

HUSSmann®

MODERN SLAVERY STATEMENT

1 July 2023 – 30 June 2024

Hussmann Australia Pty Ltd
A.C.N 002 366 887

Acknowledgement Of Country

We acknowledge the Traditional Custodians of Country throughout Australia and recognise their continuing connection to land, waters and community. We pay our respects to Elders past, present and emerging and commit to continued listening to and learning from First Nations' voices.

Purpose

Hussmann Australia Pty Ltd (**Hussmann Australia**), Modern Slavery Statement covers the reporting period 1 July 2023 to 30 June 2024.

The purpose of this statement is to outline our approach to ensure we have processes and practices in place to prevent and remediate modern slavery in our business operations and supply chain as described by the Modern Slavery Act 2018 (Cth).

Our vision is to *Innovate climate solutions for a better future*. We know that our commitment to protect our workers and also workers across our supply chain is core to our overall success and ensures our vision to create a better future is achieved.

We have been evolving our modern slavery approach in line with our company commitments to make a positive imprint on the people we work with. This includes respecting and protecting human rights and ethics across our operations and our supply chain. We've taken time to understand the many types of behaviours which constitute modern slavery, assess and prioritise our risk areas, as well as determine the areas we can make the most significant impact.

Mandatory Reporting Criteria of The Modern Slavery Act

This Statement was prepared to meet the mandatory reporting criteria set out under the Modern Slavery Act 2018 (Cth).

The table below identifies where each criterion of the Act is disclosed within sections of this Statement:

Modern Slavery Act Criteria

Modern Slavery Act Criteria	Reference
Identify the reporting entity	Page 4
Describe the reporting entity's structure, operations and supply chains	Page 4
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls	Page 4
Describe the actions taken by the reporting entity and any entity it owns or controls to assess and address those risks, including due diligence and remediation processes	Page 9
Describe how the reporting entity assesses the effectiveness of these actions	Page 9
Describe the process of consultation with any entities that the reporting entity owns or controls (a joint statement must also describe consultation with the entity giving the statement)	Page 11
Provide any other relevant information	Page 11

Our Business and Structure

Hussmann Australia is part of the global Panasonic Group (The Group), headquartered in Japan and one of the largest electronic manufacturers with 524 consolidated companies located globally. Hussmann Australia are a leading supplier of refrigeration merchandisers to retailers nationwide. Our diverse portfolio of products and services solutions, also extends to Food Services equipment, Digital Solutions, Performance Parts and other Cold Chain products. We have been in operation for over 100 years, and our brand is built on reliability, sustainability, and industry leaders in our market.

Hussmann Australia owns or controls the following entity: Hussmann Refrigeration (Suzhou) Co., Ltd (**Suzhou**), a company incorporated in China. Hussmann Australia and Suzhou boards share two common directors who attend bi-annually board meetings and monthly compliance meetings.

Our Supply Chain

A majority of our refrigeration merchandising equipment supplied into the Australian market is sourced from our manufacturing facility in Suzhou, China.

We are progressively developing a more comprehensive supply chain map to better demonstrate the geographic location and nature of products and services sourced. The nature of the products, the regions they are sourced from, and the industries associated are low in risk. We have a disciplined approach to assessing and monitoring risk. This includes our procurement processes, practices, and dealings with Suppliers, which we know is an essential element of progressing the global eradication of Modern Slavery.

With COVID travel restrictions out the way, our plan is to make direct contact with our supply chain with annual travel visits (as a minimum) by the management team.

Risks Of Modern Slavery Practices in Our Operations & Supply Chain

Modern slavery risk is a business' potential adverse impact on individual or community labour rights. We recognise that the level of modern slavery risk in our operations and supply chain will depend on many factors. These include: our business activities and labour force structures; demographics; and the social, political and environmental conditions in the countries where we, and our suppliers, operate.

