics in various ways, including participation in committees at external institutions that research AI ethics, as well as within the community, academic, and public sectors. Panasonic participated in drafting the Governance Guidelines for the Implementation of AI Principles through the expert group laid out by Japan’s Ministry of Economy, Trade and Industry. We are further strengthening our links with external parties through our membership in the AI Alliance, a global alliance on AI.

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Customer Relations

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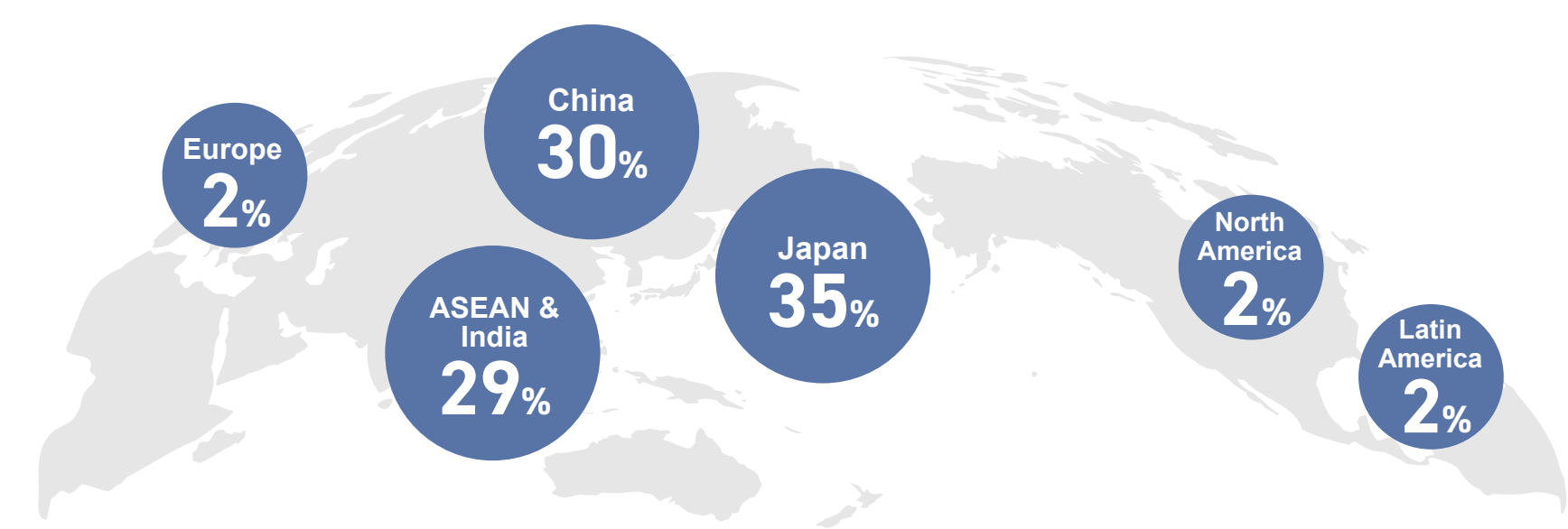
Community Relations

Social Data

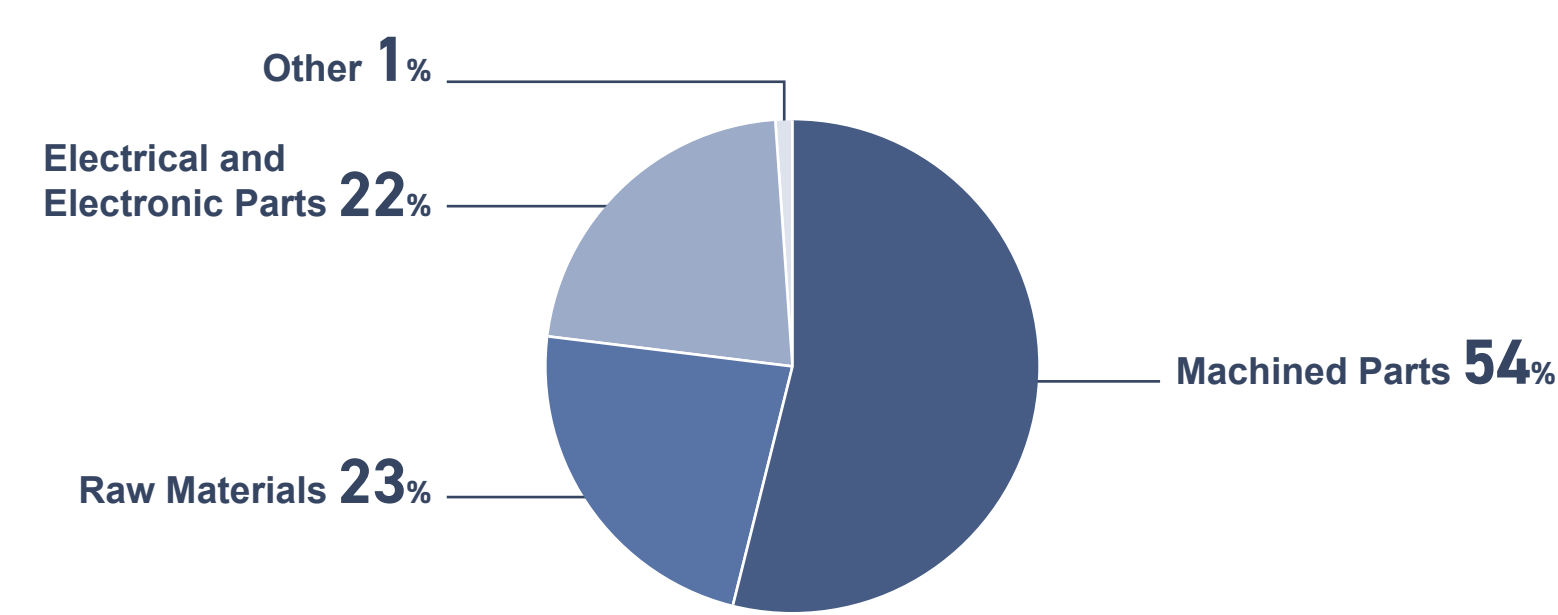
Responsible Supply Chain

The Panasonic Group does business with approximately 12,500 suppliers worldwide (the number of suppliers of parts and materials used directly in manufacturing). The Group strives to do business with suppliers that not only provide superior technology and quality but also fulfill their social responsibilities including human rights and environmental considerations, healthy workplace environment, and fair transactions. The parts and materials we purchase range from raw materials to electrical/electronic components and processed parts. Our suppliers are located in various regions and countries, meaning that some parts and materials come from regions and countries with many migrant workers. By region, the percentage of suppliers providing parts and materials used directly in manufacturing was 35% from Japan, 30% from China, 29% from ASEAN and India, 2% from Europe, 2% from North America, and 2% from Latin America. By industry, 54% were in machined parts, 23% in raw materials, 22% in electrical and electronic parts, and 1% in others (including molds) (as of March 31, 2026).

Breakdown of Transactions by Region (%)



Breakdown of Transactions by Product (%)



Policy

Procurement Policy

The Group has summarized its core thinking on procurement in the following 3-item set of Procurement Policy. The fundamental basis of this policy is the concept that, “based on relationships of mutual trust, and through diligent study and cooperation, our suppliers are invaluable partners in creating the value our customers demand”.

● Implementation of Global Procurement Activities

The Company*1 globally establishes partnerships with suppliers to respond to production activities on a global scale, and works to create the functions and values our customers demand based on relationships of mutual trust and through diligent studies and cooperation.

● Implementation of CSR Procurement

Complying with laws and regulations, social norms, and corporate ethics, the Company promotes procurement activities, together with suppliers, that fulfill their social responsibilities, such as human rights, labor, safety and health, global environmental conservation, and information security.

● Procurement Activities Working Closely with Suppliers

In order to achieve product values expected by customers, the Company serves as the contact point of suppliers with respect to information, such as the market trends of materials and goods, new technologies, new materials, and new processes, and works to ensure and maintain the quality of purchased goods, realize competitive prices, and respond to market changes.

In April 2022, we established the “Rules on Supply Chain Compliance” to strengthen our efforts to promote CSR in the supply chain, with our basic policy on supply chain compliance and corporate rules for its implementation. We have also issued the Panasonic Supply Chain CSR Promotion Guidelines (“CSR Guidelines”) for our suppliers to promote collaboration in responsible procurement efforts.

*1 In this report, "the Company" refers to Panasonic Holdings Corporation ("PHD"), except in the Procurement Policy section, in which "the Company" refers to the Panasonic Group.

Clean Procurement

Because the Group believes that “a company is a public entity of society”, we engage in fair and equitable transactions with our global suppliers. With a need for a more stringent sense of moderation and ethics and to maintain healthy relationships with suppliers, in 2004, we released our Clean Procurement Declaration and have followed this declaration in our procurement

activities since. In Japan, we promote understanding and awareness of “clean procurement” among our procurement staff by providing annual e-Learning and training materials.

Prohibition of Receiving Money and Valuables from Suppliers and Prohibition of Accepting Any Form of Hospitality, Entertainment or Meals

The Group established “Rules on Gift and Hospitality for Anti-Bribery / Anti-Corruption” in its internal regulations, applied at the global level. These strict rules apply to the acceptance of gifts, meals, entertainment and travel invitations from our business partners, including suppliers. They stipulate general rules regarding the rationality and balance in light of the purpose, value and frequency of gifts, meals, entertainment and travel invitations, and local customs, and the absence of improper influence on business judgement. More detailed standards and stricter rules are also set for each region.

[🔗 Clean Procurement Declaration](#)

<https://holdings.panasonic/global/corporate/about/procurement/declaration.html>

Responsible Executive and Framework

The Panasonic Holdings Corporation (“PHD”) representative director and executive vice president serves as the officer in charge of procurement (as of August, 2026). The Group established a Groupwide framework to foster cooperation in promoting responsible procurement among all Group operating companies and regional procurement divisions. Each of our operating companies, their business divisions, or other relevant Group companies are responsible for applying the PDCA cycle to their practice of responsible procurement, following the Group’s internal rules, standards, and manuals. The Global Procurement Division of Panasonic Operational Excellence Co., Ltd. (“PEX”) fills the role of providing Groupwide measures and support to all operating companies. The heads of procurement at the operating companies and business divisions discuss relevant issues at regular Groupwide meetings and take appropriate actions.

Supply Chain Due Diligence

■ Enforcement of the Panasonic Supply Chain CSR Promotion Guidelines

We, the Panasonic Group, adhere to international norms and principles, such as the United Nations “Guiding Principles on Business and Human Rights”, and require suppliers to affirm them. To show our approach to CSR procurement and clearly convey the requirements to suppliers, we have established the CSR Guidelines, and we share them at the start of transactions. The contract obligates suppliers to comply with the guidelines. The CSR Guidelines stipulate the following provisions, while taking into account laws, regulations, and principles of international norms:

1. Labor rights: Prohibition of forced labor or child labor, appropriate working hours, decent wages, humane treatment, elimination of discrimination, freedom of association

2. Occupational health and safety: Training to ensure workplace safety and emergency preparedness, safety measures for machinery and equipment, and occupational health and safety rules for facilities
3. Environment: Compliance with the “Panasonic Group’s Green Procurement Standards”
4. Ethics: Prohibition of corruption and bribery, and promotion of fair business and responsible minerals procurement
5. Information security: Prevention of information leaks and protection against computer and network threats
6. Product quality and safety: Creation of a product quality management system, provision of accurate product and service data, and maintenance of product safety
7. Contributions to society: Contributions to society and local communities
8. Management systems

The CSR Guidelines are prepared in Japanese, English, and Chinese and we keep them on our website and endeavor to notify our suppliers of any revisions. We also ensure that we share these guidelines with our suppliers through workshops as necessary. We ask our suppliers to communicate the requirements equivalent to those in the guidelines to their suppliers and subsequent suppliers, and to check their compliance status. For further details, please visit the following website.

[🔗 For Suppliers](#)

<https://holdings.panasonic/global/corporate/about/procurement/for-suppliers.html>

■ Obtaining Commitment from the Suppliers

We, the Panasonic Group, require that suppliers affirm the Panasonic Group’s Code of Ethics & Compliance and the Panasonic Group’s Human Rights and Labor Policy, and at the start of transactions for materials and components for the manufacturing of Panasonic products, we make it mandatory to conclude a Master Global Purchasing Agreement that stipulates compliance with the CSR Guidelines. In addition, we stipulate in the CSR Guidelines a respect for human rights as expressed in United Nations norms and principles, an evaluation of the status of suppliers’ human rights initiatives and the implementation of prevention / mitigation / corrective measures, a request for tier 2 suppliers and their subsequent suppliers to comply with the CSR Guidelines, and a request for cooperation with the Panasonic Group’s human rights due diligence. Since establishing the CSR Guidelines in 2016, we have distributed them to suppliers for awareness and dissemination and have initiated the CSR Self-Assessments described below. In the revised template of the Group’s Master Global Purchasing Agreement, effective as of April 2022, we have mandated that our suppliers comply with these CSR Guidelines. We also aim to ensure that all suppliers make commitments without exception, so we began asking existing suppliers to submit compliance agreements after revising the CSR Guidelines in December 2022. As of now, about 95% of our suppliers have submitted their agreements (as of March 31, 2026).

■ Conducting CSR Self-Assessments and Audit

To promote human rights due diligence and other aspects of CSR throughout the supply chain, the Group requires its suppliers to conduct CSR Self-Assessments.

The CSR Self-Assessments are structured based on the CSR Guidelines, and we require that all new suppliers conduct the assessments before we start transactions with them. We also require our existing suppliers to conduct them regularly.

We conduct CSR Self-Assessments using a web-based questionnaire, which reduces the burden on suppliers and the Group, and improves collection efficiency and response accuracy. As of March 31, 2026, we have collected responses from more than 12,400 suppliers, representing about 98% of the intended respondents. Currently, we request each supplier to conduct this assessment once every three years. After identifying issues, particularly those identified as priority management items in the CSR Self-Assessments, such as labor conditions for migrant workers, we visit suppliers, check on-site conditions, hold interviews, and investigate issues and work to correct them.

Since April 2022, the Group has begun work on initiatives to build a structure for human rights due diligence. While incorporating guidance from outside experts, the Group has compiled a table to assess human rights risks at our suppliers by using risk indicators and indices provided by international organizations in order to identify suppliers for which action should be taken on a priority basis.

Each operating company narrowed down the audit targets from among these identified suppliers based on the aforementioned risk approach and conducted supplier audits using the supplier audit plans they formulated. Since fiscal 2024, they have conducted audits for a total of 409 suppliers (29 of which were audited by third-party organizations). In fiscal 2026, we completed audits of the highest-priority suppliers identified in fiscal 2024.

The items identified through audits are shown in the table below. We have asked suppliers to improve these items, and we are monitoring their progress.

Area	Items requiring improvement
Management systems	• While each department is advancing initiatives based on the sustainability policy, progress toward targets needs to be made more visible, and cross-functional reviews need to be strengthened.
Labor	• Overtime hours are self-reported and are not managed using objective data such as time card records or computer startup logs.
Health and safety	• For those absent from evacuation drills, the issues identified during the drills and the proposed solutions have not been shared with them.
Environment	• Although initiatives to reduce greenhouse gas emissions, including the installation of photovoltaic panels, have been implemented, no quantitative targets have been set, and progress has not been reviewed regularly.
Ethics	• Training on corruption prevention, including bribery and embezzlement, is provided only to senior executives.
Information security	• Information security rules have been established, but their implementation in day-to-day operations has not been adequately verified, and issues and corresponding countermeasures have not been sufficiently identified.

■ Industry Collaboration Initiatives

The Group is a member of the Responsible Business Alliance (RBA) and promotes responsible business conduct. We also participate in the Sustainable Procurement Partnership Initiative Task Force under the Responsible Supply Chain Working Group of the Japan Electronics and Information Technology Industries Association (JEITA) CSR Committee, promoting human rights due diligence throughout the industry’s supply chain, including our suppliers. We also pursue industry collaboration to enhance awareness of and improve investigation efficiency in minerals procurement through our participation in JEITA’s Responsible Minerals Trade Working Group. Specifically, we are collaborating with domestic and international industry associations to promote proper initiatives for responsible mineral procurement through seminars, investigative briefings, and through reviews of smelting and refining plant information. Moreover, the Group has been involved in the Responsible Minerals Initiative (RMI) since 2017 to learn about the latest industry trends and promote best practices in procurement.

Initiatives for a Harmonious Relationship with the Environment

We strive to reduce the negative impact on the environment through cooperation with our suppliers and logistics partners. For details, please refer to the “Collaboration Across the Supply Chain” section on the Sustainability website.

🔗 **Panasonic Holdings Sustainability Website > Environment > Collaboration Across the Supply Chain**

<https://holdings.panasonic/global/corporate/sustainability/environment/supply-chain.html>

Responsible Minerals Procurement

■ Our Basic Stance

The Group recognizes that the procurement of certain minerals (notably tin, tantalum, tungsten, gold, cobalt, and mica) carries a risk of funding organizations in conflict-affected areas and risks related to human rights abuses, child labor at mining sites, harsh working conditions, environmental destruction, and corruption in high-risk areas. This is a matter of grave social concern, and to fulfill our corporate social responsibility, the Group is engaged in the responsible procurement of minerals in its global supply chain.

Of course, there are companies and individuals in those same areas who conduct their business legally at the same time. Therefore, while we remain mindful of our obligation to avoid using minerals associated with illegal or unethical practices, we strive to ensure that this does not hinder the business activities and livelihoods of legitimate companies and individuals. To this end, it is necessary for us to work in partnership with a wide range of stakeholders including national governments, companies, and NPOs that are working toward creating sound minerals supply chains in the target areas.

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We will keep conducting our activities based on the “Due Diligence Guidance” of the OECD (Organization for Economic Co-operation and Development) and build management processes in line with global standards.

The promotion of responsible minerals procurement requires conducting due diligence throughout the entire supply chain, from upstream mining companies to smelters, refineries, and downstream enterprises. We require that all related suppliers provide information on smelters / refineries throughout the supply chain, and we aim to procure from suppliers who don’t present any issues. We also participate in the RMI to promote industrywide efforts.

■ Responsible Minerals Survey Initiatives

Because responsible minerals surveys require cooperation from all our suppliers throughout the supply chain all the way to smelters and refineries, the Group uses industry-standard mineral reporting templates provided by the RMI, including the Conflict Minerals Reporting Template (CMRT), which covers tin, tantalum, tungsten, and gold (3TG), and the Extended Minerals Reporting Template (EMRT), which covers cobalt, mica, nickel, lithium, graphite, and copper.

The Group conducts responsible minerals surveys of suppliers for each operating company or business division. In fiscal 2026, we collected reporting templates from approximately 98% of the suppliers requested to complete CMRT surveys and from approximately 97% of the suppliers requested to complete EMRT surveys (as of March 31, 2026^{*2}). Based on the collected reporting templates, we conducted risk analyses and assessments and requested further investigations from suppliers where risks were identified.

In fiscal 2025, of the smelters/refineries identified based on the RMI public list, approximately 70% had Conformant/Active Smelter status (i.e., smelters/refineries that have either passed an RMI audit or are currently undergoing one).^{*2} For the remaining 30%, we are also working through industry initiatives and other efforts to encourage participation in the Responsible Minerals Assurance Process (RMAP). In the rare event that we identify minerals in our supply chain that are associated with conflicts or human rights violations, we also ask suppliers to take steps toward ceasing to use them, including by changing the source.

^{*2} The figures are a simple sum of the collection results (including overlaps among the same suppliers) for Panasonic Industry Co., Ltd. and Panasonic Energy Co., Ltd., which are the Group's principal businesses where the scale and impact of mineral procurement are particularly significant.

■ Initiatives to Comply with the European Battery Regulation Due Diligence Requirements

In recent years, societal expectations regarding the responsible sourcing of raw materials used in batteries have been increasing, and in August 2023, the EU Battery Regulation (the EU Regulation 2023/1542) came into effect. In response, the Group has been conducting due diligence on environmental and social risks in the supply chains for cobalt, natural graphite, lithium, and nickel, which are subject to the due diligence requirements of the Regulation.

From fiscal 2025 through fiscal 2026, we sought advice from external experts to deepen our understanding of the due diligence requirements of the Regulation. Specifically, with support from external organizations and with due consideration for the target companies’ business confidentiality and competitive concerns, we identified the chain of custody for the four target materials, assessed the risk levels of the entire battery supply chain within the scope of the assessment, and reviewed suppliers’ environmental and social risks and risk management systems, provided feedback to suppliers, and requested improvements where necessary. We plan to further promote battery due diligence initiatives in light of the future guidelines to be issued under the Regulation.

Internal Training and External Awareness-Raising

In order to develop human resources who can fulfill their social responsibilities in procurement operations, the Procurement Division provides training on CSR and procurement compliance to our procurement staff. We have established a buyer certification program to certify buyers who have acquired the necessary knowledge and skills, including CSR procurement, with over 1,960 participants having completed the Level 2 CSR procurement training required for certification. We have also conducted training for procurement employees overseas (in parts of Europe, the US, China, and other Asian countries). Through this training, we aim to consolidate their knowledge while confirming their understanding of essential topics and the importance of compliance in CSR procurement—including compliance with environmental, anti-corruption, and anti-bribery regulations, as well as human rights, labor, health and safety, and clean procurement in the supply chain. In addition to all this, we also build in basics on CSR procurement in our training curricula for new employees in procurement departments and those transferring from other divisions.

In fiscal 2026, we also held training programs to develop auditors responsible for supplier audits three times in Japan, seven times in Asia, twice in China and Northeast Asia, and once in Europe—13 sessions in 13 countries in total. The number of auditors certified by the Group has reached 419 worldwide.

Our web portal for procurement employees contains the information necessary for responsible procurement— including the procedures employees should follow for CSR procurement, the CSR Self-Assessments we ask suppliers to conduct, and guidelines for conducting audits—so that employees always have the latest information when performing their duties.

In fiscal 2023, we looked to raise awareness in the supply chain by holding workshops and meetings with about 100 suppliers, mainly in Malaysia. We also conducted CSR audits at around 50 suppliers in Asia. In fiscal 2024, we held human rights due diligence training in Malaysia six times in cooperation with the United Nations Development Programme (UNDP), and 207 of the approximately 500 suppliers in Malaysia with significant transaction amounts (228 attendants) attended the training. In fiscal 2025, we explained the importance of ESG initiatives

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and conducted training for suppliers in Malaysia, India, Thailand, and Vietnam, targeting 280 to 630 companies per country. In fiscal 2026, we further expanded this initiative to Singapore, Indonesia, the Philippines, and other regions, providing training to a total of 1,101 suppliers.

Whistleblowing Channels and Grievance Mechanism

The Group has established its “Global Hotline EARS” that anyone, including Group employees and suppliers, can use to anonymously report any violation or suspected violation of laws and regulations, agreements with our suppliers, the Panasonic Group Code of Ethics & Compliance, or other material codes in the Group’s supply chain. Whenever there is a report, the Group follows all internal rules and guidelines as well as the laws of the relevant countries with regard to the protection of the individual making the report, and from there we undertake appropriate investigations and countermeasures. For more details, please see “Whistleblowing System” in the “Ethics and Compliance” chapter ([pages 109-110](#)).

In addition to our own Global Hotline, we participate as a regular member in the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER), which operates a non-judicial grievance platform that suppliers and their employees can use as a remedy contact point if adverse human rights impacts arise in the Group’s supply chain. See [page 74](#) for more details in the “Grievance Mechanism” section of the “Respect for Human Rights” chapter.

In all reporting systems, we ensure whistleblower anonymity and report confidentiality and publicize the contact information for reporting systems on our supplier web portal and our website, “For Suppliers.”

We conducted audits through a third-party organization on human rights issues at suppliers that we received through the hotline, and we have witnessed suppliers take corrective actions.

For Suppliers

<https://holdings.panasonic/global/corporate/about/procurement/for-suppliers.html>

Global Hotline EARS

<https://secure.ethicspoint.eu/domain/media/en/gui/104773/index.html>

Grievance mechanism of Japan Center for Engagement and Remedy on Business and Human Rights (JaCER)

<https://jacer-bhr.org/en/index.html>

Raising Product Quality Levels and Ensuring Product Safety

The Panasonic Group builds customer trust through product quality and safety, and turns that trust into a source of competitiveness and corporate value. Guided by our founder’s belief that we should strive “to contribute to society through our products and services while always placing the customer first,” we conduct our business with a “Fairness and Honesty” attitude at all times.

Policy

By practicing quality management, the Group aims to enhance customer trust and satisfaction and thereby achieve sustainable business growth and enhance corporate value. As a guiding framework for these efforts, we have established Groupwide operational rules that set out the basic requirements for quality improvement and product safety. In particular, to prevent quality-related misconduct, the Panasonic Group Code of Ethics & Compliance clearly states that we meet our commitments to customers and society by prioritizing compliance with legal requirements and our customers’ specifications for the safety and quality of our products and services. In addition, the Group has established the Basic Policy Regarding the Voluntary Action Plan for Product Safety. As per this policy, the Group actively strives to ensure the safety of its products, while keeping to its principles of “the customer comes first” and of maintaining a “Fairness and Honesty” attitude.

[🔗 Panasonic Group Code of Ethics & Compliance](https://holdings.panasonic/global/corporate/about/code-of-conduct.html)
<https://holdings.panasonic/global/corporate/about/code-of-conduct.html>

[🔗 Basic Policy Regarding the Voluntary Action Plan for Product Safety \(Japanese only\)](https://holdings.panasonic/jp/corporate/about/code-of-conduct/quality-policy.html)
<https://holdings.panasonic/jp/corporate/about/code-of-conduct/quality-policy.html>

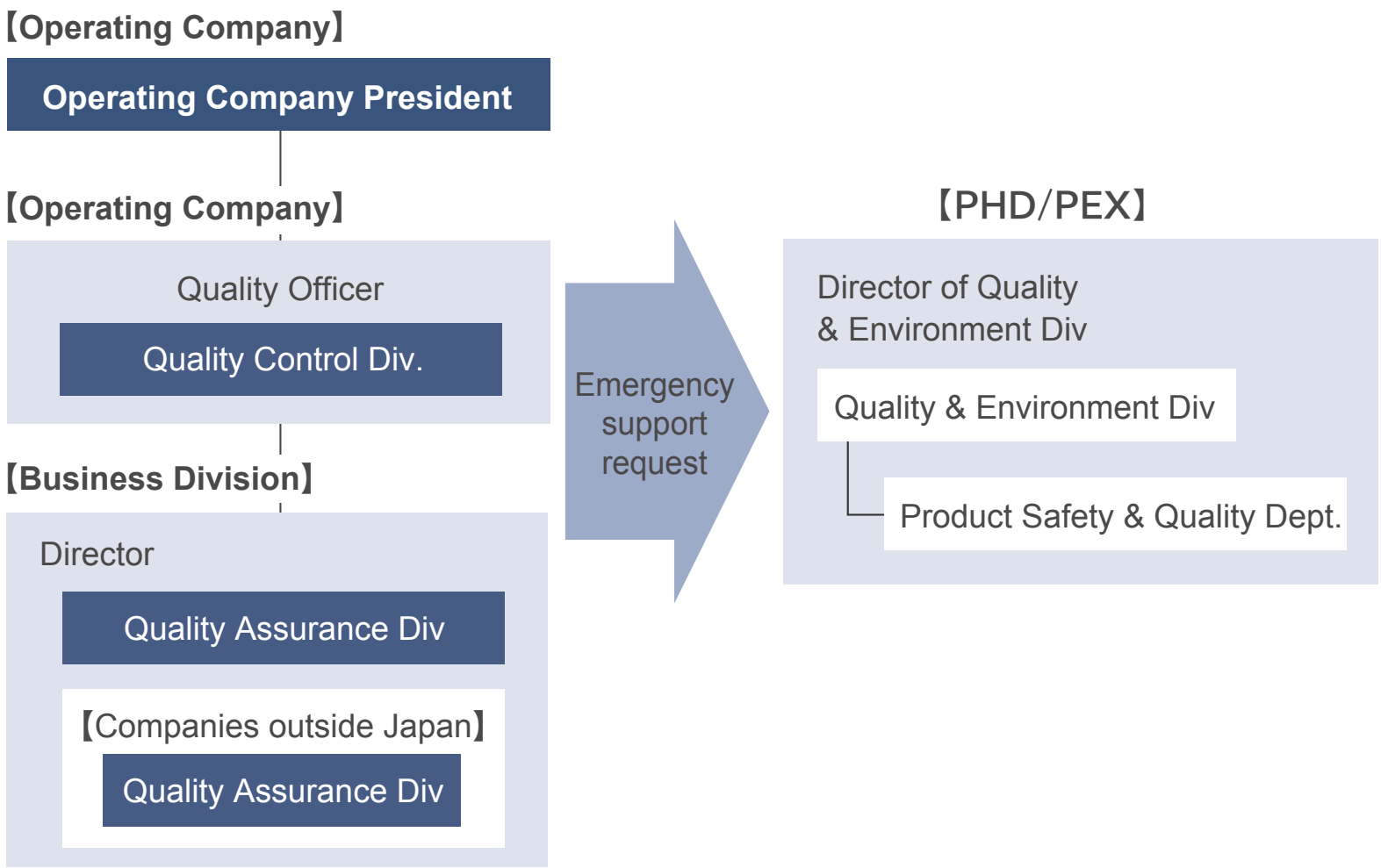
Per our Basic Management Philosophy, the Group considers always ensuring the safety of the products we manufacture and sell and delivering safety and security to our customers as essential management issues and social responsibility objectives. Based on the profound lessons learned from the accidents involving FF-type kerosene heaters, specifically, we apply our unique product safety standards to each product lifecycle phase (from planning and design to service and disposal) for every product to ensure its safety. We also use our Group intranet to share information related to the product safety of all Panasonic products in a timely manner to all employees, including persons in charge of quality and design at each operating company and business site. We also strive to fulfill our imperative of having zero product safety incidents.

