

Group Strategy Briefing

Yuki Kusumi, Group CEO

Panasonic Holdings Corporation

Panasonic Group

April 1, 2022

Notes: 1. This is an English translation from the original presentation in Japanese.
2. In this presentation, "Fiscal 2022" or "FY22" refers to the year ended March 31, 2022.

- Good afternoon,
I'm Yuki Kusumi, Group CEO of Panasonic Holdings Corporation.
- Thank you very much for participating in this online briefing,
despite your very busy schedule.
- Before we start, I would like to express my concerns regarding
the current situation in Ukraine. I offer my deepest condolences to those
who have lost family members, and I hope the world will return to peace and
security as soon as possible.
- Now, I would like to start today's briefing on our Group strategy.

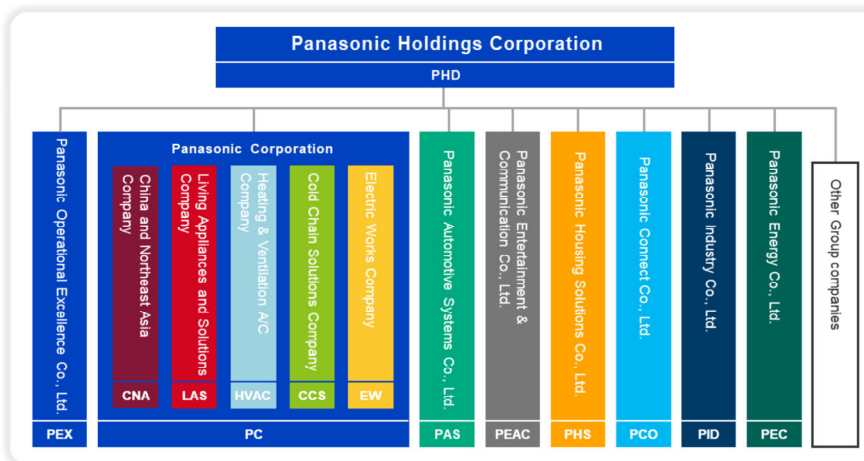
Starting New Structure & Looking Back on Previous Medium-term Period

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1

- First, before explaining the details of our new medium- to long-term strategy, I would like to touch on the start of our new structure and look back on the previous medium-term period.

Panasonic Group New Structure (from April 2022)



As an independent legal entity, each operating company will squarely address society & customers, thoroughly implement autonomous management, and accelerate competitiveness enhancement

Note: Abbreviations indicated under each organization name

- Today, April 1, 2022, we changed our corporate name from Panasonic Corporation to Panasonic Holdings Corporation. At the same time, we transitioned to a new Group structure by establishing operating companies as independent legal entities.
- As we have explained, the name Panasonic Corporation has been taken by the previous “Lifestyle Updates Business Division,” which was established as a divisional company in October 2021.
- Under the new Group structure, operating companies play the main role and, therefore, we call this system an “operating company system.”
- Each operating company will make contributions to society and customers, implement thorough autonomous management and accelerate the enhancement of competitiveness.

Looking Back on Previous Medium-term Period

Improved profitability (FY20-22):

- Eliminated losses from businesses with loss-making structures
 - Thoroughly enhanced our management structure
- despite external business environment changes such as COVID-19, etc.

First year of “2-year period (FY22-23) to focus on enhancing competitiveness” (announced May 2021):

- Took a step forward in enhancing competitiveness
- Still need to thoroughly implement autonomous management

Challenges to take up

- Formulate strategy focused on long-term and customer perspectives
- Adapt to changes and facilitate speedier management:
 - “Eradicate wastefulness to focus on truly value-added activities”
 - “Maximize potential of each employee”

Clarify future goals of each operating company and reach optimal operational capabilities

