

Strengthening Governance



Corporate Governance

Policy

Since its founding, the Panasonic Group has been guided by the management philosophy of “contributing to the progress and development of society and the well-being of people worldwide through its business activities.” Then, in April 2022, the Group shifted to an operating company system (holding company system) with Panasonic Holdings Corporation as the parent company, in order to advance our corporate management from a medium- to long-term perspective, as the changes in the business environment become more drastic and uncertain each year. Panasonic Energy, one of the Group’s operating companies, views corporate governance as an important foundation. We are striving to build and strengthen an effective corporate governance structure by setting up the Board of Directors, which makes decisions on important business operations related to the entire Company and supervises the directors’ execution of their duties, and the Audit & Supervisory Board System, which is independent from the Board of Directors and audits the directors’ execution of their duties, as well as the Nomination and Compensation Advisory Committee and other important committees.

Initiatives

Corporate governance structure and initiatives

Board of Directors, Audit & Supervisory Board, and other meeting bodies

The Board of Directors consists of 5 directors and 3 Audit & Supervisory Board members (as of April 2025). As the decision-making body for important management issues, the Board of Directors makes prompt and accurate judgments and promotes appropriate business operations.

The Audit & Supervisory Board monitors the status of governance operations, among other duties, on an autonomous and independent basis. Through activities such as regular on-site inspections and attendance at major meetings, the Audit & Supervisory Board audits daily management activities, including the status of the execution of duties by directors.

We have also established a Management Meeting, consisting of executive officers and Audit & Supervisory Board members, to make prompt and appropriate decisions. The following additional committees were set up and are operating to further strengthen our governance system: a Nomination and Compensation Advisory Committee to strengthen objectivity and transparency in the appointment, dismissal, and compensation of directors and executive officers; an ERM* Committee to identify, assess, and formulate measures to address cross-organizational risks at the Panasonic Energy Group; and an ESG (Environmental, Social and Governance) Committee, which is responsible for planning and evaluating ESG-related matters.

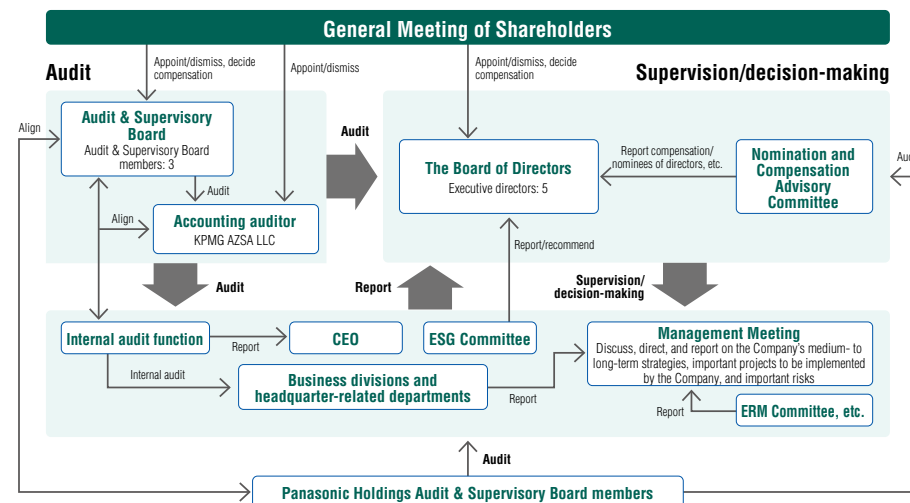
* ERM: Enterprise Risk Management



Please check the sustainability website for details.

https://www.panasonic.com/global/energy/sustainability/governance/corporate_governance.html

Corporate governance structure (as of April 2025)



Executive remuneration system

The remuneration system for executive officers consists of basic salary and performance-based remuneration. Performance-based remuneration is determined based on the degree of achievement against financial targets, such as operating cash flow and EBITDA, and non-financial targets, such as KPIs in the function for which the executive officer is responsible and environmental contribution from an ESG perspective. We are working to enhance corporate value from a non-financial perspective by incorporating environmental contributions, serious accidents, and compliance as ESG perspectives in our non-financial targets.

