



Responsible Supply Chain

■ Policy

We procure raw materials such as active materials for batteries as well as various components ranging from various processed parts to electronic devices, from about 1,000 suppliers in Japan and overseas at 20 global production sites. We recognize that, in the procurement process, we are required to fulfill our corporate social responsibility throughout the entire supply chain. To fulfill this social responsibility, we build partnerships with our suppliers on a global basis, we maintain and improve the quality of purchased products and maintain competitive prices to create the product value required by our customers based on mutual trust and cooperation. At the same time, we comply with laws and regulations, social norms, and corporate ethics, and fulfill social responsibilities, such as human rights, environmental conservation, and information security. We promote responsible procurement activities while building a sustainable supply chain with low environmental impact with our suppliers.

KPI	FY2025	FY2031
Written CSR consent acquisition rate from tier 1 suppliers	100%	100%
Ratio of tier 1 suppliers with an A-rank CSR self-assessment	87%	100%
Ratio of assurance provided by conducting CSR audits of tier 1 suppliers	34%	100%
CMRT/EMRT collection rate	100%	100%
Utilization ratio of conformant/active smelters	90.8%	100%

■ Initiatives

Compliance with supply chain CSR guidelines and risk reduction through self-assessment and audits

To demonstrate its approach to CSR procurement and clearly communicate its requirements to suppliers, the Panasonic Group has established CSR Guidelines in accordance with international norms and principles regarding human rights, including the UN Guiding Principles on Business and Human Rights, and requires compliance with these Guidelines. In line with the Panasonic Group's activities, the Group has started to conclude basic transaction agreements that require new suppliers to comply with the Guidelines. We have also requested that existing suppliers submit a written agreement to comply with the Guidelines. As of the end of March 2025, we were able to obtain written agreements from all tier-1 suppliers. We have asked our 351 tier-1 suppliers to carry out regular self-assessments using a CSR assessment sheet based on the Guidelines. The assessment results are classified into three ranks, A, B, and C, in ascending order according to risk. As of the end of March 2025, 307 companies (87%) were ranked A, 39 companies (11%) were ranked B, and the remaining five companies had yet to submit a self-assessment result sheet. We will continue to request submissions from suppliers who still need to do so. For ranked B suppliers, our Procurement Department works together with them to promote risk reduction by implementing improvement activities aimed at strengthening the CSR management system. In the event that a supplier receives a ranked C, we will review our transactions with them. Furthermore, starting in fiscal 2024, we took the initiative to initiate on-site CSR audits of our suppliers. Going forward, we will continue to conduct on-site CSR audits to identify supply chain risks and take countermeasures against them.

Responsible minerals procurement

The supply chains of minerals which are the main materials in batteries pose a variety of CSR risks such as human rights violations and environmental destruction, and appropriate due diligence is essential. We have formulated a responsible mineral procurement policy in accordance with OECD guidelines, and every year with the cooperation of our suppliers, we identify smelters and verify whether they comply with RMAP*¹ or have acquired other certifications. In addition to encouraging non-compliant smelters' participation in RMAP, in the unlikely event that conflict-affected minerals are found, we would ask that they take steps to change suppliers or eliminate the use of such materials. Going forward, we will continue to collect survey forms from all suppliers, with the aim of procuring only from conformant/active smelters*³.

*1 RMAP: Responsible Minerals Assurance Process program stipulated by RMI*²

*2 RMI: Responsible Minerals Initiative, an organization that provides industry-standard survey tools, etc. for companies to conduct responsible mineral procurement

*3 Conformant smelters: Smelters that have been audited to be RMAP compliant
Active smelters: Smelters that are at the preparation stage to be audited by RMI

*4 CMRT, EMRT: RMI-issued conflict minerals survey forms



Please check the sustainability website for details.

https://www.panasonic.com/global/energy/sustainability/social/supply_chain.html

■ Activities Regarding Gold, Tantalum, Tin and Tungsten

Item	Data
CMRT* ⁴ collection rate	100%
Ratio of conformant/active smelters* ³	94.1%

■ Cobalt and mica related activities

Item	Data
CMRT* ⁴ collection rate	100%
Ratio of conformant/active smelters	80.6%