- Next, I would like to look back on our achievements during the previous medium-term period.
- During the three years of FY20 to FY22, we focused on two initiatives: Eliminating losses from businesses with loss-making structures and enhancing our management structure.
- As a result, our cash generation capability has been steadily improving despite experiencing major external business environment changes, including COVID-19.
- At the briefing held May 2021, I set two years, FY22 and FY23, as the period to focus on enhancing competitiveness to further improve profitability. So we will continue with this management effort this year.
- However, looking back on the first year, FY22, we did take a step forward in enhancing competitiveness, but there is still room for improvement to more firmly embed autonomous management. Thus, during the second year, FY23, we need to make further efforts for thorough implementation.
- As for the challenges we should take up, in formulating our strategies, we first need to focus on a long-term and customer perspective. In a rapidly changing world, I believe we should envisage major social changes instead of simply looking at a period of two to three years. What is best for our customers? And how we can translate our great mission into actually achieving our goal by back-casting from those changes.
- Second, we should improve our adaptability to changes and make our management speedier, to an outstanding level. In order to do this, we must eradicate wastefulness, stagnation, and rework that still exist in many of our business frontlines, so that all employees can focus on truly value-added activities. Furthermore, creating a system and corporate culture that “maximizes the potential of each employee” will be necessary.
- In today’s new medium- to long-term strategy briefing, I would like to explain our Groupwide vision and measures to achieve the future goals of each business, based on the challenges we need to take up.

New Medium- to Long-term Strategy

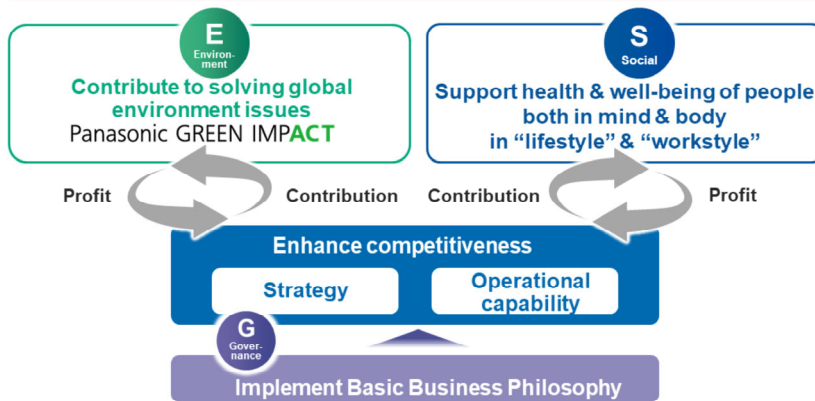
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4

- Now, I will explain the details of the new medium- to long-term strategy.

Future Direction for Panasonic Group

Ideal society with affluence both in matter & mind

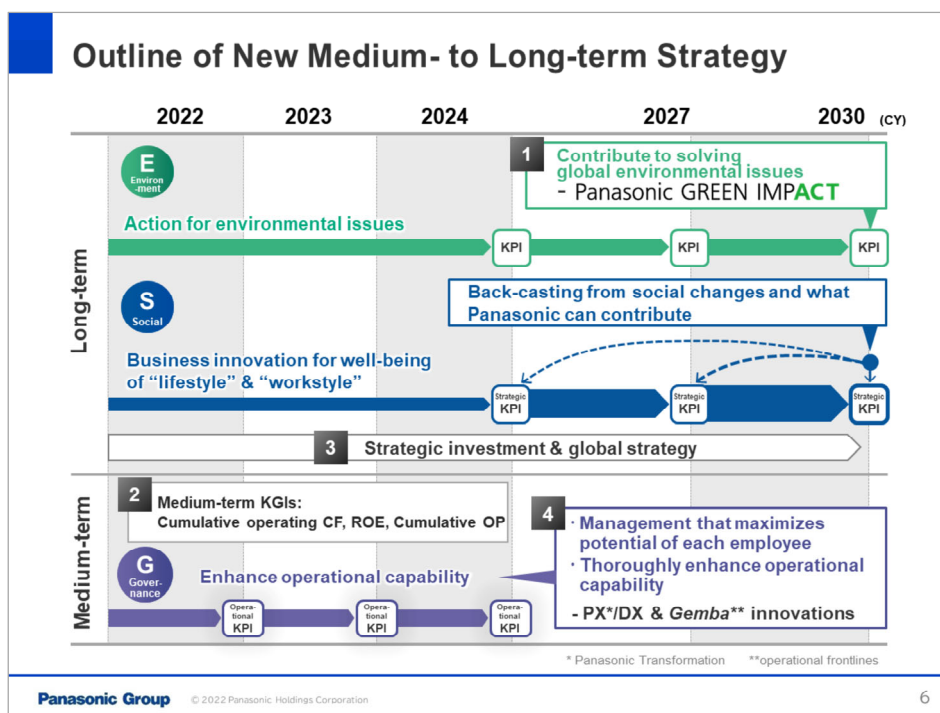


Thoroughly enhance competitiveness to contribute to "environment" and "well-being of lifestyle & workstyle"

