

Panasonic

Panasonic Manufacturing Philippines Corporation



FISCAL YEAR **2019** ANNUAL REPORT

FY 2019 ended March 31, 2020



Panasonic

OUR COMPANY,

Our Commitment

Panasonic Manufacturing Philippines Corporation (PMPC) is a manufacturer, importer and distributor of electronic, electrical, mechanical, electro-mechanical appliances, other types of machines, parts and components, battery and related products bearing the brand name, "Panasonic". PMPC, which is a subsidiary of Panasonic Corporation (PC), Japan is the first Filipino-Japanese joint venture operation in the area of consumer electronics in the country.

The primary products manufactured by the Company are refrigerators, air conditioners, washing machines, and electric fans.

In October 2003, the Company ceased using "National" brand and unified the branding of all its products under the Panasonic brand.

PMPC has a wide base of sales and service distribution centers strategically located at key municipalities, cities, and provinces all over the Philippines.

In 2011, PC made Panasonic Electrics Works Co., Ltd. (PEW) and SANYO Electric Co., Ltd. wholly owned subsidiaries. Consequently, with the said integration, PEW-Philippines and SANYO-Philippines ceased their existence as independent companies in the country. However, some of PEW operations with products under Eco-solutions like solar panel business

and other devices, as well as SANYO's commercial refrigeration businesses among others were integrated into the business operation of PMPC's Sales Division, Panasonic Philippines (PPH) effective April 1, 2012.

On March 19, 2013, the Securities and Exchange Commission (SEC) approved the extension of PMPC's corporate life for another 50 years or until May 15, 2063.

In 2016, PMPC marked the initial year of its business operation under the umbrella of Panasonic Appliances (AP) Company.

Almost three years after celebrating its golden anniversary in 2017, PMPC renews its commitment to operate with dedication and continuing growth along with its corporate mission as a gesture of its gratitude to the continuing support of its loyal customers, business partners, and the communities where it operates, looking forward to the future with confidence, and focusing its efforts and resources in serving both the customers and society.

PMPC, as part of Panasonic Group recognizes that the primary role of its business is to serve society in return for the use of its resources, and thus devoting its business activities to the progress and development of society and the well-being of the people. This commitment serves as guidance for the Company in carrying out its operation and corporate activities.

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Financial Highlights

FISCAL YEARS 2019, 2018 & 2017

TOTAL OPERATIONS	FY 2019	FY 2018	FY 2017
NET SALES	11,906,948,322	11,520,813,753	10,490,076,674
NET INCOME AFTER TAX	126,456,220	148,521,135	264,032,362
Attributed to:			
Equity Holders of the Parent Company	126,066,914	148,144,539	262,726,845
Minority Interest	389,306	376,596	1,305,517
EARNINGS PER SHARE	0.30	0.35	0.62
TOTAL EQUITY	4,485,251,641	4,512,842,195	4,591,099,806
Book Value Per Share	10.61	10.68	10.86
WORKING CAPITAL (EOY) (Current Assets - Current Liabilities)	3,677,364,787	3,820,671,844	3,790,985,047
CURRENT ASSETS RATIO	2.57	2.56	2.72

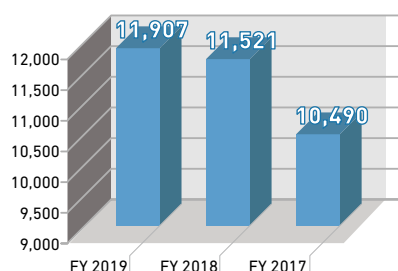
CASH DIVIDENDS

2019 - 14.98% regular cash dividend. Declaration date: May 7, 2020 ; Recorded May 30, 2020

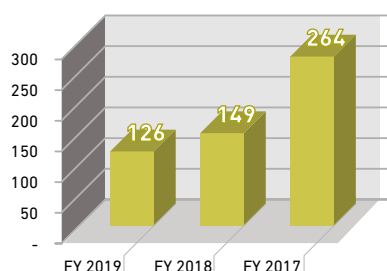
2018 - 20.99% regular cash dividend. Declaration date: April 22, 2019 ; Record date: May 7, 2019

2017 - 37.17% regular cash dividend. Declaration date: April 11, 2018 ; Record date: April 25, 2018

