

Responsible Supply Chain

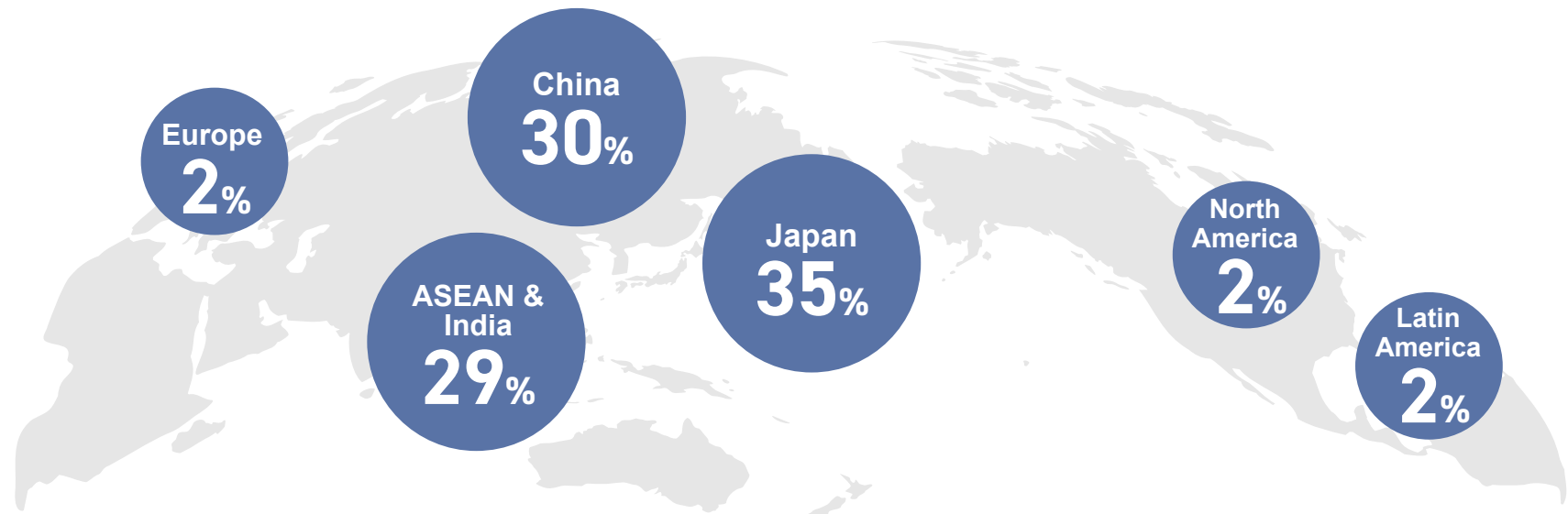
Policy

- Responsible Executive and Framework
- Supply Chain Due Diligence
- Initiatives for a Harmonious Relationship with the Environment
- Responsible Minerals Procurement
- Internal Training and External Awareness-Raising
- Whistleblowing Channels and Grievance Mechanism

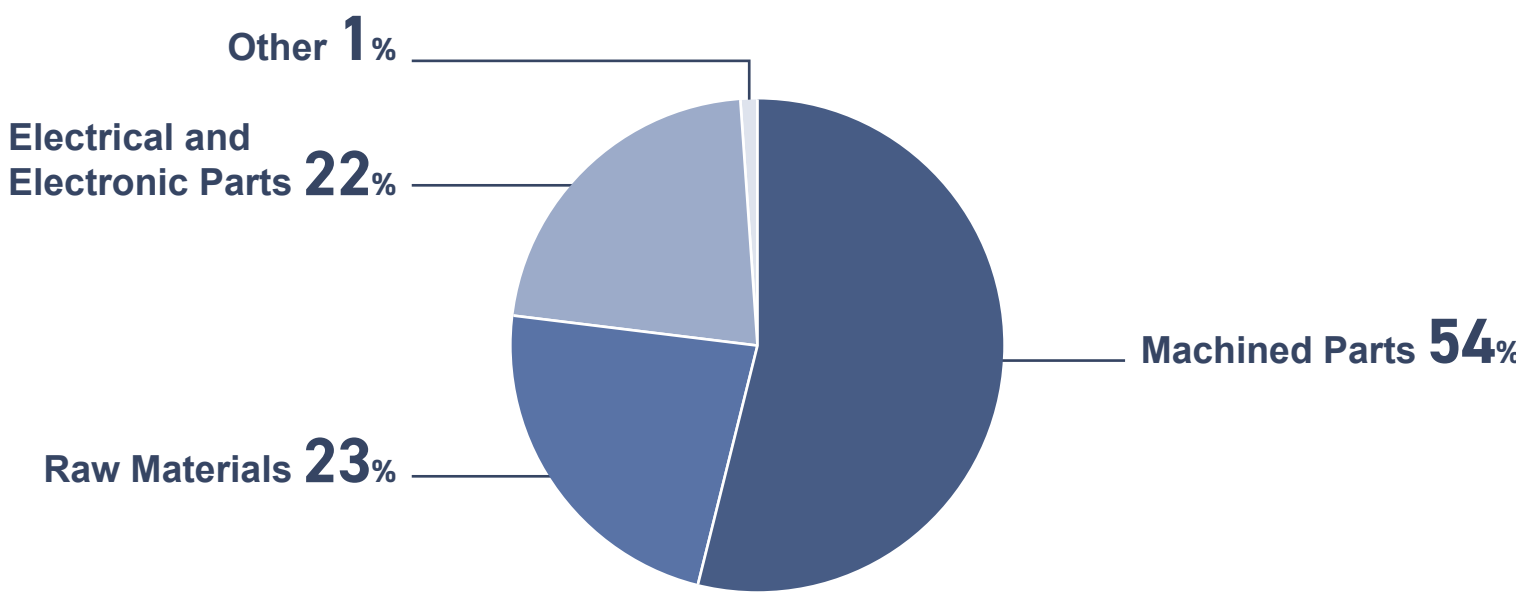
Responsible Supply Chain

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

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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).

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■ 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.

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<https://holdings.panasonic/global/corporate/about/procurement/for-suppliers.html>

[!\[\]\(8bba887393ca45b761e5cb49e755e762_img.jpg\) **Global Hotline EARS**](#)
<https://secure.ethicspoint.eu/domain/media/en/gui/104773/index.html>

[!\[\]\(6bb0e4f14c4133b37d2887cb37e67ddd_img.jpg\) **Grievance mechanism of Japan Center for Engagement and Remedy on Business and Human Rights \(JaCER\)**](#)
<https://jacer-bhr.org/en/index.html>