

**Last updated on October 19, 2023**  
**Panasonic Holdings Corporation**

Representative Director, President: Yuki Kusumi

Contact: 06-6908-1121

TSE Securities Code: 6752

<https://holdings.panasonic/global/>

The corporate governance of Panasonic Holdings Corporation (the “Company”) is described below.

**I. Basic Policy on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information**

**1. Basic Policy**

The Company believes it is important to increase corporate value by fulfilling accountability through dialogue with various stakeholders such as shareholders and customers, making effort to execute transparent business activities, and swiftly conducting business activities with fairness and honesty based on its management philosophy of “a company is a public entity of society.” For this reason, we recognize that corporate governance is an important foundation of management. The fundamental structure is an audit and supervisory system consisting of the Board of Directors that decides the execution of strategies and important matters related to the overall Group and supervises the execution of Director duties, and the Audit & Supervisory Board Members and Audit & Supervisory Board which supervises the execution of Director duties. The entire Panasonic Group endeavors to establish and strengthen this structure as an effective system.

**[Reasons for not complying each principle of the Corporate Governance Code]**

The Company complies all of the principles set forth in the Corporate Governance Code.

**[Disclosure based on each principle set forth in the Corporate Governance Code] [updated]**

**【Principle 1.3 Basic Strategy for Capital Policy】**

The Company operates its business placing considerable weight on “return on invested capital” and development of “financial stability”.

As for the “return on invested capital”, the Company runs business with consciousness of the cost of capital by calculating business division-based ROIC (Return on Investment Capital) and WACC (Weighted Average Cost of Capital), and utilizing it for accelerating business selection & concentration if necessary, and taking up in organic measures to strengthen/revitalize businesses and for decision making on investment, to create sustainable return which outweighs the profit forecast of the capital market. The Company aims continuously 10% or more of ROE (\*) the Company-widely.

As for the “financial stability”, we are increasing our shareholders fund by building up the net profit so that we are able to build up firm financial base to fully promote business restructuring and active investments. Under the capital allocation policy, the Company will allocate capital for implementing the Mid-term strategy with cash flow generated from business (operating CF, divestiture) in manner of financial discipline consciousness.

From the perspective that shareholder return is the return on the capital invested by shareholders, the Company, in principle, distributes profits to shareholders based on its business performance and strives to provide stable and continuous of dividends, targeting a dividend payout ratio of approximately 30% with respect to consolidated net profit attributable to Panasonic Holdings Corporation shareholders.

\* ROE (Return on Equity): Net income attributable to the owners of the parent company / Average of the equity attributable to the owners of the parent company at the beginning and the end of the fiscal year.

**【Principle 1.4 Strategic Shareholdings (So-called “Cross-Shareholdings” in the Corporate Governance Code)】**

Other than holding shares of affiliated companies, the Company acquires and holds shares or interests of other companies, limiting the holdings to those of strategic partners to which Panasonic Group has a close business relation. The Company also judges whether the holding is necessary to increase its mid- to long-term corporate value, considering comprehensively its business strategies and business relation with such partners, among other factors.

For the shares other than those of affiliated companies, the Company determines that the holding of the shares be limited to a minimum necessary, and every year at the Board of Directors Meeting, examines the purpose of the acquisition and holdings per share and cost & benefit with consideration of capital cost, and periodically judges the appropriateness of holding. Based on its examination result, the Company considers disposing and reducing the shares if it determines that the holding cannot be justified.

In exercising voting rights of the shares that the Company holds, the Company decides and exercises each agenda, considering in a comprehensive manner with the concrete voting right

check list, whether the Company can expect, among other things, the increases of the mid- to long-term corporate value of the investee company. The Company does not make affirmative decision on the agenda which might damage the shareholders' value.

**【Principle 1.7 Related Party Transactions】**

Any transaction that results in a conflict of interest between the Company and a Director or Executive Officer (a person in charge of the execution of the Company's business, appointed by resolution of the Board of Directors) is prohibited in principle unless it is reported and approved in advance at the Board of Directors meeting under the "Rules for Directors" and the "Rules for Executive Officers", and the internal approval and the approval by the Board of Directors are required under the "Rules of Approval for Decision-making in Important Matters" and the "Matters to Be Discussed at Board of Directors Meeting". All important facts regarding such transactions are brought before the Board, and the Board then resolves on these transactions taking into due consideration the opinions of the independent Outside Directors, for whom there is no risk of any conflict of interest.

**【Supplementary Principle 2.4.1 Views on diversity of core human resources】**

The Company have established the “Panasonic Group DEI Policy” on October 1, 2021.

<https://holdings.panasonic/global/corporate/sustainability/pdf/sdb202204e-employee.pdf>

DEI stands for “Diversity, Equity & Inclusion” and it is defined as follows;

Diversity: To accept and respect each other and find values in individual personality

Equity: To fairly provide opportunities to individuals who take on challenges

Inclusion: To let individual personality shine and leverage each other as an organization for the people who take on challenges

By promoting DEI, the Company aim to become the "most rewarding company where all employees can make the most of their abilities," regardless of differences in inner and outer aspects of individuals: values, sexual orientation, gender identity, nationality, gender, disability, health, family, job history and so on. In line with this policy, we keep creating opportunities for all employees to take on challenges and perform actively, and developing the systems and initiatives to promoted various personnel to management/executive positions, and to provide various work styles.

Since 2017, the Company have been launching initiatives to increase employee satisfaction such as “Connect with outside and create opportunity to grow,” “Support proactive reformation”, and “Environment where diversity makes sense”.

As of April 2023, the number of female managers was 799, accounting for 6.1% of all the managers, and this percentage is steadily rising.

In 2021, the Company announced to support “30% Club Japan”, a global campaign aimed at "increasing the proportion of female in important corporate decision-making".

As the Company has been promoting its business on a global scale, the Company is proactively appointing non-Japanese and mid-career personnel to managerial positions, who

are essential for the further growth of the business. As of April 2023, the number of non-Japanese employees in managerial positions was 91, accounting for 0.7% of all managerial positions (15.2% of non-Japanese employees) (\*), and the number of mid-career employees in managerial positions was 2,252, accounting for 17.4% of all managerial positions (\*). The Company will continue its efforts to increase these numbers. Additionally, in April 2023, the Company revised its conventional code of conduct, the Panasonic Global Competency (PGC), and established the Panasonic Leadership Principles (PLP), an employee code of conduct for the further application of our Basic Business Philosophy by each and every employee. The Company encourages innovative change of mindset of each of all leaders. The Company has also established a common platform to assess candidate of executives, to monitor the progress of their training, and to select/promote the right person so that the Company can implement systematic career development and identify the most qualified personnel who can realize the sustainable growth of the Company.

(\*) Domain of study: Panasonic Holdings Corporation, Panasonic Operational Excellences Co., Ltd. and seven Operating Companies (For details on the seven Operating Companies, refer to “2. Outline of Current System of Corporate Governance Mechanisms such as Execution of Business, Auditing and Directing, Nomination and Determination of Compensation ” in “ II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management”.)

#### 【Principle 2.6 Roles of Corporate Pension Funds as Asset Owner】

The Company has adopted the defined-benefit corporate pension plan (“the pension plan”) as a domestic corporate pension plan. In asset management of the pension plan, the Company exerts its function as expected as the asset owner, such as accepting the Stewardship Code and working on Stewardship activities for the fund operating agencies.

The Company continues to develop the human resources for the pension plan in a well-planned manner to increase not only the investment management expertise but also the quality of its overall operations. In cases where the operating agencies of the pension plan exercise voting rights for other companies than our group companies, we, the Company respects the decision of the operating agencies of the pension plan and ensures that conflicts of interest which could arise between the pension beneficiaries and the Company are avoided.

<http://nenkin.jpn.panasonic.com/swship/index.html>

#### 【Principle 3.1 Full Disclosure】

(1) Company objectives (e.g., business philosophy), business strategies and business policy

The mission of the Panasonic Group is to realize an ideal society with affluence both in matter and mind. In 1932, the founder of the Company declared that it would aim to achieve this mission in 250 years or in 10 periods of 25 years each. In fulfillment of this mission, the Company has solved social issues of the time and contributed to people's happiness through our business since its foundation. With respect to the realization of this ideal society, long-

term social issues such as global warming, resource depletion, and an extension of healthy life expectancy have been foreseen, and some have already become apparent. To address these social issues and enhance the probability of its 250-year plan, the Company has focused on two areas of contribution: solving global environmental issues (environment) and life-long health, safety, and comfort for everyone (lifestyle). As a group-wide common strategy, the Company aims to increase CO<sub>2</sub> avoided emissions as the Group under the environmental initiative, utilizing knowledge and technologies in electrification, energy conservation, energy conversion, and resource circulation. Under the lifestyle initiative, it aims to become a "Lifestyle Solutions Provider" that can propose value tailored to each customer through diverse customer touchpoints and utilizing digital technology and AI, creating synergy within the Group.

The Panasonic Group's brand slogan is "Live Your Best." Each and every employee desires to continue creating sustainable "happiness" by staying close to customers in a changing world. To achieve the Group's vision, all Operating Companies within the Panasonic Group pledge to achieve the concept of "Live Your Best" for each and every customer, providing excellent products and services that exceed customer expectations and contribute to their well-being.

Basic Business Philosophy:

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

Group Strategy (May 18, 2023 Panasonic Group Strategy Presentation Materials):

<https://holdings.panasonic/global/corporate/investors/presentations.html#20230518>

## (2) Basic view and policy on corporate governance

The Company has worked on the corporate governance under its basic philosophy “a company is a public entity of society”, and established the corporate governance system based on the Board of Directors and Audit & Supervisory Board Members (A&SB Members) / Audit & Supervisory Board (A&SB). The Board is responsible for deciding important operational matters for the whole Panasonic Group and monitoring the execution of business by Directors. A&SB Members / A&SB are independent from the Board and responsible for auditing the performance of duties by Directors.

The Company conducts the following activities to enhance effectiveness of its corporate governance.

1. Secures the rights and equal treatment of shareholders
2. Endeavors to appropriately cooperate with stakeholders such as employees, customers, business partners and local societies with the recognition that its sustainable growth is brought about as a result of receiving resources and contributions from such stakeholders.
3. Appropriately discloses corporate information and ensure transparency of the management.
4. Given its fiduciary responsibility and accountability to shareholders, the Board of Directors set the broad direction of corporate strategy, establish an environment where appropriate risk-

taking is supported and carry out effective oversight of Directors and management from an independent and objective standpoint.

5. Engages in constructive dialogue with shareholders in order to contribute to the sustainable growth and the increase of corporate value over the mid- to long-term.

(3) Board policies and procedures in determining the compensation of the senior management and Directors

The remuneration system for Directors (other than Outside Directors) consists of fixed base salary, performance-based remuneration as an incentive reflecting short-term and medium-term business results, and restricted shares as remuneration as a long-term incentive. However, the Director, Chairperson of the Board is paid only the base salary and restricted shares as remuneration in light of the role as Non-executive Chairperson of the Board of Directors. The remuneration system for Outside Directors and A&SB Members consists only of base salary in the light of their supervisory roles.

Remuneration to Directors and A&SB Members is subject to the maximum total remuneration to all Directors and all A&SB Members, respectively, that is approved by a shareholders meeting's resolution. With regard to the amount of base salary and performance-based remuneration to each individual and the number of restricted shares granted as remuneration to each individual in each fiscal year, the Nomination and Remuneration Advisory Committee affirms their conformity to the remuneration policies by referring to external objective data, etc., and reports the results of its validity examination to the board of directors. The board of directors leaves the decisions to the discretion of the Representative Director and President, who objectively comprehends and supervises the Company's overall business execution.

Remuneration to A&SB Members is determined by A&SB Members, subject to the maximum total remuneration to all A&SB Members that is approved by a shareholders meeting's resolution. The same remuneration system, as the one applicable to the Company's Directors (other than Outside Directors) applies basically to the Company's Executive Officers not serving concurrently as Directors. A remuneration system similar to the one applicable to the Company's Directors (other than Outside Directors) applies to the Presidents of the Company's major Operating Companies, given their roles in enhancing the corporate value of the Panasonic Group. The validity of all these systems is discussed by the Nomination and Remuneration Advisory Committee.

For further details, please refer to "IV. Information on the Company 4. Corporate Governance, etc. (4) Remuneration for Directors and Audit & Supervisory Board Members (A&SB Members) in our securities report, which can be found at the following link:

Securities Report (FY2023 [116th term]):

<https://holdings.panasonic/global/corporate/investors/library/securities-report.html>

(4) Policies and procedures in the appointment and dismissal of the senior management and the nomination of Director and A&SB Member candidates

i) Policy

Regarding Directors, in light of the broad and diverse nature of its businesses, the Company appoints, in a well-balanced manner, those who have broad knowledge, experience and qualification. Regarding Outside Directors, the Company appoints, from among such as management or experts of external entities, those who have knowledge and extensive expertise, that is difficult to be brought if it is relying only on Inside Directors. The Company, also, considering importance of independency of an appointee, appoints Outside Directors, from the perspective that there is no conflict of interest between the Company and the appointee, and that the appointee can increase and enhance the effectiveness of the oversight of the Board based on objective and neutral standpoint.

Regarding A&SB Members, the Company appoints those who have knowledge, experience and qualification for exercising their responsibilities and duties. Also the Company appoints A&SB Member who has substantial finance, accounting and legal knowledge.

Regarding Outside A&SB Members, the Company appoints, from among such as management of external entities, lawyer and certified public accountant, those who have knowledge and extensive expertise, that is difficult to be brought if it is relying only on Inside A&SB Members. The Company, also, considering importance of independency of an appointee, appoints Outside A&SB Members, from the perspective that there is no conflict of interest between the Company and the appointee, and that the appointee may increase and enhance the effectiveness of the auditing by A&SB Members on the execution of business by Directors based on objective and neutral standpoint.

Please refer to 【Principle 4.9 Independence Standards and Qualification for Independent Outside Directors with regard to the qualification for the Company's Outside Directors】 / Outside A&SB Members.

Eligible Executive Officers include those responsible for the Group governance, important management agendas across the Group, and external affairs. Personnel with the knowledge, experience, and capabilities appropriate for these positions are appointed after deliberations by the Nomination and Compensation Advisory Committee.