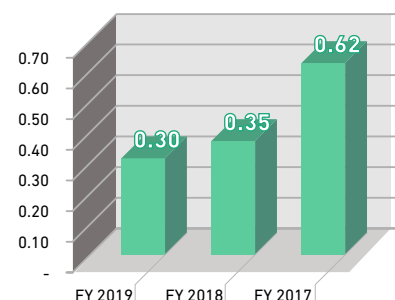
TOTAL SALES (in millions)



NET INCOME (in millions)



NET EARNINGS (per share)



MESSAGE TO

Stockholders

I would like to thank you for your continuing support, understanding, and trust in Panasonic Manufacturing Philippines Corporation (PMPC) along with my utmost hope that you are doing well and staying safe amid this Coronavirus Disease 2019 (COVID-19) pandemic.

Looking back at the start of our fiscal year (FY) 2019 operation, there were actually positive indicators of a better economic situation for the Philippines. So, in line with our management slogan: "Challenge growth with a sense of speed," together with all the members of our PMPC Team, we mustered our best not only in creating ideas, but also in taking actions with a sense of speed. However, the favorable scenario was spoiled by challenging external factors: contractions in public spending, and the limited mobility of people as containment measure against COVID-19, especially in the last quarter of our business operation for FY2019, which eventually marred the capacity of your Company to realize our various targets. As a result, we were not able to sustain the double-digit growth rate that we succeeded to realize in 5 consecutive years. Our products continued to receive support and patronage from our customers. However, there were external circumstances that were beyond our control that reversed favorable expectations for both our domestic and export sales. Our sales for window air conditioner, in particular, were lower than last year at 93 percent, which resulted in a decline in operating profit by 43 million pesos. But we must be thankful that despite our shortcomings and challenges, we had some gains, too, such as the opening of our Washing Machine-Electric Fan Factory at our Sta. Rosa Plant, as well as the launching of the training center for air conditioners at our HDC Building. Likewise, we were able to generate a total sales performance of 11.9 billion pesos, which was 103 percent of the 11.5 billion pesos posted in FY2018. Such growth, however, did not suffice to boost significantly our profit after tax, which declined by 22 million pesos as many of our products were not able to improve profitability.

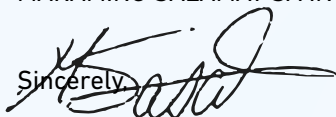
In FY2020, despite the limitations the pandemic has wrought on social and economic activities, we are determined to realize a better scenario and challenge ourselves to regain momentum, not only to bounce back to double-digit sales growth, but also to realize positive operating profit by focusing on improving our business performance. In fact, throughout the first quarter of FY2020, our PMPC COVID-19 Crisis Committee has continued to conduct virtual meetings even during the temporary closure of our PMPC factories and offices so as to monitor the developments of the persisting situation. And our PMPC Team is working painstakingly to ensure the continuous relevance of your Company's business in the Philippines. Thus, we are aggressively creating and initiating sales-generating opportunities by adapting to the "new normal" in doing business, bearing in mind the goal of achieving our Mid-Term Plan target. We will strive even harder as we challenge growth with a sense of speed.

Well, many experts claim that a return to normalcy may take some time until a vaccine for COVID-19 is widely available, which could mean that the virus will continue to bring unforeseen challenges to our business operation. But as we navigate the rest of our current fiscal year, we will take this critical period as a good opportunity to generate a synergy with speed through unselfish contributions, and prove that this strange and difficult situation has also its merits, especially for our target growth. And may our business principles, particularly our collective wisdom, serve as guide to acknowledge that each and every member of our PMPC Family has a purpose, and all of us are important individual components of your Company.

Lastly, as I reflect on this fiscal year, once again with humbleness in spirit, I would like to reiterate my commitment to serve your Company and promote our principles of making people first before products, working according to rules, and generating appropriate profit by providing products that can make our customers safe, healthy, happy, and enjoy convenience with peace of mind.

Once again, on behalf of all the dynamic members of our PMPC Team, I thank you so much for your continued support, trust, and confidence.

MARAMING SALAMAT SA INYONG LAHAT! Please stay healthy and safe.

Sincerely,


Masatoshi Sasaki
 President



FY 2019 PMPC HIGHLIGHTS OF OPERATION:

Challenge Growth with a Sense of Speed



PMPC's business operation in FY2019 commenced with the commitment to challenge growth with a sense of speed, but was punctuated by the COVID-19 pandemic that threatened people around the globe and inflicted detrimental impact on our local and global economy. Supply chains were also disrupted, which greatly affected the operation of various industries, and PMPC was not spared. But looking back, PMPC painstakingly carried out its various activities and programs, hindered yet bullish...



