

Panasonic

Modern Slavery Statement 2024

Panasonic Australia Pty Ltd

Reporting Period: 1 April 2023 – 31 March 2024

1. Identify the Reporting Entity

This Modern Slavery Statement (“Statement”) is prepared for Panasonic Australia Pty Ltd (ABN 83 001 592 187) (“PAU”) and is provided pursuant to section 13 of the Modern Slavery Act 2018 (Cth) (the ‘Act’). The Statement will address each of the mandatory criteria as set out in section 16 of the Act.

PAU is a subsidiary of the global electronics manufacturer, Panasonic Holdings Corporation which has its headquarters in Japan. Unless specified, references in the statement to “**Panasonic**”, “**our**”, “**us**”, “**we**” and “**Group**” refer to Panasonic Holdings Corporation (PAU’s ultimate parent company) and its subsidiaries.

This Statement sets out the steps we have taken to identify, address and mitigate the risks of modern slavery in our operations and supply chain for the financial year from 1 April 2023 until 31 March 2024 (the “Reporting Period”).

PAU’s assessment of modern slavery risks in its operations and supply chain risk falls within the Panasonic Corporate and Social Responsibility (“CSR”) risk management framework which is overseen by Panasonic. For this purpose CSR Guidelines have been prepared in English, Japanese and Chinese to distribute to our suppliers.

As a comprehensive electronics manufacturer, Panasonic develops, produces, sells and provides services in relevant sectors through close cooperation with Group companies across the globe. Our business depends upon the support of many people, including employees, customers who use our products and services, suppliers involved in procurement and sales and our business partners. Under the Panasonic management philosophy that ‘a company is a public entity of society’, we recognize that we cannot allow ourselves to develop at the expense of these people and that we have a responsibility to protect the rights of and contribute to the well being and happiness of these people.

We have established the Panasonic Group Human Rights and Labour Policy. We also seek our suppliers and business partners to understand and implement our human rights and labour compliance policies. In cooperation with our suppliers and partners, we strive to monitor supply chain risks and take appropriate measures to prevent, mitigate and correct the occurrence of such risks.

2. Our Structure, Operations and Supply Chain

2.1. Our Structure

PAU is an Australian proprietary company limited by shares. It has approximately 165 employees and its registered office is in Macquarie Park, New South Wales, Australia 2113. There are sales operations located in Western Australia, South Australia, Victoria and Queensland.

In terms of its corporate structure, its immediate ownership is controlled by Panasonic Asia Pacific Pte Ltd which is a registered company in Singapore. The ultimate parent company of PAU is Panasonic Holdings Corporation which has its head office in Japan.

PAU does not own or control other entities within the meaning of the Act. Being part of the Panasonic Group, PAU is subject to global Panasonic policies.

2.2 Our Operations

In order to understand the specific operations of PAU, it is important to firstly acknowledge that PAU is part of the broader and wider Panasonic Group.

The Panasonic Group business is very diverse and covers different areas amongst consumer electronics, housing, automotive and business solutions. The Panasonic Group key operational business based product companies consist of Lifestyle - Living Appliances and Solutions Company (e.g. kitchen appliances, beauty and personal care, laundry systems), Heating and Ventilation Air Conditioning Company (e.g. heating and cooling systems etc), Connect (e.g. in flight entertainment, media entertainment, mobile computer/tablets and supply chain management software), Automotive Systems Company (e.g. automotive entertainment, devices such as head up displays etc.), Industry (e.g. industrial devices, electromechanical control devices, electronic materials etc.) and Energy (in vehicle batteries, industrial and consumer batteries).

At the local level in Australia, PAU acts as a distributor of Panasonic branded electronic products to the consumer and business markets. Panasonic does not manufacture any electronic products in Australia.

Our core business in Australia is split between consumer orientated products acquired mainly from Lifestyle and HVAC and business products from Connect. Our consumer products are sold predominantly through a range of retail partners. Our business products are mainly sold through professional value added channels and distributors.

