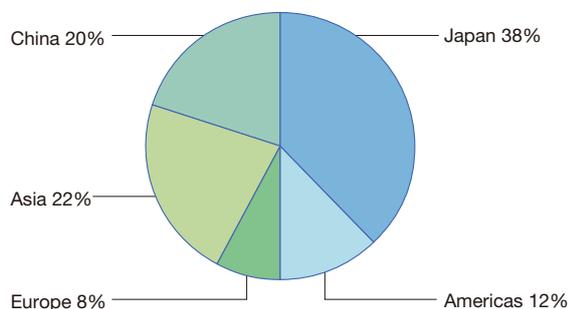


Human Resources Development and Promotion of Diversity

Numbers of Employees

Total Consolidated Number of Employees Globally: 259,385 (as of the end of March 2020)



Policy

To deliver products and services that contribute to society and our customers around the world while growing Panasonic's business, it is essential for us to keep developing human resources that can actively participate to our global business environment. At Panasonic, we believe that it is essential to create an organizational culture in which all individual employees can fully deploy their talents regardless of age, gender or nationality. Thus, we regard the promotion of diversity as a crucial part of our business strategy, provide a broad range of opportunities for anyone with ability and ambition, and actively strive to create a rewarding work environment.

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

Global Diversity Policy

Panasonic Group is now one of the world's leading business groups which offer a wide variety of products in electronic business areas related to our daily lives. With an aim to contribute to progress in society and to enrich people's lives through manufacturing, every employee plays a leading role in their job and promoting business activities of Panasonic.

Panasonic is a collection of people with various backgrounds, such as in terms of region, culture, and history, who possess diverse capabilities, as well as diverse traits in terms of various factors including gender, age, race, belief, religion, nationality, sexual orientation, and gender identity. Each person has various different ideas, and by sharing these ideas across countries and business areas, we can create more innovative values. Thus, Panasonic will continue to be a Group which always gathers wisdom and spurs innovation with the concerned efforts of all. We have a strong hope that using our diverse mindsets and viewpoints we can deliver products and services like no other in the world to our customers.

In order to achieve this, it is important to give a chance for success to motivated people of all countries and regions, regardless of their gender, nationality or any other characteristics. We have expanded our diversity activities to make the best of the individuality and abilities of each employee and to support their success towards the group on a global basis. We will continue to take up the challenge of becoming "No.1 in Diversity Promoting Activities in each country and region."

Responsible Executive and Framework

The Chief Human Resources Officer (CHRO) is Executive Officer Shigeki Mishima. The departments responsible for these matters consist of the Strategic Human Resources Department, Industrial Relations Department, and the Office for A Better Workstyle at Panasonic Headquarters, plus the human resources departments in each of the seven Panasonic Divisional Companies (Appliances, Life Solutions, Connected Solutions, Automotive, Industrial Solutions, US and China & Northeast Asia) and in all business divisions and affiliated companies under the Panasonic umbrella. (As of August 2020)

Organizational structure for Diversity and Inclusion

In 1999 Panasonic began its Equal Partnership initiative, and since then, it has promoted the creation of an open and fair work environment—one that does not discriminate based on gender, age, nationality, or similar factors—through initiatives such as the establishment of the Panasonic Positive Action Program, special training programs for female employees, and the nomination of Equal Employment Opportunity Officers.

Soon thereafter, in 2001, efforts to appoint women to positions of responsibility—previously largely the purview of the human resources department—were more forcefully recognized as drivers of diversity for the entire organization.

Accordingly, the Corporate Equal Partnership Division was established directly under the office of Panasonic’s President, as part of the management policies aiming to change the work environment by facilitating the participation of women in management.

In 2006, this Division was further developed and became the Corporate Diversity Promotion Division— with an expanded mandate that focused on diversity of age and nationalities, in addition to gender, while extending its efforts worldwide. At the same time, Panasonic established its e-Work Promotion Office, an organization dedicated to promoting telecommuting (internally called “e-Work”) as an efficient way of working.

In 2018, on the 100th anniversary of the company’s founding, Panasonic has established the Office for A Better Workstyle, which reports directly to the Headquarters. This editorial office is responsible for further increasing the job satisfaction of all employees, who are the driving force the firm for continuing to serve society and customers for the next 100 years. In 2020, we established the Strategic Human Resources Department as a new entity to formulate human resources strategies and measures for our workforce.