[🔗 Important news about products \(for Japan\)](https://holdings.panasonic/jp/corporate/about/products-information.html)
<https://holdings.panasonic/jp/corporate/about/products-information.html>

Responsible Executive and Framework

The Panasonic Group has established a framework to continually strengthen its quality management foundation. As of August 2026, the executive in charge of quality is the Group Chief Technology Officer (Group CTO). Each operating company has appointed a quality manager and, as a basic approach, put in place a system that enables it to manage its business with independent responsibility and self-sufficiency, while Panasonic Holdings Corporation (“PHD”) and Panasonic Operational Excellence Co., Ltd. (“PEX”) have put in place a structure that enables the Group to respond swiftly and appropriately to critical risks. We are also expanding quality-related assets across the Group.

Quality Management Structure (as of August 2026)



Quality Policy Review Structure (Meetings and Committees)

The Panasonic Group reviews and discusses Groupwide quality improvement efforts and the state of product quality within the Group at its Chief Quality Officer (CQO) Meetings. Group CQO, CQOs from each operating company, and persons involved in relevant job functions such as quality and product regulations attend these meetings. Attendees discuss how we should handle quality over the medium and long terms, and they decide on initiatives meant to further strengthen the foundation of quality for the whole Group. The Group also holds the Quality

Committees— attended by the quality managers of each operating company—as a place for more practical discussions on quality policies and measures.

Quality Management System

To earn greater trust from the customers served by each business, the Panasonic Group has established quality management systems tailored to diverse business characteristics and is continuously improving their effectiveness. To establish self-sufficient quality assurance processes in each operating company and business site, the Group published its Product Quality Management System (P-QMS) Guidelines in 2004. These Guidelines supplement the requirements of the ISO 9001 standard with the Group’s own quality assurance methods and expertise to create a quality management system and have been updated to comply with ISO 9001-2015. Operating companies and business sites work to implement quality management systems uniquely tailored to their business characteristics with reference to these Guidelines. At various levels, they conduct regular quality assessments and quality audits to review the progress of quality management while also formulating corrective action plans for any discovered deficiencies, all in an effort to continuously improve quality.

To properly address our continually diversifying business areas, each operating company operates according to the P-QMS Guidelines and industry standards appropriate to its field, including household appliances, residential equipment, devices, B2B solutions, pharmaceuticals, services, and other fields.

In addition to quality audits at operating companies/ business sites, the PHD Audit Department and the Quality Department jointly conduct quality function audits against operating companies (including against specific products) for the purpose of strengthening periodic second-party audit perspectives on products. We evaluate various processes in the development and manufacture of products, and work to understand the effectiveness of our operating companies/business sites’ quality management systems. Furthermore, our operating companies and their business sites are strengthening the oversight of all processes such as development, manufacturing, and inspection by regularly undergoing third-party audits including those related to quality certifications such as ISO 9001 and IATF 16949, thereby enhancing customer trust.

Meanwhile, due to instances of irregularities for electronic materials products manufactured and sold by Panasonic Industry Co., Ltd., the international standards for quality management systems “ISO 9001” and “IATF 16949” of the affected business sites were revoked in March 2024 and May 2024 respectively. We have been working on improvements with the aim of obtaining recertification for both standards. Please refer to the “Ethics and Compliance” chapter (pages 107-113) for information on how the irregularities have been handled.

[An example site with ISO certifications by business unit](#)
Public website for official certifications of production sites of Panasonic Industry Corporation products.

<https://industrial.panasonic.com/ww/downloads/certifications>

Key Initiatives

The Panasonic Group is advancing initiatives across the entire product lifecycle—from product planning and design to post-shipment response—including obtaining certifications under international safety standards, product labeling, product security, and inclusive design, with the aim of strengthening competitiveness and enhancing corporate value.

Recent Safety and Security Certifications, Including International Safety Standards

IEC 62443-4-1 Certification

This is an international standard that specifies a secure product development lifecycle process for industrial control systems. In fiscal 2026, the Industrial Device Business Division of Panasonic Industry Co., Ltd. was recognized as compliant with this standard.

EN 18031-1 and EN 18031-2 Certification

These are standards that meet the cybersecurity requirements of the European Radio Equipment (RE) Directive, covering common security requirements for internet-connected wireless devices, as well as data protection and privacy requirements. In fiscal 2026, Panasonic Connect Co., Ltd.’s rugged tablets and PCs “TOUGHBOOK” were recognized as compliant with these standards.

JC-STAR ★1 Conformance Label

This is a Japanese labeling scheme for security technologies. Based on criteria established in alignment with related domestic and international standards, it makes conformance with security requirements for IoT products visible. Since the scheme was launched in March 2025, many Group products have been recognized as conformant, beginning with an air conditioner that was the first home appliance in the industry to obtain the label, and the Group is continuing to expand efforts to obtain the label for additional products.

[Innovation Platform Agency, Japan \(IPA\) website: “List of products acquired conformance labels”](#)

<https://www.ipa.go.jp/en/security/jc-star/list/jc-star-product-list/index.html>

NSF/ANSI/CAN 372 Certification

NSF/ANSI/CAN 372 is an standard for the safety of drinking water used in the United States, Canada, and internationally. This standard establishes criteria for lead content in drinking water supply fixtures. In fiscal 2025, the drinking water system components in Panasonic Heating & Ventilation A/C (HVAC) Company’s heat pump water heater were recognized as compliant with this standard.

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Internal Company Rules Concerning Product Labeling

Each operating company defines its own approach and requirements for product handling and operation, installation, and service, as appropriate for each product. Specifically, the design guidelines of warning labels and manuals (user/installation) specify how product safety warnings should be displayed, how legally required information on product recycling and disposal (including recycling laws) should be indicated, and what information should be provided to help customers use products and services safely, while taking care to prevent customer misuse.

Ensuring Product Security

As consumers conveniently use various products equipped with software and connected with networks, we must ensure product security to prevent harm from attacks initiated by malicious third parties who aim to leak or alter data or cause device malfunction. The Panasonic Group has established internal structures and rules, including a specialized department for Groupwide product security and guidelines for promoting security-conscious development. We ensure the security of our products by regularly reviewing the structure and rules in conjunction with our information security and production system security initiatives, so our customers have peace of mind when using our products.

Ongoing Information Collection

Product security issues and how to address them change on a daily basis. At the Panasonic Group, we collect the most up-to-date information on product security by joining various security focused organizations, e.g., FIRST*1, a forum to share information on security incidents, and attending various global conferences. This information is shared with any relevant divisions and used internally through initiatives to improve product security measures throughout the Group.

*1 Forum of Incident Response and Security Teams

Promoting Product Security from Development

During the development phase of a product, we consider what assets and functions need to be protected, as well as any potential attacks against them. Products are developed while minimizing these risks. In addition, security experts perform tests incorporating up-to-date attack methods on the product prior to shipment, to ensure that Panasonic products do not contain any “security vulnerabilities” from both a hardware and software standpoint.

Post-shipment Response

As part of the Group’s post-shipment monitoring of our products, we have a contact point to receive reports on vulnerabilities discovered in Panasonic products after shipment. When we receive information on vulnerabilities, we immediately verify whether they will impact Panasonic products. If we find that our products have security issues because of those vulnerabilities, we ensure product security through updates or similar means and take additional actions including establishing a check system to prevent the issue from recurring. We have systems in place that

allow the Product Security Center to monitor progress and provide support until the relevant business divisions complete their responses.

We also have systems in place that make it possible for the Group to take a more active role in obtaining information on vulnerabilities and acting on it (rather than waiting for vulnerabilities to be reported) by continually monitoring the latest threats that might affect our products after sale.

[!\[\]\(af6e851820e46c99c0575642c754894b_img.jpg\) Panasonic Product Security Incident Response Team](#)

<https://holdings.panasonic/global/corporate/product-security/psirt.html>

Promotion of Inclusive Design and Universal Design

Since its founding, the Panasonic Group has embraced “empathy-driven manufacturing” as part of its corporate DNA. Guided by this belief, we promote inclusive design and universal design to help create a society in which people of all backgrounds can use products and services safely and with peace of mind.

As society and lifestyles evolve and needs become more diverse, we focus on usability issues and potential risks that may previously have gone unnoticed, thereby helping to raise product quality levels and ensure product safety.

Groupwide Promotion Based on Internal Regulations

To advance these initiatives on a Groupwide and ongoing basis, we revised the Operational Rules for Universal Design, originally established in 2003, and renamed them the Operational Rules for Inclusive Design and Universal Design in February 2025. The revised rules clarify the action guidelines and requirements that must be met and have been rolled out across the Group as a framework for incorporating dialogue with diverse users and user verification into the development process.

Implementation and Co-Creation in the Development Process

From the planning stage of products and services, we engage in continuous dialogue with people who experience barriers in everyday life, gaining insights that deepen our understanding of the contexts and barriers people experience. In addition, internal Employee Resource Groups (ERGs), special subsidiary companies, and departments including legal, quality management, technology, and design work together to conduct verification while incorporating diverse perspectives.

One such outcome has been the development of an “Attachment Chip” that improves the operability of home appliances with flat control panels to better meet individual needs. In addition to improving ease of use, this also helps reduce potential risks such as unintended operation and malfunctions during use.

Contribution to Value Creation

Through these initiatives, we provide products and services that people of all backgrounds

can use safely and with peace of mind, while also creating new value. These efforts have also received international recognition, and we widely share the knowledge gained outside the Group through activities such as hosting visitors from Japan and overseas and speaking at international conferences. See “Awards and Recognition” on [page 88](#) for more details.

Going forward, through the continued practice of inclusive design and universal design, we will continue to advance our “empathy-driven manufacturing” and contribute to a sustainable society.

[🔗](#) **Panasonic Inclusive Design**

<https://holdings.panasonic/global/corporate/inclusivedesign.html>

[🔗](#) **Panasonic Universal Design**

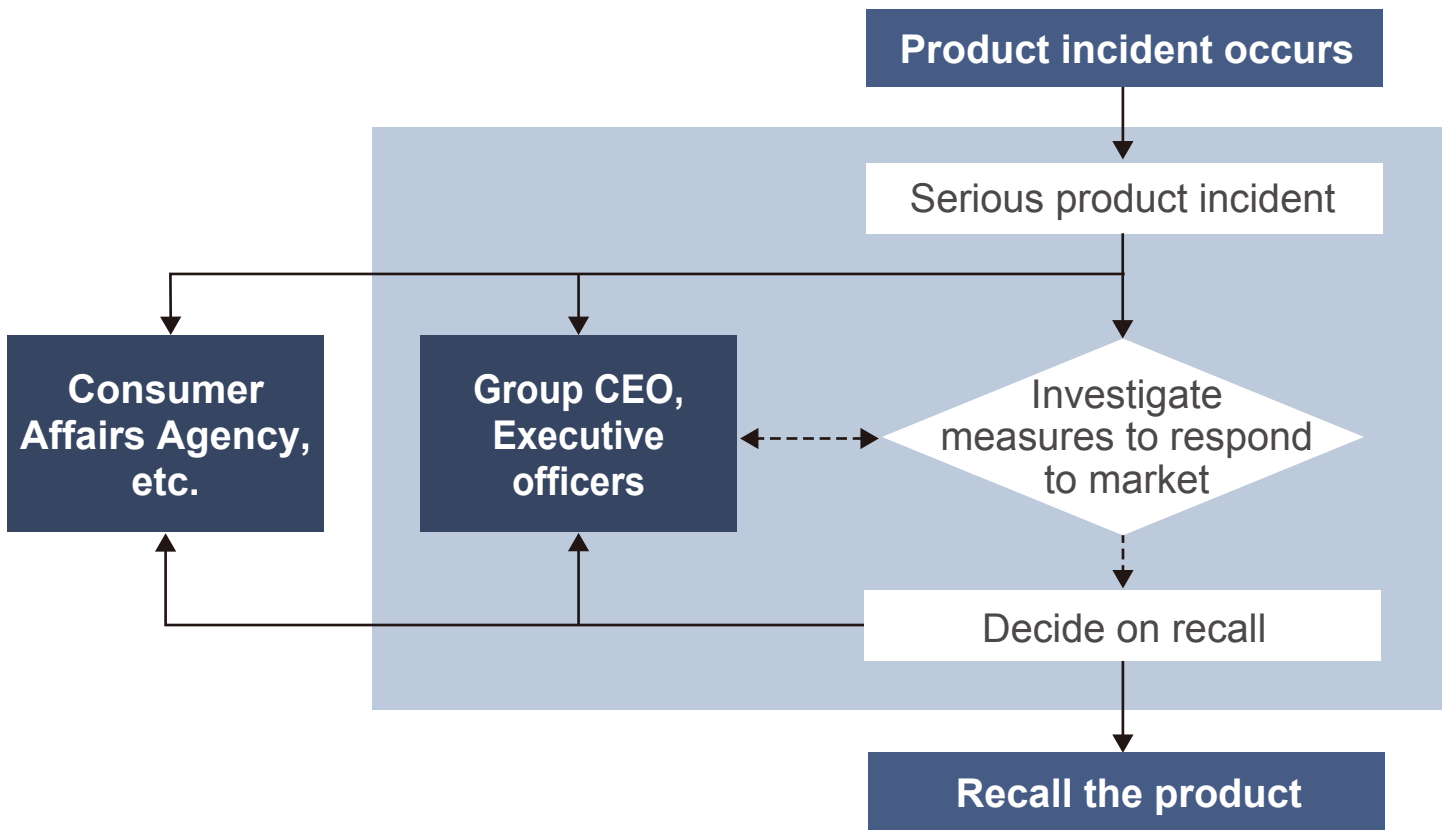
<https://holdings.panasonic/global/corporate/universal-design.html>

Major Incidents and Responses

■ Responding to Product-Related Incidents

We are continuously strengthening our capability to respond to product-related incidents and working to sustain and enhance our corporate value by ensuring customers’ safety and maintaining their trust. In the event that a product-related incident occurs, we immediately confirm the facts related to the incident, and analyze and verify its causes. If the incident is deemed to be serious, operating companies and business sites as well as PHD/PEX work together to take appropriate measures to ensure customers’ safety. Specifically, the Group’s first response is to notify relevant government bodies such as the Consumer Affairs Agency, as well as the operating company President, Group CEO and senior management, who then consider the response policies. In addition, based on incidents that have occurred in the past, operating companies prepare manuals detailing responses to product failures, safety test documentation, etc., and put these into practice in new product development, specification changes, etc. to prevent incidents’ recurrence.

Product Incident Response Flowchart



■ Serious Product Incident Information

In Japan, the Panasonic Group publicly reports serious product incidents*², including incidents suspected of being caused by products*³, and incidents for which it has been determined that it is unclear whether a product was the cause*⁴, based on the Consumer Product Safety Act and the Group’s Basic Policy Regarding the Voluntary Action Plan for Product Safety.

*² “Serious product incidents” refers to the following incidents specified in the Consumer Product Safety Act:

- Incidents resulting in death;
- Incidents resulting in serious injury or illness (injury or illness requiring at least 30 days of treatment), or incidents resulting in physical impediment;
- Carbon monoxide poisoning;
- Fires (confirmed as such by firefighting authorities).

*³ Any of the following:

- Incidents relating to gas devices or kerosene devices (including incidents in which it has yet to be determined whether the product was the cause);
- Incidents relating to products other than gas or kerosene devices for which it is suspected that the product was the cause.

*⁴ Among serious product incidents, incidents for which the Product Safety Group of the Consumer Economic Affairs Council of the Ministry of Economy, Trade and Industry, Japan, has determined that it remains unclear whether a product was the cause.

[🔗](#) **List of Information Concerning Serious Product Incidents (Japanese only)**

<https://holdings.panasonic/jp/corporate/about/products-information/psc.html>

Outside of Japan, the Group also identifies and discloses information on product incidents based on the laws and guidelines of each country.

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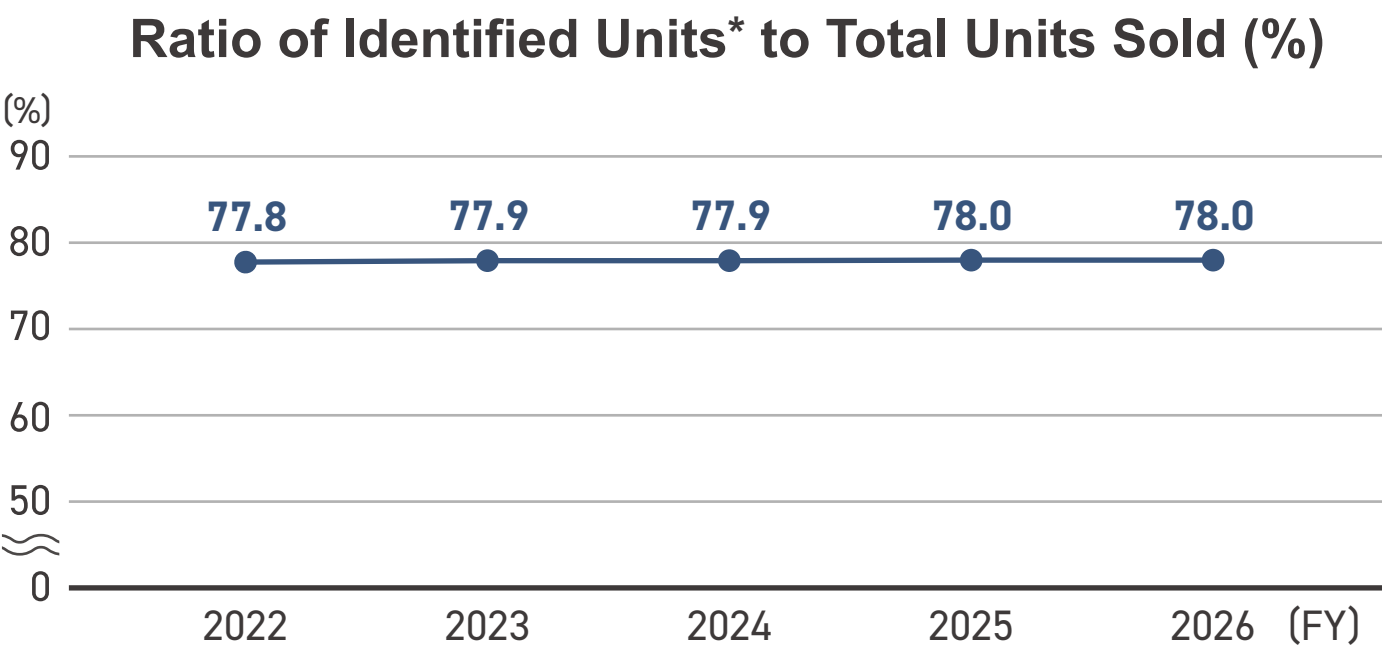
Social Data

Progress in Response to Accidents Related to FF-Type Kerosene Heaters

It has been 21 years since we undertook emergency Groupwide market measures as a result of product safety accidents involving FF-type kerosene heaters in 2005. We continue to work, led by the Corporate FF Customer Support & Management Division, to prevent any new incidents.

Although our search activities to identify products subject to recall had focused mainly on the Tohoku region and Nagano Prefecture, in fiscal 2026 we expanded them to the Hokuriku region, where we conducted door-to-door surveys of the intake and exhaust ducts of target products and distributed leaflets to notify customers about the recall. We also continued to use the IT tools introduced in fiscal 2025 and promoted operations that lead to new discoveries. In addition, we are making every effort to recover products even from customers whose units have already been inspected and repaired, while continuing outreach activities to ensure that the recall reaches all customers.

In fiscal 2026, we added 64 units to our list of products discovered or confirmed to have been discarded. In total, 118,706 units have been recorded, representing 78% of the units sold as of March 31, 2026. Some customers have continued to use the products without realizing they were recalled, which means that a significant risk still remains. We will continue our search efforts.



* Identified units: This figure includes the number of units recalled, the number of units in use after examination and repair, and the number of units we have confirmed that customers have discarded.

Training

Across the Panasonic Group, we are promoting initiatives to foster a culture of quality and strengthen our human capital, from senior management to frontline employees. The Group conducts training every year for all quality managers at each operating company and business site, with the aim of training key quality personnel to promote quality management innovation.

In particular, the Group regularly holds a Business Division Director Quality and Environment Workshop for business managers responsible for the quality management systems in their respective divisions, as well as other activities geared toward learning about results-driven, quality-based management, including guest lectures and training through case studies. In addition to training for specific employee ranks, we are promoting awareness of Groupwide quality improvement through ongoing quality training for quality function employees during the first three years after joining the company, as well as customized training specific to products and businesses. To spread a corporate culture that places the highest priority on product safety throughout the Group, we offer e-Learning programs such as “Fundamentals of Product Safety.” The Product Safety Forum, an event that provides a venue for thinking about product safety using examples from the Group and elsewhere, was held once in fiscal 2026, marking its 86th event in total. In addition, each operating company conducts Quality Control (QC) Activities through which employees learn problem-solving methods used in the workplace, as part of efforts to strengthen quality on the production floor.

The Group has also established a Product Safety Learning Square at the Team & Talent Development Center in Hirakata, Osaka, with the aim of conveying lessons based on actual business sites and actual products, and of providing instruction to enhance product safety-related skills. The Product Safety Learning Square offers an opportunity to see actual products that were recalled in the past—such as those recalled after the FF-type kerosene heater accidents—as well as other information on the causes of their problems, the steps taken during the recall, and the measures taken to prevent the critical unsafe phenomena (including tracking or strength degradation). The Virtual Product Safety Learning Square also provides an online exhibition that can be viewed freely online. The Product Safety Lab recreates an actual space that was filmed in 360 degrees to allow viewers to move around that space freely, and even read information panels or watch views by simply clicking on an icon. We also conduct educational activities for employees in distant locations and outside Japan by expanding our reach.

We also pass down the lessons learned from customer safety incidents, especially those involving FF-type kerosene heater accidents, through lectures given in various training programs and educational materials posted at the aforementioned Hirakata Product Safety Learning Square, the Kusatsu Product Safety Museum, the Nara Learning Center, and the Mobile Learning Center. We strive to foster a Panasonic Group culture that prioritizes product safety. As we mark the 20th year since the accidents, we have updated the exhibitions in Hirakata and Nara in fiscal 2026 to raise awareness of what happened and to demonstrate our top management’s commitment to quality, as well as promote behavioral changes aligned with our “customer comes first” philosophy. A new Quality Compliance Zone has also been established in Hirakata.



Product Safety Learning Square

Awards and Recognition

■ Product Safety Awards

The awards program was established by the Ministry of Economy, Trade and Industry in 2007.

The program aims to encourage companies to take a more active role in improving product safety and to firmly embed a “product safety culture” that recognizes product safety as a crucial value in both business activities and consumers’ daily lives. In this way, it contributes to the sustainable improvement of product safety and to the realization of a safe and secure society.

- FY2023 METI Minister’s Award, Large Manufacturer and Importer Category: Laundry and Cleaner Division, Living Appliance and Solutions Company, Panasonic Corporation (Japanese only)

https://www.meti.go.jp/product_safety/ps-award/3-consumer/r4_award.html#anc-2-1

■ IAUD International Design Award

Established by the International Association for Universal Design, the awards program recognizes groups and individuals that have undertaken or proposed especially noteworthy activities aimed at creating a UD society in which everyone can live comfortably. Various products and initiatives of former Panasonic Corporation received the IAUD Gold Award for seven consecutive years through 2018, in addition to more recent recognitions listed below:

- FY2021
Panasonic LED Torch Light, Silver Award, Innovation for Everyday Use and Emergency Situations
First Shaving Series, Bronze Award, Product Design
- FY2022
Panasonic IC Card Reader with Facial Recognition, Gold Award, Healthcare and Welfare Design
Emergency Broadcasting Equipment, Silver Award, Security and Public Safety
- FY2025
Panasonic’s Inclusive Design, Grand Award (Business Strategy Category)
- FY2026
“Attachment Chip”, Gold Award, Product Design

■ Zero Project Award

Established in 2008 by the Essl Foundation in Austria, Zero Project works to realize a barrier-free world based on the United Nations Convention on the Rights of Persons with Disabilities. As part of these efforts, the Zero Project Award recognizes innovative initiatives from around the world. The Panasonic Group’s Inclusive Design was selected for the award from among 586 entries from 93 countries.

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Improving Customer Satisfaction

Since its founding, the Panasonic Group has sought to contribute to society through its products and services, always prioritizing the customer’s needs above all else. The Group aims to enhance customer service (CS) and offers products, solutions, and services that enrich the lives of people worldwide. When providing CS, the Group strives for sincerity, accuracy, and speed, and it acts with humility and appreciation. This finds its basis in the CS principle of “true service” that the Group’s founder described. Our fundamental stance is thus to provide customers with trust, peace of mind, and satisfaction.

Service Philosophy (True Service)

The customer’s satisfaction is our satisfaction.

True service resides in mutual satisfaction.

Service is an integral part of any business. A business that does not provide service is no business at all.
Service, therefore, is the duty and obligation of any business person. But there’s nothing more aggravating than service provided only out of a sense of duty.
Customers can sense it.
Service means satisfying customers, and when we satisfy our customers, we in turn find satisfaction in a job well done. Satisfied customers and satisfied employees: This is what constitutes true service.