With respect to the dismissal of Directors, if a Director remarkably lacks in qualification as a Director because of violation of laws and regulations, involvement in unfair, dishonest or suspicious acts undermining confidence as a Director, or a decline in business or for other reasons, as set forth in the Rules for Directors, the proposal of dismissal to the General Meeting of shareholders, exclusion of such director from the candidates for the next director, and other necessary actions are resolved in accordance with the procedures set forth in the Rules. Regarding dismissal of Executive Officers, if an Executive Officer remarkably lacks in qualification as an Executive Officer because of violation of laws and regulations, involvement in unfair, dishonest or suspicious acts undermining confidence as an Executive Officer, or a

decline in business or for other reasons, as set forth in the Rules for Executive Officers, the Board of Directors shall resolve the necessary actions.

As for replacement of the Group Chief Executive Officer (Group CEO), please refer to the Supplementary Explanation of Voluntary Establishment of Committee(s) Corresponding to Nomination Committee or Compensation Committee under II 1. [Directors] in this report.

ii) Procedure

Director and Executive Officer candidates are deliberated upon by the Chairman, the Group CEO, and the Group Chief Human Resources Officer (Group CHRO) before being decided by the Board of Directors. A&SB Member candidates are deliberated upon by the Chairman, the Group CEO, and the Group CHRO and consented to by the A&SB before being decided by the Board.

The Company has established a voluntary Nomination and Compensation Advisory Committee, chaired by an independent Outside Director. In response to inquiries from the Board, this Committee deliberates and reports to the Board on the results of internal considerations of Director, Executive Officer and A&SB Member candidates.

(5) Explanations with respect to the individual appointments and nominations

Work records and the reasons of appointment for Directors and A&SB Members are stated in the reference materials for the general meeting of shareholders. The reasons of appointment for Outside Directors and Outside A&SB Members are also stated in Reason of Appointment of Relationship with the Company (2) of II.1. [Directors] and [Audit & Supervisory Board Members (A&SB Members)/Audit & Supervisory Board (A&SB)] in this report.

<https://holdings.panasonic/global/corporate/investors/shareholders-meeting.html>

**【Supplementary Principle 3.1.3 Initiatives for sustainability and others】**

(1) Initiatives for sustainability

The Panasonic Group has positioned "contributing to the progress and development of society and the well-being of people worldwide through its business" at the core of our Basic Business Philosophy and believes that the implementation of this Philosophy constitutes the true nature of sustainability management. In fiscal 2023, the Sustainability Management Committee that was launched in January 2022 met monthly and discussed important issues concerning the Group.

The Group has identified important opportunities and risks as material issues, in terms of financial and social impact. To cope with this material issues, we will promote sustainability initiatives to utilize new business opportunities and reduce risks. Therefore, we will strive to improve our sustainability management.

In addition, we will review the material issues identified appropriately, based on future environmental changes and the dialogue with stakeholders.

For more details, please refer to "II. Business Overview 2. Disclosure of Sustainability-related



Undertakings" in our securities report and our Sustainability Data Book.

## (2) Investment in human resources

Since its foundation, the Panasonic Group has been committed to the concept of human capital management, which regards human resources as important capital. It is the Company's autonomous responsible management system that relies on the entrepreneurship of each and every employee who resolutely takes on challenges with a sense of autonomous responsibility, and the participative management through collective wisdom in which the employees can say what they have to say and share their wisdom with each other. The Company aims to put this Basic Business Philosophy into practice as a Group-wide management strategy and create an ideal society, with both material affluence and mental happiness by having our operating companies hone their competitiveness.

The Company has recently established the Panasonic Leadership Principles (PLP), an employee code of conduct for the further application of our Basic Business Philosophy by each and every employee. The Company will further increase value for society by implementing specific actions.

And the four elements that are key to increase the value are: "capability (job-rank-based skills development)," "employee engagement (employees' self-motivated endeavors)," "employee enablement (a working environment that makes employees feel comfortable and helps them reach their full potential)" and "diverse human resources."

The Company believes that the foundation of these elements is the well-being of our employees. It refers to the state in which each and every one of its employees is both mentally and physically healthy, and feels happy and fulfilled in their work as a result of having opportunities for taking on new challenges. And it is a prerequisite for autonomous responsible management.

In order to ensure its employees' well-being, which is one of the Group-wide human resources strategies, the Company are committed to creating value by promoting the well-being initiatives under the three pillars: "Work in a safe, secure, and healthy state," "Work with a sense of fulfillment," and "Work together by giving full play to all individuality." We will monitor the created value using productivity indexes based on the financial indicators.

For more details about these specific initiatives, please refer to "II. Business Overview 2. Disclosure of Sustainability-related Undertakings" in our securities report, our Sustainability Data Book, and our Integrated Report.

## (3) Investment in intellectual property

Since its foundation, the Panasonic Group has always placed an emphasis on intellectual property based on the idea that business is founded on intellectual property. The Company continues to work toward business growth and corporate value today, but what has changed is that it has begun to take aim at solving some of the social issues through our acquisition, management, and effective use of intellectual property. Specifically, our Sustainability Data Book introduces our policy, responsible executive, framework, major approaches, education &

awareness-rising, consultation & whistleblowing and evaluations regarding the Group's intellectual property. In addition, the website of the Group's Intellectual Property Department introduces the purpose of Panasonic intellectual property, and its Integrated Report showcases intellectual property activities that contribute to our mechanism of patent consolidation to create group synergies, our status and activities regarding environment-related patents and the "Technology Index," a search system based on tens of thousands of pieces of intellectual property information held by us.

The Company's R&D expenditure in fiscal 2023 was 469.8 billion yen (R&D expenditure to sales ratio: 5.6%), and the number of applications for patent registration, utility model registration and design registration was approximately 15,000 (including approximately 9,200 overseas). As of March 2023, the Company held approximately 99,000 patents, utility model and design rights (including approximately 56,000 overseas) and approximately 15,000 trademarks (including approximately 11,000 overseas).

Securities Report (FY2023 [116th term]):

<https://holdings.panasonic/global/corporate/investors/library/securities-report.html>

Sustainability Data Book:

<https://holdings.panasonic/global/corporate/sustainability/data-book.html>

Integrated Report:

<https://holdings.panasonic/global/corporate/investors/library/annual-report.html>

Panasonic Intellectual Property Department website:

<https://holdings.panasonic/global/corporate/about/intellectual-property.html>

【Supplementary Principle 4.1.1 The Scope of Matters Delegated to Management by the Board of Directors】

The Board of Directors entrusts authority to the Operating Companies, and achieves a fast-moving decisionmaking process centered on the Operating Companies. It also decides the Group's medium- and long-term strategies and important Group matters, and concentrates on Group direction through Group governance and risk management, in order to make important decisions for the Group and conduct sound and suitable monitoring. Therefore, pursuant to internal rules (Rules for Meetings of the Board of Directors, Matters to be Discussed at Board of Directors Meeting, Rules of Approval for Decision-making in Important Matters, etc.), matters to be discussed by the Board of Directors shall be limited to those that require a resolution of the Board of Directors in accordance with laws and regulations and the Articles of Incorporation, important matters related to the Group management, and transactions exceeding a certain threshold amount specified by category. Decisions on the execution of other business shall be delegated to the Executive Officers in charge of management.

【Principle 4.8 Effective Use of Independent Outside Directors】

The Company has established a policy that the ratio of Outside Directors to the Board of Directors shall be at least one-third, and currently elects six (6) Outside Directors. All Outside Directors are notified as “Independent Directors / Audit & Supervisory Board Members” required by financial instruments exchanges such as Tokyo Stock Exchange. Please refer to 4. of i) Policy of Principle 【3.1 Full Disclosure for the qualification of independent Outside Directors】 which the Company requires of independent Outside Directors. Three (3) independent Outside Directors serve as the members of Nomination and Compensation Advisory Committee, and one of them serves as the chairperson of this Committee. In addition, the Company has established an Outside Officers Committee consisting of Outside Directors and Outside A&SB Members to actively exchange information and opinions so that Outside Directors can fully demonstrate their knowledge in discussions at the Board of Directors meetings.

【Principle 4.9 Independence Standards and Qualification for Independent Outside Directors】

The Company defined the outline of the independence standards for independent Directors / Audit & Supervisory Board Members (A&SB Members) that the Company established based on the independence standard required by financial instruments exchanges such as Tokyo stock exchange.

The following persons are not considered independent.

- (1) A person executing the operations of a parent company or a subsidiary of the parent company of the Company (Including a person who corresponds to such a person recently or previously, hereinafter, “executing person”)
- (2) A person whose major business partner is the Panasonic Group or an executing person of the same, or a major business partner of the Panasonic Group or an executing person of the same
- (3) A consultant, accounting expert, or legal expert who receives a significant amount of money or other property from the Panasonic Group other than compensation as a Director / A&SB Member. If the person who receives such property is an organization such as a legal entity or association, a person who belongs or belonged to the organization corresponds to the relevant person.
- (4) A principal shareholder of the Company (If the principal shareholder is a legal entity, an executing person of such legal entity)
- (5) A close relative listed in items (1) to (4) (A second-degree or closer relative applies. The same applies hereinafter.) or a close relative of an executing person of the Company or a subsidiary of the Company (If an Outside A&SB Member is appointed to as an Independent Director / A&SB Member, a person who is or who was a non-executing director / accounting advisor is included in the executing person.)

(Notes)

- i) In the items (1), (2), (4) and (5) above, an “executing person” corresponds to any of the following.

· An executive director, an executive officer (shikkouyaku) or a director / A&SB Member who executes business of a legal entity, etc.

· An employee who executes business, a person responsible of serving duties of an employee who executes business of a legal entity in the case that the legal entity is an employee who executes business, or other such equivalent person

· An employee

Also, the wording “recently” shall be assumed to be the point of time when the content of the bill of the general meeting of shareholders electing the person as a director or an A&SB Member is decided, and the wording “previously” shall be assumed to be within the last three years.

ii) In the item (2) above, “major” shall be applied to the case in which the amount of the transaction between the Panasonic Group and a business partner exceeds 2% of either of their annual consolidated net sales.

iii) In the item (3) above, “a significant amount” shall be applied to the case in which the person oneself who provides a service (individual) or the organization such as a corporation or association to which a service provider belongs, in providing a service to the Panasonic Group, corresponds to any of the following. “A person who belongs or belonged” includes not only a partner, but also an associate as it is so called.

· A person oneself who provides a service: Receives compensation of more than or equal to 12 million yen per year from the Panasonic Group.

· An organization to which a service provider belongs: The amount of the transaction between the Panasonic Group and the organization exceeds 2% of either of their annual consolidated net sales.

“A person who belonged to an organization” shall be assumed to be identified based on whether the person belonged to the organization within the last three years.

iv) In the item (4) above, “a principal shareholder” shall mean a shareholder holding 10% or more of the voting rights of the Company.

v) In the item (5) above, “A person who was a non-executive director / accounting advisor” shall be assumed to be identified based on whether the person was in the position within the last three years.

Please refer to 【Principle 3.1 Full Disclosure】 4. i) Policy with regards to Qualification for independent Outside Directors

#### 【Supplementary Principle 4.10.1 Nomination and Compensation Advisory Committee】

The Company has established a voluntary Nomination and Compensation Advisory Committee. Upon receiving inquiries from the Board of Directors, the Committee deliberates on the results of internal reviews regarding the nomination of candidates for Director, A&SB Member, Executive Officer, President of the Operating Companies, and Outside Director of the Operating Companies, and also on the appropriateness of the remuneration system for Director,

Executive Officer, President of the Operating Companies, and Outside Director of the Operating Companies, and of the amount and content of remuneration for each individual. In addition, the Committee discusses the succession plan for the Group CEO, Executive Officers, and Operating Company Presidents, and conducts monitoring of successor candidates. The members can also propose the timing for replacement of the Group CEO.

As of the date of submission of this report, the Committee consists of five (5) members; independent Outside Director Michitaka Sawada (Chairperson), independent Outside Director Kazuhiko Toyama, independent Outside Director Yoshinobu Tsutsui, Director and Chairperson of the Board Kazuhiro Tsuga, and Representative Director and President Yuki Kusumi (the Group CEO). The Company has been enhancing objectivity and transparency of the Committee by ensuring that the Outside Directors constitute a majority of its membership with one of them serving the chairperson.

**【Supplementary Principle 4.11.1 Disclosure of View on Diversity and Size of the Board of Directors】**

The term of each Director is limited to one (1) year and all Directors are reelected at an annual general meeting of shareholders. The structure of the Board of Directors makes it possible to appropriately apply decisions of shareholders to management. The Board of Directors is composed of thirteen (13) Directors (of which two (2) are women). With consideration for the skills required by the Panasonic Board of Directors, it seeks to ensure diversity of the knowledge, experience, and qualifications of the Board of Directors as a whole. Based on a policy of ensuring that one-third or more of Board of Directors Members are Outside Directors who can be expected to provide valuable opinions for decisions related to operations and supervision of Director duties based on their extensive careers outside the Company and high levels of knowledge, six (6) Outside Directors have been appointed. Chairman of the Board who is not involved in execution of business takes on the position of a chairman.

The Company discloses the expertise of directors (skill matrix) in the Reference Documents for the General Meeting of Shareholders.

<https://holdings.panasonic/global/corporate/investors/shareholders-meeting.html>

**【Supplementary Principle 4.11.2 Restrictions on Concurrent Positions of Directors and Audit & Supervisory Board Members (A&SB Members); Disclosure of Status Thereof】**

To the extent that it does not hinder their roles or duties within the Company, Directors (excluding Outside Directors), A&SB Members (excluding Outside A&SB Members), and Executive Officers may take positions as directors or audit & supervisory board members of other companies or as representative officers of important government, national and local bodies, or the like by consulting with the Group CHRO and obtaining the Group CEO's approval pursuant to the “Rules of Approval for Decision-making in Important Matters.” The Company has also established the Committee for the Determination of Concurrent Holding of Positions, chaired by the Group CHRO, to evaluate risks associated with concurrent positions for the Company. Important concurrent positions held by Directors (including Outside Directors) and A&SB Members (including Outside A&SB Members) are stated in the reference materials of

the ordinary general meeting of shareholders each year.

