Management Direction
Under New System

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My Thoughts After the First 100 Days

Panasonic Group has great potential in many areas & operational frontlines

To enhance competitiveness and make contributions to society, we must first return to the basics of management
Basic Business Philosophy

It defines “Basic Management Objective,” “Company Creed” and “Seven Principles” as the basis of Konosuke Matsushita’s management philosophy and way of thinking in implementing it.

Major revision for first time in 60 years —
To encourage employees to rediscover the origins of the basic ideas and guidelines of conduct

Group Management Based on Basic Business Philosophy

- Aim to achieve an ideal society with affluence based on “matter and mind as one”
- Become unrivaled in accomplishing valued work so that customers select Panasonic’s products & services
- Faithfully practice the customer-comes-first attitude, more than anyone else
- Profit is a result: it should be returned to society & employees and invested in the future
- Implement “autonomous responsible management & employee entrepreneurship”
- Create culture in which “employees can say what they have to say” and promote management through collective wisdom
- Promote management that “maximizes potential of our human resources”

Japanese version of Panasonic Group’s Basic Business Philosophy
(English version will be available soon)
Aim of Operating Company System

Management based on contributions to solving societal and environmental issues, envisaging a 10-year horizon
- Clarify contributions each operating company will make reflecting changes in society from a long-term perspective
- Drastically reform the way of formulating and following up the new medium- to long-term strategies, starting FY23

Continuous enhancement of competitiveness
- Move with strategy and operational capability, which are indispensable to each other
- Set KPIs to enhance competitiveness of each business and evaluate its progress

Enhancing Competitiveness Thoroughly in All Businesses

Each operating company will
- focus on enhancing competitiveness to make contributions to society for two years
- make their own investments for the future

Competitiveness is the fundamental value of each business: Being selected by customers for unrivaled, valued work is the basis of contributing to customers and society

No classifications of “focus area” or “core business” (necessary investment scale and fundamental value of business are different)
Roles of Panasonic Holdings Corporation

1. Thoroughly implement Group’s Basic Business Philosophy
2. Ensure and support enhanced competitiveness to make greater contributions to society and customers:
   - GX (Green Transformation), DX (Digital Transformation), Gemba Innovation, Design Management, Brand Management, and various accelerated innovations
3. Attain management that maximizes potential of human resources and build needed platforms
4. Accelerate where necessary: business selection & concentration and taking inorganic measures to strengthen & revitalize businesses
5. Respond effectively to critical risks from Group’s perspective

Enhance Group-wide foundation of management, envisaging beyond the 10-year horizon set by operating companies

GX (Green Transformation)

Promote zero CO₂ emissions from Panasonic and contributions toward a “carbon neutral society”

Established roadmap to “Achieve zero CO₂ emissions (carbon neutrality) at all operating companies in 2030” (Scopes 1&2*)

Toward 2050
- Reduce CO₂ emissions from using Panasonic products (Scope 3*)
- Reduce CO₂ emissions by B2B/G customers through the Panasonic products & services we offer
  - Aim for greater scale of “contribution in reduction” beyond emissions from Panasonic’s value chain

| Size of emissions from Panasonic’s value chain | Emissions directly from Panasonic 2.2 Mt | Suppliers 16.56 Mt |
| Suppliers Emissions from using Panasonic products 85.93 Mt |

“Size of contribution in reducing CO₂ emissions”

Figures based on FY21

* GHG (Green House Gas) is classified and assessed according to the GHG Protocol, the international calculation standard (Scopes 1&2*).
Support each business in promoting DX and raise the level of Group-wide IT management infrastructure

Increase speed of management by transforming existing work style and business procedures

- Adjust according to each business and improve swiftly
- Accelerate move to cloud-based systems
- Establish data-driven infrastructure

Management that Maximizes Potential of Our Human Resources

Make contributions to society by maximizing our collective, diverse talent while having each individual employee take up challenges and act proactively

Establish HR system and start its operation to make the most of our diverse, unique capabilities

- Human resources exchange across operating companies
- Promote DEI (Diversity, Equity & Inclusion)
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