Konosuke Matsushita
August 1967 issue of PHP Magazine

Policy

We have established a set of Operational Rules for Response to Customers (compliant with ISO 10002 and JIS Q 10002) to provide guidelines to group companies in Japan for responding to inquiries and complaints from customers. We have also stipulated the following provisions as part of our Operational Rules for Response to Customers:

- We strive to deliver the utmost satisfaction to all customers;
- We approach our customers and utilize their opinions in our management decisions

Following the above rules and policies, each business site in Japan has established a Management System for Response to Customers as a mechanism for utilizing information received from customers in its management approach. These sites conduct periodic self-audits

and make other efforts to improve the quality of customer relations. Outside Japan we have also implemented ISO-compliant management systems based on the Operational Rules for Response to Customers and tailored to the legal system in each country or region.

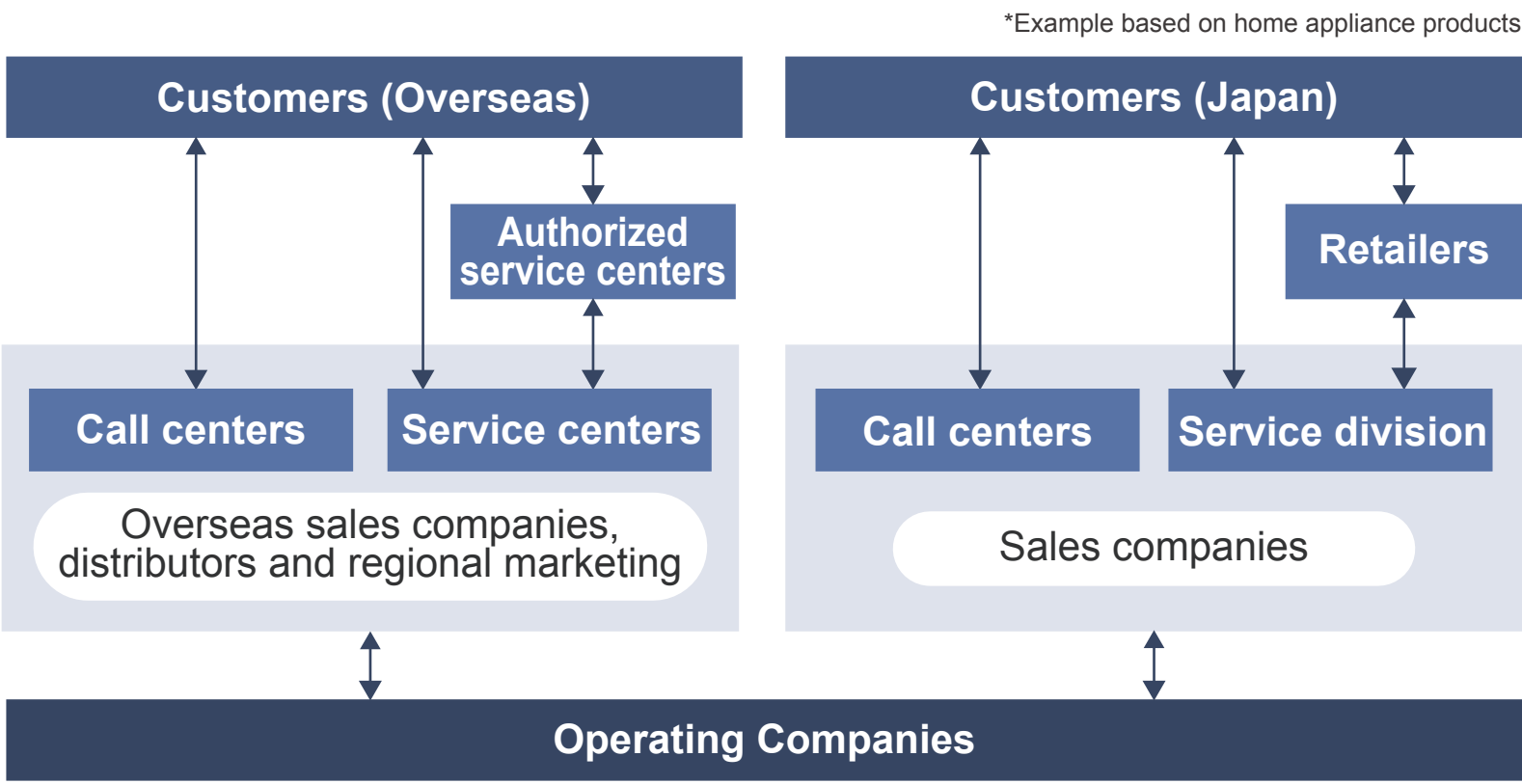
Responsible Executive and Framework

The Group Chief Technology Officer (Group CTO) is the Executive Officer responsible for the CS of the Group (as of August 2026).

The CS departments at each of the 7 operating companies cooperate to implement the Group’s customer satisfaction initiatives. Outside Japan, the CS departments of the Panasonic Group’s sales companies around the world collect local information concerning services and quality, as well as customer requests and so forth. This information is used to ensure the quality and safety of products and to help develop products that match the needs of customers in each department.

CS staff in Japan and abroad share the knowledge and experience that they have accumulated to endeavor to provide better customer service around the world.

Customer Relations Structure (as of August 2026)



Customer Inquiry Response System

In Japan, we deal with inquiries from customers before they purchase products as well as with their concerns about how to use them after purchase through the Customer Care Center. The Customer Care Center is open from 9:00 am to 6:00 pm, Monday through Saturday, excluding Sundays, national holidays, and the first three days of the New Year. There are separate phone

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numbers for each product. Customers rarely spend a long time on hold; the Customer Care Center is organized to provide accurate and rapid service.

We aim to continuously understand actual circumstances, issues, frustrations, and expectations of customers (consumers) by leveraging a wide range of customer touchpoints. These include not only analog touchpoints such as telephone calls, but also direct digital touchpoints with the Panasonic Group, such as email, websites, FAQs, and social media, as well as indirect digital touchpoints through search AI (generative AI).

For example, when customers make inquiries on the Panasonic website by typing in a question, the site displays multiple relevant FAQs. Thus, the company strives to provide quick responses to questions. Regarding the content of its FAQ pages, the company analyzes the search keywords that bring customers to FAQs, as well as the number of times that the questions are viewed, to increase the precision of the FAQs, so that the information that customers require is accurate and displayed quickly. At the same time, we have introduced an AI-powered voice bot and are working to provide support 24 hours a day, 365 days a year. The company has also been undertaking initiatives to utilize Facebook, X, Instagram and other social media platforms to post various types of helpful information in a timely manner, such as when the seasons change, and to entice customers to visit relevant FAQ pages using LINE’s autoreply service. Because these FAQs are organized so that customer’s problems can be solved without the customer needing to contact the Customer Care Center, the number of inquiries at the center is trending downward. The Panasonic Group’s sales companies and sales agencies operate call centers in each country/region outside of Japan as well, handling all types of inquiries as well as intake for repairs. The website for each country also includes FAQs, and we are working on building ways to allow customers to resolve their own issues as they are able to in Japan.

Repair Service Organization

The CS Company (repairs and spare parts department) of Panasonic Marketing Japan Co., Ltd. is in charge of repair services for consumer electronics products in Japan. Panasonic Techno Service Co. is in charge of housing facility products. These service companies constitute a network across Japan and employ full-time customer engineers who have close ties to their local regions as well as advanced technical skills and experience. The network provides swift and reliable on-site repair services in response to customer requests. The repair services system is organized such that repair requests are received 24 hours per day, 365 days per year; the Panasonic Group makes particular efforts to provide repair services as quickly as possible for products that are everyday necessities.

- Number of Service Locations of the CS Company, Panasonic Marketing Japan Co., Ltd. and affiliates:
99 locations throughout Japan (as of April 2026)
- Number of Service Locations of Panasonic Techno Service Co., Ltd.:
37 locations (as of April 2026)

Initiatives for Improving Repair Service Contact Point

For household appliance repairs in Japan, we have made arrangements for receiving requests via websites and for courier services to pick up customers’ products before repair and to deliver the repaired products when they are ready with the goal of making it more convenient for customers requesting repairs.

Customers can obtain a diagnosis from our website before requesting repairs, allowing them to confidently use our online repair services. To receive a diagnosis, customers enter their product numbers and select the appropriate symptoms, and the system provides useful troubleshooting approaches to solving their problems. If the system determines that repairs are necessary or the issue remains unresolved, customers can review the estimated repair costs and proceed directly with a repair request.

Global Repair Service Centers

For customers outside Japan, the Panasonic Group’s sales companies, call centers and service centers operated by distributors, and call centers and certified service providers commissioned by sales companies or distributors offer repair services meeting local needs and business practices. We have been strengthening our initiatives in each country toward improving experiential value through the repair services and responses to inquiries we offer our customers. We are also working to communicate with customers on social media.

We are striving to improve and provide better service by using questionnaires to get customers’ opinions about our response. As measures to contribute to environmental protection in the after-sales field in response to recently heightened environmental awareness, we are focusing on reducing waste through recycling together with cutting down on on-site repairs by providing a more comprehensive FAQ and remote diagnosis. Moreover, we are establishing a system to provide information and other services to our customers in line with the “right to repair” legislation that is being enacted mainly in Europe and the United States.

*1 Japan: CS Company, Panasonic Marketing Japan Co., Ltd. and affiliates, Panasonic Techno Service Co.

CS System for Enterprise Business

Electrical Equipment and Appliances

Through our business customer inquiry desk for lighting fixtures, information systems, electrical facility materials, and energy-related products such as solar power generation and power storage facilities, we accept inquiries from our business partners regarding construction, installation,

Number of Repair Service Centers (FY2027)

Region	Number of Repair Service Centers
Japan*1	136
North America	389
Latin America	600
Europe & CIS	1,031
Southeast Asia & Pacific	1,593
India, South Asia, Middle East & Africa	686
China & Northeast Asia	3,024

and setup from 9:00 a.m. to 6:00 p.m., Monday through Saturday, excluding Sundays, national holidays, and the first three days of the New Year, while maintaining a system that enables rapid response.

Commercial Equipment

In the area of commercial equipment—which includes video, security, information communications, and commercial air conditioning equipment—the Panasonic Group’s sales companies in each field provide unified support at every stage, from proposals for devices and systems to their design, construction, customer inquiries, and repair services. By providing total solutions that meet its customers’ needs, the Group strives to improve its CS.

Commercial Solutions

The Panasonic Group sales division in charge of commercial solutions, our sales companies and sales partners of our products understand the diverse needs of individual customers and provide total solutions that optimize operations and improve productivity at our customers’ sites, including everything from system implementation to sales, construction, maintenance, repairs, operations services, and cloud services. These solutions support customers in the implementation of their product strategies and the improvement of their operations. Through its CS-related activities, the Company uses its points of contact with its customers—including support desks, repair services, and maintenance—to build trusting relationships. The Group has created a responsive system that provides quick, continuous support to its customers when they experience difficulties.

Reflecting Voices of Customers in the Products and Services (VOC Activities)

The Panasonic Group leverages AI and text-mining tools to analyze the Voice of Customer (VOC), enabling it to promptly identify overall trends and valuable insights, which are then used to improve business activities.

The voices of customers are heard via the opinions received through the Customer Care Center and The Panasonic Group’s sales persons and partners, showrooms, and service companies. We use the results of these analyses for product development, functionality, quality, updates to instruction manuals and catalogs, and improvement of sales activities through a collaboration between product planning, design, technology, and quality control departments on one hand, and their marketing and sales departments on the other. The Group considers those VOC activities to be practical implementations of its Basic Business Philosophy, which aims to improve customer satisfaction. The company encourages all employees to engage with the voices of the company’s customers throughout various aspects of their work.

STEP1

Respond to customer inquiries and issues

Our Customer Care Center responds to the inquiries and issues brought up in telephone calls and letters received from customers on a daily basis. Marketing divisions also receive opinions from customers through sales people and partners.

STEP2

Analyze the customer’s opinion

Customer opinions are recorded, entered into a database, and analyzed every day.

STEP3

Identify areas in need of improvement based on customer opinions

Customer opinions are analyzed to identify the root of the problem, such as how easy it is to use a product or understand a user manual, and raised as possible areas in need of improvement.

STEP4

Learning from our customers’ opinions to improve products, user manuals, etc.

Meetings are held in divisions in charge of product development and user manuals to discuss issues that have been raised and look for ways to improve products and services.

In Japan, we also use Net Promoter Score (NPS) surveys as an indicator of customer service satisfaction and use the results to continuously improve the customer experience.

Outside Japan, we use NPS surveys and post-repair questionnaires to assess customer touchpoints, such as authorized service centers and service engineers, and leverage the results to enhance customer service.

Response to the Act for Eliminating Discrimination against Persons with Disabilities

Based on the revised Act for Eliminating Discrimination against Persons with Disabilities, which came into effect on April 1, 2024 and made it mandatory for businesses to provide reasonable accommodation, the Panasonic Group is working to provide appropriate accommodation for people with disabilities. When a request is made by a person with a disability, we engage in careful dialogue tailored to the individual circumstances and consider what support can reasonably be provided and put it into practice.

Co-creating with Diverse Customers: Promoting Inclusive Design

As society and lifestyles become more diverse and we are increasingly expected to address issues that have not previously received attention, we are promoting inclusive design—an approach that brings us into ongoing dialogue with people with diverse lived experiences, enables us to learn from voices that have often gone unheard, and enables us to work together to find solutions.

Since its founding, the Panasonic Group has embraced “empathy-driven manufacturing” as part of its corporate DNA. Building on this foundation, we revised our internal rules in February 2025, looking ahead to the future and evolving our initiatives in step with an increasingly diverse society. Originally established in 2003 as the Operational Rules for Universal Design, they were renamed the Operational Rules for Inclusive Design and Universal Design. These rules define the mission and vision of inclusive design, five action guidelines, and achievement requirements, and are being promoted groupwide. For more details, see “Promotion of Inclusive Design and Universal Design” in the chapter “Raising Product Quality Levels and Ensuring Product Safety” (pages 85-86).

Panasonic Inclusive Design

<https://holdings.panasonic/global/corporate/inclusivedesign.html>

Customer Month Initiatives

In Japan, we believe it will become ever more important to provide meaningful value to customers. With this in mind, we designate May each year as Customer Month, in line with Consumer Month, which is designated by the Japanese government, and carry out related initiatives throughout the month. Each operating company undertakes initiatives such as disseminating top messages and creating Customer Month posters to ensure that all employees fully understand the significance of Customer Month, raise individual awareness, and encourage behavioral change. The aim is to put into practice the principle of “Customer Focus”.

*2 Consumer Month

Japan’s Consumer Protection Fundamental Act (predecessor to the Consumer Basic Act) was enacted in May 1968. On the 20th anniversary of the creation of this law in 1988, May was designated Consumer Month. Every year during this month, consumers, businesses, and government agencies come together to participate in focused work on education and awareness raising concerning consumer issues.



Panasonic Corporation
Fiscal 2027 Customer Month Poster

Addressing Social Issues by Raising Awareness

As part of our ESG efforts toward addressing the pressing social issues of countering global warming and promoting carbon-free solutions, we have partnered with local governments, corporations, and companies to provide courses for local communities in Japan, mainly on environmental education.

Our goal is to help participants understand what they can do as members of their communities and raise awareness that drives action on themes that are highly socially relevant and interesting to consumers, such as the environment and energy issues. Recently, we have noticed a marked uptick in the frequency of parent-child study sessions, in which lecturers incorporate complex

topics into everyday life situations, and participants learn about energy conservation, using energy from natural sources, and other familiar issues in a fun and easy-to-understand manner. We also actively participate in government-hosted environmental events as part of our broader engagement in promoting education and raising awareness.

To remain a company trusted by society, we engage in public affairs and external relations activities that place emphasis on constructive dialogue with government agencies, industry associations, and related organizations. Through these activities, we accurately monitor social developments and policy trends, contribute to the realization of a sustainable society through our business activities, and thereby enhance corporate value over the medium to long term.

Our primary initiatives include exchanging views and gathering information with relevant ministries and agencies, local governments, and industry associations in order to understand developments in legal systems and societal demands and reflect them in our business strategies and initiatives. We also reflect regulatory developments related to consumer protection, product safety, labeling, and advertising in our customer satisfaction activities and quality and safety initiatives, thereby helping to ensure our customers’ trust and peace of mind. In addition, through participation in the activities of industry associations, we are also engaged in consumer education.

Useful Information on Household Appliances (Japanese only)

<https://panasonic.jp/support/useful.html>

The Group’s domestic Japanese-language site provides information to customers, including basic knowledge about electricity, laws and regulations concerning home appliances and their disposal (recycling), along with precautions related to protecting home appliances from disasters including warnings on what to do during natural disasters.

Using home appliance products safely (Japanese only)

https://jpn.faq.panasonic.com/app/answers/detail/a_id/62005

The Panasonic Group provides information to give our customers a better understanding of safety, from how to correctly use their household appliances for safety and product longevity, illustrated using practical and realistic examples.

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Responsible Advertising and Promotional Activities

Corporate advertising and promotional activities help increase awareness of brands, products and services throughout society. However, there is a risk that such content may have a negative impact on general consumers due to expressions and images that lack diversity and are insensitive to impressionable children. Furthermore, with the development of social media, such effects are likely to spread globally, not only in the country or region where the advertising or promotional campaign activities are carried out. Therefore, companies must maintain high standards of ethics and social responsibility in their communications.

We continue to follow the idea of our founder, Konosuke Matsushita, that "if manufacturers make good products, they have an obligation to communicate that quickly, widely, and accurately to their customers, and that is what advertising does." Furthermore, we recognize the significant social responsibility of disseminating information not only about our products, but also the comprehensive scope of our activities as a corporation. Our efforts to achieve this are informed by the same kind of thinking. The following basic guidelines are based on the philosophy of our founder and reflect our attitude and approach to the day-to-day creation of advertising content (e.g. creating TV commercials, newspaper ads, and digital ads).

- In the context of our business activities, advertising and promotional activities fulfil an important social mission.
- This is an activity that effectively communicates the core values and principles that define our company.
- It is vital that facts are presented truthfully and in a manner that is easily comprehensible to our customers.
- We do not cause any discomfort or annoyance.
- Always use a creative and innovative approach.
- Approach our work with a high level of insight, competence and passion.

Policy

Providing accurate and honest information and communications to customers and society is fundamental to earning their trust and is essential to protecting and enhancing brand value. Based on this recognition, the Panasonic Group has established the following guidelines for communications with society in its Panasonic Group Code of Ethics & Compliance.

- We are committed to enhancing our brand value by communicating fair and accurate information to society. This includes sharing our Basic Business Philosophy, products, services, and technologies through various corporate communication activities, such as public relations, advertising, and promotional activities. Concurrently, we continuously listen to the voices of customers and society, receive their feedback with humility, and reflect it

appropriately in our business activities.

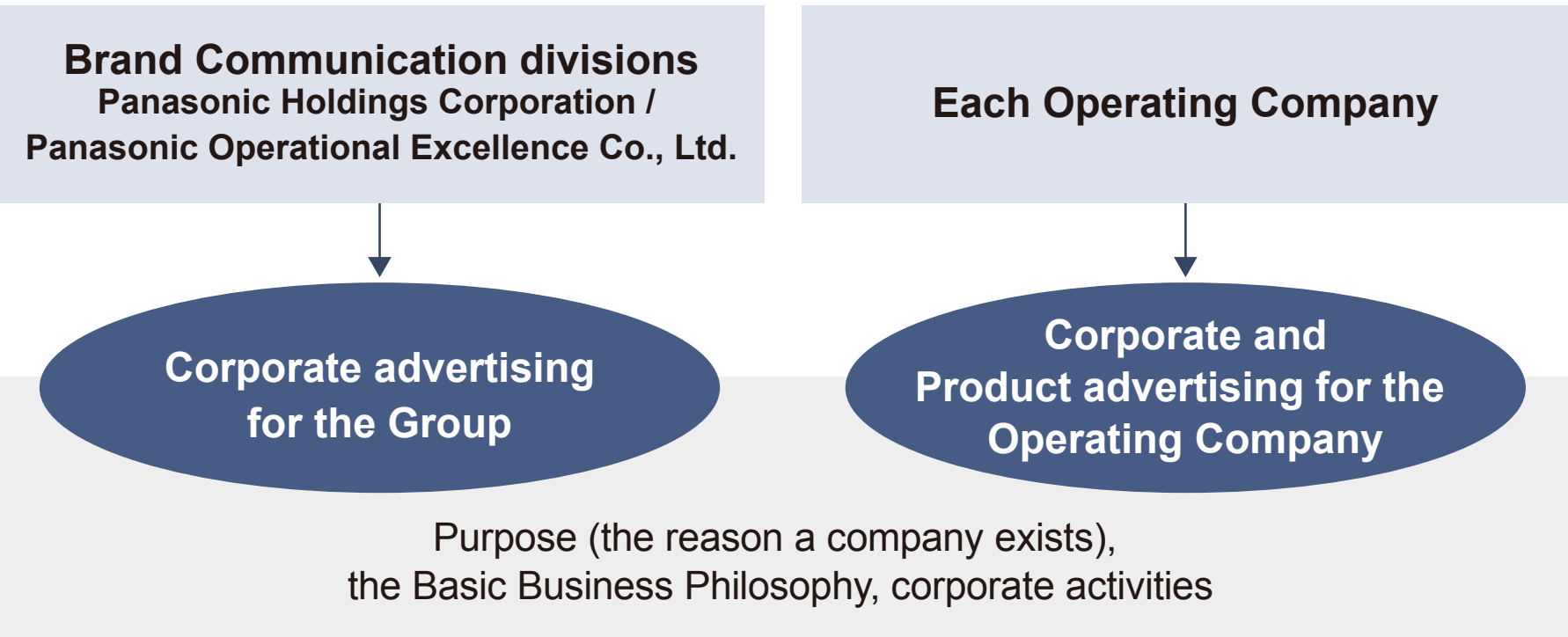
- We respect diversity and conduct all corporate communication activities based on factual and accurate representation. We do not engage in or endorse any expression that could lead to discrimination, defame others, or undermine the dignity of individuals.

We have also established various sets of rules and guidelines, including the Panasonic Group Basic Rules for Brand Matters, Operational Rules for Digital Media, Panasonic Group Social Media Guidelines, Basic Rules for Intellectual Property Matters, and Operational Rules on Information Security. Our policies and guidelines require the Group to respect the intellectual property, identities and privacy of third parties when carrying out our corporate communications activities.

Responsible Executive and Framework

Advertising and promotional activities are handled by the Group Chief Creative Officer (CCO) (as of April 2026).

The brand communication divisions of Panasonic Holdings Corporation and Panasonic Operational Excellence Co., Ltd. are responsible for corporate communications for the entire Panasonic Group. Meanwhile, each operating company is responsible for its own corporate communication and product advertising activities. These functions collaborate work closely together across the Group.



Promoting Fair and Honest Advertising and Promotional Activities

We have established mechanisms that enable us to verify all the advertising and promotional activities we produce against the relevant laws and industry regulations in each global region. This helps us to avoid misunderstandings or misconceptions on the part of our customers. For instance, in Japan, we specialize in training and deploying personnel with expertise in the creation of advertising content, and we also ensure that our personnel accrue experience and expertise in expression and risk avoidance. Furthermore, we screen risks with production partners, review expressions with media and advertising agencies, and conduct preliminary studies. We comply with the Act against Unjustifiable Premiums and Misleading Representations and other legal regulations concerning advertising. This includes various self-imposed media guidelines that companies use to evaluate their advertisements, such as the Japan Advertisers Association Inc.'s ethics code. We also seek review from the Legal Department as necessary. We also avoid using expressions or performances that could potentially hinder children's sound learning and growth. When employing child actors in advertisements, we comply with all the relevant laws and regulations.

To ensure compliance is maintained, OJT will continue to be conducted on a day-to-day basis. Special training sessions will also be held for major revisions to relevant laws, ensuring that those responsible are fully informed. We will also continue to participate in training and seminars conducted by outside organizations and seek consultations with outside experts when necessary.

Furthermore, we aim to address the recent concern regarding the prevention of fraudulent advertisements on websites and social media. In Japan, we have established a system that will facilitate early detection and response to fraudulent advertisements through continuous monitoring. This system aims to prevent harm from crime by quickly detecting fraudulent advertisements impersonating our company and websites that publish them. It also works to prevent the spread of false information and related comments. We are collaborating with industry associations and relevant government agencies, media companies, as well as the relevant departments within the Group, including Legal, Intellectual Property, Information Systems, and Brand departments, in a joint effort to address these issues.

Anti-Counterfeit Activities

The problem of counterfeit products manufactured and sold through the unauthorized use of trademarks continues to grow. As a result, some of our brands have also become targets of counterfeiters, and there have been cases where customers unknowingly purchased such products. To address this issue, we provide information to consumers in China, other parts of Asia, and Japan, through websites and social media regarding the existence and risks of counterfeit electrical products, as well as tips for identifying genuine products. For more

information, please refer to “Anti-Counterfeit Activities” section in the “Intellectual Property” chapter ([page 97](#)).

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Intellectual Property

The Panasonic Group (the “Group”) strives to appropriately acquire, protect, and utilize intellectual property in technologies, know-how, designs, brands, and other achievements obtained through its research and development (R&D) and other business activities.

By implementing the Group’s intellectual property in various ways, including through commercialization efforts within the Group and co-creation with other companies, while also continuing to respect the intellectual property of third parties in the Group’s business activities, the Group aims to simultaneously achieve business growth and contribute to solving social issues.

Policy

Based on the spirit and policy of “IP (intellectual property) comes before business” since its founding, the Group has been promoting intellectual property activities aimed at ensuring the competitive advantage and safety of its business both now and in the future and helping to address ongoing social issues, including implementing IP-driven business strategies; acquiring, protecting, and utilizing global intellectual property; and preventing and resolving disputes related to intellectual property.

To consistently achieve these goals, the Group has established its “Basic Rules for Intellectual Property Matters” that apply to the entire Group. We are continually working to appropriately pursue our intellectual property activities and establish a foundation for our ongoing initiatives. In addition, we continue to respect the intellectual property of our suppliers, business partners, and other third parties and do our best not to infringe upon them. This is also stipulated in the “Panasonic Group Code of Ethics & Compliance,” and we provide regular education to ensure that all employees comply with this Code.

Responsible Executive and Framework

The Group Chief Technology Officer is the executive officer responsible for intellectual property for the Group (as of August 2026).

The Corporate Intellectual Property Division at the Group’s holding company, Panasonic Holdings Corporation (PHD), is in charge of establishing and promoting the Group’s intellectual property strategies. We have also established an intellectual property department within each operating company, and each intellectual property department establishes and promotes the intellectual property strategy of each operating company. PHD’s Corporate Intellectual Property Division and the intellectual property department of each operating company work together to promote intellectual property strategies, thereby creating group synergy.

In addition, the Intellectual Property Department at Panasonic Operational Excellence Corporation ("PEX"), which has highly specialized personnel, and Panasonic IP Management Corporation ("PIPM"), a subsidiary of PEX, are advancing a wide range of intellectual property operations on a global basis.

PIPM was established as a wholly owned subsidiary of PEX to integrate and commercialize the Group's intellectual property operations and is advancing such operations by utilizing the "Trusts among Persons Belonging to Same Group of Companies" approach as stipulated in Article 51 of the Trust Business Act.

Group Intellectual Property Strategy

■ Intellectual Property Strategy Framework

The Group has formulated an Intellectual Property Strategy Framework through discussions with its Board of Directors (see the figure below). This framework shows our intellectual property (IP) strategies and activities conducted from the perspectives of "customers," "competitors," and "society" based on our materiality. We anticipate that these strategies and activities will contribute to "business advantages" and "business safety" as well as "social implementation through co-creation with intellectual property as a starting point” and thereby contribute to solving social issues and ultimately lead to the vision the Group seeks to achieve.

These strategies and activities are embodied in the framework based on each aspect of intellectual property: "rights," "assets," and "information."

For example, from a "customer" perspective, the Group’s strategies and activities such as planning and implementation of "co-creation and open & closed strategies" and "IP portfolio (PF) building of core technologies", will lead to output in the form of "improvements in customer value."

