At a Glance

Composition of Group Businesses

Fiscal year ended March 2023

<table>
<thead>
<tr>
<th>Segment</th>
<th>Sales (¥ billion)</th>
<th>Operating profit (¥ billion)</th>
<th>EBITDA (¥ billion)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy</td>
<td>971.8</td>
<td>33.2</td>
<td>98.5</td>
</tr>
<tr>
<td>Industry</td>
<td>1,149.9</td>
<td>66.8</td>
<td>125.4</td>
</tr>
<tr>
<td>Connect</td>
<td>1,125.7</td>
<td>20.9</td>
<td>99.9</td>
</tr>
<tr>
<td>Automotive</td>
<td>1,297.5</td>
<td>103.1</td>
<td>205.9</td>
</tr>
<tr>
<td>Lifestyle</td>
<td>3,483.3</td>
<td>16.2</td>
<td>77.7</td>
</tr>
</tbody>
</table>

Growth strategy of each segment

Lifestyle
Proactively invest in A2W* in Europe, strengthen wiring devices in Asia and hydrogen fuel cells for the future. Steadily generate profits with home appliances in Japan and China, electrical construction materials in Japan, as well as refrigerator and freezer display cases in North America.

Automotive
Increase profitability with automotive cockpit systems and high-output onboard charging systems. Accelerate development of integrated HPCs*, leveraging our infrastructure technologies. Enhance in-vehicle experiences based on technologies from the perspectives of people and lifestyle.

Connect
Focus investment on the supply chain management business to enhance competitiveness and contribute to solving our customers’ management issues. Aircraft in-flight entertainment systems will recover from COVID-19 and shift to high-profitability.

Industry
Realize growth with four businesses having advantages in material & processing technologies: (1) EV relays, (2) capacitors, (3) FA solutions, and (4) electronic materials, concentrating on three areas of high demand in society: (1) automotive CASE, (2) information & communication infrastructure, and (3) factory labor-savings.

Energy
Contribute to the electrification of vehicles and reduction of environmental impact with our automotive lithium-ion batteries, given our track record of safety and boosting energy density. Support social infrastructure with our highly reliable battery application systems, such as energy storage systems for data centers.

Please refer to “Operating Results by Segment” in the Annual Securities Report for details of each segment’s sales and operating profit.

At a Glance

Our Global Expansion

The company, which was founded in 1918, established an export department in 1932 and started exporting such products as wiring devices and dry batteries. In 1959, its first overseas sales company was established in the United States. Since then, the Panasonic Group has established numerous sites worldwide through which it engages in global manufacturing, sales, research and development, and other activities.

Europe

Sales
¥ 928.5 billion

China

Sales
¥ 964.7 billion

Asia

Sales
¥ 1,221.9 billion

Japan

Sales
¥ 3,279.3 billion

Americas

Sales
¥ 1,984.5 billion

The Panasonic Group in Numbers

Operating CF
¥ 520.7 billion

ROE
7.8%

Medium-term KGI
Cumulative:
¥ 2.0 trillion (FY23-25)

Medium-term KGI
10% or more
(FY25)

R&D Expenditures
¥ 469.8 billion

Ratio to Sales
5.6%

GX Patent Families*
7,446

*(IPFs (International Patent Families) for environment-related technologies)

CO₂ Reductions
(Stage 1, 2)*
360 thousand tons

Zero-CO₂ Factories
31 factories

Employee Engagement
67%

Investor Dialogue
780 institutions (accumulated)

Sales
¥ 8,378.9 billion

[Ratio of overseas sales 60.9%]

Number of Employees
233,391

[Ratio of overseas employees 62.8%]

(For the fiscal year ended March 2023)
In order to achieve "an ideal society with affluence both in matter and mind," Panasonic is committed to enhancing competitiveness in terms of both strategy and operational capability under our Basic Business Philosophy. We will increase our corporate value by returning the profits we receive as a result of our contributions back to society and by making investments to strengthen our competitiveness and further expand our contributions.

**Value Creation Process**

To realize a society where people can live their best lives, Panasonic has set the phrase "Life-long health, safety, & comfort for everyone" as its corporate brand slogan. Based on this, the company is committed to contributing to solving global environmental issues and advancing the wellbeing of all people.

**Ideal society with affluence both in matter and mind**

Panasonic's vision is to create an ideal society where both material and mental affluence is achieved. This means ensuring people's well-being, safety, and comfort, as well as actively working to address environmental challenges.

**Enhancing competitiveness**

Panasonic is working to enhance its competitiveness through various mechanisms. These include:

1. Response to demand changes
2. Response to production fluctuations
3. Response to changes in needs
4. Ability to turn insights about changes into actual products
5. Response to new materials/technologies

Panasonic's strategy involves leveraging these capabilities in the context of a long-term perspective, structural advantage, and business model.

**Strategic investment (priority investment area: automotive batteries)**

Panasonic is making significant investments in new materials and technologies to respond effectively to new materials and technologies. This strategic investment is a key component of the company's overall competitiveness strategy.

**Corporate Governance**

Panasonic's philosophy is to maintain a management foundation that supports the Group as a whole, with a focus on strategic investment, operational business excellence, and efficient decision-making. This approach helps to ensure the company's long-term sustainability and growth.

**Employees' well-being**

Panasonic places a strong emphasis on the well-being of its employees, including programs to enhance the potential of each employee and build needed platforms. This includes efforts to ensure employees' health, safety, and comfort.

