Customers: Management Approach

Constantly improving various systems and mechanisms under the themes of “improving quality,” “maintaining product safety” and “enhancing customer satisfaction”

Aiming to provide “better living” for customers, Panasonic is diversifying its business model not only from the perspective of homes, but also offices, stores, automobiles, airplanes and communities, by extending beyond offering individual hardware products to deliver total solutions including software and services. Beyond home appliance users, our customers are growing dramatically through our businesses in various global industries, including automobiles and housing, which extend from advanced countries to emerging markets.

Against this backdrop, Panasonic has been improving various systems and mechanisms under the themes of “improving quality,” “maintaining product safety,” and “enhancing customer satisfaction” while engaging in manufacturing based on the management philosophy promoted by its founder Konosuke Matsushita “to contribute to society through its products and services while always placing the customer first” and the concept of “making quality top priority.” In particular, we are making product safety a top management priority, having reflected on incidents involving FF-type kerosene heaters.

Regarding quality, Panasonic’s Chief Quality Officer (CQO) is responsible for establishing quality control officers throughout the Company, at each Divisional Company and business division and in overseas companies in accordance with its basic policy on quality. In addition, we undertake initiatives to continuously improve quality by operating the Panasonic Quality Management System. In order to improve the level of product safety even higher, Panasonic undertakes related initiatives centered on the Group-wide General Product Safety Committee.

To improve customer satisfaction, we are establishing specialized organizations in Japan and overseas while expanding the voice of customers (VOC) system globally. Moreover, we are installing mechanisms that provide information security to ensure that customer, personal, financial and other categories of information are protected. Consequently, we are earning the satisfaction and trust of customers while making every possible effort to help maintain the integrity of today’s information-based society.
Customers: Product Quality and Safety

Policy

Product Quality Basic Concepts
In an effort to embody its management philosophy, Panasonic regards its product quality policy as being to "serve our true customers throughout the supply of products and services that will meet and satisfy the needs both of our customers and of society at large."

To realize that product quality policy, we are committed to the measures set out below.
1. Accurately matching product quality to the needs of customers and society
2. Establishing a consistent product quality management system—from product planning, design and manufacture to use and consumption through to disposal—deploying product quality improvement activities based on collaboration and cooperation between all divisions
3. Accurately and sensitively ascertaining the real needs of customers and society and, possessing the technologies and skills to proactively incorporate those real needs into the manufacturing process, working to cultivate personnel who have the mindset of adhering to what is of benefit for customers and society.
4. Complying with laws, related legislation and regulations and the various standards appertaining to product quality.

Responsible Executive and Framework
Panasonic has a Chief Quality Officer (CQO) system.
Director in charge: Tsuyoshi Nomura, Managing Director (as of July 2014)
Each Company has built a self-regulated management structure that enables a self-contained quality assurance system under the supervision of CQOs.

Quality Management Structure
Rules and System

Quality Management System
We prepared a publication called Quality Management System Development Guidelines in 2004 so that all Panasonic Group companies can build their own self-contained quality assurance programs. Each Group company has formulated a Panasonic Quality Management System (P-QMS).* Based on these P-QMS promotion efforts, we are strengthening initiatives to bring about ongoing quality improvements, the prevention of quality problems and a reduction in quality variations.

The Quality Management System Development Guidelines were expanded in fiscal 2013 and employed throughout fiscal 2014 to make P-QMS compatible with the systems solutions product business area, which is a growth field for Panasonic.

* Panasonic Quality Management System (P-QMS): A mechanism for clarifying and achieving the level of quality Panasonic requires in accordance with ISO 9001 requirements and the Company's own quality assurance knowhow.

Product Safety Initiatives
We are working on manufacturing that prioritizes product safety by reflecting on past product safety issues, including the incidents with FF-type kerosene heaters.

Panasonic Code of Conduct (excerpts)
The commitment to ensuring product safety is clearly stipulated in Panasonic's Code of Conduct.