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5

- This slide shows the future direction of the Panasonic Group.
- Our founder proclaimed that we should achieve "an ideal society with affluence both in matter and mind." Toward this aim, our mission today is to contribute to solving global environmental issues and to support the health and well-being of people around the world, both in mind and body, in their "lifestyle" and "workstyle."
- Therefore, by becoming unrivaled in accomplishing valued work, we can make great contributions. Accordingly, we will be able to return profit to society and our employees. Moreover, we can make investments toward further contributions.
I believe this is the cycle that leads to enhancing our competitiveness.
- To enhance competitiveness, "strategy" and "operational capability" are indispensable to each other:
 - "Strategy" built upon long-term perspectives, not simply focusing on short-term profit or extending the current situation.
 - "Operational capability" to speed up any business frontlines by eradicating wastefulness & stagnation.
- To attain such strong competitiveness, we will thoroughly implement our Basic Business Philosophy and continue to make contributions to the "environment" as well as well-being in "lifestyle" and "workstyle" toward achieving an ideal society.



- This slide shows an outline of our new medium- to long-term strategy. The details of each item will be explained in later slides.
- In the past medium-term strategies, the main objective tended to be achieving sales and profit, in particular, operating profit margin in the final year of a three-year period.
- With this new medium- to long-term strategy, we will shift to “longer perspective management”:
Considering the changes Panasonic can bring to society by around 2030, we aim to become unrivaled in competitiveness in terms of speed and scale, being in harmony with our employees and business partners.
- First, I will explain the details of the Group’s long-term environmental vision, “Panasonic GREEN IMPACT,” toward 2050 as an example of the contributions we can make to solving global environment issues, which is an urgent challenge we face.
- Second, I will explain the details of medium-term KGIs, our investment policy that drives our future growth with a long-term perspective and also our global strategy.
- Finally, I will elaborate on the important Groupwide initiatives taken toward enhancing the competitiveness of each operating company, on implementation of “management that maximizes the potential of each employee,” and on “PX” & “*Gemba* (operational frontlines) Innovations” aimed at thorough enhancement of competitiveness, including operational capability.
- Details of each operating company’s strategies for well-being in “lifestyle” and “workstyle” will be explained by the heads of each operating company at the IR Day event in June 2022.

1 Panasonic GREEN IMPACT



May 2021: CEO Briefing

Made commitment to “achieve net zero CO₂ emissions at all operating companies by 2030”

January 2022: CES 2022

**Announced Group’s long-term environmental vision
“Panasonic GREEN IMPACT”**



Toward 2050, in addition to CO₂ reductions from own value chain,
increase size of contribution in CO₂ reductions for society*

* Size of contribution in CO₂ reductions outside of own value chain

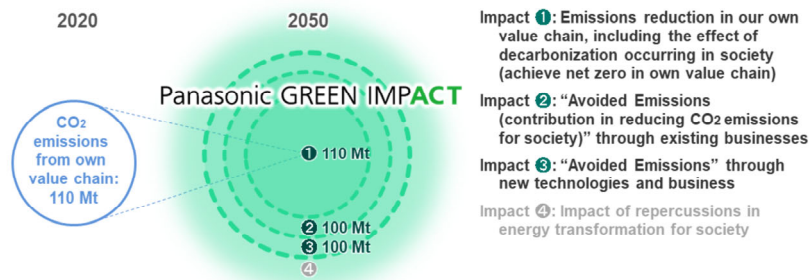
- In this slide, I will explain “Panasonic GREEN IMPACT.”
- In May 2021, we announced our commitment to “achieve net zero CO₂ emissions at all operating companies by 2030.”
- At CES in January 2022, we announced the Group’s long-term environmental vision: “Panasonic GREEN IMPACT.”
This shows our firm commitments to “ACT” to:
 - take responsibility for reducing 110 million tons of CO₂ emissions in our overall value chain, including emissions from the use of sold products, and
 - make a positive impact to increase size of contribution in CO₂ reductions for society through our wide range of business activities.
- However, detailed numerical targets were not previously set.