Performance Evaluations

Panasonic believes in “individuals and an organization in constant evolution” as an engine of growth. We believe that it is crucial to combine the individual strength of each employees—who all are eager to work and to challenge themselves—in order to fully realize the potential of the organization. Therefore, in order to accomplish this, Panasonic strives to create an organization that is open and broad-minded.

Putting this belief into action, we conduct surveys of employees’ opinions—both in Japan and abroad—to understand the state, needs and issues of its employees and organization. Issues identified in these surveys are factored into action plans, and each relevant Divisional Company and organization works to implement the plans and resolve the problems. From fiscal 2016, Panasonic has been conducting individual overseas opinion surveys by using a common platform in Japan and overseas. Through this common global perspective, we are gaining a clearer understanding of both our organizational strengths and issues to be resolved. This knowledge enables us to enhance the quality of our management and to achieve an organizational culture in which all employees can find meaning in their work.

List of Awards

Randstad Award 2019: Overall fifth place, second place in the industry

The Randstad Award is based on a survey of companies by an independent organization, using common global standards. The awards are granted to the companies found to have the best employer brand (based upon the appeal of a company as an employer).

Managerial Promotion

Panasonic has established its Panasonic Global Competencies (PGC) as common global guidelines for action based on our management philosophy. These guidelines clarify the leadership competencies needed from its leaders and the core competencies needed by all employees. In this way, Panasonic is promoting behavioral change and improved practical initiatives among its leaders worldwide.

Panasonic has unified its candidate selection criteria, processes and IT policies globally. This contributes to our efforts to discover the most suited candidates, regardless of age, gender, or nationality, and to provide a systematic approach to career development and promotions. It also plays a particularly important role in defining policies for nurturing executive and other management candidates, as well as developing perspectives for selecting from these candidates. Furthermore, we use assessments from external organizations as well to gain an objective understanding of candidates’ aptitudes,

abilities, and other distinguishing characteristics. Panasonic then motivates these candidates by sharing the assessment reports to promote self-driven growth among its senior managers. The Corporate Division has established the Talent Management Committee as a venue to openly discuss and examine management candidates. The President, Divisional Company Presidents, the CHRO, and other Committee members discuss how to find the best candidates worldwide, as well as matters related to career development and promotions.

Panasonic will continue to enhance its processes for discovering, nurturing, and promoting talent regardless of age, gender and nationality.

Performance-Linked Remuneration System

Panasonic has adopted a performance-linked remuneration system that sets the levels of bonuses for the current fiscal year based on the company's performance during the previous fiscal year. The degree to which the performance of the company is reflected in compensation increases at higher levels of management.

In addition, the amount of each individual's bonus is determined based on the previous fiscal year's performance of the jobs of which the individual was in charge.

Thus, by reflecting the company's performance and individual performance within certain limits in compensation, Panasonic aims to inspire the desire to improve both performances.

In particular, the compensation of Directors and Executive Officers consists of a fixed "basic compensation", a "performance-linked remuneration", which serves as a short-term incentive, and a restricted share-based compensation, which serves as a long-term incentive.

Performance-linked remuneration is evaluated by considering the performance of the entire Panasonic Group and of the executive's area of responsibility, based on indicators including sales, operating profit and free cash flows. Panasonic's restricted share-based compensation plan replaced the prior stock option-based compensation plan in 2019 and allots a fixed number of shares every year to each executive. The plan's objective is to incentivize improvement of the company's corporate value over the long term, as well as to further align interests with our shareholders.