<table>
<thead>
<tr>
<th>Chapter 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>II-2. Product Safety</td>
</tr>
<tr>
<td>(1) Priority on Safety</td>
</tr>
<tr>
<td>We will give the utmost priority to product safety in all design, development, manufacturing and marketing and sales activities. We will also strive to ensure safety in all our related activities, ranging from product installation to after-sales maintenance and repair.</td>
</tr>
<tr>
<td>(2) Provision of Information</td>
</tr>
<tr>
<td>To ensure that our products are used properly, thus preventing possible accidents, we will appropriately provide our customers with easy-to-understand instructions and explanations about proper operation and safe use. We will disclose information of our environmental initiatives.</td>
</tr>
<tr>
<td>(3) Post-accident Measures</td>
</tr>
<tr>
<td>If we receive information regarding the safety of our products, we will investigate promptly to identify the cause(s). If we conclude that there may be a safety problem, we will cooperate fully and transparently with public authorities, taking prompt action where necessary to remove serious threats to public health and safety and to prevent any recurrence.</td>
</tr>
</tbody>
</table>


Basic Policy Regarding Autonomous Code of Conduct for Product Safety (Excerpts)
* This basic policy was approved in a resolution of the Board of Directors at a meeting held on June 27, 2007, at Matsushita Electric Industrial Co., Ltd. (the company's name at that time).

Based on the Basic Management Philosophy, Panasonic and its group companies believe that reassuring customers on the safety of the products it produces and sells is a key management issue. Recognizing our social responsibility, we have formulated the Basic Policy Regarding Autonomous Code of Conduct for Product Safety, as shown below. We make every effort to make sure our products are safe, putting the customer first and ensuring the utmost in integrity.
1. Strictly follow laws and regulations
2. Establish a corporate culture of ensuring product safety
3. Create inherently safe product designs
4. Prevent accidents caused by improper use
5. Maintain quality assurance system to ensure product safety
6. Compile and disclose data on product accidents
7. Respond to product accidents

* Japanese only
Strengthening the Group-wide Basis for Product Safety

For manufacturing that prioritizes product safety, we reorganized the Group-wide General Product Safety Committee in 2012, under which a Safety Technology Working Group and a Safety Standards Working Group were established. Through these working groups, the development of safety technologies that were worked on out of remorse over the FF-type kerosene heater incidents in 2005, and the activities to maintain product safety standards, will firmly take hold and become permanent.

Amid increasing needs for safety performance for such items as automobiles and robots, we are making coordinated efforts Group-wide to acquire safety standard certifications in order to ensure safety.

1. Activities of the Safety Technology Working Group

To take into account cases where customers use a product beyond its intended usage in the design stage, the Safety Technology Working Group developed scientific evaluation methods, such as accelerated aging tests to determine the durability of the materials, and collected data from which they produced a database. In fiscal 2014, they developed evaluation technology to estimate with a high degree of accuracy the deterioration and lifespan of resin. They also promoted the development of methods for testing high-voltage, high-current direct current (DC) tracking in order to prevent fires from occurring in solar photovoltaic systems and other DC equipment.

In addition, we have reached the stage where not only AV equipment but also white goods, such as room air conditioners and refrigerators, are beginning to be Internet-connected. Ensuring product security has become increasingly more important to safeguard the information assets held in those products. Regarding product security as part of product safety, Panasonic developed guidelines through, for example, threat analyses and enhanced its product security training, which is provided to manufacturing personnel. At the same time, bases for gathering risk information were set up not only in Japan but also in Europe, and a system built that enables quick measures to be taken the moment any vulnerability is detected.

2. Activities of the Safety Standards Working Group

Complying with public safety standards goes without saying, but to increase safety, the Safety Standards Working Group established Panasonic Corporation Safety Standards (PCSS) in 1999 as design rules that provide safeguards during product R&D.

The knowledge gained from R&D conducted into prolonged reliability technology is reflected in PCSS, which are making standards more stringent with regard to a number of important safety matters, including prolonged use, measures to make materials nonflammable, and preventing products from toppling over. The Group is working to improve product safety standards in order to prevent the risks that are expected to arise in new business fields. For example, the Group has formulated the Panasonic Corporation System Safety Standards (PCSSS), primarily targeting energy creation and storage management systems, in order to ensure the safety of storage battery systems, one of Panasonic's growth businesses. To ensure the safety of personal-care robots, a promising field of technology, the Group formulated the Panasonic Personal-Care Robot Safety Standards (PRSS) prior to the establishment of the international safety standard, ISO 13482.

In fiscal 2014, Panasonic strengthened its risk assessment* initiatives and completely revised internal risk assessment guidelines in order to further enhance product safety levels.