Internal control

The Board of Directors has formulated the “Basic Policy for the Establishment of Internal Control Systems” to ensure the adequacy of business operations and reporting systems, to ensure the legality and efficiency of the execution of duties by directors, to manage risks, and to ensure the independence and effectiveness of corporate auditors. Based on each of these basic policies, the Company establishes and operates various regulations, committees, etc., provides education, conducts audits including those of subsidiaries, and operates a fraud prevention hotline, as well as a transaction and contract risk management. Then, we are striving to ensure sound, efficient business operations, and reinforce our management foundations, by strengthening governance.

ERM Committee

Recognizing that accurately managing risks and taking appropriate countermeasures is an important management issue, the Company has established an ERM Committee, chaired by the Officer in Charge of Risk Management and composed of the heads of the legal, human resources, accounting, and similar departments, as well as Audit & Supervisory Board members. The ERM Committee reports regularly on significant risks and the progress of countermeasures based on the PDCA cycle of risk management to the Management Meeting, which supervises and verifies these efforts. Specifically, the Committee assesses a wide range of risks from the perspectives of both the degree of impact at the time of occurrence and the likelihood of occurrence. Based on the results of these assessments, the Management Meeting identifies key risks, the owners of the identified key risks are responsible for formulating and implementing countermeasures and monitoring their progress in order to ensure continuous improvement.

Strengthening Governance

■ Director profiles

Kazuo Tadanobu

Representative Director,
President
Chief Executive Officer (CEO)



Apr. 1992 Joined Matsushita Electric Industrial Co., Ltd.
Jul. 2020 Vice President of Industrial Solutions Company,
Panasonic Corporation
Oct. 2021 President of Energy Company of the company
Apr. 2022 Representative Director, President, and Chief Executive Officer (CEO) of
Panasonic Energy Co., Ltd. (incumbent)

Masaru Miki

Director, Managing Executive Officer
Chief Human Resources Officer (CHRO)
In Charge of General Affairs



Apr. 1991 Joined Matsushita Electric Industrial Co., Ltd.
Jun. 2014 Seconded to Panasonic India Private Ltd.,
Director, Chief Human Resources Officer (CHRO) of the company.
Apr. 2017 Seconded to Panasonic India Private Ltd., Director, Chief Human Resources
Officer (CHRO) of the company / General Manager, Global Human
Resource Department of Panasonic Corporation
Oct. 2021 Managing Officer of Energy Company
Apr. 2022 Managing Executive Officer of Panasonic Energy Co., Ltd.
Chief Human Resources Officer (CHRO) of the company (incumbent)
Apr. 2024 Director, Managing Executive Officer of the company
Jun. 2025 Representative Director, Managing Executive Officer of the company
(incumbent)

Yasuaki Takamoto

Representative Director,
Executive Vice President Director,
Mobility Energy Business Division



Apr. 1993 Joined Matsushita Electric Industrial Co., Ltd.
Apr. 2019 Vice President of US Company, Panasonic Corporation
Oct. 2021 Executive Vice President of Energy Company of the company
Apr. 2022 Representative Director,
Executive Vice President of Panasonic Energy Co., Ltd.
Jun. 2025 Director, Executive Vice President of the company (incumbent)

Masaaki Mizoguchi

Director, Managing Executive Officer
Chief Financial Officer (CFO)



Apr. 1994 Joined Matsushita Electric Industrial Co., Ltd.
Apr. 2016 Director of Panasonic Liquid Crystal Display Co., Ltd., AIS Company,
Panasonic Corporation
Oct. 2021 Managing Officer of Energy Company
Apr. 2022 Director, Managing Executive Officer, and Chief Financial Officer (CFO) of
Panasonic Energy Co., Ltd.

Kunio Tanaka

Director, Managing Executive Officer
Chief Strategy Officer (CSO)
In charge of Brand Strategy



Apr. 1983 Joined Matsushita Electric Industrial Co., Ltd.
Apr. 2017 Managing Officer, AIS Company, Panasonic Corporation
Apr. 2019 General Manager, Global Business Promotion Department, Corporate
Strategy Division and Vice President of Panasonic North America, US
Company of the company
Oct. 2021 Managing Officer of Energy Company
Apr. 2022 Director, Managing Executive Officer, and Chief Strategy Officer (CSO) of
Panasonic Energy Co., Ltd. (incumbent)

Thorough Compliance

Pursuit of Quality and Product Safety

■ Policy

As the level of quality demanded by society increases, product safety and superior quality are important elements that demonstrate our brand power.