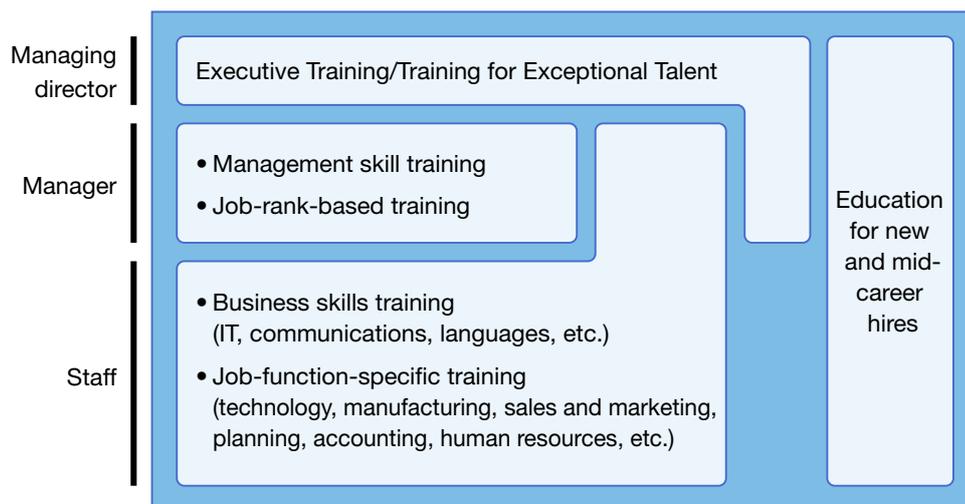
HR Development and Diversity: Human Resources Development

Human Resources Development Initiatives and Performance

Basic Education and Training System

Our education and training system offers all levels of Panasonic Group employees a set of global core common knowledge, which constitutes the minimum knowledge necessary for all aspects of Panasonic’s global business. Panasonic strives to develop human resources in all regions and at all levels using this system.

Basic Education and Training System



Starting in fiscal 2020, we have been globally promoting an initiative called “A Better Dialogue”, which is a program meant to achieve qualitative and quantitative improvements in interactions between employees and their managers. A Better Dialogue consists of regular dialogues to monitor performance, provide guidance, and strive for career and skills development. The objective is to accelerate the growth and advancement of each employee and to create an organization, a corporate culture, and a workforce that will realize the company’s business strategies.

Human Resources Development Company

Panasonic has established the Human Resources Development Company (HRDC) as an organization that specializes in human-resources-related development and training for employees of all levels worldwide.

The HRDC provides training to new hires (in Japan) so that new employees can quickly become active at Panasonic. It also offers business skills training that teaches IT, communications, languages, and other skills required to facilitate employee tasks. Job-function-specific training is provided as well so that employees can learn the specialized knowledge and skills needed to accomplish their tasks, whether they be technical, manufacturing, or sales and marketing. In addition, HRDC offers elective management development training for employees who meet certain conditions, management skill training meant to give managers greater management capabilities and the ability to practically implement Panasonic’s management philosophy, and other forms of job rank-based training.

Starting in April 2020, we began releasing free training content on our corporate intranet with a view to stimulating self-driven study, making study a daily habit, boosting personal growth, and better achieving organizational targets. This is part of Panasonic’s efforts to further accelerate employees’ independent professional development. We will keep working to further enhance and expand training in many dimensions, including by offering online training options.

- Number of employees in attendance

In fiscal 2020, the amount of time employees spent at the HRDC in Japan was 206,372 person-days*.

* Person-days = Number of people × Number of days

Global Human Resources Development

Panasonic has established regulations for inter-regional personnel transfers to better nurture leaders who can play a leading role in promoting business that goes beyond national and regional borders and who can serve as loci for cooperation, and strives to place its employees wherever in the world they can best display their abilities. For example, Panasonic began full implementation of a program called “Working In Japan” in 2007, with the aim of accelerating the development of talent from overseas through the experience of working in Japan.

In each country and region, Panasonic conducts and is expanding training programs to increase mutual understanding among people from all nations around the globe. For example, in Europe, as part of the two-year “Talent for Tomorrow” (TFT) human resources development program, employees join separate project teams, and each team works to promote CSR-based projects. These projects take several months and receive support and praise from non-profit organizations. The participating employees work on social issues while making use of their work skills and then apply the knowledge and experience that they gain from these activities to product development and business creation.

In each region, Panasonic conducts local elective management development training that is linked with the same training held in Japan. Additionally, as a part of its global policy, Panasonic conducts the Global Onboarding Program for mid-career hires and provides e-learning services, through which all global employees can learn the knowledge they need, regardless of time or place, based on the system of global core common knowledge.

