

Panasonic Manufacturing Philippines Corporation

SUSTAINABILITY REPORT

Contextual Information

Company Details	
Name of Organization	PANASONIC MANUFACTURING PHILIPPINES CORPORATION
Location of Headquarters	Ortigas Extension Avenue, Taytay, Rizal, Philippines
Location of Operations	Taytay, Rizal and Sta Rosa, Laguna
Report Boundary: Legal entities (e.g. subsidiaries) included in this report*	Consolidated Report
Business Model, including Primary Activities, Brands, Products, and Services	Appliance Manufacturing
Reporting Period	Fiscal Year 2021
Highest Ranking Person responsible for this report	Chief Executive Officer (CEO)

**If you are a holding company, you could have an option whether to report on the holding company only or include the subsidiaries. However, please consider the principle of materiality when defining your report boundary.*

Materiality Process

Explain how you applied the materiality principle (or the materiality process) in identifying your material topics. ¹
<p>During the process of identifying and prioritizing the material sustainability topics, the following factors were taken into account:</p> <ul style="list-style-type: none"> • Economic, environmental, and/or social impacts identified through sound investigation with respective department responsible for each relevant topic • The interests and expectations of relevant stakeholders, such as employees, customers, and shareholders. • Broader economic, social, and/or environmental interests and topics raised by stakeholders such as suppliers, local communities, vulnerable groups, and civil society. Special attention has been given to United Nations Sustainable Development Goals (SDG) . • Main topics and future challenges for the appliance manufacturing industry sectors, are identified directly by peers and industry organizations. • Local laws and regulations, international agreements, or voluntary agreements of strategic significance to Panasonic and its stakeholders. • The organization’s values, policies, strategies, operational management systems, goals, and targets.

¹ See [GRI 102-46](#) (2016) for more guidance.

- Negative consequences to the organization which are related to its impacts on the economy, the environment, and/or society such as risks to PMPC’s business model or reputation
- We have also incorporated the Board of Directors’ suggestions on stepping up reporting on Health & Safety (related to pandemic situation), Privacy and Climate/Environment in our Sustainability Report.

ECONOMIC

Economic Performance

Direct Economic Value Generated and Distributed

Disclosure	Amount	Units
Direct economic value generated (revenue)	12,681,956,331	PhP
Direct economic value distributed:		
a. Operating costs	10,174,327,219	PhP
b. Employee wages and benefits	870,063,483	PhP
c. Payments to suppliers, other operating costs	1,329,008,500	PhP
d. Dividends given to stockholders and interest payments to loan providers	221,707,200	PhP
e. Taxes given to government	357,576,329	PhP
f. Investments to community (e.g. donations, CSR)	2,798,130	PhP

What is the impact and where does it occur? What is the organization’s involvement in the impact?	Which stakeholders are affected?	Management Approach
<p><i>Impact: Economic</i> <i>Boundary: Primary Business</i> <i>Involvement: Direct Economic Value Generated and Distributed</i></p>	<p><i>Customers, investors, suppliers, government, NGOs, local communities</i></p>	<p><i>Panasonic creates robust revenue streams to ensure our consistent economic contribution to society.</i></p> <ol style="list-style-type: none"> <i>1. We have been continuously investing to enhance our manufacturing capacity and capability, shifting to inverter window air conditioners, no-frost inverter refrigerators, fully automatic washing machines, and DC inverter electric fans for value added products.</i> <i>2. We strive to secure profit to return a dividend and reinvest in competitive products.</i> <i>3. Our profitability target is driven by reducing our cost, increasing sales turnover, increasing productivity and efficiency.</i> <i>4. Our financial policy also includes a strong financial position and</i>

		<p><i>stable revenues in the event of political and economic uncertainties, market competition, and pressure from regulatory bodies.</i></p> <p>5. <i>To ensure a constant revenue stream for economic sustainability, the company's Direct Economic Value Generated is the result of setting an effective revenue target for profitable growth resulting from the following key and related factors:</i></p> <ul style="list-style-type: none"> <i>a) Determined growth rate to set our effective revenue target</i> <i>b) Established marketing intelligence to monitor competition, market and opportunities</i> <i>c) Strategically defined our key market segments and the corresponding foundational profit target for each segment to establish our sales pipeline</i> <i>d) Determine the right amount and type of investment required to reach the effective revenue targets and finally,</i> <i>e) Commitment to realize the revenue target set</i> <p>6. <i>Furthermore, we continuously innovate new ideas that enhance the lifestyle of our customers and reduce our environmental impact. Research must be carried on and innovation programs developed.</i></p> <p>7. <i>Appropriated retained earnings is invested in new equipment and facilities to sustain our target growth and launching of new products for the market. As a result, our company produced various world class quality Eco-products and efficient Eco-factories to support environmental sustainability and consistent source of revenue stream for economic sustainability.</i></p>
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What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<ul style="list-style-type: none"> • <i>Operational Risks (Pandemic)</i> • <i>Economic Risk (Recession)</i> • <i>Competitive Risks</i> • <i>Trade Promotion Risk</i> • <i>Seasonal Risks</i> 	<p><i>Customers, investors, suppliers, government, NGOs, local communities</i></p>	<ul style="list-style-type: none"> • <i>Operation risk is inevitable part of business operation. To mitigate its impact, the following are carried out:</i> <ol style="list-style-type: none"> 1. <i>Adopted Business Continuity Management or Plan in situation like pandemic.</i> 2. <i>Tapped the services of an Insurance Company to cover and compensate for probable operational loss.</i> 3. <i>Maintained the company’s core critical operation during the pandemic so as not to disrupt the supply chain and flow of products in the market.</i> 4. <i>E-commerce is also utilized to provide additional sales channels.</i> • <i>During economic recession brought about by pandemic situation, we only produce and sell what market demands to maximize and efficiently use our resources and reduce loss from product becoming obsolete. Trade terms relaxed and promo increased to stimulate demand from the market.</i> • <i>The market where our business operate is highly competitive. Thus, we only produce products that are both competitive, cost efficient, and eco-friendly to</i>

		<p><i>differentiate it from the rest of competitors while taking into consideration our target market.</i></p> <ul style="list-style-type: none"> <i>• The ever-increasing demand for trade promotion incentive of distributors have put pressure on the company's cash collection and thus the revenue stream. We only provide trade promo incentive unless this would translate to additional sales volume and promotion of Panasonic brand name.</i> <i>• Several of the company's products are subject to the impact of seasonal sales. Thus, we ensure that our products are strategically available to our business partners during seasonal peak demand, priced competitively and maximize sales to the fullest extent to compensate during lean months.</i> <i>• We provide various trade promotion, discounts and customer easy payment terms during lean months to stimulate demand.</i>
What are the Opportunity/ies identified?	Which stakeholders are affected?	Management Approach
<ul style="list-style-type: none"> <i>• B2B Dealer's Production, Sales & Inventory (PSI)</i> <i>• Operational Resiliency</i> <i>• E-commerce/ Online Selling</i> <i>• Revenue Augmentation thru Social Media Advertisement</i> 	<p><i>Customers, investors, suppliers, government, NGOs, local communities</i></p>	<ul style="list-style-type: none"> <i>• The company utilizes Dealer's PSI as an online tool to forecast sales demand with dealers in response to the new normal brought about by the Pandemic uncertainty. The PSI commitment of dealers once obtained would ensure the consistent flow of revenue stream.</i> <i>• The pandemic situation has forced the company to use various tools, methods and management means to adopt to the situation and thus improving its operational resiliency.</i> <i>• The quarantine imposed strictly by the local government units paved the way to new sales channel which is Online Selling. The</i>

		<p><i>company and along with its business partners shall correspondingly adopt to this new form of sales channel to serve its customers.</i></p> <ul style="list-style-type: none"> • <i>Recently, the social media such as Facebook has become a powerful medium to various form of communication due to its popularity and versatility. The company shall utilize the Social Media as a tool to advertise, promote, and sell its various products.</i>
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Climate-related risks and opportunities²

Governance	
Disclose the organization's governance around climate-related risks and opportunities	
a) Describe the board's oversight of climate-related risks and opportunities	<p><i>Our system to promote Panasonic Environmental Sustainability Management is headed by Board of Directors. The Board is ultimately responsible for the company's strategic direction. It ensures that Environmental, Economic, and Social impact considerations are holistically integrated in the company's strategy. In doing so, it sets the tone at the top for a strong sustainability culture in the company. At the Board level, the governance of sustainability can be structured along several lines, including:</i></p> <ul style="list-style-type: none"> • <i>Oversight by the Board</i> • <i>Oversight by a Board Risk Committee (BRC) or other Risk Committees</i> • <i>Oversight by a specialist Sustainability Committee</i>
b) Describe management's role in assessing and managing climate-related risks and opportunities	<p><i>The management's role in assessing and managing climate-related risks and opportunities are the following:</i></p> <ol style="list-style-type: none"> 1. <i>Ensure that the Environmental policy and objectives are established and compatible with the strategic direction of the company</i> 2. <i>Ensure that approved Manuals and Procedures related to Climate change issues are disseminated to all personnel for them to abide</i> 3. <i>Ensure that resources needed for the implementation of Environmental activities are available.</i> 4. <i>Communicate the importance of effective Environmental management and conform to the requirements of the ISO</i>

² Adopted from the Recommendations of the Task Force on Climate-Related Financial Disclosures. The TCFD Recommendations apply to nonfinancial companies and financial-sector organizations, including banks, insurance companies, asset managers and asset owners.¹⁶ For this disclosure, impact refers to the impact of climate-related issues on the company.