We have positioned quality as the driving force behind the advancement of our business, defining quality as “our competitive edge to win customer trust and satisfaction,” and setting our quality policy as “maximizing our competitive edge to achieve 100% customer satisfaction.” Maximizing competitiveness requires maximizing the sum of the competitiveness of all job functions, including design, manufacturing, quality, sales, among others, and we are promoting initiatives from the following perspectives to maximize our competitiveness.

Defense: Initiatives to make existing frameworks and processes more robust^{*1}

Offense: New initiatives aimed at advancing our business

Foundation: Initiatives that form the basis for business promotion

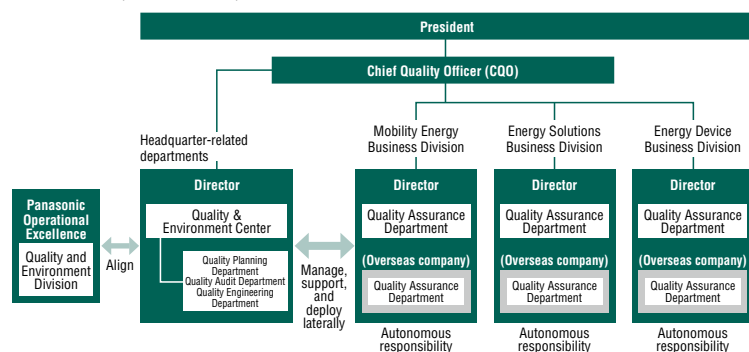
Through these activities, we aim to eliminate all serious product incidents.

*1 The strength of a system or machine against external forces.

KPI	FY2025	FY2031
Number of serious product incidents* ²	0	0

*2 Number of new product incidents leading to safety-related recalls

■ Our quality assurance system



■ Initiatives

Activities to ensure product quality and safety

Making quality assurance processes more robust

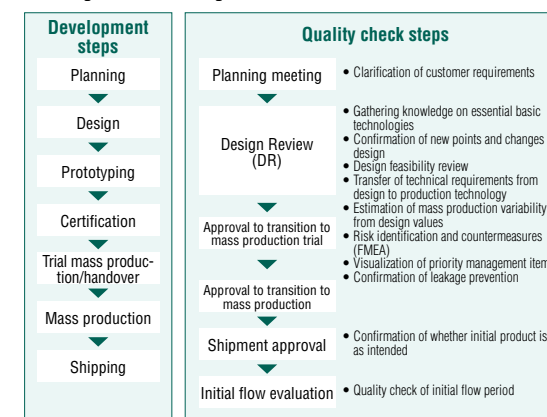
To establish a quality assurance process, we have built and operate a quality management system that complies with ISO 9001, IATF 16949, and other global standards in each business division, and regularly check its effectiveness through internal and external audits. We also conduct our own quality audits of business division through our Quality & Environment Center to identify weaknesses and issues in terms of quality assurance and compliance, and work to make improvements toward better quality assurance company-wide through operations and monitoring, including the horizontal rollout of best practices.

Strengthening product safety design and manufacturing

The environment, fields, and devices in which batteries are used are changing with the evolution of society. To address these changes in the design process, we identify and verify risks together with our customers (B-to-B and B-to-C) and suppliers of parts and materials. The identified risks are then fed back to product design, component design, and process design to confirm their validity as key verification items in the development process. To prevent problems in the manufacturing process as well, we identify risks and take countermeasures by visualizing key data (DX) and FMEA*3 in all processes from source to shipping, thereby bolstering management. We are also committed to developing human resources capable of putting these initiatives into practice by providing training in quality tools and statistical management methods, as well as support for hands-on activities.

