

Panasonic Avionics Corporation's Slavery and Human Trafficking Statement 2022

*In the following statement, 'we', 'us' or 'our' refers to Panasonic Avionics Corporation.
Scope of Reporting - Fiscal 2022 (April 1, 2021 to March 31, 2022)*

Modern slavery may occur in various forms—including servitude, forced or compulsory labor, and human trafficking—all of which include the deprivation of an individual's (an adult's or a child's) liberty by another (collectively, "modern slavery").

Panasonic Avionics Corporation is committed to a work environment free from modern slavery, in accordance with the laws and regulations of the respective countries in which we operate. We are committed to acting ethically and with integrity in all our business dealings and relationships. We do not knowingly use modern slavery in any of the products we use or services we supply.

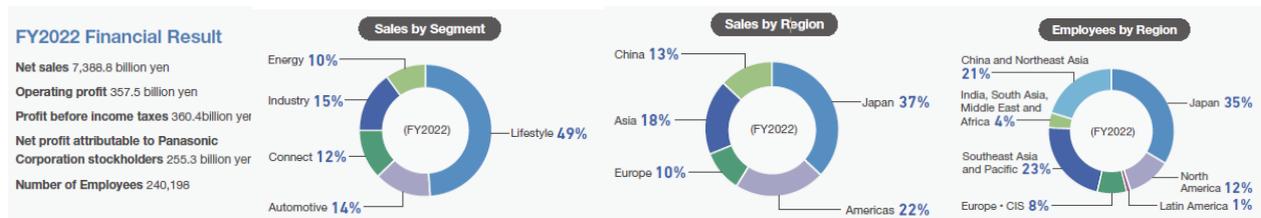
We are striving to improve our internal standards, guidelines, and partnership agreements to bolster management and ensure modern slavery is not taking place anywhere in our own business or in our supply chains.

Panasonic Avionics Corporation published its first Slavery and Human Trafficking Statement in 2016. As an international company, we understand our responsibility in supporting Sustainable Development Goals (SDGs), particularly the United Nations' Goal 8 of 'Decent work and economic growth,' especially target 8.7, which states:

Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms.

Our Business. Panasonic Avionics Corporation is a U.S. corporation incorporated in the State of Delaware, and is headquartered in Irvine, California. We are a subsidiary of Panasonic Corporation of North America, the principal North American subsidiary of Panasonic Corporation. Our ultimate parent company is Panasonic Corporation, which is headquartered in Japan and one of the largest electronic manufacturers with 523 consolidated companies located globally. We are part of the global Panasonic Group (see, [Panasonic Group](#)).

Panasonic Group Data (Fiscal Year ended March 2022)



A key element of Panasonic Group’s Basic Business Philosophy is the concept of “a company is a public entity of society.” This is also the very essence of the Panasonic Group’s sustainability. As we stand at historic turning points in many areas today, Panasonic Group will continue to promote sustainability management globally and to contribute to the future of society.

The Panasonic Group’s business is very diverse and covers different areas among consumer electronics, housing, automotive systems, and business solutions. Operations in these areas are driven by five key business units:

Lifestyle	Refrigerators, microwave ovens, rice cookers, washing machines, vacuum cleaners, personal care products, air-conditioners for residential, and commercial use, air to water heat pump system, ventilation, perflation and air-conditioning equipment, air purifiers, air purifier/sterilizers, freezing or refrigerating showcases, lighting fixtures, lamps, wiring devices, solar photovoltaic systems, fuel cells, compressors, bicycles, nursing care services
Connect	Aircraft in-flight entertainment systems and communications services, electronic components-mounting machines, welding equipment, projectors, professional AV systems, PCs and tablets, solutions for various industries, installation/operation/maintenance services, supply chain management software
Energy	Cylindrical lithium-ion batteries for in-vehicle use, dry batteries, primary/secondary lithium batteries, nickel-metal hydride batteries, lithium-ion batteries, storage battery modules/systems.
Automotive	Automotive-use infotainment systems, head-up displays, automotive speakers, automotive switches, advanced driver assistance systems (ADAS) and related devices, systems and devices for xEVs, Interior rear-view mirrors
Industry	Relays, switches, power supplies, touch panels, motors, sensors, laser markers, capacitors, inductors, resistors, circuit board materials, semiconductor device materials, molding compounds, LCD panels

As part of the Connect business unit Panasonic Avionics Corporation provides in-flight entertainment and communication services to commercial airlines throughout the world, connecting the business and pleasure of flying for both passenger and the airlines. Panasonic Avionics Corporation only sells products to airlines and other businesses, and we support our customers in many major airport locations.

Commitment to Human Rights

The Panasonic Group has defined the [Panasonic Group Human Rights and Labor Policy](#) with reference to the international standards listed below. In keeping with this policy, the Panasonic Group sets rules within the Group, sets up systems to promote the policy, and promotes concrete initiatives toward achieving working environments that respect human rights and provide meaningful work. As a global organization conducting business throughout the world, the Panasonic Group respects internationally recognized human rights. (See, [the Panasonic Group's Code of Ethics & Compliance](#).) As a member of the Panasonic Group, the policy and Code are applicable to Panasonic Avionics Corporation.