From the "competitors" perspective, the Group’s strategies and activities such as "dispute resolution", "strict respect for third-party IP", and "lean transformation of our IP portfolio (e.g., abandoning unnecessary IP)" will lead to output in the form of "improvements in cost performance."

From the "social" perspective, the Group’s strategies and activities such as "Co-creation with intellectual property as a starting point" will lead to outputs in the form of "social implementation through co-creation" (e.g., commercialization of environmental technologies through co-creation with other companies).

These outputs will lead to our goal of realizing "an ideal society with affluence both in matter and mind."

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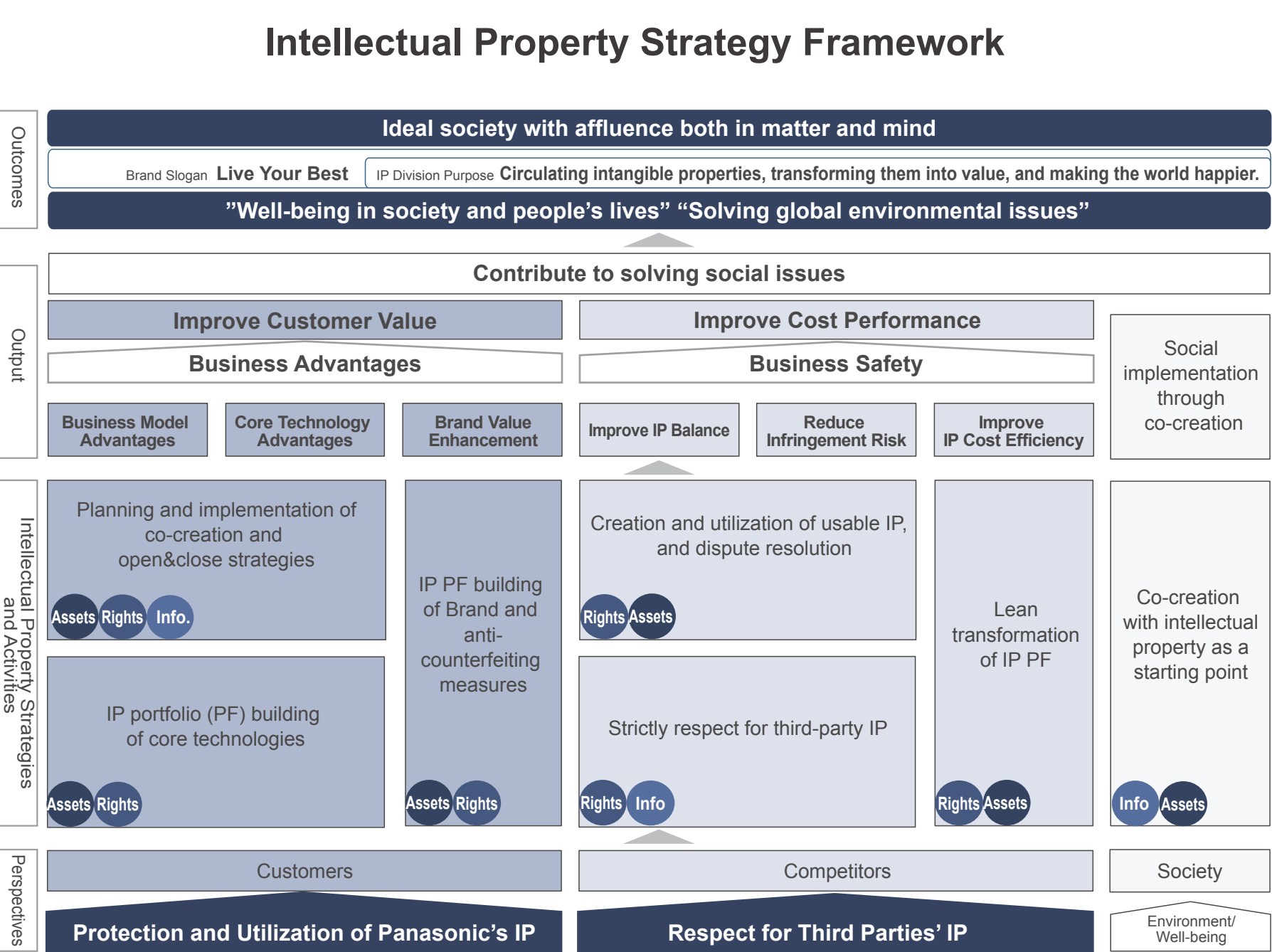
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PHD has introduced "Group-common Indicators of Intellectual Property" shared across the Group to monitor each IP strategy and activity indicated in the framework. These indicators include, for example, an utilization indicator that illustrates the size of IP assets (i.e., intangible assets) and how they are being used (their degree of circulation). The Group uses these indicators to monitor the IP strategies and activities of each operating company and maximize the value of our intangible assets.

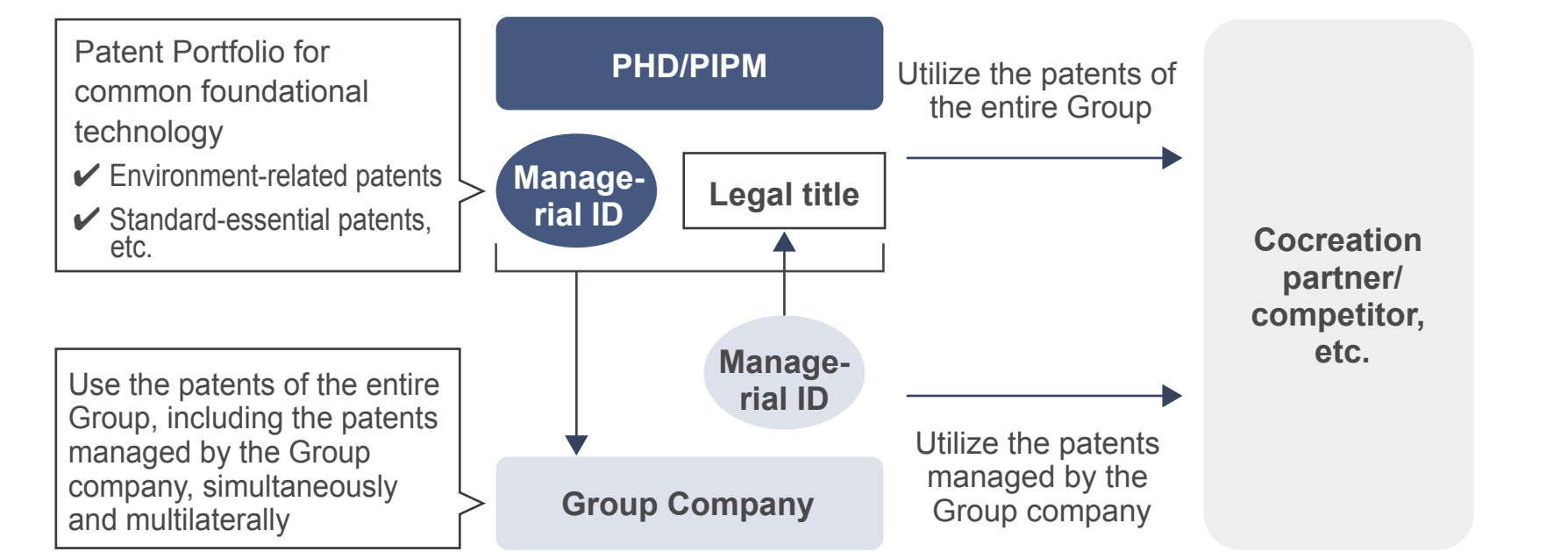


■ Mechanisms for Consolidating Patents and Other Assets to Create Group Synergies

The Group has set up a mechanism to consolidate patents and other forms of industrial property to PHD so that they can be utilized as assets of the entire Group simultaneously and multilaterally. PHD and its subsidiary, PIPM utilize (e.g. license) the patents, etc. of the entire Group. These include patents related to common foundational technology and patents with legal title consolidated from our Group companies. The Group companies in Japan that are subject to this mechanism manage the patents, etc. they have created or obtained (i.e., they retain the “Managerial ID” (Managerial code) as the identification of responsibility for managing such patents, etc.), and such Group companies bear the costs and receive the revenues from them,

even after their legal title has been consolidated in PHD. Each Group company can then use the patents, etc. of the entire Group, and externally utilize those for which it holds the Managerial ID. The Group promotes both internal and external co-creation, etc., using this mechanism (see figure below).

Mechanism of Patent Consolidation to Create Group Synergies



Intellectual Property Acquisition, Protection, and Respect

■ Acquiring Intellectual Property Rights and Reward System

The Group has been building up a global portfolio of intellectual property in line with our IP strategy, which in turn is based on our business strategies and research and development (R&D) strategies. The following table shows the fiscal 2026’s R&D expenses; the number of new applications for patents, utility models, or design rights made by the Group in fiscal 2026; and the number of patents, utility models, designs, and trademarks held by the Group as of March 2026.

R&D expenses in fiscal 2026	426,400 million JPY (the ratio of R&D expenses to sales: 5.3%)
Number of applications in fiscal 2026	Number of applications for patents, utility models, and designs:Total roughly 15,000 (including roughly 9,000 outside Japan)
Number of rights held as of March 2026	Number of patents, utility models, and designs held: Total roughly: 89,000 (including roughly 50,000 outside Japan)
	Number of trademarks held: Total roughly 14,000 (including roughly 11,000 outside Japan)

The Group also has a reward system for inventors designed to increase their motivation and help invigorate their inventions and creative endeavors, and we operate this system in a just and fair manner based on the laws and regulations of each country. For example, in Japan, the standard for reward is decided through agreements with employees and shared with them, and we also have a system in place to solicit feedback from inventors about the reward system.

■ Anti-Counterfeiting Activities

Counterfeiting activities that use important corporate assets such as brands and other intellectual property without permission and that piggyback on the brand value built up by the rights holders not only cause quality problems (e.g., accidents and injuries) for customers, but also give rise to the following problems for society as a whole and can be an obstacle to the creation of a healthy society:

- Economic losses: decreasing tax revenues, less business incentives to develop new products and innovation.
- Security issues: potential sources of funds for criminal/ terrorist organizations, increasing threats to national security.
- Environmental problems: disposal of seized counterfeit products

Thus, the Group believes that aiming to eliminate counterfeiting activities should be considered a Corporate Social Responsibility. Our anti-counterfeiting policies aim to solve the social issues caused by counterfeiting activities and protect our customers and intellectual property, including our brands. In 2019, measures against counterfeit products were added to the Japanese government's SDGs Action Plan, thanks in part to advocacy from the Group. At present, we are working in partnership with the Japanese government, the governments of other countries, and other companies at the International Intellectual Property Protection Forum (IIPPF), an industry organization that aims to resolve the counterfeiting issue, to take action based on the idea that eliminating counterfeit products will contribute to achieving SDGs. Within IIPPF, the Group has been taking a leading role in industry initiatives aimed at building a sustainable society after establishing an awareness-raising working group in 2021. In March 2026, we also became the chair of the IIPPF and will continue to advance industry leading initiatives to eliminate counterfeiting activities.

Recent trends show a rapid increase in the number of counterfeiting cases online, in addition to those products sold in physical retail markets. Online sales channels make selling counterfeit products easier globally than conventional retail methods— as the transactions are executed easily and carried out before the buyer ever sees the actual product, meaning that there is an increasing risk that consumers could purchase counterfeit products by mistake. The Group believes that it is more critical than ever that rights holders work together with consumers to eliminate counterfeit products from the market. To this end, by working with industry partners and sharing information, we will advance efforts across society to combat counterfeiting activities and contribute to building a better society. In recent years, as social media use has expanded, fraudulent advertisements on social media have increasingly caused harm, and we are further strengthening coordinated efforts across industries to address this challenge.

Example) <https://twitter.com/PanasonicBrand/status/1759463303867466126> (Japanese only)

[Our Approach to Brand Protection](https://holdings.panasonic/global/corporate/about/intellectual-property/brand-protection/statement.html)
<https://holdings.panasonic/global/corporate/about/intellectual-property/brand-protection/statement.html>

■ Respect for Intellectual Property of Third Parties

If the Panasonic Group infringes on a third party's intellectual property, it may cause losses to that third party and negatively affect the Group's customers—including both direct and indirect customers—due to changes in product or service specifications or the suspension of supply.

The Group conducts its business activities while striving to respect third-party intellectual property. Our Groupwide internal rules stipulate how to respond when a third party notifies us of a suspected intellectual property infringement, as well as how to estimate any losses that may arise from such infringement. In addition, each operating company's internal rules define procedures for conducting investigations to prevent infringement of third-party intellectual property, reporting identified risks, and implementing other related processes.

Co-creation & External Partnerships

■ Contributions to Building Co-creation Relationships

The Group aims to contribute to solving social issues in its business activities. In addition to facing social issues head-on, contributing to their resolution, and growing our business as a result, we are also promoting a new intellectual property strategy by building a system that connects and cooperates among a wide range of people, goods, and things, and building co-creation relationships based on intangible assets to solve social issues that are difficult for individual companies to address alone.

Specifically, in September 2023, we opened the Group's "Technology Index" for external use. The Technology Index is a system that enables users to easily find and connect with the technology they need by indexing the Group's intellectual property information in easy-to-understand, sensible language that describes the technology's usage scenarios and purposes. Taking the Technology Index as a starting point, we will contribute to accelerating the resolution of social issues, including the resolution of global environmental problems, by circulating intangible assets throughout society.

[Technology Index Top \(Japanese only\)](https://co-creation.holdings.panasonic/jp/techidx/)
<https://co-creation.holdings.panasonic/jp/techidx/>

Additionally, in October 2024, we launched IP Junction, a co-creation and innovation hub for intangible assets. IP Junction is a platform for distributing and matching information that assists in co-creation with our partners who have diverse technologies and ideas so that we can expand the use of shared knowledge accumulated through the Technology Index. We collect, index, and link data on intangible assets within and outside the Group to facilitate the sharing of intangible assets and accelerate the creation of shared knowledge.

[IP JUNCTION \(Japanese only\)](https://co-creation.holdings.panasonic/jp/ip-jct/)
<https://co-creation.holdings.panasonic/jp/ip-jct/>

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■ Participation in International Initiatives

WIPO GREEN, established by the World Intellectual Property Organization (WIPO) supports global-scale approaches against climate change through connecting key stakeholders when it comes to environmentally-conscious innovations using its database and networks. The Group agrees with this mission and has registered environmentally-conscious underwater plasma technologies, artificial photosynthesis technologies, and gas sensor technologies.

In-House Education and External Awareness-Raising Activities

The Group conducts various training and education programs for employees to ensure they thoroughly implement the Group’s policy on intellectual property. In addition to providing education to employees on respecting third-party intellectual property, we offer e-Learning programs on copyright for employees across the Group, in light of the increasing importance of software in our business operations and the rapid spread of generative AI. In addition, each operating company provides intellectual property training and education tailored to its specific business needs. For employees engaged in intellectual property operations, we offer specialized training to enhance their IP expertise.

We also help raise awareness of intellectual property issues outside the Group. One such example is dispatching lecturers to HR development trainings for overseas governmental authorities such as patent office staff upon request by the Japan Patent Office and other organizations. We also give our unique lectures on intellectual property at Japanese junior high and high schools. In addition, to address the issues caused by counterfeiting activities, we produce consumer awareness videos and introduce them on our website.

In fiscal 2026, we participated in the “International Exhibition for Young Inventors” held at Expo 2025 Osaka, Kansai, Japan. Under the theme of “A Healthy Society Through Anti-Counterfeiting Activities,” we promoted awareness of the importance of respecting the rights of others. We also presented the Panasonic Innovation Award to a student from Taiwan in recognition of an outstanding invention. Going forward, we will continue to advance our intellectual property initiatives while supporting the development of creativity and encouraging inventions among children who will shape the next generation.

 **Panasonic’s efforts to raise awareness about eliminating counterfeit goods**
<https://holdings.panasonic/global/corporate/about/intellectual-property/brand-protection.html>

Whistleblowing Channel (Internal and External)

All Group employees, business partners, and their employees can seek consultation and report any intellectual property-related risks or problems they see or hear about through the “Global Hotline EARS” that the Group has set up. For more details, see the “Whistleblowing System” in the “Ethics and Compliance” chapter ([pages 109-110](#)).

Awards and Recognition

The Group was awarded the “Minister of Economy, Trade and Industry Award (Design Management Companies)” at the 2026 Intellectual Property Achievement Awards (Awards for a Good-Standing Company Utilizing the Intellectual Property Rights System), organized by the Ministry of Economy, Trade and Industry and the Japan Patent Office. This award recognizes companies that enhance corporate value through the effective use of intellectual property and the promotion of design-oriented management, and it marks the Group’s second receipt of the Intellectual Property Achievement Award in 18 years.

In addition, at the 2025 Kinki Regional Invention Awards organized by the Japan Institute of Invention and Innovation, the Group was awarded the “Minister of Education, Culture, Sports, Science and Technology Award (Implementation Achievement Award).” This award recognizes engineers and R&D personnel who have created outstanding inventions, devices, or designs, as well as companies that have contributed to their implementation.

The Group has also been recognized as a Clarivate Top 100 Global Innovator 2026 chosen by London-based Clarivate. The award that the Group received is given to companies that are leaders in global business because they are successful in protecting and commercializing their unique inventions and ideas through intellectual property rights. The Group has been on this list since its inception, 2025 being our 15th consecutive year.

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Based on the recognition that the Panasonic Group is a public entity of society and that society at large has entrusted us with all the resources we need to do business, we maintain dialogues with local communities as we undertake our business.

The Group contributes positively to local communities and seeks to minimize any potentially negative impacts of entering or leaving a market through dialogues with local governments and residents and impact assessments on the environment and other areas.

Alongside our business operations, we actively promote corporate citizenship activities as a member of the local community and strive to ensure that the company develops together with the communities where our sites are located.

Policy

Aiming to achieve an ideal society with affluence both in matter and mind, the Panasonic Holdings Corporation (“PHD”) is working to address social issues and create new social value. In advancing our corporate citizenship activities, we have established three key themes: “ending poverty,” Goal 1 of the SDGs and a priority since our founding; “environment (al issues),” a pressing global challenge; and “human resource development (learning support),” the foundation for addressing these challenges.

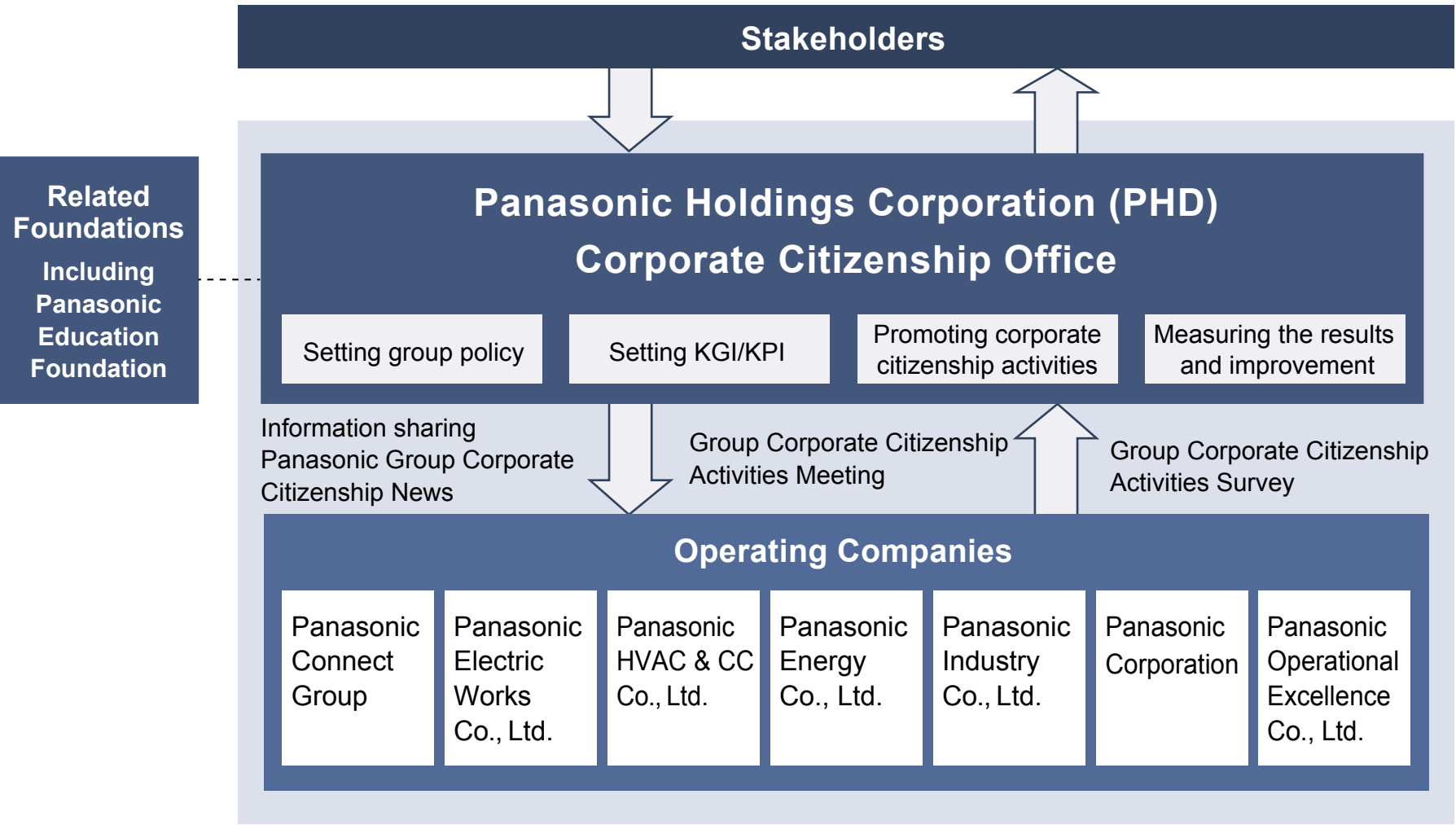
We encourage our employees to become active participants. Moreover, by leveraging our products, technologies, and the expertise and resources we have cultivated through manufacturing, we aim to help address social issues and achieve a sustainable, inclusive society in collaboration with our stakeholders.

 **Corporate citizenship activities**
<https://holdings.panasonic/global/corporate/sustainability/citizenship.html>

Responsible Executive and Framework

The Executive Officer in charge of corporate citizenship activities is responsible for Groupwide corporate citizenship activities (as of April 2026). The Corporate Citizenship Office at Panasonic Holdings Corporation ("PHD") is responsible for strategic planning across the entire Panasonic Group, and performs those duties in cooperation with the Group's operating companies. We have individuals in charge of corporate citizenship activities at each operating company, and they execute their activities based on the actual conditions within each company and its respective region. In addition, their activities are shared through Panasonic Group Corporate Citizenship News with the relevant directors and executives—from the Panasonic Group CEO on down—as well as with the staff in charge of corporate citizenship activities worldwide.

Framework for Promoting Corporate Citizenship Activities



Employee Participation and Supporting Systems

In promoting business operations and corporate citizenship activities, it is essential for employees to deepen their awareness of social issues, strengthen their motivation to address them.

The Panasonic Group has been conducting surveys to understand employees’ awareness of, and their actual participation in, social contribution activities. In the fiscal 2026 survey, 44% of respondents reported that they were engaged in some form of social contribution activity. In particular, many employees participate in environmental initiatives such as recycling and cleanup activities, as well as making monetary and in-kind donations.

Based on these survey results, we also provide opportunities that enable employees to easily participate in activities that match their interests. Some of the most characteristic examples of these are shown below.

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Activities Supporting Employees' Social Involvement

LIGHT UP THE FUTURE “AKARI Action Project”

This donation drive delivers solar lanterns to areas without electricity, using funds collected through cafeteria points from the Employee Benefits Service and donations of used books, DVDs, and other secondhand items. In fiscal 2026, a total of 449 employees donated their cafeteria points, and we collected 32,366 secondhand items from the general public and our employees, donating 2,538 solar lanterns. This initiative began with a donation from the Company in 2009, and since then, approximately 130,000 lanterns have been delivered to 36 countries.

LIGHT UP THE FUTURE “AKARI Action Project”

https://holdings.panasonic/global/corporate/sustainability/citizenship/solution/akari.html

Panasonic ECO RELAY for Sustainable Earth

This is an environmental conservation activity that employees around the world have carried out for more than 30 years in collaboration with local communities, children, and families, with the aim of helping build a sustainable global environment and society. These Eco Relay activities are positioned as part of “+INFLUENCE” under Panasonic GREEN IMPACT, the Panasonic Group’s long-term environmental vision, and during fiscal 2026, a wide range of initiatives—including cleanup activities and tree planting—were carried out at 91 sites worldwide (cumulative). In addition, beginning in 2025, we launched “Act for BLUE CARBON,” an initiative aimed at conserving marine ecosystems and raising awareness, as these ecosystems are believed to absorb more CO₂ than terrestrial ecosystems. Through activities such as seagrass bed restoration and mangrove planting around the world, we aim to contribute to CO₂ reduction and biodiversity conservation.

Panasonic ECO RELAY for Sustainable Earth

https://holdings.panasonic/global/corporate/sustainability/citizenship/environment/per.html

Act for BLUE CARBON

https://holdings.panasonic/global/corporate/sustainability/citizenship/bluecarbon.html

Provision of Sustainable Seafood*¹ at Company Cafeteria (Japan)

Panasonic was the first company in Japan to start offering sustainable seafood at its company cafeterias on an ongoing basis. The initiative, which began in March 2018 at two locations, has been in place at a total of 57 locations in Japan, serving a cumulative total of more than 163,000 meals as of March 31, 2026. Through the food served and consumed at cafeterias, we aim to raise awareness of the world’s fishery resources in crisis, encourage changes in consumption behavior, and expand our impact on our surroundings.

*1 Seafood certified for sustainable production (fishing and aquaculture) as well as management and traceability in processing, distribution, and marketing.

Spreading sustainable seafood from the company cafeteria

https://holdings.panasonic/global/corporate/sustainability/citizenship/sustainable_seafood.html

Fukushima Reconstruction Support Action (Japan)

This initiative aims to deepen employees’ understanding of the current situation in Fukushima and encourage them to support its reconstruction. Activities include offering menu items featuring agricultural, livestock, and marine products from Fukushima Prefecture in company cafeterias, holding “Fukushima Marche” events to sell products from the prefecture, and conducting awareness-raising activities including lectures for employees by guest speakers such as officials from the Fukushima Prefectural Government. The cafeteria menu initiative began in January 2022 and has expanded to a cumulative total of 25 sites as of March 31, 2026. The Fukushima Marche has been held 35 times across 14 sites (cumulative total). In addition, the initiative has been extended to a community open event at the Kusatsu site in Shiga Prefecture and to collaborative events with Kadoma City, Osaka Prefecture, thereby broadening its reach within local communities.

Fukushima Reconstruction Support Action

https://holdings.panasonic/global/corporate/sustainability/citizenship/other.html#fukushima

Disaster Volunteer Activities (Japan)

In response to the increasing frequency of natural disasters in recent years, the Group is working to develop human resources who can take voluntary action in times of disaster. One such initiative is the “Disaster Volunteer Training Course,” which provides learning opportunities on how to support disaster-affected areas, the mindset required in the field, and specific actions to take. To make the content accessible to the general public as well, we have published condensed videos summarizing the training content. Including video viewings, a cumulative total of approximately 9,000 people has participated in the program. Furthermore, in recovery and reconstruction support activities following the 2024 Noto Peninsula earthquake and heavy rains, 45 employees were engaged in relief efforts in Suzu City, Nanao City, and Wajima City in Ishikawa Prefecture, providing support tailored to local needs.