<https://holdings.panasonic/global/corporate/investors/shareholders-meeting.html>

【Supplementary Principle 4.11.3 Analysis and Evaluation of the Board of Directors Effectiveness】

Each fiscal year, Panasonic conducts an evaluation of the Board of Directors effectiveness for the members who attend Board of Directors meetings. The results of this effectiveness evaluation are shared at Board of Directors' meetings as an agenda item, and issues and improvements raised by the attending Board of Directors members are discussed at Board of Directors' meetings. Based on the results of this discussion, the future Board of Directors system, operating improvements, and other measures are discussed and implemented in order to continually operate a PDCA cycle for improving the effectiveness of the Board of Directors and strengthening corporate governance.

i) Important fiscal 2023 measures based on the effectiveness evaluation in the previous fiscal year

The following are the primary measures that were carried out in fiscal 2023.

- In order to deepen discussion at the Board of Directors' meetings, clearly indicate the key points, issues, and directions for resolving issues that should be discussed at the Board of Directors' meetings regarding important matters.
- On the condition that agenda materials are shared in advance, simplify the presentation at the Board of Directors' meetings and allocate more time to discussion depending on the content of the agenda items.
- Utilize online tools and other means to construct a system for sharing advance questions regarding agenda items from Board of Directors members and the responses to them.
- Increase opportunities for communication between Outside Directors and Operating Company Presidents.

ii) Fiscal 2023 evaluation of the Board of Directors effectiveness

In fiscal 2023, an evaluation of the Board of Directors effectiveness was carried out on the following schedule. Questionnaire question design and results analysis involved advice from an outside agency in order to ensure objectivity.

- Survey period: Late November, 2022 - Mid December, 2022
- Survey format: Total 27 questions (Of these, 25 were evaluations in four ranks, and two were multiplechoice questions. Free answer spaces were provided for each question.)
- Primary survey items:
  - Structure and operations of the Board of Directors
  - Group strategies and Operating Company strategies
  - Corporate ethics and risk management
  - Evaluation of the management team (nomination, remuneration)
  - Dialogue with shareholders etc.

- Board of Directors evaluation results report and discussion: Board of Directors' meetings in January and March 2023 (2 times)

Through discussion, the Board of Directors identifies issues for improving Board of Directors effectiveness, important supervision themes for Board of Directors in the next fiscal year, items for improving operations, and other matters.

iii) Board of Directors effectiveness evaluation results and issue improvement measures.

It was confirmed from the survey results that, continuing from the fiscal 2022, the evaluation of Board of Directors effectiveness, have been generally ensured. We received the following comment from an outside agency. "At all stages including the design stage for questions and response methods, the response stage with many constructive comments from all officers, and the review stage of collected results, the entire company was directly involved with an awareness of issues aimed at improving the effectiveness of the Board of Directors." The Panasonic question design and evaluation process, and the collected responses and comments were assessed as sufficient to confirm the effectiveness of the Board of Directors.

The identified issues were also discussed by the Board of Directors and the following improvement measures were proposed.

- Ensure sufficient time and expand discussion of Group medium- to long-term strategies and business portfolios.
- For agenda item of Operating Company medium- to long-term strategies and important matters, clearly identify the division of roles between the Board of Directors as the Panasonic holding company and the Panasonic execution side and Operating Company Board of Directors, and narrow down the list of resolutions which should be supervised and monitored by the Panasonic Board of Directors.
- From the perspective of utilizing intangible assets, functions reports on matters such as investment in human capital and DX should be connected directly to resolutions of Group management issues and Group medium- to long-term strategies, and expanded as strategic discussions that contribute to improving corporate value.
- Clearly identify the division of roles between the Board of Directors and the Nomination and Compensation Advisory Committee, and expand the activity contents and policy of the committee in order to strengthen supervision of nomination and remuneration jointly by the Board of Directors and the committee and ensure its transparency.

In fiscal 2024, based on the above improvement measures which were discussed and concluded by the Board of Directors, we will continue working to improve the Board of Directors effectiveness.

[Evaluation of Audit & Supervisory Board (A&SB) effectiveness]

An evaluation of effectiveness is also conducted for the Panasonic A&SB at the end of each fiscal year. Issues and improvements proposed by A&SB Members are discussed and the action to be taken is decided. The results are applied to the Audit Plan for the following fiscal year, and continual efforts are made to improve the effectiveness of audit & supervisory activities. Activities in fiscal 2023 included attendance at Board of Directors Meetings, monitoring the status of supervising execution of Director duties, and stating opinions when recognized as necessary. In addition, the decision-making process for important Group matters and the conditions of discussion at important meetings were checked, and the status of execution of duties by the President and Chief Executive Officer, Operating Company Presidents, and functional top management was monitored. Observers attended meetings—generally held once each quarter—of the Internal Audit Committee which is the controlling institution for internal audit functions. The results of audits and other information was reported to the A&SB by the internal auditing group, and the A&SB Members, internal auditing group, and Accounting Auditors all met together to exchange information such as risk assessments and plans for visits at the start of the year, as well as changes in the audit contents, identified items, and risk assessments in order to improve the effectiveness of audits intended to strengthen governance under the new system. In addition to a quantitative evaluation of effectiveness based on a total of 40 evaluation items from perspectives such as action based on Corporate Governance Code, the effectiveness evaluation identified specific issues proposed by each A&SB Member, and worked to identify items for improvement. The A&SB discussed the effectiveness evaluation results and concluded that “it is functioning effectively.” For issues and other matters which were identified at discussions during fiscal 2023, measures in response will be decided and continual efforts will be made to improve the effectiveness of the A&SB.

【Supplementary Principle 4.14.2 Disclosure of its Training Policy for Directors and A&SB Members】

The Company provides opportunities for its Directors and A&SB Members to gain a deeper understanding of their expected roles and responsibilities upon their installation, and acquire the necessary knowledge to fulfill those roles and responsibilities. Its Internal Directors and full-time Senior A&SB Members are given opportunities to participate in the Internal Seminar for Management which is regularly held for our executives and Operating Company executives, and features experts and other companies' managers as lecturers, in order to further enhance their knowledge of management, corporate governance, compliance, and other related areas. They are also given opportunities to participate in external lectures and training sessions as appropriate.

Its Outside Directors and Outside A&SB Members receive onboarding training upon their installation so that they can gain a deeper understanding of our management strategies,



business operations, and key business strategies. During their tenure, they are given opportunities to visit our major business sites and factories and to interact with business division executives. Moreover, they are provided with advance briefings on important agenda items outside of Board of Directors meetings and information on management-related matters through our Management Information website.

#### 【Principle 5.1 Policy for Constructive Dialogue with Shareholders】

##### (1) Basic Policy

Under its basic philosophy, “A company is a public entity of society,” the Company has committed to highly transparent business activities and endeavored to be accountable its accountability to its stakeholders. Against the backdrop, through constructive dialogue with shareholders and investors by management and the IR department, the Company is promoting proactive IR activities that contribute to the sustainable growth of the Company and the enhancement of corporate value over the mid-to long-term, in collaboration with related departments. the Company's specific approach to information disclosure is set forth in the “Panasonic Group Compliance Code of Conduct”, which embodies the Management Philosophy and sets forth specific items to be fulfilled in conducting business activities while practicing compliance. The basic policy on information disclosure, together with practical standards, methods and internal systems, are published in the “Disclosure Policy” on the Company’s website.

##### (2) Structure pursuing constructive dialogue

###### i) Dialogue between management and shareholders

Group CFO is responsible for Investor Relations (IR) activities. Mainly the Group CEO, the Group CFO, and each President of the Operating Companies engage in dialogues with shareholders and investors at financial announcements and individual meetings, etc.

###### ii) IR Department

Corporate Finance & IR Department is in charge of planning, making policy of overall IR activities, and day-to-day communication with shareholders and investors.

###### iii) Collaboration with related Department

Dialogue with shareholders and investors are mainly engaged by Corporate Finance & IR Department. In addition to the Groupwide Strategy Group and the Corporate Public Relations Center, the Company has established a cross-functional system for collecting and integrating internal information in cooperation with the Accounting and Public Relations departments of Panasonic Operational Excellence Co., Ltd. (“PEX”), which was established as a company that

gathers highly skilled and specialized human resources in a wide range of fields, and the Accounting, Corporate Planning and Public Relations Departments of the Operating Companies (collectively "IR related Department"). The IR Section works to strengthen collaboration, such as by regularly summarizing the voice of the capital market in the form of reports and sharing them with the IR related Department.

#### iv) Structure for disclosure

The Company has established a structure in which matters required to be disclosed under relevant laws and ordinances in Japan and overseas or the rules of financial instruments exchanges or any other regulations shall be immediately reported to the IR Section, Corporate Finance & IR Department or the Financial & Accounting Center of PEX , and disclosed timely and accurately.

Moreover, the Company has established disclosure control procedures in order to implement fair, accurate and timely disclosure of information, such as corporate information about Panasonic Group. In the process of preparation and confirmation of reports such as annual securities reports, quarterly reports, the Disclosure Committee, which is comprised of general managers of the Company's principal departments that handle relevant information, confirms and approves the validity of the content of the descriptions and the appropriateness of the procedures concerning the disclosure under the supervision of the Group CEO and the Group CFO.

#### (3) IR activities aside from individual meetings

##### i) Institutional Investors and Security Analysts

The Company conducts presentation meetings of quarterly financial results announcements, annual presentation regarding business policy of the Company and the Operating Companies, as well as tours to individual business sites. Also, for overseas investors, the Company holds presentation meetings utilizing conference hosted by financial institutions.

##### ii) Individual Investors

The Company, for timely disclosure to individual investors, actively discloses its management information through the Company's official website and etc.

#### (4) Relaying shareholders views to the management

The views and concerns for management issues obtained from shareholders and investors through IR activities are appropriately shared as the feedbacks with senior managements in internal meetings such as the PHD Strategy Meeting. These views and concerns are also shared to relevant departments such as Operating Companies through IR related Department, and are utilized to improve quality of management as appropriate. After holding briefings on financial results and business policies, we also report at the Board of Directors meeting the reactions of the capital market, such as the voices of investors and analysts and movements in stock prices, as a reference for discussions on enhancing corporate value during the Board of Directors meeting.

#### (5) Controlling insider information

The Company sets forth in the Panasonic Group Code of Ethics & Compliance that employees never engage in insider trading, abiding relevant laws and ordinances in Japan and overseas. Also the Company establishes the internal rule to prevent insider trading for all directors, executives, and employees of Panasonic Group including those of IR related Departments.

Also, managements including the Group CEO and person in the IR related Departments are fully aware of the significance of handling insider information, and promote to engage fair dialogue to avoid conducting a selective disclosure\*.

In concrete terms, the Company sets “silent period” from 15 business days prior to the financial announcement until the day of the announcement. The Company does not engage in a preview interview about the financial announcements, even if it is outside the “silent period”, refraining from having dialogues about financial outlook that has not been disclosed.

\* To individually provide the material nonpublic information to specific business partners, investors, security analysts or media, regardless of intention.

#### 【Supplementary Principle 5-1 Status of Dialogue with Shareholders】

Please refer to our Integrated Report's "Status of Dialogue with Capital Markets" section for an explanation of our Main IR activities, Main topics of interests in capital markets, and Key feedback to management.

Integrated Report:

<https://holdings.panasonic/global/corporate/investors/library/annual-report.html>

#### 【Principle 5.2 Establishing and Disclosing Business Strategies and Business Plans】

In April 2022, the Panasonic Group transitioned to an Operating Company system (holding company system) to enhance the competitiveness of our business from a mid- to long-term perspective. Each Operating Company incorporated upon the transition to the Operating Company system will work to significantly enhance its competitiveness by acquiring outstanding adaptability to various external factors such as labor shortages, rising prices, and supply chain disruptions due to geopolitical risks. Meanwhile, the holding company will actively support the enhancement of competitiveness of each Operating Company and promote growth strategies from a group-wide perspective, including business portfolio management beyond the judgment of each Operating Company.

As stated in "Principle 3.1 Full Disclosure" - (1) Company objectives (e.g., business philosophy), business strategies and business policy, the Company will thoroughly strengthen its competitiveness by focusing on two areas, that is, solving global environmental issues (environment), and life-long health, safety, and comfort for everyone (lifestyle), in order to

demonstrate how the Panasonic Group can be helpful in achieving its mission of creating an ideal society with affluence both in matter and mind. The Company has established a group-wide strategy to move toward the Group's vision, and in order to address urgent global environmental issues, it has designated "automotive batteries," "air quality and air-conditioning" and "supply chain management (SCM) software" as three investment areas, with "automotive batteries" designated as the priority investment area for the Group.

To continue realizing the happiness of all stakeholders, the Panasonic Group will continue its internal efforts to enhance the competitiveness and growth potential of businesses that can make contributions in the future. On the other hand, businesses that can enhance competitiveness and grow faster outside the Group will aim for growth outside the Group for the happiness of all stakeholders. The Company has established two criteria for determining the Group's business portfolio, along with their standards. The first criterion is compatibility with the group-wide strategy. In the environmental area, the criterion is whether the business can contribute to reducing CO<sub>2</sub> emissions for society or reducing the use of resources. In the lifestyle area, the criterion is whether the business can propose value tailored to each customer through diverse customer touchpoints and utilizing digital technology and AI, and whether it can comply with financial discipline. In addition, for the second criterion of business location and competitiveness, the Company will thoroughly assess the quantitative and qualitative aspects of the market's growth potential and sustainability over the next decade, as well as the position and profitability of the business in the market. The Company will provide guidance for business portfolio reviews based on these criteria and standards and implement them in a phased manner by the end of fiscal 2024.

In addition to dividends etc., the Company has set a cumulative operating cash flow as a medium-term management indicator for the Group to measure its cash generation capability, in order to secure sufficient investment for future social contribution. The Company aims for a cumulative operating cash flow of 2.0 trillion yen and a cumulative operating profit of 1.5 trillion yen over the three-year period from fiscal 2023 to 2025. The Company has also set a target of 10% or more for ROE as a measure of capital efficiency by fiscal 2025. Its management strategy and business policies, including investment areas, encompassing priority investments, and management indicators for each Operating Company, are posted on its website.