Efforts to Develop Employees’ Employability

Career Creation System to Support Employees’ Ambitions to Create New Careers

We believe in the great importance of giving each and every one of our employees the opportunity to make the most of their own desires and creativity, to develop their talents and skills, and reach their full potential based on what their individuality brings to the table. Based on this philosophy, we have devised a Career Creation System to advertise job opportunities within the company and to support our employees’ efforts to advance their careers. In this system, departments that need new personnel must first formulate a clear statement of their requirements and seek to fill their positions within the company, which we call “e-Challenge.” We also have the e-Appeal Challenge system, which allows employees to offer their skills directly to those departments where they wish to work and to challenge themselves with new types of work. These systems support all employees equally, regardless of age, gender, or nationality.

Career and Life Design Seminars

To foster individuals who are improving their employability and continuing to strive for a better future, Panasonic recommends career and life design seminars for employees within a target age range.

Employees take stock of their careers, identify their core values, and make an inventory of their skills. They ask questions about the issues they face in building their careers and engage in other activities designed to promote an understanding of the importance of independent careers. Employees also clarify the promotion actions they can take to achieve their career vision for the next five years. The seminars also offer employees opportunities to brush up on their knowledge of personal finances and health maintenance, thus supporting the realization of fulfilling life plans.

Building Total Rewards Systems That Treat Both Our Organization and Our Ambitious Employees the Way They Deserve

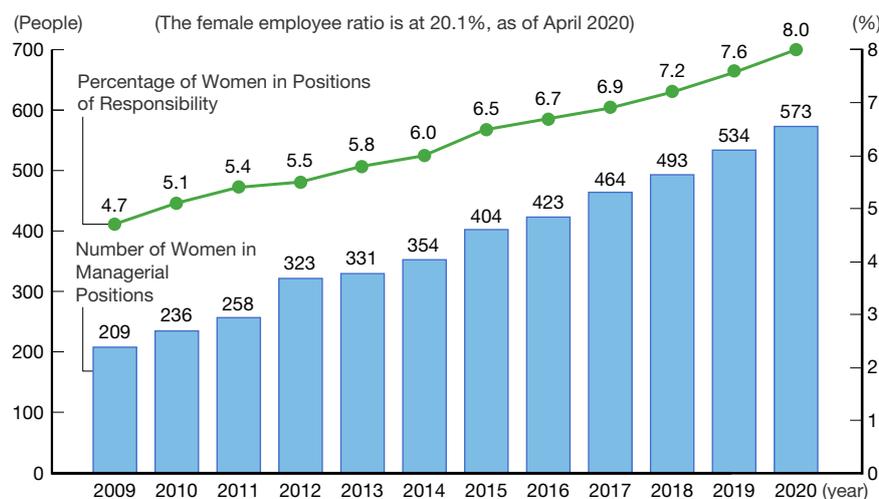
A “Role/Grade System” has been implemented at Panasonic Corporation (Panasonic in Japan) and some Japanese affiliates. This system determines work/role grades for employees according to the size of the work or role they currently perform and constitutes the basis for employee benefits. The aim of this system is to treat the wide variety of employees at Panasonic based on the scope of their work and responsibilities. This helps to enhance the transparency of our human resources system, and fosters understanding among employees. By setting clear goals for employees to strive for, we encourage them to be bold in achieving their goals. We believe this helps make both our people and our organization bolder, which allows to reap the rewards of ambitions, with the aim of building an organizational culture that is brimming with vitality.

HR Development and Diversity: Diversity

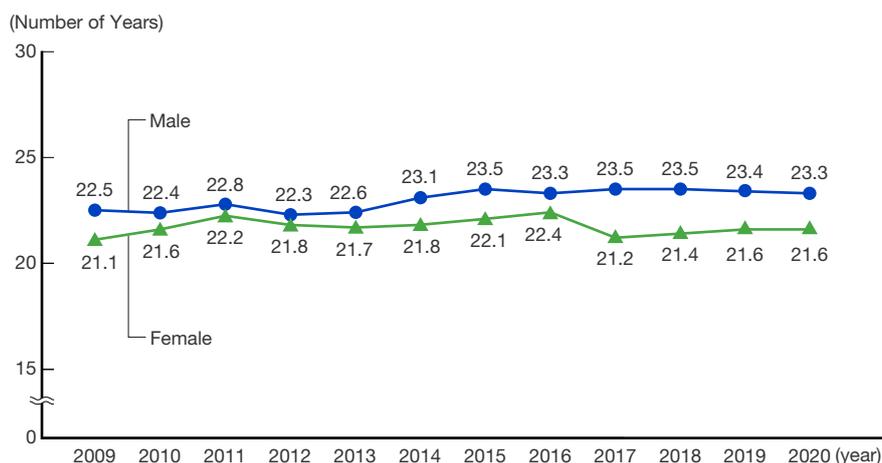
To leverage the knowledge capital of society to the greatest extent possible, Panasonic believes that it is crucial to take advantage of all forms of diversity in the workplace whether in terms gender, age, nationality, or any other factor. We have implemented a “Role / Grade System” that determines compensation based on the work or role in which employees are engaged; and 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.

