


Promoting Sustainability(ESG) Management


The Panasonic Group has established its Basic Business Philosophy, which outlines its approach to management practices and the way employees carry out their work, and conducts its business based on this policy.

Unraveling the Basic Business Philosophy (BBP) from an ESG perspective, it stipulates from the perspective of the environment and society that we make unparalleled contributions to solving global environmental problems, including climate change, and to the physical and spiritual health and well-being of people. Additionally, we will return the profits we obtain to the society and invest in further contributions. From the perspective of governance that sustains such contribution to the environment and society, the BBP also stipulates autonomous responsible management, the practice of each employee's entrepreneurship, maximizing human resources and management based on collective wisdom, and the principle of "Fairness and Honesty" including the compliance.

As one of the operating companies in the Panasonic Group, Panasonic Energy will help resolve environmental and social issues through its corporate activities in accordance with the above ideas. At the same time, we are committed to promoting ESG-focused management in order to establish a transparent and fair management foundation, realize a sustainable society, and enhance medium- to long-term corporate value.

This is in line with our Mission, which is to "achieve a society in which the pursuit of happiness and a sustainable environment are harmonized free of conflict," and represents an essential initiative for us.

 **The Basic Business Philosophy of the Panasonic Group**
<https://holdings.panasonic/global/corporate/about/philosophy.html>

 **The Promotion of Sustainability Management of the Panasonic Group**
<https://holdings.panasonic/global/corporate/sustainability/management/structure.html#management>

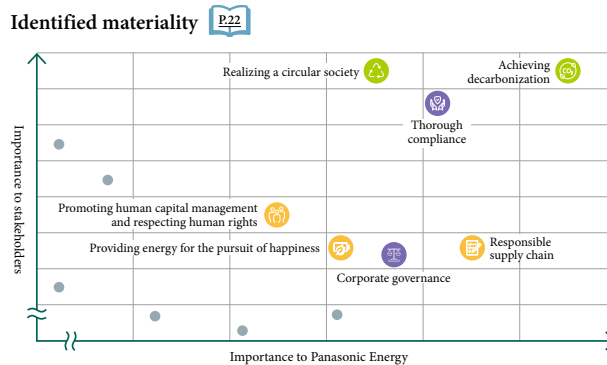
ESG promotion structure

In fiscal year ending March 31, 2024 (fiscal 2024), Panasonic Energy established its ESG Committee, chaired by the President, to formulate an overall ESG plan, monitor its progress, and evaluate its achievement status. Based on the outcomes of its deliberations, the Committee makes annual reports and recommendations to the Board of Directors to ensure that ESG considerations are integrated

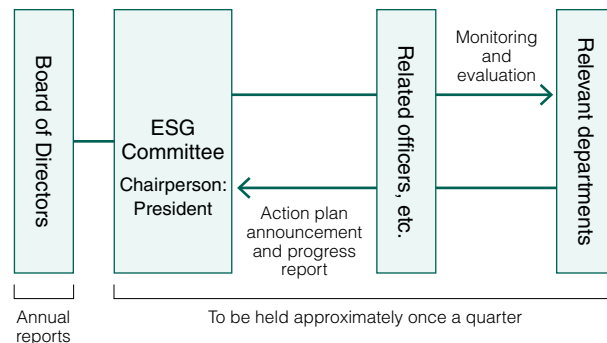
into the management decision-making process.

In promoting specific measures, we designate Executive Officer, or other person to take charge of addressing each of the seven material issues, set medium- to long-term visions and key performance indicators (KPIs) for each material issue, and formulate action plans to achieve them. Based on progress reports from the aforementioned persons in charge, the ESG Committee monitors and evaluates activities, estimates the effectiveness of measures, and encourages their improvements. In these ways, we have established the PDCA cycle throughout the year.

We conducted a progress review of our annual activities in fiscal 2024 at the first meeting of fiscal 2025. In addition, the three material issues that are particularly important for improving our company's growth potential—namely achieving decarbonization, realizing a circular society, and promoting human capital management and



Our ESG management promotion structure



respecting for human rights—were also reviewed during fiscal 2024 to encourage steady implementation of measures.

The Committee also conducts regular study sessions that utilize outside knowledge to keep abreast of ESG-related social demands.

Furthermore, in the remuneration system for executive officers, performance-based remuneration linked to short term and med-long term business results is based on both ESG indicators as well as financial indicators, thereby strengthening the motivation to promote measures.

Dialogue with stakeholders

We place great importance on dialogue with a wide range of stakeholders around the world, including customers, investors, suppliers, governments, industry associations, NPOs and NGOs, local communities, and employees, and engage in dialogue at various stages of our operations. We also provide information on our activities to our stakeholders, and at the same time receive feedback from them regarding their expectations and concerns about us. We will incorporate such feedback into our business, product development, and ESG management activities to further enhance our corporate value.

Major stakeholders

