



## Panasonic Avionics Corporation's Modern Slavery Statement (International) for the financial year 1 April 2024 – 31 March 2025

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This modern slavery statement was prepared and submitted in accordance with the requirements of applicable modern slavery laws, including the Australian *Modern Slavery Act 2018* (Cth) ("Australian Act"), the California *Transparency in Supply Chains Act of 2010* ("CA Act"), the UK *Modern Slavery Act of 2015* ("UK Act"), the Norwegian *Transparency Act* ("Norwegian Act"), and Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act* ("Canada Act") on behalf of Panasonic Avionics Corporation ("PAC") (Australian Business Number 068 581 920) as the reporting entity, for the reporting period 1 April 2024 – 31 March 2025 (FY24)<sup>1</sup>.

### PAC's Commitment to Human Rights

Modern slavery may occur in various forms—including servitude, forced or compulsory labor, and human trafficking—all of which include the deprivation of an adult's or a child's liberty by another person or entity (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 it operates. PAC is committed to acting ethically and with integrity in all its business dealings and relationships. PAC does not knowingly use modern slavery in any of the products it uses or services it supplies.

PAC strives to improve its internal standards, guidelines, and partnership agreements to facilitate management of human rights-related issues and help prevent modern slavery from taking place anywhere in its own business or in its supply chains.

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<sup>1</sup> Panasonic Avionics Corporation owns or controls\* the following entities, none of which meet the reporting threshold under any of the Acts identified above:

- Aeromobile Communications Ltd.
- Aeromobile AS
- Delta Engineering Corporation
- Panasonic Avionics (China) Company, Limited
- Panasonic Avionics India Pvt. Ltd.
- Panasonic Avionics Mexico Company Limited, S. De R.L. De C.V.
- Panasonic Avionics New Zealand Limited
- Panasonic Avionics Services Singapore Pte. Ltd.
- Tactel AB

\*For purposes of this modern slavery statement, "control" is as defined in the Australian Act.

As an international company, PAC understands its 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.*

## Structure, Operations, and Supply Chain

### Structure

Panasonic Avionics Corporation is a U.S. corporation incorporated in the State of Delaware, and headquartered in Irvine, California. PAC is a wholly owned subsidiary of Panasonic Corporation of North America, the principal North American subsidiary of Panasonic Holdings Corporation. Panasonic Holdings Corporation is PAC's ultimate parent company and is headquartered in Japan. It is one of the largest electronic manufacturers in the world, with 501 consolidated companies located globally. PAC is part of the global Panasonic Group (for more information, see [Panasonic Group](#)).

### Operations

Panasonic Avionics Corporation is the world's leading supplier of in-flight entertainment and communication systems. The company pioneered the industry beginning in 1979 and has consistently introduced innovations that enable unique customer experiences and enhance airline loyalty, ancillary revenue, and operational efficiency.

Over 200 leading airlines across the world have chosen to install PAC's in-flight entertainment systems, satellite Wi-Fi connectivity, and digital services on their aircraft. PAC's proven systems are supported by the largest, global support and services team utilizing original equipment manufacturer insights to ensure peak system performance.

### Supply Chain

As a global company, PAC operates a highly complex supply chain, with suppliers located worldwide. As a member of the Panasonic Group, PAC is able to leverage Panasonic Group's entire supply chain globally. Many of PAC's and PAC's subsidiaries' products are sourced by manufacturing facilities located in Japan and therefore must comply with Panasonic Holdings Corporation's [Procurement Policy](#).

## Modern Slavery Risks in Operations and Supply Chains

Panasonic Avionics Corporation acknowledges that the risks of modern slavery may be greater in certain operations or supply chains as a result of geographic location, product, or service. PAC is aware that the risk is heightened in sectors involving migrant workers, for example. To that end, PAC actively works to identify areas both within PAC and its subsidiaries, as well as in its supply chain, where there are higher risks of forced labor.

Panasonic Avionics Corporation's assessment is that there is a low risk of modern slavery occurring in relation to employees directly employed by PAC in its business operations and in the operations of the entities PAC owns or controls.

However, PAC has identified the scale and complexity of its global supply chain—particularly sourcing from high-risk geographic areas—as a source of modern slavery risk. Specifically, PAC has identified sourcing products from China, India, and Indonesia as higher-risk supply chain activities. PAC is therefore focused on developing, implementing, and monitoring these activities (as described herein).