Disaster Relief (Saigai Shien, Japanese only)

https://holdings.panasonic/jp/corporate/sustainability/citizenship/disaster.html

Introducing Regional Volunteer Activities and Providing Opportunities

Workplaces within the Group around the world take an active role in developing and rolling out a variety of volunteer activities that are tailored to the specific features of the regions and operating companies they are part of. In North America, for example, the Group has an employee volunteer program and annual Month of Service initiative through which we encourage employees to volunteer. In China, several times each year we have China Region Group Volunteer Activities in which employees at various workplaces across China undertake volunteer activities related to the same theme at the same time. In Japan, we provide employees with

information on volunteer opportunities organized by NPOs and other organizations. Through these initiatives, employees have participated in activities including pro bono services and environmental conservation activities.

Providing Learning Opportunities (Japan)

We hosted the Social Good Meetup (SGM), a lecture series for employees featuring diverse guest speakers, to raise awareness of these issues and motivate employees to take action. In fiscal 2026, a total of 317 employees attended these lectures.

[🔗](https://holdings.panasonic.jp/corporate/sustainability/citizenship/solution/sgm.html) Lectures for employees regarding social issues, Social Good Meetup (SGM) (Japanese only)
<https://holdings.panasonic.jp/corporate/sustainability/citizenship/solution/sgm.html>

Human Resources System for Supporting the Promotion of Employee Participation

Examples of Major Group Companies in Japan

◇Flexible Work Styles for Participating in Volunteering

We have expanded the options of our diverse work styles to encourage employees to take on the challenge of volunteering. Specifically, we offer a scheduling system with reduced hours/reduced workdays that enables employees to balance volunteering and work and a leave-of-absence system that allows for long-term volunteering for up to one year (the required period for those joining the Japan Overseas Cooperation Volunteers). Additionally, we encourage employees to volunteer using various types of leave, such as the ten days of “Challenge Leave” granted to employees who reach a milestone age. We also have a policy of allowing employees to take five consecutive days out of their 25 days of annual paid leave for volunteering.

◇In-House Community Activities and Awards

Panasonic Group encourages employees who share common interests and sensitivity to issues, regardless of their company affiliation or position, to voluntarily form communities and engage in various projects through Employee Resource Groups (ERGs). The Cross UNLOCK Award is included in the Group CEO Award to support and raise awareness of these employees’ various spontaneous activities. In the past, the award was presented to efforts toward “creating a workplace comfortable for people who can and cannot hear” and “creating accessibility maps of business site premises” for their contributions to stimulating the organizational culture to enable every diverse individual to demonstrate their individuality. Furthermore, there is a Social Contribution Award to recognize employees’ active and ongoing participation in related activities.

Examples from North America

Several business units in Panasonic North America provide paid time off that allow employees to spend up to five full working days on volunteer activities to give back and contribute to their local

communities. We also encourage and facilitate participation in volunteer activities on the part of our employees, including by coordinating volunteer activities at individual business sites.

Examples from Europe

To further encourage social involvement, some Group companies in Europe allow employees to take up to 16 hours of paid leave per year for volunteer work.

Performance Evaluation of Corporate Citizenship Activities

We measure the effectiveness of its main activities according to the specifics of each initiative.

LIGHT UP THE FUTURE

The LIGHT UP THE FUTURE project brings light to areas without electricity in collaboration with various partners, including NGOs/NPOs and international organizations. It aims to create opportunities for education, health, and increased income through local support programs, in addition to the solar lantern donations. To evaluate the effectiveness of these initiatives, we conducted an impact assessment. As an example, survey results from the Japan International Cooperation Agency (JICA) are as follows:

[Results of a survey conducted in Kenya by JICA (2025)]

- Women’s night-time activity hours rose by an average of three hours, allowing them to dedicate more time to learning how to read and write, spending time with their children, and doing home-based work such as beadwork.

- The availability of lighting also made nighttime home-based work and market activities possible, contributing to higher household income. In addition, the use of solar lanterns eliminated costs associated with mobile phone charging and kerosene, increasing the funds available for food and children’s expenses. This, in turn, contributed to improvements in children’s health. Furthermore, households were able to save more, leading to overall improvements in household finances.

- Improvements in the efficiency of women’s household work also generated secondary benefits, including reduced domestic conflict and lower risks of domestic violence (DV), as well as enhanced psychological security for women and improved overall household well-being.

[🔗](https://holdings.panasonic/global/corporate/sustainability/citizenship/lutf.html#cooperation) Reports by cooperating organizations
<https://holdings.panasonic/global/corporate/sustainability/citizenship/lutf.html#cooperation>

Panasonic NPO/NGO Support Fund for SDGs

Under the Panasonic NPO/NGO Support Fund for SDGs, which supports the strengthening of the organizational foundations of NPOs and NGOs, follow-up surveys are conducted after

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a certain period following the completion of grant projects. These are followed by third-party evaluations using both quantitative and qualitative methods to assess the effectiveness of these initiatives.

In 2025, follow-up surveys were conducted for eight organizations (three overseas and five domestic) 1.5 years after grant completion, and for 12 organizations (five overseas and seven domestic) 3.5 years or more after grant completion. Among the eight organizations surveyed 1.5 years after the grant period, all expanded their financial scale compared with pre-grant levels, with an average increase in total income of 79%. Through efforts to strengthen their organizational foundations under this program, six organizations reported that 80% or more of their organizational challenges had been resolved. Meanwhile, among the 12 organizations surveyed more than 3.5 years after grant completion, the average increase in total income was a significant 161% compared with pre-grant levels. In addition, 11 organizations reported that 80% or more of their organizational challenges had been resolved. These results confirm that efforts to strengthen organizational foundations continue to deliver results even after grant completion, and that the extent to which organizational management challenges are resolved tends to increase over time.

[🔗](https://holdings.panasonic/jp/corporate/sustainability/citizenship/pnsf/npo_summary/2025_building.html) **2025 report on the follow-up survey for the Panasonic NPO/NGO Support Fund for SDGs (Japanese only)**

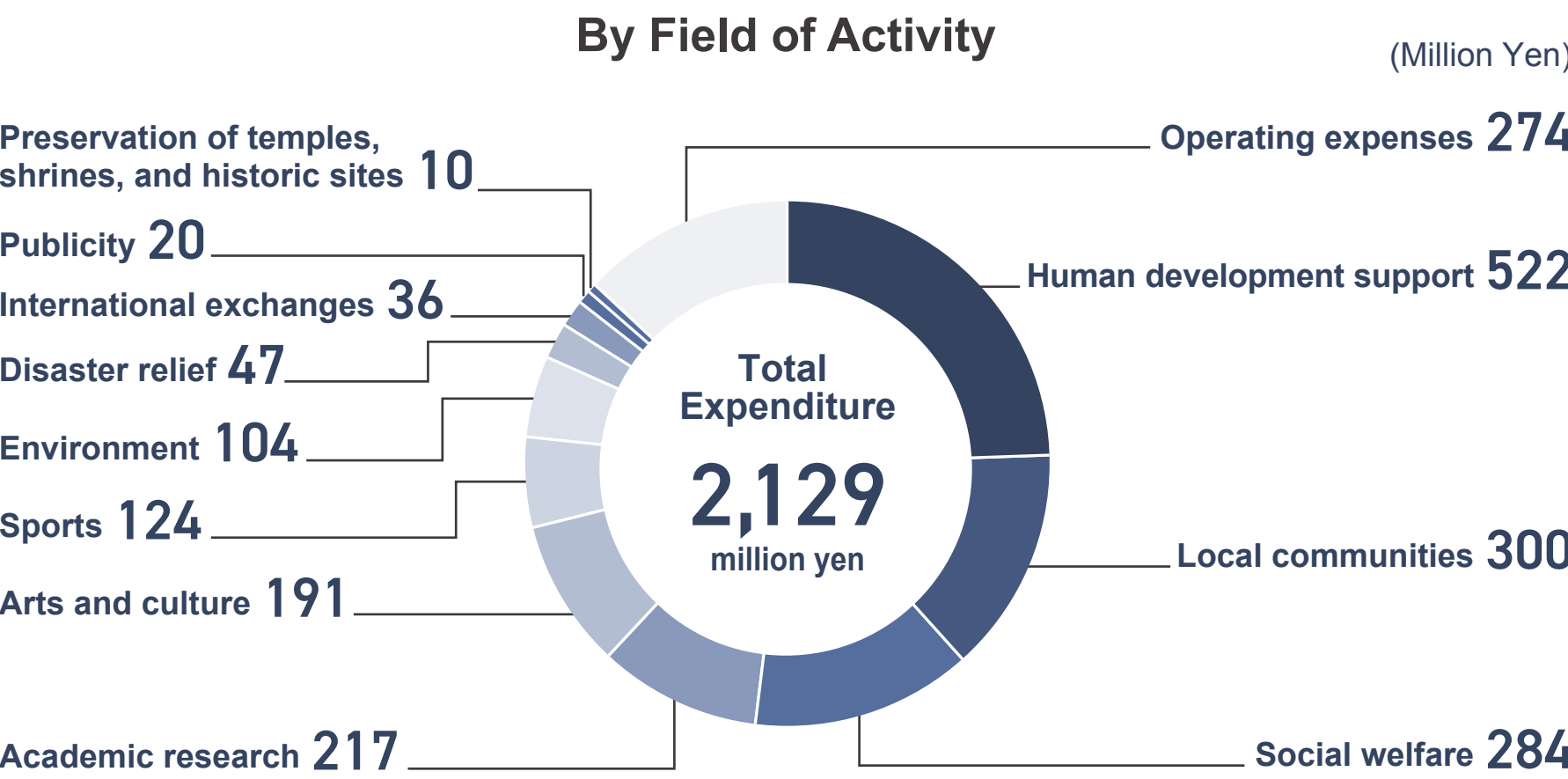
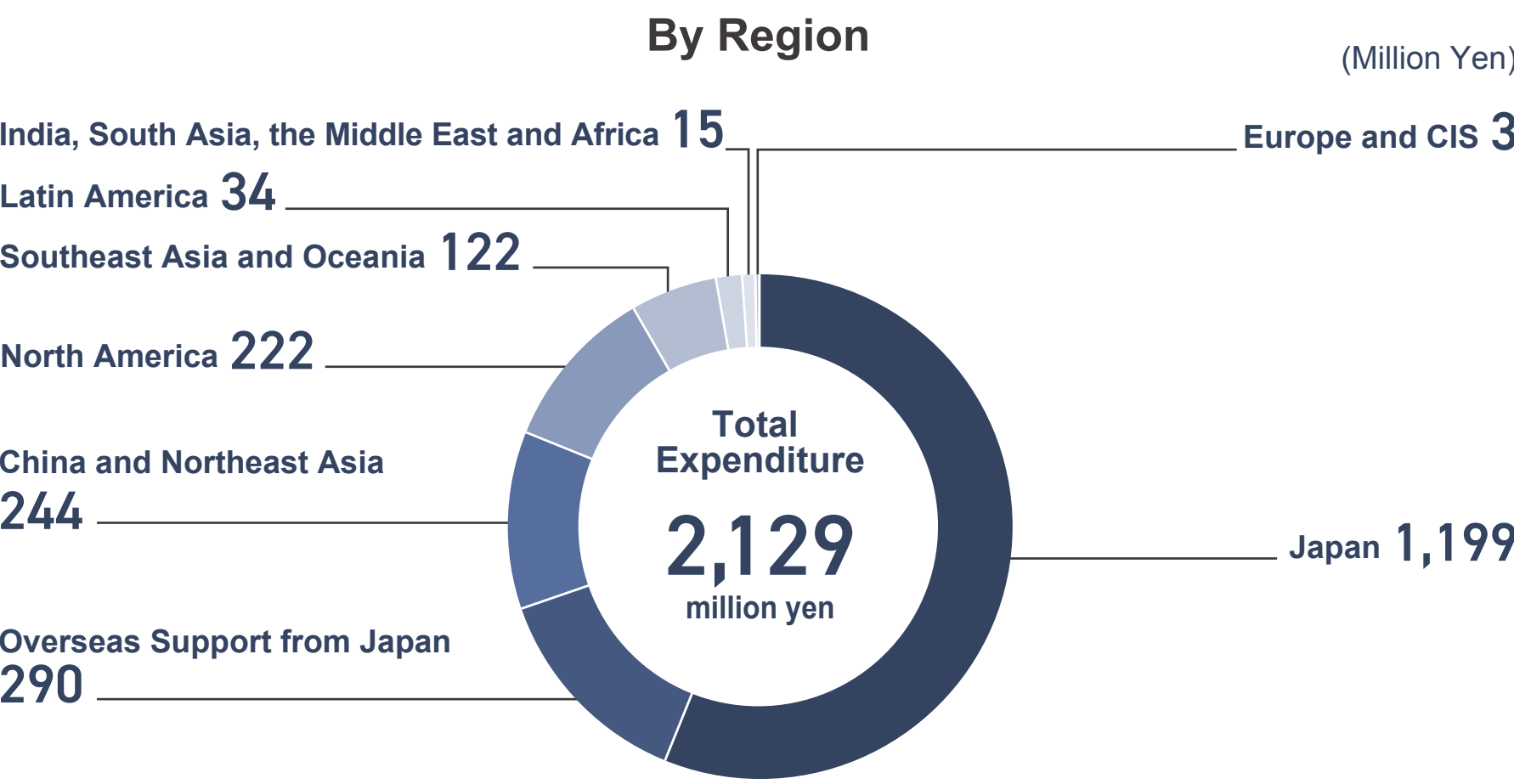
https://holdings.panasonic/jp/corporate/sustainability/citizenship/pnsf/npo_summary/2025_building.html

External Recognition and Awards

Major recent awards and external recognition include:

- **Asia Responsible Enterprise Awards 2026 (Social Empowerment category), organized by Enterprise Asia**
Panasonic Holdings Corporation: “LIGHT UP THE FUTURE” initiative to deliver light to off-grid areas
- **The Green Awards 2026, organized by India Green Awards**
Panasonic Life Solutions India Pvt. Ltd.: “Panasonic Harit Umang Programme”
- **TABLE FOR TWO Platinum Partner Certification (for the 13th consecutive year)**
Panasonic Group: Activities to provide school meals to developing countries
- **The 14th Career Education Award (Grand Prize), organized by the Ministry of Economy, Trade and Industry (METI)**
Panasonic Holdings Corporation: Career education program “My Future Discovery”
- **The 10th Corporate Volunteer Awards (Special Award), organized by the Tokyo Voluntary Action Center**
Panasonic Group: Employees’ disaster relief volunteer activities

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Personnel data

Category	Target	Record date	Classification		Units	2023	2024	2025	2026	
Employees	Global consolidated	31-Mar	Total		People	233,391	228,420	207,548	183,685	
			By region	Japan	%	36	38	41	38	
				Southeast Asia & Pacific		19	16	17	16	
				China & Northeast Asia		18	17	16	18	
				North America		13	15	12	16	
				Europe & CIS		8	8	7	5	
				India, South Asia, Middle East & Africa		5	5	5	4	
				Latin America		1	1	2	3	
			Job type	Indirect	%	59	60	62	63	
				Direct manufacturing		41	40	38	37	
	Japan (PHD, PEX, and operating companies ¹⁾)	1-Apr	Total		People	64,159	65,808	60,565	49,378	
			Gender Employment type	Male	People	51,057	52,091	47,272	39,027	
					%	79.6	79.2	78.1	79.0	
					People	13,102	13,717	13,293	10,351	
				Female	%	20.4	20.8	21.9	21.0	
					New graduates	People	49,706	49,652	44,843	37,230
						%	77.5	75.4	74.0	75.4
				Mid-career hires	People	14,453	16,156	15,722	12,148	
					%	22.5	24.6	26.0	24.6	
				Nationality	Japan	People	63,565	65,105	59,832	48,652
			%			99.1	98.9	98.8	98.5	
			Non-Japanese citizens		People	594	703	733	726	
					%	0.9	1.1	1.2	1.5	
			Employment status	Permanent employment	People	59,480	59,905	54,613	44,717	
					%	92.7	91.0	90.2	90.6	
				Fixed-term employment	People	4,679	5,903	5,952	4,661	
					%	7.3	9.0	9.8	9.4	
			Age group	Up to 29 years old	People	8,091	9,063	8,997	8,264	
					%	12.6	13.8	14.9	16.7	
				30–39	People	9,395	10,248	9,904	8,673	
					%	14.6	15.6	16.4	17.6	
				40-49	People	14,900	13,886	12,168	10,171	
					%	23.2	21.1	20.1	20.6	
				50-59	People	27,332	26,988	23,875	17,759	
					%	42.6	41.0	39.3	36.0	
				60 years old or older	People	4,441	5,623	5,621	4,511	
					%	6.9	8.5	9.3	9.1	
Average years of service	Japan (PHD, PEX, and operating companies) (Permanent employees)	1-Apr	Total		Year	22	20	20	19	
			Gender	Male		22	21	20	19	
				Female		20	19	19	18	

^{*1} PHD: Panasonic Holdings Corporation
PEX: Panasonic Operational Excellence Co., Ltd.

Data on diversity and work styles

Category	Target	Record date	Classification		Units	2023	2024	2025	2026
Management team diversity	PHD executive officers	1-Apr	Total		People	14	12	13	20
				Female	People	3	3	5	4
				Mid-career hires	People	4	3	5	9
				Non-Japanese citizens	People	1	1	2	2
				Diversity (excluding overlapping attributes)	People	5	4	7	11
			%	36	33	54	55		
Managerial diversity	Japan (PHD, PEX, and operating companies) (Non-fixed-term employees)	1-Apr	Total		People	13,084	13,547	12,346	10,686
			Gender	Male	People	12,285	12,593	11,366	9,794
					%	93.9	92.4	92.1	91.7
				Female	People	799	954	980	892
					%	6.1	7.0	7.9	8.3
			Employment type	New graduates	People	10,832	10,941	9,640	8,252
					%	82.8	80.8	78.1	77.2
				Mid-career hires	People	2,252	2,606	2,625	2,434
					%	17.2	19.2	21.3	22.8
			Nationality	Japan	People	12,993	13,458	12,251	10,584
					%	99.3	99.3	99.2	99.0
				Non-Japanese citizens	People	91	89	95	102
%	0.7	0.7			0.8	1.0			
Employed people with disabilities	Japan (PHD, PEX, and operating companies)	1-Jun	Total		%	2.45	2.56	2.53	2.70
Working hours	Japan (PHD, PEX, and operating companies)	1-Apr	Target individuals		People	64,159	63,218	60,565	49,378
					People	962	866	860	672
			%	1.5	1.4	1.4	1.4		
			Flexible working hours ³		People	54,009	51,146	51,976	44,273
					%	84.0	80.9	85.8	89.7
			Remote work ⁴		People	11,882	9,171	12,064	9,683
%	19.0	14.5			19.9	19.6			

^{*2} The system's internal name is the Work and Life Support Program.
^{*3} Figures include managerial positions from fiscal 2024 onward.
^{*4} Employees who work from home for more than half of the days in a month

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Category	Target	Record date	Classification		Units	Fiscal 2023	Fiscal 2024	Fiscal 2025	Fiscal 2026
Gender wage gap ^{*5}	Japan (PHD, PEX, and operating companies)	April 1– March 31 of the following year	All employees (ratio of female average to male average)		%	72.6	75.3	74.9	74.8
			Managerial positions (ratio of female average to male average)			93.4	95.8	91.9	92.0
Childcare leave utilization	Japan (PHD, PEX, and operating companies)	April 1– March 31 of the following year	Mele	Qualified male	People	1,108	1,118	1,053	1,015
				Male who took leave	People	718	850	894	907
				Male utilization rate	%	64	76	84	89
				Leave days taken by male	Days	21.5	36.2	45.2	51.5
			Female	Qualified female	People	237	250	257	301
				Female who took leave	People	237	241	249	291
				Female utilization rate	%	100	103	96	97
				Leave days taken by female	Days	376.4	305.8	277.5	281.7
Annual paid leave days taken and utilization rate	Japan (PHD, PEX, and operating companies)	April 1– March 31 of the following year	Leave days granted per year		Days	25	25	25	25
			Average leave days taken			20	18	19	21.4
			Average utilization rate		%	78.4	70.4	77.5	85.5
Work styles	Japan (PHD, PEX, and operating companies)	April 1– March 31 of the following year	Selective four-day workweek		People	—	153	138	133
			Remote work outside commuting distance		People	—	259	202	263
			Side Jobs		People	—	258	454	512
			Contract work		People	—	225	404	457
			Employed by another company		People	—	33	50	55

*5 Female wages as a percentage of male wages (with male wages set at 100%)

Career and human resources development data

Category	Target	Record date	Classification		Units	Fiscal 2023	Fiscal 2024	Fiscal 2025	Fiscal 2026	
Employee Opinion Survey	Global consolidated	Conducted annually every Q3	Respondents		People	149,000	157,000	152,000	148,000	
			Unlock indicators	Global	%	—	—	43	43	
				Japan		—	—	32	31	
			Employee engagement	Global		67	68	68	67	
			Employee enablement	Global		65	66	66	67	
Recruitment	Japan (PHD, PEX, and operating companies)	April 1—March 31 of the following year	Total		People	2,597	3,692	3,175	2,060	
			Gender	Male	People	2,001	2,853	2,365	1,466	
					%	77.1	77.3	74.5	71.2	
				Female	People	596	839	810	594	
					%	22.9	22.7	25.5	28.8	
			Employment status	Total permanent employees		People	2,441	3,537	2,922	1,839
				Male	People	1,908	2,755	2,187	1,327	
					%	78.2	77.9	74.8	72.2	
				Female	People	533	782	735	512	
					%	21.8	22.1	25.2	27.8	
				Total fixed-term employees		People	156	155	253	221
				Male	People	93	98	178	139	
					%	59.6	63.2	70.4	62.9	
				Female	People	63	57	75	82	
					%	40.4	36.8	29.6	37.1	
			Employment type	Total new graduates		People	—	1,355	1,546	1,516
				Male	People	—	985	1,117	1,059	
					%	—	72.7	72.3	69.9	
				Female	People	—	370	429	457	
					%	—	27.3	27.7	30.1	
				Total mid-career hires		People	—	2,337	1,629	544
				Male	People	—	1,868	1,248	407	
					%	—	79.9	76.6	74.8	
			Female	People	—	469	381	137		
				%	—	20.1	23.4	25.2		
Turnover*6	Japan (PHD, PEX, and operating companies)	April 1—March 31 of the following year	Total	All reasons for resignation		%	3.6	3.4	3.3	10.7
				For reasons other than mandatory retirement		%	2.2	1.5	1.6	4.4
			New graduates	All reasons for resignation		%	—	—	3.2	10.7
				For reasons other than mandatory retirement		%	—	—	1.4	4.0
			Mid-career hires	All reasons for resignation		%	—	—	3.8	10.7
				For reasons other than mandatory retirement		%	—	—	2.1	5.8
Internal open recruitment	Japan (PHD, PEX, and operating companies)	April 1—March 31 of the following year	Open recruitment results		Number	3,526	2,710	3,211	3,470	
			Transfer results			1,256	1,278	1,420	1,282	
			Multiple Internal Roles (transfer results)			38	46	33	12	
One-on-one	Japan (PHD, PEX, and operating companies)	Every December	Participation rate		%	82.8	83.0	82.3	72.0	
			Satisfaction rate			83.9	83.5	84.6	87.0	
Training results	Japan (PHD, PEX, and operating companies)	April 1—March 31 of the following year	Total Groupwide training hours		Hours	—	2,160,311	2,220,805	2,053,710	
			Training hours per person			—	35.6	38.7	41.0	
Progress in preparing successors ^{*7}	Japan (PHD, PEX, and operating companies)	31-Mar	Total		People	115	129	125	101	
				Appointment possible immediately	People	19	25	24	24	
				Appointment possible within five years	People	36	34	35	29	
				Appointment possible within ten years	People	60	70	66	48	

*6 Turnover rate is the number of annual resignations divided by the average number of employees per year (excluding re-employment after retirement and appointment to executive positions)

*7 Percentage of successors ready for appointment immediately, within five years, or within ten years for the positions of president in operating companies/division companies, or PHD executive officer

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Other human resources systems and measures

Examples of training programs related to successor development

Name	Target	Details
Launching Executive Leaders	Successors for executive management positions	This program is for executive candidates who are expected to be promoted to business unit managers or affiliate company presidents within one to two years. The goal is to help participants gain the ability to lead organizations effectively through adverse situations by considering the importance of communicating a fact-based vision and management that brings out the best in people, while linking what they learn to practical application and establishing their own unwavering management philosophy.
Creating Executive Leaders		This program is for executive candidates who are expected to be promoted to department managers or overseas company executive posts within one to two years. This self-improvement program fosters the insight and skills required for business management and the determination to want to become a member of a management team, providing candidates with the perspective, knowledge, management literacy, and determination necessary.
Management Literacy Training		This program is for young executive candidates who are expected to be promoted to section managers or gain experience working overseas within one to two years. This program aims to provide opportunities to learn basic MBA skills (people, materials, and money) and practical management skills (e.g., SCM, design thinking) and to think about management as a whole.

Examples of initiatives related to career development and asset formation support

Name	Target	Details
A Better Dialogue (dialogue between an employee and their supervisor)	Japan (PHD, PEX, operating companies, and some affiliate companies)	This groupwide initiative supports individuals in their growth and overcoming challenges. Together with one-on-one meetings designed to elicit the thoughts and feelings of each individual, A Better Dialogue aims to improve the quality and quantity of dialogue between employees and their supervisors. It consists of three frameworks: career and skills development, goal management, and behavioral reflection using PLP.
Internal open recruitment		● e-Challenge: A program that allows employees to apply for open positions and transfer if they are accepted. Individuals apply at their own discretion for job postings published by business units. ● e-Appeal Challenge: A program that allows employees to promote themselves to their desired departments. Employees promote their strengths to their desired department and, if selected, gain the opportunity to take on new challenges. ● e-Matching: A program that allows recruiting departments to review resumes registered in advance by employees and identify potential candidates. This mechanism facilitates matching with roles that employees may not identify on their own. ● Multiple Internal Roles: A program where employees can apply for open positions and, if selected, take on additional responsibilities within the group while remaining in their current department. It promotes self-growth by testing employee's abilities and potential.
Career and Life Design Seminars		We hold these seminars to nurture individuals who continue to take on challenges and support self-directed and diverse career development both within and outside the Group. They promote understanding the importance of self-directed career development, encourage behavioral changes toward realizing a career vision, and offer support for preparing a fulfilling life plan. These seminars are for employees in target age groups, with 3,598 participants in fiscal 2026.
Middle management training		This training is for section managers, who are expected to demonstrate transformational leadership by setting their organization's direction and fostering an organizational culture in which each individual is highly motivated in their work. There were 1,746 participants in fiscal 2026.
Employee stock purchase program (Panasonic Group Employee Shareholding Association)		We run this program to encourage employees to commit to company performance through the acquisition of Panasonic shares and help them build wealth. It promotes employee shareholding through a monthly installment-based purchase plan as one of the many incentives we offer.