Challenging growth through responsible management

PMPC challenged growth by operating on the awareness that a company is duty-bound to make society prosperous, peaceful, and happy. This sense of mission set off as the company welcomed the arrival of its newly appointed President, Mr. Masatoshi Sasaki, during a special general assembly held on April 1, 2019 at PMPC-Auditorium Taytay, Rizal. Mr. Sasaki laid down his management fundamentals by presenting the "5 Priorities of Management," which include safety, employee satisfaction, quality, compliance, and reasonable earnings.

Members of PMPC management attended the General Assembly Meeting of Panasonic Appliances Company via HD-GLINK conference on April 3, 2019, which was broadcasted live to various global sites, including PMPC.

On April 3, 2019, TUV granted PMPC the confirmation of acceptance for ISO27001 Surveillance Audit 2nd Follow-up, which established that our Company's Information Security Management System (ISMS) is being implemented properly.

PMPC Cost Busters team plugged its promotional campaign from April 1 to May 31, 2019 for FY2019 by giving free CB T-shirts to all regular employees, who shared their ideas on how to reduce cost and improve efficiency in the workplace.

On April 12, 2019, our Customer Service (CS) Group held a nationwide policy meeting at our head office in Taytay, Rizal, to announce its FY2019 policies and strategies. The occasion was attended by CS members from area offices and head office.

PMPC continued to pledge its commitment, with a sense of unity in mind, as the company participated in the Panasonic Appliances (AP) Company Global Ekiden 2019. Members of management and workers' union passed sash to each





other, which was a gesture of their commitment to achieve the business plan set for FY2019 on April 13, 2019 at PMPC-Sta. Rosa in Laguna.

PMPC held a blessing ceremony for the newly transferred Washing Machine & Electric Fan Factory at PMPC-Sta. Rosa in Laguna on April 13, 2019.

On April 30, 2019, PMPC Management Policy for FY2019 was held at PMPC-Taytay Auditorium. Leading the event was newly appointed President Masatoshi Sasaki, who presented the review of FY2018 business operation and PMPC's management policy for FY2019. During the event, the Panasonic Appliances (AP) Company Group Business Manager's Award in the Performance Award Category of Panasonic Foundation Anniversary 2019 was presented. The award recognized PMPC members, who had made extraordinary contributions to the kaizen activities for production efficiency, sales, drive force, and factory management in Air Conditioner Business Division of PMPC. Recipients of the award received a plaque and token from Panasonic Asia Pacific (PAPAP) handed by Mr. Sasaki.

Our Company held its annual stockholders' meeting on June 21, 2019 at PMPC Auditorium in Taytay, Rizal. PMPC President Mr. Masatoshi Sasaki met with over 260 stockholders, representatives, and partners from SGV & Co, and presented the highlights of FY2018 business operations, which were characterized by internal and external factors. Consequently, he presented the management's target for FY2019 along with its plan to sustain a double-digit sales performance, realize a positive operating profitability, and pursue a positive free cash flow for total PMPC. Elected 2019-2020 Board of Directors were Mr. Masatoshi Sasaki (Chairman of the Board), Mr. Hiroyuki Tagishi, Mr. Yasuo Tonooka, Mr. Yukio Hirose, Mr. Yoshiyuki Takahashi, Mr. Hiroshi Yamada, and Mr. Masaru Toyota; Independent Directors: Mr. Emiliano Volante and Miss Elizabeth Gildore; Corporate Secretary: Atty, Mamerto Mondragon; and External Auditor: Sycip, Gorres, Velayo and Co. (SGV & Co.)

A simple ceremony was held on September 13, 2019 to celebrate our Company's 52nd anniversary. In the morning, PMPC President Masatoshi Sasaki gave his message of thanksgiving and honored the individual and group awardees. In the afternoon, the activities were highlighted by the

holding in separate venues of the Family Day (a simple gathering and plant tour attended by the family members of some selected employees in Taytay and Sta. Rosa factories), and the awarding ceremonies for the recipients of our 2019 Panasonic Scholarship Asia. In his anniversary message, Mr. Sasaki urged every member of PMPC Family to give importance to our 52nd Anniversary by renewing their commitment to achieve better performance. He also mentioned: "If we continue to have a 'hungry spirit' always craving for better performance, then we cannot fail...."