Regarding the Senior Management team, a female Director was appointed in 2013, and currently two of the eight Directors are female. 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 supervisors. Furthermore, to raise the consciousness of all employees concerning the promotion of diversity, Panasonic has established a Diversity Promotion Month in July every year, hosting forums and creating opportunities in the workplace for discussions on the theme of diversity. As Panasonic welcomed its 100th anniversary, it is essential that all employees, who serve as the driving force behind Panasonic’s continued usefulness to society and its customers in the next 100 years, undergo self-growth while feeling rewarded in their work. Since November 2017, Panasonic has endeavored to create “A Better Workstyle” (by undertaking reforms that make work rewarding), with a focus on creating growth opportunities by reaching outside the company, supporting voluntary changes among employees, and encouraging a diverse environment.

Number of Women in Managerial Positions, Percentage of Women in Positions of Responsibility



Average tenure length



Diversity and Inclusion in the United States

Diversity naturally generates creativity and innovation in the workplace. Panasonic North America (PNA) is committed to building and maintaining a workforce as diverse as the communities we serve. The Diversity & Inclusion (D&I) program at PNA includes the Business Impact Groups (BIGs), Women Connect, Veterans Group, PRISM (supporting LGBTQ), and Level Up (Millennials) launched in 2019. Our newest BIG is called the Black Employee Network which recently launched in June 2020. These groups are just one way that we support the recruitment, retention and internal advancement of a diverse workforce.

Our efforts in I&D have led us to receive many awards including



Woman Engineer Magazine
Top 50 Employers



STEM Workplace Diversity Magazine
Top 50 Employers



Minority Engineer Magazine
Top 50 Employers

Here at PNA, 40% of our employees within underrepresented groups hold leadership positions throughout North America, and that number is improving every year. In addition, 17% of our leadership in North America is female. The insights and contributions made by our female leaders help move us forward. “Applying the same assumptions and methodology in calculation, underrepresented groups in leadership positions remained the same across FY19 and FY20 (40% both years). While women in leadership positions increased 1% YoY (16% in FY19 and 17% in FY20)”

In 2017, our Talent team worked with the Marketing organization to produce a video called Wall of Inclusion. We invited employees in Newark & Harrison, NJ to create Post-It notes explaining what they love about working in a diverse environment. The video allowed an opportunity to see how these notes were used to create a Panasonic Logo mural, but also gave many employees a moment on camera to share all that they gain from our commitment to continuous efforts in Diversity & Inclusion initiatives.

View our Wall of Inclusion video here. <https://vimeo.com/237451786/7239079828>

Work-Life Management

Realizing Diversity in Working Styles—e-Work*

Panasonic has been promoting “e-Work” for some time as an efficient way of working that takes advantage of information and communication technologies to perform work in any location. We are implementing a work-from-home system that covers around 40,000 employees. With the impact of COVID-19, there has been a strong push toward utilizing this work-from-home system, and we have realized that new working styles have emerged leveraging IT, digital, and other technological means. Going forward, we plan to continue building a work environment even more favorable to efficient work activities. We aim to increase productivity and improve the work-life balance of employees through a number of flexible working styles.

*The term “e-work” refers generally to working from home, mobile work, work at satellite offices, remote conferencing, and other such initiatives.

Supporting Diverse Ways of Working through Work-Life Management

As part of Panasonic’s efforts to create an environment that enables everyone to play an active role, the company is implementing initiatives to support a good work-life balance for employees.