	<p><i>14001 standards thru the Environmental Mgt. officer responsible for implementing internal audits, management reviews and awareness seminars.</i></p> <ol style="list-style-type: none"> <i>5. Direct and support members in contributing to the effectiveness of the Environmental Management System.</i> <i>6. Promote the continual improvement thru the implementation of Green Impact Program geared towards Zero CO2 emission by FY2025.</i> <i>7. Other relevant management roles to demonstrate support to Environmental Management Program.</i>
<p>Strategy</p>	
<p>Disclose the actual and potential impacts¹⁶ of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning where such information is material.</p>	
<p>a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term</p>	<p><i>Climate related risks include:</i></p> <ol style="list-style-type: none"> <i>1. Changes in local and international policies and regulation</i> <i>2. Technology risks due to the development and use of emerging technologies such as renewable energy, battery storage, energy efficiency, and carbon capture and storage will affect the competitiveness of PMPC.</i> <i>3. Market risks as market could be affected by climate change risks.</i> <i>4. Reputation risks which could change a customer’s or community’s perceptions of an organization’s contribution from the transition to a lower carbon economy.</i> <i>5. Physical risks which refer to natural disasters that may affect the organization “PMPC”. Ex: Flood, Hurricane, Earthquake etc.</i> <p><i>To be able to control and prevent these risks PMPC had identified short, medium and long term opportunities, such as :</i></p> <ol style="list-style-type: none"> <i>1. Energy efficient production by PMPC factories</i> <i>2. Production of Energy efficient products and services</i> <i>3. Energy source opportunities, for PMPC such as the installation of Solar Cells at area offices (Dau, Cebu and Davao)</i> <i>4. Taking advantage of marketing opportunities and</i> <i>5. Procurement of Renewable Energy</i> <i>6. Resilience of PMPC to climate change</i>
<p>b.) Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy and financial planning.</p>	<p><i>Transition Risks Impact</i></p> <p><i>A. Policy and Legal</i></p> <ol style="list-style-type: none"> <i>1. Increased operating costs due to increased Greenhouse gas emissions</i> <i>2. Write-offs, asset impairment, and early retirement of existing assets due to policy changes</i> <i>3. Increased cost and reduced demand for products and services resulting from fines and judgement</i>

B. Technology Risks Impact

1. Write-offs, asset impairment, and early retirement of existing assets due to technology risks
2. R&D expenditures in new and alternative technologies
3. Capital investments in technology development
4. Costs to adopt/deploy new practices and processes

C. Market Risks Impact

1. Reduced demand for goods and services due to shift in consumer preferences.
2. Increased production cost due to increased input prices. (Energy, water) and output requirements (waste treatment)
3. Abrupt and unexpected shifts in energy costs.
4. Change in revenue mix and sources, resulting in decreased revenues.
5. Re-pricing of assets (Fossil fuel reserves, land valuations, securities valuations)

D. Reputation Risks Impact

1. Reduced revenue from decreased demand for goods and services
2. Reduced revenue from decreased production capacity. (e.g. delayed planning approvals, supply chain interruptions)
3. Reduced revenue from negative impacts on workforce management and reduced revenue from decreased production capacity. (e.g. transport difficulties, supply chain interruptions)
4. Reduced revenue and higher costs from negative impacts on workforce (e.g. health, safety absenteeism)
5. Write-offs and early retirement of existing assets (e.g. damage to property and assets in high risk locations)
6. Increased operating costs
7. Increased capital costs
8. Reduced revenues from lower sales/output
9. Increased insurance premiums and potential for reduced availability of insurance on assets in high risk locations.
10. Planning (e.g. employee attraction and retention)
11. Reduction in capital availability

E. Physical Risks (Acute and Chronic) Impact

Climate related opportunities impacts

1. Reduced operating costs
2. Increased production capacity, resulting in increased revenues
3. Increased value of fixed assets (e.g. highly rated energy efficient buildings)
4. Benefits to workforce management and planning (Improved health and safety, employee satisfaction) resulting to lower costs
5. Reduced operational costs
6. Reduced exposure to future fossil fuel price increases
7. Reduced exposure to GHS emissions and therefore less sensitivity to changes in cost of carbon
8. Returns on investment in low-emission technology
9. Increased capital availability

	<ol style="list-style-type: none"> 10. Reputational benefits resulting in increased demand for goods and services 11. Increased revenue through demand for lower emissions products and services 12. Increased revenue through new solutions to adaptation needs 13. Better competitive position to reflect shifting consumer preferences, resulting in increased revenues 14. Increased revenues through access to new and emerging markets (e.g. partnership development banks, online platforms) 15. Increased diversification of financial assets 16. Increased market valuation through resilience planning 17. Increased reliability of supply chain and ability to operate under various conditions 18. Increased revenue through new products and services related to ensuring resiliency
<p>c.) Describe the resilience of the organization’s strategy, taking into consideration different climate related scenarios including a 2°C or lower scenario</p>	<p><i>PMPC adheres to the strategy of global Panasonic, taking into consideration climate-related scenarios until the year 2050.</i></p> <p>Panasonic’s Environment Vision 2050 <i>To achieve “a better life and a “sustainable global environment”</i></p> <p><i>Panasonic will work towards creation and more efficient utilization of energy which exceeds the amount of energy used, aiming for a society with clean energy and a more comfortable lifestyle.</i></p> <p>Energy used < Energy created</p>  <p><i>With this strategy PMPC can minimize the impacts of Carbon dioxide emissions which contributes to climate change.</i></p> <p>PMPC’s resilience strategy is thru: <i>Participation in renewable energy programs and adoption of energy efficiency measures. Resource substitutes and diversifications.</i></p>

Risk Management

Disclose how the organization identifies, assesses, and manages climate-related risks

a) Describe the organization's processes for identifying and assessing climate-related risks

The organization identifies its climate-related risk thru its Environmental Management System (EMS) (ISO 14001), employing the use of the PDCA (Plan Do Check Act) cycle. Thru its Environmental Aspects and Impacts Registration, significant impacts were identified and assessed, leading to the identification of environmental risks and opportunities.

The following are the significant impacts that PMPC manages and controls :

1. *Use of Energy*
2. *Use of water*
3. *Waste generation*
4. *Water Discharges*
5. *Chemical Consumption*

Thru this EMS, PMPC identifies its Environmental Risks and Opportunities, further assessing its impacts and manages its risks thru the promotion of its Energy Conservation programs and other Environmental targets.

B-4. RISKS AND OPPORTUNITIES

ENVIRONMENT

Risks	Opportunities
Use of Electricity	Energy Efficiency / Renewable Energy
Waste Generation	Reprocess, Re-use as a Raw Material.
Use of Water and Discharge	Water Recycle / Reuse, Zero Discharge
Chemical Consumption	Use of Low Hazard Chemicals.
Community Environmental Complaints	Stakeholder Communication thru Eco Learning, Tree Planting and other Environmental CSR Activities.
Violation to Government Agencies	Compliance Assessments of Stakeholders (Government and Business Partners).

b) Describe the organization's processes for managing climate-related risks

The organization identifies its climate related risk thru its Environmental Management System (EMS) (ISO 14001), employing the use of the PDCA (Plan Do Check Act) cycle. Thru its Environmental Aspects and Impacts Registration, significant impacts were identified and assessed. Thru this assessment PMPC also identifies Environmental risks and opportunities.

The following are the significant impacts that PMPC manages and controls:

1. *The use of Energy*
2. *The use of water*
3. *Waste generation*
4. *Water Discharges*

5. And Chemical Consumption

Thru this EMS, PMPC identifies its Environmental Risks and Opportunities, further assessing its impacts and manages its risks thru the promotion of its Energy Conservation programs and other Environmental targets.

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Violation to Government Agencies	Compliance Assessments of Stakeholders (Government and Business Partners).

c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.

The organization identifies its climate related risk thru its Environmental Management System (EMS) (ISO 14001), employing the use of the PDCA (Plan Do Check Act) cycle. Thru its Environmental Aspects and Impacts Registration, significant impacts were identified and assessed. Thru this assessment PMPC also identifies Environmental risks and opportunities.

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- 2. The use of water*
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Violation to Government Agencies	Compliance Assessments of Stakeholders (Government and Business Partners).