<https://holdings.panasonic/global/corporate/investors.html>

Dialogues between the shareholders and the investors are made as a part of IR activities which are articulated in 【Principle 5.1 Policy for Constructive Dialogue with Shareholders】 .

#### 【Measures for Achieving Management Conscious of Capital Costs and Stock Prices】

Our Board of Directors are strengthening discussions on business portfolio and continuously conducting discussions on the analysis and improvement of capital profitability.

Regarding management conscious of capital costs and stock prices, please refer to our Integrated Report, which includes the Group CEO's message, Group CFO's message, as well as the 【Principle 1-3 Basic Strategy for Capital Policy】 in this report.

Integrated Report:

<https://holdings.panasonic/global/corporate/investors/library/annual-report.html>

## 2. Capital Structure

Percentage of Shares Held by Foreign Investors	Not less than 30%
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### [Status of Major Shareholders]

Name / Company Name	Number of Shares Owned	Percentage (%)
The Master Trust Bank of Japan, Ltd. (trust account)	388,894,600	16.66
Custody Bank of Japan, Ltd. (trust account)	212,378,700	9.09
STATE STREET BANK WEST CLIENT - TREATY 505234 (Standing proxy: Mizuho Bank, Ltd.)	65,900,521	2.82
Nippon Life Insurance Company	48,339,214	2.07
MOXLEY AND CO LLC (Standing proxy: Mizuho Bank, Ltd.)	45,795,726	1.96
Sumitomo Life Insurance Co.	37,465,800	1.60
Panasonic Corporation Employee Shareholding Association	36,054,393	1.54
JP MORGAN CHASE BANK 385781 (Standing proxy: Mizuho Bank, Ltd.)	31,749,127	1.36
Matsushita Real Estate Co., Ltd.	29,121,528	1.24
GOVERNMENT OF NORWAY (Standing proxy: Citibank, N.A.)	28,703,879	1.22

Controlling Shareholder (except for Parent Company)	N/A
Parent Company	None

Supplementary Explanation

1. Status of Major Shareholders is as of March 31, 2023.
2. Percentage (%) is calculated by deducting the Company's treasury stock (119,943,749) and rounded down to two decimal places.
3. The number of shares held by The Master Trust Bank of Japan, Ltd. (trust account) reflects the shares entrusted by Mitsubishi UFJ Trust and Banking Corporation and other corporations, which have been originally entrusted in their trust services.
4. The numbers of shares held by Custody Bank of Japan, Ltd. (trust account) reflects the shares entrusted by Sumitomo Mitsui Trust Holdings, Inc. and other corporations, which have been originally entrusted in their trust services.
5. Amendment to Report of Possession of Large Volume was submitted by BlackRock Japan Co., Ltd. and its ten joint holders dated September 21, 2022. The Company cannot confirm the actual status of shareholdings on the standard date of voting exercise. The shareholding status as of September 15, 2022 according to the report is as follows.

Name of Shareholder	Number of share certificates, etc. held (in thousands of shares)	Percentage of share certificates held (%)
BlackRock Japan Co., Ltd.	42,779	1.74
BlackRock Advisers, LLC	33,624	1.37
BlackRock Financial Management, Inc.	2,544	0.10
BlackRock Investment Management LLC	12,545	0.51
BlackRock (Netherlands) BV	5,189	0.21
BlackRock Fund Managers Limited	7,549	0.31
BlackRock Asset Management Canada Limited	2,466	0.10
BlackRock Asset Management Ireland Limited	16,969	0.69
BlackRock Fund Advisors	37,893	1.54
BlackRock Institutional Trust Company, N.A.	33,668	1.37

BlackRock Investment Management (UK) Limited	4,335	0.18
Total	199,567	8.13

6. Amendment to Report of Possession of Large Volume was submitted by Sumitomo Mitsui Trust Asset Management Co., Ltd. and its one joint holders dated December 22, 2020. The Company cannot confirm the actual status of shareholdings on the standard date of voting exercise.

The shareholding status as of December 15, 2020 according to the report is as follows.

Name of Shareholder	Number of share certificates, etc. held (in thousands of shares)	Percentage of share certificates held (%)
Sumitomo Mitsui Trust Asset Management Co., Ltd.	77,957	3.18
Nikko Asset Management Co., Ltd.	46,113	1.88
Total	124,071	5.06

### 3. Corporate Attributes

Listed Stock Market and Market Section	Tokyo Stock Exchange/ Prime and Nagoya Stock Exchange / Premire
Fiscal Year-End	March
Type of Business	Electric Equipment
Number of Employees (consolidated) as of the End of the Previous Fiscal Year	Not less than 1,000
Sales (consolidated) as of the End of the Previous Fiscal Year	Not less than 1 trillion yen
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	Not less than 300



**4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder**

N/A

**5. Other Special Circumstances which may have Material Impact on Corporate Governance**

N/A

**II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management**

**1. Organizational Composition and Operation**

Organization Form	Company with Audit & Supervisory Board Members
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**[Directors]**

Maximum Number of Directors Stipulated in Articles of Incorporation	Maximum number not stipulated
Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board	Chairperson (excluding the case not concurrently serving as president.)
Number of Directors [updated]	13
Appointment of Outside Directors	Appointed
Number of Outside Directors [updated]	6
Number of Independent Directors [updated]	6

Outside Directors' Relationship with the Company (1)
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Name	Attribute	Relationship with the Company*											
		a	b	c	d	e	f	g	h	i	j	k	
Shinobu Matsui	From another company									○			
Keita Nishiyama	From another company												
Kunio Noji	From another company									△			
Michitaka Sawada	From another company									△			
Kazuhiko Toyama	From another company												
Yoshinobu Tsutsui	From another company									○			

\* Categories for "Relationship with the Company"

\* "○" when the director presently falls or has recently fallen under the category;

"△" when the director fell under the category in the past

\* "●" when a close relative of the director presently falls or has recently fallen under the category;

"▲" when a close relative of the director fell under the category in the past

a. Executing person of the Company or its subsidiaries

b. Non-executive director or executing person of a parent company of the Company

c. Executing person of a subsidiary of the parent company of the Company

d. A party whose major client or supplier is the Company or an executing person thereof

e. Major client or supplier of the Company or an executing person thereof

f. Consultant, accountant or legal expert who receives a significant amount of money or other property from the Company other than compensation as a director/audit & supervisory board member

g. Principal shareholder of the Company (or an executing person of the said major shareholder if the shareholder is a legal entity)

- h. Executing person of a client or supplier company of the Company (which does not correspond to any of d, e, or f) (the director himself/herself only)
- i. Executing person of a company, between which and the Company outside directors/audit & supervisory board members are mutually appointed (the director himself/herself only)
- j. Executing person of a company or organization that receives a donation from the Company (the director himself/herself only)
- k. Others

Outside Directors' Relationship with the Company (2)

Name	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons of Appointment
Shinobu Matsui	○	<p>Ms. Shinobu Matsui is an Outside Director designated as an independent director. Ms. Matsui is Executive Officer of Uzabase, Inc. However, the total transaction amount between the Company and Uzabase, Inc. in fiscal 2023 was (a) less than 1% of the consolidated sales of the Company in fiscal 2023 and (b) less than 1% of the consolidated sales of Uzabase, Inc. in fiscal 2023.</p>	<p>(Reason for Appointment as an Outside Director)            Shinobu Matsui has extensive knowledge and deep insight gained as a certified public accountant at a major audit corporation, and as Director and Executive Officer at an information services company. She also actively makes remarks at Board of Directors' meetings, centering on areas such as finance and accounting, DX, human resource strategies, improvements to corporate culture, and promoting diversity. She is expected to utilize her experience and knowledge to continue suitably carrying out supervision of Panasonic Group management.</p> <p>(Reason for Appointment as an Independent Director)            Ms. Shinobu Matsui does not have any conflict of interests in light of relationships between the Company and Ms. Matsui, other entities or organizations to which</p>

			she belongs, and may enhance and strengthen the effectiveness of the monitoring performed by the Board of Directors on the execution of business by Directors from an objective and neutral standpoint.
Keita Nishiyama	○	-	<p>(Reason for Appointment as an Outside Director) Keita Nishiyama has extensive experience and deep insight into industrial structures and IT digital technologies gained through his long involvement with digital policy and related matters at the Ministry of Economy, Trade and Industry, and through being in charge of business reconstruction as a Director and Executive Officer at another company. He is expected to utilize his experience and knowledge to suitably carry out supervision of Panasonic Group management.</p> <p>(Reason for Appointment as an Independent Director) Mr. Keita Nishiyama does not have any conflict of interests in light of relationships between the Company and Mr. Nishiyama, other entities or organizations to which she belongs, and may enhance and strengthen the effectiveness of the monitoring performed by the Board of Directors on the execution of business by Directors from an objective and neutral standpoint.</p>
		Mr. Kunio Noji is an Outside Director designated as an independent director. Mr. Noji comes from Komatsu Ltd.	<p>(Reason for Appointment as an Outside Director) Kunio Noji has extensive experience and deep insight gained as a member of management at a construction machinery</p>

Kunio Noji	○	<p>However, the total transaction amount between the Company and Komatsu Ltd. in fiscal 2023 was (a) less than 1% of the consolidated sales of the Company in fiscal 2023 and (b) less than 1% of the consolidated sales of Komatsu Ltd. in fiscal 2023.</p>	<p>manufacturer with global business operations. He also actively makes remarks at Board of Directors' meetings, centering on areas such as operational innovations, improving the corporate culture, and global business operations. He is expected to utilize his experience and knowledge to continue suitably carrying out supervision of Panasonic Group management.</p> <p>(Reason for Appointment as an Independent Director) Mr. Kunio Noji does not have any conflict of interests in light of relationships between the Company and Mr. Noji, other entities or organizations to which he belongs, and may enhance and strengthen the effectiveness of the monitoring performed by the Board of Directors on the execution of business by Directors from an objective and neutral standpoint.</p>
Michitaka Sawada	○	<p>Mr. Michitaka Sawada is an Outside Director designated as an independent director. Mr. Sawada is Director of Kao Corporation. However, the total transaction amount between the Company and Kao Corporation in fiscal 2023 was (a) less than 1% of the consolidated sales of the Company in fiscal 2023 and (b) less than 1% of the</p>	<p>(Reason for Appointment as an Outside Director) Michitaka Sawada has extensive experience and deep insight gained as a member of management at a general chemical products manufacturer with global business operations, and as a pioneer in the field of ESG management. He also actively makes remarks at Board of Directors' meetings, centering on areas such as sustainability management. As Chairman of the Nomination and Compensation Advisory Committee, he has also contributed to strengthening corporate government in the Panasonic Group. He is expected</p>

		consolidated sales of Kao Corporation in fiscal 2023.	<p>to utilize his experience and knowledge to continue suitably carrying out supervision of Panasonic Group management.</p> <p>(Reason for Appointment as an Independent Director) Mr. Michitaka Sawada does not have any conflict of interests in light of relationships between the Company and Mr. Sawada, other entities or organizations to which he belongs, and may enhance and strengthen the effectiveness of the monitoring performed by the Board of Directors on the execution of business by Directors from an objective and neutral standpoint.</p>
Kazuhiko Toyama	○	-	<p>(Reason for Appointment as an Outside Director)</p> <p>Kazuhiko Toyama has extensive experience and deep insight gained as a member of management at a corporate revitalization consulting company, and as a pioneer in the field of corporate governance. He also actively makes remarks at Board of Directors' meetings, centering on areas such as changes in international industry structures and societies, DX, and governance. As a member of the Nomination and Compensation Advisory Committee, he has also contributed to strengthening corporate governance in the Panasonic Group. He is expected to utilize his experience and knowledge to continue suitably carrying out supervision of Panasonic Group management. (Reason for Appointment as an Independent Director)</p>

			<p>Mr. Kazuhiko Toyama does not have any conflict of interests in light of relationships between the Company and Mr. Toyama, and or other entities or organizations to which he belongs, may enhance and strengthen the effectiveness of the monitoring performed by the Board of Directors on the execution of business by Directors from an objective and neutral standpoint.</p>
Yoshinobu Tsutsui	○	<p>Mr. Yoshinobu Tsutsui is an Outside Director designated as an independent director. Mr. Tsutsui is Representative Director of Nippon Life Insurance Company. However, the total transaction amount between the Company and Nippon Life Insurance Company in fiscal 2023 was (a) less than 1% of the consolidated sales of the Company in fiscal 2023 and (b) less than 1% of the consolidated sales of Nippon Life Insurance Company in fiscal 2023</p>	<p>(Reason for Appointment as an Outside Director) Yoshinobu Tsutsui has extensive experience and deep insight gained as a member of management at a life insurance company. He also actively makes remarks at Board of Directors' meetings centering on areas such as medium- to long-term changes in industry structures and societies, communication with investors and markets, and financial strategies. As a member of the Nomination and Compensation Advisory Committee, he has also contributed to strengthening corporate governance in the Panasonic Group. He is expected to utilize his experience and knowledge to continue suitably carrying out supervision of Panasonic Group management.</p> <p>(Reason for Appointment as an Independent Director) Mr. Yoshinobu Tsutsui does not have any conflict of interests in light of relationships between the Company and Mr. Tsutsui, other entities or organizations to which he belongs, and may enhance and strengthen the effectiveness of the</p>

			monitoring performed by the Board of Directors on the execution of business by Directors from an objective and neutral standpoint.
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Voluntary Establishment of Committee(s) Corresponding to Nomination Committee or Compensation Committee	Established
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Committee's Name, Composition, and Attributes of Chairperson
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	Committee Corresponding to Nomination Committee	Committee Corresponding to Compensation Committee
Committee's Name	Nomination and Compensation Advisory Committee	Same as on the Left
All Committee Members	5	5
Full-time Members	-	-
Inside Directors	2	2
Outside Directors	3	3
Outside Experts	-	-
Other	-	-
Chairperson	Outside Director	Outside Director

Supplementary Explanation
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The Company has established a voluntary Nomination and Compensation Advisory Committee. Upon receiving inquiries from the Board of Directors, the Committee deliberates on the results of internal reviews regarding the nomination of candidates for Director, A&SB Member, Executive Officer, President of the Operating Companies, and Outside Director of the Operating Companies, and also on the appropriateness of the remuneration system for Directors, Executive Officers, Presidents of the Operating Companies, and Outside Directors of the Operating Companies, and of the amount and content of remuneration for each individual. In addition, the Committee discusses the succession plan for the Group CEO, Executive Officers, and Operating Company Presidents, and conducts monitoring of successor candidates. The members can also propose the timing for replacement of the Group CEO. In fiscal 2023, the committee met four times (attendance rate 100% by all members). It discussed matters including the timing for replacement of the Group CEO, successor candidates for Group CEO, Executive Officers, and Operating Company Presidents, the results from internal consideration of Director and other candidates, and the remuneration system for Directors, Executive Officers, and Operating Company Presidents, and provided reports to the Board of Directors.

