Independent Assurance Report

To the Board of Directors of Panasonic Corporation

We were engaged by Panasonic Corporation (the “Company”) to undertake a limited assurance engagement of the environmental indicators listed in the table below (the “Indicators”) for the period from April 1, 2017 to March 31, 2018 included in its Sustainability Data Book 2018 (the “Data Book”) for the fiscal year ended March 31, 2018.

<table>
<thead>
<tr>
<th>Indicators</th>
<th>Pages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Size of indirect contribution in reducing CO₂ emissions</td>
<td>37</td>
</tr>
<tr>
<td>Size of direct contribution in reducing CO₂ emissions</td>
<td>37</td>
</tr>
<tr>
<td>CO₂ emissions from the use of our major products</td>
<td>38</td>
</tr>
<tr>
<td>Size of Contribution in Reducing CO₂ Emissions through Energy-saving Products</td>
<td>38</td>
</tr>
<tr>
<td>Size of Contribution in Reducing CO₂ Emissions through Energy-creating Products</td>
<td>39</td>
</tr>
<tr>
<td>CO₂ Emissions in Production Activities and CO₂ Emission Per Basic Unit</td>
<td>42</td>
</tr>
<tr>
<td>Energy Consumption in Production Activities</td>
<td>43</td>
</tr>
<tr>
<td>In-house renewable energy adoption</td>
<td>44</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Indicators</th>
<th>Pages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emissions (CO₂-equivalent) of GHGs Other than CO₂ from Energy Use in Production Activities</td>
<td>45</td>
</tr>
<tr>
<td>Total GHG Emissions (CO₂-equivalent) in Production Activities (Scope 1 emissions)</td>
<td>45</td>
</tr>
<tr>
<td>Total GHG Emissions (CO₂-equivalent) in Production Activities (Scope 2 emissions)</td>
<td>45</td>
</tr>
<tr>
<td>CO₂ emissions from domestic transportation within Japan</td>
<td>46</td>
</tr>
<tr>
<td>Amount of Total Wastes Including Revenue-generating Waste</td>
<td>53</td>
</tr>
<tr>
<td>Water Consumption in Production Activities</td>
<td>60</td>
</tr>
<tr>
<td>Release/Transfer of Substances Requiring Management (Total)</td>
<td>68</td>
</tr>
</tbody>
</table>

The Company's Responsibility
The Company is responsible for the preparation of the Indicators in accordance with its own reporting criteria (the “Company’s reporting criteria”), as described in the Company’s website.

Our Responsibility
Our responsibility is to express a limited assurance conclusion on the indicators based on the procedures we have performed. We conducted our engagement in accordance with the ‘International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information’ and the ‘ISAE 3410, Assurance Engagements on Greenhouse Gas Statements’ issued by the International Auditing and Assurance Standards Board. The limited assurance engagement consisted of making inquiries, primarily of persons responsible for the preparation of information presented in the Data Book, and applying analytical and other procedures, and the procedures performed vary in nature from, and are less in extent than for, a reasonable assurance engagement. The level of assurance provided is thus not as high as that provided by a reasonable assurance engagement. Our assurance procedures included:

- Interviewing the Company’s responsible personnel to obtain an understanding of its policy for preparing the Data Book and reviewing the Company’s reporting criteria.
- Inquiring about the design of the systems and methods used to collect and process the Indicators.
- Performing analytical procedures on the Indicators.
- Examining, on a test basis, evidence supporting the generation, aggregation and reporting of the Indicators in conformity with the Company’s reporting criteria, and recalculating the Indicators.
- Visiting three of the Company’s production sites selected on the basis of a risk analysis.
- Evaluating the overall presentation of the Indicators.

Conclusion
Based on the procedures performed, as described above, nothing has come to our attention that causes us to believe that the Indicators in the Data Book are not prepared, in all material respects, in accordance with the Company’s reporting criteria as described in the Company’s website.

Our Independence and Quality Control
We have complied with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. In accordance with International Standard on Quality Control 1, we maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

KPMG AZSA Sustainability Co., Ltd.
Osaka, Japan
August 6, 2018
### Panasonic Group Sustainability Data Book 2018

#### Standards for Calculating Main Environmental Performance Indicators

**Reporting period:** April 1, 2017 - March 31, 2018

#### Scope of this report

**Product-related:** All products developed during the reporting period.

**Factory-related:** Manufacturing sites in and outside Japan that have established Environmental Management Systems.

**Others:** Scope according to individual initiatives.

(NOT included: Hussmann Parent Inc., Flosca International S.A., consolidated subsidiaries since April 2016 and April 2017 respectively, and these consolidated subsidiaries.)