The primary international standards used as reference for the Panasonic Group Human Rights and Labor Policy:

- The United Nations' Guiding Principles on Business and Human Rights
- The United Nations' International Bill of Human Rights
- International Labour Organization's Declaration on Fundamental Principles and Rights at Work

Our Supply Chain

As a global company, we operate a highly complex supply chain, with suppliers located around the globe. As a member of the Panasonic Group, we are able to leverage Panasonic Group's entire supply chain worldwide. Many of Panasonic Avionics Corporation's products are sourced by manufacturing facilities located in Japan and therefore must comply with Panasonic Corporation's procurement policy, accessible here:

<https://www.panasonic.com/global/corporate/management/procurement/policy.html>

Due Diligence Process for the Prevention of Modern Slavery and Human Trafficking.

Recruitment When recruiting employees, we adopt a perspective of protecting fundamental human rights and engage in recruitment activities that comply with the laws and regulations of the respective countries in which we operate.

Training We conduct training for all new, permanent staff on our Basic Business Philosophy and Code of Ethics & Compliance. In April 2022, the Panasonic Code of Conduct was revised to what is now called the Panasonic Group Code of Ethics & Compliance, including a separate new chapter, Respecting Human Rights. As part of the Panasonic Group, Panasonic Avionics Corporation adopted and strives to comply with the Panasonic Group Code of Ethics & Compliance.

[Chapter 5. Our Social Responsibilities - Code of Ethics & Compliance - Panasonic Holdings](#)

Furthermore, job-specific training for corporate social responsibility (“CSR”), procurement, and other relevant occupations informs employees and raises awareness about human rights risks and responses.

Confidential Whistleblowing To make it possible for us to respond quickly to address any complaints we receive related to human rights violations, a global hotline (supporting 31 languages) is available to our employees and external partners, who can report any suspected compliance violations, including those issues involving human rights or labor. The hotline is accessible via Panasonic Avionics Corporation’s intranet and our public website (www.panasonichotline.com), and is run by an external, independent third party that allows the reporter to remain anonymous. Retaliation is prohibited against anyone who acts in good faith to raise a compliance concern. ([Fair Operating Practices](#).)

Suppliers We ask our suppliers to meet our CSR requirements, including the respect of human rights and the health and safety of workers, so that forced labor does not occur in their operations. We also conduct on-site audits of suppliers and assess compliance with CSR guidelines.

We expect suppliers understand our position on CSR-related topics, including safeguarding human rights and the health and safety of workers, and the Panasonic Group issued [Supply Chain CSR Promotion Guidelines](#). We require our suppliers to adhere to these guidelines and comply with our Basic Business Philosophy.

Panasonic Supply Chain CSR Promotion Guidelines (Excerpts)

1-1 Prohibition of Forced Labour

Suppliers shall employ all workers of their own free will with no worker being subject to forced labour.

Specific action items

- Suppliers shall not engage in forced, bonded (including debt bondage) or indentured labor, involuntary or exploitative prison labor, slavery or trafficking of persons.
- Suppliers shall not impose unreasonable restrictions on workers’ freedom on entering or exiting workplace or dormitories.

- Suppliers shall provide written notice to a worker about his/her working conditions in the national language before signing the formal contract (in the case of a foreign worker, prior to departing from his/her original country).
- Suppliers are prohibited to make any unfair changes of the contract in the working country, when the contract had been concluded in the original country.
- Suppliers shall permit workers to terminate their employment freely.
- Suppliers, manpower supply companies, and staffing agents shall not retain any government-issued identification card, passport, working permit (unless such holdings are required by law), immigration application, and any other similar documents.
- Suppliers, manpower supply companies, and staffing agents shall not collect any recruitment fees from workers.
- Suppliers shall inform workers of all items deducted from their salaries.
- Suppliers shall request and confirm that manpower supply companies and staffing agents comply with all of the above items.

CSR Self-Assessments and Audit for Suppliers

In an effort to follow the United Nations Guiding Principles on Business and Human Rights and the Panasonic Group's policies on human rights and labor, Panasonic Avionics Corporation required that our suppliers perform CSR Self-Assessments regarding human rights. These CSR Self-Assessments are structured around the CSR Guidelines, and we request that all new suppliers conduct one before we begin doing business with them. We also request our existing suppliers to conduct them regularly, every one, two, or three years, depending upon prior assessment results.

We had initially requested that our suppliers complete these CSR Self-Assessments by hand, but we began making them available in an online survey format since February 2022, which has successfully reduced the burden on our suppliers, and improved the collection and accuracy of the self-assessments.

Continuous Improvement Activities for the Future.

Some of the Panasonic Group's supply chains fall in high-risk areas, and we are very much aware that there are serious risks in those areas with respect to human rights and labor. Given the complexity of these supply chains, Panasonic Avionics Corporation is committed to eradicating modern slavery at all our suppliers by taking time and effort to continuously address human rights risks. We are committed to making sustained initiatives against the problem of modern slavery.

Panasonic Avionics Corporation complies with modern slavery regulations in several jurisdictions, and those statements may be found here: <https://www.panasonic.aero/public-policy/>.

This Slavery and Human Trafficking Statement was approved by Panasonic Avionics Corporation's Board of Directors on December 1, 2022.

Ken Sain

Ken Sain (Dec 8, 2022 13:14 PST)

Kenneth W. Sain
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Panasonic Avionics Corporation