As of the date of submission of this report, the Committee consists of five (5) members; independent Outside Director Michitaka Sawada (Chairperson), independent Outside Director Kazuhiko Toyama, independent Outside Director Yoshinobu Tsutsui, Director and Chairperson of the Board Kazuhiro Tsuga, and Representative Director and President Yuki Kusumi (the

Group CEO). The Company has been enhancing objectivity and transparency of the committee by ensuring that Outside Directors constitute a majority of its membership with one of them serving the chairperson.

**[Audit & Supervisory Board Members (A&SB Members) / Audit & Supervisory Board (A&SB)]**

Establishment of A&SB	Established
Maximum Number of A&SB Members Stipulated in Articles of Incorporation	Maximum number not stipulated
Number of A&SB Members	5

Cooperation among A&SB Members, Accounting Auditors and Internal Audit Departments

A&SB Members and the A&SB regularly hold meetings with Accounting Auditors in order to receive an overview of Accounting Auditors' audit plan; to receive explanations on the status of the internal control system known to Accounting Auditors, risk evaluation and items that Accounting Auditors' audits focus on; and to exchange opinions. In addition, it is stipulated in the Audit Standards for A&SB Members that, in cases where A&SB Members receive a report from Accounting Auditors to the effect that an improper act or material fact that violates laws and ordinances or the articles of incorporation was detected with respect to the Directors' or Executive Officers' execution of business, then the A&SB Members or the A&SB shall take necessary measures after deliberations at the A&SB, such as conducting a necessary investigation and giving advice or recommendation to the Directors or Executive Officers.

A&SB Members make efforts to perform efficient audits by maintaining close collaboration with the Internal Audit Group and other sections in executing an investigation of the Company's business and financial situation and other duties. In addition, A&SB Members receive from the Internal Audit Group or other sections regular reporting regarding the status involving the internal control system, the result of audits, etc. A&SB Members may request an investigation if necessary.

Appointment of Outside A&SB Members	Appointed
Number of Outside A&SB Members	3
Number of Independent A&SB Members	3

Outside A&SB Members' Relationship with the Company (1)

Name	Attribute	Relationship with the Company*												
		A	b	c	d	e	f	g	h	i	j	k	l	m
Akihiro Eto	From another company										△			
Akihiko Nakamura	CPA													
Setsuko Yufu	Lawyer													

\* Categories for "Relationship with the Company"

\* "○" when the audit & supervisory board member presently falls or has recently fallen under the category;

"△" when the audit & supervisory board member fell under the category in the past

\* "●" when a close relative of the audit & supervisory board member presently falls or has recently fallen under the category;

"▲" when a close relative of the audit & supervisory board member fell under the category in the past

a. Executing person of the Company or its subsidiaries

b. Non-executive director or accounting advisor of the Company or its subsidiaries

c. Non-executive director or executing person of a parent company of the Company

d. Audit & supervisory board members of a parent company of the Company

e. Executing person of a subsidiary of the parent company of the Company

f. A party whose major client or supplier is the Company or an executing person thereof

g. Major client or supplier of the Company or an executing person thereof

h. Consultant, accountant or legal expert who receives a significant amount of money or other property from the Company other than compensation as an audit & supervisory board member

i. Principal shareholder of the Company (or an executing person of the said major shareholder if the shareholder is a legal entity)

j. Executing person of a client or supplier company of the Company (which does not correspond to any off, g, or h) (the audit & supervisory board member himself/herself only)

k. Executing person of a company, between which and the Company outside directors/audit & supervisory board members are mutually appointed (the audit & supervisory board member himself/herself only)

l. Executing person of a company or organization that receives a donation from the Company (the audit & supervisory board member himself/herself only)

m. Others

Outside A&SB Members' Relationship with the Company (2)

Name	Designation as Independent A&SB Members	Supplementary Explanation of the Relationship	Reasons of Appointment
Akihiro Eto	○	Mr. Akihiro Eto is an Outside A&SB Member designated as an independent audit & supervisory board member. Mr. Eto comes from Bridgestone Corporation. However, the total transaction amount between the Company and Bridgestone Corporation in fiscal 2023 was (a) less than 1% of the consolidated sales of the Company in fiscal 2023 and (b) less than 1% of the consolidated sales of Bridgestone Corporation in fiscal 2023.	(Reason for Appointment as an Outside A&SB Member) His extensive managerial experience and his deep insight to appropriately audit the performance of Directors' duties as an Outside A&SB Member and provide valuable opinions to the Group's management.  (Reason for Appointment as an Independent Audit & Supervisory Board Member) Mr. Akihiro Eto does not have any conflict of interests in light of relationships between the Company and Mr. Eto, other entities or organizations to which he belongs, and may enhance and strengthen the effectiveness of the audits performed by A&SB Members on the execution of business by Directors from an objective and neutral standpoint.
Akihiko Nakamura	○	-	(Reason for Appointment as an Outside A&SB Member) His extensive experience and his deep insight as certified public accountant to appropriately audit the performance of Directors'

			<p>duties as an Outside A&amp;SB Member and provide valuable opinions to the Group's management.</p> <p>(Reason for Appointment as an Independent Audit &amp; Supervisory Board Member)  Mr. Akihiko Nakamura does not have any conflict of interests in light of relationships between the Company and Mr. Nakamura, other entities or organizations to which he belongs, and enhances and strengthens the effectiveness of the audits performed by A&amp;SB Members on the execution of business by Directors from an objective and neutral standpoint.</p>
Setsuko Yufu	○	-	<p>(Reason for Appointment as an Outside A&amp;SB Member)  Her many years of extensive experience as a lawyer to appropriately audit the performance of Directors' duties as an Outside A&amp;SB Member and provide valuable opinions to the Group's management.</p> <p>(Reason for Appointment as an Independent Audit &amp; Supervisory Board Member)  Ms. Setsuko Yufu does not have any conflict of interests in light of relationships between the Company and Ms. Yufu, other entities or organizations to which she belongs, and may enhance and strengthen the effectiveness of the audits performed by A&amp;SB Members on the execution of business by Directors from an objective and neutral standpoint.</p>

### [Independent Directors/A&SB Members]

Number of Independent Directors/A&SB Members [updated]	9
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Matters relating to Independent Directors/A&SB Members

All eight (9) Outside Directors/A&SB Members are designated as independent directors/audit & supervisory board members pursuant to the Company's policy on the independence of Outside Directors and Outside A&SB Members which was established based on the independence standard required by financial instruments exchanges such as Tokyo Stock Exchange. Please refer to I 1. [Disclosure based on each principle set forth in Corporate Governance Code] and 【Principle 4.9 Independence Standards and Qualification for Independent Outside Directors】 about the Company's policy on the independence of Outside Directors and Outside A&SB Members.

### [Incentives]

Incentive Policies for Directors	Performance based Compensation, Other
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Supplementary Explanation

The Company has introduced performance-based remuneration as an incentive that reflects short-term and medium-term business results. For more details, please refer to "IV. Information on the Company 4. Corporate Governance, etc. (4) Remuneration for Directors and Audit & Supervisory Board Members (A&SB Members) in our securities report. Securities Report (FY2023 [116th term]):  
<https://holdings.panasonic.jp/corporate/investors/library/securities-report.html>

### [Director Compensation]

Disclosure of Individual Directors' Compensation [updated]	Selected Directors
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## Supplementary Explanation

Please refer to "IV. Information on the Company 4. Corporate Governance, etc. (4) Remuneration for Directors and Audit & Supervisory Board Members (A&SB Members)" in our securities report for Officers' remuneration in fiscal 2023, including the total amount of remuneration for our Directors and A&SB Members, the total amount of remuneration by type, the number of Officers eligible for remuneration, and the names of Officers whose total remuneration is 100 million yen or more and the amount of their remuneration.

Securities Report (FY2023 [116th term]):

<https://holdings.panasonic/global/corporate/investors/library/securities-report.html>

Policy on Determining Compensation Amounts and Calculation Methods[updated]	Established
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Compensation for Directors Amount of Compensation or Determination Policy of Calculation Method

For our policy on determining the amount or calculation method of remuneration for our Officers, please refer to "IV. Information on the Company 4. Corporate Governance, etc. (4) Remuneration for Directors and Audit & Supervisory Board Members (A&SB Members)" in our securities report.

Securities Report (FY2023 [116th term]):

<https://holdings.panasonic/global/corporate/investors/library/securities-report.html>

### [Supporting System for Outside Directors and/or A&SB Members]

- On the Management Information website accessible to Members of the Board of Directors, the Company posts not only the agenda for the Board of Directors meeting but also the minutes of the PHD Strategy Meeting and the meetings of Operating Companies' Boards of Directors so that Outside Directors and Outside A&SB Members can stay up-to-date on discussions and deliberations by the executive team.
- For important agenda items, the Company holds advance briefing sessions outside the Board of Directors.
- As a rule, the Company posts the agenda for the Board of Directors meeting on the

Management Information website at least three business days before the meeting and have established a system for receiving questions in advance.

- After the Board of Directors meeting, the Company conducts a wrap-up session primarily for Outside Directors and Outside A&SB Members so that the Chairperson of the Board of Directors and the section responsible for administration relating to the Board of Directors can hear their views on issues raised during the meeting.

Furthermore, the Company provides support for Outside A&SB Members, including information provision, in the Audit & Supervisory Board Members' Office, which consists of A&SB Members and dedicated staff serving as the secretariat for the Audit & Supervisory Board.

[Information of Retiree from President etc.]

Names of Executive Advisors • Corporate Advisor who used to be President etc.					
Name	Position	Roles and Responsibilities	Work Style • Conditions (Full Time or Part time, w/ or w/o Compensation)	Date of retirement from President	Term
Fumio Otsubo	Special Corporate Advisor	Indirect support through external activities	Part time • w/o Compensation	2012/6/27	Age limit: up to 80
Number of Executive Advisors • Corporate Advisor who used to be President etc.				1	



Others	<ul style="list-style-type: none"> <li>• Executive Advisors will not be appointed from April 1, 2018 based on the re-examination of the advisor system.</li> <li>• In the new system, a person who experienced the position of Chairman/President, as Special Corporate Advisor, will fulfill external activities which Executive Advisors used to be responsible.</li> <li>• The outline of Special Corporate Advisor is as follows; <ul style="list-style-type: none"> <li>(i) Roles and Responsibilities: Provide indirect support through external activities</li> <li>(ii) Work Style: Part Time</li> <li>(iii) Compensation: No Compensation</li> <li>(iv) Term: Age limit up to 80 years old</li> <li>(v) Others: Shared office and company car are provided as needed.</li> </ul> </li> <li>• The external activities performed by Mr. Otsubo, Special Corporate Advisor, are Executive Officers of foundations and associations.</li> </ul>
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**2. Outline of Current System of Corporate Governance Mechanisms such as Execution of Business, Auditing and Directing, Nomination and Determination of Compensation [updated]**

The Company has transformed into an Operating Company Structure (Holding Company Structure) in April 2022. The Operating Companies are “(1) Panasonic Corporation” (it is composed of multiple business areas and unites the following five divisional companies: China & Northeast Asia Company, Living Appliances and Solutions Company, Heating & Ventilation A/C Company, Cold Chain Solutions Company, and Electric Works Company), “(2) Panasonic Automotive Systems Co., Ltd.”, “(3) Panasonic Connect Co., Ltd.”, “(4) Panasonic Industry Co., Ltd.”, “(5) Panasonic Energy Co., Ltd.”, “(6) Panasonic Housing Solutions Co., Ltd.”, and “(7) Panasonic Entertainment & Communication Co., Ltd.”. They facilitate the evolution and change of business in each area and carry out autonomous management on development, manufacturing, and sales as well as management of profits and fund for the realization of growth strategies.

The Company has responsibility for the management and engineering strategies across the Group. Specifically, the Company formulates the mid/long-term group strategies for the enhancement of corporate value, contributes to the businesses with innovative technology and production technology, and supports for engineering development and manufacturing. In addition, (8) Panasonic Operational Excellence Co., Ltd. has been established to play a role as a platform for improving the efficiency and sophistication of operations across the Group. Panasonic Operational Excellence Co., Ltd. assumes as a function of the group-wide management control in terms of developing the Company-wide rules, infrastructure and systems, implementing internal audit, internal control and compliance activities required to the listed company and the legal entity, and responding to the stakeholders closely working with the Company.

<The Board of Directors and Executive Officer System>

The Board of Directors entrusts authority to the Operating Companies, and achieves a fast-moving decisionmaking process centered on the Operating Companies. It also decides the Group's medium- and long-term strategies and important Group matters, and concentrates on Group direction through Group governance and risk management, in order to make important decisions for the Group and conduct sound and suitable monitoring. The term of each Director is limited to one (1) year and all Directors are reelected at an annual general meeting of shareholders. The structure of the Board of Directors makes it possible to appropriately apply decisions of shareholders to management. The Board of Directors is composed of thirteen (13) Directors (of which two (2) are women). With consideration for the skills required by the Panasonic Board of Directors, it seeks to ensure diversity of the knowledge, experience, and qualifications of the Board of Directors as a whole. Based on a policy of ensuring that one-third or more of Board of Directors Members are Outside Directors who can be expected to provide valuable opinions for decisions related to operations and supervision of Director duties based on their extensive careers outside the Company and high levels of knowledge, six (6) Outside Directors have been appointed. Chairman of the Board who is not involved in execution of business takes on the position of a chairman.

In the Company, authorities are significantly delegated to the Operating Companies for the complete autonomous management. Also, in order to maximize the Group value, the Company has adopted the Executive Officer system, which allows group management from the standpoint of total optimization.