Modern slavery risks are believed to be especially high in certain regions of the world. For example, we are aware there are greater human rights and labour-related risks in areas where migrant foreign workers are widely employed. We are working to implement a program of enhanced checks in these regions to ensure compliance with our Global Human Rights (under our Code of Ethics & Compliance policy) and local legislation.

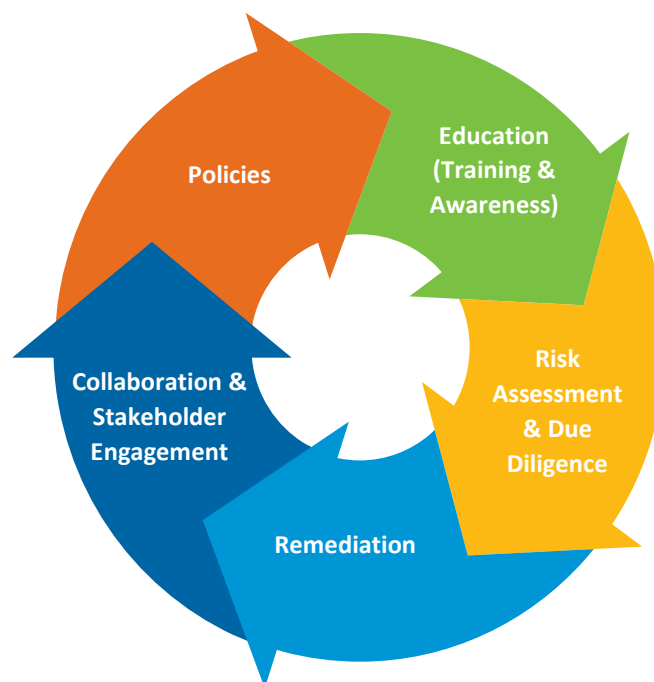
We considered three risk factors. We prioritise the risk areas to focus on those we determine we have either a level of influence or direct relationship to the risk.

Type of Risk	Indicators
Business models structured around high-risk work practices	Using sub-contractors, labour hire agencies and other third parties reduces transparency.
Product and service categories risk	We know that certain products and services may have high modern slavery risk because of the way they are produced, provided or used.
Geography or country of origin risk	We recognise that modern slavery is more likely in locations with conflict, a weak rule of law, high levels of corruption or poor governance.

Actions Taken to Assess and Address Identified Modern Slavery Risks Including Due Diligence & Remediation Process

Husmann Australia adopts a global approach to the assessment of and attending to modern slavery risk with The Group.

We proactively seek to identify, assess and address modern slavery risks in our operations and supply chain. Importantly we also integrate our response to modern slavery into our broader work to respect human rights. Our modern slavery response and actions to assess and address modern slavery risks in our operations and supply chain are based on five key foundations:



Whilst these five foundations form the basis for our modern slavery response are well embedded, we are continually refining and seeking opportunities to improve our approach to managing modern slavery risk.