	<p><i>Thru PMPC's ISO 14001 Environmental Management System and Environmental Policy PMPC had identified in each processes its significant environmental impact thru its Environmental Aspect and Impact assessment. Integrated to each process and day to day operation, each employee of PMPC is provided with awareness to perform his/her task with a mindset for environmental conservation and pollution prevention taking in consideration the 5 significant environmental impacts of PMPC.</i></p> <ol style="list-style-type: none"> <i>1. The use of Energy</i> <i>2. The use of water</i> <i>3. Waste generation</i> <i>4. Water Discharges</i> <i>5. And Chemical Consumption</i>
<p>Metrics and Targets</p>	
<p>Disclose the metrics and targets used to assess and manage relevant climate related risks and opportunities where such information is material.</p>	
<p>a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process</p>	<p><i>The metrics and targets used to assess and manage relevant climate related risks and opportunities. Is thru its yearly approved Environmental Management Action plan which includes Energy Reduction and Conservation as one of the categories and Key performance indices of PMPC in line with its Green Impact, towards its Environment Vision 2050.</i></p>
<p>b) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets</p>	<p><i>The specific climate change target of PMPC is on the reduction of energy thru efficient use of energy resources in terms of the following:</i></p> <ol style="list-style-type: none"> <i>1. 3% Reduction of Energy kWh against FY 2021 by FY 2024</i> <i>2. 3% Reduction of Waste generation against FY 2021 by FY 2024</i> <i>3. 3% Reduction on (HEI) Human Environment Impact on Chemical Substances against FY 2021 by FY 2024</i> <i>4. 3% Reduction of Water Consumption against FY 2021 by FY 2024</i>

Procurement Practices

Proportion of spending on local suppliers

Disclosure	Quantity	Units
Percentage of procurement budget used for significant locations of operations that is spent on local suppliers	6,331,129,095	Php

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p><i>Where: Primary Business Operation, Supplier's Business</i> <i>Impact: Economic, Environmental, Social</i> <i>Involvement: Purchases of Raw Materials from suppliers</i></p>	<p><i>Shareholder, Supplier, Customer</i></p>	<p><i>Panasonic objective is to continuously exist as company in the Philippines to help uplift people's lives by creating job opportunities to the community.</i></p> <p><i>As contribution to society, PMPC is developing local processing suppliers. All plastic injection, metal stamping, packaging and other processed parts are being manufactured locally. In 2020, PMPC transferred Refrigerator Printed Circuit Board (PCB) assembly to local company. We are planning to do the same with other PCB's for Washing Machine and Air-Conditioner in the future.</i></p> <p><i>PMPC treats our suppliers as business partners with "Co-existence and Co-prosperity" dealings. PMPC develops supplier's capability level through Quality, Cost, Delivery and Service (QCDS) method. There is yearly grading methods to understand suppliers' level and points for improvement.</i></p> <p><i>Likewise, PMPC implements suppliers' payment terms of 30 days to support financial obligations.</i></p>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<ul style="list-style-type: none"> • <i>Higher Material cost.</i> • <i>Lack of raw materials such as Copper, Steel, Resin, Aluminum, for Manufacturing purposes</i> • <i>Disruption of Supply Chain</i> 	<p><i>Shareholder, Customer, Supplier</i></p>	<ul style="list-style-type: none"> • <i>Panasonic group of companies have a system in place that centralizes global prices of all raw materials to manage and ensure lower costs by volume purchase.</i> • <i>Hedging of some raw materials to manage lower purchasing price</i> • <i>Continuously seek possible local suppliers of copper, steel, resin, and aluminum</i>

		<ul style="list-style-type: none"> • Seek multiple sourcing of raw materials to address the risk of supply chain disruption.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Developing multiple source of raw material suppliers</i>	<i>Shareholder, Supplier, Customer</i>	<i>PMPC is promoting multiple sourcing to purchase at a lower price and for Business Continuity Plan (BCP) consideration.</i>

Anti-corruption

Training on Anti-corruption Policies and Procedures

Disclosure	Quantity	Units
Percentage of employees to whom the organization's anticorruption policies and procedures have been communicated to	<i>All</i>	<i>100%</i>
Percentage of business partners to whom the organization's anti-corruption policies and procedures have been communicated to	<i>All</i>	<i>100%</i>
Percentage of directors and management that have received anti-corruption training	<i>All</i>	<i>100%</i>
Percentage of employees that have received anti-corruption training	<i>238</i>	<i>27%</i>

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>Where does it occur: Primary Business Operation, government office, supplier's business Impact: Economic, Social</i>	<i>Employees, suppliers, shareholders, government official</i>	<i>The management has clearly communicated to all employees thru training and issuance of memorandum and posters that corrupting by offering of bribe to government officials or receiving bribes from suppliers are strictly prohibited. Also, strong accounting control is in place, hence no company fund is released without valid supporting documents and justifications.</i>

What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>The risk comes in if there is collusion of any of our employee with our existing supplier. Even though all the safety nets are in place, if an employee decides to commit illegal act to the detriment of the company.</i>	<i>Employee, Supplier, Shareholders</i>	<p><i>All contracts with service providers/contractors and suppliers have Anti-Bribery provision which reminds that their dealings with government officials and suppliers should always be above board and they should not engage in any illegal activity while working on behalf of the company.</i></p> <p><i>Moreover, the company has existing policies on Fraud Statement, Code of Conduct, Code of Ethics and Whistle Blowing as a source of anti-corruption guidelines. In addition, employees and suppliers were also asked to sign Clean Business Dealing Agreement (CBDA) which clearly states the need to uphold business ethics and avoid any illegal transaction that would give them undue benefit while employed or while doing business with the company.</i></p>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Trainings on anti-corruption activities, constant reminders from the management thru issuance of memorandum of the evil effects of corruption in the conduct of our business, and the imposition of sanction, may prevent the commission of the offense.</i>	<i>Employees, Shareholders</i>	<i>A strong management approach will likely deter the commission of corruption by any other means. Moreover, there is a policy on Job Rotation where employees are transferred to other departments after they have stayed in the assigned job for several years to avoid close association with contractors/suppliers.</i>

Incidents of Corruption

Disclosure	Quantity	Units
Number of incidents in which directors were removed or disciplined for corruption	<i>None</i>	
Number of incidents in which employees were dismissed or disciplined for corruption	<i>None</i>	
Number of incidents when contracts with business partners were terminated due to incidents of corruption	<i>None</i>	

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p><i>Where: Primary Business Impact: Economic, Social</i></p>	<p><i>Employee, Shareholders</i></p>	<p><i>The management has clearly communicated to all employees thru training and issuance of memorandum and posters that corrupting by offering bribe to government officials or receiving bribes from suppliers are strictly prohibited. Also, strong accounting control is in place, hence no company funds is released without valid supporting documents and justifications.</i></p> <p><i>The non-incident of corruption in the workplace can be attributed to the fear that the company will not tolerate the commission of the same and the corresponding sanction will be meted out including termination for employment plus possible criminal/civil action as the case maybe.</i></p>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<p><i>Contracting of Brokerage activities with Service Provider</i></p>	<p><i>Service Provider</i></p>	<p><i>All contracts with service providers/contractors and suppliers have Anti-Bribery clause which reminds that their dealings with government officials should always be above board and should not engage in any illegal activity while working on behalf of the company.</i></p>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<p><i>If an employee is found to have been engaged in corrupt activity, he will be terminated from employment. Moreover, if a supplier has corrupted an employee while doing business with the company, the contract with such supplier will be severed and thereafter, the</i></p>	<p><i>Shareholders, employee</i></p>	<p><i>The management will not tolerate any wrongdoing in the conduct of its daily business. As such, it will apply existing policy and applicable laws should there be instances where these rules are violated.</i></p>

<i>company will be blacklisted and can no longer do business with the company.</i>		
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ENVIRONMENT

Resource Management

Energy consumption within the organization:

Disclosure	Quantity	Units
Energy consumption (renewable sources)	0	GJ
Energy consumption (gasoline)	13,430 liters 464.86 GJ	GJ
Energy consumption (LPG)	148,222 kg 7,532.04 GJ	GJ
Energy consumption (diesel)	33,030 liters 1245.72 GJ	GJ
Energy consumption (electricity)	8,328,289	kWh

Reduction of energy consumption

Disclosure	Quantity	Units
Energy reduction (gasoline)	3,690 liters 127.72 GJ	GJ
Energy reduction (LPG)	<i>Decrease consumption due to Aircon process change from hot process to cold process. 181,194 kg. or 9207.5 GJ</i>	GJ
Energy reduction (diesel)	<i>Consumption increase due to production increase 2,740 liters 2,920.67 GJ</i>	GJ
Energy reduction (electricity)	<i>Consumption increase due to production increase 933,483</i>	kWh
Energy reduction (gasoline)		GJ

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>PMPC Business division Manufacturing of Home Appliances (Refrigerators, Air conditioners, Washing Machine, Electric Fan)</i>	<i>Customers, Employees, Community, Suppliers</i>	<i>Towards a better life and a sustainable global environment compatibility. In order to realize the Panasonic Environment Vision 2050 which aims to make societies where residents use clean energy and live a more comfortable lifestyle, we are</i>

		<p><i>striving to make the amount of the energy created exceed that of the energy used. In terms of energy relevant to our products and services.</i></p> <ol style="list-style-type: none"> 1. <i>Reduce energy consumption of our products</i> <ol style="list-style-type: none"> a. <i>Inverter Window Air Conditioners</i> b. <i>Inverter Refrigerators</i> c. <i>Energy Efficient Washing Machines</i> d. <i>Energy Efficient Electric Fans and inverter electric fan</i> 2. <i>Reduce energy consumption in our manufacturing and services</i> <ol style="list-style-type: none"> a. <i>Increase productivity to maximize usage of generated power</i> b. <i>Reduce machine-time usage through strategic production planning and process integration</i> c. <i>Reduction of Energy consumption by using LED lights instead of Fluorescent Lights</i> d. <i>Solar Powered Energy at PPH Dau, Cebu and Davao Offices</i> e. <i>Procurement of renewable energy at PMPC Sta. Rosa Plant</i> f. <i>Replacement of Projectors to LED TV for presentation during meeting</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<p><i>Increase in energy / power consumption, water consumption, and waste generation due to increase in manufacturing production quantity</i></p>	<p><i>Customers, Employees, Community, Suppliers</i></p>	<p><i>To ensure steady progress in reducing the amount of energy used in factories, it is important to identify and visualize the trend of the energy consumption of each facility in the factory and the effects of the measures for specific reduction. Activities to promote reduction of amount of energy used are being proactively continued in each factory. To increase the amount of renewable energy use, Panasonic is actively promoting its adoption suited to the features of the region such as energy from photovoltaic cells (Solar cells). Adoption of Renewables in FY 2019 included solar photovoltaic systems in PMPC Dau, Cebu and Davao.</i></p>