The effort and adaptability of employees is vital for childcare, nursing care, and work to coexist. However, this effort may not be sufficient by itself, in which case, employees require the understanding and support of their supervisors and workplaces. Panasonic also creates guidebooks with hints for work-life balance, including explanations of the systems needed for maintaining personal and business responsibilities and information on how supervisors and subordinates can work together. This is another way in which Panasonic helps its employees continue their careers without worry, regardless of the situations they face with childcare or nursing care.

Examples of Systems Supporting Work-Life Management

Flex-time work system

A flexible work-hour system that does not designate mandatory “core hours” when all employees must be present

Child Care Leave

A non-consecutive total of two years of leave that can be taken until the end of the April following the child's start at elementary school

Work and Life Support Program

A flexible work system for those raising children, or providing nursing for an elderly person, that includes short and flexible working hours; half-days; as well as adjustable, fewer-day working weeks; and other appropriate schedules

Family Support Leave

A leave system that can be used for a wide range of events, including care or nursing of family members, or attending a child's school events

Child-Rearing Support Café Point

A system by which Panasonic covers some of the costs for childcare, such as extended daycare and daycare for an ill child

Child Planning Leave

System of leave for fertility treatments

A Comprehensive Program for Supporting a Balance between Nursing Care and Work

- Holding of seminars and launch of a portal site with information concerning nursing care
- Counseling for employees facing the prospect of nursing care, and support for related procedures
- Company support for half of the daily costs of nursing care through the Nursing Care Support Café Point
- Ability for employees to take leave days up to a total of 365 days per person requiring nursing care, with a payment of 70% of wages plus an allowance for the employee-borne portion of social insurance premiums for leave totaling to 183 days or fewer
- Other measures, including the establishment of a nursing care financing system

Creating a Workplace Where People with Disabilities Can Take an Active Part

Panasonic supports every workplace in creating a pleasant work environment for all employees, whether they have a disability or not. For example, if an employee with a hearing loss takes part in a training session, we utilize a sign language interpreter or use a voice recognition software to ensure that there is no impediment to exchanging information. We also promote working environment improvements such as floors without steps or dips, lighting that is sufficiently bright, and unassigned desk space in an open office format. Panasonic also develops educational materials to improve employees' understanding about people with disabilities and to provide opportunities for further learning.

The Panasonic Group manages seven special subsidiaries to promote the employment of workers with severe disabilities in cooperation with local communities and governments. These subsidiaries take measures to create an appropriate workplace, which includes the installation of specially designed workbenches and materials suitable for people who use wheelchairs. The subsidiaries also actively welcome trainees and observers.

As of June 2020, individuals with disabilities represented 2.33% of Panasonic Corporation workforce in Japan, while the figure for the whole Group was 2.35% (exceeding the legally mandated employment rate of 2.20%).

Going forward, we will continue our efforts to support people with disabilities in their independence and social participation.

Employment of Workers with Disabilities (Japan)

	2012 June	2013 June	2014 June	2015 June	2016 June	2017 June	2018 June	2019 June	2020 June
Panasonic Corporation	2.04%	2.15%	2.16%	2.15%	2.18%	2.15%	2.15%	2.20%	2.33%
Key Group Companies	2.11%	2.21%	2.24%	2.46%	2.50%	2.24%	2.47%	2.49%	2.58%
Group (whole)	2.06%	2.17%	2.18%	2.21%	2.23%	2.16%	2.17%	2.22%	2.35%

Special Subsidiaries (employee figures are as of June 2020)

Company Name	Year of Establishment	Number of Employees (Number of Persons with Disabilities)	Description of Business
Panasonic Kibi, Co., Ltd.	1980	84 (40)	Assembly of video camera LCD units, video accessories
Panasonic Katano Co., Ltd.	1981	40 (34)	Assembly of avionics products, inspection and packaging of AV accessories
Panasonic Associates Shiga Co., Ltd.	1994	63 (36)	Assembly of electronic circuits (for massage chairs, shavers, etc.)
Panasonic Ecology Systems Co., Ltd.	1980	47 (27)	Assembly of ventilating fan parts, printing of user manuals
Panasonic Heart Farm Associates Co., Ltd.	1998	71 (40)	Growing / selling orchids, distribution of company-internal mail
Harima Sanyo Industry Co., Ltd.	1982	40 (22)	Assembly of vacuum cleaner parts, maintenance of internal environment
Panasonic Associates Tottori Co., Ltd.	1992	55 (22)	Manufacture of LED products, light sensors

Employing Workers Post Retirement

In 1982, Panasonic created the Senior Partner System, allowing workers past retirement age to enter into employment contracts under new conditions. In 2001, we introduced our “Next Stage Program”, and in 2008, we relaunched this as the “New Next Stage Program”, renewing our position as an industry leader in formulating policies for the employment of older workers in Japan. In 2019 we once again revamped the New Next Stage Program and launched a new initiative for mid- to long-term personal development that includes skills and mind-set enhancement for currently active workers, based on the assumption that more people will continue to work into their later years.