The number of Executive Officers (including those who concurrently serve as Directors) is fourteen (14), consisting of President, Executive Vice President, a position in which the executive officer acts as President in specific areas, and Executive Officer, a position responsible for the business execution of specific functions.

Please refer to "4. Corporate Governance, etc. (1) Corporate governance" in our securities report for the number of Board of Directors meetings held in fiscal 2023, attendance records of each Director and each A&SB Member, and the content of discussions at the Board of Directors meetings.

Securities Report (FY2023 [116th term]):

<https://holdings.panasonic/global/corporate/investors/library/securities-report.html>

<Status of audit conducted by Audit & Supervisory Board Members (A&SB Members) , internal audit and Accounting Audit>

Pursuant to the Companies Act, the Company has elected A&SB Members and established A&SB, made up of A&SB Members. In order to contribute to the sound and sustainable growth and improvement in mid- to long-term corporate value of the Group, the A&SB is

responsible for a part of corporate governance as an independent agency contracted by the shareholders in order to establish a high-quality corporate governance system and ensure sound management and trust from society. The A&SB is composed of five (5) members (of which one (1) is a woman). Two (2) of these members are Senior A&SB Members (full-time) who were selected from executive directors or equivalent positions and who are highly familiar with company operations, and are capable of visiting actual worksites and exercising investigative authority to understand the actual conditions of operations. Of these, one (1) has considerable knowledge related to financial and accounting matters. Three (3) Outside A&SB Members have been appointed, consisting of a business manager, lawyer, and certified public accountant who are capable of effectively supervising the execution of Director duties based on their advanced expertise, extensive careers, and high levels of knowledge.

A&SB Members participate in the general meetings of shareholders and the Board of Directors, receive reports from Directors, Executive Officers, employees and Accounting Auditors, and exercise other auditing authority granted to A&SB Members under the law. Full-time Senior A&SB Members also attend important meetings and conduct visiting audits to business offices in order to ensure effective audits. In order to augment the internal auditing functions in the Group, nineteen (19) full-time A&SB Members and Audit & Supervisory Officers (A&SOs) of the Operating Companies and the divisional companies of each of the Operating Companies shall directly report to the Senior A&SB Members of the Company. The Company also inaugurated the Panasonic Group Audit & Supervisory Board Members' Meeting (comprising Senior A&SB Members of the Company, A&SOs, and A&SB Members of the Group Companies), chaired by the Senior A&SB Member of the Company, to enhance coordination between the Company's Senior A&SB Members, and A&SOs and audit & supervisory board members of the Group companies, for effective functioning of the entire group corporate governance. In addition, in the course of the performance of their duties, A&SB Members ensure to conduct efficient audits, by maintaining close cooperation with the Internal Audit Committee," which controls the overall internal audit activities and where Senior A&SB Members attend as observers, and understanding the total picture of monitoring and auditing by relevant functions of the Company. A&SB regularly receives from the Internal Audit Committee reports regarding the status involving the internal control system and results of audits. A&SB may request the Internal Audit Committee or Accounting Auditors to conduct an investigation, if necessary. Also, in order to enhance the effectiveness of the audits conducted by A&SB Members and to ensure the smooth implementation of audits, the Company has established an A&SB Member's Office with full-time staff under the direct control of the A&SB. Mr. Hidetoshi Baba, a Senior A&SB Member of the Company, has substantial finance and accounting knowledge, having held the position of Managing Officer of the accounting sections in the Company. Mr. Akihiko Nakamura, Outside A&SB Member of the Company, has substantial finance and accounting knowledge, having held the career experiences with a corporate accounting in global companies in Japan and overseas for long periods as a certified public accountant. Based on audit policies and plans the A&SB developed, the A&SB has received reports from management (16 reports in fiscal 2023) to confirm the status of execution of duties. The A&SB has also received reports on the results of audits conducted by Senior A&SB Members of the Company and other activities, inspected the records of approval of important decisions, and checked the contents of reports made to the Audit Report System and responses to the reports. At the end of each quarter and fiscal year, the A&SB checks the Company's

financial results and report documentations on the reviews and the audits conducted by accounting auditors, and compiles an Audit Report as the A&SB, evaluates the accounting auditors, determines re-election or non-re-election of each of the accounting auditors, and confirms compliance with law and regulations regarding the agendas of the General Meeting of Shareholders. The A&SB held total of the thirteen (13) A&SB meetings for the fiscal year ended March 31, 2023, and each meeting took two (2) hours and fifty-seven (57) minutes. The attendance rate was 98% (Senior A&SB Members: 100%, Outside A&SB Members: 97%).

The attendance rate of A&SB Members at the A&SB meetings

Classification	Name	Number of meetings held during the term	Number of attendance	Attendance Rate	Remark
Senior A&SB Member	Toshihide Tominaga	13	13	100%	-
Senior A&SB Member	Eiji Fujii	13	13	100%	-
Outside A&SB Member	Yoshio Sato	3	3	100%	Retired on June 23,2022
Outside A&SB Member	Toshio Kinoshita	3	2	67%	Retired on June 23,2022
Outside A&SB Member	Setsuko Yufu	13	13	100%	-
Outside A&SB Member	Akihiro Eto	10	10	100%	Elected on June 23,2022
Outside A&SB	Akihiko Nakamura	10	10	100%	Elected on

Member					June 23,2022
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1) Status of internal audits

(Audit policy)

Internal audits of the Company cover its overall management, including operations, organizations, and systems, and include audits of management, operations, finance, compliance, and internal controls.

(Audit organization and personnel)

The internal audits of the Group are conducted based on an audit plan developed for each of the fiscal years under the approval of the Group CEO, the Group CFO, and the "Internal Audit Committee" according to the types of audits. In accordance with the condition identified from the audits, managers of the audit department reports the results of audits to the Board of Directors, the A&SB, the Group CEO, the Group CFO, and the departments concerned. The "Internal Auditing Department" of Panasonic Operational Excellence Co., Ltd. has 22 personnel and the "Internal Control Promotion Office" which supervises internal control over financial reporting has 17 personnel.

In addition, the internal audit function is established in each of the Operating Companies of the Group and internal audits are conducted based on an audit plan under the approval of the CEO of each Operating Company.

(Efforts to ensure the effectiveness of audits)

The Company establishes the "Internal Audit Committee" that reports directly to the Group CEO, to ensure optimal auditing and monitoring for the entire Group.

The "Internal Audit Committee" shall ensure the independence and objectivity of each internal audit through sound mutual checks and balances under the co-chairmanship of the Group CFO and Group GC. Group CROs also participate as committee members to ensure coordination with business activities and risk management activities throughout the Group. The "Internal Audit Committee" regularly checks the internal auditing functions of the Operating Companies.

The "Internal Audit Committee" supervises and directs internal audits based on reports from the Group CxO and the Operating Companies. In cooperation with the Audit & Supervisory Board, the "Internal Audit Committee" has established a group audit system by regularly

reporting to the Group CEO and the Board of Directors.

#### Status of accounting audit

The Company has an auditing agreement with KPMG AZSA LLC for this company to conduct the accounting audit of the Company. Names of certified public accountants that performed accounting audits in fiscal 2023 are indicated below. Accounting audits were conducted by involvement of 145 certified public accountants and 120 other staff.

Takashi Kondo

Masaki Hirota

Masato Nakagawa

#### <Group Management Meeting/PHD Strategy Meeting>

The Group Management Meeting and the PHD Strategy Meeting are held to discuss, set the direction, and report on the Group's mid-to long-term strategies, important Group-wide projects and committees, and important Group-wide initiatives implemented by the Company and the Operating Companies.

The Group Management Meeting is held basically once a month, chaired by the Group CEO. It consists of approximately twenty (20) senior managements including the presidents of the Operating Companies and functional directors.

The PHD Strategy Meeting is held basically at least twice a month chaired by the Group CEO. It consists of approximately ten (10) senior managements including functional directors of Human Resources, Accounting, and Legal Affairs.

#### <Contract between the Company and Non-Executive Directors / A&SB Members under Article 427, Paragraph 1 of the Companies Act>

The Company has entered into liability limitation agreements with all Directors who do not execute business and A&SB Members, respectively, which limit the amount of their liability under Article 423, Paragraph 1 of the Companies Act to the aggregate of the amounts specified in Article 425, Paragraph 1 of the Companies Act, if they perform their duties in good faith and without significant negligence.

<Contract between the Company and Directors and A&SB Members under Article 430-2, Paragraph 1 of the Companies Act>

The Company has entered into indemnity agreements with all Directors and A&SB Members, respectively, under Article 430-2, Paragraph 1 of the Companies Act. The Company agrees to indemnify costs and losses, as provided for by item 1 and item 2, respectively, of said Paragraph, within the ranges prescribed by laws and regulations. Under these agreements, to ensure that appropriate execution of the duties by the Company officers will not be impaired, certain inappropriate cases are excluded from compensation, and upon receiving a request for compensation from the Company officers, the Board of Directors will determine whether or not the case corresponds to these exclusions before carrying out compensation. Also, if it is found that the compensation was inappropriate after it has been carried out, the agreement allows the Company to demand the return of all or part of the compensation money from the Company officers concerned.

<Directors' and officers' liability insurance policy>

The Company has entered into a directors' and officers' liability insurance policy with an insurance company under which all Directors, A&SB Members, and Executive Officers of the Company and its subsidiaries (\*) are insured, as stipulated in Article 430-3, Paragraph 1 of the Companies Act. If a claim for damages is made due to an act committed by the insured, the amount of damages to be borne by the insured shall be covered by the above-mentioned liability insurance policy. However, cases of willful or intentional violation of duty of due care shall not be covered by the said liability insurance policy.

\* Panasonic Corporation, Panasonic Automotive Systems Co., Ltd., Panasonic Entertainment & Communication Co., Ltd., Panasonic Housing Solutions Co., Ltd., Panasonic Connect Co., Ltd., Panasonic Industry Co., Ltd., Panasonic Energy Co., Ltd., Panasonic Operational Excellence Co., Ltd., and Panasonic Information Systems Co., Ltd.

### **3. Reasons for Adoption of Current Corporate Governance System**

Prior to the transition to an operating company structure in April 2022, the Company carried out a number of discussions concerning the Company's corporate governance structure.

Under the Operating Company structure, a full-fledged autonomous management is implemented by the Operating Companies that have gained substantial delegation of authority for investments, etc. As a holding company, the Company's role is to determine the Group's mid-to long-term strategies and important Group matters, and, and concentrates on Group direction through Group governance and risk management, in order to make important decisions for the Group and conduct sound and suitable monitoring.. As a result of the study, the Company has determined that it has been able to ensure the effectiveness of corporate governance by having an independent A&SB establish and operate the Group internal audit system in cooperation with the Internal Audit Division, and by having a voluntary Nomination and Compensation Advisory

Committee chaired by an independent outside director, with a majority of independent outside directors, deliberate on executive personnel matter and remuneration. The Company has determined that the corporate governance that it aims to achieve under the Operating Company structure can be achieved without changing the conventional corporate governance structure and maintaining the system of a company with A&SB Members. For that reason, the Company has established the corporate governance structure, based on the A&SB System composed of the Board of Directors and A&SB Member / A&SB, holding the following elements.

<The Board of Directors>

- The Board of Directors concentrates on decisions about the group-wide strategies and the supervision of the Operating Companies.
- With the policy of maintaining the ratio of outside directors to be one third or more, the Company elects Outside Directors, from among such as management of external entities, those who have extensive managerial experience with various careers and deep insight, and are expected to bring valuable opinion to the Board for decision-making of business execution, and monitoring of execution of Directors' duties.

<Audit & Supervisory Board Members (A&SB Members) and Audit & Supervisory Board (A&SB)>

- The Company sets A&SB Members who are able to exert their monitoring functions according to their individual discretionary decision, but not to majority vote decision. The A&SB Members are also able to independently act upon their own decision in pursuing liabilities of Directors.
- The Company sets Senior A&SB Members who are well versed about corporate operations and are able to comprehend actual condition of businesses by exercising their right to visit and investigate operating sites. The Senior A&SB Members are selected from among those who have experiences as higher or equal position of Managing Directors or equivalent position.
- The Company selects Outside A&SB Members, from among such as management, lawyer, and certified public accountant, those who have extensive expertise with various careers and deep insight and are expected to bring valuable auditing to the execution of Directors duties.



