Social Initiatives

While promoting the training and assignment of human resources from a global standpoint, Panasonic is accelerating the training and application of staff who underpin future business growth. In addition, the Company is working diligently to identify and mitigate any risks that could potentially have a negative impact on society and the Company’s business, by promoting the utmost respect for human rights, supply chain management, raising quality levels and ensuring product safety.

Human Resources Development and Diversity

Basic Policy

To deliver products and services that contribute to the lives of customers and societies around the world, and to develop Panasonic’s business, it is essential for the Company to continue developing personnel that can participate actively, and grow, in the global business environment. It is also essential that the Company creates an organizational culture in which all individual employees can fully deploy their talents regardless of age, gender, nationality, or other attributes. Thus, Panasonic regards the promotion of diversity as a crucial part of its business strategy, and hence provides a broad range of opportunities for anyone with ability and ambition, and actively strives to create a rewarding work environment.

In fiscal 2011, Panasonic compiled this thinking into a Global Diversity Policy. Since then, this policy has been implemented globally.

Managerial Promotion

In selecting candidates for upper management and developing upper management personnel, Panasonic has unified its standards, systems, processes and IT on a global basis and identifies and develops the most qualified people without regard to age, gender or nationality while working to ensure career development and promotion take place in a planned manner. For example, we have established the Panasonic Global Competencies, common guidelines for action that are based on the Company’s management philosophy in order to clarify leadership competencies required of leaders as well as core competencies for all employees. The guidelines are intended to promote behavior change and improved practical initiatives in every one of its leaders worldwide.

In addition, management of multiple businesses and experience working outside one’s home country have been clearly stated as requirements for being appointed as an officer or promoted to upper management. By clarifying the necessary qualifications and career path for upper management in this way, we are accelerating training of upper management candidates from an early career stage and also implementation of strategic personnel rotations for this purpose and other aspects of career development.

Moreover, multifaceted observation-based assessments and assessments by outside agencies are conducted of personnel who are candidates for upper management in order to make it possible to objectively grasp strengths and weaknesses related to leadership and other competencies. This promotes recognition by both the Company and the person involved of areas that need to be strengthened or overcome as well as key training points for promotion to upper management and encourages growth into personnel with high levels of self-awareness and motivation.

Organizational Structure

The departments responsible for these matters consist of the Human Resources & Industrial Relations Department at Panasonic head office, plus the human resources departments in each of the four Divisional Companies (Appliances, Eco Solutions, Connected Solutions, and Automotive & Industrial Systems) and in all Business Divisions and affiliated companies under the Panasonic umbrella. In addition, the Office for A Better Workstyle has been established in the head office and work style reforms are being instituted to help make work rewarding for each and every employee. Further, Panasonic has established the Human Resources Development Company as an organization that specializes in human-resources-related development, education and training globally for employees of all levels.
Panasonic conducts the “Working in Japan” program to promote business across countries and regions and strengthen the development of leaders, who are key to this coordination. We have also established inter-region transfer rules to promote work in other countries.

In each country and region, we are promoting and expanding training programs for deepening mutual understanding with people in countries around the world. For example, in Europe, as a part of the two-year “Talent for Tomorrow” human resources development program, employees are split up into project teams and each team promotes a CSR-based project. This project is conducted over the course of several months and is supported and evaluated by a non-profit charitable organization. Participating employees use their business skills to tackle social issues and leverage the knowledge and experience they gain from the activity in product development and business creation.

In each region, Panasonic administers selective training for upper management development tailored to the region that is coordinated with the equivalent training conducted in Japan. In addition, global measures conducted with Japan include the Global Onboarding Program for people hired mid-career and an e-learning service based on a common global core knowledge system that makes it possible for employees worldwide to acquire necessary knowledge regardless of the time or place.

**Women’s Participation in Management**

The Company has implemented a “Role/Grade System” that determines compensation based on the work or role in which employees are currently engaged; there are no gender-based inequalities in this compensation system. However, particularly in Japan, Panasonic is aware that there is a need to employ greater numbers of women in upper management and decision-making positions; it is striving to ensure gender diversity.

In terms of senior management, a female director (current board member Hiroko Ota) was appointed in fiscal 2014, and, in fiscal 2016, a female executive officer (current executive officer Michiko Ogawa) has been named. To accelerate female participation in management, Panasonic holds study groups for female employees and provides career-advancement seminars for women leaders, creating opportunities for women to encounter role models’ values and views on working, as well as further strengthening the management capabilities of superiors.

Further, to raise the awareness of all employees with respect to promoting diversity, July of each year is designated Diversity Promotion Month, with forums held and opportunities created at the workplace to discuss related issues.

**“e-Work” for Diverse Working Styles**

Panasonic is utilizing information and communications technologies to promote “e-Work” as an efficient working style not restricted by time or place, and has instituted a Work-at-Home System that applies to approximately 40,000 employees. “Spot Offices” have also been set up in 17 locations (16 locations in Japan). The offices are equipped with equipment and network connectivity that make it possible for employees to work while on business trips.

This has successfully reduced travel times and sped up customer service, and we intend to further enhance the infrastructure for conducting work efficiently going forward. Through accelerating adoption of diverse and flexible work styles, we will further raise productivity and help employees achieve work-life balance.
Respect for Human Rights

Basic Policy

Panasonic supports the fundamental principles of the United Nations Universal Declaration of Human Rights, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises. The major parts of these principles are embodied in the Panasonic Code of Conduct. Panasonic is also taking an active approach to incorporating ideas concerning global human rights into its management, including by making reference to the Guiding Principles on Business and Human Rights, which were adopted by the UN Human Rights Council in June 2011.