## Actions Taken to Address Modern Slavery Risks and Assessment of the Effectiveness of Such Actions / Due Diligence Processes

PAC takes several proactive steps to mitigate potential risks of modern slavery in its operations and supply chains:

### Policies, Codes, and Guidelines

#### Panasonic Group Policies & Codes

All Panasonic Group members—including PAC and its subsidiaries—are required to comply with the [Panasonic Group Human Rights and Labor Policy](#) and the [Code of Ethics & Compliance](#) (the "Code of Ethics"). The Panasonic Group has defined the Panasonic Group Human Rights and Labor Policy with reference to the United Nations' Guiding Principles on Business and Human Rights, the United Nations' International Bill of Human Rights, and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

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 [Code of Ethics](#), available in 22 languages.)

#### PAC Policies & Guidelines

Panasonic Avionics Corporation has also implemented several policies and guidelines related to human rights, labor, and sustainability, all of which may be accessed by employees on PAC's intranet:

- **Combatting Trafficking in Persons and Forced Labor Policy** – sets forth PAC's prohibition of trafficking in persons and use of forced labor within the company and supply chains and provides guidance regarding the identification and prevention of human trafficking and forced labor.
- **Global Environmental Health, Safety and Security Department** – sets forth a procedural framework to provide a safe and secure working environment for employees and third parties.
- **Environmental Policy** – sets forth the scope of PAC's environmental management system.
- **Global Employee Handbook and regional/local employee handbook addenda** – sets forth standards of employee behavior.
- **Affirmative Action and Equal Employment Opportunity Policy Statement** – sets forth PAC's commitment to being an equal opportunity employer (applicable only in the United States).

- **Global Standards of Business Conduct** – sets forth standards of employee behavior when interacting with any business partner, including customers, consultants, agents, contractors, subcontractors, vendors, and suppliers. Anything prohibited for employees is also prohibited for any business partner or third-party providing goods or services to PAC.
- **Business Partner Policy** – sets forth standards and guidelines for the due diligence review of PAC business partners.
- **Business Partner Code of Conduct** – sets forth the ethical conduct standards and principles that PAC expects its Business Partners to follow in providing products and services to or on behalf of PAC.
- **Anti-Retaliation Policy** – prohibits retaliation against employees who exercise protected rights, such as the right to lodge an internal complaint or make a good faith report about a possible violation of law or the Panasonic Group Code of Ethics.

## Verification

PAC engages in a series of verification activities to identify, assess, and manage the risk of forced labor in its global supply chain.

Expectation-Setting. Every supplier is, from the outset of the relationship, explicitly expected to comply with all applicable laws, rules, and regulations, including those pertaining to forced labor. Specifically, among other commitments, suppliers must enter into supply agreements which require that they are familiar with and comply with Panasonic’s [Supply Chain Corporate Responsibility Guidelines](#) (the “CSR Guidelines”). The CSR Guidelines provide clear guidance on PAC’s expectations and addresses topics such as child labor, forced labor, work hours, wages, safety and health, discrimination, and harassment. Suppliers are required to monitor their subcontractors, material suppliers, and work environment to ensure compliance with the CSR Guidelines.

Supplier Due Diligence Screening. Prior to contracting with new suppliers, PAC conducts due diligence designed to help identify and assess forced labor risks (among other risks), as is described in detail below.

Ongoing Compliance with the CSR Guidelines. The CSR Guidelines require that suppliers conduct periodic CSR self-assessments and submit those assessments to PAC. In addition, PAC may periodically send its suppliers targeted communications reminding them of their ongoing obligation to comply with the CSR Guidelines, including those terms dealing with forced labor. PAC may also at any time require its suppliers to independently acknowledge or certify their obligations to comply with the standards set forth in the CSR Guidelines, and to verify that their operations are in compliance with all local laws and customs regarding hiring practices, wages, and working conditions.

PAC reserves the right to require its Suppliers to certify to their compliance with the obligations set forth in the CSR Guidelines, including those terms related to forced labor.

Audits. As discussed below, to help PAC assess and manage the risk of forced labor in its global supply chain, PAC utilizes an internal monitoring team to conduct scheduled social compliance audits at its suppliers. Suppliers agree to cooperate with such audits as part of their commitment to remain compliant with the CSR Guidelines.

## Recruitment

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

## Training

PAC conducts training for all new, permanent staff on its [Basic Business Philosophy](#) and the Panasonic Group Code of Ethics. The Code of Ethics includes a chapter on [Respecting Human Rights](#) which addresses the prohibition on forced labor. The training covers compliance with local laws and respect for fundamental human rights, emphasizing that PAC and its subsidiaries will not employ persons against their will or in violation of local employment laws. Employees are required to complete the training during their first 90 days of employment, and currently on an annual basis thereafter depending on a yearly evaluation of training priorities. Employees must sign an acknowledgment and agreement to abide by the principles in the Code of Ethics. As part of the Panasonic Group, Panasonic Avionics Corporation and all of its subsidiaries must comply with the Code of Ethics.