Next Stage Program

The Next Stage Program is a system that mainly consists of the Next Stage Partner Program, which allows workers who wish to continue working after the mandatory retirement at age of 60 to do so until the age of 65. In April 2008, we relaunched this as the New Next Stage Program. Our basic thinking here relies on an emphasis on personal autonomy. The new system is easier to understand, more flexible, and easier to use than ever before. In 2015, we updated this system once again, based on new ideas about longer term careers and aimed at encouraging each employee to map out his or her own career from an early stage. Our new system offers a broader range of measures to meet the diverse needs of older workers. More specifically, across the entire company, we are developing and promoting training seminars on career design and life design for various stages of people’s lives. As increasing numbers of people desire to continue working into their later years, social attitudes are changing. This has economic ramifications, in terms of retirement and pension benefits—specifically, the need for many employees to continue to work during the gap between when they officially retire and when they start to receive pension payouts—as well as ramifications in terms of the emergence of older workers as a potential resource. Since legal revisions are also underway, we are striving to ensure that everyone who wishes to continue working beyond the age of 60 has the opportunity to do so, and we are fine-tuning the conditions of our Next Stage Partner Program to accommodate this change. We are also offering economic support for employees who wish to retire early and seek new activities elsewhere, as well as support for those who wish to work elsewhere after reaching retirement age.

Create a Good Work Environment for all Regardless of Sexual Orientation or Gender Identity

Policy

Panasonic’s Code of Conduct makes it clear that discriminatory speech or conduct with regard to sexual orientation or gender identity, as defined by applicable laws, are not permitted.

▶ Panasonic Code of Conduct, Chapter 3: Employee Relations (2) Respect for Human Rights

<https://www.panasonic.com/jp/corporate/management/code-of-conduct/chapter-3.html>

Treatment of Individuals in Panasonic's HR Systems

Effective April 2016, Panasonic now recognizes same-sex domestic partners as equivalent to legal spouses within its HR systems, except in areas where such recognition cannot be applied due to legal restrictions. This is part of the company's promotion of diversity in management, which is based on valuing, accepting and making the most of individuality. Affiliates both within and outside of Japan are addressing this matter on an individual basis, subject to the condition of compliance with applicable local laws.

Advancement in Understanding

In order to create a friendlier workplace regardless of sexual orientation or gender identity, Panasonic has been conducting since February 2016 successive seminars targeting HR functional divisions, managerial positions, and employees. Seminars for HR functional divisions offer not only basic knowledge about sexual orientation or gender identity concerns, but also methods for dealing with discriminatory speech or conduct, and methods for responding to the needs of those involved. Information on how to advance understanding and invitations to participate in related events are also sent out via Panasonic's intranet system.

Creating Support Desks

Panasonic has created support desks through which employees can engage in email or telephone consultations about any internal company topic, including cases of sexual harassment or abuse of authority (employees can use these support desks anonymously.)

Support for External Activities

Since fiscal 2015, Panasonic has been engaged in cooperation with "work with Pride", a private organization that works on initiatives to create friendlier workplaces that are inclusive of various sexual orientations and gender identities. Panasonic provided a hall in its Tokyo building as a venue for an event in 2014, with roughly 200 people taking part, most of them from corporate HR departments.

Every year since then, we have cooperated with "work with Pride" on their Tokyo Rainbow Week exhibits and continuously cooperated for other events. Panasonic has made contributions to the policy working group for a corporate LGBT evaluation index held from December 2015 to May 2016 as a secretariat member.

Panasonic also supports Pride House Tokyo as a "Rainbow Partner" to raise awareness of LGBTQ issues through hosting events and producing diverse content, while taking advantage of the opportunities available during the Tokyo 2020 Olympics and Paralympics.