3. Acquiring Certifications for International Safety Standards (Case Studies)

Panasonic Acquires Personal-Care Robot ISO 13482 Standard in February 2014

Panasonic’s Risyoune, which features combined bed and wheelchair functions, became the world’s first personal-care robot to be certified under the international safety standard, ISO 13482. Panasonic is contributing to the development of international safety standards through its participation in projects undertaken by the New Energy and Industrial Technology Development Organization (NEDO). Looking ahead, we will develop life-assistance robots that customers can feel secure using.

Panasonic Acquires Automotive Function Safety Standard ISO 26262 Certification in February 2012

Panasonic acquired process certification for the automotive function safety standard ISO 26262 through the German third-party organization, TÜV SÜD. Consequently, our automotive equipment and device software development processes are...
certified up to ASIL-D, the highest safety level under this standard.

Taking advantage of this process certification, we will contribute to the development of safe, reliable, eco-friendly, convenient and comfortable automobile society by creating even safer products.

*Glossary

(1) ISO 13482
ISO 13482 is a unique international safety standard for personal care robots issued by the International Organization for Standardization (ISO) that covers three categories: physical assistant robots, mobile servant robots and person carrier robots.

(2) Function Safety
Function safety is safety realized through the activation (function) of electric/electronic devices such as microcomputers. Examples include malfunction detection, safety shutdown controls and user warnings.

(3) ISO 26262
ISO 26262 is an international automotive function safety standard issued on November 15, 2011. This standard prescribes four Automotive Safety Integrity Levels (ASIL): A, B, C and D.

Product Safety Training
To assist in entrenching a culture that makes product safety the utmost manufacturing priority, Panasonic provides product safety training including the e-learning course Basics of Product Safety to employees and organizes the Product Safety Forum to enable engineers to engage in self-study among themselves on this topic.

In 2013, Panasonic worked to ensure safety worldwide by strengthening independent region-based training activities centered on Panasonic Asia Pacific (Singapore) in South East Asia and the China Manufacturing Center in China.

Quality Improvement Initiatives in Emerging Countries
We are working to increase the compatibility of Panasonic products in emerging countries, which have differing infrastructure-related conditions in such areas as lifestyles, power sources and waterlines. To this end, we conduct fact-finding surveys of those aspects of infrastructure that easily impact quality—particularly power source quality and water quality/pressure—as well as climate conditions while establishing benchmarks by investigating the quality-related adaptability of competitor products.

Aiming to provide quality products that satisfy customers in emerging countries in the years ahead, we will build an even stronger foundation for quality companywide.

Universal Design (UD) Policy and Measures

▶ Universal Design http://panasonic.net/design/ud/

UD Policy
The object of our company’s UD is to provide greater consideration to more people through its products and services, thereby realizing a lively, comfortable and richer lifestyle.
6 Basic Principles of UD
We work with these six basic principles to actualize our UD Policy.
1. Considerations for making operations easily understandable
2. Considerations for using easy-to-understand indications and expressions
3. Considerations for providing users with stress-free postures and movements
4. Considerations for users' movements and space
5. Considerations for the users' safety and peace of mind
6. Considerations for the operating environment

Exploring New Customer Value by UD
With the aim to expand the market, we are able to not only offer convenience and comfort through our UD activities, but also introduce our products to customers who, up till now, have not been able to use these products.

Accident Report
Progress in Response to Incidents Related to FF-Type Kerosene Heaters
In 2005, five product safety incidents occurred involving FF-type kerosene heaters manufactured by Panasonic from 1985 to 1992, exposing customers to carbon monoxide poisoning that resulted in hospitalization and accidental death. Panasonic has taken these incidents very seriously and has continued to take every possible measure and precaution to prevent their reoccurrence.

Following these incidents, we commenced emergency measures and have been working to discover, repair, and replace these products. We have also been continuing a program of comprehensive public announcements through television and leaflets and by making door-to-door visits to households and businesses that may be using these corresponding heaters.

Continuing in fiscal 2014, led by the staff of the Corporate FF Customer Support & Management Division, we engaged in search activities ("local search activities") to find products that have not yet been located, to step up the recovery of products from customers who had their units inspected or repaired in the past, and to confirm the condition of products before the winter arrived.

The local search activities focused on the following:
1. Surveys of stores that handled these products;
2. Door-to-door surveys of all residences in the specified areas; and 3. Reexamine past survey data.

We also continued to run comprehensive public announcements, particularly at the beginning and at the end of winter, which included nationwide newspaper inserts and the utilization of Town Plus, a direct mailing service, to approximately 2.13 million households in cold weather districts.