To continuously encourage the practice of A Better Dialogue (ABD) starting September (Anniversary Month) 2019 and every month thereafter, the PMPC President had been hosting a monthly "Birthday Breakfast Meeting" for direct employees/union members whose birthdays fall in the corresponding month.

Panasonic Appliances (AP) Company President Masahiro Shinada visited our Company on October 4, 2019. At the special assembly held for him, Mr. Shinada emphasized 4 key messages that every PMPC employee should take to heart to transform the Company and develop Filipino businesses: (1) Feel free to express yourself... don't hesitate to speak up what you think; (2) Value your relationship with others; (3) Don't be afraid to challenge. We can learn from mistakes; and (4) Accumulate small successes.

PMPC held its first ever Halloween Party on October 30, 2019. The event was festive with performances from a live band, Halloween-themed dance competition and sumptuous food. Employees and management donned Halloween inspired outfits as they enjoyed a scary good time. In his message, Mr. Sasaki pointed out that the event reminded PMPC employees not to fear the unknown. "In fact, although we are wearing scary costumes, we are not actually scared, but we are having fun. So this is similar with our thought when we find our target very high and challenging," he said.

In observance of November as "Quality Month," the message of Panasonic Corporation (PC) President Kazuhiro Tsuga was shared to all PMPC members. Mr. Tsuga reiterated the need to react on quality perspective and take prompt measures to resolve issues during the Quality Month, review the daily work procedures by thinking about what each individual must do to live up to customer expectations.





Our Company celebrated the traditional Christmas Party with pyjama as theme on December 20, 2019. The party was highlighted by various dance performances and special numbers. Apart from the noise and merriment, the occasion saw the giving away of raffle prizes like 570 desk fans, 7 air conditioners, 7 refrigerators and 15 washing machines to lucky employees.

Representatives of the 5th Cost ITAKONA Workgroup from different Panasonic companies visited PMPC from January 13-16, 2020. The Workgroup aims to share VE activities of Panasonic Asia Pacific factories, pick up the good points along with their determination to generate additional VE activities for PMPC.

Air Conditioner Business Division was officially launched as Panasonic Air Conditioning Philippines (PACPH) during the Dealers' Convention held at the Marriott Hotel on January 17, 2020. PACPH is dedicated to provide sustainable quality air for life solutions for Filipinos. Alongside the launch of PACPH was the inauguration of Panasonic Air Conditioning Training Center (PACTPH), which goals are to provide skills development to technical personnel, engineers and staff, as well as provide information on Panasonic air conditioners. With a newly renovated HDC Building, PMPC will continue to focus on human development.

PMPC Management and PMPC Workers Union representatives inked the new CBA on February 18, 2020 in Taytay, Rizal, signifying both parties' intention to foster harmony in the workplace. Witnessing the event were PMPC President Mr. Masatoshi Sasaki, Treasurer and Executive Director Yoshiyuki Takahashi, Executive Director Hiroshi Yamada, then VP for Sales and Marketing Masaru Toyota, Accounting Sub-head Julieta Beltran, and ACBD Head Angelo Tamayo.

In the culmination of FY2019, PMPC had formed its COVID-19 Crisis Committee which sought to promote effective communication in dealing with the pandemic.

Challenging growth through innovative products

PMPC has continued to attune to the rapidly changing market environment, whether in the realm of technology or production, and keep finding new solutions and investments to foster growth.

Our Company has continued to promote the advantage of nanoe™ technology through mall activation activities at strategic locations in Metro Manila to communicate and highlight the innovative edge of nanoe™ technology and create familiarity with the Panasonic air conditioner line.

PMPC intensified its summer campaign with series of summer promotions on social media, web articles, newspaper ads, and in-store promotions. Gary Valenciano was the face of our summer campaign along with other influencers on social media.

On April 11-13, 2019, PMPC participated in the 45th National Convention and Construction Expo (CONEX) 2019 with the theme "Architects in Focus" held at SMX Convention Center in Pasay City. The expo provided total air conditioning solutions to thousands of architects and designers from various parts of the world. During the expo, we highlighted our nanotechnology features, introduced the new 4.5HP, 5HP and 6HP inverter floor standing model for the single split-type package air conditioning category, and conducted product survey of the ceiling concealed ducted type.