		<i>Procurement of renewable energy at PMPC Sta. Rosa took effect 2021 and plan for PMPC Taytay is 2023.</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Come up with Energy and Water Conservation activities within PMPC. And activities to reduce, reuse recycle wastes generated by PMPC</i>	<i>Customers, Employees, Community, Suppliers</i>	<p><i>Activities to promote reduction of the amount of energy used are being proactively continued in each factory. In order to increase the amount of renewable energy use, Panasonic is actively promoting the adoption of the usage of renewable energy suited to the features of the region such as energy from photovoltaic cells (Solar cells). Adoption of Renewables in FY 2019 includes adoption of solar photovoltaic systems in PMPC Dau, Cebu and Davao, procurement of renewable energy at PMPC Sta. Rosa Plant and ongoing negotiation to procure renewable energy for PMPC Taytay target year by 2023.</i></p> <p><i>Reduce Energy Consumption in our Manufacturing and Services.</i></p> <ol style="list-style-type: none"> <i>a. Increase productivity to maximize usage of generated power</i> <i>b. Reduce machine-time usage through strategic production planning and process integration</i> <i>c. Reduction of energy consumption by using LED lights instead of Fluorescent Lights</i> <i>d. Photovoltaic System Adoption <Solar Powered> Energy at PPH Dau, Cebu and Davao Offices</i> <i>e. Replacement of projectors to LED TV for presentation during meeting</i>

Water consumption within the organization

Disclosure	Quantity	Units
<i>Water withdrawal</i>	<i>N/A – PMPC uses Manila Water and Laguna Water as service providers for water supply.</i>	<i>Cubic meters</i>
<i>Water consumption</i>	<i>Consumption increases due to production increase 70,775</i>	<i>Cubic meters</i>

<i>Water recycled and reused</i>	24	<i>Cubic meters</i>
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What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p><i>Water Consumption on ACBD Painting Line</i></p> <p><i>CBD will use water to paint and treat the metal cabinets used as housing for a Window type Air conditioner.</i></p>	<p><i>Customers, Employees, Community, Suppliers</i></p>	<p><i>PMPC is continuously working to conserve water resources both on its products and production activities, to fulfill its social responsibility and to reduce risks in the management. Our Environmental policy stipulates that we make efforts to conserve water resources by using water efficiently and preventing water pollution. In accordance with the "Green Impact", being our environmental action plan, we are continuously working on reducing water consumption in our production operations.</i></p> <ol style="list-style-type: none"> <i>1. Water resource conservation through products</i> <ol style="list-style-type: none"> <i>a. Water flow control of washing machine products</i> <i>b. Efficient design of washing machine products</i> <i>2. Initiatives for water resource conservation through production activities.</i> <ol style="list-style-type: none"> <i>a. Wastewater recycling at REF BD used for flushing urinals and water closets at comfort rooms</i> <i>b. Wastewater recycling at ACBD used for flushing urinals and water closets at comfort rooms</i> <p><i>Through these activities, we reduce environmental loads on water resources due to the intake and effluent water in production activities.</i></p>

What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<p><i>Water Supply risk. It may cause production stoppage</i></p>	<p><i>Customers, Employees, Community, Suppliers</i></p>	<p><i>In accordance with the “Green Impact” (our environmental action plan), we are continuously working on reducing the water used in our production operations.</i></p> <ol style="list-style-type: none"> <i>1. Water resource conservation through products</i> <ol style="list-style-type: none"> <i>a. Water flow control of washing machine products</i> <i>b. Efficient design of washing machine products</i> <i>2. Initiatives for water resource conservation through production activities.</i> <ol style="list-style-type: none"> <i>a. Wastewater recycling at REF BD used for flushing urinals and water closets at Comfort Rooms</i> <i>b. Wastewater recycling at ACBD used for flushing urinals and water closets at comfort rooms.</i> <p><i>Through these activities, we reduce environmental loads on water resources due to the intake and effluent water in production activities.</i></p>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<p><i>Come up with Water Conservation Activities (e.g. Waste Water Recycling)</i></p>	<p><i>Customers, Employees, Community, Suppliers</i></p>	<p><i>In accordance with the “Green Impact”, our environmental action plan, we are continuously working on reducing the water used in our production operations.</i></p> <ol style="list-style-type: none"> <i>1. Water resource conservation through products</i> <ol style="list-style-type: none"> <i>a. Water flow control of washing machine products</i> <i>b. Efficient design of washing machine products</i> <i>2. Initiatives for water resource conservation through production activities</i> <ol style="list-style-type: none"> <i>a. Wastewater recycling at REF BD used for flushing urinals and water closets at comfort rooms</i>

		<p><i>b. Wastewater recycling at ACBD used for flushing urinals and water closets at comfort rooms.</i></p> <p><i>Through these activities, we reduce environmental loads on water resources due to the intake and effluent water in production activities.</i></p>
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Materials used by the organization

Disclosure	Quantity	Units
Materials used by weight or volume		
<input type="checkbox"/> renewable	5,800,000	kg/liters
<input type="checkbox"/> non-renewable		kg/liters
Percentage of recycled input materials used to manufacture the organization's primary products and services	1,160,000	20%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p><i>Production lines of the following Business Divisions:</i></p> <p><i>a. Refrigerator</i></p> <p><i>b. Air Conditioner</i></p> <p><i>c. Washing Machine</i></p> <p><i>d. Electric Fan</i></p> <p><i>Materials are utilized in the manufacture of the specified products.</i></p>	<p><i>Customers, Employees, Community, Suppliers</i></p>	<p><i>Through Green Impact, PMPC aims for the sustainable procurement of raw materials to cover not only procurement of wood materials, but also procurement of raw materials considering conservation of biodiversity. In this procurement, PMPC considers social issues and compliance of laws and regulations. PMPC adheres to the Panasonic Group's Green Procurement Guidelines aiming for conservation of biodiversity and sustainable use of natural resources.</i></p>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<p><i>Insufficient materials may lead to production stoppage</i></p>	<p><i>Customers, Employees, Community, Suppliers</i></p>	<p><i>PMPC considers that in conducting its business activities, the companies involved in the entire supply chain is important for the conservation of biodiversity. Therefore, focusing on sustainable procurement of raw materials</i></p>

What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Material conservation activities such as usage of returnable items to supplier, utilization of recyclable materials such as plastics, etc.</i>	<i>Customers, Employees, Community, Suppliers</i>	<i>PMPC considers that in conducting its business activities, the companies involved in the entire supply chain are important for the conservation of biodiversity, thus, focusing on sustainable procurement of raw materials.</i>

Ecosystems and biodiversity (whether in upland/watershed or coastal/marine)

Disclosure	Quantity	Units
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	<i>None</i>	
Habitats protected or restored	<i>La Mesa Watershed (8has)</i>	ha
<i>IUCN³ Red List species and national conservation list species with habitats in areas affected by operations</i>	<i>None</i>	

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>To have corporate citizenship activities for Environmental Sustainability</i>	<i>Customers, Employees, Community, Suppliers</i>	<i>PMPC properly understood the impact of business activities on biodiversity and made efforts to achieve the target of contributing to its conservation. The Green Impact is aimed towards realizing "a better life" and a sustainable global environment" compatibly stated in the "Panasonic Environmental Vision 2050". Activities on Biodiversity include the Annual Tree Planting Activities of PMPC which is held month of June which is declared Environment Month. To date, PMPC has restored a total of 8(has) at the La Mesa Watershed.</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>Deforestation, Flood Hazard</i>	<i>Customers, Employees, Community, Suppliers</i>	<i>In achieving the Sustainable Development Goals and realizing</i>

³ International Union for Conservation of Nature

		<i>societies where people and nature live harmoniously, which is the long-term goal, measures to address the climate change, resources recycling, and biodiversity have been recognized as being closely linked to each other by PMPC.</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Implement Environmental Corporate Citizenship activities. (e.g. Tree Planting, Eco Learning Program)</i>	<i>Customers, Employees, Community, Suppliers</i>	<i>PMPC has been involved with the programs of Department of Environment and Natural Resources as well as the Save the La Mesa Watershed Project and will continuously come up with Environmental Corporate Citizenship activities. (e.g. Tree Planting, Eco Learning Program)</i>

Environmental impact management

Air Emissions

GHG

Disclosure	Quantity	Units
Direct (Scope 1) GHG Emissions		Tonnes CO ₂ e
Energy indirect (Scope 2) GHG Emissions	<i>5,675.97 Tons</i>	<i>Tonnes CO₂e</i>
Emissions of ozone-depleting substances (ODS)		Tonnes

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>PMPC Business division Manufacturing of Home Appliances (REF, AC, WM, EF)</i>	<i>Customers, Employees, Community, Suppliers</i>	<i>During the late 90,s the Philippine Clean Air Act of 1999 was enacted. And in response to this PMPC had been complying all the requirements pertaining to its air emissions which includes two types.</i> <ol style="list-style-type: none"> <i>1. Direct Impact from PMPC's generator sets, and:</i> <i>2. Indirect Impact caused by the use of our electricity, fuel and LPG use, which triggers Green House Gas</i>