In fiscal 2014, we added 469 units to our list of products discovered or confirmed to have been discarded. In total, 116,826 units were recorded, bringing the percentage of total units recalled to 76.8% as of March 31, 2014.

We are still finding products every month, some of which are units that customers have continued to use unrepaired and without realizing their potential harm. With the help and cooperation of those involved, we will continue our search until we find every last unit.

Ratio of Identified Units* to Total Units Sold (%)

* Identified units include recalled product units, units still in use after inspection and repair, units confirmed to have been disposed of by customers, etc.
Product Recall Notifications
In fiscal 2014, Panasonic issued the following product recalls to prevent accidents.

- **Product model:** Two Vertical-drum washing and drying machines (Sanyo) with model numbers: AWD-E105ZA/E105ZB
  - Details: [http://panasonic.co.jp/sanyo/news/2013/05/15-1.html](http://panasonic.co.jp/sanyo/news/2013/05/15-1.html)
  - Japanese only

- **Product model:** Five dishwashers with a dryer (Sanyo) with model numbers: DW-S2000/S2100/SJ2000, others
  - Manufacturing period: December 2000 – November 2001
  - Japanese only

* Recall notices for additional manufacturing numbers covering the recall notice held on January 22, 2013

Addressing Product-Related Accidents
When a product-related accident occurs in the market, we immediately confirm the situation as well as analyze and verify its causes. If a product-related accident is deemed to be serious, details are promptly and accurately reported to the president and executive officers along with Consumer Affairs Agency and other relevant government bodies. At the same time, the entire Panasonic Group endeavors to implement appropriate countermeasures to ensure the safety of customers.

Product Accident Response Flowchart

Information about Serious Product Accidents
Based on our Basic Policy Regarding Autonomous Code of Conduct for Product Safety and the Consumer Products Safety Act in Japan, Panasonic publishes information about serious product accidents,* accidents that may have been caused by its products,** and accidents for which it is unknown whether its products were a causal factor.***

* Serious product accidents are accidents as defined in the Consumer Products Safety Act, as follows: 1. Fatal accident 2. Accident that caused serious injury (injuries and illnesses requiring medical treatment for longer than 30 days) and/or physical disability 3. Incidents of carbon monoxide poisoning 4. Fire accident (confirmed as a fire by fire department)
Accidents that may have been caused by a product are defined as accidents involving: • Gas and kerosene equipment (including accidents where it cannot be conclusively determined if the product is the cause) • Products other than gas and kerosene equipment. Panasonic quickly publishes information about accidents that may have been caused by a product.

Accidents for which it is unknown whether its products were a causal factor are determined at a meeting on product safety held by the Ministry of Economy, Trade and Industry’s Consumer Affairs Council, from such accidents publicized by the Consumer Affairs Agency. Panasonic publishes information about such accidents.

Information about Serious Product Accidents http://panasonic.co.jp/info_psc/
*Japanese only
Customers: Customer Satisfaction

Policy

Our Basic Approach to Customer Satisfaction
Since its foundation, Panasonic's management philosophy has been to contribute to society through its products and services while always placing the customer first. Based on this philosophy, we aim for higher customer satisfaction by developing and offering products, solutions and services that benefit the lifestyles of customers around the world.

Our customer service is based on the principles of true service that have been handed down from the founder of Panasonic – to sincerely, accurately and swiftly address customer needs with humility and appreciation. The goal of customer service is to earn the trust and confidence of the customer while providing them with happiness and peace of mind.

The Fundamental Concept of Customer Satisfaction (the pursuit of customer satisfaction)
The only way for those of us engaged in business to earn trust is to have everyone, regardless of whether they are working in the manufacturing division or the sales division, cater completely to the demands of the customers on all points and work strictly under the basic rule of producing or selling not even one product that cannot perform its function well.
Perfection can be reached only by paying careful attention not only to the manufacturing details but also to where our products are going and making efforts to completely satisfy the customers and provide flawless service.

Quality products campaign in 1940 by Konosuke Matsushita
(From Matsushita Electric's 50-Year History)

Service Philosophy (True service)
The customer's satisfaction is our satisfaction.
True service resides in mutual satisfaction.
Service is an integral part of any business. A business that does not provide service is no business at all. Service, therefore, is the duty and obligation of any business person. But, there's nothing more aggravating than service provided only out of a sense of duty. Customers can sense it.
Service means satisfying customers, and when we satisfy our customers, we in turn find satisfaction in a job well done. Satisfied customers and satisfied employees. This is what constitutes true service.