*3 Failure Mode and Effects Analysis

- New product development flow



Fostering a quality-oriented culture and developing human resources

We regularly hold various training sessions and events for all employees to foster a culture of placing the highest priority on product quality and compliance. At the Product safety forum, we strive to raise awareness and pass on lessons learned through activities such as reviews of past quality issues and technical lectures related to product safety. Furthermore, in order to develop human resources that can achieve the quality we aim for, we are building an education system according to rank and skill, implementing quality-related measures, and hosting various events, etc. For employees in technical roles, we provide training in the basics of statistical quality management methods as well as the fundamentals of quality. For young quality personnel, we have established training courses that enable intensive learning and are working to enhance their development.



Thorough Compliance

Compliance with Laws and Regulations

■ Policy

The Basic Business Philosophy of the Panasonic Group describes the ideas and action guidelines that are important to us in carrying out our business activities while practicing compliance, such as ensuring social justice, realizing co-existence and mutual prosperity with our stakeholders, respecting diversity, contributing to ensuring harmony with the environment, and fulfilling our corporate social responsibility. We believe it is important not only to comply with laws and social morality, but also to always think about what is right for society from selfless motives and act with integrity and fairness. In accordance with the Basic Business Philosophy of the Panasonic Group, we carry out fair business practices in all situations based on the belief that compliance is the foundation of our business activities, and fulfill our Mission of “achieving a society in which the pursuit of happiness and a sustainable environment are harmonized free of conflict.”

KPI	FY2025	FY2031
Number of serious legal and compliance violations ^{*1}	0	0

^{*1} The criteria are based on internal rules and regulations, etc.

Thorough compliance with the Code of Ethics & Compliance

The Panasonic Group Code of Ethics & Compliance embodies the Basic Business Philosophy of the Panasonic Group and defines the commitments that each Panasonic Group company must fulfill, the responsibilities that all employees must fulfill, and the additional responsibilities that all officers and organization leaders must assume with respect to the organizations for which they are responsible, which are essential for carrying out our business activities while ensuring compliance. As a company, we are engaged in various activities and undertakings to thoroughly enforce the Code for all employees.



Please check the sustainability website for details.
<https://www.panasonic.com/global/energy/sustainability/governance/compliance.html>

■ Initiatives

Initiatives to ensure thorough compliance with the Code of Ethics & Compliance

Education and awareness

We conduct a variety of compliance-related training programs for all global employees. Compliance-related content is incorporated in new employee training, rank-specific training such as for new positions, and training for overseas assignments and similar programs. We also provide risk-based, field-specific compliance training, including anti-cartel and anti-bribery training, security export control training, subcontracting law, etc., as needed. In particular, we designate September of each year as “Compliance Month” for an opportunity to reconsider on the importance of compliance.

Establishment and operation of compliance system

The Panasonic Energy Group ensures the legality of the execution of duties by officers, employees, and others by thoroughly promoting compliance awareness, implementing initiatives in accordance with the policy, and establishing an effective governance system, including an appropriate monitoring system. Furthermore, we have established a system that ensures effective auditing by having Audit & Supervisory Board members collaborate with the accounting auditor and internal auditing departments in accordance with the Audit Plan formulated annually. We have also established a various committees system to ensure compliance with laws and regulations, including the Compliance Committee, the Trade Compliance Committee, and the Subcontract Act Compliance Committee. Through these committee activities, we are ensuring the thorough implementation of our policies, share information on incidents, laterally deploy measures to prevent recurrence, and conduct education.

Effective operation of the whistleblowing system

We have established a global hotline (EARS) as a communication channel for both internal and external parties to report and consult on suspected misconduct. All reports received by EARS are properly investigated in accordance with the relevant rules and regulations, and feedback is provided to the whistleblower. In addition, a system is in place, which is designed to ensure prompt escalation to the Compliance Committee and senior management as necessary. Whistleblowers can report anonymously to EARS. Retaliation against whistleblowers is clearly prohibited in our internal rules and regulations and is communicated to all employees, providing an environment where whistleblowers can secure psychological safety upon reporting incidents. There were no significant legal or compliance violations in fiscal 2025.

Initiatives for compliance with laws and regulations in the supply chain

In response to the international security situation and increasing social demands on human rights issues, policies, laws and regulations in various countries and regions are growing and becoming more complex. By monitoring these policies and regulations globally, the Company strives to understand their impact on its business and respond in a timely manner. In particular, with respect to policies and regulations that may affect the entire supply chain, the Legal and Procurement divisions play a central role in establishing a company-wide compliance system, reporting to the Board of Directors and the Management Meeting, and determining how to respond.