		<p><i>emissions by the form of CO2 emission.</i></p> <p><i>PMPC's activities to address its direct and indirect impact:</i></p> <ol style="list-style-type: none"> <i>1. Annual Generator Air Emission Test (Compliance to Phil. Clean Air Act of 1999 Standards)</i> <i>2. Energy Conservation Activities to reduce Carbon Dioxide Emissions of PMPC</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>Depletion of Energy, Increase in Power Consumption due to increased Production Quantity</i>	<i>Customers, Employees, Community, Suppliers</i>	<p><i>PMPC 's activities to address its direct and indirect impact (risks)</i></p> <ol style="list-style-type: none"> <i>1. Annual Generator Air Emission Test (Complying Phil. Clean Air Act of 1999 Standards).</i> <i>2. Energy Conservation Activities to reduce Carbon Dioxide Emissions of PMPC</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Implementation of Energy Conservation Activities</i>	<i>Customers, Employees, Community, Suppliers</i>	<p><i>PMPC has been continuously improving its Green House Gas Emission throughout the years thru its various Energy Conservation Activities and Annual Compliance to the yearly Emission Test of Generator Sets to comply (DENR) Department of Environment and Natural Resources Air Emission Standards.</i></p>

Air pollutants

Disclosure	Quantity	Units
NO _x	<i>504 ppm(mg/l) – average 609.21 ppm (mg/l) – max.</i>	<i>kg</i>
SO _x	<i>1.33 Nm3/h – average 2 Nm3/h - max</i>	<i>kg</i>
Persistent organic pollutants (POPs)		<i>kg</i>
Volatile organic compounds (VOCs)		<i>kg</i>
Hazardous air pollutants (HAPs)		<i>kg</i>
Particulate matter (PM)		<i>kg</i>

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>PMPC Business Division Manufacturing of Home Appliances (REF,AC, WM, EF)</i>	<i>Customers, Employees, Community, Suppliers</i>	<i>During the late 90's, the Philippine Clean Air Act of 1999 was enacted. And in response to this, PMPC had been complying with all the requirements pertaining to its air emissions which includes two types. 1. Direct Impact from PMPC's generator sets, PMPC 's activity/ies to address its direct and indirect impact: 1. Annual Generator Air Emission Test (Complying Phil. Clean Air Act of 1999 Standards)</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>Air Pollution and Non-Compliance Government Regulations. (Penalties and possible Closure)</i>	<i>Customers, Employees, Community, Suppliers</i>	<i>PMPC's activities to address its direct and indirect impact: 1. Annual Generator Air Emission Test (Complying Phil. Clean Air Act of 1999 Standards)</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Provision of budget to Conduct Air Emission test and Work Environment Measurement.</i>	<i>Customers, Employees, Community, Suppliers</i>	<i>PMPC's activities to address its direct and indirect impact: 1. Annual Generator Air Emission Test (Complying Phil. Clean Air Act of 1999 Standards)</i>

Solid and Hazardous Wastes

Solid Waste

Disclosure	Quantity	Units
Total solid waste generated	1,606,958	kg
Reusable		kg
Recyclable	1,590,958	kg
Composted		kg
Incinerated		kg
Residuals/Landfilled	16,000	kg

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p><i>PMPC Business divisions Manufacturing of Home Appliances (REF, WM, AC, EF)</i></p>	<p><i>Customers, Employees, Community, Suppliers</i></p>	<p><i>In relation with PMPC's Environment Health and Safety Policy to comply to all government regulations which includes compliance to Solid Waste and Hazardous Waste regulations in the Philippines, particularly:</i></p> <ol style="list-style-type: none"> <i>1. The Ecological Solid Waste Management Act of 2000 (RA 9003)</i> <i>2. The Toxic and Nuclear Waste Management Act of 1990 (RA 6969)</i> <p><i>PMPC complies with this policy and Government Regulations.</i></p> <p><i>Compliance Activities include:</i></p> <ol style="list-style-type: none"> <i>1. Proper storage of solid and hazardous waste in compliance with government regulation and standards</i> <i>2. Securing a DENR and PEZA Accredited Scrap and Residual Waste Hauler</i> <i>3. A DENR accredited transporter and treater of Hazardous Wastes</i> <p><i>Thru these service providers PMPC ensures the compliance on the said regulation while maintaining an environment friendly workplace.</i></p>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<p><i>Non-compliance to government regulations (Penalties and possible closure)</i></p>	<p><i>Customers, Employees, Community, Suppliers</i></p>	<p><i>To comply with the regulations on Solid and Hazardous Waste, PMPC provided clean, accessible and environment friendly storage areas for these wastes including securing a DENR and PEZA Accredited Haulers to be able to comply with government regulations and avoid penalties and possible closure.</i></p>

What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Waste Minimization Activities and 3R Activities (Reduce, Reuse, Recycle)</i>	<i>Customers, Employees, Community, Suppliers</i>	<p><i>PMPC had implemented Waste Minimization activities and 3R Activities (Reduce, Re-use, and Recycle).</i></p> <ol style="list-style-type: none"> <i>1. Reduction of resources used thru design by studying the possibility of:</i> <ol style="list-style-type: none"> <i>a. Usage of less resources to make products lighter and smaller and using less components</i> <i>b. Component re-use</i> <i>c. Longer Durability</i> <i>d. Use of Recycled resources</i> <i>e. Labels necessary for collection and recycling.</i> <i>2. Use of Sustainable materials</i> <i>3. Re-use of Scrap Plastics</i>

Hazardous Waste

Disclosure	Quantity	Units
Total weight of hazardous waste generated	20,000	kg
Total weight of hazardous waste transported	20,000	kg

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>PMPC Business divisions Manufacturing of Home Appliances (REF, WM, AC, EF)</i>	<i>Customers, Employees, Community, Suppliers</i>	<p><i>In relation with PMPC's Environment Health and Safety Policy to comply to all government regulations which includes compliance to Hazardous Waste regulations in the Philippines, particularly:</i></p> <ol style="list-style-type: none"> <i>1. The Toxic and Nuclear Waste Management Act of 1990 (RA 6969).</i> <p><i>PMPC complies with this policy and Government Regulations.</i></p>

		<p><i>Compliance Activities include:</i></p> <ol style="list-style-type: none"> 1. <i>Proper storage of solid and hazardous waste in compliance with government regulation and standards</i> 2. <i>Securing a DENR and PEZA accredited scrap and residual waste Hauler(s)</i> 3. <i>A DENR Accredited Transporter and Treater of Hazardous Wastes</i> <p><i>Thru these service providers, PMPC ensures compliance to the said regulation while maintaining an environment friendly workplace.</i></p>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>Non-compliance to government regulations (Penalties, Closure)</i>	<i>Customers, Employees, Community, Suppliers</i>	<i>To comply with the government regulations on Solid and Hazardous Wastes, PMPC provided clean, accessible and environment friendly storage areas for these wastes including securing a DENR and PEZA Accredited Haulers in order to avoid penalties and possible closure.</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Establish rapport with government agencies for effective implementation of Environmental Mgt. System.</i>	<i>Customers, Employees, Community, Suppliers</i>	<i>With PMPC's implementation on Storage, Treatment and Disposal of Hazardous Wastes, the company was able to establish rapport with government agencies thru various collaborations such as seminars, online activities and updates on New Hazardous Waste Regulations.</i>

Effluents

Disclosure	Quantity	Units
Total volume of water discharges	9,491.55 cu.m	Cubic meters
Percent of wastewater recycled	1%	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p><i>PMPC BD Manufacturing of Home Appliances (REF, AC, WM, EF)</i></p>	<p><i>Customers, Employees, Community, Suppliers</i></p>	<p><i>In relation to PMPC's Environment, Health and Safety Policy in compliance with all government regulations which includes Water Effluents regulations in the Philippines, particularly,</i></p> <p><i>1. Clean Water Act of 2004 (RA 9275), PMPC has its own Sewage Treatment Facility in Taytay and a Wastewater Treatment Facility in Sta. Rosa.</i></p> <p><i>The Sewage Treatment Facility in Taytay services the REF BD production area comfort rooms discharges where it is treated thru the 7 stages of aeration and biological treatment with chlorination to comply with the Philippine Effluent Standards of the Clean Water Act.</i></p> <p><i>In Sta. Rosa, the Wastewater Treatment plant services the ACBD painting line discharges. It is treated thru chemical treatment, aeration and filtration, further reducing the heavy metal pollutants contained in the water discharge at the painting line. This is to comply with the Philippine Effluent Standards of the Clean Water Act.</i></p> <p><i>Both Treatment Facilities have the capacity to recycle wastewater for flushing urinals and water closets of comfort rooms.</i></p>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<p><i>Non-Compliance to government regulations (Penalties / Closure)</i></p>	<p><i>Customers, Employees, Community, Suppliers</i></p>	<p><i>With the efficiency of the water treatment facilities, PMPC was able to comply with the Effluent Standards, realizing its effectivity by passing the wastewater quality standards set by the Philippine Clean Water Act of 2004.</i></p>

What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Establish rapport with government agencies for effective implementation of Environmental Mgt. System</i>	<i>Customers, Employees, Community, Suppliers</i>	<i>With PMPC's implementation of Wastewater Treatment, the company was able to establish rapport with government agencies thru various collaborations such as seminars, online activities and updates on New Effluent Regulations.</i>