Konosuke Matsushita "Omoumama" August edition 1967 PHP magazine

Responsible Executive and Framework

Structure for Promoting Customer Satisfaction
Customer service is a core business element for Panasonic, and the CS Division is charged with improving customer service quality by working with sales companies in countries and regions around the world. Developing initiatives based on sharing the collective knowledge and know-how of our Japanese and overseas personnel, the CS Division strives to provide the even higher level of customer service through local CS departments that are the closest to our customers.

The CS Division gathers market-level information about product quality inside and outside Japan, as well as customer opinions and ideas, and feeds back this information to relevant businesses to improve product quality and safety. It also develops products that satisfy customer needs in various markets.
Customer Relations Framework

Domestic Service Structure in Japan
Panasonic provides optimal services from the perspective of each customer from individuals to companies.

A Service Network Spanning Across Japan
With dedicated service companies that stand by the side of customers throughout Japan, Panasonic, along with its retailer partners, are in a position to provide customers with services that kindle their everlasting appreciation for product safety and convenience.

Repair services for consumer electronics are handled by Panasonic Consumer Marketing Co., Ltd. (PCMC-CS), while repair services for housing equipment and related products are handled by Panasonic Eco Solutions Techno Service Co., Ltd.

Establishing a network of service companies nationwide, our customer engineers are always on standby, and with close community connections and advanced expertise and know-how, provide quick and reliable on-site repair services at the customers’ request. Our repair centers receive repair requests from customers 24 hours a day 365 days a year. For products that are connected directly with the daily essentials of life such as our all-electric home appliances, we aim to provide the fastest repair services possible upon request.

Number of service centers operated by Panasonic Consumer Marketing Co., Ltd.
102 throughout Japan (as of March 2014)
Panasonic Eco Solutions Techno Service Co., Ltd. service bases:
A network of seven nationwide bases covering all prefectures

Measures to Enhance Repair Service Counters
Panasonic makes every effort to offer repair services that fit in with its customers' lifestyles, such as by providing customers with every convenience when they request repairs. This includes maintaining systems for accepting parcel deliveries of products in need of repair and registering repair services via its website, and for same-day repairs of LUMIX digital cameras and Let's note laptop PCs at its repair center in Akihabara, Tokyo.

Repair stations for LUMIX digital cameras and Let's note laptop PCs in Akihabara, Tokyo
Consultation Services for Solving Problems Quickly
Our Customer Care Center helps individual customers (regarding product selection) before and after they purchase a product (regarding operations). The Customer Care Center is open from 9am to 8pm all year round to help customers quickly solve any issues they have with Panasonic products. We have started using different telephone numbers for each product category, making it easier for customers to get in contact with the best service representative.

Panasonic also proactively provides information about frequently asked questions (FAQs) on its website to help customers resolve issues on their own.

For corporate inquires about lighting, information equipment, electrical equipment and materials, housing equipment and materials, and energy-related products like solar power generation and battery storage, Panasonic also provides specialized, expedited services 365 days a year to resolve issues relating to construction, installation and setup provided by its partners.

Number of Inquiries Handled at Customer Care Center in Japan (for Individual Clients)

Customer Service Measures in the Commercial Appliance Field
Our sales companies in the visuals, security, information communications, automobile, industrial air conditioning and other items in the commercial appliance fields provide integrated support, ranging from product proposals to design & installation and repair services. Our sales companies are working to improve customer service by delivering comprehensive solutions tailored to customer needs.

Business-use Network Equipment
Group sales companies in charge of business-use networking equipment and sales partners that sell our products are in a position to understand the unique needs of each customer and provide comprehensive solutions ranging from product proposals to system construction, sales, installation, maintenance, repairs, operation services, and cloud-based services.

Panasonic also delivers new value in terms of supporting business strategy execution and operational improvements at its customers.

In this context, we strive for customer satisfaction through our consultation services, repair services, maintenance services and other ways that facilitate the building of trusting relationships with our customers. In so doing, Panasonic is contributing to the productivity and profitability of its customers by providing ongoing support that addresses their difficulties.

Automotive Equipment
Our Group sales companies in charge of automotive equipment collaborate with our retail partners to provide after-sales service for car navigation systems, car audio systems and other automotive products sold by Panasonic.