■ Trend in number of reports ^{*2}

	1H	2H
FY2023	45	61
FY2024	46	47
FY2025	63	68

^{*2} For fiscal 2024 and later, the standard applied until fiscal 2023 has been changed. Cases reported to EARS and the Equal Partnership Consultation Office were counted.



Thorough Compliance

Ensuring Information Security

Policy

In today's world, where the convenience of digitalization has also brought with it the great risk of losing trust due to information leaks, the financial impact of information security on our business is significant and must be a point of focus. We position information security as one of our important management strategies and ensure information security by establishing an information security system, educating our employees, appropriately managing our information assets, and responding to cyberattacks, etc.

We believe that it is important to work together as a company for everything we do. Our such efforts will be centrally managed and improved to a high standard by adopting initiatives in line with the Panasonic Group's management systems as a reference. In addition, we will build systems and rules optimized for the Company by drawing on the collective wisdom of our employees, thereby protecting the information of our customers around the world and everyone involved in our business. To work toward fulfilling our Mission of "achieving a society in which the pursuit of happiness and a sustainable environment are harmonized free of conflict," we aim to ensure customer satisfaction and trust by having zero information security incidents*.

* Refers to the following incidents that threaten the safety of information held and managed by the Panasonic Group, including trade secrets, personal information, customer information, etc. (including information of other parties).

- Information leaks or suspected leaks outside of the Company
- Unauthorized access or suspected unauthorized access to the Company's information from inside or outside the Company
- Destruction or falsification of information, or suspected destruction or falsification of information

KPI	FY2025	FY2031
Number of information security incidents*	6	0

* The criteria are based on internal rules and regulations, etc.



Please check the sustainability website for details.
https://www.panasonic.com/global/energy/sustainability/governance/information_security.html

Initiatives

Aiming to become zero information security incidents

Information security governance

The Company has appointed a Chief Information Security Officer (CISO) as the officer in charge of information security and personal information protection, directly reporting to the President who is responsible for managing the Company. The promotion system is designed to enable the Information Security Promotion Manager and the Information Security Promotion Office, appointed by the CISO, to interact with the workplace to gather collective wisdom and engage in initiatives through committee activities.

With regard to information assets, the leader of the organization that owns the information establishes the confidentiality, scope of disclosure, and handling of the information, and manages it in accordance with the provisions of the Panasonic Group Global ISM (Information Security Management) Regulations and related rules. Departments that hold information conduct periodic inventory checks to identify confidential information and check its management status, thereby proving that the confidential information is properly managed in the Company.

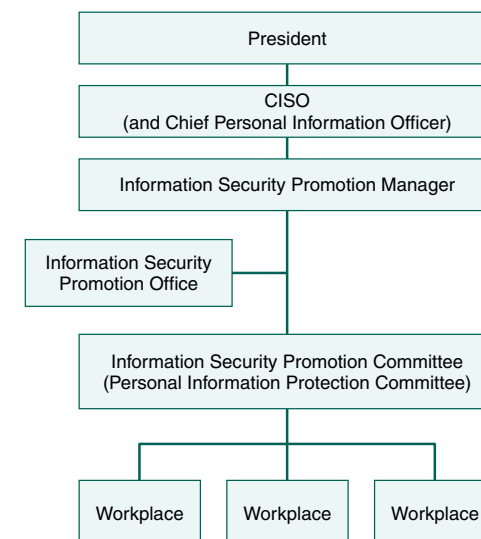
In the area of cyber security, we promote vulnerability countermeasures to ensure the safety of the systems and facilities that manage our information assets, as well as the products and services we provide to our customers.

Education and training

The Information Security Promotion Office regularly plans and implements education and training to prevent information leaks. Specific initiatives include e-learning programs, targeted attack e-mail drills, and seminars by outside instructors to train management and organization leaders. We have also produced an educational manga in 6 languages to enable all employees to learn about information security in a fun way, and are distributing it globally.

Through these measures, we are working to thoroughly enforce our information security rules and raise employee awareness.

Structure of information security promotion system



Production: Trend-pro Inc.