

April 20, 2022

Dear Supplier:

Panasonic Operational Excellence Co., Ltd.
Quality & Environmental Division
Global Procurement Division

**Request to respond to the rules to prohibit PBT (Persistent, Bioaccumulative, and Toxic)
Chemicals under the U.S. TSCA (Toxic Substances Control Act)
(Update of the information distributed on March 31, 2021 and November 5, 2021)**

Thank you very much for your unwavering support to Panasonic's initiatives for green procurement.

On Jan. 6, 2021, under the U.S. TSCA, the rules to prohibit 5 substances, i.e., decaBDE, PIP(3:1)*, 2,4,6-TTBT, PCTP, and HCBP, and components/products containing these substances was promulgated.

Of the 5 substances subjective to this rules, PIP(3:1) is a chemical substance widely used as flame-retardant plasticizer in cables made of PVC (Polyvinyl Chloride), etc. for electrical and electronic equipment.

On March 8, 2021, the US Environmental Protection Agency (EPA) finally announced that the effective date of the prohibition of commercial distribution of PIP (3:1) is November 1, 2024, after the postponement of the effective date of the prohibition 2 times for discussions.

Although the effective date of the prohibition has been postponed, we would like to request each supplier again to continue to take necessary actions towards completing substitution of PIP(3:1) according to the descriptions on the next page.

Note that regarding the four PBT substances excluding PIP(3:1), decaBDE has been prohibited according to the "Chemical Substance Management Rank Guidelines Version", and we deem risk of containing the remaining three PBT substances in our electrical and electronic equipment very low.

* PIP(3:1): Phenol isopropylated phosphate (3:1) , CAS RN® 68937-41-7

Requests to suppliers

- (1) If you have any component/product containing PIP(3:1), please inform us of it.
- (2) To the supplier that we know its components/products containing PIP(3:1) are delivered to a company of Panasonic group, we may individually consult with the supplier regarding the submission of information on the components/products containing PIP(3:1) such as chemSHERPA data, and Non-use warranty, as well as the provision of substitute components/products. In such case, please respond to it accordingly.

For your information, PIP(3:1) may be used in the following resin components/products as retardant plasticizer:

- PVC resin: Harnesses, Electric wires, Cables, Covers of electronic components (Fuse covers, Sockets, etc.)
- Urethane resin: Electromagnetic wave absorption sheets.
- Other resin: Adhesives, Adhesive tapes, and Greases.

Note: Use of PIP(3:1) in ‘Adhesives and Encapsulates’ will be prohibited from Jan. 7, 2025, while use of PIP(3:1) in ‘Lubricants and Greases’ and in ‘new components and replacement parts for motor vehicle* and aerospace equipment’ is exempted from the rules. However, in order to respond to other requirements specified in the rules such as ‘Recordkeeping’ and ‘Downstream notification’, we may consult with each supplier regarding the provision of information on the components/products containing PIP(3:1). In such case, please respond to it accordingly.

* “EPA generally interprets the term “motor vehicle” to mean a transport vehicle that is propelled or drawn by mechanical power, such as cars, trucks, motorcycles, boats, and construction, agricultural, and industrial machinery”. (Excerpt from the official gazette on the final rules issued on March 8, 2022.)

- (3) Panasonic has already issued and enforced the “Chemical Substance Management Rank Guidelines Ver.13 (for Products)” where trends of chemical substance regulations in and outside of Japan including this rules are reflected. In the Rank Guidelines, PIP(3:1) is included in the category of the Level 2 Prohibited Substances (use of a substitute for the substance must be proceeded based on the requirements in the specified period).

We plan to include PIP(3:1) in the category of the Level 1 Prohibited Substances (use of the substance must be immediately stopped) at the latest by October 31, 2023, which is 1 year before the effective date of the prohibition of commercial distribution of PIP(3:1).

[For your information: background (as of March 31, 2021)]

- January 6, 2021

The rules was promulgated; commercial distribution of PIP(3:1) has been prohibited since March 8, 2021.

- March 8, 2021

Relaxation of the rules was published; the effective date of the prohibition of commercial

distribution of PIP(3:1) has been postponed until September 4, 2021.

-EPA originally planned that as for the articles containing PIP(3:1), their commercial distribution in the U.S. would be prohibited from March 9, 2021. However, on March 8, 2021, EPA announced to suspend the rules to be enforced for 180 days (until September 4, 2021) and review the effective date, calling for public comments on PIP(3:1) and other 4 substances until May 17, 2021. This postponement is a result of lobbying by industrial groups including electrical industry.

-For the EPA's announcement, on March 31, 2021, Panasonic has decided to start substituting PIP(3:1)-free components/products, and requested to suppliers for the substitution, considering a risk that the prohibition may enter into force on September 4, 2021, at the earliest.

- September 3, 2021

The revised rules was promulgated: The effective date of the prohibition of commercial distribution of PIP(3:1) has been postponed until March 8, 2022.

- On September 3, 2021, EPA announced to postpone the effective date to prohibit commercial distribution of the articles containing PIP(3:1) in the U.S. until March 8, 2022, and determine the effective date, after calling for public comments on PIP(3:1) and other 4 substances and reviewing the comments.

-For the EPA's announcement, on November 5, 2021, Panasonic requested the suppliers to continue to take necessary actions for the substitution, considering a risk that the prohibition may enter into force on March 8, 2022, at the earliest.

- March 8, 2022

Finally, the rules was promulgated; the effective date of the prohibition of commercial distribution PIP(3:1) of November 1, 2024, has been finally determined.

- On October 6, 2021, EPA proposed to further postpone the effective date to prohibit commercial distribution of the articles containing PIP(3:1) in the U.S. until October 31, 2024, and determine the effective date, after calling for public comments on PIP(3:1) and other 4 substances and reviewing the comments. The effective date has been finally decided on March 8, 2022.

End