#### Standards

<table>
<thead>
<tr>
<th>Item</th>
<th>Indicator</th>
<th>Calculation method</th>
</tr>
</thead>
<tbody>
<tr>
<td>Size of direct contribution in reducing CO₂ emissions through energy-creating products</td>
<td>Solar panel: Total power-generating capacity of panels shipped during the current fiscal year (kW) x 20 years x Power generation of model per unit (1,204 kWh/kW) x CO₂ emission factor (0.360 kg-CO₂/kWh)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Fuel cell: Power generation of the current fiscal year model per unit (1,870 kWh/year) x 10 years x Total shipping quantity of the current fiscal year x CO₂ emission factor (0.410 kg-CO₂/kWh)</td>
<td></td>
</tr>
<tr>
<td>Size of direct contribution in reducing CO₂ emissions through energy-saving products</td>
<td>Size of contribution in reducing CO₂ emissions through &quot;air conditioning load reduction effects from improved insulation performance in Panasonic housing.&quot; &quot;energy-saving effects from products by other companies equipped with Panasonic energy-saving compressors and motors&quot;,&quot; and &quot;improved fuel efficiency effects from electric vehicles (EVs), plug-in hybrid vehicles (PHVs)<em>2, and hybrid vehicles (HVcs) equipped with Panasonic automotive batteries,&quot; &quot;energy-saving effects by other companies' products using Panasonic vacuum insulation materials&quot; &quot;CO₂ reduction effects attributed to less travelling with the use of HD Visual Communication Systems</em>3&quot;, &quot;energy-saving effects from HEMS and BEMS<em>4&quot;, and &quot;energy-saving effects by the installation of heat exchange ventilation system</em>5&quot;.</td>
<td></td>
</tr>
<tr>
<td>Size of indirect contribution in reducing CO₂ emissions through products</td>
<td>1) (Annual power consumption of FY2006 base model compressors and motors - Annual power consumption of the current fiscal year model compressors and motors) x Estimated annual running distance x improved fuel efficiency effects. Improved fuel efficiency effects are estimated based on reports released by Japan Automobile Research Institute and car manufacturers.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2) Estimated quantity of EVs, PHVs, and HVcs equipped with Panasonic automotive batteries x Product life x Estimated annual running distance x improved fuel efficiency effects.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3) Shown in a separate table.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>4) Annual power consumption in a household (a) x Energy-saving effects from HEMS (%) (b) x Product life (10 years) x Shipping quantity of the current fiscal year x CO₂ emission factor</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Power consumption in an office building (c) x Energy-saving effects from BEMS (%) (d) x Product life (10 years) x Shipping quantity of the current fiscal year x CO₂ emission factor</td>
<td></td>
</tr>
<tr>
<td></td>
<td>5) Energy consumption of an air conditioner without the installation of heat exchange ventilation system (simulated by Panasonic, (Tokyo, intermittent air conditioning)) x Energy-saving effects by the installation of heat exchange ventilation system (simulated by Panasonic, (Tokyo, intermittent air conditioning)) x Product life (10 years) x Shipping quantity of the current fiscal year x CO₂ emission factor</td>
<td></td>
</tr>
</tbody>
</table>

**Reducing CO₂ Emissions**

**CO₂ emissions from the use of major products**

Lifetime CO₂ emissions from major products*1 with large amounts of energy use.

Lifetime CO₂ emissions = Annual power consumption of a model sold*2 x Sales quantity x Product life*3 x CO₂ emission factor

1) Household air conditioners, commercial air conditioners, fluorescent lamps, LED lamps, household refrigerators, commercial refrigerators, LCD TVs, washing/drying machines, fully-automatic washing machines, clothes dryers, dish washer and dryers, IH cooking heaters, EcoCute, bathroom ventilator-driers, humidifiers, dehumidifiers, air purifiers, extractor fans, vending machines, electronic rice cookers, microwave ovens, warm-water washing toilets, clothing irons, hair dryers, under-rug heaters, vacuum cleaners, electric thermal pots, extractor hoods, telephones, security cameras, projectors, production modulars, etc.

2) For each product category, the model that was sold in the largest quantity in the region was selected.

3) Number of years during which spare parts for the product are available (defined by Panasonic).

**CO₂ emissions in production activities**

CO₂ emissions from the use of fuel + CO₂ emissions associated with purchased electricity and heat

CO₂ emissions per basic unit in production activities (improvement rate of basic unit compared to FY2014) was calculated as follows:

Basic unit improvement rate (%) for FY2018 = A2015 x A2016 x A2017 x A2018

An = x(FYn basic unit improvement rate in each factory (FYn-1 YOY comparison)) x (FYn-1 basic unit improvement rate in each factory x FYn output etc.)/(FYn-1 basic unit improvement rate in each factory x FYn output etc.))

n = 2015, 2016, 2017, 2018

**Energy consumption in production activities**

The total energy usage (including electricity, town gas, and LPG) in each factory. For the calorific value, the conversion factor based on the Order for Enforcement of the Act on the Rational Use, etc. of Energy (Japan), was used globally.