Risk Mitigation / Control	Purpose	Planned Action
Policies	<p>Across Hussmann Australia and The Group, we have established a comprehensive suite of internal policies to support our modern slavery response.</p>	<p>We currently have the following controls in place (see below on page 5 “The Group Policies & Procedures”).</p> <p>These comprehensive set of codes, policies and procedures that discuss our team's values, behaviours, and expectations and are reviewed regularly. These policy frameworks ensures that our employees and suppliers clearly understand our expectations. They can equally recognise when they are being treated in an inconsistent way with these expectations and understand how to raise a grievance or complaint (further details can be found in our Code of Ethics & Compliance policy).</p>
Education (Training & Awareness)	<p>Training and awareness (education) are key controls in addressing the risk of modern slavery. We have tailored training sessions to educate our employee and create awareness.</p> <p>We will continue to work to formalise and expand this training across The Group to build the capability of our employees to identify, manage and report potential modern slavery risks and red flags.</p>	<p>As part of The Group, we partner with external educational provider(s) where we continually work towards improving the content and process for our ethics and compliance educational topics.</p> <p>From April 2022, The Group has introduced a new Code of Ethics & Compliance which replaced the previous Code of Conduct. All employees are required to undertake proper training on the new Code of Ethics and Compliance. An external annual Code of Ethics and Compliance educational course is to be completed each year by all employees. Completion target of 100% is aimed and achieved each year, including most recently in 2023.</p> <p>Furthermore, we are currently working towards a supplier education course to build on future capabilities.</p>
Risk Assessment & Due Diligence	<p>The Group takes a proactive approach to identifying and eradicating modern slavery risk from our operations and supply chains with our risk-based programs and due diligence processes.</p>	<p>Audits are conducted to assess the social and ethical compliance of supply chains, including issues related to modern slavery.</p> <p>SEDEX (Supplier Ethical Data Exchange) and SMETA (Sedex Members Ethical Trade Audit) is one initiative Hussmann is taking part in that assess and promote ethical and responsible business practices in supply chains. Companies benefit from participating by enhancing their ethical reputation, gaining access to markets with stringent standards, mitigating risks, improving supply chain management, achieving cost savings, satisfying customers and stakeholders, and fostering a commitment to continuous improvement. While there are initial investments, the long-term advantages in terms of reputation, market access, and risk management often outweigh the costs.</p> <p>In January 2023, Hussmann Australia took part in the first participation of SEDEX. This also included us undergoing</p>

		<p>third party SMETA audits of our own manufacturing sites which, in turn, provides assurance to our major customers (a new concept which we are committed to work towards ensuring the Modern Slavery Act is followed). A SMETA audit was conducted, which included some or all of Labour Standards, Health & Safety, Environment and Business Ethics. The scope of workers included all types at the site e.g. direct employees, agency workers, workers employed by service providers and workers provided by other contractors. Audits are conducted to assess the social and ethical compliance of supply chains, including issues related to modern slavery. Through this scheme, we were required to complete the SEDEX Supplier Assessment Questionnaire (SAQ).</p> <p>Based on the conclusion of the SMETA report out of the 16 areas, we passed 14. Immediate remediation was taken place to address the 2 areas to evaluate and to validating the effectiveness of any corrective actions required by the audit. These areas were signed off as 'minor' non-conformances with no additional action required, in our most recent follow-up audit in 2024. At the external SMETA auditor's instruction, we will now move to an annual audit as per requirement for on-going SEDEX registration, with the next audit to occur in 2025.</p>
<p>Remediation</p>	<p>We are committed to respecting human rights across our businesses and supply chains. Where we identify impacts that we may have caused, or to which we may have contributed or be directly linked, we will seek to address this in line with the guidance provided.</p>	<p>We have established reporting procedures and mechanisms whereby employees and third parties can report any concerns regarding unethical or illegal conduct, including in relation to modern slavery to an external independent provider.</p> <p>This establishes a formal framework within which individuals are able, in a secure way, to express their genuine concerns about misconduct, an improper state of affairs or circumstances, or unlawful behaviour to an independent external system, that provides protection and confidentiality.</p> <p>To make it possible for us to respond quickly and remedy any complaints received which relate to human rights violation, we work with The Group to have an established global hotline (supporting multiple languages) as a point of contact. Further information can be found in our Employee Code of Ethics & Compliance Policy.</p> <p>Implementing a remediation hotline as part of an ethics and compliance policy provides employees and third parties with a confidential and accessible platform to voice concerns. This fosters transparency, encourages accountability, and helps in early detection and resolution of ethical issues. The hotline contributes to a culture of integrity by offering a non-retaliatory channel for reporting, ensuring legal compliance, and facilitating continuous improvement in organisational ethics.</p>