2.3 Our Supply Chains

2.3.1 Supply Chains for Products

PAU acquires all of its Panasonic branded products from Panasonic Group operating companies who form part of the supply chain. The supply chain is broadly defined from the sourcing of raw materials, to the design, engineering, manufacturing, and recycling of products, to logistics, sales and support functions including customer services and technical support services.

Panasonic's global supply chain is highly complex and comprised of approximately 13,000 suppliers world wide. Our Panasonic Group operating companies acquire raw materials, components and parts to produce the Panasonic branded products from suppliers located throughout the world. These suppliers are predominantly located (approximately 93%) in Japan, China, the Asean and India regions.

The parts and materials that are acquired from suppliers are broken down by transaction as follows (i) 23% raw materials, (ii) 53% machined parts, (iii) 22% electrical and electronic parts and (iv) 2% others.

Panasonic promotes activities within its global supply partners across the entire supply chain to fulfil its CSR objectives. The objective is to promote procurement activities together with suppliers that fulfil their social responsibilities, such as human rights, labour, safety and health and global environmental conservation.

PAU imports almost all of its products to sell in Australia, mainly in the finished goods form, from Panasonic Group companies. There are also some spare parts acquired by PAU, also from Panasonic

Group companies, in order to meet its obligations to provide warranty support and services in Australia.

2.3.2 Supply Chains within Australia

PAU's up stream supply chain includes all of those activities that are involved in the manufacturing and supply of all products to the transportation of those products to Australia.

PAU's downstream supply chain includes the following key activities:

- Logistics services (warehousing and transportation of products);
- Sales and marketing (advertising, promotions, merchandising, public relations etc);
- Customer Service and Call Centre services;
- Legal, Audit and Insurance services; and
- Information Technology infrastructure and acquisition of IT hardware and software.

Most of the suppliers for the above operations are located in Australia except for the following.

- a. For Marketing and Information Technology, some back end support services are also provided by Panasonic Group companies or by global affiliated companies in Europe, Singapore and Japan, and
- b. The Call Centre is operated in the Philippines by a local Australian supplier.

3. Describe the Risks of Modern Slavery Practices in the Supply Chains of the Reporting Entity and any Entity the Reporting Entity Owns or Controls

PAU has assessed the risks using the modern slavery risk indicators set out in the Commonwealth Modern Slavery Act 2018 – Guidance for Reporting Entities ("Commonwealth Guidance").

Panasonic recognizes the need to identify human rights issues across its business activities, including its value chain and continues to review the impacts and address priority issues. Panasonic operates in a wide range of business areas globally and as a result there are extensive supply chains in some businesses. We recognize that there are risks that workers in the Group manufacturing sites and these supply chains may be in vulnerable positions or may be required to work in unsafe conditions in different countries or regions.

We focus on initiatives at the Group manufacturing sites and in our supply chains and take a risk based approach to address human rights issues. We consider that forced labour and occupational health and safety as specific risks to be prioritized at our manufacturing companies and sites based upon their business characteristics and past self- assessment results. Our process for prioritising and identifying potential and existing human rights risks is set out as follows:

- a. List all aspects of human rights issues that the Group's activities could adversely impact.
- b. Evaluate the severity (scale, scope and remedial ability) and likelihood of occurrence (based upon both publicly available and internal data gathering results), and
- c. Collaborate with external and internal stakeholders to review the validity of methods and results.

Panasonic has implemented a number of global policies and procedures within its CSR framework to ensure that Panasonic promotes activities with suppliers that address human rights, labour, safety and health in order to comply with laws and regulations, international standards and corporate ethics.

In Australia, PAU has conducted a review of its existing suppliers in order to ascertain the risks of modern slavery existing within its local supply chains and operations. Overall there is a likely low risk of modern slavery occurring within the supply chain and operations within Australia.