1 Panasonic GREEN IMPACT

E
Environ-
ment

By 2050

Create an impact that reduces CO₂ emissions by more than 300 Mt, equivalent to approximately 1% of the current total global emissions*



* Data from IEA. Global energy related CO₂ emissions in 2019 were 33.6 Bt. Figure for 300 Mt, calculated by emission factor as of 2020

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8

- Today, as numerical targets, we announced our aim to creating an impact that reduces CO₂ emissions by more than 300 million tons, equivalent to approximately 1% of the current global emissions, by 2050. This will be achieved through the entire Group's business activities.
- There are three parts to this major effort.
- The first part is emissions reduction in our own value chain, which is 110 million tons.
We will achieve net-zero emissions through the acceleration of our energy-saving initiatives, in addition to the effect of decarbonization occurring in society, which will progress toward 2050.
- The second part is the so-called "Avoided Emissions, or contribution in reducing CO₂ emissions for society," achieved by our existing businesses.
In this category, we target a reduction of 100 million tons through
 - expansion of environment-friendly vehicles with our automotive batteries,
 - supply chain software, and
 - energy-saving technologies in products such as air quality & air-conditioning, to reduce consumption at the customer side.
- The third part is "Avoided Emissions" through new technologies and businesses. Here, we target a reduction of 100 million tons through the transformation of renewable energy consumption by society and the innovation of new technologies and solutions such as hydrogen energy.
- All together, we aim to achieve an overall reduction of more than 300 million tons of CO₂ emissions.
- We set Panasonic GREEN IMPACT as the center of the new medium- to long-term strategy, and we will make strategic investments as well as take actions for our contributions, which I will explain later.

2 Medium-term Management Indicators: KGI

Cumulative operating CF	(FY23-FY25)	2.0 trillion yen
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ROE	(FY25)	10% or more
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Cumulative OP	(FY23-FY25)	1.5 trillion yen
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Improve cash generation capability by thorough enhancement of business competitiveness

- Next, let me touch on our medium-term KGIs.
- As a Group, our cash-generation capability is essential, particularly, for tax payments, dividends, and employee's salaries. It is also necessary for investments in our future contributions to society. Therefore, we will set cumulative operating cash flow for the next three-year period as one of our medium-term management indicators.
- More specifically, we aim for 2.0 trillion yen of cumulative operating cash flow and 1.5 trillion yen of cumulative OP over the three years of FY23 to FY25.
- To achieve these targets, we must thoroughly enhance competitiveness at each operating company. In this regard, for instance, China & Northeast Asia Company managed to decrease manufacturing costs by over 20% in home appliances as a part of competitiveness-enhancement initiatives. This gave us confidence to compete against our peers in pricing, while also securing profit, even in a very competitive market like China. This is just one example showing us there is still a lot of room for improvement in cost competitiveness and profitability as a Group.
- In addition, we will set ROE of 10% or more by FY25 as another medium-term management indicator. This measures the cost of capital efficiency.
- For the operating companies, cumulative operating cash flow and ROIC are set as medium-term management indicators.

Capital allocation (FY23-FY25)



- This slide shows our investment policy under the new medium- to long-term strategy.
- In principle, each operating company will make investments with the cash generated through its own business, and aim for further growth in each business area toward its long-term goals.
- With “strategy” formulated from a long-term perspective and “operational capability” strengthened by the elimination of wastefulness and stagnation at all operational frontlines, or in other words, by enhancing competitiveness, we will accumulate cash and aim for 2.0 trillion yen of cumulative operating cash flow.
Later, I will give an illustrative example of strengthening our operational capability.
- And, while maintaining financial discipline, we will make Groupwide strategic investments with the cash generated through enhancing competitiveness, as well as the investments made by each operating company.
- A total of 600 billion yen in three years will be invested to achieve our future goals:
400 billion yen in “growth areas” and 200 billion yen in “technology pillars.”

3 Investment for Growth: Automotive Battery Area



Accelerate electrification in mobility : Contributions to a decarbonized society that does not depend on fossil fuels

Competi-
tiveness

- Improved battery cell performance & safety essential for evolution & penetration of EVs
- Cost competitiveness to make EVs more “affordable”



Commercialize new cells with 46-mm diameter at industry-leading speed:
Productivity verification & mass production to start in FY24 at
Wakayama Factory, Japan