Moreover, Panasonic supports equipment supplied to automakers to address any requirements they may have.
**Overseas Service Structure**
Amid an increasing number of customers that enjoy Panasonic products around the world, we aim to further improve customer satisfaction around the globe through initiatives tailored to each region, with sales companies in charge of customer satisfaction in each country. Through this overseas service structure, Panasonic provides worry-free, high-quality services from the customer's point of view.

**Overseas Network**
Panasonic has made concerted efforts to build a global service network with the aim of offering services that ensure customer satisfaction around the world. In overseas markets including India, Brazil and other growing emerging countries, Panasonic will bolster its service structures to win the trust and satisfaction of its customers.

**Number of Repair Service Centers (Fiscal 2014)**

<table>
<thead>
<tr>
<th>Region</th>
<th>Number of Repair Service Centers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>102</td>
</tr>
<tr>
<td>North America</td>
<td>1,900</td>
</tr>
<tr>
<td>Latin America</td>
<td>1,375</td>
</tr>
<tr>
<td>Europe and CIS</td>
<td>791</td>
</tr>
<tr>
<td>South East Asia and Pacific</td>
<td>1,733</td>
</tr>
<tr>
<td>India, South Asia, Middle East and Africa</td>
<td>1,112</td>
</tr>
<tr>
<td>China and Northeast Asia</td>
<td>803</td>
</tr>
</tbody>
</table>

*Japan: Panasonic Consumer Marketing Co., Ltd. (PCMC-CS)*
*Northeast Asia: South Korea, Hong Kong and Taiwan*

**Creating a Framework to Meet High Customer Expectations Globally**
With the goal of pegging service quality at a high level and rationalizing service costs, Panasonic is creating new standards and benchmarks to evaluate customer satisfaction around the world. We aim to offer better services by periodically sharing information about case studies and issues among the managers in charge of customer satisfaction at overseas sales companies and business companies.
Rules and System

Measures to Improve Quality of Our Customer Relations

Basic Regulations for Customer Relations

Based on its customer first management philosophy, Panasonic responds to all customers with the same high level of service quality in accordance with its established standards. In order to increase customer satisfaction and win their trust, Panasonic has drawn up Basic Regulations for Customer Relations (based on the JIS Q 10002 standard) that detail how to interact with customers and address any reasons for their dissatisfaction.

Each division responsible for customer relations periodically performs self-audits and works to continuously improve the quality of its responsiveness to customer concerns.

Fostering a Customer-Oriented Corporate Culture

Panasonic is proactive about obtaining Advisory Specialist for Consumers’ Affairs* qualifications for the purpose of fostering a corporate culture of putting the customer first. As of April 1, 2014, 414 employees of the Panasonic Group had obtained this qualification, the highest number among Japanese companies for the fifth straight year.

* Advisory Specialist for Consumers’ Affairs System

This qualification is a business certification from the offices of the Prime Minister and Minister of Economy, Trade and Industry, with assessments and verifications undertaken by the Japan Industrial Association. The system aims to foster people able to act as a bridge between consumers, companies and government, by being able to quickly give the appropriate advice to consumers in response to their inquiries and complaints, and then convey their opinions in proposals to corporate management and government officials. (Source: The Japan Industrial Association homepage (in Japanese only).)

Trends in the Number of Advisory Specialists for Consumers’ Affairs System Accreditation

Learning from Customer Opinions (VOC Activity)

At Panasonic, we view the Voice of Customers (VOC), which are assembled from customers feedback received by the Customer Care Center as well as contact with salespeople and partners, showrooms and service companies, as priceless sources of information for developing products, improving product functions, enhancing quality, updating user manuals and catalogs, and enhancing marketing activities.

Using a range of methods, we analyze VOC to detect areas in need of continuous improvement, and this data is fed back to product planning, design, engineering, and quality divisions, as well as marketing and sales divisions.

These VOC activities are a key element of the Panasonic management philosophy of improving customer satisfaction, and we are moving toward having all of our employees be conscious of the VOC in all of their work activities.
Events and Tools to Educate Customers on Safety

Educational Courses for Consumers

As a part of our contributions to society, we work with local governments and consumer groups around Japan to offer educational courses that provide numerous consumers nationwide with opportunities to learn about various topics in an enjoyable and easy-to-understand setting. These topics relate to areas of strong interest for consumers, such as "how to get the most out of consumer electronics", "home safety" as related to housing equipment, "efficient storage ideas", "solar power generation", and "remodeling". The topics may also address specific customer inquiries and needs from time to time.