Environmental compliance

Non-compliance with Environmental Laws and Regulations

Disclosure	Quantity	Units
Total amount of monetary fines for non-compliance with environmental laws and/or regulations	0	Php
No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations	0	#
No. of cases resolved through dispute resolution mechanism	0	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>PMPC BD Manufacturing of Home Appliances (REF, AC, WM, EF)</i>	<i>Customers, Employees, Community, Suppliers</i>	<p><i>In relation with PMPC's Environment Health and Safety Policy to comply to all government regulations which includes compliance to Air Emissions, Water Effluents, Solid Waste and Hazardous Waste regulations in the Philippines, particularly:</i></p> <ol style="list-style-type: none"> <i>1. Clean Water Act of 2004 (RA 9275)</i> <i>2. Clean Air Act of 1999 (RA 8749)</i> <i>3. Toxic and Nuclear Waste Act of 1990 (RA 6969)</i> <i>4. Ecological Solid Waste Management Act of 2000 (RA 9003)</i> <i>5. Other relevant Environmental Government Rules and Regulations</i> <p><i>PMPC aims to support and implement activities to comply with all the</i></p>

		<i>requirements of government regulations to prevent penalties and non-compliance.</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>Non-Compliance to government regulations (Penalties / Closure)</i>	<i>Customers, Employees, Community, Suppliers</i>	<p><i>PMPC aims to support and implement activities to comply with all the requirements of government regulations to prevent penalties and non-compliance.</i></p> <p><i>Activities involve the following:</i></p> <ol style="list-style-type: none"> <i>1. Air Emission – Yearly Air Emission Test of Generator Sets. To comply with Permit to Operate Requirements RA 8749</i> <i>2. Water Discharges – Effective utilization and maintenance of Sewage Treatment Plant and Wastewater Treatment Plant to comply with the Effluent Regulations</i> <i>3. Solid Waste disposal – Ensure that the Solid Waste is properly disposed in a landfill or government approved disposal facility, thru its DENR / PEZA accredited scrap and residual waste haulers</i> <i>4. Hazardous Waste Disposal – Ensure that the Hazardous Waste is properly stored, disposed and treated in accordance with RA 6969 thru its DENR approved Haulers and Treaters.</i> <p><i>Other Environmental Regulations – Ensure proper environmental evaluation and compliance is being done prior to conducting PMPC related activities.</i></p>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Establish rapport with government agencies for</i>	<i>Customers, Employees, Community, Suppliers</i>	<i>With PMPC’s compliance to government’s environmental rules and regulations, the company was able to</i>

<i>effective implementation of Environmental Mgt. System</i>		<i>establish rapport with government agencies thru various collaborations such as seminars, online activities and updates on New Regulations.</i>
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SOCIAL

Employee Management

Employee Hiring and Benefits

Employee data

Disclosure	Quantity	Units
Total number of employees ⁴		
a. Number of female employees	*250	#
b. Number of male employees	*636	#
Attrition rate ⁵	*5% (69 employees)	rate
Ratio of lowest paid employee against minimum wage	*4.8% (43 employees)	ratio

Employee benefits

List of Benefits	Y/N	% of female employees who availed for the year	% of male employees who availed for the year
SSS Contributions	Y	250 (100%)	636 (100%)
PhilHealth Contributions	Y	250 (100%)	636 (100%)
Pag-ibig Contributions	Y	250 (100%)	636 (100%)
Parental leaves	Y	6 (2%)	26 (4%)
Vacation leaves	Y	167 (19%)	546 (62%)
Sick leaves	Y	101 (11%)	311 (38%)
Medical benefits (aside from PhilHealth))	Y	250 (100%)	636 (100%)
Housing assistance (aside from Pagibig)	Y	23 (3%)	50 (6%)
Retirement fund (aside from SSS)	Y	6 (2%)	18 (3%)
Further education support	Y	0	0
Company stock options	N		
Telecommuting	Y		
Flexible-working Hours	N		
(Others)			

⁴ Employees are individuals who are in an employment relationship with the organization, according to national law or its application ([GRI Standards 2016 Glossary](#))

⁵ Attrition are = (no. of new hires – no. of turnover)/(average of total no. of employees of previous year and total no. of employees of current year)

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<i>COVID Pandemic Lockdown Disrupting Working Hours and Defining unprecedented Work From Home Scenario</i>	<i>Adaptation of the IATF's and DOLE's Guidelines on Operating a Manufacturing Enterprise while securing the health of the company workers (front liners)</i>
<i>Business Continuity Amidst this national emergency of a pandemic in global proportion</i>	<i>Provision of safety equipment particularly Personal Protection Equipment (PPE)</i> <i>Establishing a compliant Covid Case Management Protocol for the entire workforce</i>
What are the Risk/s Identified?	Management Approach
<i>Possible non-payment or delay in government mandated benefits for seasonal workers due to LOCKDOWN and erroneous data collected during the limited one month employment tenure</i>	<i>Establishment of a new normal procedure for recruitment, screening, and processing of seasonal employees</i>
What are the Opportunity/ies Identified?	Management Approach
<i>Attraction of seasonal employees from the public due to company reputation of creating job opportunities and providing government mandated benefits at the time when there are more getting unemployed than employed at the time of the pandemic</i>	<i>Partnership with the Public Employment Services Office of the various Municipalities surrounding the company</i>

Employee Training and Development

Disclosure	Quantity	Units
Total training hours provided to employees		
a. Female employees	250	7,000 hours
b. Male employees	636	17,808 hours
Average training hours provided to employees		
a. Female employees	250	28 hours/employee
b. Male employees	636	28 hours/employee

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<i>Where: Primary Business Operation</i> <i>Impact: Social</i> <i>Training programs were focused on building commitment, performance and engagement throughout PMPC's business operation</i>	<i>Integrating Panasonic BBP (Basic Business Philosophy) in training activities, such as on "A Better Dialogue" and managing change</i>

What are the Risk/s Identified?	Management Approach
<i>Perceived subjectivity in performance evaluation and in providing feedback</i>	<i>Meticulous performance evaluation review by top management</i>
What are the Opportunity/ies Identified?	Management Approach
<i>Better teamwork and more effective communication</i>	<i>Promotion of the “A Better Dialogue” concept within the organization, as well as revisiting the Basic Business Philosophy</i>

Labor-Management Relations

Disclosure	Quantity	Units
% of employees covered with Collective Bargaining Agreements	337	38%
Number of consultations conducted with employees concerning employee-related policies	<i>Twice a week consultation meeting with the Union President</i>	<i>More or less 100 times in a year</i>

What is the impact and where does it occur? What is the organization’s involvement in the impact?	Management Approach
<i>Where: Primary Business Impact: Social</i>	<p><i>In the conduct of Collective Bargaining Agreement negotiation, the management is very transparent with the Worker’s Union.</i></p> <p><i>Our company provides reasonable notice of significant operational changes to employees and their representatives, as well as to appropriate government authorities i.e. DOLE. Thus, we are able to maintain employee satisfaction and motivation while implementing significant changes to operations.</i></p> <p><i>The company’s timely and meaningful consultation allows the affected parties to understand the impacts of the changes, such as possible loss of employment. It also gives an opportunity for them to work collectively to avoid or mitigate negative impacts as much as possible. Our consultative practices resulted in good industrial relations which help to provide positive working environments, reduce turnover, and minimize operational disruptions.</i></p>

What are the Risk/s Identified?	Management Approach
<i>Collective Bargaining Agreement (CBA) Deadlock</i>	<i>The negotiation is always done in good faith, have an open mind when the worker's union are presenting their demands and discuss with them in a civil manner to avoid possible conflict.</i>
What are the Opportunity/ies Identified?	Management Approach
<i>Industrial peace is always maintained when the management treats the workers union as co-equal in the achievement of the company's business objective.</i>	<i>The management will continue to be transparent in its dealing with the workers union and will see to it that all policies affecting the workers are clearly explained to them before its implementation.</i>

Diversity and Equal Opportunity

Disclosure	Quantity	Units
% of female workers in the workforce	250	28%
% of male workers in the workforce	636	72%
Number of employees from indigenous communities and/or vulnerable sector*		

*Vulnerable sector includes, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E).

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<i>The COVID Pandemic times which started last March 2020 up to the present time posted many restrictions from the government which affected travel to and from the Province of Rizal and Laguna including the guidelines on safety protocol involving older people, those with underlying conditions, and pregnant women.</i>	<i>Thorough screening and dialogue when hiring women and middle-aged applicants for seasonal employment while providing education and awareness on the health risks of infecting and being infected with Covid 19 in and out of the workplace.</i>
What are the Risk/s Identified?	Management Approach
<i>In their desperation, a lot of applicants are withholding information that are vital to pre-employment screening</i>	<i>Interviews and validation of submitted pre-employment documents were validated faster and safer with the use of the Internet</i>
What are the Opportunity/ies Identified?	Management Approach
<i>Employment opportunities and applications surpassed the previous face to face screening turnouts</i>	<i>With the limitation of a non-face to face screening process, the use of major social media and messaging were employed</i>

Workplace Conditions, Labor Standards, and Human Rights

Occupational Health and Safety

Disclosure	Quantity	Units
Safe Man-Hours	2,690,192 Man-hours (383 days without an accident: 878 manpower) from March 8, 2021 up to present	Man-hours
No. of work-related injuries	0	#
No. of work-related fatalities	0	#
No. of work related ill-health	0	#
No. of safety drills	Target 2 times per year March and October. Last conduct of fire drill: March 30, 2022	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<p><i>PMPC BD Manufacturing of Home Appliances (REF, AC, WM, EF)</i></p>	<p><i>The Panasonic Occupational Safety and Health Policy consists of an Occupational Safety and Health Declaration based on the spirit of respect for human beings as stated in our management philosophy. PMPC is committed to creating a safe, physically and mentally healthy workplaces through consistent efforts and careful attention.</i></p> <p><i>Activity Guidelines for Occupational Safety and Health are the following:</i></p> <ol style="list-style-type: none"> <i>1. Legal and Regulatory Compliance</i> <i>2. Management of Resources</i> <i>3. Establish, maintain and improve our occupational safety and health management systems</i> <i>4. Definition of roles, authorities and responsibilities, and establishment of an organizational structure.</i> <i>5. Removal and reduction of the root causes of hazards and potential damage.</i> <i>6. Setting health and safety goals and formulating and implementing a management plan.</i> <i>7. Auditing and review by management</i> <i>8. Education and Training</i>