4. Actions taken to Assess and Address Modern Slavery and Human Trafficking Risks, Including Due Diligence and Remediation Processes

4.1 A Global Approach

Panasonic adopts a global approach to the assessment of and attending to modern slavery risks. As PAU is a company within the Panasonic Group, PAU complies with the applicable Panasonic global policies and processes. This Statement addresses the actions taken to assess and address modern slavery at a global level as well as locally.

- a. **Panasonic Group Code of Conduct.** Panasonic commitment to human rights is set out in the Panasonic Group Code of Ethics and Compliance (the “Code”). The Code, translated into 22 languages, defines the commitments that all Group employees must fulfil and positions respect for human rights as the Groups social responsibility. Panasonic continues to conduct training on an annual basis across its approximately 150,000 employee workforce.
- b. **Respect for Human Rights.** The Panasonic Human Rights and Labour Policy (the “HRL Policy”) is predicated on compliance with international standards set by the United Nations and Internal Labour Organisation (ILO) and the applicable laws in each country where we do business. The HRL Policy includes our commitment to respecting internationally recognized human rights, to identify, prevent and correct risks related to human rights, to promote remedies to people affected by those risks and to create working environments where people are fulfilled by their work and ways in which we use dialogue related to these topics with our stake holders.

Panasonic’s HRL Policy is predicated on the main international standards which include:

- (i) The United Nations Guiding Principles on Business and Human Rights.
- (ii) The United Nations International Bill of Human Rights (Universal Declaration of Rights, International Covenant on Civil and Political Rights and International Convention on Economic, Social and Cultural Rights), and
- (iii) ILO Declaration on Fundamental Principles and Rights of Work.

Panasonic’s HRL Policy includes as clear prohibition and expectation to work towards the effective eradication of child labour. When we hire employees, in addition to complying with all applicable laws, we also require that personnel hiring firms, suppliers and other companies we work with to do the same.

During the year the following training was conducted to emphasise our commitment to human rights and prevent issues arising from conducting due diligence:

- a. A total of 49 human resources and production managers in manufacturing sites across China and India undertook specific training to understand the Groups human rights initiatives and HRL Policy.
- b. A total of 240 participants from Malaysia and Singapore including management and personnel from human resources, accounting, purchasing, legal and manufacturing undertook training on preventing forced labour, and
- c. A total of 182 participants consisting of management teams in Malaysia undertook training in conjunction with the United Nations Development Programme (UNDP) on topics which included business and human rights, the basics of human rights and due diligence, the Groups human rights initiatives and HRL Policy.

4.2 Due Diligence Including Identifying and Assessing Potential Human Rights Impacts

The Group is committed to respecting the human rights of the stakeholders in its business activities based upon the United Nations' Guiding Principles for Human Rights, referring to the OECD Due Diligence Guidance for Responsible Business Conduct. We conduct human rights due diligence to identify, prevent and mitigate any adverse impact our operations could have on human rights, correct issues that may arise and explain the results of our actions to relevant stakeholders.

Panasonic has established and shared the Supply Chain CSR Promotion Guidelines (the "CSR Guidelines") with its suppliers to clearly convey the requirements that are expected to be implemented and enters into contracts that obligates suppliers to comply with the CSR Guidelines. The CSR Guidelines specify the prohibition on forced labour or child labour, appropriate working hours, decent wages, humane treatment, elimination of discrimination, freedom of information and occupational health and safety expectations and rules for facilities.

We require suppliers to affirm the Panasonic Group Code of Ethics and Compliance and the Panasonic HRL Policy and at the start of the transactions with suppliers for manufacturing of Panasonic products, we make it mandatory to conclude a Master Global Purchasing Agreement that stipulates compliance with the CSR Guidelines. In the CSR Guidelines we stipulate a respect for human rights as expressed in the United Nations principles, an evaluation of the status of the suppliers' human rights initiatives and the implementation of prevention/mitigation/corrective measures, a request for compliance for tier 2 suppliers and a request for adherence and cooperation with Panasonic's human rights due diligence. The Master Global Purchasing Agreement obliges suppliers to comply with the CSR Guidelines. The CSR Guidelines cover topics relevant to human rights which include (i) labour rights, (ii) occupational health and safety, (iii) ethics and (iv) management systems.