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

Mandatory Forced Labor and Human Rights training was deployed to all employees in the Fall of 2023 in the Panasonic Ethics and Knowledge (PEAK) learning management system. All PEAK trainings are tracked and must be completed by all employees.

In FY24, new, permanent staff were enrolled in a forced labor course and employees completed this training as part of the Panasonic North America region’s (which includes PAC) annual compliance training campaign.

## Confidential Whistleblowing

Anonymous Reporting Hotline. To make it possible for PAC to respond quickly to address any complaints it receives related to human rights violations, a global hotline (supporting languages for Panasonic locations across the world) is available to its employees, external partners, and third parties 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 public website ([www.panasonichotline.com](http://www.panasonichotline.com)), and is run by an external, independent third party that allows the reporter to remain anonymous to the extent permitted by applicable law. PAC is committed to investigating and promptly responding to concerns.

Non-Retaliation. Retaliation is prohibited against anyone who acts in good faith to raise a compliance concern. (For more information, see [Fair Operating Practices](#).)

## Business Partner Due Diligence

Before engaging a new supplier or business partner or consultant, PAC performs due diligence and screening. The due diligence process includes risk assessments and inquiries aimed at identifying possible uses (or the risk of use) of forced labor.

If the findings indicate enhanced risk, PAC will conduct an enhanced assessment (including the collection of additional research as required) before moving forward with engaging the potential new third party. If the screening reflects unacceptable risk (i.e., verified sanctioned party, evidence of forced labor, inadequate policies and protections regarding labor), the engagement process is terminated, and PAC will not move forward with the new business relationship.

## Supply Chain Audits, CSR Guidelines, and Certification

As noted above, from the outset of its supplier relationships, PAC is very clear that it only works with suppliers who share PAC's compliance commitment, have the ability to consistently meet PAC's standards, and are committed to values of conduct that are compatible with PAC's.

PAC requires its suppliers to meet CSR guidelines, including respecting human rights and ensuring the health and safety of workers, so that forced labor does not occur in their operations. PAC's [Business Partner Code of Conduct](#), which supplements each supplier's contract with PAC, highlights PAC's expectation that its suppliers will uphold human rights, and emphasizes that its suppliers are prohibited from engaging in human trafficking, forced labor, and child labor. Specifically, the Business Partner Code of Conduct requires that Business Partners "comply with applicable local laws and regulations prohibiting human trafficking in the country or countries where they operate" and states that they will not engage in the use of forced labor of any type, including bonded, indentured or involuntary prison labor, slavery or human trafficking."

### Audits

PAC conducts on-site audits of suppliers and assesses compliance with CSR guidelines. PAC utilizes an internal monitoring team to conduct scheduled audits at its suppliers to evaluate and address risks such as forced labor. PAC also maintains the right to inspect and audit suppliers for the purpose of and to the extent necessary for verifying compliance with their CSR obligations.

During FY24, PAC conducted 25 on-site audits.

Supplier On-Boarding/Audit Methodology. PAC inspects for evidence of health and safety concerns, wage and social compliance, forced labor, child labor issues, harassment-free workplace policies, and environmental issues. Internal audits are performed at least every 3 years for PAC's direct suppliers. The audit is one tool used to determine whether the supplier can remain active and produce for PAC.

Remediation. The presence of forced labor would mean the immediate failure of the audit and the right for PAC to require corrective action or terminate the contract with the supplier. If PAC discovers that one of its suppliers has violated any applicable laws, rules and regulations, or the CSR Guidelines or the Business Partner Code of Conduct, PAC may choose to cancel any outstanding orders, terminate the business relationship, and/or pursue legal action.

Beyond auditing, PAC engages in numerous activities with its suppliers to prevent forced labor or other human rights violations in its supply chain. This includes continuous improvement programs and capacity-building initiatives.

### CSR Guidelines

PAC's suppliers are expected to fully understand PAC's position on CSR-related topics and the Panasonic Group-issued Supply Chain CSR Promotion Guidelines. PAC requires its suppliers to adhere to these guidelines and comply with PAC's Basic Business Philosophy. The guidelines require suppliers to comply with the following:

## Panasonic Supply Chain CSR Promotion Guidelines (Excerpts)

### 1-1 Prohibition of Forced Labor

Suppliers shall employ all workers of their own free will, free from any force, fraud, or coercion, with no worker being subject to forced labor, trafficking, or trafficking-related activities.