- Panasonic will make medium- to long-term investments in three growth areas toward future goals.
- First, let's look at the automotive battery area.
From the global environment perspective, it is essential that the cost and safety level of EVs far surpass those of cars with internal combustion engines.
- To reach this target, we will make Groupwide investments to thoroughly and rapidly strengthen battery capacity, safety, and cost competitiveness.
- More specifically, we will commercialize new high-capacity cells with a 46-mm diameter, at the fastest speed within industry, by refining our high quality and safer automotive battery technologies, as well as achieving industry-leading cost competitiveness.
- First, we will verify productivity at our Wakayama factory in Japan, with mass production set to start in FY24.
- In addition, from a sustainability perspective, it is essential to consider the use of precious and limited materials. With our lithium-ion batteries, we have already achieved a significant reduction of cobalt, a rare and indispensable metal. Our battery contains less than 5% cobalt as of 2021. We have already completed development of technologies to produce cobalt-free cells, and we are nearly at the stage of being able to start their mass production according to customers' needs.

Autonomous solutions eliminate all wastefulness & stagnation in supply chain and contribute to reducing environment impact

Competitiveness

- Wide range of software solution packages & AI accuracy
- Optimize operational processes by data collection, accumulation, analysis & utilization



Blue Yonder's software continues to evolve toward optimization of overall supply chain

- Second, I would like to explain our investments in supply chain software.
- Due to the declining working population, we are facing labor shortage issues at the *gemba* (operational frontlines) of manufacturing and logistic industries. Consequently, there are strong demands for higher efficiency and standardization. Therefore, solutions that autonomously improve the overall supply chain are necessary.
- Even if solutions run autonomously, there is a limit to how swiftly we can optimize the *gemba*, since they require a higher level of skills. Therefore, such solutions are needed to enable people at the *gemba* to eliminate wastefulness and stagnation in the overall supply chain without requiring special knowledge.
- To achieve these aims, we will offer a wide range of software solution packages and optimize operational processes by collection, accumulation, analysis and utilization of various data at the *gemba*. Through these solutions, we will contribute to optimizing the overall supply chain and improving the efficiency of management for our customers.
- In addition, through enhancing the accuracy of Blue Yonder's AI, their software solutions will also continue to evolve.
- At the same time, we will contribute to reductions in the negative environmental impact through energy savings, which can be achieved by eliminating wastefulness and stagnation in the overall supply chain.

Achieve healthy & comfortable lifestyle and society by air- & water-related technology

Competitiveness

- Advanced coordinated system integrating air quality & air-conditioning with unique technologies*
- Integrating customer contacts developed through each business (air quality/air-conditioning) & engineering capability



Establish sales & service bases, and expand lineup of coordinated products in Europe, China & Japan

* Nanoe, Ziaino, humidity control technology, visualized effect of disinfection, virus- & vital-sign sensing technologies

- As the third type of investment, I would like to discuss air quality and air-conditioning.
- Due to COVID-19, there have been growing demands for alleviating people's anxiety about bacteria and viruses. Also, since air-conditioning equipment consumes a large portion of the global electric power, we can make huge contributions to the global environment, even as people enjoy clean and safe air as well as a comfortable lifestyle.
- To achieve this goal, Panasonic will continue to develop such unique technologies as "nanoe X," "Ziaino," and humidity control technologies. In addition, Panasonic will develop an advanced coordinated system that integrates air quality and air-conditioning to manage both comfort and energy savings.
- Furthermore, we will make investments, mainly in Europe, China and Japan
 - to establish foundations for sales, engineering and services to continuously offer customers clean, safe and environment-friendly air, and
 - to expand our lineup of advanced coordinated products.
- By integrating our customer contacts with our knowledge and technologies, accumulated in over 100 years of R&D, we will "Vitalize the future with air."

- **Regional strategy leveraging each business's strengths**
- **Expand Panasonic GREEN IMPACT through business**

China & Asia:

Lifestyle appliances/Automotive/FA solutions

- Refine cost competitiveness & speed to become the best lifestyle partner in China (environment, health, elderly care, cleanliness)
 - Lifestyle appliances: Cost competitiveness & speed (nurtured in China) to apply throughout Asia
 - Automotive/FA*: Increase contributions to customers by localizing product planning throughout sales

North America:

Automotive batteries/Blue Yonder/Avionics

- Reduce environmental impact by optimizing supply chain of Blue Yonder's customers
- Avionics: Enhance competitiveness by offering light-weight models to reduce fuel consumption

Europe:

Air quality & air-conditioning

- Expand business for A2W** and integrated air quality & air-conditioning system that makes greater contributions to environment

* Factory Automation ** Air To Water

- Next, I would like to explain our global strategy. Panasonic will implement strategies that address local customers according to regional characteristics and that benefit from enhanced operational capability. Through these businesses, we will expand Panasonic GREEN IMPACT.
- In China, we will set roots in the local market. And we will refine the cost competitiveness and speed of management nurtured in China, to become the “best lifestyle partner” from the perspectives of environment, health, elderly care and cleanliness.