Organizational Structure

The departments responsible consist of the Human Resources & Industrial Relations Department established at the Panasonic head office, the human resources departments established at each of the four Divisional Companies (Appliances, Eco Solutions, Connected Solutions, and Automotive & Industrial Systems), and all Business Divisions and affiliated companies under the Panasonic umbrella. In addition, Panasonic has established an Equal Employment Opportunity Office at its head office and appointed full-time consultants to staff it. In addition, a consultation desk has been established at each Divisional Company and Business Division in an effort to provide a place for employees and temporary staff to go to discuss any concerns relating to human rights and all forms of harassment.

Initiatives for the Prevention of Modern Slavery

Modern slavery can occur in various forms including servitude, forced or compulsory labor and human trafficking, all of which include the deprivation of a person’s (an adult or child’s) liberty by another. Panasonic is committed to a work environment that is free from modern slavery in accordance with the laws and regulations of the respective countries in which it operates. Panasonic will not knowingly use modern slavery in any of its products and/or services supplied, nor will it accept commodities, products and/or services from suppliers that it believes to engage in acts of modern slavery.

Supply Chain Management

Basic Policy

With social responsibility in procurement, including consideration for the environment and human rights, good labor conditions and fair trade, being expected from society, Panasonic is working to conduct its business with suppliers that not only provide excellent technology and quality, but also honor social responsibilities including human rights and labor, safety and health, green procurement, clean procurement and information security. Panasonic considers the promotion of CSR in its procurement departments to be crucial and conducts periodic management reviews.

Organizational Structure

The department responsible is the Global Procurement Company. Each of the Divisional Companies and their Business Divisions and other affiliated companies has its own procurement department. The Global Procurement Company is responsible for CSR procurement activities at the Group-wide level. It works together with the Divisional Companies and their Business Divisions and other affiliated companies to strengthen efforts in this area. Each Divisional Company and Business Division draws up plans to follow and promote the Group-wide rules and manuals, in order to keep the PDCA cycle in motion.

Main Initiatives

Panasonic has suppliers signal their agreement with the Supply Chain CSR Promotion Guidelines, which set forth the Company’s management philosophy, CSR procurement policies, and supplier requirements, and also requests that suppliers conduct CSR self-assessments before transactions commence. Further, the Company signs a Standard Purchase Agreement with each of its suppliers that includes items related to CSR such as human rights, safe working environments, and consideration for the environment.

In addition, Panasonic conducts regular evaluations of supplier initiatives related to CSR alongside evaluations of assessment standards for quality, cost, delivery, and service (QCDS) and business results.

With regard to conflict minerals that fund organizations that behave without proper regard for human rights, engage in environmental destruction, practice corruption, and otherwise act unethically in conflict zones, the Company strives to adhere to the Organisation for OECD’s Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.
Raising Quality Levels and Ensuring Product Safety

Basic Policy

Panasonic’s Group-wide Quality Policy states that the Company will “truly serve customers by way of providing products and services that continuously meet and satisfy the needs of customers and society.” The Company has also established a basic policy regarding the autonomous code of conduct for product safety. Under this policy, Panasonic actively strives to ensure the safety of its products, keeping to its principles of “the customer comes first” and of maintaining a “super-honest” attitude.

Organizational Structure

With the support and governance of the Panasonic head office, each Divisional Company and Business Division has implemented systems for undertaking its business with independent responsibility and self-sufficiency. Since September 2014, regional quality administration managers have been appointed for six regions: North America; Latin America; Europe and CIS; Southeast Asia and Oceania; India, South Asia, Middle East and Africa; and China and Northeast Asia. These managers monitor regional quality conditions and promptly share information on product safety-related defects with the various business operations. They also share information on public safety standards and public safety certifications in the regions on a timely basis, reinforcing the organizational structure of the business operations.

Quality Management System

To establish self-sufficient quality assurance processes in each Divisional Company and Business Division, Panasonic published its Quality Management System (P-QMS) Guidelines in 2004. The guidelines set forth a quality management system for achieving quality levels required by Panasonic and include proprietary quality assurance processes and expertise in addition to ISO 9001 requirements. The guidelines continue to be revised in accordance with changes to the ISO 9001: 2015 standard.

The Divisional Companies and Business Divisions formulate their own quality assurance systems based on the guidelines matched to the characteristics of their respective businesses. Quality assessments and internal audits are conducted at various levels, corporate, Divisional Company and Business Division, in order to verify system progress as a part of efforts to continually improve quality. The guidelines are comprised of a Group-wide section that applies in common to the entire organization and sector standards formulated for items specific to individual businesses, including consumer electronics, automotive, housing, devices, B2B solutions, and pharmaceuticals. To effectively accommodate further business diversification, Panasonic works to ensure the guidelines continue to evolve in line with its business areas.

ISO 26262*1 Road Vehicle Functional Safety Certification Acquired

Panasonic acquired process certification under the ISO 26262 standard for road vehicle functional safety*2 through the German third-party organization TÜV SÜD. The Company is now recognized as being capable of complying up to the standard’s highest safety level, ASIL-D, in development processes for automotive devices and device software.

*1 International standard for road vehicle functional safety issued on November 15, 2011. The standard stipulates the Automotive Safety Integrity Level (ASIL) in four ranks (ASIL A to ASIL D).

*2 Safety realized through the functioning of microcomputers and other electrical and electronic devices. Failure detection, safe stopping control, and user warnings are examples of such functions.