Educational Courses for Children

The Eco Solutions Company (an internal company) sponsors Eco Lighting Classrooms, an introduction to LED lighting, and Eco and Solar Power Classrooms, an introduction to solar power, at elementary schools around the country to teach children about the environment and energy conservation.

In fiscal 2014, these classrooms were held at 199 elementary schools for 12,900 children.

How-to-use Guides Available on Our Website

We have posted a guide for customers on how to properly use our consumer electronics products in a safe and ecologically sound way.

▶ Aijoutenken, safe and effective use of consumer electronics
http://panasonic.co.jp/cs/aijoutenken/
*Japanese only
We demonstrate how to correctly use our consumer electronics products for the sake of longevity, safety checks to go over for each product, and how to use products safely by showing examples of how not to use them. The information available on our website is intended to help enhance customer awareness of safety.

▶ In our recommendations for saving electricity when using consumer electronics
http://panasonic.co.jp/cs/info/setsuben.html
*Japanese only
We describe how to use each of our consumer electronics products in ways that cut down on power consumption. This information is offered as a useful tool for conserving energy.

▶ On Mezase! Kaden King (Aim at Becoming the Consumer Electronics King!)
http://panasonic.co.jp/cs/kaden/quiz/kmaster.html
*Japanese only
People take quizzes that test their knowledge on how to safely and comfortably use consumer electronics products, and try to score the title of Kaden King. This is a fun way to learn about safe product use and energy conservation.
Customers: Information Security and Protection of Personal Information

Policy
Panasonic Code of Conduct (excerpts)
The commitment to the proper use and management of information as well as the strict protection of personal information is clearly stipulated in Panasonic's Code of Conduct.

<table>
<thead>
<tr>
<th>Chapter 2 II-4. Use and Control of Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Effective Use of Information</td>
</tr>
<tr>
<td>We will use our IT resources effectively and efficiently to collect, store, control, use, protect and dispose of management, technological, personal and other useful information so that it can be properly and effectively used without jeopardizing confidentiality.</td>
</tr>
</tbody>
</table>

| (2) Information Security                     |
| We will endeavor to prevent any piracy or falsification, and prevent leakage of our information. |

| (3) Information Received from a Third Party   |
| When we receive confidential information from a third party we will respect its confidentiality and afford it appropriate protection. |

| (4) Handling of Personal Information         |
| Recognizing the importance of protecting personal information, we will gather, store, control, use, process and dispose of personal information appropriately in compliance with relevant laws and regulations. We will also seek to prevent the loss, falsification, or leakage of such information. |

Basic Philosophy for Information Security
In accordance with the basic management philosophy, Panasonic is dedicated to using its outstanding technologies, products and services to earn the satisfaction and trust of customers.

Information security is vital to accomplishing this goal. This includes customer, personal, financial and other categories of information. Positioning information security as one of our most important strategies, we take the following actions with the aim of helping maintain the integrity of today's information-based society.

1. Information security systems
Each organizational unit has its own information security system for properly supervising information based on prescribed rules and procedures.

2. Management of information assets
To protect the security of all information, each type of information is managed by clarifying correct handling in accordance with its importance and level of risk.

3. Education and training
We have continuous information security education and training programs for all executives and employees. Activities reinforce awareness of the importance of information security and associated rules. Violators are subject to strict penalties.

4. Products and services that can be used with confidence
We have security measures for customer information so that customers can use Panasonic products and services with confidence.
5. Compliance with laws and regulations and continuous improvements
We comply with all applicable laws and regulations as well as ethical standards and make continuous improvements to information security as required to respond to changes in the environment.

We believe that the proper supervision of customer and business partner information is essential to our ability to remain a trustworthy company in society.

In order to maintain our growth as a global company, it is also vital to operate speedy product development, production, and sales activities by utilizing technical information that strengthen market competitiveness, while protecting it properly.

**Policy for Protection of Personal Information**
In accordance with its Basic Management Philosophy, Panasonic aims to win the satisfaction and trust of its customers by providing superior products and services to society, while ensuring the utmost in integrity.

We seek to build better relationships with our customers, suppliers, shareholders, employees and other stakeholders.

To this end, we have put in place the following measures to appropriately handle and protect personal information.

