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FOR IMMEDIATE RELEASE

Panasonic Holdings Corporation
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Notice Concerning the Revision of the Executive Compensation System

Osaka, Japan, May 12, 2026 --- Panasonic Holdings Corporation ([TSE:6752] the "Company") today announced that, at a meeting of the Board of Directors held today, the Company resolved, in connection with the revision of its executive compensation system, to revise the amounts of compensation, etc. for Directors, to make partial revisions to the restricted stock compensation system, and to introduce a performance-based stock compensation system, and further resolved to submit proposals relating to these matters to the 119th Ordinary General Meeting of Shareholders scheduled to be held on June 22, 2026 (hereinafter referred to as the "General Meeting of Shareholders").

1. Background and Purpose of the Revision

From the perspective of overall optimization of the Group, and with the aim of ensuring the steady execution of the Group growth strategy starting in the fiscal year ending March 31, 2027, encouraging executives of the Panasonic Group to commit to the achievement of business performance and other targets as well as the sustainable enhancement of corporate value, and further strengthening value sharing with the Company's shareholders through the executive compensation structure, the Company has resolved to revise its executive compensation system, subject to obtaining shareholder approval.

2. Revision of Directors' Compensation Amounts

With respect to the amounts of compensation for the Company's Directors, approval has been obtained at the 100th Ordinary General Meeting of Shareholders held on June 27, 2007, and at the 118th Ordinary General Meeting of Shareholders held on June 23, 2025, to set the total amount at up to 1.5 billion yen per fiscal year (of which up to 200 million yen per fiscal year is for Outside Directors). In this revision, taking into consideration factors such as changes in the number of Directors since 2007, the status of the Panasonic Group's competitors, changes in the management environment, as well as an appropriate structure for a new compensation framework, the Company will revise the amount of Directors' compensation, etc. (monetary compensation) to up to 1.1 billion yen per fiscal year (of which up to 200 million yen per fiscal year is for Outside Directors).

3. Partial Revision of the Restricted Stock Compensation System

The Company's restricted stock compensation system was approved at the 112th Ordinary General Meeting of Shareholders held on June 27, 2019, to set the upper limit of restricted stock compensation for Directors (excluding Outside Directors) at up to 500 million yen per fiscal year (excluding the employee portion of compensation for Directors concurrently serving as employees), and the total number of common shares to be issued or disposed of at up to 1 million shares per fiscal year. Thereafter, at the 116th Ordinary General Meeting of Shareholders held on June 26, 2023, the transfer restriction period was revised to "from the date of allocation until immediately after the applicable

director/officer ceases to serve as a Director of the Company, an Executive Officer of the Company not concurrently serving as a Director of the Company, a Fellow of the Company, a Director or Executive Officer of a subsidiary of the Company, or in a position predetermined by the Company's Board of Directors," and the system has remained in effect in its current form since then.

In light of this, while giving due consideration to the independence and objective position of Outside Directors, and with the aim of enabling the Company's Board of Directors to commit, as one unified body regardless of whether Directors are internal or external, to the sustainable enhancement of corporate value, the Company has also decided to allocate restricted stock compensation to Outside Directors. Accordingly, the Company will revise the amount of restricted stock compensation (non-monetary compensation) to up to 700 million yen per fiscal year (of which up to 75 million yen per fiscal year is for Outside Directors), and the total number of common shares to be issued or disposed of to up to 1 million shares per fiscal year (of which up to 107,000 shares per fiscal year is for Outside Directors). Except for the changes to the upper limits of the restricted stock compensation amount and the total number of common shares to be issued or disposed of as described above, there are no other changes to the system's content.

