

## Message from the Chairman of the Board



### Continuing to reform governance for sustainable growth and enhancement of corporate value

**Kazuhiro Tsuga**

Director, Chairman of the Board

I assumed my position as Director and Chairman of the Board of Panasonic in June 2021. I would like to thank everyone for their tremendous support up until now and going forward I intend to position myself as the contact point between society and the Company and do my utmost to ensure the sustained development of the Panasonic Group. Also, as the chairperson of the Board of Directors, I will continue to propel the Company's corporate governance reforms and aim to achieve sustainable growth and enhance corporate value by improving the effectiveness of the Board and boosting management flexibility, transparency, and objectivity.

With regard to the roles that I should fulfill, I would like to focus on three themes.

The first is “governance.” The most important role as Chairman of the Board is governance and it is a great responsibility for me personally to steadily accomplish this task. Panasonic has hitherto reformed its corporate governance in numerous ways and endeavored to improve the effectiveness of the Board of Directors in order to continuously engage in highly transparent and fair business activities. Six outside directors hailing from different backgrounds attend the Board of Directors meetings and lively discussions centering on opinions and questions from multiple points of view are made during the meetings. Furthermore, the Company’s optional Nomination and Compensation Advisory Committee also deliberates on matters such as CEO successor candidates and succession timing before reporting its conclusions to the Board of Directors. As a result, I believe the Board has been able to make some key decisions with transparency and objectivity, especially regarding our transformation into a group of competitive businesses as part of our transition to a holding company system (scheduled for April 2022) and change of CEO, as well as the acquisition of Blue Yonder as a wholly-owned subsidiary. In my mind, there is no doubt that this owes to the sturdy governance foundation we have laid, namely, the Board of Directors and the Nomination and Compensation Advisory Committee, along with the functions that have been demonstrated to the fullest. While utilizing this governance system and its functions, we will continue to reform corporate governance with the aim of further improving its effectiveness.

Good governance begins with the fostering of an open and sound culture in which different people can exchange views in a free and open-minded manner and express their individuality. Having a mix of people with different perspectives and opinions, respecting each other’s values, and combining and complementing the strengths of everyone enables us to take on new challenges not possible with the capabilities and values of a single organization. I hope to contribute to the fostering of such an organizational culture by appointing personnel brimming with diversity and having them participate in the management of the Company.

The second theme is the “environment.” In order to sustain an enriched society for our children, grandchildren, and beyond, it is extremely important to solve global environmental issues. For this reason, Panasonic places top priority on addressing these issues. In May 2021, the

Company CEO Yuki Kusumi expressed our aim of becoming one of the leading companies taking steps toward solving global environmental issues. In other words, we will set our sights on becoming a leader both in our primary business which provides usefulness and in the environmental field. We will achieve this mainly by lowering our environmental footprint in all businesses through our activities at production plants and offices, as well as through our products and services, and by making significant contributions from the perspective of effectively utilizing resources through recycling and reusing. It is not easy, but that is the very reason why I believe it will be a meaningful challenge for the Company. I intend to give my full support to this initiative as we seek to become a company boasting an overwhelming presence in the environmental solutions field.

And third, substantive “growth.” When I asked myself exactly what substantive growth should look like for Panasonic, a company with numerous business lines in different domains, I concluded that it should probably come down to whether or not we can generate value by keeping up with the advancement of society. That is an extremely challenging task and I feel that our performance in this regard up until now has not necessarily been good enough. Considering that companies can respond to changes and grow whilst organically changing their shape and form, thereby continuing to contribute to society and people, just like what the Company founder Konosuke Matsushita advocated in his philosophy of *seisei hatten* (grow and develop), which means each day starts anew as a law of nature, we may need to once again reassess Panasonic’s reason for existence and role in society by returning to our roots. If we understand this concept correctly when carrying out our activities, I believe we will be able to achieve substantive and sustainable growth. I consider it my duty to reflect on our reason for existence and role with an open mind from various points of view, including those from within and outside the Company, from a global perspective, and in terms of ESG issues. I intend to pursue a path that best sums up Panasonic’s purpose and will wholeheartedly support the challenge to achieve further growth of the Company.

In my role as Director and Chairman of the Board, I will continue to draw on my experiences to support and contribute to the initiatives for achieving sustainable growth and improving corporate value, as well as the challenges our employees, organizations, and operating companies continue to take on.