In lifestyle appliances, we will apply our cost competitiveness and management speed acquired in China to markets throughout other Asian regions.

In automotive and factory automation, we will continue to localize operations, from product planning to sales, and expand our contributions to our customers.
- In North America, we will take advantage of our local presence and aim to help Groupwide growth. More specifically, we will rapidly refine our software capability where new business and technological innovation take place. This will make contributions to solving issues of the frontlines and to optimizing our customers' supply chains.

In Avionics, we will develop and propose in-flight entertainment systems that are more light weight by collaborating with aircraft manufacturers, which will help to reduce the fuel consumption of aircraft.
- Europe is regarded as an advanced and important region for environmental regulations and global rule-making. We will expand businesses in
 - Air-to-Water technologies, with increasing demand for environmental concerns, and
 - integrated air quality and air-conditioning systems suitable to the European market.

Contribute to clean energy transformation for society through producing and expanding effective use of hydrogen

Hydrogen energy devices

- Accelerate new energy transformation by producing green hydrogen and expanding its effective use
- Produce hydrogen from water: Make hydrogen production highly efficient
- Convert from hydrogen to electricity: Make fuel cells more efficient

Distributed energy resource management systems

- Control distributed energy resources by energy management technologies and promote effective use of electricity



- Next, I will explain two examples for investment in technology pillars, which we will enhance to achieve future goals.
First, our initiatives in hydrogen energy.
- To achieve carbon neutrality, it is essential
 - to significantly reduce the use of fossil fuels in power supply sources, and
 - to introduce renewable energies at a larger scale.
- However, renewable energies such as solar and wind power generation are not stable due to weather conditions. Therefore, we need to accelerate full-scale implementation of hydrogen energy to handle such unstable renewable energy. We do have the industry-leading high-efficiency electrode technology, and we will apply this technology to producing hydrogen. Also, we will develop high-efficiency hydrogen power generation technology based on our electrode technology. Through these initiatives, we will contribute to the stabilization of the power grid.
- The development of high-efficiency fuel cells is already underway. We will apply this to the next-generation residential fuel cell system "ENE-FARM" and the pure hydrogen fuel cell generator "H2 KIBOU." Through these efforts, we will contribute to the acceleration of decarbonization in the power-generation field.
- Moreover, we aim to establish energy management technologies that link
 - distributed energy located in various facilities such as houses, factories,
 - power storage systems, and
 - EVs.
 Accordingly, we will improve the effective use of electric power and contribute to clean energy transformation for society.

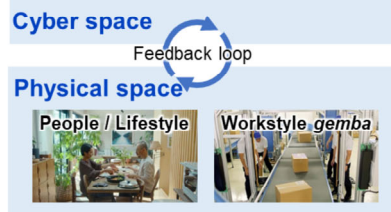
3 Investment in Technology Pillars: CPS*



Promptly find & offer the optimum solution by linking real issues in “lifestyle” & “workstyle” with cyber space

Value-creation by CPS technology

- Hardware/services learning from Yohana’s strengths to bring better value in lifestyle experience
- High-level modeling by sensing people’s emotions & conditions
- Eradicate wastefulness & stagnation through visualization & optimization at the *gemba* with DX (Digital Transformation)



* CPS: Cyber Physical System

- Next, I will explain our initiatives in a Cyber Physical System or CPS.
- CPS includes technologies that rapidly enable users to find and offer optimum solutions for issues in “lifestyle” and “workstyle” by linking the physical, or real, world and cyber space.
- Let me explain this concept in a real business context. Panasonic is trying to better understand what our customers really need in their real lifestyle through our products. Using AI & software technologies will help us to understand this, and we aim to bring better value in lifestyle experience with our products and other services. Toward achieving this goal, we will leverage the experience and high level of technologies gained from Yohana’s lifestyle services business that we started in the U.S. in September 2021 and thus become more flexible and quicker in satisfying ever-changing customer values.
- Moreover, we are engaged in R&D for the technologies that recognize “people” and aim to create new value for customers, according to their various living situations. The core of this work involves “biosensing & emotion recognition” technologies. Users can visualize issues in physical space by modelling people’s emotions and conditions in cyber space, thus allowing the users to provide optimal solutions. We will expand this technology to a wide range of businesses, including offices, lifestyle, and automobile space.
- As for “workstyle” situations, we will continue to develop digital technologies to visualize and optimize wastefulness at the *gemba*. I will elaborate upon these when I talk about “*Gemba Innovations*” later.