For town gas, however, the conversion factor published by the gas service provider was used.

**In-house renewable energy adoption**

Total renewable energy generated and used in the sites, including photovoltaic, wind, and biomass power.

**Emissions of GHGs other than CO₂ in production activities**

GHGs specified in the Fourth Assessment Report (2007) of the Intergovernmental Panel on Climate Change (IPCC) were calculated and converted into CO₂ emissions using the Global Warming Potentials referred to in the Report.

**Scope 1 CO₂ emissions**

CO₂ emissions from the use of fuel + Emissions of GHGs other than CO₂

**Scope 2 CO₂ emissions**

CO₂ emissions associated with purchased electricity and heat
<table>
<thead>
<tr>
<th>Resources Recycling</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total resources used</strong></td>
<td>Amount of resources directly used in production activities of a product. Total resources used is calculated in the following two methods: (1) Method of calculating by identifying the amount of purchased materials (including sub-materials). (2) Method of calculating by identifying the amount of: shipped products + sub-materials + waste*. *The figure used for the amount of waste is that published in the Sustainability Data Book 2018 as waste or valuable items.</td>
<td></td>
</tr>
<tr>
<td><strong>Usage of recycled resin</strong></td>
<td>Mass weight of recycled materials used in recycled resin, excluding new resin and newly mixed additives or fillers.</td>
<td></td>
</tr>
<tr>
<td><strong>Recycled weight of four kinds of home appliances in Japan</strong></td>
<td>Applies to the recycling defined in the Home Appliance Recycling Law in Japan, and refers to the weight of components and materials of separated products which can be used by oneself, or made into a state available for sale or free of charge.</td>
<td></td>
</tr>
<tr>
<td><strong>Amount of used products covered by the WEEE Directive collected in Europe</strong></td>
<td>Weight of collected products per collection system × Panasonic’s weight-based share of products put on the market within the applicable collection system.</td>
<td></td>
</tr>
<tr>
<td><strong>Amount of used electronic products collected in the USA</strong></td>
<td>Amount of equipment collected in accordance with state laws and through voluntary measures.</td>
<td></td>
</tr>
<tr>
<td><strong>Amount of total wastes including revenue-generating waste from factories</strong></td>
<td>Total amount of generated industrial and general waste and revenue-generating waste.</td>
<td></td>
</tr>
<tr>
<td><strong>Revenue-generating waste</strong></td>
<td>Waste that can be sold to recycling or disposal companies for profit.</td>
<td></td>
</tr>
<tr>
<td><strong>Factory waste recycling rate</strong></td>
<td>Amount of resources recycled / (Amount of resources recycled + Amount of final disposal) (The recycled amount does not include thermal recycling. The final disposal amount takes account of residue left after incineration.)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Water</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Amount of water consumption in production activities</strong></td>
<td>Total water consumed for production (total amount of consumed municipal water, industrial water, river/lake water, and groundwater).</td>
<td></td>
</tr>
<tr>
<td><strong>Progress rate of water risk assessment</strong></td>
<td>Progress of water risk assessments specified by Panasonic (1) Water risk assessments in all regions where Panasonic manufacturing sites are located, conducted with assessment tools and the database of each country; and (2) Identification of impact on Panasonic business activities, collected through specific public local information and local information through interviews with relevant organizations, as well as through analyses of information on water usage conducted by local sites.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Chemical Substances</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Substances requiring management</strong></td>
<td>Based on the Chemical Substances Management Rank Guidelines (for factories). Including all the substances in the Japanese Law of the Pollutant Release and Transfer Registers (PRTR Law).</td>
<td></td>
</tr>
<tr>
<td><strong>Release of substances requiring management</strong></td>
<td>Release amount includes emissions to air, public water areas, and soil.</td>
<td></td>
</tr>
<tr>
<td><strong>Transfer of substances requiring management</strong></td>
<td>Transfer amount includes transfer as waste and discharge into the sewage system. Recycling that is free of charge or recycling where Panasonic pays a fee for treatment under the Waste Management Law is included in recycled amount. (Different from the transferred amount reported under the PRTR Law.)</td>
<td></td>
</tr>
<tr>
<td><strong>Substances subject to calculation of Human Environmental Impact from factories</strong></td>
<td>Chemical substances specified in the Chemical Substances Management Rank Guidelines (for factories).</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Compliance</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Number of violations</strong></td>
<td>Number of violations of laws and regulations caused by our factories and products</td>
<td></td>
</tr>
</tbody>
</table>
### Comparison of supply of EV, PHV, and HV automotive batteries between FY2015 and the specified year.