Occupational health and safety data

Category	Target	Record date	Classification	Units	Fiscal 2023	Fiscal 2024	Fiscal 2025*10	Fiscal 2026
Targets (fatal, serious, and major accidents)	Global consolidated	April 1–March 31 of the following year			0	0	0	0
Serious accidents*8	Global consolidated	April 1–March 31 of the following year	Total		11	2	7	7
			By region	Japan	3	0	0	3
				Outside Japan	8	2	7	4
	Of which fatal accidents*8, 9	Global consolidated	April 1–March 31 of the following year	By region	0	0	0	0
Major accidents*8	Global consolidated	April 1–March 31 of the following year	Total		0	0	3	0
			By region	Japan	1	0	0	1
				Outside Japan	0	0	0	1
					1	0	0	0
Accidents leading to lost work*8	Global consolidated	April 1–March 31 of the following year	Total		134	150	123	138
			By region	Japan	56	70	69	76
				Outside Japan	78	80	54	62

Category	Target	Record date	Classification	Units	2022	2023	2024*10	2025
Lost-time injury frequency rate*11	Japan	January 1–December 31	Electronic machines and devices manufacturing	—	0.53	0.54	0.54	0.60
			Panasonic Group		0.13	0.24	0.23 (Including contractor's employees: 0.30)	0.31 (Including contractor's employees: 0.36)
			PHD, PEX, and operating companies		0.08	0.23	0.18 (Including contractor's employees: 0.26)	0.24 (Including contractor's employees: 0.33)
Severity rate*12	Japan	January 1–December 31	Electronic machines and devices manufacturing	—	0.02	0.01	0.01	0.01
			Panasonic Group		0.003	0.005	0.005 (Including contractor's employees: 0.004)	0.008 (Including contractor's employees: 0.026)
			PHD, PEX, and operating companies		0.002	0.004	0.002 (Including contractor's employees: 0.007)	0.007 (Including contractor's employees: 0.009)

Category	Target	Record date	Classification	Units	Fiscal 2023	Fiscal 2024	Fiscal 2025	Fiscal 2026
Regular Health Checkup Attendance Rate	Japan*13	April 1–March 31 of the following year		%	93.4	97.1	97.2	98.3
Stress Check Attendance Rate	Japan*13	April 1–March 31 of the following year			92.0	92.6	92.9	92.6
Rate of Employees with Healthy Lifestyle Habits	Japan*13	April 1–March 31 of the following year	Moderate drinking*14	%	92.5	92.5	88.9	89.9
			No smoking		78.2	78.7	79.1	81.9
			Adequate sleep		60.7	59.3	58.0	61.3
			Proper diet		46.3	46.2	45.6	46.3
			Adequate exercise		32.2	33.8	35.2	38.4

*8 A "serious accident" is a fatal accident or an accident resulting in long-lasting physical disabilities. A "major accident" involves at least three employees. The data includes those of external contractors and contractor's employees.

*9 Three cases of fatal accidents in Fiscal 2025 involved two employees and a contractor's employee

*10 Excludes Panasonic Automotive Systems, Co., Ltd. (PAS)

*11 Disabling injury frequency rate: The number of accidents that require time off from work per one million total working hours. The data for Panasonic Group, PHD, PEX, and operating companies include external contractors.

*12 Severity rate: Proportion of time lost per 1,000 total working hours. The data for Panasonic Group, PHD, PEX, and operating companies. The data includes those of external contractors.

*13 Panasonic Group companies in Japan. Figures in Fiscal 2025 include Panasonic Automotive Systems, Co., Ltd. (PAS) while PAS is excluded in Fiscal 2026.

*14 Questions in medical interview changed in Fiscal 2025.

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As the Panasonic Group’s business activities continue to expand globally, we believe that preventing violations of laws and regulations and misconduct before they occur and maintaining the trust of our stakeholders are essential prerequisites for the sustainable creation of corporate value. To this end, every director and employee must always have accurate knowledge and high ethical standards. At the same time, the Group must clarify its policies and establish rules and mechanisms based on risks arising from the external environment, business characteristics, and regional characteristics, thereby ensuring that business activities are conducted under a sound corporate culture.

As a “public entity of society,” the Panasonic Group believes it is important not only to comply with laws and social norms, but also to consistently act with integrity and in the spirit of fair play, free from self-interest, while always considering “what is right for society.” We believe that the continued practice of such conduct will earn and maintain the trust of society, our industry, and our customers, thereby contributing to our long-term development.

On the other hand, if a compliance violation occurs within the Panasonic Group’s global operations, in addition to criminal penalties and disciplinary actions imposed on the individual responsible, the company involved may also be subject to fines, administrative sanctions, or criminal penalties. Such consequences may not only result in economic losses, but also undermine the trust of society and stakeholders and damage our reputation.

With a full understanding of these positive and negative impacts, the Panasonic Group has established the Panasonic Group Code of Ethics & Compliance to embody its Basic Business Philosophy and practice compliance in its business activities. In addition, we have established various internal rules and regulations, including those designed to ensure respect for fair and free competition and to prevent bribery and corruption, and we are implementing the necessary measures to ensure that every director and employee can perform their duties based on high ethical standards and appropriate judgment.

Policy

The Panasonic Group has established the Panasonic Group Code of Ethics & Compliance (the “Code of Ethics & Compliance”) as the basic policy governing compliance in its business activities. The Code sets out the commitments that each Group company and every employee must fulfill, and it has been translated into 22 languages to ensure that it is understood by employees around the world and thoroughly communicated across the Group.

The Code of Ethics & Compliance goes beyond simply complying with laws and internal rules. It explains the positive impact that putting the Code into practice can have on society and

stakeholders in connection with the Basic Business Philosophy, while also clearly indicating the negative consequences that violations may bring to both the Group and individuals.

The Code is established and revised by the Board of Directors of Panasonic Holdings Corporation (“PHD”) and, after being communicated to all Panasonic Group companies, takes effect through resolutions of each company’s Board of Directors or other appropriate internal procedures.

The Panasonic Group not only establishes the Code of Ethics & Compliance and related internal rules, but also continually verifies whether they are being put into practice across its business activities. Through these efforts, we aim to ensure that compliance is not treated as a mere formality, but is firmly embedded in day-to-day operations as the basis for each individual’s judgment and actions.

[!\[\]\(164c198b99f69f44c0d83d0a336a6581_img.jpg\) Panasonic Group Code of Ethics & Compliance](#)
<https://holdings.panasonic/global/corporate/about/code-of-conduct.html>

Responsible Executive and Framework

The Group General Counsel (Group GC), a Director and Executive Officer, is responsible for and oversees the Panasonic Group’s compliance initiatives, including efforts to prevent bribery and corruption (as of August 2026). Roles and responsibilities related to compliance in the Panasonic Group have been clearly defined on a Groupwide basis.

As shown below, under the Group management system based on the operating company system, Panasonic Holdings Corporation (“PHD”) is responsible for establishing and overseeing the Groupwide compliance system. Under the Group CEO’s leadership, the Group GC and the PHD Legal Division play central roles in advancing these initiatives.

At each operating company, based on the principles of autonomous responsible management, the Chief Legal Officer (CLO) and legal department are responsible for establishing and fully implementing a compliance system for the relevant business area under the leadership of the operating company CEO. Outside Japan, the CLOs and legal departments at each regional location address matters in consideration of regional characteristics.

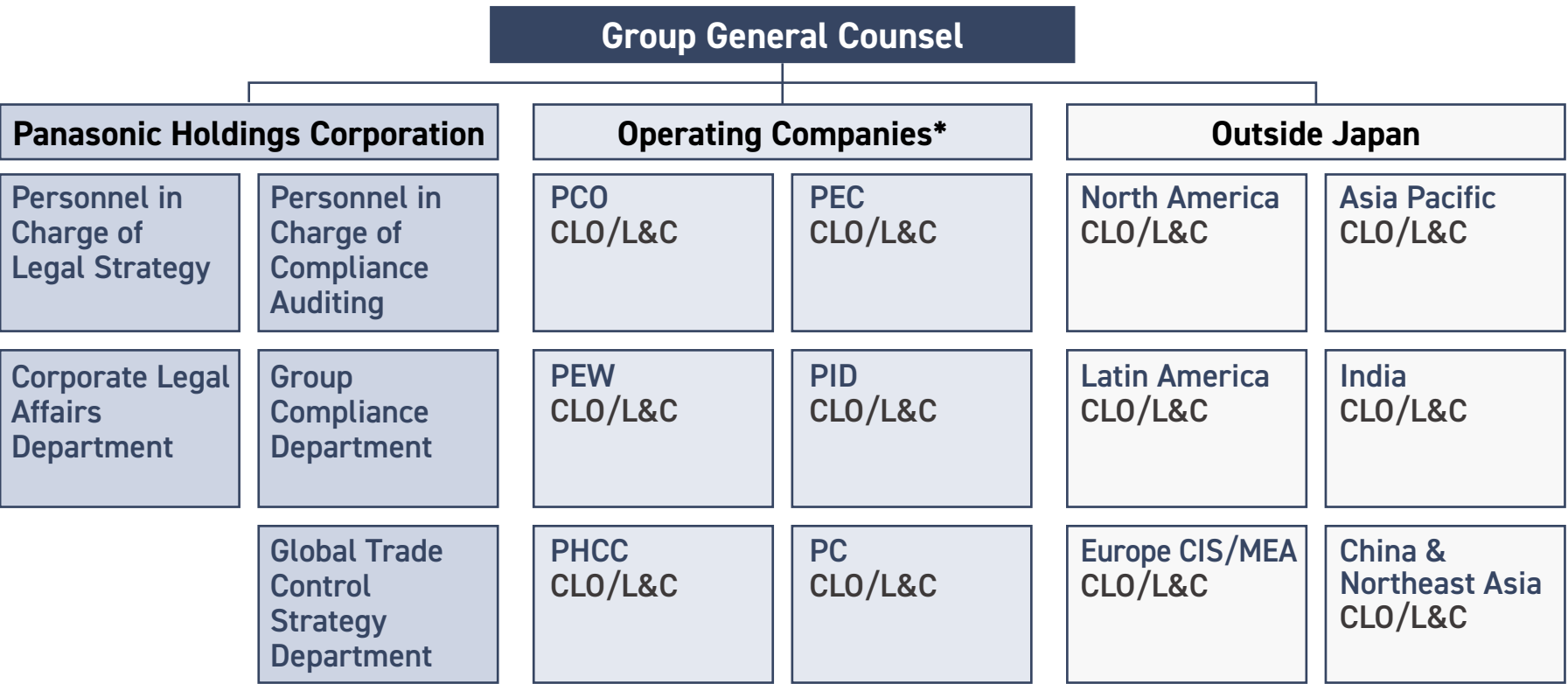
These CLOs work together under the Group GC as a single legal team to promote compliance across the Group.

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Legal and Compliance Promotion Structure (As of April 1, 2026)



CLO and L&C are abbreviations for Chief Legal Officer and the Legal & Compliance Department, respectively.

*PCO: Panasonic Connect Group, PEW: Panasonic Electric Works Co., Ltd., PHCC: Panasonic HVAC & CC Co., Ltd., PEC: Panasonic Energy Co., Ltd., PID: Panasonic Industry Co., Ltd., PC: Panasonic Corporation

In addition, the Group GC and the CLOs of each company regularly report on compliance initiatives and other important matters to the Board of Directors and other relevant management bodies. Through this framework, management provides timely and appropriate instructions and oversight, while issues and risks at the operational level are reflected in management decision-making.

In evaluating compensation for PHD executive officers and operating company CEOs, compliance-related initiatives are included as one of the non-financial indicators. Furthermore, starting in fiscal 2026, malus and clawback provisions*1 have been introduced to promote appropriate conduct by executive officers and to help prevent, detect, and address serious compliance issues (applicable to performance-based compensation).

*1 If a serious compliance issue arises (i.e., one that may materially affect the financial condition, reputation, or brand value of the entire Panasonic Group) or if the financial statements for the entire Panasonic Group need to be amended in any material respect, these provisions allow PHD to claim a refund of previously paid compensation (clawback provisions) or reduce the compensation to be paid (malus provisions).

Key Indicators

The Panasonic Group has identified Business integrity as one of its material issues and is advancing initiatives with “zero serious compliance violations” as a key performance indicator (KPI). Potential serious compliance violations may span multiple areas. This chapter focuses in particular on the core areas of business integrity that directly affect overall business activities—such as ensuring fair competition, preventing bribery and corruption, and compliance with global

trade regulations—and describes the initiatives implemented by the Group in these areas. For other areas, see the relevant chapters below.

Main incidents that could constitute serious compliance violations	Relevant sections and chapters in the Sustainability Website / Sustainability Data Book
Cartels and other violations of the antitrust law and the competition law	“Initiatives to Address Significant Compliance Risks” in “Ethics and Compliance” chapter (pages 111-113)
Corruption, including bribery	
Violations of export control laws and laws/regulations on economic sanctions or UN sanctions	
Violations of the act on the protection of personal information	“Data Protection” in “Cyber Security and Data Protection” chapter (pages 118-119)
Quality-related fraud or legal violations relating to products and services, and violations of regulations related to chemical substances and waste disposal	“Serious Violations and Corrective Measures” in “Ethics and Compliance” chapter (pages 110-111)
	“Raising Product Quality Levels and Ensuring Product Safety” chapter (pages 83-88) 🔗 “Environmental Risk Management” in “Environment” chapter
Human rights issues such as child labor and forced labor	“Respect for Human Rights” chapter (pages 69-75)

Internal Communication and Training

Internal Communication

The Panasonic Group positions compliance as one of the most important foundations of management, and the Group CEO, the CEOs of each operating company, and the heads of each business site continually communicate the importance of sincere and ethical conduct and of a compliance-first mindset through internal messages and opportunities for dialogue. The Group also engages in two-way communication by reporting opinions and concerns raised at the frontline to management and reflecting them in policies and measures as necessary.

Moreover, through the CLOs and legal departments assigned to operating companies and overseas regions, as well as through officers responsible for compliance and export control and the heads of each functional department, specific compliance initiatives are implemented across business sites.

Within the legal departments, which play a leading role in these efforts, legal staff from around the world participate in meetings, and the CLOs of the operating companies, overseas regions, and the PHD Legal Division attend meetings led by the Group GC. Through these meetings, they share the annual compliance policy and promote a variety of compliance initiatives.

Furthermore, changes to laws and regulations, as well as other legal developments relevant to the Group’s businesses are promptly communicated to business sites and related departments in a timely manner, and a quarterly compliance newsletter is distributed globally to management.

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■ Training

In the Panasonic Group, we are strengthening our efforts to accurately identify changes in risks in specific business fields, divisions, and countries and regions, as well as early signs of legal violations and misconduct, in response to changes in the business environment and the Group’s business. Through these efforts, we carry out initiatives on an ongoing basis throughout the year to establish Groupwide awareness of ethical and legal compliance and enhance our risk response capabilities.

With regard to the Panasonic Group Code of Ethics & Compliance that all employees are required to follow, together with basic compliance education and awareness-raising, we conduct education and training on an ongoing basis throughout the year through e-Learning and a variety of educational materials, in addition to training provided at the time of hire and upon promotion.

Furthermore, to ensure the observance and implementation of the Code of Ethics & Compliance, we promote education and awareness-raising activities at each business site under the supervision of Officer responsible for observance of the Code, who are appointed at each operating company, business site, and subsidiary.

In addition, in areas where violations could have a significant impact, such as bribery and corruption and violations of competition laws, we provide field-specific compliance e-Learning programs, and ensure that directors and employees engaged in high-risk duties receive these courses on a regular basis. We also confirm participants’ understanding and monitor the course completion status.

Moreover, at operating companies and in overseas regions, we provide compliance training to the relevant personnel based on risks that reflect the characteristics of each business and region.

The Panasonic Group continuously implements these educational initiatives, while also evaluating participants’ understanding and the extent to which awareness has taken root, and uses the results to enhance the programs. Through these efforts, we aim to embed compliance not only as “rules to be followed,” but also as a foundation that enables each individual to make fair judgments and put them into practice in their daily work.

Whistleblowing System

■ Establishment of the Global Hotline

The Panasonic Group has introduced the “Global Hotline EARS,” a Groupwide, integrated whistleblowing system available to employees at both domestic and overseas sites, as well as to business partners and other external stakeholders, to prevent misconduct and enable its early detection and correction. The system enables anonymous reporting and accepts reports on a wide range of compliance-related issues, including ethical concerns, bribery and corruption,

and harassment. It is available in 32 languages, 24 hours a day, 365 days a year. The Global Hotline is clearly set out in the Code of Ethics & Compliance, and awareness of the system is promoted through various compliance training programs and the posting of posters at domestic and overseas sites. In addition, to ensure transparency in the operation of the reporting system, statistical data on reports, case studies demonstrating how reports have led to issue resolution, and instructions on how to use the system are posted on the Company intranet to encourage employees to use the system. We also promote awareness and use of the system among our business partners through the CSR Promotion Guidelines for Suppliers and other initiatives.

On the Global Hotline website, we clearly indicate the procedures for making a report, the types of personal data collected, how such information is managed, and where responsibility lies. In addition, whistleblowers can check the status of their reports at any time using a reporting key and password assigned to their submission.

■ Ensuring the Effectiveness of the Whistleblowing System

The Panasonic Group clearly states in its Code of Ethics & Compliance that “Panasonic does not tolerate any retaliation or other action that discriminates against or disadvantages anyone who acts in good faith to raise a compliance concern.” Retaliation against whistleblowers is strictly forbidden, and their confidentiality is assured. Anonymous reporting is also available. To clarify this stance, we have established the rules which prohibit retaliation against whistleblowers, individuals who cooperate in investigations, and employees involved in such investigations, thereby ensuring the proper operation of the whistleblowing system.

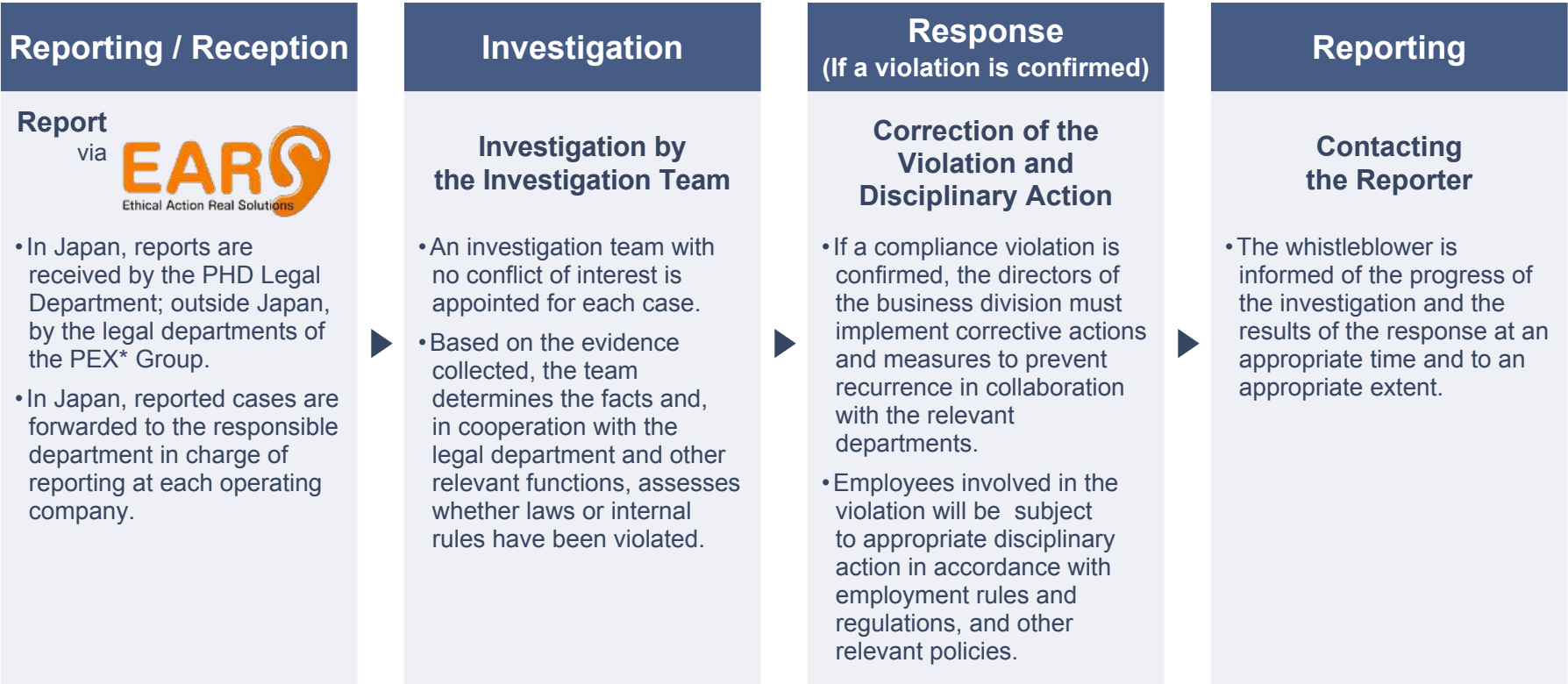
In addition, we have established internal rules to ensure the appropriate reporting, receipt, investigation, corrective action, and reporting to management on compliance issues. These rules clearly define the types of cases subject to reporting and the methods of investigation. In accordance with these rules, each operating company has established a whistleblowing response framework and designated responsible personnel, primarily within the legal and human resources functions. When potential violations are identified through reports, audits, or other channels, we promptly conduct internal investigations. If a violation is confirmed, we take corrective action, implement measures to prevent recurrence, and, where necessary, take disciplinary action against the persons concerned. The results of our response are shared with relevant departments and management and, where appropriate, used to review internal rules and training content, thereby contributing to improvements across the Group.

Furthermore, to maintain and enhance, and to standardize the investigative capabilities of employees engaged in whistleblowing investigations, we continuously provide training programs for those engaged in such investigation activities.

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*PEX: Panasonic Operational Excellence Co., Ltd.

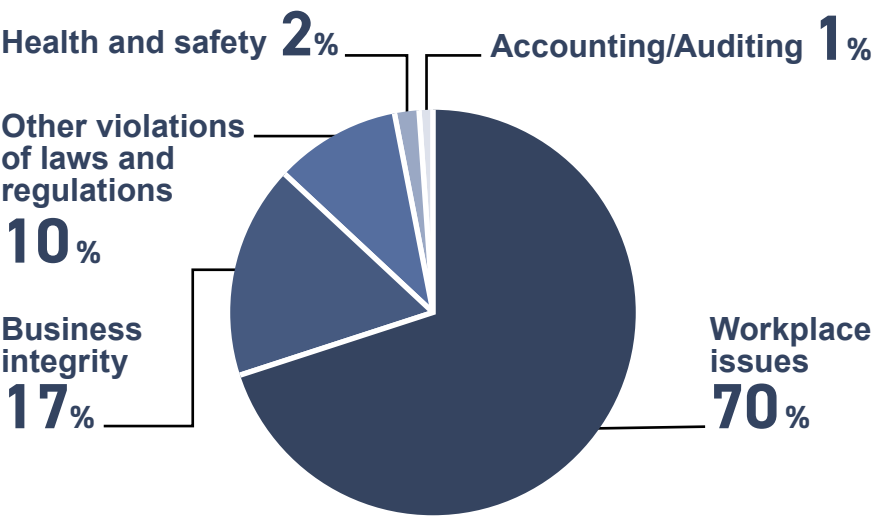
The Panasonic Group places great importance on fostering a “Speak up” culture in which each employee feels safe to raise concerns or seek advice, thereby helping to prevent serious compliance violations and enabling their early detection and correction. In addition to ongoing awareness-raising and education on the whistleblowing system, we are working to improve its effectiveness through prompt and fair investigations, implementation of corrective measures, and appropriate feedback following reports.

As a result, the number of reports and consultations has increased year on year. In fiscal 2026, we received 1,592 reports and consultations. Of these, approximately 79% were submitted through the Global Hotline, and approximately 70% related to workplace issues (see graph on the right). Approximately 26% of all reports and consultations were substantiated, and all cases are investigated in accordance with the internal rules. For substantiated cases, corrective actions and recurrence prevention measures are implemented, and feedback is provided to the reporters (the reporting period for these statistics is from March 16, 2025 to March 15, 2026).

[Global Hotline EARS](#)
<https://secure.ethicspoint.eu/domain/media/en/gui/104773/index.html>

*2 The definition of "Workplace issues" includes harassment, sexual harassment, bullying, discrimination, unfair treatment, complaints, and others. The definition of "Business integrity" includes bribery, conflicts of interest or receiving any improper benefits, fraud and theft, competition law and antitrust, product quality, data privacy and information security, and others. The figures in the graph are rounded to the nearest whole number.

Reports & Consultations (Fiscal 2026)*2



Based on changes in the internal and external environment and emerging issues, the Group will continue to verify the status of the whistleblowing system’s operation and make appropriate improvements as necessary.

Performance Evaluation

The Panasonic Group monitors not only outcome indicators such as the number of serious compliance violations, but also process indicators, including the use of consultation and whistleblowing systems, the status of compliance with internal rules, and the implementation of education and training. Through these efforts, the Group works continuously to enhance its compliance framework and corporate culture.

With regard to compliance with and implementation of the Code of Ethics & Compliance, the PHD Legal Division conducts an annual review of matters such as the appointment of officers responsible for observance of the Code at each Group company, the implementation of education and training, and the obtaining of written pledges. As part of Groupwide control audits, these review results are also subject to external audits by an auditing firm, and their effectiveness is regularly verified from an independent perspective. We also continue to monitor the whistleblowing system to ensure that it operates properly.

Additionally, we conduct a survey targeting all employees worldwide, asking questions on compliance awareness and its reach within our corporate culture. We measure these metrics over time across the entire Group, regions, and organizations, using the results to improve compliance culture within each organization. We received responses from approximately 147,000 employees in fiscal 2026.

Serious Violations and Corrective Measures

If the Panasonic Group identifies any serious violation of laws, internal rules, or similar requirements, we immediately cease the misconduct and conduct appropriate investigation into the facts and underlying causes before determining the necessary corrective actions. Depending on the significance of the matter, we also report it to the Board of Directors and consider prompt, Groupwide responses.

In response to the irregularities related to UL certification and other quality irregularities identified at Panasonic Industry Co., Ltd. (“PID”) in 2024, the Group conducted thorough self-assessments targeting inappropriate actions related to quality compliance from January 2024 to August 2025, with the aim of thoroughly identifying and correcting quality irregularities and preventing their recurrence.

As part of this investigation, we conducted a survey of all Group employees in Japan. For all quality compliance issues reported through the survey, an external law firm interviewed the reporters and other relevant parties and conducted detailed reviews of related business records to identify and clarify the facts. For the matters identified, we took appropriate corrective

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measures based on advice from the external law firm and are promoting Groupwide efforts to prevent recurrence. None of the cases identified through this investigation were subject to administrative sanctions or resulted in revocation of certifications.

For details of the matters identified at PID, please refer to the link below

[🔗 Investigation Report from the external investigation committee \(Summary Version\)](#)

https://www.panasonic.com/content/dam/panasonic/global-en/industry/info/20241101/report_jp_summary_en_241031.pdf

[🔗 PID “Results of Investigation of Irregularities in Panasonic Industry’s Product Quality and Measures to Prevent Reoccurrence”](#)

https://www.panasonic.com/content/dam/panasonic/global-en/industry/info/20241101/investigation_result_and_measures_to_prevent_reoccurrence_en.pdf

Audit

The Panasonic Group has established Compliance Auditing Division and conducts annual audits focusing on significant compliance risks, including bribery and corruption and competition law violations. In these audits, we assess country- and region-specific risks at all business sites based on objective indicators such as the Corruption Perceptions Index (CPI) published by Transparency International, and select approximately five sites with relatively high risk for audit each year. At the selected sites, we review the development and operation of Groupwide compliance rules and regulations. For deficiencies identified through the audits, the business sites take the lead in formulating improvement plans, and the Compliance Auditing divisions follow up on their implementation to ensure that corrective measures are effectively implemented.

Initiatives to Address Significant Compliance Risks

The Panasonic Group places particular importance on compliance with competition laws including the prevention of cartels, the prevention of bribery and corruption, and compliance with trade and transaction regulations. In light of the significant impact these areas can have on the Group’s overall business activities, we are driving focused initiatives in each of them.