Through our System Solutions Group (SSG), we launched the smallest and lightest projector series on July 17-18, 2019, and particularly showcased the latest laser portable projector VMZ series, which boasts as the world's smallest projector series with unique technologies, reliable operations and versatile functions.

On September 14, 2019, we held a couple of Lumix events at Robinsons Galleria in Cebu City with Lumix Ambassadors Alex Ruello, Stanley Ong, Xander Angeles, and Jason Magbanua, who presented live demo shoots for S1R and S1H cameras. Regional Camera specialist Cliff Pek also gave pointers and highlights on Lumix S1H. Other attendees at the event were mostly hybrid and professional photographers as well as videographers. Demo units of Lumix models were displayed for touch and try.

Micro-influencers Bea Benedicto and Gela Munoz promoted Panasonic beauty products on Lazada livestream on October 15, 2019. They talked about the Panasonic products' benefits for the skin and hair made possible through nanoe™ technology. The livestream drew inquiries and positive comments which would benefit the market for men.

Lumix won the "Most Interactive Group" award at CameraHaus' biggest event of the year: the Photolympics 2019 held at Ayala Malls Manila Bay, Pasay City on November 23, 2019. The event, which started with a photowalk and street cheer challenge, showcased the talent and energy of different brands. Freebies were given to participants upon registration with Lumix ambassador Stanley Ong sharing his stories and techniques in using Lumix.

Challenging growth through co-existence and co-prosperity

Upholding the notion that an enterprise only succeeds when those companies around it are also flourishing in an environment of co-existence and co-prosperity, PMPC continued to collaborate and foster the spirit of common understanding with various partners in FY2019.

On April 2 - 5, 2019, our Company led in showcasing the hottest trends and cutting-edge technology to fashion professionals and tech enthusiasts in the four-day event of the 10th season Panasonic Manila Fashion Festival with the theme Fashion Formation Decoded held at Edsa Shangri-La Hotel in Mandaluyong City. Panasonic products such as Lumix cameras, beauty products, TVs, small appliances, refrigerators and washing machine were also displayed at the venue. Moreover, a photography contest showcased Panasonic Lumix cameras. Users shared their hands-on experiences. This season, Panasonic Philippines invited children from the KnK-Philippines Kokkyo naki Kodomotachi or "Children without Borders," a non-profit, non-government organization, to experience the thrill of a real fashion show up close.

Our System Solutions Group (SSG) held a two-day event (April 5 - 6, 2019) to present FY2018 performance review, discuss FY2019 objectives and to strengthen its relationship with the Company's business partners. Panasonic System Solutions Asia Pacific (PSSAP) Managing Director Yoshinori Yamana, also joined the team building activity headed by SSG at Pico De Loro, Nasugbu, Batangas.

In three separate occasions, PMPC accommodated our business partners, namely Robinsons Appliances, Abenson, and Anson's, and offered them a tour of our factories in Taytay and Sta. Rosa, as they got a glimpse of our actual production and warehouse.

To enhance Panasonic's after sales activity and retain customer loyalty, our CS Group continued to conduct a nationwide seminar on "How to Handle Customer Complaints" for PASC receptionists and technicians throughout April and May 2019. Some 47 technicians and 65 receptionists enriched their skills in responding to customer requests and complaints, and were reminded of Panasonic customer satisfaction: customers' first principle, basic service philosophy (true service) and service with a smile.

PMPC joined the two-day event to showcase Panasonic Lumix Camera in the CameraHaus Photo Festival along with the theme "Celebrate Philippine Culture through Photography" on May 18-19, 2019 at the Ampitheater, BGC, Taguig City. Panasonic dazzled its booth with summer fruits from Central Luzon and amped up the crowd with a traditional game of Kadang-Kadang. Lumix ambassadors also imparted the importance of photo details during the festival.

To boost brand awareness, our Company sponsored the 2019 Philippine Basketball Association (PBA) Cup Finals from May 1-15, 2019, at Smart Araneta Coliseum in Quezon City. Panasonic air conditioning products were advertised during intervals of the game through a livestream via Youtube and Facebook site of the PBA.



PMPC staged its lineup of air conditioners, refrigerators, washing machines, beauty, cooking, and television products during the Duty Free and SM Megatrade exhibits, which ran from October 24 to November 24, 2019.

Our SSG joined the IIEE 44th Annual Convention held at SMX Convention Center on November 27-30, 2019. The annual convention was attended by more than 6,000 members and was participated in by various local and international exhibitors.