4. Introduction of the Performance-based Stock Compensation System

With the aim of enhancing corporate value from the perspective of overall Group optimization, the Company has adopted a structure under which the presidents of all operating companies concurrently serve as Executive Officers of the Company in their capacity as Business CEOs. Under this structure, in order to more explicitly clarify the linkage with the Company's share price and to provide incentives to enhance the Company's medium- to long-term performance, thereby achieving the sustainable enhancement of corporate value, the Company will newly introduce a performance-based stock compensation system (hereinafter, the "System"). Under the System, the Company will provide, as compensation to its Directors (excluding Outside Directors; hereinafter in this section, the "Applicable Directors"), monetary compensation credit to be used for payment for the Company's common stock to be delivered, as well as monetary compensation to secure funds necessary for tax payments arising in connection with the delivery of such shares. At the General Meeting of Shareholders, the Company will newly introduce the System and establish a separate compensation limit applicable to the System for the Applicable Directors, independent of the compensation limits set forth in Sections 2 and 3 above. In addition to the Applicable Directors, the Company also plans to introduce, by resolution of the Company's Board of Directors, a similar system for Executive Officers not concurrently serving as Directors of the Company (including Business CEOs), on terms substantially equivalent to those applicable to the Applicable Directors.

[Outline of the System]

The System is a performance-based stock compensation system under which shares of the Company's common stock and monetary compensation will be delivered in accordance with the degree of achievement of performance targets predetermined by the Company's Board of Directors. With respect to the delivery of shares under the System, the Applicable Directors will use the monetary compensation credit allocated by the Company under the System for stock investment and will receive issuance or disposition of the Company's common stock. In addition, for the purpose of securing funds to be used for tax payments, the Company will provide monetary compensation in accordance with the System.

In principle, under the System, performance targets for a specified performance evaluation period will

be predetermined by the Board of Directors, and following the end of such performance evaluation period, the Company will deliver shares of its common stock and provide monetary compensation in accordance with the degree of achievement of those performance targets. The total amount of monetary compensation credit and monetary compensation to be provided to the Applicable Directors under the System shall be an amount not exceeding the product of 1 million shares of the Company's common stock per fiscal year multiplied by the closing price of the Company's common stock on the Tokyo Stock Exchange on the trading day prior to the Delivery Resolution of the Board of Directors (defined below) (if transactions were not completed on that day, the closing price on the most recent preceding trading day), per fiscal year (excluding the employee portion of compensation for Directors concurrently serving as employees). In addition, the total number of shares of the Company's common stock to be issued or disposed of following the end of the performance evaluation period shall be up to 500,000 shares per fiscal year (provided, however, that if any event requiring an adjustment to the total number of shares of the Company's common stock to be issued or disposed of under the System arises, such as a stock split of the Company's common stock, such total number shall be adjusted within a reasonable range). The initial performance evaluation period is expected to be a period of one to three consecutive fiscal years starting in the fiscal year ending March 31, 2027, and the performance evaluation indicators are expected to include relative TSR (comparisons of the Company's total shareholder return, including dividends, with the growth rate of specified indicators or the total shareholder return, including dividends, of specified peer companies). After the completion of each initial performance evaluation period, the Company may continue to implement the System within the scope approved at the General Meeting of Shareholders.

The specific timing and details of compensation to be provided to each Applicable Director under the System shall be determined by the Board of Directors. In addition, the amount to be paid per share under the System shall be determined by the Board of Directors based on the closing price of the Company's common stock on the Tokyo Stock Exchange on the trading day prior to each resolution of the Board of Directors concerning the delivery of shares (hereinafter referred to as the "Delivery Resolution of the Board of Directors") (if transactions were not completed on that day, the closing price on the most recent preceding trading day), within a scope that does not result in a price particularly advantageous to the Applicable Directors who will subscribe for such common stock.

Under the System, in certain circumstances—such as where an Applicable Director ceases to serve due to death after the commencement of the applicable target period and prior to the date of the Delivery Resolution of the Board of Directors, or where certain reorganization transactions, etc. are approved during the applicable target period—the Company shall provide monetary compensation in lieu of delivering such shares to the Applicable Director or, in accordance with predetermined procedures, to a person who succeeds to the relevant rights.