### III. Implementation of Measures for Shareholders and Other Stakeholders

#### 1. Measures to Vitalize the General Shareholder Meetings and Smooth Exercise of Voting Rights

	Supplementary Explanations
Early Notification of General Shareholder Meeting	The Company uses its efforts to promptly send convocation notices of a general shareholder meeting in order to enable the shareholders to exercise their voting rights after they carefully review business conditions of the Group and details of meeting agendas. Also, the Company discloses the convocation notices before it sends them to shareholders. The Notice of the 116th Ordinary General Meeting of Shareholders was sent out on June 1, 2023 and was posted on the Company website on May 31, 2023, prior to the date of sending out.
Scheduling General Shareholder Meeting Avoiding the Peak Day	The Company has set a date for the Ordinary General Meeting of Shareholders to avoid the peak days. The 116th Ordinary General Meeting of Shareholders was held on June 26, 2023.
Allowing Electronic Exercise of Voting Rights	In light of shareholders' convenience in exercising voting rights, the electronic voting system was introduced and electronic voting via cellular telephones is available. In addition, the use of ICJ Inc.'s platform for electronic exercise of voting rights is also available.
Participation in Electronic Voting Platform	The Company utilized ICJ Inc.'s platform for exercise of voting rights.
Providing Convocation Notice in English	The Company has posted the full text of convocation notice in English on the Company's website and ICJ Inc.'s platform for exercise of voting rights
Others	<p>The Company endeavors to prepare a convocation notice that is easy to see and read for the shareholders to understand, utilizing charts and photos, colorizing and using UD font.</p> <p>For the convenience of the shareholders, the Company has posted the full text of convocation notices as well as English translations thereof on the Company website.</p> <p>The Company creates high-definition images of the contents of business reports and meeting agendas in order for the shareholders to gain a better understanding of matters to be reported and resolved at a general meeting of shareholders.</p> <p>In order to provide shareholders residing in remote areas who are unable to attend the General Meeting of Shareholders with fair opportunities to participate in the General Meeting of</p>

	<p>Shareholders, the Company provides information on the general meeting of shareholders through a designated website on the day of the general meeting of shareholders, and also makes it possible for the shareholders to ask questions in advance through the website.</p> <p>In addition, the Company makes available, for a certain period of time after the closing of a general meeting of shareholders, on its website, the visual materials that are used to report matters to be reported and the visual reports of the future efforts from the Group CEO.</p>
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## 2. IR Activities [updated]

	Supplementary Explanations	Explanations by Representative directors in person
Preparation and Publication of Disclosure Policy	The “Disclosure Policy” is posted on the Company website: <a href="https://holdings.panasonic/global/corporate/investors/disclosure-policy.html">https://holdings.panasonic/global/corporate/investors/disclosure-policy.html</a>	
Regular Investor Briefings for Individual Investors	The Company, for timely disclosure to individual investors, actively discloses its management information through the Company website etc.	No
Regular Investor Briefings for Analysts and Institutional Investors	The Company holds conferences with respect to financial results every quarter.  In addition to the above, the Company holds conferences for domestic analysts and institutional investors concerning, among others, business strategies for each of Operating Companies.	Yes
Regular Investor Briefings for Overseas Investors	The Company’s conferences concerning the quarterly financial results and business results and business strategies of Operating Company can be referred in the materials and movies posted on its website in English. President and CFO are participating overseas IR meetings proactively.	Yes
Posting of IR Materials on Website	With respect to contents of financial results and business reports, the Company makes available brief reports of financial results ( <i>kessan tanshin</i> ) and presentation materials with scripts, both in	

	<p>Japanese and English, on its website. The Company distributes audio at the financial results briefing. In addition, the Company has endeavored to operate a convenient investor relations site for investors that contain business reports, Integrated Reports and others.</p> <p><a href="https://holdings.panasonic.jp/corporate/investors.html">https://holdings.panasonic.jp/corporate/investors.html</a> (Japanese)</p> <p><a href="https://holdings.panasonic/global/corporate/investors.html">https://holdings.panasonic/global/corporate/investors.html</a> (English)</p>	
<p>Establishment of Department and/or Person in Charge of IR</p>	<p>A well-developed system has been established through, among others, having Corporate Finance &amp; IR Department which is in charge of planning IR activities and communication with shareholders and investors</p>	
<p>Others</p>	<p>For investors and analysts, in addition to regular briefings, the Company hold small meetings and individual interviews with senior managements such as the Group CEO and Group CFO, both domestically and internationally, about 180 times a year. Every year, IR personnel conduct individual interviews with a total of about 600 domestic and overseas investors and analysts. About 30 of them focus on ESG issues, and dialogue on ESG is increasing year by year.</p> <p>For more details, please refer to our Integrated Report's "Status of Dialogue with Capital Markets" section for an explanation of our Main IR activities, Main topics of interests in capital markets, and Key feedback to management.</p> <p>Integrated Report:  <a href="https://holdings.panasonic/global/corporate/investors/library/annual-report.html">https://holdings.panasonic/global/corporate/investors/library/annual-report.html</a></p> <p>The Company issue business performance summary reports twice a year especially for individual shareholders so that they can better</p>	

	understand its performance, which are posted on its website as interim and year-end reports.	
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### 3. Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanations
Stipulation of Internal Rules for Respecting the Position of Stakeholders	<p>It is set forth in the “Basic Business Philosophy” and the “Panasonic Group Code of Ethics &amp; Compliance”.</p> <p>The Basic Business Philosophy:  <a href="http://holdings.panasonic.com/global/corporate/management/code-of-conduct/list.html">http://holdings.panasonic.com/global/corporate/management/code-of-conduct/list.html</a></p> <p>Panasonic Group Code of Ethics &amp; Compliance:  <a href="https://holdings.panasonic/global/corporate/about/code-of-conduct.html">https://holdings.panasonic/global/corporate/about/code-of-conduct.html</a></p>
Implementation of Environmental Activities, CSR Activities etc.	<p>The details are described in the Company website.  <a href="https://holdings.panasonic/global/corporate/sustainability.html">https://holdings.panasonic/global/corporate/sustainability.html</a></p>
Development of Policies on Information Provision to Stakeholders	<p>It is set forth in the “Panasonic Group Code of Ethics &amp; Compliance”.</p> <p><a href="https://holdings.panasonic/global/corporate/about/code-of-conduct.html">https://holdings.panasonic/global/corporate/about/code-of-conduct.html</a></p>
Others	<p>In order to deliver products and services that contribute to customers and society around the world and to develop Panasonic’s business, it is essential for the Company to continue its efforts to develop human resources who will thrive and grow in global business, as well as to create an organization and culture in which diverse talent can make the most of their abilities regardless of gender, age or nationality. For this reason, Panasonic has positioned diversity and inclusion as one of important management policies, and is working to provide a wide range of opportunities for diverse human resources who are highly motivated and talented and to create a work-friendly environment.</p> <p>When it comes to promote women’s participation and career advancement in workplaces, the Company provides career-advancement seminars for female leaders and creates opportunities for women to be exposed to the values and views on working that can be effectively utilized as their role model. Those initiatives help increase the number of women in positions of responsibility which was 799 (*) as of April 2023. (*Domain of study: Panasonic Holdings Corporation, Panasonic Operational Excellences Co., Ltd. and seven Operating Companies.)</p> <p>In 2021, the Company expressed its support for "30% Club Japan", a global campaign which is aimed "to increasing the percentage of</p>

	<p>women in key corporate decision-making bodies". The Company will reflect diverse perspectives in its decision-making and will continue to improve the quality of its decision-making process while implementing reforms.</p> <p>Others which the Company is promoting is providing the work environment such as flexible work styles who need child care or family care, and where diverse talent can make the most of their abilities regardless of the ages, handicaps, sexual preferences. In 2021, the Company has declared its support for the "EqualityActJapan" campaign, which aims to establish the "LGBT Equality Law" in Japan with the Tokyo Olympics and Paralympics as an opportunity.</p>
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**IV. Matters Related to the Internal Control System**

**1. Basic Policy on Internal Control System and the Progress of System Development**

<p>The Company has established the following basic policy for the Group Internal Control System at the meeting of the Board of Directors.</p> <p><b>1. Basic Policy Regarding Development of Internal Control Systems</b></p> <p>(1) System for ensuring the properness of operations across the Panasonic Group and reporting from subsidiaries</p> <p>Based on our management philosophy, the Company shall thoroughly implement autonomous management through the establishment of basic policies and rules that apply throughout the Panasonic Group, and through the establishment of a system for transferring appropriate authority to Operating Companies (including subsidiaries primarily controlled by the Operating Companies, same below) and other subsidiaries and receiving reports to Panasonic from them. Based on these policies and rules, the Operating Companies and other subsidiaries shall each prepare its own rules and other systems in order to ensure the properness of operations across the Panasonic Group.</p> <p>(2) System for ensuring compliance with applicable laws in the performance of Directors' and employees' duties in the Panasonic Group</p> <p>The Company, and its Operating Companies and other subsidiaries, shall ensure legal compliance in the performance of Panasonic Group Directors' and employees' duties by developing an effective corporate governance system that includes ensuring total compliance awareness throughout the Panasonic Group and a suitable monitoring system.</p> <p>(3) System for retention and management of information pertaining to the performance of Directors' duties</p>
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The Company shall properly retain and manage information on the performance of Directors' duties in accordance with all applicable laws and regulations and the internal rules of the Company.

(4) System for ensuring efficiency of the performance of Directors' duties in the Panasonic Group

In order to ensure efficiency in the performance of Directors' duties in the Panasonic Group, the Company shall formulate management strategies from a Groupwide perspective, and shall thoroughly implement autonomous management within the Operating Companies and other subsidiaries.

(5) Rules and other measures for financial risk management in the Panasonic Group

The Company shall formulate rules related to risk management throughout the Panasonic Group. The Company, and its Operating Companies and other subsidiaries, shall identify and assess risks affecting management of the business, and shall select material risks. The Company, and its Operating Companies and other subsidiaries, shall also take countermeasures against the selected material risks and monitor progress with the aim of seeking continual improvement.

(6) Employees who assist Audit & Supervisory Board Members in auditing, and such employees' independence from Directors

The Company shall establish a body independent from Directors, tasked with enhancing the effectiveness of audits by Audit & Supervisory Board Members and facilitating the smooth performance of audits.

(7) Ensuring effectiveness of instructions given by Audit & Supervisory Board Members to employees who assist Audit & Supervisory Board Members

Staff members assisting the Audit & Supervisory Board Members, while still subject to the internal rules of the Company, shall be under the instruction and supervision of the respective Audit & Supervisory Board Members, and personnel-related matters shall be undertaken upon prior discussion with Audit & Supervisory Board Members.

(8) System for Panasonic Group Directors, Audit & Supervisory Board Members, employees and other staffs to report to the Company's Audit & Supervisory Board Members

The Company shall ensure opportunities and systems that enable Directors, employees and other staffs of the Company to properly report to the Company's Audit & Supervisory Board Members, and shall ensure opportunities and systems that enable Operating Company and other subsidiary Directors, Audit & Supervisory Board Members, employees, or persons who receive reports from them, to properly report to the Company's Audit & Supervisory Board Members.

(9) System for ensuring that parties who have reported to Audit & Supervisory Board Members do not incur unfavorable treatment as a consequence of such reporting

In ensuring the opportunities and systems prescribed in the preceding paragraph, the Company shall make sure that the persons who have reported do not incur unfavorable treatment as a

consequence of such reporting.

(10) Policy on management of expenses and debt incurred in execution of Audit & Supervisory Board Member duties

The Company shall calculate budgets on an annual basis for expenses arising with respect to the execution of duties of Audit & Supervisory Board Members to ensure effectiveness of audits, and moreover shall provide prepayment or reimbursement in accordance with laws and regulations with respect to expenses incurred beyond amounts budgeted.

(11) Other systems for ensuring effective performance of audits by the Audit & Supervisory Board Members

The Company shall develop a system enabling effective performance of audits, including mutual cooperation with the Audit & Supervisory Board Members at Operating Companies and other subsidiaries, accounting auditors, and the internal auditing group, in accordance with the Audit Plan established by the Audit & Supervisory Board Members each year.

## **2. Status of Basic Policy Implementation in the Company**

(1) System for ensuring the properness of operations across the Panasonic Group and reporting from subsidiaries

- The Company ensures that basic policy for internal control systems is fully implemented by Group companies, and disseminates relevant information among Group companies. Initiatives to that end include: implementing the Panasonic Group Code of Ethics & Compliance, Basic Rules for Group Compliance, and the Rules of Approval for Decision-Making in Important Matters; establishing group wide regulations; dispatching Directors and Audit & Supervisory Board Members to Group companies and exercising the Company's shareholder rights thereof; establishing rules of governance that are to be observed by Group companies; conducting regular operational audits, internal control audits, and compliance audits of Group companies through the internal auditing group, and; sharing and disseminating information on business objectives through management policy announcements.
- The framework described above ensures the properness of operations, thereby enabling the Panasonic Group to establish the internal controls necessary for financial reporting based on the Financial Instruments and Exchange Act.

(2) System for ensuring compliance with applicable laws in the performance of Directors' and employees' duties in the Panasonic Group

(a) System for ensuring legal compliance in the performance of Directors' duties

- The Company has established internal rules such as the Panasonic Group Code of Ethics & Compliance, Rules for Directors, and Rules for Executive Officers, and endeavors to ensure that its Directors act in accordance with laws, regulations, and the Company's Articles of Incorporation. Additionally, when Directors assume their positions, the Company provides them with opportunities to acquire the knowledge necessary to fulfill their roles and obligations, and during their terms of office it continues to provide Directors with opportunities to acquire the knowledge they need, including presentations on management and compliance by external



experts as required.

- The Company strengthens its supervisory functions by ensuring that at least one-third of the Board of Directors' members are Outside Directors, and by providing opportunities for the Outside Directors to actively communicate through Board of Directors' meetings and other such occasions. Moreover, the Company has also established a Nomination and Compensation Advisory Committee which is chaired by an Outside Director, and a majority of its members are also Outside Directors, to ensure objectivity and transparency in the process of determining the nomination and remuneration of Directors.
- The Company continues to aim for further enhancement in the effectiveness of the Board of Directors, and as part of its efforts, it conducts an annual questionnaire survey of members of the Board of Directors and Audit & Supervisory Board. The results and evaluations are reported at the Board of Directors meetings, and the Company reviews the opinions received and implements appropriate measures for improvement accordingly.
- Audits and other supervision are carried out by the Audit & Supervisory Board Members and the Audit & Supervisory Board. In addition, 19 full-time Audit & Supervisory Officers of the Operating Companies and the divisional companies of each Operating Company report directly to the Panasonic Audit & Supervisory Board, and duties are carried out in cooperation with the Audit & Supervisory Officers at Panasonic Group companies including Operating Companies.
- The elimination of all relationships with anti-social forces is prescribed in the Rule of the Prevention of Relationships with Antisocial Forces, and written pledges to observe the contents of these rules are acquired. In addition, Rules for Directors and Rules for Executive Officers reconfirm the requirement to eliminate all relationships with anti-social forces.

(b) System for ensuring compliance with applicable laws in the performance of employees' duties

- The Basic Rules for Group Compliance make clear the basic items, roles, and responsibilities that are assigned for compliance in the Panasonic Group.
- The Company has established internal rules such as the Panasonic Group Code of Ethics & Compliance and implements compliance initiatives and various awareness-building activities such as trainings tailored to specific employee levels and e-learnings, for its employees including Group companies.
- The Company seeks to detect improper acts at an early stage through "operational audits", "internal control audits", and "compliance audits", and by operating a global hotline that is available in multiple languages, in addition to other measures. In addition, the "Panasonic Group Code of Ethics & Compliance" and the "Rules on the Prohibition of Retaliatory Behavior against Whistleblowers, and Others" stipulate that whistleblowers shall be protected from any retaliation as a consequence of having used the hotline or other means to report violations of laws or regulations, or concerns otherwise in that regard.
- The Company has been stepping up its efforts to implement fair business practices emphasizing compliance and taking measures to react to its changing business environments accordingly by establishing organizations that perform the functions of promoting compliance and conducting compliance audit, handling business legal affairs, risk management, and administration of corporate governance.
- The elimination of all relationships with anti-social forces is prescribed in the Rule of the Prevention of Relationships with Antisocial Forces, and written pledges to observe the contents of these rules are acquired. In addition, the Employee Work Regulations reconfirm the

requirement to eliminate all relationships with anti-social forces. With the establishment of the Business Conduct Committee and assigning an employee specifically to the task of blocking any relations with such forces, we have constructed a system for organizationally rejecting anti-social forces.