In celebrating Christmas with good cheers and tidings, we intensified our 'Maalagang Pasko' campaign and presence on radio, digital platforms, on-line/in-store promotions, and nationwide circulation of year-end catalogue to increase the demand for Panasonic brand during the season. The campaign was top-billed by Panasonic Ambassadors Gary and Kiana Valenciano.





On June 19, 2019, our Company partnered with Shea Mira Corporation in our desire to broaden the distribution channel of our Panasonic Beauty premium models and to scale up brand awareness by catering to the right market in the field of aesthetics in the Philippines.

Our Company fronted premium beauty and cooking products during the opening ceremony to promote healthy lifestyle at the 2019 Philippines Ladies Tennis League Opening Ceremony.

PMPC and our business partners renewed our commitment in promoting the principle behind our solid partnership, which is the spirit of co-existence and co-prosperity during the Suppliers Meeting held on June 28, 2019 at PMPC-Auditorium, Taytay, Rizal. In addressing for the first time our Company's business partners, PMPC President Masatoshi Sasaki asked their support and cooperation to achieve our various targets in FY2019. He also emphasized the need to work as a solid team to achieve successful and meaningful operation in the years to come.

Our Company presented the concept of providing total air conditioning solutions during the HVAC/ Rexpo at SMX Convention Center in Lanang, Davao on September 6 - 8, 2019. HVAC/R Philippines expo is the ultimate venue for innovations in air and cooling technologies and is deemed as the country's largest construction show. Panasonic bagged the top prize in the Best Booth Award.

Our Company sponsored the livestreaming of the Rugby World Cup 2019 in Makati Shangri-la and Shangri-La The Fort, which run from September 20 to November 2, 2019.

Our Panasonic air conditioner once again exhibited its total array of air conditioner models to engineers, developers and mechanical consultants during the 67th PSME National Convention held at the SMX Convention Center Mall of Asia on October 17 - 19, 2019.

Our Team Panasonic joined other companies for the PSVARE Basketball Tournament held at Niagara Building in Caloocan City on October 31, 2019. Close to 10 teams participated in the inter-company competition.

Our Home Appliance Group conducted Range Review Meeting with key dealers Abenson, Western, and Robinsons on December 12 -13, 2019 at Edsa Shangri-la Hotel. Sales performance, products' key features and benefits were reviewed during the meeting.

Our 2020 AC Convention was held on January 17, 2020 at Manila Marriott Hotel. New air conditioner products were launched. It was attended by dealers, business partners, consultants, and guest from medical institutions. The new product launch aimed at affirming the effectiveness of nanotechnology, which is a key feature of Panasonic air conditioner products.

Challenging growth through environment health and safety activities

PMPC 'eco ideas' declaration "Towards 2050 Environmental Vision" along with the Company's desire to develop a CSR-conscious workforce and adherence to government regulations guided PMPC in conducting its various environment, health, and safety activities in FY2019.

On April 13, 2019, 50 PMPC local managers including top management celebrated the Earth Day by engaging in a Filipino-style "boodle fight," in which food was shared on banana leaves using only their bare hands. This simple celebration showed our Company's environmental awareness by not utilizing disposable utensils and water to rinse dishes. It was held after the AP Global Ekiden at PMPC Sta. Rosa, Laguna.

In May, PMPC's Environment and Safety Team led several activities to respond to the protection of the environment and promote health and safety compliances of the Company.

On May 16, 2019 representatives from each centers and business divisions together with PMPC President Masatoshi Sasaki attended the First Quarter Environment, Health and Safety Quarterly Meeting to improve organizational communication.

On July 6, 2019, PMPC held an Environment Day event at the La Mesa Watershed Reservation, located in the northern fringes of Quezon City, Caloocan, and Rodriguez, Rizal. The event included tree planting, mountain biking and environmental education. About two hundred employees from our Company's Taytay Factory joined as volunteers. The event started with the speech of PMPC President Masatoshi Sasaki, who expressed his utmost gratitude for the continuing support and cooperation of all the participants. The event, which fostered environmental awareness, saw the following specific activities: Tree planting (800 seedlings); Eco Academy (200 seedlings nursery activity); and mountain biking (15 km.).