**Human Capital**

- Employees: 233,000 (87,000 in Japan, 146,000 overseas)

**Manufactured Capital**

- Property, plant, and equipment: ¥1,172.4 trillion

**Intellectual Capital**

- Intangible assets such as technology and know-how: ¥718.6 trillion
- Number of intellectual property rights: more than 100,000

**Brand Capital**

- Brand Value: ¥16,337 trillion
- Global brand ranking: 91st

**Natural Capital**

- Annual energy consumption: 4.7 TWh

**Financial Capital**

- Parent company shareholders' equity: ¥3,618.4 trillion
- Interest-bearing debt: ¥1,457.7 trillion
Purpose of identifying materiality
We have identified important opportunities and risks related to sustainability as priority issues (materiality) from the two perspectives of “financial effects on the Company” and “impact on society.” We aim to improve our sustainability management by promoting materiality initiatives, creating new business opportunities, and lowering risks.

Materiality will be reviewed as appropriate based on changes in the business environment and dialogues with stakeholders.

Process of identifying materiality
From a list of items that included demands from society and foreseeable future challenges, we selected issues that could represent opportunities and risks for the Group. Next, we assessed them from the two perspectives of the Group and its stakeholders, and 11 priority issues were extracted.

We confirmed the validity of these analysis processes and the priority issues we extracted through dialogue with external experts.

The materiality was identified after deliberation at the meetings of the Group’s Sustainability Management Committee, the Group Management Meeting, and the Board of Directors of the Company.

Materiality assessment results
We assessed the level of importance of each item from the perspective of the Group and its stakeholders and identified 11 priority issues.

Note: Some of the materiality items are similar to the names of “Group Major Risks / PHD Major Strategic Risks” determined by risk management activities; however, due to different objectives and identification processes, their corresponding initiatives are partly different. Risk management activities are described in the “Risk Management” section of the Sustainability Data Book 2023 on page 130.
Examples of initiatives to address priority issues

<table>
<thead>
<tr>
<th>Materiality</th>
<th>Main initiatives</th>
<th>Targets</th>
<th>Report on related matters</th>
</tr>
</thead>
</table>
| Global warming and resource depletion | **Panasonic GREEN IMPACT**  
- Expansion of automotive batteries for EVs, hot water heat pumps and hydrogen fuel cells  
- Environmental energy technology innovation (water electrolysis, perovskite solar cells, DERMS)  
- Reduction of in-house CO₂ emissions (expansion of zero-CO₂ factories, expansion of energy-saving equipment)  
- Expansion of circular economy businesses and products | **[Targets]**  
- CO₂ reduction impact of 300 million tons (by 2050)  
- Net-zero CO₂ emissions from all factories (by 2030)  
- Waste recycling ratio of 99% or more (by 2024) | Sustainability Data Book 2023  
- Environment p.9  
- Sustainability site  
- Environment |
| Each customers’ life-long health, safety and comfort | As a “lifestyle solutions provider” that delivers value tailored to each customer, we combine our diverse customer touchpoints with digital technology to contribute to each customer's life-long health, safety and comfort | | |
| Business integrity |  
- Promoting understanding of and confirming compliance with the Panasonic Group Code of Ethics & Compliance and internal rules, and complying with relevant laws  
- Dissemination and appropriate operation of the whistleblowing system  
- Protection and utilization of our intellectual property and respect for the intellectual property of third parties | | |
| Supply chain management |  
- Elimination of waste and stagnation in the supply chain  
- Strengthening of supply chain by promoting multiple suppliers and review of manufacturing sites | | |
| Employee well-being |  
- Creating a safe, secure, and healthy workplace (thorough implementation of safety and compliance, promotion of health initiatives)  
- Encouraging employees’ self-motivated endeavors and supporting their self-determined career formation  
- Allowing side jobs and provide opportunities for skill development, providing wider options for working time and place to work remotely, and personnel exchanges in the Group through open recruitment  
- Promoting DEI (Diversity, Equity & Inclusion) (top management commitment, creating an inclusive work environment, support for each individual) | **[Targets]**  
- Eradication of serious workplace accidents and injuries  
- Global top level in the Employee Opinion Survey score categories of employee engagement and employee enablement (by 2030) | Sustainability Data Book 2023  
- Employee Well-being p.80 |
| Corporate governance |  
- With the transition to a holding company system, significant authority was delegated to the operating companies, with officers of the Panasonic Holdings Corporation participating in the management of the operating companies as directors  
- Linkage of non-financial KPIs to executive remuneration | | |
| Respect for human rights |  
- Promoting initiatives based on the Panasonic Group Human Rights and Labour Policy.  
- Implementing human rights due diligence based on global standards for the Group's own operations and in the supply chain  
- Promotion of engagement with stakeholders and appropriate disclosure of information | | |
| Cyber security |  
- Centralization of common cyber security functions across manufacturing, information systems, and product areas to strengthen countermeasures during normal times and incident responses during emergencies  
- Gradual expansion of scope of cyber security countermeasures, including to supply chains | | |
| Preparedness for geopolitical risks |  
- Monitoring of international situation and trends in policies, laws, and regulations in each country and geographic region to ascertain the impact on the Group’s business and respond in a timely manner  
- Closely monitoring and responding to changes in the business environment caused by economic security policies in each country in terms of business threats and opportunities | | |
| Preparedness for infectious diseases and pandemics | Formulating Group policies for each country based on analysis of its government policies, regulatory trends, infection conditions, etc., and setting and implementing detailed rules at each business site | | |
| Preparedness for natural disasters | Enhancement of stockpiling and drills during normal times and establishment of a safety confirmation system; establishment of a Group-wide Emergency Response Headquarters system in the event of an emergency | | |