Since April 2022, Panasonic has been working on initiatives to build a structure for human rights due diligence. While incorporating guidance from outside experts, Panasonic has completed a table to assess human rights risks for its suppliers by using risk indicators and indices provide by international organisations in order to identify suppliers for which actions should be taken on a priority basis.

4.3 Supply Chain Assessments and Audits

4.3.1 CSR Assessments

To promote human rights and due diligence and other aspects of CSR throughout the supply chain, the Group requires its suppliers to conduct CSR Self Assessments. The CSR Self Assessments are structured based upon the CSR Guidelines and we require that all new suppliers conduct the assessments before commencing business transactions with them. We also require existing suppliers to conduct re assessments regularly. All assessments are collected using a web based questionnaire which improves efficiency and accuracy.

We restarted the assessment and their collection at the end of the 2021 year. By March 2024, there were more than 12,300 supplier assessments (95% of total suppliers) completed.

After identifying issues, particularly those identified as priority management items in the CSR Self Assessments, such as labour conditions for migrant workers, further visits are undertaken of suppliers to check on site conditions, hold interviews and investigate issues if necessary and work will then be undertaken to correct them.

During the year, human rights due diligence training was conducted in Malaysia six times in cooperation with the UNDP and 207 of approximately 500 Malaysian suppliers invited with significant transaction amounts attended (228 attendees) the training. The scope of supplier education training will be expanded by prioritising those regions and suppliers with high risk.

Training sessions were also held for Panasonic procurement team members who will be responsible for CSR implementation with suppliers across the globe in parts of Europe, the USA, China, Japan and other Asian countries. This training also includes how to audit suppliers. During the prior 2023 year a total of 152 people undertook training in Japan, China and Asian countries to become supplier auditors.

4.3.2 Internal Assessment of Group Manufacturing Site Risks

In the fiscal year 2024, we conducted internal self assessments at all Group manufacturing companies and sites in Japan and overseas. A total of 202 responses were collected. The results of these self assessments are being evaluated and any subsequent corrective actions required will be completed in the following year.

At the local level, PAU continues to monitor its key suppliers and ensures that its key suppliers sign agreements which provisions which cover modern slavery compliance.

4.3.3 Responsible Minerals Procurement

Panasonic recognizes that the procurement of certain miners carries a risk of funding organisations in conflict affected areas and risks related to human rights abuses, child labour at mining sites, harsh working conditions and corruption in high risk areas. This is matter of grave concern and so Panasonic is engaged in the responsible procurement of minerals in its global supply chain. To this end it is necessary that Panasonic works with and in partnership with a wide range of stakeholders including national governments, companies and NPO's that are working towards creating sound minerals supply chains.

Panasonic uses industry wide survey forms to conduct regular surveys of mineral suppliers. In the 2024, we collected responses from 2,850 of 3,041 suppliers that were asked to conduct Conflict Minerals Reporting Template (CMRT) surveys and 3,474 of 3,711 suppliers that were asked to

conduct Extended Mineral Reporting Template (EMRT) surveys. Based upon the data collected from the survey forms, a risk analysis and assessment was concluded and further information was requested from suppliers, where necessary, according to the risks identified.

4.4 Addressing Issues and Findings

Since April 2023, following the self assessment and surveys, a total of 141 suppliers were identified based upon the risk approach indicators for audit (including 16 suppliers which were audited by third party organisations). Following the audit the key items that were identified included:

- a. Labour. Records of working hours, break times, and overtime hours have not been properly managed.
- b. Human Rights. Insufficient break rooms that ensure privacy for women are not provided, and
- c. Health and Safety. Emergency evacuation procedures and routes were unclear.

When issues are found in the course of CSR self assessments, Panasonic works with suppliers to make improvements using a variety of different methods. This includes attending the suppliers actual facilities for confirmation, hearings and observations.