What are the Risk/s Identified?	Management Approach
<i>Accidents and Injuries of Employees</i>	<p><i>PMPC Occupational Safety and Health Key Initiatives to prevent risks are as follows:</i></p> <ol style="list-style-type: none"> <i>1. Creating Equipment Safety Standards</i> <i>2. Promoting Occupational Accident Prevention Plans</i> <i>3. Occupational Health (Medical Section)</i> <i>4. Personal Health.</i> <i>5. Health Promotion Initiatives</i>
What are the Opportunity/ies Identified?	Management Approach
<i>Initiatives on Accident Prevention, E.g. Equipment Safety, PPE's, Safety and Health Activities and Trainings</i>	<p><i>PMPC Occupational Safety and Health Key Initiatives opportunities are as follows:</i></p> <ol style="list-style-type: none"> <i>1. Provision of resources for Creating Equipment Safety Standards</i> <i>2. Provision of Resources for Promoting Occupational Accident Prevention Plans</i> <i>3. Provision of resources for Occupational Health (Medical Section)</i> <i>4. Provision of resources for Personal Health</i> <i>5. Provision of resources for Health Promotion Initiatives</i>

Labor Laws and Human Rights

Disclosure	Quantity	Units
No. of legal actions or employee grievances involving forced or child labor	<i>None</i>	<i>N/A</i>

Do you have policies that explicitly disallows violations of labor laws and human rights (e.g. harassment, bullying) in the workplace?

Topic	Y/N	If Yes, cite reference in the company policy
Forced labor	<i>Y</i>	<i>Panasonic Code of Conduct</i>
Child labor	<i>Y</i>	<i>Panasonic Code of Conduct</i>
Human Rights	<i>Y</i>	<i>Panasonic Code of Conduct</i>

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<p><i>Where: Primary Business</i></p> <p><i>Impact: Social</i></p>	<p><i>The company does not allow forced labor. When employees are required to render overtime work, the need to work extra hours are explained to them before the overtime work will be rendered.</i></p>

	<p><i>The company does not employ workers below 18 years of age, hence, child labor is not an issue.</i></p> <p><i>In hiring of workers, we follow Republic Act No. 10911, Anti-Age Discrimination in Employment Act so that there is no discrimination in individual employment on account of age.</i></p>
What are the Risk/s Identified?	Management Approach
<p><i>Hiring of workers below 18 years of age if the hiring personnel failed to check the documents presented by the applicant.</i></p>	<p><i>The Human Resource Department must screen the applicants carefully. Checks and balances must be in place so that all documents are processed without violating the hiring of minors.</i></p>
What are the Opportunity/ies Identified?	Management Approach
<p><i>Compliance with local law.</i> <i>Improvement of internal procedures to ensure that the company hires prospective employees of legal age.</i></p>	<p><i>The company will only hire those applicants who have reached the required age for employment.</i></p>

Supply Chain Management

Do you have a supplier accreditation policy? If yes, please attach the policy or link to the policy:

Yes

Do you consider the following sustainability topics when accrediting suppliers?

Topic	Y/N	If Yes, cite reference in the supplier policy
Environmental performance	Yes	<i>Article 35 of Master Global Purchasing Agreement (MGPA)</i>
Forced labor	Yes	<i>Article 36 & 37 of Master Global Purchasing Agreement (MGPA)</i>
Child labor	Yes	<i>Article 36 & 37 of Master Global Purchasing Agreement (MGPA)</i>
Human rights	Yes	<i>Article 37 of Master Global Purchasing Agreement (MGPA)</i>
Bribery and corruption	Yes	<i>Article 33 of Master Global Purchasing Agreement (MGPA)</i>

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<p><i>Where: Primary Business</i> <i>Impact: Economic, Social</i> <i>Involvement: Supplier Relationship</i> <i>Task to level up supplier's standards and understanding to meet Global standards.</i></p>	<p><i>Selection and development of local suppliers in consideration of Global standard.</i> <i>Panasonic uses common Master Global Purchasing Agreement to meet the global standard for each Panasonic suppliers.</i> <i>Developing local suppliers will create job opportunities in the community. Likewise, this will increase buying power in which it will benefit local manufacturing company. Local procurement will lessen impact of business continuity plan (BCP) issue.</i> <i>PMPC regularly conducts Audit for Quality, Environmental, Material, CSR among others to continuously educate and improve the level of the suppliers.</i></p>
What are the Risk/s Identified?	Management Approach
<p><i>Tendency to change price level</i></p>	<p><i>PMPC implements the following:</i></p> <ol style="list-style-type: none"> <i>1. Standard quotation format to visualize all cost factors</i> <i>2. Promotes multiple sources to meet correct price</i> <i>3. Lends fixed assets to suppliers lessen their financial burden</i>
What are the Opportunity/ies Identified?	Management Approach
<p><i>Improvement of Local suppliers' standard level creates more job opportunities and bigger market, thus, will not be dependent to PMPC.</i></p>	<p><i>PMPC usually practice limiting suppliers' transaction to company up to 40%. 60% should be purchases by other customers.</i></p>

Relationship with Community

Significant Impacts on Local Communities

Operations with significant (positive or negative) impacts on local communities (exclude CSR projects; this has to be business operations)	Location	Vulnerable groups (if applicable)*	Does the particular operation have impacts on indigenous people (Y/N)?	Collective or individual rights that have been identified that or particular concern for the community	Mitigating measures (if negative) or enhancement measures (if positive)

Fixed term employment	Luzon	Youth	N	N/A	N/A
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*Vulnerable sector includes children and youth, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E)

For operations that are affecting IPs, indicate the total number of Free and Prior Informed Consent (FPIC) undergoing consultations and Certification Preconditions (CPs) secured and still operational and provide a copy or link to the certificates if available: _____

Certificates	Quantity	Units
Certificate of Appreciation from Local Government	1	

What are the Risk/s Identified?	Management Approach
Absences / Quit Training	Regular coordination with partner schools
What are the Opportunity/ies Identified?	Management Approach
Human Resources	Recruitment

Customer Management

Customer Satisfaction

Disclosure	Score	Did a third party conduct the customer satisfaction study (Y/N)?
Customer satisfaction		Y

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<p>Where: Primary Business Impact: Economic, Social Involvement: Customer Product Satisfaction Survey</p> <ol style="list-style-type: none"> Repeat purchase Brand Loyalty Positive word of mouth advertisement Product Quality Customer requirement for the product Comparison with competitive product 	<ol style="list-style-type: none"> Execute yearly CS strategies/initiatives which includes policies, commitment, goals, targets and programs/activities. Customer's 1st principle approach. Utilize Net Promoter Score (NPS) as tool for Customer Satisfaction Survey executed by Call Center and inform related groups. NPS is mgmt. tool used to measure customer satisfaction. It is a percentage of customers rating their likelihood to recommend a company, a product, or a service to a friend or colleague. NPS asks

	<p>questions to customers. Scores from NPS are rated as detractors and promoters.</p> <p>The acceptable NPS Score is 50 or above (Good).</p> <p>4. Complains related to products are shared during weekly CS meetings, Monthly Market Quality meetings, PASC meetings, during product planning meeting, Call Center, dealers meetings</p> <p>5. People before Products: Enhance technical and non-technical (knowledge and skills) thru regular trainings.</p>
What are the Risk/s Identified?	Management Approach
<ol style="list-style-type: none"> 1. Emerging new competitors or products 2. Government regulations (Consumer Act of Philippines) 3. Handling customers complaints 4. Manufacturing difficulties 5. Slow moving stock (SMS) 	<ol style="list-style-type: none"> 1. Approach is maintaining customer focus and utilize customer's feedback. Consider also the weaknesses of competitors. 2. Be knowledgeable about Consumer Act/DTI regulations and monitor the frequency of complaints 3. Improve skills for handling complaints (people first before products) 4. Collaboration with factory/QC/Sales/Marketing/Call Center/PASC for any challenges encountered
What are the Opportunity/ies Identified?	Management Approach
<p>Listening to customer's dissatisfaction may lead to the following opportunities:</p> <ol style="list-style-type: none"> 1. New product 2. Increase customer's loyalty 3. Win market share due to customer's recommendations 4. Increase profitability 	<p>Utilize complaints, detractors as opportunities:</p> <ol style="list-style-type: none"> 1. Product improvement/new product 2. Company policies 3. Increase customers' good experience 4. Customer services 5. Competitor's bench marking 6. Customers' 1st principle approach

Health and Safety

Disclosure	Quantity	Units
No. of substantiated complaints on product or service health and safety*	None	N/A
No. of complaints addressed	N/A	N/A

*Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<p><i>Where: Primary Business Operation</i></p> <p><i>Impact: Economic, Social</i></p> <ol style="list-style-type: none"> 1. <i>Loss of customer's confidence for Panasonic products</i> 2. <i>Reduce sales & market share</i> 3. <i>Product reliability>> early defect in the market from date of purchase</i> 4. <i>Increase returns of defective units</i> 5. <i>Brand Reputation Risk</i> <p><i>Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i></p> <ol style="list-style-type: none"> 1. <i>Customer filed letter of complaint to:</i> <ol style="list-style-type: none"> a. <i>DTI</i> b. <i>Dealer</i> c. <i>DENR</i> 	<ol style="list-style-type: none"> 1. <i>Execute yearly CS strategies/initiatives which includes policies, commitment, goals, targets and programs/activities. Customer 1st Principle approach</i> 2. <i>Utilize Net Promoter Score (NPS) as tool for Customer Satisfaction Survey executed by Call Center and inform related groups. NPS is mgmt. tool used to measure customer satisfaction. It is a percentage of customers rating their likelihood to recommend a company, a product, or a service to a friend or colleague). NPS asks questions to customers. Scores from NPS are rated as detractors and promoters. The acceptable NPS Score is 50 or above (Good).</i> 3. <i>Complaints related to products are shared during weekly CS meetings, Monthly Market Quality meetings, PASC meetings, during product planning meeting, Call Center, dealers meetings</i> 4. <i>Enhance technical and non-technical (knowledge and skills) thru regular trainings</i>
What are the Risk/s Identified?	Management Approach
<ol style="list-style-type: none"> 1. <i>Posting of complaints at website/social media/newspaper</i> 2. <i>Go to other brand</i> 3. <i>File legal to DTI</i> 4. <i>Loss of sales</i> 5. <i>Brand Reputation Risk</i> 	<ol style="list-style-type: none"> 1. <i>Customer's 1st principle approach</i> 2. <i>Enhance handling skills for complaints</i> 3. <i>Utilize NPS and opportunities for improvement</i> 4. <i>Posting of complaints at website/social media/newspaper</i> 5. <i>Efficient mfg. & sales operation & improved product</i> 6. <i>Leveraging customer feedback & product development to revitalize Customer satisfaction</i> 7. <i>Strong CS formation to respond with market trends & mgmt. environment</i>
What are the Opportunity/ies Identified?	Management Approach
<ol style="list-style-type: none"> 1. <i>Complaints as opportunity for Competitive advantage/product improvement/marketing opportunities</i> 	<ol style="list-style-type: none"> 1. <i>Apply Customer's first principle</i> 2. <i>Build better customer relationships to retain more customers</i> 3. <i>Optimize website to increase profits</i> 4. <i>Use complaints as chance to learn & grow</i>

	5. Reinforce commitment to customer
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Marketing and labelling

Disclosure	Quantity	Units
No. of substantiated complaints on marketing and labelling*	0	# No. of Complaints
No. of complaints addressed	0	#

*Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<p><i>The impact would be health and safety of end user, and Brand Reputation Risk</i></p> <p><i>The boundary would be the Primary Business.</i></p>	<p><i>In 2021, the company's Marketing Center is not aware of any substantiated incident complaint on Marketing and Labelling. Nonetheless, the management approach on product Marketing and Labelling are as follows:</i></p> <ol style="list-style-type: none"> <i>1. Product information found in our catalogues, website, POPs, other marketing materials and into the product itself are with appropriate facts.</i> <i>2. The information such as specifications are tested in compliance with the Philippine regulations. This can be supported with test results by third party laboratory authorized by the Philippine government.</i> <i>3. With the markings of PS Marks and ICC found in our products (carton box, nameplate), signifies that we are compliant with the Philippine regulation as well as other labels.</i> <i>4. Accordingly, our company always ensure that we observe and meet the Philippine standards in relation to the Consumer act of the Philippines.</i> <p><i>As part of our marketing efforts, we:</i></p> <ol style="list-style-type: none"> <i>1. Advertise products with specific information or feature claimed supported by a clearance or approval by Ad Standards Council (ASC). An example would be for our billboards.</i>

	<ol style="list-style-type: none"> 2. Process our application and seek the approval of Department of Trade and Industry (DTI) for promotions being advertised. 3. Exert efforts for our products to be eco-friendly by using non-harmful substance in our products (environment-related). 4. Ensure the safety of our consumers by strictly following the Philippine regulations. 5. Claim in our marketing materials about our products being eco-friendly with appropriate test reports.
What are the Risk/s Identified?	Management Approach
<ul style="list-style-type: none"> • Health and safety risk due to inappropriate use of product • Brand Name Reputation Risk 	<ol style="list-style-type: none"> 1. We equip our products with safety features 2. As a standard procedure in the shopfront, sales or promoter personnel demonstrates and explains to customers the product features, specifications and gives advice on the proper use and maintenance of product prior to delivery. 3. Labelling and safety information are prominently indicated on the product or packaging 4. Product replacement if necessary and in accordance with the Consumer Act of the Philippines of the Dept. of Trade and Industry
What are the Opportunity/ies Identified?	Management Approach
<ul style="list-style-type: none"> • Product improvement in case of complaint 	<ul style="list-style-type: none"> • We will continuously improve our product based on customer's feedback.

Customer privacy

Disclosure	Quantity	Units
No. of substantiated complaints on customer privacy*	None	N/A
No. of complaints addressed	None	N/A
No. of customers, users and account holders whose information is used for secondary purposes	None	N/A

*Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<p><i>Where: Primary Business</i></p> <p><i>Impact: Social</i></p>	<p><i>We protect the privacy of our customers and information acquired from them are only use for the purpose related to the purchase of our product.</i></p> <p><i>Moreover, the company is compliant with Republic Act 10173 also known as Data Privacy Act of 2012 and the company is bound not only the personal information of our employees but also of our customers.</i></p>
What are the Risk/s Identified?	Management Approach
<p><i>Unauthorized use of personal data by :</i></p> <ol style="list-style-type: none"> <i>1) Sharing personal information collected from customers to other related departments</i> <i>2) Giving personal information to other employees not entitled to possess the same</i> 	<p><i>The said information must be secured and must not be shared by Customer Service Department to other departments.</i></p> <p><i>Moreover, HRD, being the repository of personal information of all employees, must see to it that all personal information are secured as required by law.</i></p>
What are the Opportunity/ies Identified?	Management Approach
<ul style="list-style-type: none"> <i>• Compliance with data privacy act law</i> <i>• Protection of brand reputation</i> 	<p><i>The management will strictly comply with the Data Privacy Act of 2012 and must ensure that there are sufficient safeguards to protect the personal information of its employees and customers.</i></p>

Data Security

Disclosure	Quantity	Units
No. of data breaches, including leaks, thefts and losses of data	0	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<p><i>Where: Primary business operation</i></p> <p><i>Impact: Economic and Social Impact</i></p> <p><i>Involvement: Data Security of Personal Information</i></p>	<p><i>Panasonic commits to limit its collection of personal data, to collect data by lawful means, and to be transparent about how data are gathered, used, and secured. The organization is also expected not to disclose or use customer personal information for any purposes other than those agreed upon, and</i></p>

	<p><i>to communicate any change in data protection policies or measures to customers directly. This disclosure provides an evaluation of the success of management systems and procedures relating to customer privacy protection.</i></p> <p><i>Panasonic has established Information Security Management (ISM) policy to prevent unauthorized access, loss and leakage of company confidential and personal information. The organization also complies with the data protection legislation and regulation such as Philippines Data Privacy Act or RA 10173.</i></p>
<p>What are the Risk/s Identified?</p>	<p>Management Approach</p>
<ul style="list-style-type: none"> • <i>Breach on Information Security System</i> • <i>Failure to periodically conduct risk assessment and vulnerability</i> • <i>Unintended Disclosure of Personal Information and leak of confidential Information</i> • <i>Advance Persistent Threat (APT) Cyber-attack</i> 	<ul style="list-style-type: none"> • <i>IT Governance</i> • <i>Risk assessment and vulnerability</i> • <i>Upgrade hardware and software that are prone to security breaches.</i> • <i>Application Controls and Authorization before personal data and confidential information can be obtained.</i> • <i>Trainings on how to handle and secure personal and confidential information.</i> • <i>Mandatory deployment of Endpoint Detection and Response for significant PC and Remote Work PC</i>
<p>What are the Opportunity/ies Identified?</p>	<p>Management Approach</p>
<ul style="list-style-type: none"> • <i>Acknowledgement of IT Vulnerabilities</i> • <i>identifying the organization’s needs for the information security requirements and for the establishing an effective Information Security Management System</i> • <i>Compliance with Data Global Data Security</i> • <i>Compliance with Local Laws on Data Privacy Act</i> 	<ul style="list-style-type: none"> • <i>Proactive approach to address IT vulnerabilities</i> • <i>Improvement of Information Security Management System based on risks and new information system requirement.</i> • <i>Immediate compliance with local laws</i>

UN SUSTAINABLE DEVELOPMENT GOALS

Product or Service Contribution to UN SDGs

Key products and services and its contribution to sustainable development.

Key Products and Services	Societal Value / Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact
Split type A/C Inverter	Energy Efficient Aircon   	Waste Electrical and Electronic Equipment	Recycle
Inverter Refrigerator	Energy Efficient Refrigerator   	Waste Electrical and Electronic Equipment	Recycle
Fully Auto Inverter Washing Machine	Energy and water Efficient Washing Machine   	Waste Electrical and Electronic Equipment	Recycle
Solar Panel	Clean and renewable Energy    	Waste Electrical and Electronic Equipment	Recycle

* None/Not Applicable is not an acceptable answer. For holding companies, the services and products of its subsidiaries may be disclosed.