		There were no complaints through the hotline in this reporting period that raised modern slavery issues.
Collaboration & Stakeholder Engagement	Our stakeholder engagement and participation provide opportunities for shared lessons and valuable insights to inform our response to modern slavery.	<p>We expect all members of our supply chain, as well as contractors, to comply with the modern slavery act and our business principles. Therefore, each time Hussmann Australia or Suzhou engages a new supplier or deals with a new intermediary, we run background checks through the database of a third-party global accountancy firm.</p> <p>Prior to awarding contracts, the assessment of new suppliers and reviewing existing suppliers are conducted, as part of our due diligence process for engaging with suppliers.</p>

The Group's Policies & Procedures



High level General Policy:
Length: Brief
Use: Seldom

- It defines a general management framework & outlines the objectives, the scope and the subject-matter of the compliance program.
- It considers the foundational compliance program document, which enables the organisation to adopt the effectuating policies.

High level Topic-Specific Policies:
Length: Moderate
Use: Frequently

- They define a subset of rules & processes that are still general but that are related to a specific area. They complement the General Corporate Policy.
- They also establish the compliance function & outline the roles & responsibilities of the compliance function personnel.

Detailed Procedures:
Length: Extensive (proportionate to their subject matter)
Use: Daily

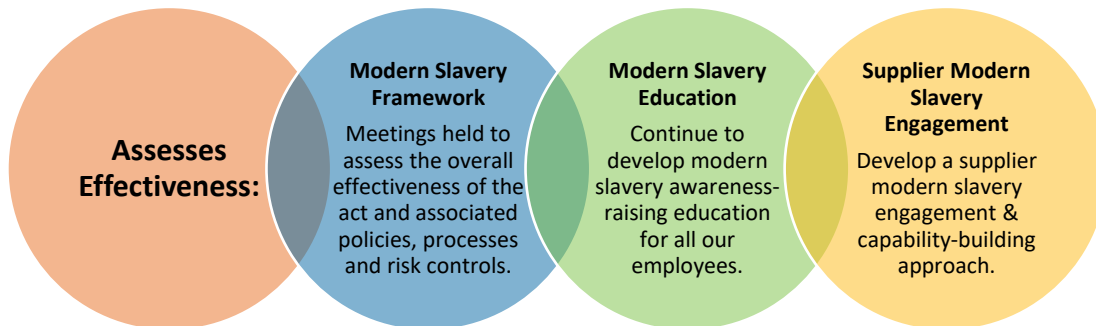
- They are procedures that effectuate & operationalise the Corporate Policy & the High-Level Topic-Specific Policies.
- The Detailed Procedures set specific standards, prescribe behaviour & provide specific guidance to prevent detect, investigate & remediate corruption in their specific areas of application.

Assessing the Effectiveness of our Actions

We regularly review our approach to addressing modern slavery to ensure the ongoing effectiveness of our actions. Effectiveness is assessed by asking whether our actions are effective in addressing the modern slavery risks that our business may cause, contribute, or be directly linked to in alignment.

We will continue to assess our effectiveness of our actions taken to address modern slavery risks. We will proactively lead all aspects of assessing effectiveness and will report regularly to The Group and Board.

How we will continue to assess the effectiveness of our actions is summarised below:



We recognise that achieving an effective approach to modern slavery is complex, difficult to measure and requires continuous improvement. As such we take a qualitative and quantitative approach to assessing effectiveness.

Key actions to monitor and improve the effectiveness of our work include:

We track our progress and review the actions to monitor their ongoing effectiveness.

- We recognise the importance of reflection, review and analysis to assess effectiveness of our actions
- We conduct internal reflection and seek external expert guidance to evaluate whether our approaches align with established guidance and emerging good practice and are fit for purpose
- We review our policies to ensure their continued effectiveness and alignment to best practice

The indicators of modern slavery can be complex and hidden, so our risk assessment also includes the following to enable us to prioritise activity:

- **Detailed Mapping of Supply Chains and Operations:** This involves creating a visual representation of the entire supply chain, from raw materials to end products. By understanding the flow of goods and services, potential areas of vulnerability can be identified.
- **Desk-Based Research:** This action involves thorough investigation and analysis of available information, including public records, industry reports, and any other relevant data.
- **Data from Audit Programs:** Conducting audits provides a real-world check on the ground. This action ensures that the information gathered aligns with the actual practices within the supply chain. It's a hands-on approach to verifying compliance.
- **Supplier Surveys:** Engaging directly with suppliers through surveys allows for a more personal understanding of their operations. It provides an opportunity for suppliers to share their perspectives and insights, contributing valuable qualitative data to the risk assessment.
- **Supply Chain Due Diligence:** This is the gatekeeping step. It involves a systematic and comprehensive review of existing & potential new suppliers before entering into a business relationship. It's about identifying and mitigating risks before they become embedded in the supply chain.
- **Supplier Engagement:** Taking a proactive stance, engaging with suppliers ensures an ongoing dialogue. It's not just about assessing risks but actively working with suppliers to improve conditions and practices. This collaborative approach contributes to building a more resilient and ethical supply chain.
- **Discussions with Expert Stakeholders through Multi-Stakeholder Initiatives:** This action broadens the perspective by involving external experts and stakeholders. It's like bringing in a team of consultants to provide diverse insights. These discussions can lead to a more holistic understanding of the landscape and potential risks.

Together, these actions create a robust framework for risk assessment. It's not a one-size-fits-all approach; rather, it's a dynamic and multifaceted strategy that addresses the nuanced challenges posed by the complex and hidden nature of modern slavery.

We recognise that our risks and also compliance can change. We are committed to making sustained initiatives and have added Modern slavery as an agenda item to each monthly compliance meeting. Furthermore, Hussmann Australia and Suzhou participate in an annual audit coordinated by The Group, which takes the form of a survey of particular suppliers to identify modern slavery. No such issues were identified in the current reporting period.

Consultation With Controlled Entities

During the reporting period this statement covers, we actively engaged and consulted with the company we own or control in the development of this statement. We discussed details of the Modern Slavery Act 2018's reporting requirements; information regarding the actions we intend to take to address these requirements and provided them with relevant materials and updates that have a direct impact to them.

Other Relevant Information

Hussmann are committed to further strengthening risk controls to ensure continued mitigation of modern slavery risks in our operations and supply chain. An overview of our progress to date and future initiatives are outlined below.

An overview of Hussmann Australia's progress (and future initiatives) is outlined below in our journey.

Modern slavery journey and plan:

Prior to December 2022

- To date, Hussmann Australia has issued 2 statements
- Reporting of modern slavery act compliance to the board
- Modern slavery topics added as an agenda item to each monthly compliance meeting
- Run background checks through the database of a third-party global accountancy firm
- The Group introduced new Code of Ethics & Compliance (replacing previous Code of Conduct)
- A new annual Code of Ethics and Compliance course was introduced (completed each year by all employees)


January 2023 onwards (in addition to previous)

- Development of modern slavery policy and compliance framework for our suppliers (on-going)
- Commit to annual statement submissions
- Continue to implement existing modern slavery risk controls
- Be explicit with Modern Slavery Act in our monthly compliance meetings
- Issue ethical sourcing questionnaires to gain more information in relations to suppliers supply chain
- Participation in SEDEX to undergo a third party SMETA audit of our own manufacturing sites
- Continual review of our Ethics and Compliance educational courses. Part of achieving this objective is to ensure we continue to educate our employees, review targeted job functions are relevant and provide the tools and information necessary to proactively mitigate risk for our most valuable assets – our people, our business and our customers
- Work towards a supplier education course

Approval of Statement

This statement summarises the actions taken by Hussmann Australia and has been approved by the Board of Hussmann Australia Pty Ltd and signed by our director in accordance with the requirements of the Australian Modern Slavery Act 2018 (Cth):

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Sherif Hassanein', written in a cursive style.

Sherif Hassanein

Managing Director – Oceania
Hussmann, A Panasonic Company
Website hussmann.com.au