- **Eco-conscious Products**
  - Definition of Strategic GPs: Products/services that accelerate the transition to a sustainable society.
    - (1) Products/services that reduce environmental impact with top-level environmental performance in the industry
    - (2) Products/services whose promotion and dissemination lead to reducing environmental impact
    - (3) Products/services that reduce environmental impact on a specific region, or support measures to address environmental impact

  - **Percentage of sales for Strategic GPs**
    - Sales of Strategic GPs / Panasonic consolidated sales

- **Improvement rate of energy-saving performance of major consumer electronics products**
  - Improvement rate calculated by comparing the assumed total power consumption if no energy-saving performance improvement has been made in representative products (product categories of air conditioners, refrigerators, TVs, washing machines, etc.) since the base year (FY2006) and the actual total of power consumption for the same products. The highest selling models in each region were chosen as the representative model for each target category.

- **Total power generation from household fuel cells**
  - Total annual power generation from household fuel cells shipped between FY2011 and the specified year.

- **Sales ratio for LED lighting**
  - Percentage of sales figures for LED lighting among the entire lighting business in the specified year.

- **Total power generation from solar cells**
  - Total annual power generation from solar cells shipped between FY2013 and the specified year.

- **Amount of air with improved quality**
  - Total number of rooms of whose air quality was improved by indoor air quality-related products, such as ventilators with air purifying function or filters exceeding a certain level of performance, shipped between FY2016 and the specified year. The number of rooms was calculated by the number of products x the coverage area. The coverage area was calculated using the number of tatami mats in a room based on the Japanese standard.

- **ZEH ratio to all detached houses**
  - Percentage of ZEHs and Nearly ZEHs in detached houses ordered to Panasonic in the specified year.

- **Development of smart cities**
  - Number of smart cities for which Panasonic was involved in the development and the number of lots sold.

- **Automotive battery supply meeting the demand**
  - Comparison of supply of EV, PHV, and HV automotive batteries between FY2015 and the specified year.

- **Sales of eco-conscious B2B Strategic GPs**
  - Comparison of the amount of shipment of target products, such as audio-visual solutions and mobility solutions equipment (such as laptop PCs etc.), between FY2016 and the specified year.

#### Collaboration with Stakeholders
- **Number of participants in environmental education programs**
  - Total number of participants in education programs provided at schools, extracurricular activities, showroom/factory visits, eco picture diary programs, etc. (Cumulative figure from fiscal 2010)

---

### Standard to calculate the size of contribution in reducing CO2 emissions through remote conference systems (HD Visual Communication Systems)

**Calculation standard**

1. **Hypothesis:** Installing remote conference systems by Panasonic can reduce CO2 emissions by eliminating the necessity of business trips to attend meetings.

2. **Calculation formula of the size of contribution in reducing CO2 emissions (size of CO2 emissions reduced by eliminating travel)**

   \[ \sum \left( a_i \times b_i \times c_i \times d_i - e_i \right) \times f \]

   - **n:** The number of remote conference system sold within a fiscal year (The unit is a set of two devices - as a conference is held by having a minimum of two devices)
   - **a:** The number of business trips reduced in a year (Times/Year)
     - **Inside Japan:** 46 times/year
     - **Outside Japan:** 24 times/year
   - **b:** Distance of a round trip (Km/Times)
     - **Inside Japan:** Distance between Tokyo station and Shin-Osaka station
     - **Outside Japan:** Distance between Tokyo Hanaeda Airport and major world airports
   - **c:** CO2 emissions factor per means of travel (t-CO2/Person x Km)
     - Shinkansen in Japan and airplanes for outside Japan.
   - **d:** Number of travelers (Persons/Times)
     - **Inside Japan:** Three people/time
     - **Outside Japan:** Two people/time
   - **e:** Power consumption by remote conference system (kWh) x CO2 emissions factor (t-CO2/kWh)
   - **f:** Product life (Years)
     - Seven years

---

### Conditions for the simulation to evaluate energy-saving effects by the installation of heat exchange ventilation system

- **Conditions to the simulation:** Tokyo, intermittent air conditioning
  - **1. Heating period:** November 6 to April 13
  - **2. Cooling period:** May 30 to September 22
  - **3. Setting:** Heating/Temperature: 20°C, Humidity: not lower than 50%, Cooling/Temperature: 27°C, Humidity: not exceeding 60%
  - **4. Outdoor temperature and humidity:** Based on the Expanded AMeDAS Weather Data
  - **5. Air conditioning system:** Tokyo, heat pump air conditioner (cooling, dehumidifying, heating), humidifier
  - **6. Ventilation equipment:** 24-hour continuous operation, (non heat exchange ventilation) FY-08PFE80 x 4, (heat exchange ventilation) FY-12VBD2SC x 2
  - **7. New unit price of electricity:** JPY27/kWh (tax included)
  - **8. Unit price of heating oil:** JPY75/L