3 Groupwide Technology Pillars



Ideal society with affluence both in matter and mind

	PC	PAS	PEAC	PHS	PCO	PID	PEC
Technologies contributing to "environment"	Functional materials/Materials Informatics	○	○		○		●
	Power electronics	○	●			○	
	Hydrogen energy devices/DERMS*	●				○	○
Technologies contributing to well-being in "lifestyle" & "workstyle"	CPS/AI	●	●	●	○	○	○
	Image sensing/Robotics	○	●	●		●	●
	Simulation/Model-based development	○	●	○	●	○	○
Common software platform	Biosensing/Emotion recognition/Biotechnology	○	○		○	○	
	Software/communication/security	●	●	●	○	○	

● Highly relevant ○ Relevant

- Groupwide efforts to strengthen technology pillars that support the achievement of an ideal society
- Proactively invest in ventures in our search for new technologies

* Distributed Energy Resource Management Systems

- This chart shows Panasonic's Groupwide technology pillars including technologies that I explained in the previous slides toward an ideal society with affluence both in matter and mind. We will strengthen technology pillars which contributes to "environment" and well-being of "lifestyle" and "workstyle" as a Group.
- We will also proactively invest in ventures in our search for new technologies.

Management that maximizes potential of each employee

Create an environment to maximize potential of each employee's unique characteristics

Thoroughly strengthen operational capability**- Panasonic Transformation: DX**

Thoroughly improve speed and quality of management:
e.g. workstyle & business practices

- Gemba (operational frontlines) Innovations

With *kaizen* (improvements) mindset & digital technologies,
strengthen operational capability in overall supply chain

- Lastly, I will explain Groupwide key measures toward enhancing competitiveness at each operating company.
- Our employees will play the major role in enhancing competitiveness. So I will talk about “management that maximizes the potential of each employee.” Then, about Groupwide “DX” and “*Gemba* Innovations” as measures to thoroughly enhance competitiveness including operational capability.

Attentively listen to employees who are willing to take up challenges; create a working environment that maximizes potential of unique characteristics

Provide equal opportunities for taking up challenges

- Diverse workstyle to maximize potential of unique characteristics
 - 4-day work week system (optional), work-from-home system, retaining employment when a family member is transferred to another location*
- Introduce job-type employment in HR management** to clarify the required role, responsibility & skills

Support each employee in taking up challenges

- Support employees taking up challenges to acquire the specialty skills required in each business
 - Overhaul of HR development & appraisal/remuneration-systems
- Revising internal recruitment system to activate Groupwide HR exchange

* To be introduced on a trial basis at Panasonic Holdings Corporation & Panasonic Operational Excellence
** Timeframe & details to be designed according to each operating company's conditions

- As for management that maximizes the potential of each employee, we will attentively listen to employees who are willing to take up challenges, and then create a working environment that maximizes the potential of unique characteristics.
- In order to do this, we will first provide equal opportunities for employees who have diverse characteristics. To accommodate the various backgrounds and situations of our employees, we will introduce various ways of workstyle so they will be able to continue to initiate their own actions.
- And we will introduce job-type employment in HR management to clarify the required role, responsibility, and skills. We will continue to support improving skills through training programs, and other means. In addition, we will eliminate excessive burdens in promotion and screening, so more employees will be able to take up the challenge of earning a higher position, regardless of their situation.
- We will also support each employee in taking up challenges. HR and development systems will be optimized according to each operating company, supporting employees acquiring the specialty skills required in each business. And we will revise the internal recruitment system by easing application requirements to activate the exchange of human resources beyond operating companies, and to further generate opportunities to take up challenges.
- Through these measures, we will create a working environment that maximizes the potential of the diverse capabilities and unique characteristics of our employees, thus enhancing competitiveness at each operating company.