Panasonic considers terminating contracts in cases where critical items in the CSR Guidelines such as issues with legal violations or prohibitions against child labour and forced labour cannot be remedied. Panasonic also continues to educate and provide its suppliers with guidance to solve minor issues in order to comply with the CSR Guidelines.

Where we find human rights violations in downstream mineral suppliers in our supply chain, we also ask our suppliers to take steps towards no longer using them and changing their source.

Panasonic places significant emphasis on addressing high priority matters and putting in place improvement programs with effective timelines.

4.5 Integration of Findings Across the Panasonic Group and Action Taking

Panasonic has also established a group wide framework to foster cooperation in promoting responsible procurement among all Group operating companies and regional procurement divisions.

Each of the operation companies, their business divisions, or other relevant business units within the Group are responsible for applying the Plan, Do, Check, Action (PDCA) cycle to their practice of responsible procurement by following the Groups internal rules, standards, manuals and policies.

The Global Procurement Division of Panasonic fills the role of providing Group wide measures and support to all Group companies. Regular group wide meetings are held by the heads of the procurement to discuss issues and promote compliance.

4.6 Grievance Mechanism and Remediation

Panasonic has established its “Global Hotline EARS” that anyone, including all Group employees as well as suppliers, can use to anonymously report any violation or suspected violation of laws and regulations, agreements with suppliers, Panasonic Group Code of Ethics & Compliance, or other material matters in the Groups supply chain.

In addition to the Panasonic Global Hotline EARS, Panasonic offers access to JaCER, an industry wide grievance platform established by the CSR Committee of the Japan Electronics and Information Technologies Industries Association (JEITA). JaCER is a contact point for any suppliers and their employees to report any adverse human rights impacts on the Panasonic global supply chain. By accepting grievances through third party contact, we aim to make grievance handling fairer and transparent, promote dialogue and redress more than ever before and work to resolve human rights issues.

By utilizing such methods, we have conducted audits through a third party organisation on human rights issues which have been raised at suppliers that we received through the hotline. As a result, we have witnessed suppliers taking corrective actions.

5. How Panasonic Assesses the Effectiveness of its Actions to Address Modern Slavery

Globally Panasonic conducts the assessment of its suppliers in accordance with the Supply Chain CSR Promotion Guidelines and promotes labour rights and the principles contained in the United Nations Guiding Principles on Business and Human Rights.

Panasonic tracks and reports on the overall strategies, policies and outcomes and publishes this in the annual Sustainability Report 2024 (the “2024 Report”). For the detailed 2024 Report see <https://holdings.panasonic/global/corporate/sustainability/pdf/sdb2024e.pdf>.

6. Our Consultation Process

As PAU does not own or control any other entities, consultation with other reporting entities within the meaning of the Act is not relevant as this is not a joint Statement.

7. Other Relevant Information

Panasonic has entered into a strategic global partnership with the United Nations International Organisation for Migration (IOM) – a specialized UN agency with a proven track record of assisting in the responsible recruitment and employment of foreign workers in Malaysia – to improve the rights of migrant workers in the supply chain.

During the 2024 year, senior Panasonic personnel from its head office in Japan participated in the Business and Industry Advisory Council (BIAC: an OECD public advisory body), contributed to bodies related to human rights and due diligence in Europe and provided speakers at the Responsible Business, Human Rights and Decent Work in Asia conference co hosted by the ILO and Ministry of Economy, Trade and Industry (MEIT) and human rights conference organized by the Human Rights Commission of Malaysia (SUHAKAM).

The Panasonic Group continues to build and strengthen by various initiatives a highly reliable management system to address human rights issues and modern slavery through a number of varied efforts.

8. Approval of Statement

This Statement summarises the actions taken by Panasonic Australia Pty Ltd, the reporting entity, and has been reviewed and approved by the Board of the reporting entity on 24 December 2024 in accordance with the requirements of the Australian Modern Slavery Act 2018 (Cth).



Michael O'Donnell

Director