Compliance with Competition Laws

The Panasonic Group takes extremely seriously the fact that it has been implicated in cartel incidents in the past and is working to ensure compliance with competition laws, including the prevention of cartels. If the Group were ever involved in a cartel, it would not only lose the trust of customers and society, but could also be required to pay substantial fines and damages, be suspended from participating in public procurement, and face other consequences that could significantly affect its business activities. Accordingly, we rigorously implement measures to prevent cartels and other competition law violations before they occur.

In fiscal 2026, enforcement authorities took no legal action against the Group for anticompetitive behavior. We will continue to pursue strict compliance with competition laws.

Basic Policies

We have established the following basic policies to prevent cartels, collusive bidding, and other such violations:

- Contact with competitors is allowed only in cases in which it is absolutely necessary, and it is subject to prior approval.
- Agreements and exchanges of information with competitors regarding prices, quantities, and other competition-related matters are strictly prohibited.
- Anyone who encounters behaviors that may give rise to suspicions of cartels must make an objection, leave the room, and file an internal report.
- We have established a whistleblowing system and an internal leniency system to improve our ability to self-regulate and conduct appropriate monitoring based on risk assessment, thereby maintaining an effective anti-cartel system.

Fair Competition Compliance Policy

The Group established and implemented rules in 2008 to prevent actual or suspected cartel and bid-rigging activities in all activities with competitors. In light of enforcement trends among competition authorities in various countries, those rules were revised as the Fair Competition Compliance Policy in January 2025. The Policy has applied to all Group employees since April 2025 and sets out the rules and procedures necessary to ensure fair and free competition. It includes the following:

- The basic principle that we must not engage in anticompetitive conduct, such as cartels and bid-rigging, resale price maintenance, abuse of a dominant market position or other unfair trade practices.
- Definition of prohibited information exchanges and agreements with competitors not only in markets related to product sales, production, development, and research, but also in material procurement and labor markets. It also requires prior approval before initiating contact with any competitor.
- Specification of the matters regarding periodic education and auditing, etc. to ensure compliance with the Policy
- Obligations to report any suspected violations of the Policy and dawn raids or any other investigations by law enforcement authorities
- Internal leniency system for cartels and bid-rigging

Preventing Bribery and Corruption

Basic Policy

In addition to preventing the bribery of government officials, the Panasonic Group prohibits offering undue benefits—whether in the form of entertainment, gifts, or otherwise—in violation of laws or social ethics, as well as receiving personal benefits. Based on these principles,

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to strengthen the global prevention of bribery and corruption, the Panasonic Group adopted the following Groupwide regulations on July 1, 2019, which apply globally to all directors and employees. These regulations provide a systematic framework for preventing, detecting, and correcting bribery and corruption.

In the past three years, there were no cases of sanctions by the authorities for bribery or corruption.

Regulations

◆ Global Anti-Bribery / Anti-Corruption Policy

The Policy was adopted to effectively prevent, detect, investigate, and correct corruption, including the bribery involving government officials and corruption in relationships with business partners.

It defines and prohibits facilitation payments and acts considered to be bribery or corruption in connection with political contributions, donations, sponsorships, lobbying, hiring and recruitment, mergers, acquisitions, and joint ventures. It also establishes procedures for due diligence, approval requirements, and the accurate recording and retention of expenditure records for at least five years.

◆ Rules on Third-Party Intermediary Risk Management for Anti-Bribery / Anti-Corruption

These rules are designed to prevent, detect, investigate, and remediate acts of bribery or corruption involving third parties, including sales intermediaries and administrative service providers. They stipulate the procedures for assessing, reviewing, and monitoring risks and risk mitigation measures for these business partners.

◆ Rules on Gift and Hospitality for Anti-Bribery / Anti-Corruption

These rules outline prohibited conduct and specific procedures to prevent the risks of bribery and corruption. These risks involve the provision or receipt of gifts or entertainment, including meals, hospitality, and travel costs, in relation to government officials or business partners.

Directors and employees must obtain prior approval from their superior or the head of the business unit when providing gifts, meals, hospitality, or travel invitations to others. These rules establish specific implementation procedures, including the matters that must be included in the prior approval, documenting approvals, investigating and verifying evidential documents of payment and expense reimbursement requests by the accounting officer, and maintaining payment and expense reimbursement documents at least for a period of five years.

◆ Rules on Conflict of Interest

Any situation in which directors’ or employees’ personal interests or outside activities interfere or appear to interfere, directly or indirectly, with the interests of Panasonic Group, or influence or appear to influence, in any way, the directors’ or employees’ business decisions, actions,

objectivity, loyalty, or ability to perform their jobs are defined as “conflicts of interest” in these rules. In addition to the rules regarding prevention, identification, management, and correction, the rules also offer specific examples of actual or potential conduct that may create conflicts of interest.

Additionally, directors and employees must disclose any actual or potential conflicts of interest in writing to their supervisor or the head of the business unit. Upon receiving such a disclosure, the supervisor or head of the business unit must consult with the legal officer to evaluate the disclosed information and determine the appropriate measures.

Promotion Efforts

Under its Global Anti-Bribery / Anti-Corruption Policy, the Panasonic Group provides training for directors, employees, and others whose duties involve a high risk of bribery and corruption. Those designated by business divisions and consolidated subsidiaries as eligible for this training*3 are required to complete it periodically, generally at least once every two to three years.

To reduce the risk of indirect bribery and corruption through third parties, the Group conducts risk due diligence and operates a risk review process for transactions with sales intermediaries and administrative service providers in accordance with its Rules on Third-Party Intermediary Risk Management for Anti-Bribery / Anti-Corruption. Specifically, the Group conducts risk reviews and implements risk mitigation measures not only for new transactions, but also periodically after transactions commence, at intervals determined by the level of risk, and reviews those measures as necessary. In conducting these reviews, the Group assesses corruption risk by country/region and transaction type, taking into account the Corruption Perceptions Index (CPI) score published by Transparency International, the type of business partner, and the details of the transaction, and implements risk mitigation measures accordingly.

*3 Directors and employees who have contact with government officials in the course of their duties

Trade Compliance

The Group has also stipulated global trade compliance rules in the Code of Ethics & Compliance. We also have Rules on Global Trade Restrictions & Sanction Law Compliance to ensure compliance with each country’s trade-related regulations, including security export controls and sanctions laws. Moreover, in Japan, we set standards meant to help us maintain and improve corporate value through the fulfillment of our social responsibility by respecting and following not only laws but also business ethics in our execution of logistics work in the Logistics Operating Standards and Customs Law Compliance Standards. Through these efforts, we ensure trade compliance, including adherence to import/export regulations and trade-related laws and regulations in all countries.

In Japan, the Authorized Economic Operator (AEO) system provides simplified and expedited customs procedures for business operators that have established frameworks for cargo security management and legal compliance. Under this system, Panasonic Operational Excellence Co.,

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* Please note that “Corporate Governance” links to our website, where the latest information is available and may differ from the reporting period covered by this Data Book.

Ltd. has been certified by customs as both an Authorized Exporter (AEO) and an Authorized Importer (AEO). We strive to ensure the safety of our international logistics by selecting companies that provide physical, personnel, and information security, not only for our own operations but also for those of our contractors.

At a global level, we promote our participation in AEO frameworks in all regions. For instance, our US subsidiary Panasonic North America participates in the Customs-Trade Partnership Against Terrorism (C-TPAT). At the same time, we actively promote participation in the AEO framework in other countries, including China.

Ensuring Transparency of Political Contribution Funds

Panasonic Group makes political donations as a part of its corporate social responsibilities. It abides by the Japan Business Federation’s policy which states that: “Costs commensurate with the task are essential to properly maintaining democratic politics. Political donations by companies are a crucial part of companies’ social responsibilities.” When making donations, we comply with the Political Funds Control Act and all other relevant legislation, as well as strict internal rules including the abovementioned global Groupwide rules for preventing bribery and corruption and prohibits any conduct that could lead to suspicion of bribery on the part of public employees or that amount to corrupt practices. We also have regulations in place concerning political contributions, including the reporting and confirming by multiple responsible executives, such as the executive officers in charge of Government and External Relations, Accounting (CFO), and HR & GA (CHRO) of PHD, and obtaining agreement and approval.

Political donations in FY2025: JPY 28.5 million (one donation in Japan)

* The amount of the one FY2026 political donation in Japan will be disclosed by the Ministry of Internal Affairs and Communications (Japan) in November 2026.

As a general rule, we encourage the development of public policy through industry associations. For lobbying in connection with policy recommendations, our Global Anti-Bribery / Anti-Corruption Policy defines lobbying and requires compliance with relevant laws and regulations, and ensures fairness and transparency by requiring that specific lobbying activities must not be reasonably perceived as inappropriate, unethical, or corrupt.

Tax Policy

The Group contributes to the development of society and the resolution of issues through its business activities by paying its fair share of taxes in communities where it operates and in accordance with the tax laws of each country and other tax guidelines published by international organizations such as the OECD. See below for details.

[🔗 Panasonic Group Tax Policy](#)

https://holdings.panasonic/global/corporate/sustainability/governance/fair-practices/tax_policy.html

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Risk Management

The Panasonic Group operates with the purpose of consistently fulfilling its business objective of contributing to the development of society in all corporate activities, in accordance with the management philosophy established by its founder, Konosuke Matsushita.

Policy

The founder continuously urged each employee to sharpen his or her sensitivity to change, stating that "there are signs before all things" and that "one must be alert to signs of change and act accordingly." The Group’s risk management is an initiative aimed at maximizing the organization’s fulfillment of its mission as a "public entity of society" by valuing this sensitivity at every level, from the front lines to management, and by seeking to prevent in advance adverse impacts on the achievement of its business objectives while proactively utilizing favorable impacts.

Responsible Executive and Framework

The Group has established a Groupwide risk management system and processes based on the “Panasonic Group Basic Rules for Risk Management” (the “Basic Rules”), which comply with ISO 31000, an international standard for risk management systems, and COSO-ERM (2017), an international framework for risk management.

The Group operates in a broad range of business areas in Japan and overseas, including Connect, Electric Works, HVAC & CC, Energy, Industry, and Smart Life etc. In light of this business structure, and in order to achieve risk management that balances optimization at both the corporate and business levels, the Group has established promotion systems at Panasonic Holdings Corporation (“PHD”), as the holding company, and at each operating company based on the "Basic Rules."

At PHD, the PHD Enterprise Risk Management Committee ("PHD ERM Committee") has been established, with the Group Chief Risk Management Officer ("Group CRO"), who is responsible for promoting the Group’s risk management, serving as chairperson, and the heads of the functional divisions responsible for Group measures serving as members. In addition, the Enterprise Risk Management Office ("PHD ERM Office") and the functional divisions work together to carry out the practical operations for promoting risk management.

Panasonic Group values a Risk Culture in terms of its organizational awareness and behavior toward risk, aiming to enhance its risk management effectiveness (see “Education and Awareness” below). We aim to build on this cultural orientation to ensure that we adequately incorporate responses to changes in the business environment into our strategies and operations.

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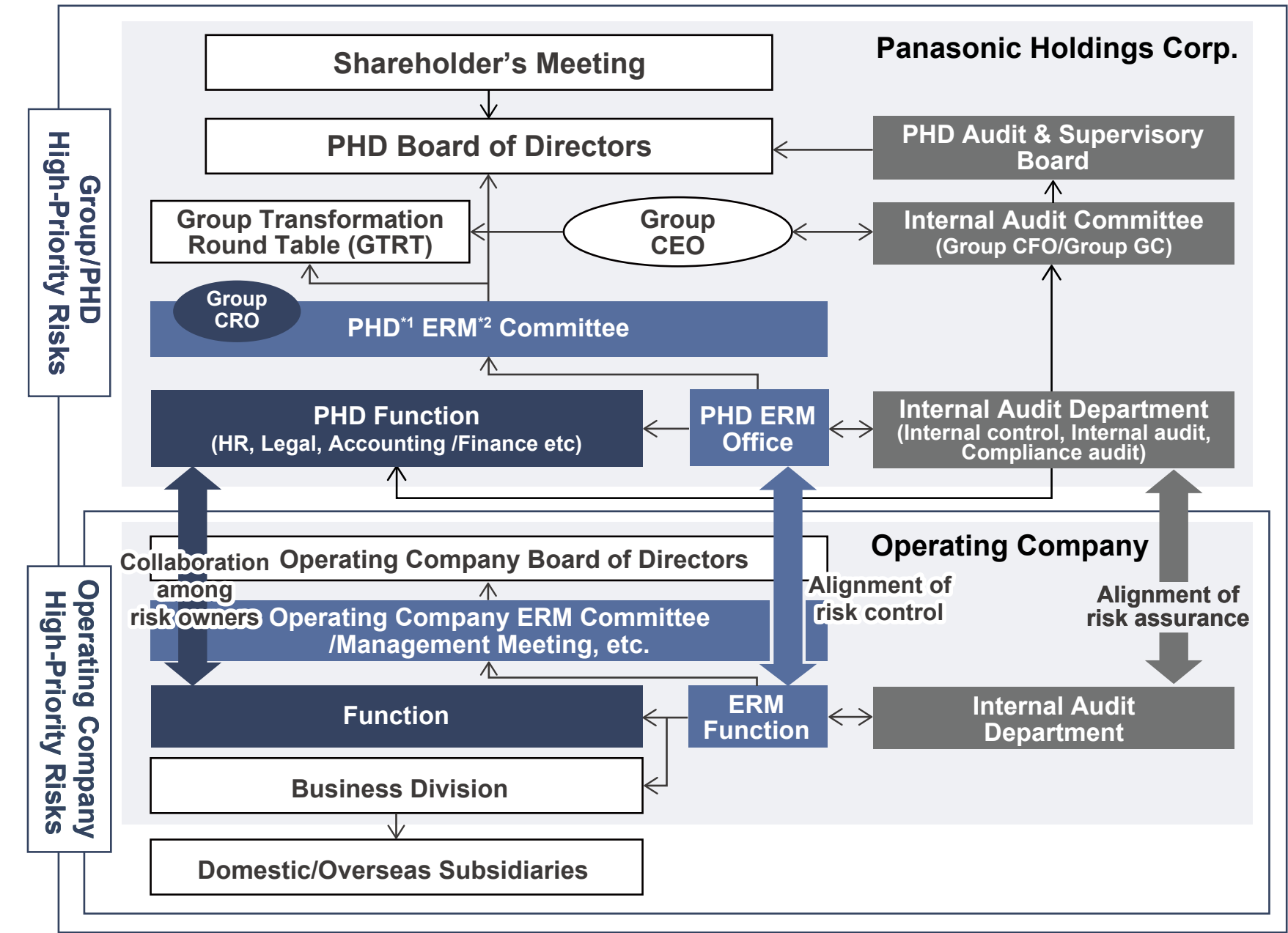
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Risk Management Framework



*1 PHD: Panasonic Holdings Corp. *2 ERM: Enterprise Risk Management

Basic Framework

At PHD, once a year, risks requiring a response or monitoring by PHD or the Group, as well as their priorities, are identified, analyzed and assessed from top-down, bottom-up and cross-functional perspectives, based on changes in the external and internal environment and management’s recognition of risks in light of the Group’s management policies and plans. The Group endeavors to anticipate an uncertain future and effectively allocate limited management resources by taking into account not only the degree of impact on the Group and its stakeholders, including employees, customers and business partners, but also multiple indicators such as vulnerability to such risks.

In addition, at PHD, the PHD ERM Committee conducts regular risk reviews, including monitoring changes in risks and the status of measures to address high-priority risks. The content related to this series of initiatives for promoting risk management is utilized not only to enhance the quality of management decision-making and business execution at Group Transformation Round Table (GTRT) and to support the Board of Directors in supervising the effectiveness and efficiency of the risk management system, but also in risk-based internal audits focused on high-priority risks.

In recent years, given the growing importance of addressing social demands such as corporate social responsibility (CSR), the SDGs, and ESG, these activities have also incorporated risks factors arising from failure to meet such expectations, including those related to human rights, labor compliance, and environmental issues. They also incorporate evaluation factors related to the impacts of our business activities on stakeholders.

Recognized high-priority risks (the Group/PHD)

The high-priority risks recognized by the Group as of July 2026 are as follows. For details, please refer to “Risk Factors” in the Annual Securities Report.

*high-priority risks identified through the PHD ERM framework

Purpose	Risk (Opportunity/Threat)
Strengthening the Trust Foundation of the Solutions Business as a Driver of Growth	Information security and cyber security*
	Use of AI (Artificial Intelligence)*
Continuous Promotion of Business Portfolio Management	Risks related to competition and the industry
	Risks related to alliances with other companies, corporate acquisitions, etc.*
	Risks related to business restructuring
Establishing Global Safety and Compliance Frameworks	Compliance and legal regulations
	Human rights and labor compliance*
	Quality*
	Occupational accidents*
	Risks related to intellectual property
Strengthening Resilience in a Highly Uncertain Environment	Risks related to international business operations*
	Environmental issues/climate change
	Disasters, accidents, and unpredictable events*
	Talent attraction, acquisition, and retention
	Risks related to supply chain
	Changing economic conditions
	Trends in currency exchange rate, interest rates, and the stock market
	Accounting estimates

[Annual Securities Report \(Fiscal 2026 \(April 1, 2025 – March 31, 2026\)\)](#)

<https://holdings.panasonic/content/dam/holdings/global/en/corporate/investors/pdf/securities-report/Report2025.pdf>

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Education & Awareness

In order to enhance the effectiveness of risk management, the Group is promoting initiatives aimed at fostering a "Risk Culture" so that each employee can continuously improve his or her risk literacy and pursue sound risk-taking in an ever-changing environment. In Japan, through training for employees upon joining the Group and prior to overseas assignments, the Group aims to help them acquire the mindset necessary to avoid being excessively fearful of risks and to turn them into opportunities for organizational and personal growth, as well as a basic understanding of how to respond in the event of a crisis.

As part of our corporate social responsibility, we conduct external lectures titled “Risk Management that Supports Organizational and Individual Growth” at universities to help develop the young people who will lead the future through risk management.

Whistleblowing Channel (Internal and External)

The Group maintains the “Global Hotline EARS” to allow Group sites in Japan and overseas and business partners to report potential risks, including compliance violations, diverse types of harassment, and issues related to procurement activities. For more details, see “Whistleblowing System” in the “Ethics and Compliance” chapter ([pages 109-110](#)).

BCM・BCP

The Group is committed to enhancing operational resilience through business continuity management (BCM) activities to ensure business continuity in the event of crises such as natural disasters, terrorism, war, pandemics, and cyberattacks.

We have established basic policies, organizational structures, roles, and initial response measures for emergencies that could significantly impact the entire Group, as outlined in the “Panasonic Group Emergency Management Rules”. We also conduct annual Group disaster drills and work to strengthen disaster prevention and mitigation measures in normal times, thereby bolstering the effectiveness of emergency response systems and coordination based on these regulations.

Moreover, we implement risk-based measures at the Group and in our supply chain based on hazard studies of natural disasters (e.g., earthquakes, floods, and tsunamis). We have also conducted impact analyses using the Nankai Trough Earthquake and the Tokyo Inland Earthquake as stress events with high likelihood, assuming these natural disasters will have a particularly severe impact on the Group’s business. We are improving measures deemed necessary based on the analysis results.

Finally, the Group is working to continuously enhance the entire Group’s resilience by applying the Guidelines for Building Business Continuity Management (BCM). These guidelines outline the approach to identifying priority businesses for recovery in the event of an emergency and

establishing business recovery processes. We also encourage each operating company and business site to formulate and appropriately revise their business continuity plans (BCPs).

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Cyber Security

Recently, cyberattacks have become increasingly sophisticated and complex, raising the risk of large-scale incidents and damage, including attacks targeting the supply chain, such as our business partners. Simultaneously, companies are increasingly required to implement enterprise-wide cyber security measures and are expected to bear significant social responsibility in the event of security incidents.

Policy

The Panasonic Group promotes Groupwide cyber security measures to protect data and personal information entrusted to us by customers from cyberattacks and to ensure stable operations of our information systems and facilities, as well as the products and services we provide to customers.

Specifically, we have established the Panasonic Group Cyber Security Operational Rules, which apply across the Group, alongside other guidelines covering information security, factory system security, and product security, and we ensure that they are thoroughly implemented by all employees. We also regularly evaluate and review these initiatives.

Responsible Executive and Framework

The Executive Officer in charge of Cyber Security is responsible for cyber security initiatives. The Group Chief Technology Officer (Group CTO) is responsible for factory system security and product security (as of April 2026). Panasonic Holdings Corporation (“PHD”) has established the Cyber Security Supervisory Office, headed by the Executive Officer in charge of Cyber Security, to oversee the three aspects of cyber security: information security, factory system security, and product security. Through this office, we are accelerating and centralizing cyberattack countermeasures and promoting the strategic execution of cyber hygiene (prevention under normal conditions) and cyber resilience (response and recovery during incidents).

Furthermore, PHD and each operating company appoint persons responsible for information security, factory system security, and product security. Based on the basic policy and Groupwide regulations formulated by PHD, each operating company promotes security activities for each function.

The Executive Officer in charge of Cyber Security reports important matters concerning Groupwide cyber security and the status of related risks to management meetings, the Board of Directors, and other bodies. The Board of Directors supervises these matters and provides instructions and advice as necessary.

Information Security

To prevent system outages, unauthorized operation, content tampering, and other forms of damage to the Group’s internal systems, internal and external web services, and other IT systems, the Group takes a multifaceted approach to ensure that its IT systems maintain stable operations.

We build and update systems following our security policies, conduct periodic vulnerability assessments, and use periodic committee meetings and other means to ensure that IT system managers at Group companies thoroughly implement our measures.

Factory System Security

The Group has established guidelines for breach prevention, anomaly detection, and incident response covering defense against cyberattacks on its factories. We review these guidelines on an ongoing basis. All of the Group’s sites worldwide defend against cyberattack risks following these guidelines. We also conduct response training for plant personnel on the assumption that security incidents will occur, thereby raising awareness.

Product Security

As consumers conveniently use various products equipped with software and connected to networks, we must ensure product security to prevent harm from attacks initiated by malicious third parties who aim to leak or alter data or cause device malfunction. The Group has established internal structures and rules, including guidelines for promoting security-conscious development, and regularly reviews these structures and rules to ensure customer peace of mind when using products. We also promote research and development in AI-based anomaly detection technology to prevent harm from cyberattacks. Moreover, we provide training to equip employees with skills necessary to ensure product security such as risk analysis during product planning and secure coding.

Joint Initiative

To jointly tackle the above 3 initiatives, we have a dedicated team that regularly collects and monitors information about threats and vulnerabilities and implements countermeasures as necessary, while another team is dedicated to conducting drills in response to an assumed cyberattack.

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Data Protection

In the course of business, companies may handle their business partners’ data assets and customers’ personal information. Improper management of such data may have a negative impact on stakeholders through information theft, leakage, and falsification. The Panasonic Group recognizes the importance of protecting personal information and other data entrusted by its business partners and customers in the course of joint research, customer service, and marketing. Accordingly, we strive to ensure information security Groupwide to prevent data leaks and data tampering.

Policy

In order to gain customer satisfaction and trust through our products and services, the Group believes it is important to recognize various types of information including personal information entrusted to us by stakeholders such as business partners and customers as important assets for these stakeholders and valuable management resources for the Group. We believe it is important to protect and handle such information appropriately. Furthermore, since the enactment of the EU General Data Protection Regulation (GDPR), personal information protection legislation has been enacted and/or revised in various countries, and its importance is growing as our Group’s data utilization businesses expand.

Therefore, we are committed to ensuring information security and protecting personal information under a unified Groupwide framework and in accordance with the information security policies outlined in the Panasonic Group Code of Ethics and Compliance, as well as management regulations and guidelines related to information security, and the basic information security and personal information protection policies established by all Group companies.

We ensure transparency in the handling of personal information by providing timely notice or disclosures to users of our products and services or individuals who are the subjects of personal information regarding our purposes for using personal information and other relevant matters and any updates of our policies, as required by applicable laws and regulations, and depending on individual circumstances. We implement the appropriate organizational, technical, and physical security management measures to accurately record information; properly manage, use, and dispose of it; and prevent its unauthorized use, leakage, and falsification. We set limits on retention periods for personal information, depending on the purpose for which the information is acquired and as required by law. We also strive to raise employee awareness through regular employee training, confirm and evaluate the state of our information handling through internal audits, and make improvements as needed. These initiatives are evaluated and reviewed periodically in light of changes in laws and regulations, changes in the business environment, as well as incidents and audit results.

We have established systems to respond to requests from individuals regarding the disclosure, correction, or deletion of their personal information, as well as concerns or complaints related

to personal information (privacy). We notify or publish the contact point for inquiries in a manner that is easy for individuals to understand and access.

Furthermore, we ensure that information provided to third parties is protected at a level consistent with the Group's policies by taking all necessary and appropriate measures, including ensuring that they are adequately managed and contracts are signed to ensure that third parties appropriately manage the information provided to them.

[🔗 Panasonic Group Code of Ethics & Compliance “Protecting and using our company assets \(Information Security\)”, “Respecting individuals’ privacy”](https://holdings.panasonic/global/corporate/about/code-of-conduct.html)
<https://holdings.panasonic/global/corporate/about/code-of-conduct.html>

[🔗 Basic Information Security Policy \(an example of PHD\)](https://holdings.panasonic/global/security-policy.html)
<https://holdings.panasonic/global/security-policy.html>

Responsible Executive and Framework

The Executive Officer in charge of Cyber Security is responsible for information security and the protection of personal information (as of April 2026).

The Group has appointed persons responsible for information security and personal information protection at PHD and each operating company, and each operating company promotes information security initiatives in line with the Basic Information Security Policy and Global Rules established by PHD.

The Executive Officer in charge of Cyber Security reports important matters and the status of risks related to information security and the protection of personal information (privacy) across the Group to management meetings, the Board of Directors, and other bodies. The Board of Directors supervises these matters and provides instructions and advice as necessary.

[🔗 List of ISO27001 certified companies in Panasonic Group in Japan](https://holdings.panasonic/global/corporate/sustainability/governance/security/iso27001.html)
<https://holdings.panasonic/global/corporate/sustainability/governance/security/iso27001.html>

Personal Information Protection and Compliance

In recent years, many countries have enacted or revised personal information protection laws and regulations. We recognize the importance of ensuring thorough compliance with personal information protection laws and regulations.

As our IoT business grows, our employees are increasingly likely to handle customer life-log data and other personal information worldwide. Therefore, the Group is striving to improve its data management to provide a higher level of privacy protection. Additionally, to comply with the EU General Data Protection Regulation (GDPR), and other laws in various countries, we have developed response manuals and are strengthening our efforts to ensure compliance and accountability to society through employee education and other initiatives. The Group strives to

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protect personal information based on the Personal Information Protection Policy established by each Group company, which mirrors PHD’s policies.

In addition, we are responding to risks by classifying personal information according to its sensitivity and the impact of its disclosure, and then implementing organizational, technical, and physical security control measures depending on that classification. We have mechanisms in place to verify how personal information is handled across the Group, and regularly assess risks related to personal information (privacy).

Example: PHD

[Panasonic Information Protection Policy](#)

<https://holdings.panasonic/global/privacy-policy.html>

[Public information and requests for disclosure of personal information based on the “Personal Information Protection Law”. \(Japanese only\)](#)

<https://holdings.panasonic/jp/privacy-policy/public-announcement.html>

Responding to Incidents

The Group has established reporting and response systems in its incident response rules and provides thorough training employees to minimize harm in an event of an incident. In the unlikely event of an incident, we also work to identify the causes and prevent recurrence. We have established internal procedures and systems to ensure that notifications to the individuals concerned and reporting to supervisory authorities can be carried out appropriately.