4 Panasonic Transformation: DX

Thoroughly improve speed and quality of management

Including workstyle and business practices with power of digital technologies



Workstyle innovation

Work that does not create added-value will become more efficient using IT

Business process innovation

- Operating company*
e.g. DX in manufacturing to sales: Establish SCM reflecting live demand data by optimizing PSI** process
- Groupwide
e.g. Procurement DX: Further centralized procurement by analyzing contract & procurement information

Change workstyle & business processes by DX and thus support competitiveness enhancement at operating companies

*Example of new Panasonic Corporation **PSI: Production, Sales, Inventory

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20

- In this slide, I will explain Panasonic Transformation (PX) toward enhancing competitiveness by DX.
- Since last year, we have been implementing Panasonic Transformation (PX) to transform our workstyle and business processes, beyond IT transformation.
- In workstyle innovation, we will eliminate work that does not create added value and make work more efficient through the use of IT.
More specifically, we will reduce the workload of our employees, in particular that for middle management. For example, middle management is overloaded with work such as personnel matters including timesheet management and accounting management.
We will unburden middle management of these duties through greater efficiency based on using IT.
- In business process innovations, we have started with various initiatives, distinguishing between
 - actions that can be handled by operating companies and
 - actions that should be handled by the Panasonic Group as a common target based on economies of scale.They range from R&D, design, manufacturing and sales to procurement.
In this Panasonic Transformation (PX), we will invest 124 billion yen for the three-year period of FY23 to FY25.
- We have already identified 150 themes for changing workstyle and business processes. Panasonic Transformation (PX) will support competitiveness enhancement at the operating companies with DX.

4 *Gemba* Innovations

Strengthen operational capability for overall supply chain with *kaizen* mindset & digital technologies

April 2022: Operational Strategy Department established

Firmly embed *kaizen* mindset

- Designated specialists at each operating company will promote wastefulness-elimination at all *gemba* (operational frontlines)

Use of digital technologies & evolution

- Further evolution of Blue Yonder:
Automated PSI proposals reflecting live demand data
- Image recognition & AI technologies:
Analyze and visualize wastefulness in workflow, etc.



By FY25, constant *kaizen* activities leveraging digital technologies will be institutionalized at all sites

- Next, I will show a video introducing our “*Gemba* Innovation” initiatives to strengthen operational capabilities for the overall supply chain with a *kaizen* mindset and digital technologies.

(Video)

- The idea of making the *gemba* lean, to contribute to the global environment and the happiness of the people working there, can be applied anywhere beyond Panasonic.
We will make contributions to our corporate customers from the perspectives of
 - their management and supply chains,
 - reductions in their environmental impact, and
 - the well-being of their employees.

Live Your Best

In an ever-changing world, we continue our efforts to make life simpler, safer, healthier, more enjoyable, and more sustainable.
Efforts to help our customers live their best.



- On March 30, we placed advertisements in major Japanese newspapers regarding the start of our new structure.
- “Live Your Best” - this is the new brand slogan for the Panasonic Group.
- Our founder, Konosuke Matsushita, aimed toward “prosperity with matter and mind as one” throughout his life. Back in 1932, he recognized the mission of a company as “the true mission of industrialists: only after there is spiritual peace of mind and a limitless supply of material goods will humanity achieve true happiness.” He set his aim to achieve this with the so-called “250-year plan.”
- Konosuke described 1932 as the first year of *Meichi*, which means “recognizing the mission.” This year is the 91st year of *Meichi*.
- In our Basic Management Objective, it is stated: “We will devote ourselves to the progress and development of society and the well-being of people through our business activities, thereby enhancing the quality of life throughout the world.” This expresses our aim “to achieve affluence both in matter and mind together.”
- Our former brand slogan, “A Better Life, A Better World,” directly expressed our Basic Management Objective. However, there were cases where we would try to offer “better” products from a self-centered perspective, lacking a proper understanding of the slogan and the main idea behind the Basic Management Objective, without sufficiently thinking of customers’ perspectives.
- Therefore, we have decided to adopt this new slogan, “Live Your Best,” to remind all of us of our mission: to contribute to “prosperity with matter and mind as one for humanity to achieve true happiness,” revisiting our true mission that Konosuke recognized in the first year of *Meichi*.
- This slogan also embodies my hope that each employee will turn their thoughts to each customer’s happiness.
- Toward what we aim to be in 2030, everyone at all operating companies of the Panasonic Group is determined to continue our efforts to help our customers live their best.
- Please stay tuned for more developments from the Panasonic Group.
- Thank you very much for your kind attention.



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