1. A person responsible for the protection of personal information has been appointed to every organization within the Company in an effort to ensure that such information is managed appropriately.

2. In cases where you are asked to supply or register your personal information by which you can be identified, such as name, address, e-mail address, or telephone number, the Company will inform you of the purpose of use, as well as whom to contact with any related inquiries. You will only be asked to provide your personal information within the scope appropriate to the purpose.

3. The Company will make use of personal information only within the scope appropriate to the purpose of use to which you have agreed.

4. The Company will not supply or disclose your personal information to third parties except in cases where you have agreed beforehand, provides that the Company can disclose it when it is necessary; 1) to outsource the work or 2) for some other justifiable reason.

5. If you wish to review your personal information, please contact to the relevant contact person we show on the website where you supplied or registered your personal information. The Company will make the efforts to appropriately respond to your request.

6. The Company will make reasonable efforts to maintain and improve security to ensure that personal information is managed safely.

7. While complying with applicable laws and regulations, the Company will make ongoing efforts to improve and upgrade measures taken to protect personal information.

Established on April 1, 2005
Revised on October 1, 2008
Kazuhiro Tsuga
President
Panasonic Corporation

▶ Policy for Protection of Personal Information [http://panasonic.net/site_info/privacy.html](http://panasonic.net/site_info/privacy.html)

**Rules and System**

**ISO 27001**
Panasonic has obtained ISO 27001 certification at business divisions that handle its customers' personal information.

ISO 27001, which conforms to the ISO/IEC 27001:2005 Information Security Management Systems standard, is given to companies that appropriately handle all sorts of information, including personal information.

A list of Panasonic business sites that have acquired ISO 27001 certification is available below.

▶ Panasonic Corporation List of business sites that have acquired ISO 27001 certification [http://panasonic.co.jp/info/privacy/list.html](http://panasonic.co.jp/info/privacy/list.html)

*Japanese only*
Customers: Corporate Communications in Advertising

Policy
Specifically, our aim is to provide fair and accurate information to our customers and various other stakeholders, and at the same time continually listen to and observe the public to learn from them and reflect their opinions in our business, marketing, and sales activities. We will also not make representations that are deceptive, misleading, fraudulent, or unfair. Our advertisements shall not be defamatory or of a political or religious nature. Finally, we aim to develop and demonstrate both our creativity and innovation in our corporate communication activities and impress on consumers that they can trust our brands.

Basic Approach to Advertising
Advertising activities reflect the belief of founder Konosuke Matsushita that "we contribute to society through our business activities." The fundamental stance taken from this is that manufacturers producing quality products have a responsibility to disseminate information about those products broadly, accurately, and as quickly as possible.

This responsibility is even greater today. Giving the public information about all corporate activities, in addition to products, has become an important social responsibility. Panasonic's advertising activities fully reflect this broader responsibility.

Related Links
Panasonic broadly discloses information about its corporate activities through various channels.

- Promotion & Advertising http://panasonic.net/promotion/
- Channel Panasonic (Video News) http://ch.panasonic.net/

Compliance with Advertising Laws and Regulations
Panasonic conducts advertising activities in compliance with local laws, regulations, industry rules and other guidelines in every region to prevent any misunderstandings and misconceptions.

In Japan, for instance, our advertisements conform to provisions of the Law for Preventing Unjustifiable Lagniappes and Misleading Representation and other advertising laws and regulations.

We also comply with the "Advertisers' Ethical Code" of the Japan Advertisers Association, standards established by media companies and other guidelines. To comply with laws and guidelines, we have on-the-job training programs for employees and hold seminars and other events for significant revisions to advertising laws and regulations. This ensures that advertising personnel have a thorough understanding of how to perform their jobs.

Panasonic companies also take part in classes and seminars held by other companies and organizations and, when necessary, seek the input of specialists from outside the group.

Framework
Mass Media Advertising Promotion Structure (Overview)
Guidelines and Approaches to Production of Advertisements

Panasonic uses the following guidelines and approaches for television commercials, newspaper advertisements and other advertising activities.

• Advertising is an important social mission regarding business activities
• Advertising should convey the true spirit of a company
• Provide information that is accurate and easy to understand
• Never use inappropriate or annoying advertisements

Selection of Advertising Media

Panasonic selects as its mass-media only companies that are well-known and respected in their respective regions and that permit the efficient use of advertising budgets.