(3) System for retention and management of information pertaining to the performance of Directors' duties

- The minutes of meetings of the Board of Directors are prepared after each meeting of the Board of Directors and retained permanently by the section responsible for administration relating to the Board of Directors. Records of approval by the President are also retained permanently by the responsible department.

(4) System for ensuring efficiency of the performance of Directors' duties in the Panasonic Group

- The Company expedites decision-making through Rules of Approval for Decision-making in Important Matters, clarification of the positions of Directors and Executive Officers, complete delegation of authority to Operating Companies, the holding of "Group Management Meetings" and "PHD Strategy Meetings", and the implementation of an IT system that ensures the rapid and accurate collection and transmission of important management information.
- The Company plans and implements measures to achieve the business goals it sets based on its business strategies by confirming and examining the status of progress towards the goals at the time of monthly settlement of accounts.

(5) Rules and other measures for financial risk management in the Panasonic Group

- Accurately identifying risks and taking action to prevent them is positioned as an important issue for corporate management. Based on the Panasonic Group Rules for Risk Management, risk management activities are carried out centering on the PHD Enterprise Risk Management Committee (PHD ERM Committee). Risk assessment is carried out based on the following cycle. Once a year, all risks which potentially may affect business activities are identified and assessed using common assessment axes, and the order of priority is decided for risks which require action. Each risk which was identified as important based on this cycle is selected as a material Group risk by the PHD ERM Committee. A countermeasure is proposed, enacted, and its status monitored, and activities for continual improvement are carried out, centering on the department which is responsible for that risk. When formulating and deciding on management and business strategies, the PHD ERM Committee identifies uncertain matters which may be opportunities or threats in regards to achieving business objectives, and engages in appropriate risk-taking according to the degree of the risk. It also carries out risk management activities to review enacted countermeasures at suitable times according to the size of the identified risks.

(6) Employees who assist Audit & Supervisory Board Members in auditing, and such employees' independence from Directors

- The Company has established the Audit & Supervisory Board Member's Office, whose dedicated staff is under the direct control of the Audit & Supervisory Board and separate from any operating function of the Company's business. The Company assigns Audit & Supervisory

Board Member assistant staff members who possess appropriate capabilities and knowledge as required by the Audit & Supervisory Board Members.

(7) Ensuring effectiveness of instructions given by Audit & Supervisory Board Members to employees who assist Audit & Supervisory Board Members

- Respective Audit & Supervisory Board Members issue instructions to their staff members, and those staff members accordingly assist the Audit & Supervisory Board Members in performing their duties.
- The Company consults with Audit & Supervisory Board Members in advance of undertaking personnel-related matters including employee transfers and other affairs involving staff members who assist the Audit & Supervisory Board Members.

(8) System for Panasonic Group Directors, Audit & Supervisory Board Members, employees and other staffs to report to the Company's Audit & Supervisory Board Members

- Directors, employees and other staffs of the Company and Group companies report on business operations and other issues at respective regular meetings held by Audit & Supervisory Board Members and other such occasions, and also report as necessary at other important meetings with Audit & Supervisory Board Members, where their attendance has been requested. Moreover, Audit & Supervisory Board Members of Group companies report as necessary to the Company's Audit & Supervisory Board Members regarding content of reports at respective Group companies. The Operating Company Audit & Supervisory Board Members conduct inquiries at their respective Operating Companies regarding business operations and issues at the Operating Companies, and report such matters as necessary to the Company's Audit & Supervisory Board Members.
- The Company has established an Audit Report System by which employees of the Company and Group companies directly report to the Company's Audit & Supervisory Board about concerns related to improper acts by Directors and Executive Officers or related to possible illegality of carrying out official duties.

(9) System for ensuring that parties who have reported to Audit & Supervisory Board Members do not incur unfavorable treatment as a consequence of such reporting

- The Audit Report System enables parties to report matters anonymously, while the Panasonic Group Code of Ethics & Compliance and the Rules on the Prohibition of Retaliatory Behavior against Whistleblowers, and Others ensure that whistleblowers shall not be subject to unfavorable treatment as a consequence of such reporting.

(10) Policy on management of expenses and debt incurred in execution of Audit & Supervisory Board Member duties

- To ensure effectiveness of audits, the Company calculates preliminary budgets with respect to anticipated expenses required by Audit & Supervisory Board Members in executing their duties, in accordance with Audit & Supervisory Standards.
- The Company also provides pre-payment or reimbursement for expenses paid under urgent or extraordinary circumstances in accordance with laws and regulations.
- In making payment of audit expenses, Audit & Supervisory Board Members are required to

remain mindful of efficiency and appropriateness in that regard.

(11) Other systems for ensuring effective performance of audits by the Audit & Supervisory Board Members

- The Audit & Supervisory Board Members and Audit & Supervisory Officers of Operating Companies hold monthly meetings for reporting and notification.
- The Company has established and operates the Panasonic Group Audit & Supervisory Board Members' Meeting chaired by the Company's Senior Audit & Supervisory Board Member, in order to facilitate cooperation among the Audit & Supervisory Board Members of the Company and the Audit & Supervisory Officers of Group companies including Operating Companies.
- Representative Directors and Audit & Supervisory Board Members exchange opinions regularly and whenever necessary. Moreover, respective departments cooperate in implementing visiting audits of business offices inside and outside Japan conducted by Audit & Supervisory Board Members. Internal auditing groups also cooperate to enhance the effectiveness of audits carried out by Audit & Supervisory Board Members through collaboration with Audit & Supervisory Board Members, including reporting as appropriate to the Audit & Supervisory Board Members.
- When the accounting auditors formulate their audit plans, perform quarterly reviews, and conduct final audits, the Audit & Supervisory Board Members hold regular meetings with the accounting auditors at which they receive explanations and reports, and exchange opinions with the accounting auditors as necessary.

## 2. Basic Policy on Eliminating Anti-Social Forces

The Company prioritizes compliance with laws and corporate ethics as the foundation of our management, and have established the "Panasonic Group Compliance Code of Conduct" to ensure compliance, including provisions for cutting ties with anti-social forces. The Company has also established provisions on exclusion of anti-social forces in internal rules such as "Rules for Directors" and "Rules for Executive Officers," as well as in employment regulations, and have established a system to exclude anti-social forces or their close associates within the company by acquiring pledges related to the exclusion of anti-social forces. Additionally, the Company has established the "Rules for Anti-Social Forces Exclusion Activity" and have developed a management structure as follows.

Furthermore, in this Section IV "Status of Basic Policy Implementation in the Company" - "(2)System for ensuring legal compliance in the performance of duties by the Group's Directors and employees"- "(b)System for ensuring compliance with applicable laws in the performance of employees' duties", the Company describes the operational status of its system for ensuring the legality of the duties performed by its directors and employees, including the system for ensuring the legality of duties performed by directors and the system for ensuring the legality of duties performed by employees, with a specific focus on the operational status of its system for dealing with anti-social forces.

(1) Installation status of the overall response department and the responsible officer for preventing unjust demands

We have established a dedicated overall response department, promoted the establishment of a "Corporate Action Committee" to promote activities in Japan, and appointed responsible officers for preventing unjust demands at business sites.

(2) Status of collaboration with external specialized agencies

To respond promptly to anti-social forces, the Company works closely with the Violence Expulsion Promotion Center, local police stations, the Corporate Defense Council, lawyers, and other external specialized agencies on a daily basis, with the overall response department at the center of these efforts.

(3) Status of information collection and management related to anti-social forces

In case of emergency, the Company has established a system at the overall response department to aggregate information and provide support for responses. In addition, the Company strives to collect information from external specialized agencies during normal times and utilize it appropriately within the Panasonic Group. These pieces of information are managed appropriately in accordance with laws and internal regulations.

(4) Status of development of response manuals

The Company has developed response manuals for excluding anti-social forces and shared them within the group to ensure systematic responses.

(5) Status of training activities

To prevent relationships with anti-social forces, unjust provision of benefits, and acts that violate the principle of customer equality, the overall response department takes the lead in promoting awareness-raising activities within the Panasonic Group, including lending out training materials.

## V. Others

### 1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted
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Supplementary Explanation

1) Efforts to boost corporate value of the Company

The Company, since its establishment, has been operating its business under the Basic Business Philosophy, centering on "contributing to the progress and development of society and the well-being of people worldwide through its business". Going forward, the Company will continue to face social issues head-on in order to build an ideal society with material and spiritual affluence

through its business, take on the challenge of eliminating anxiety about the present and the future, and aim to create new value. It will also address various societal issues squarely, including global environmental issues, and pursue to make greater contribution to the development of society and the resolution of these issues. The Company believes these initiatives will lead to further improvement of business competitiveness, and through which, it will strive to continuously increase its corporate value by providing value that satisfies all stakeholders, including shareholders, investors, customers, business partners, and employees.

## 2) Measures against large-scale purchase

The Company has a basic policy that shareholders should make final decision in the event that a large-scale purchase of the Company's shares is offered, regarding whether or not the offer should be accepted. However, in such cases, there is a possibility that shareholders might not be provided with sufficient information required to make appropriate decisions, and a concern that corporate value and shareholder interest might be significantly damaged. Panasonic will take appropriate measures within the scope permitted by the Financial Instruments and Exchange Act, the Companies Act, and other related laws and regulations, including requesting any party proposing a Large-scale Purchase of the Company's shares to provide sufficient information necessary to assist shareholders in making appropriate decisions, expressing or disclosing opinions or other statements from the Board of Directors, and endeavoring to secure sufficient time for shareholders to consider the proposed purchase. Before the Board of Directors' opinions or other statements are expressed or disclosed, the Company will set up an independent committee comprising Outside Directors and Outside Audit & Supervisory Board Members and the Board of Directors will consult this committee regarding its opinion and treat the committee's verdict with the utmost respect.

## 2. Other Matters Concerning to Corporate Governance System

Under its basic philosophy, "A company is a public entity of society," the Company has committed to highly transparent business activities and endeavored to be accountable its accountability to its stakeholders. The Company's specific approach to information disclosure is set forth in the "Panasonic Group Compliance Code of Conduct", which embodies the Management Philosophy and sets forth specific items to be fulfilled in conducting business activities while practicing compliance. The basic policy on information disclosure, together with practical standards, methods and internal systems, are published in the "Disclosure Policy" on the Company's website.

In accordance with this basic policy, important matters concerning the management of the Group are resolved or reported at the Board of Directors pursuant to the Rules of Meetings of the Board of Directors. These important matters and other matters, which are required to be disclosed under relevant laws and ordinances in Japan and overseas or any other regulations, are timely and accurately reported from each relevant department, that has the important

internal information, to the department that handles relevant information under the monitoring of the Group CFO, so that important information is gathered. Further, matters required to be disclosed under the rules of financial instruments exchanges are also under the monitoring of the Group CFO.

Also, if any of the matters which is required to be disclosed under relevant laws and ordinances in Japan and overseas, and the rules of financial instruments exchanges or any other regulations, occurs at the Company's subsidiaries including the Operating Companies, such matter shall be immediately reported to the "IR Section, Corporate Finance & IR Department" or the "Financial & Accounting Center" of Panasonic Operational Excellence Co., Ltd., depending upon the nature thereof; Thus, the Company has established a structure whereby these matters can be collected.

With respect to the information gathered or identified, the Company determines the necessity of disclosure thereof in accordance with relevant laws and ordinances in Japan and overseas, and the rules of financial instruments exchanges or any other regulations, and makes effort to disclose it at the time that the organization, which effectively decides execution of the business of the Company, makes a resolution or determination, or becomes aware of its occurrence.

In addition, the Company endeavors to confirm the contents and expressions of the disclosure with the relevant departments within the Company and outside legal counsel to ensure the accuracy, fairness and adequacy of the disclosure.

Moreover, the Company has established disclosure control procedures in order to comply with relevant laws and ordinances in Japan and overseas, the rules of financial instruments exchanges and any other regulations, and to implement the fair, accurate and timely disclosure of information about its Group, etc. In the process of preparation and confirmation of documents such as annual securities reports and quarterly reports, the Disclosure Committee, which is comprised of managers from principal departments that handle relevant information, confirms and approves the validity of the content of the descriptions and the appropriateness of the procedures concerning the disclosure under the supervision of the Group CEO and the Group CFO, who are responsible for establishing, maintaining and ensuring the effectiveness of the internal control and disclosure control of the Company. The chairperson of the Disclosure Committee is appointed by the Group CEO and the Group CFO, and the members of the Disclosure Committee are appointed by the chairperson of the Disclosure Committee. The Disclosure Committee also develops, maintains, improves and evaluates the internal control procedures concerning disclosure matters.

The Company has documented the actual status of its internal control system, with integrated control provided by the Internal Control Promotion Office of Panasonic Operational Excellence Co., Ltd., in order to ensure reliability in the financial reporting of the Panasonic Group including its subsidiaries, ranging from the control infrastructure to actual internal control activities. Specifically, the Company has reinforced its internal controls by implementing self-checks and self-assessment programs at each of the Operating Companies. Then, Internal Auditing Managers of the Operating Companies appointed by the Company at each of the Operating Companies conduct audits. Based on the audits, the Internal Control Promotion Office supervises the group-wide internal control audits in order to confirm the effectiveness of each company's financial reporting. With the aim of further enhancing the Group's internal control system, in fiscal 2023 Panasonic had approximately 360 personnel assigned to conduct internal audits in the Internal Auditing Group.

Under the above-mentioned internal system, the Company will endeavor to, always from the standpoint of investors, provide accurate and fair corporate information timely and appropriately, fully understanding the purpose of the basic philosophy for the good-faith business execution of the listed securities issuer under the rules of the timely disclosure of the financial instruments exchanges such as Tokyo Stock Exchange.