[For Reference: Executive Compensation Structure of the Company from the Fiscal Year Ending March 31, 2027 Onward]

(1) Amounts of Compensation, etc. for the Company's Directors

	Current	After Revision (if the proposals set forth in Sections 2, 3, and 4 above are approved at the General Meeting of Shareholders)
Monetary compensation	Up to 1.5 billion yen per fiscal year Of which, up to 200 million yen per fiscal year for Outside Directors	Up to 1.1 billion yen per fiscal year Of which, up to 200 million yen per fiscal year for Outside Directors
Non-monetary compensation	Restricted stock compensation (excluding Outside Directors) Up to 500 million yen and 1 million shares per fiscal year	Restricted stock compensation Up to 700 million yen and 1 million shares per fiscal year Of which, up to 75 million yen and 107,000 shares per fiscal year for Outside Directors
		Performance-based stock compensation Up to the amount equivalent to the closing price of the Company's shares on the day prior to the Delivery Resolution of the Board of Directors multiplied by 1 million shares per fiscal year.

(2) Composition and Overview of Compensation

The Company's executive compensation structure consists of base compensation as monetary compensation, short-term incentive compensation ("STI"), and non-monetary compensation in the form of restricted stock compensation and performance-based stock compensation (restricted stock compensation and performance-based stock compensation are hereinafter collectively referred to as "LTI"). In light of their roles, Outside Directors shall receive only base compensation and restricted stock compensation.

Base compensation is provided as fixed compensation in amounts commensurate with each executive's role and responsibilities.

STI is paid within a range of, in principle, 0 to 200, assuming the predetermined standard amount as 100, based on an evaluation of financial and non-financial performance items. The weighting between financial and non-financial items is 80:20. Financial performance items are evaluated with adjusted operating profit as a core indicator, while non-financial performance items, as in the past, are evaluated on an individual basis using indicators centered on the following: (i) elimination of serious accidents, promotion of strict compliance, and respect for human rights; (ii) environmental contribution; (iii) human resource strategies; and (iv) operational KPIs relating to the enhancement of competitiveness.

Restricted stock compensation is granted in the form of a predetermined number of shares corresponding to a predetermined standard amount, as in the past. Subject to the condition of continuous service with the Company from the time of allocation, the transfer restrictions on the shares are lifted immediately after termination of service, thereby promoting value sharing with shareholders through the continued holding of shares.

Performance-based stock compensation is provided through the delivery of shares of the Company's common stock and the payment of monetary compensation based on a baseline number of shares corresponding to a predetermined standard amount, adjusted according to the degree of achievement of

performance evaluation indicators. The performance evaluation period shall, in principle, be three consecutive fiscal years, and the performance evaluation indicator shall be relative TSR. Specifically, relative TSR shall be evaluated using the following two metrics: (a) the Company's TSR divided by the growth rate of dividend-inclusive TOPIX; and (b) the Company's TSR ranking among peer companies, with the weighting for (a) and (b) set at 50:50.

(3) Composition Ratios, etc.

For the fiscal year ending March 31, 2027, the composition of compensation for the Company's Representative Director and President shall be base compensation : STI (standard amount) : LTI (standard amount) = 1 : 1 : 2. For the Company's other Directors (excluding Outside Directors) and Executive Officers not concurrently serving as Directors (including Business CEOs), the ratio shall, in principle, be 1 : 1 : 1.

Within LTI, the ratio between restricted stock compensation and performance-based stock compensation (standard amount) shall, in principle, be 1 : 4.

For Outside Directors, restricted stock compensation shall be set at approximately 0.4 relative to base compensation of 1, representing approximately 30% of total compensation.

In addition, taking into account that these revisions were examined as part of the Group management reform initiatives in the fiscal year ended March 31, 2026, the Company has, in principle, maintained the overall level of total compensation when viewed based on standard amounts, before and after the revisions. With respect to the appropriate level of compensation under the Company's executive compensation structure, the Company will continue its review while taking into consideration the Company's future business performance and management environment, as well as market trends, including the status of the Panasonic Group's competitors.