Challenging growth through corporate citizenship programs

Adhering to our Panasonic Founder Konosuke Matsushita belief that “human beings do not live by bread alone” and a corporation is essentially a public enterprise, PMPC continued to foster growth along with these perspectives as it carried out its corporate citizenship programs in FY2019.

From May to June, PMPC provided Jansenville Elementary School, Muzon Elementary School, Taytay Elementary School with 12 waste bins each to promote environmental awareness including proper disposal of waste and recycling. The event was held in support of the Department of Education’s program on “Brigada Eskwela” (School Brigade).

The Panasonic Scholarship Asia Program Awarding Ceremonies for FY2019 was held on September 13, 2019 at PMPC-Taytay Auditorium. The occasion saw the grant of scholarships to 20 deserving students: 12 slots for the Vocational Category; and 8 slots for the Undergraduate Category.

The amount generated from the pledges of employees through our Munting Handog, Laking Tuwa ang Dulot project was matched by PMPC to help children and youth, who were victims of earthquake in Mindanao. The fund was coursed through the Kidapawan-based Team EQ Volunteers, who had been providing long-term adequate educational and capability building and related-services, particularly psychological first aid and relief goods.

PMPC responded to appeals for relief from communities affected by the eruption of Taal Volcano. Products donated were coursed through Agoncillo Mayor Daniel Reyes, and Tanauan Vice Mayor Herminigildo Trinidad Jr. while the cash donation from the matching program of our Company and PMPC employees was coursed through the Department of



Social Welfare and Development’s Secretary Rolando Joselito Bautista.

On November 21, 2019, PMPC conducted Eco Learning Program at the University of the Assumption in San Fernando, Pampanga, and a total of 490 Grade 4 and 6 elementary students participated in the event. Topics discussed were the causes and effects of global warming along with PMPC’s eco product and “eco-ideas” factory presentation. Similarly, on January 10, 2020, PMPC partnered with Siena College in Taytay, Rizal in an Eco Learning Program with 602 Grade 4 and 6 students participating. PMPC President Masatoshi Sasaki graced the event and conveyed his message of hope of a better world to the schoolchildren. Then on January 31, 2020, our Company conducted Eco Learning Program also at Kapalaran Elementary School in Taytay, Rizal with a total of 824 participants.

Challenging growth through our commitment to people before products

PMPC challenged its employees to keep in mind the Company’s tenet of putting people first in business and cultivating the potential ability and development of every employee of PMPC.

Members of our CS Technical Group participated in the Panasonic Appliances Vietnam Co., Ltd. (PAPVN) Top Load Fully Auto Washing Machine training on April 24, 2019 at PMPC- Taytay. The seminar taught participants how to effectively respond to customer inquiries. Ideas learned from the training would be shared to Panasonic Authorized Service Centers (PASCs) nationwide.

Participant from our CS Service Support attended the three-day CS and quality seminar held on April 24 - 26, 2019 in Panasonic Malaysia. The occasion also saw in attendance members of Panasonic Sales Asian Region and Panasonic-affiliated companies, who presented performances for FY2018 and plans/programs for FY2019. Mr. Kimio Tsuboko facilitated the CS seminar and discussed the framework of BBP, basics of customer satisfaction, and Panasonic customer service principles.

The success of a company is a combination of good management and contributions from employees. With this,

Supply Chain Solution Center proactively joined training workshops under the Philippine Institute of Supply Management with the last module on Logistics Management & Strategies held on May 30 - 31, 2020.

To equip members of PMPC's Quality Control Circle (QCC) teams with the skills and knowledge in applying quality control concepts, tools and techniques for problem solving and transform concepts in a more systematic and practical approach, Mr. Paolo De Silva of Quality Assurance Center conducted a QCC training for employees on May 2, 2019 at PMPC-Taytay.

On May 23, 2019, Miss Remedios Hernandez of QAC conducted the Managing and Conducting Internal Audit seminar based on ISO 9001:2015 Requirements and ISO 9001:2011 Guidelines to guide internal auditors in conducting Quality Management System (QMS) audit based on the requirement of the said guidelines.

Panasonic CMD member Nozomi Kawamura visited PMPC to conduct the nanotechnology lecture and demo to members of sales and marketing, including the Company's top management on June 19, 2019 at PMPC-Taytay. The lecture enlightened PMPC members on the functions and benefits of nanoe™ technology.

Our Company sent participants also to the 2019 "Certified Professional Manager (CPM) Mini-MBA Program,



which was conducted in eight Saturdays from September to October 2019. The program was the supplementary module of the "Accelerated Management Development Program" being offered and facilitated by our regional office.