Training

The Group conducts annual information security and personal information protection (privacy) training to raise each employee’s security awareness and promote behavioral change. Using content tailored to each employee’s needs (level-specific for newly hired or promoted employees, or company-wide training), we carry out training on appropriate information management and cyber security along with drills to respond to targeted attacks.

FY2026 Groupwide training achievements

Information Security:

- Training content: Enforcing information security and personal information protection
- Target trainees: All employees of Panasonic Group subsidiaries and affiliated companies

Cyber Security:

- Training content: Cyber security training and drills
- Target trainees: All employees of Panasonic Group subsidiaries and affiliated companies

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Category	Target	Record date	Classification	Units	2023	2024	2025	2026
Corporate Governance Structure	Directors	As of 30 June	Total	People	13	13	13	13
			Total of Inside Directors		7	7	6	6
			Men		6	6	4	4
			Women		1	1	2	2
			Total of Outside Directors		6	6	7	7
			Men		5	5	5	5
			Women		1	1	2	2
	Audit & Supervisory Board Members	As of 30 June	Total	People	5	5	5	5
			Total of Inside Members		2	2	2	2
			Men		2	2	2	2
			Women		0	0	0	0
			Total of Outside Members		3	3	3	3
			Men		2	2	2	2
			Women		1	1	1	1

Ethics and Compliance

Category	Target	Record date	Classification	Units	FY2022	FY2023	FY2024	FY2025
Reports & Consultations	Reports and Consultations Topics in the Group	March 16 – March 15 of the following year	Workplace issues	%			67	70
			Business integrity				21	17
			Other violations of laws and regulations				8	10
			Health and safety				3	2
			Accounting/Auditing				2	1

* The definition of "Workplace issues" includes harassment, sexual harassment, bullying, discrimination, unfair treatment, complaints, and others. The definition of "Business integrity" includes bribery, conflicts of interest or receiving any improper benefits, fraud and theft, competition law and antitrust, product quality, data privacy and information security, and others. The figures are rounded to the nearest whole number.

* Because FY2022 and FY2023 data were compiled using different reporting categories and classifications, they are not included in the table above. For details, see the "Fair Operating Practices" chapter in Data Book 2022 or "Business Ethics" chapter in Data Book 2023, available on the Sustainability Data Book Report Archive page.

<https://holdings.panasonic/global/corporate/sustainability/data-book/back-number.html>

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Independent Practitioner's Limited Assurance Report

To the Representative Director, President, Group CEO of Panasonic Holdings Corporation

Conclusion

We have performed a limited assurance engagement on whether selected environmental performance indicators (the “subject matter information” or the “SMI”) presented in Panasonic Holdings Corporation’s (the “Company”) Sustainability Data Book 2026 (the “Report”) as of and for the year ended March 31, 2026 have been prepared in accordance with the criteria (the “Criteria”), which are established by the Company and are explained in the Report. The SMI subject to the assurance engagement is indicated in the Report with the symbol “☑”.

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the Company’s SMI as of and for the year ended March 31, 2026 is not prepared, in all material respects, in accordance with the Criteria.

Basis for Conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*, and International Standard on Assurance Engagements (ISAE) 3410, *Assurance Engagements on Greenhouse Gas Statements*, issued by the International Auditing and Assurance Standards Board (IAASB). Our responsibilities under those standards are further described in the “Our responsibilities” section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA).

Our firm applies International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other information

Our conclusion on the SMI does not extend to any other information that accompanies or contains the SMI (hereafter referred to as “other information”). We have read the other information but have not performed any procedures with respect to the other information. We do not express any form of conclusions thereon.

Responsibilities for the SMI

Management of the Company are responsible for:

- designing, implementing and maintaining internal controls relevant to the preparation of the SMI that is free from material misstatement, whether due to fraud or error;
- selecting or developing suitable criteria for preparing the SMI and appropriately referring to or describing the criteria used; and



- preparing the SMI in accordance with the Criteria.

Inherent limitations in preparing the SMI

As described in the Report, GHG emissions quantification is subject to uncertainty when measuring activity data, determining emission factors, and considering scientific uncertainty inherent in the Global Warming Potentials. Hence, the selection by management of a different but acceptable measurement method, activity data, emission factors, and relevant assumptions or parameters could have resulted in materially different amounts being reported.

Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the SMI is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to the management of the Company.

“The amount subtracting carbon offset by CO₂ credits from the total of Scope 1 and 2 emissions” and “Number of Net-zero CO₂ emission factories” (the “Offset information”) include a deduction from the Company’s emissions for the year of 92 thousand tonnes of CO₂-e relating to offsets. We have performed assurance procedures as to whether these offsets were owned by the Company and retired during the year, and whether the description of them in the Offset information is a reasonable summary of the relevant contracts and related documentation. However, we have not performed any assurance procedures regarding the external providers of these offsets and expressed no opinion/conclusion about whether the offsets have resulted, or will result, in a reduction of 92 thousand tonnes of CO₂-e.

Summary of the work we performed as the basis for our conclusion

We exercised professional judgment and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence about the SMI that is sufficient and appropriate to provide a basis for our conclusion. Our procedures selected depended on our understanding of the SMI and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. In carrying out our engagement, the procedures we performed primarily consisted of:

- assessing the suitability of the criteria applied to prepare the SMI;
- conducting interviews with the relevant personnel of the Company to obtain an understanding of the key processes, relevant systems and controls in place over the preparation of the SMI;
- performing analytical procedures including trend analysis;
- identifying and assessing the risks of material misstatements;
- evaluating whether the Company’s process for developing estimates as well as its use of data, selection of the methods and assumptions were appropriate;
- performing a site visit at one of the Company’s sites which was determined through our risk assessment procedures;
- performing, on a sample basis, recalculation of amounts presented as part of the SMI;
- performing other evidence gathering procedures for selected samples; and

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- evaluating whether the SMI was presented in accordance with the Criteria.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

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Sakurako Otsuki , Engagement Partner

KPMG AZSA Sustainability Co., Ltd.

Osaka Office, Japan

August 24, 2026

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GRI Standard Contents Index

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Statement of use	Panasonic Holdings Corporation has reported the information cited in this GRI content index for the period from April 1, 2025 to March 31, 2026 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

DISCLOSURE		LOCATION
GRI 2: General Disclosures 2021		
1. The organization and its reporting practicesI		
2-1	Organizational details	Corporate Profile 🔗 https://holdings.panasonic/global/corporate/about/group-companies/phd.html
2-2	Entities included in the organization's sustainability reporting	Sustainability Data Book> Editorial Policy (p.1)
2-3	Reporting period, frequency and contact point	Sustainability Data Book> Editorial Policy (p.1) Sustainability Data Book> Back cover
2-4	Restatements of information	—
2-5	External assurance	Sustainability Data Book> Limited Assurance Report (p.121)
2. Activities and workers		
2-6	Activities, value chain and other business relationships	Integrated report 🔗 https://holdings.panasonic/global/corporate/investors/library/annual-report.html Sustainability Data Book> Responsible Supply Chain (p.78)
2-7	Employees	Sustainability Data Book> Social Data> Personnel data (p.103)
2-8	Workers who are not employees	—
3. Governance		
2-9	Governance structure and composition	Corporate Governance 🔗 https://holdings.panasonic/global/corporate/about/group-companies/phd/corporate-governance.html Corporate Governance Report 🔗 https://holdings.panasonic/global/corporate/investors/pdf/cgr.pdf
2-10	Nomination and selection of the highest governance body	Corporate Governance 🔗 https://holdings.panasonic/global/corporate/about/group-companies/phd/corporate-governance.html Corporate Governance Report 🔗 https://holdings.panasonic/global/corporate/investors/pdf/cgr.pdf
2-11	Chair of the highest governance body	Corporate Governance 🔗 https://holdings.panasonic/global/corporate/about/group-companies/phd/corporate-governance.html Corporate Governance Report 🔗 https://holdings.panasonic/global/corporate/investors/pdf/cgr.pdf
2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability Data Book> Sustainability Management Basic Philosophy & Structure (p.4-5)
2-13	Delegation of responsibility for managing impacts	Sustainability Data Book> Sustainability Management Basic Philosophy & Structure (p.4-5) Sustainability Data Book> Environment, Society and Governance chapters (“Environment Governance” (🔗 https://holdings.panasonic/global/corporate/sustainability/environment/governance.html), “Responsible Executive and Framework”, “Promoting Organization” (p.76))
2-14	Role of the highest governance body in sustainability reporting	Sustainability Data Book> Sustainability Management Basic Philosophy & Structure (p.4-5)

DISCLOSURE		LOCATION
2-15	Conflicts of interest	Corporate Governance Report 🔗 https://holdings.panasonic/global/corporate/investors/pdf/cgr.pdf
2-16	Communication of critical concerns	Sustainability Data Book> Risk Management (p.114-116) Sustainability Data Book> Ethics and Compliance (p.107-113)
2-17	Collective knowledge of the highest governance body	Sustainability Data Book> Sustainability Management Basic Philosophy & Structure (p.4-5)
2-18	Evaluation of the performance of the highest governance body	Corporate Governance 🔗 https://holdings.panasonic/global/corporate/about/group-companies/phd/corporate-governance.html Corporate Governance Report 🔗 https://holdings.panasonic/global/corporate/investors/pdf/cgr.pdf
2-19	Remuneration policies	Corporate Governance 🔗 https://holdings.panasonic/global/corporate/about/group-companies/phd/corporate-governance.html Corporate Governance Report 🔗 https://holdings.panasonic/global/corporate/investors/pdf/cgr.pdf
2-20	Process to determine remuneration	Corporate Governance 🔗 https://holdings.panasonic/global/corporate/about/group-companies/phd/corporate-governance.html Corporate Governance Report 🔗 https://holdings.panasonic/global/corporate/investors/pdf/cgr.pdf
2-21	Annual total compensation ratio	—
4. Strategy, policies and practices		
2-22	Statement on sustainable development strategy	About Panasonic Group> Group CEO's Message 🔗 https://holdings.panasonic/global/corporate/about/message.html Sustainability Data Book> Group CEO Message (p.3)
2-23	Policy commitments	Sustainability Data Book> “Policy” section in each chapter Panasonic Group Human Rights and Labour Policy 🔗 https://holdings.panasonic/global/corporate/sustainability/social/human-rights/policy.html Panasonic Group Code of Ethics & Compliance Chapter 5. Our Social Responsibilities 1. Respecting Human Rights 🔗 https://holdings.panasonic/global/corporate/about/code-of-conduct/chapter-5.html#Sec_01
2-24	Embedding policy commitments	Sustainability Data Book> Each chapter
2-25	Processes to remediate negative impacts	Sustainability Data Book> Ethics and Compliance> Whistleblowing System (p.109-110) Sustainability Data Book> Respect for Human Rights> Grievance Mechanism (p.74) Sustainability Data Book> Responsible Supply Chain> Whistleblowing Channels and Grievance Mechanism (p.82) Sustainability Data Book> Maximizing the Potential of Diverse Talent and Organizations> Consultation and Whistleblowing Channels (p.68)
2-26	Mechanisms for seeking advice and raising concerns	Sustainability Data Book> Ethics and Compliance> Whistleblowing System (p.109-110) Sustainability Data Book> Respect for Human Rights> Grievance Mechanism (p.74) Sustainability Data Book> Responsible Supply Chain> Whistleblowing Channels and Grievance Mechanism (p.82) Sustainability Data Book> Maximizing the Potential of Diverse Talent and Organizations> Consultation and Whistleblowing Channels (p.68)
2-27	Compliance with laws and regulations	Sustainability Data Book> Environment> Environmental Risk Management (🔗 https://holdings.panasonic/global/corporate/sustainability/environment/governance/risk.html) Sustainability Data Book> Raising Product Quality Levels and Ensuring Product Safety> Internal Company Rules Concerning Product Labeling (p.85) Sustainability Data Book> Customer Relations> Promoting Fair and Honest Advertising and Promotional Activities (p.94) Sustainability Data Book> Ethics and Compliance (p.107-113)

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DISCLOSURE		LOCATION
2-28	Membership associations	Sustainability Data Book> Participation in External Initiatives (P.11) Sustainability Data Book> Environment> Initiatives to raise awareness of and enhance the recognition of avoided emissions (p.25-26) Sustainability Data Book> Respect for Human Rights> Participation in International and Industrial Partnerships (p.74-75) Sustainability Data Book> Responsible Supply Chain> Industry Collaboration Initiatives (P.80)
5. Stakeholder engagement		
2-29	Approach to stakeholder engagement	Sustainability Data Book> Stakeholder Engagement (p.10)
2-30	Collective bargaining agreements	Sustainability Data Book> Respect for Human Rights> Respect for the Freedom of Association and the Right to Collective Bargaining (p.73)
GRI 3: Material Topics 2021		
3-1	Process to determine material topics	Sustainability Data Book> Value Creation Process and Materiality> Materiality Identification Process (p.7)
3-2	List of material topics	Sustainability Data Book> Value Creation Process and Materiality> Materiality List (p.8)
3-3	Management of material topics	Sustainability Data Book> Value Creation Process and Materiality> Materiality (p.7-9) Sustainability Data Book> Creating Value through Panasonic GREEN IMPACT (p.15-), Climate Change (p.36-), Resources (p.39-), Maximizing the Potential of Diverse Talent and Organizations (p.55-), Respect for Human Rights (p.69-), AI Ethics (p.76-), Ethics and Compliance (p.107-) Corporate Governance 🔗 https://holdings.panasonic/global/corporate/about/group-companies/phd/corporate-governance.html

Topic Standards

DISCLOSURE		LOCATION
GRI 101: Biodiversity 2024		
101-1	Policies to halt and reverse biodiversity loss	Biodiversity Conservation 🔗 https://holdings.panasonic/global/corporate/sustainability/environment/biodiversity.html
101-2	Management of biodiversity impacts	Sustainability Data Book> Environment> Response to TNFD (p.30)
101-3	Access and benefit-sharing	—
101-4	Identification of biodiversity impacts	Sustainability Data Book> Environment> Response to TNFD (p.30)
101-5	Locations with biodiversity impacts	Sustainability Data Book> Environment> Response to TNFD (p.32-33)
101-6	Direct drivers of biodiversity loss	—
101-7	Changes to the state of biodiversity	—
101-8	Ecosystem services	Biodiversity Conservation 🔗 https://holdings.panasonic/global/corporate/sustainability/environment/biodiversity.html
GRI 102: Climate Change 2025		
102-1	Transition plan for climate change mitigation	Sustainability Data Book> Environment> Creating Value through Panasonic GREEN IMPACT (p.15)
102-2	Climate change adaptation plan	Strategic Resilience through Scenario Analysis 🔗 https://holdings.panasonic/global/corporate/sustainability/environment/tcfd/resilience.html
102-3	Just transition	—
102-4	GHG emissions reduction targets and progress	Sustainability Data Book> Environment> Creating Value through Panasonic GREEN IMPACT (p.16-17)
102-5	Scope 1 GHG emissions	Sustainability Data Book> Environment> Reducing CO ₂ Emissions at Our Sites (p.36-38) Sustainability Data Book> Environment> Environmental Data (p.47-49)

DISCLOSURE		LOCATION
102-6	Scope 2 GHG emissions	Sustainability Data Book> Environment> Reducing CO ₂ Emissions at Our Sites (p.36-38) Sustainability Data Book> Environment> Environmental Data (p.47-49)
102-7	Scope 3 GHG emissions	Sustainability Data Book> Environment> Environmental Data (p.47-50)
102-8	GHG emissions intensity	Sustainability Data Book> Environment> Environmental Data (p.48)
102-9	GHG removals in the value chain	Sustainability Data Book> Environment> Creating Value through Panasonic GREEN IMPACT (p.15-17)
102-10	Carbon credits	Sustainability Data Book> Environment> Environmental Data (p.47)
GRI 103: Energy 2025		
103-1	Energy policies and commitments	Sustainability Data Book> Environment> Creating Value through Panasonic GREEN IMPACT (p.15)
103-2	Energy consumption and self-generation within the organization	Sustainability Data Book> Environment> Environmental Data (p.47) Sustainability Data Book> Environment> Reducing CO ₂ Emissions at Our Sites (p.36-38)
103-3	Upstream and downstream energy consumption	Sustainability Data Book> Environment> Environmental Data (p.47)
103-4	Energy intensity	—
103-5	Reduction in energy consumption	Sustainability Data Book> Environment> Creating Value through Panasonic GREEN IMPACT (p.15-16)
GRI 201: Economic Performance 2016		
201-1	Direct economic value generated and distributed	Annual Securities Report (the 119th Business Term)> Overview of Panasonic Group 🔗 https://holdings.panasonic/content/dam/holdings/global/en/corporate/investors/pdf/securities-report/Report2025.pdf Sustainability Data Book> Social Data> Corporate citizenship activities data (p.106)
201-3	Defined benefit plan obligations and other retirement plans	Annual Securities Report (the 119th Business Term)> Consolidated Financial Statements 🔗 https://holdings.panasonic/content/dam/holdings/global/en/corporate/investors/pdf/securities-report/Report2025.pdf
201-4	Financial assistance received from government	—
GRI 202: Market Presence 2016		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	—
202-2	Proportion of senior management hired from the local community	—
GRI 203: Indirect Economic Impacts 2016		
203-1	Infrastructure investments and services supported	Sustainability Data Book> Community Relations (p.99-102)
203-2	Significant indirect economic impacts	Sustainability Data Book> Social Data> Corporate citizenship activities data (p.106)
GRI 204: Procurement Practices 2016		
204-1	Proportion of spending on local suppliers	—
GRI 205: Anti-corruption 2016		
205-1	Operations assessed for risks related to corruption	Sustainability Data Book> Ethics and Compliance> Preventing Bribery and Corruption (p.111-112)
205-2	Communication and training about anti-corruption policies and procedures	Sustainability Data Book> Ethics and Compliance> Internal Communication and Training (p.108-109) Sustainability Data Book> Ethics and Compliance> Preventing Bribery and Corruption (p.111-112)

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205-3	Confirmed incidents of corruption and actions taken	Sustainability Data Book> Ethics and Compliance> Preventing Bribery and Corruption (p.111-112)
GRI 206: Anti-competitive Behavior 2016		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Sustainability Data Book> Ethics and Compliance> Compliance with Competition Laws (p.111)
GRI 207: Tax 2019		
207-1	Approach to tax	Sustainability Data Book> Ethics and Compliance> Tax policy (p.113) Panasonic Group Tax Policy 🔗 https://holdings.panasonic/global/corporate/sustainability/governance/fair-practices/tax_policy.html
207-2	Tax governance, control, and risk management	Panasonic Group Tax Policy 🔗 https://holdings.panasonic/global/corporate/sustainability/governance/fair-practices/tax_policy.html
207-3	Stakeholder engagement and management of concerns related to tax	Panasonic Group Tax Policy 🔗 https://holdings.panasonic/global/corporate/sustainability/governance/fair-practices/tax_policy.html
207-4	Country-by-country reporting	—
GRI 301: Materials 2016		
301-1	Materials used by weight or volume	—
301-2	Recycled input materials used	This information is not calculated given the difficulty in defining main products due to the diversity of business operations. See Evolution of Recycling-Oriented Manufacturing for specific initiatives. Sustainability Data Book> Environment> Evolution of Recycling-Oriented Manufacturing (p.42-46)
301-3	Reclaimed products and their packaging materials	Sustainability Data Book> Environment> Resources (p.39-46) Biodiversity Conservation 🔗 https://holdings.panasonic/global/corporate/sustainability/environment/biodiversity.html
GRI 303: Water and Effluents 2018		
303-1	Interactions with water as a shared resource	Water Resource Conservation 🔗 https://holdings.panasonic/global/corporate/sustainability/environment/water.html
303-2	Management of water discharge-related impacts	—
303-3	Water withdrawal	Water Resource Conservation 🔗 https://holdings.panasonic/global/corporate/sustainability/environment/water.html Sustainability Data Book> Environment> Environmental Data (p.51)
303-4	Water discharge	Water Resource Conservation 🔗 https://holdings.panasonic/global/corporate/sustainability/environment/water.html Sustainability Data Book> Environment> Environmental Data (p.51)
303-5	Water consumption	Water Resource Conservation 🔗 https://holdings.panasonic/global/corporate/sustainability/environment/water.html Sustainability Data Book> Environment> Environmental Data (p.51)
GRI 305: Emissions 2016		
305-6	Emissions of ozone-depleting substances (ODS)	Managed as a substance whose use must be suspended immediately in case it is currently used.
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Chemical Substance Management 🔗 https://holdings.panasonic/global/corporate/sustainability/environment/chemical.html Sustainability Data Book> Environment> Environmental Data (p.52)
GRI 306: Effluents and Waste 2016		
306-3	Significant spills	—

DISCLOSURE		LOCATION
GRI 306: Waste 2020		
306-1	Waste generation and significant waste-related impacts	Sustainability Data Book> Environment> Resources> Evolution of Recycling-Oriented Manufacturing (p.42-46)
306-2	Management of significant waste-related impacts	Sustainability Data Book> Environment> Environmental Data (p.50-51) Sustainability Data Book> Environment> Resources> Evolution of Recycling-Oriented Manufacturing (p.42-46)
306-3	Waste generated	Sustainability Data Book> Environment> Resources> Evolution of Recycling-Oriented Manufacturing (p.42-46)
306-4	Waste diverted from disposal	Sustainability Data Book> Environment> Resources> Evolution of Recycling-Oriented Manufacturing (p.42-46) Sustainability Data Book> Environment> Environmental Data (p.50)
306-5	Waste directed to disposal	Sustainability Data Book> Environment> Environmental Data (p.50) Sustainability Data Book> Environment> Resources> Evolution of Recycling-Oriented Manufacturing (p.42-46)
GRI 308: Supplier Environmental Assessment 2016		
308-1	New suppliers that were screened using environmental criteria	—
308-2	Negative environmental impacts in the supply chain and actions taken	Though comprehensive aggregation is not currently conducted, scope of the CSR self-assessment checklist has been expanded to cover Asian countries from fiscal 2017 in an effort to understand environment burden.
GRI 401: Employment 2016		
401-1	New employee hires and employee turnover	Sustainability Data Book> Social Data > Career and human resources development data (p.104)
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	—
401-3	Parental leave	Sustainability Data Book> Social Data > Data on diversity and work styles (p.103-104)
GRI 402: Labor/Management Relations 2016		
402-1	Minimum notice periods regarding operational changes	—
GRI 403: Occupational Health and Safety 2018		
403-1	Occupational health and safety management system	Sustainability Data Book> Maximizing the Potential of Diverse Talent and Organizations> Creating a Safe, Secure, and Healthy Workplace (p.63-67)
403-2	Hazard identification, risk assessment, and incident investigation	Sustainability Data Book> Maximizing the Potential of Diverse Talent and Organizations> Creating a Safe, Secure, and Healthy Workplace (p.63-67)
403-3	Occupational health services	Sustainability Data Book> Maximizing the Potential of Diverse Talent and Organizations> Creating a Safe, Secure, and Healthy Workplace (p.63-67)
403-4	Worker participation, consultation, and communication on occupational health and safety	Sustainability Data Book> Maximizing the Potential of Diverse Talent and Organizations> Creating a Safe, Secure, and Healthy Workplace (p.63-67)
403-5	Worker training on occupational health and safety	Sustainability Data Book> Maximizing the Potential of Diverse Talent and Organizations> Creating a Safe, Secure, and Healthy Workplace (p.63-67) Sustainability Data Book> Social Data > Occupational health and safety data (p.105-106)
403-6	Promotion of worker health	Sustainability Data Book> Maximizing the Potential of Diverse Talent and Organizations> Creating a Safe, Secure, and Healthy Workplace (p.63-67)
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Sustainability Data Book> Maximizing the Potential of Diverse Talent and Organizations> Creating a Safe, Secure, and Healthy Workplace (p.63-67)

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403-8	Workers covered by an occupational health and safety management system	Sustainability Data Book> Maximizing the Potential of Diverse Talent and Organizations> Creating a Safe, Secure, and Healthy Workplace (p.63-67)
403-9	Work-related injuries	Sustainability Data Book> Maximizing the Potential of Diverse Talent and Organizations> Creating a Safe, Secure, and Healthy Workplace (p.63-67) Sustainability Data Book> Social Data > Occupational health and safety data (p.105-106)
403-10	Work-related ill health	Sustainability Data Book> Maximizing the Potential of Diverse Talent and Organizations> Creating a Safe, Secure, and Healthy Workplace (p.63-67)
GRI 404: Training and Education 2016		
404-1	Average hours of training per year per employee	Sustainability Data Book> Social Data > Career and human resources development data (p.104)
404-2	Programs for upgrading employee skills and transition assistance programs	Sustainability Data Book> Maximizing the Potential of Diverse Talent and Organizations (p.55-68)
404-3	Percentage of employees receiving regular performance and career development reviews	Sustainability Data Book> Social Data > Career and human resources development data (p.104) Sustainability Data Book> Maximizing the Potential of Diverse Talent and Organizations> Evaluation & Compensation (p.59)
GRI 405: Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	Sustainability Data Book> Social Data > Data on diversity and work styles (p.103-104) Corporate Governance https://holdings.panasonic/global/corporate/about/group-companies/phd/corporate-governance.html
405-2	Ratio of basic salary and remuneration of women to men	Sustainability Data Book> Social Data > Data on diversity and work styles (p.104)
GRI 406: Non-discrimination 2016		
406-1	Incidents of discrimination and corrective actions taken	—
GRI 407: Freedom of Association and Collective Bargaining 2016		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Sustainability Data Book> Respect for Human Rights> Human Rights Due Diligence (p.70-74) Sustainability Data Book> Responsible Supply Chain> Supply Chain Due Diligence (p.79-80)
GRI 408: Child Labor 2016		
408-1	Operations and suppliers at significant risk for incidents of child labor	Sustainability Data Book> Respect for Human Rights> Human Rights Due Diligence (p.70-74) Sustainability Data Book> Responsible Supply Chain> Supply Chain Due Diligence (p.79-80)
GRI 409: Forced or Compulsory Labor 2016		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Sustainability Data Book> Respect for Human Rights> Human Rights Due Diligence (p.70-74) Sustainability Data Book> Responsible Supply Chain> Supply Chain Due Diligence (p.79-80)
GRI 410: Security Practices 2016		
410-1	Security personnel trained in human rights policies or procedures	—
GRI 411: Rights of Indigenous Peoples 2016		
411-1	Incidents of violations involving rights of indigenous peoples	—

DISCLOSURE		LOCATION
GRI 413: Local Communities 2016		
413-1	Operations with local community engagement, impact assessments, and development programs	—
413-2	Operations with significant actual and potential negative impacts on local communities	—
GRI 414: Supplier Social Assessment 2016		
414-1	New suppliers that were screened using social criteria	Sustainability Data Book> Responsible Supply Chain> Supply Chain Due Diligence (p.79-80)
414-2	Negative social impacts in the supply chain and actions taken	Sustainability Data Book> Responsible Supply Chain> Supply Chain Due Diligence (p.79-80)
GRI 415: Public Policy 2016		
415-1	Political contributions	Sustainability Data Book> Ethics and Compliance> Ensuring Transparency of Political Contribution Funds (p.113)
GRI 416: Customer Health and Safety 2016		
416-1	Assessment of the health and safety impacts of product and service categories	—
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Sustainability Data Book> Raising Product Quality Levels and Ensuring Product Safety> Major Accidents and Responses (p.86-87)
GRI 417: Marketing and Labeling 2016		
417-1	Requirements for product and service information and labeling	Sustainability Data Book> Raising Product Quality Levels and Ensuring Product Safety> Internal Company Rules Concerning Product Labeling (p.85)
417-2	Incidents of non-compliance concerning product and service information and labeling	—
417-3	Incidents of non-compliance concerning marketing communications	—
GRI 418: Customer Privacy 2016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	—

Panasonic Group

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