Our Company's team building module for the FY2019 Middle Management Course (MMC) was held on October 5, 2019 at First Pacific Leadership Academy in Antipolo City, Rizal. The event was aimed at helping our new team leaders handle their subordinates and be able to work effectively as part of a team with aligned goals and purpose, and generate improvements in productivity, camaraderie, and motivation. The workshop gave participants the chance to display their leadership skills in achieving company goals.

Two of our engineers from service groups also participated in the FY2019 Cost ITAKONA Implementation Workgroup held from June 2019 to March 2020. The Workgroup was aimed at strengthening cost management activities and product cost through discussion, exploration of new tools and focus on collective wisdom to resolve implementation issues in the region.



Moreover, a couple of engineers from our business divisions (Air Conditioner BD and W. Machine/E. Fan BD) took part in the two sessions (August 27 - 29, 2019 and October 15 - 17, 2019) of "A-Next Manufacturing Managers' Training in Indonesia to provide them of the essential concepts of "A-Next Manufacturing" programs, along with the expectations that they will promote manufacturing innovation activities in PMPC aggressively.

Members of our management team, Mr. Homer Ponesto (Corporate Procurement Center) and Mr. Ramil Telan (Logistics Group) successfully completed, too the 2-module (September 23-25, 2019 and January 8-10, 2020) Accelerated Management Development Management Program for FY 2019 which was held in Singapore. The program facilitated a better understanding of the roles and responsibilities of future Panasonic leaders.

On February 14, 2020, PDCA (Plan-Do-Check-Act) Approach to Problem Solving seminar was held to equip participants on how to improve people, processes, products and services. The event was aimed at enabling organizations to test possible solutions, assess results, and apply these on their respective work.

A seminar on Internal Communication was held on February 18, 2020 to guide participants on how to become more effective communicators at work, develop listening skills, resolve conflicts, and build relationships. Interpersonal communication within a business organization is essential to define a good working relationship.

Aimed at fostering mutual understanding and trusting relationship between subordinates and superiors, the A Better Dialogue (ABD) workshop was conducted on February 18, 2020. Through the ABD concept, the quality and quantity of communications between employees and managers can be improved, which could help in accelerating efforts in developing strong organizations and culture required to realize business strategies along with personnel development.

Candidates for promotion attended the BBP seminar facilitated by HR-Training Team Manager Lorenz Magsingit on February 19, 2020 to guide them in their daily endeavors as they aspire lead and contribute for the future prosperity and growth of Panasonic. The seminar highlighted the core values

of Panasonic founder Konosuke Matsushita's basic business philosophies and teachings and sought to instill these to employees' thinking and behavior.

A seminar on Strategic Marketing was facilitated by Mansmith and Felders CEO Chiqui Go on January 21, 2020. Key persons from Sales and Marketing group attended the seminar, which stimulated the participants' competencies in strategic thinking and education, as well as improved business through methodical market analysis.

Since managing stress is important for one's well-being, immune system and longevity, PMPC Company Physician Dr. Lourdes Daya gave a talk on stress management techniques on January 16, 2020. She emphasized the importance of managing one's thoughts, and practicing a healthy lifestyle to cope with anxiety.

QMS Basic Internal Audit was conducted on February 13, 2020 to enable participants to learn the systems and procedures of our Company and governing bodies; evaluate the outcome of process and activities, including compliance with laws, rules, and regulations.

It is true that we cannot really project things to happen exactly what we desire, but let us keep pressing forward, and do things beyond what is expected of us. PMPC has proven its worth to society a number of times... it did it again in FY2019 along with our desire to remain anchored with our mission, embracing our Founder Konosuke Matsushita's belief that "we do well in good times, but do even better in bad times". Indeed, the COVID-19 scare continues to inflict detrimental impact on our business operation. But we have to continue looking at the brighter side, by working together, including our business partners, and learn the right strategies to prevent paralysis from creeping in to our operation. We must be extra careful when it comes to our health and safety, but let's continue to make our activities pro-active by determining and responding to our customers' needs. It is our responsibility to work hard with our business partners, and promote activities and programs for our common benefits and continuously challenging growth with a sense of speed!

*Challenge growth
with a sense of speed*

Drive our
Future

Panasonic Manufacturing Philippines Corporation

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