#### 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, and shall not procure commercial sex acts during the period of performance of the contract (*cf. ILO "Indicators of Forced Labor"*).
- Suppliers shall not impose unreasonable restrictions on workers' freedom on entering or exiting workplace or dormitories, or on any other form of movement.
- Suppliers shall provide written notice to a worker about his/her terms and conditions of employment in the worker's native language or in a language understood by the worker before signing the formal contract (in the case of a foreign worker, prior to departing from his/her original country) and exchange a written contract with the worker.
- Suppliers shall not make any changes to the contract in the working country, unless the change is more favorable to the worker.
- Suppliers shall permit workers to terminate their employment freely.
- Suppliers, recruitment entities or agencies, and staffing agents shall not retain any government-issued identification card, passport, work permit, immigration application, and any other similar documents.
- Suppliers, recruitment entities or agencies, and staffing agents shall not charge any recruitment fees or other costs related to the recruitment process to workers, such as medical costs, insurance costs, costs for skills and qualification tests, costs for training and orientation, equipment costs, travel and lodging costs, costs and fees associated with immigration documents, advertising costs, employer fees, government-mandated fees, and administrative costs. (*cf ILO "Definition of recruitment fees and related costs", and RBA Trafficked and Forced Labor – "Definition of Fees" January 2021*)
- Suppliers shall investigate if any recruitment fees or related costs are borne by the workers and shall refund them to the workers if any.
- Suppliers, recruitment entities or agencies and staffing agents shall provide return transportation or pay for the cost of return transportation upon the end of employment.
- Suppliers shall inform workers of all items deducted from their salaries.
- Suppliers shall request and confirm that recruitment entities or agencies and staffing agents comply with all of the above items.
- Suppliers shall not use recruitment entities or agencies and staffing agents that do not comply with local labor laws of the country in which the recruiting takes place.



### Certification

Since mid-2022, PAC requires its suppliers to sign a supply agreement, which includes a statement that the supplier conduct business in compliance with all applicable laws, rules and regulations, and the CSR Guidelines. Similarly, when the supplier sub-contracts materials and/or labor, that supplier is required to abide by these same compliance standards.

## Supplier CSR Self-Assessments

In keeping with the United Nations' Guiding Principles on Business and Human Rights and the Panasonic Group's policies on human rights and labor, Panasonic Avionics Corporation requires its suppliers to perform CSR Self-Assessments regarding human rights. These CSR Self-Assessments are structured around the CSR Guidelines, and PAC requires that all new suppliers conduct one before PAC begins doing business with them. PAC also requires its existing suppliers to conduct assessments regularly (once every one to three years, depending upon prior assessment results). CSR Self-Assessments are available to PAC's suppliers in an online survey format. Responses to the CSR Self-Assessments are monitored weekly.

During FY24, 69 CSR Self-Assessments were completed.

## Internal Accountability

PAC maintains internal accountability standards and procedures for employees and suppliers failing to meet PAC's standards. Failure to comply with the requisite policies and the Code of Ethics may subject the employee to disciplinary or corrective action, up to and including termination.

Internal Accountability Standards & Compliance Monitoring. PAC maintains and enforces internal accountability standards for its employees which are set forth in its internal Code of Ethics. The Code of Ethics outlines PAC's broad commitment to "comply with all applicable laws and regulations in our business activities."

Preventative and Corrective Action. PAC encourages any employee, officer, or director to seek guidance if they have questions or concerns relating to forced labor or PAC's supply chain. The Code of Ethics also requires that individuals report to their immediate supervisor or a member of PAC's management team any violations of the Code of Ethics, the law, or other PAC policy. PAC strives to investigate complaints promptly and thoroughly and expects all employees and contractors to fully and candidly cooperate with such investigations. Non-compliance can result in corrective action, up to and including termination of employment. PAC may also exercise its right to notify the appropriate authorities of potential violations of applicable laws, rules or regulations.

## Effectiveness of Actions

Panasonic Avionics Corporation's focus during this reporting period was to continue gaining a better understanding of modern slavery risks in its supply chain and that of its wholly owned subsidiaries. PAC is continuing to work on a governance framework (which PAC began formulating during the end of FY22) to more thoroughly assess the effectiveness of its actions in its and its subsidiaries' supply chains.

Panasonic Avionics Corporation continuously monitors and assesses risks by:

- Tracking the number of its suppliers who complete the CSR Self-Assessments;



- Tracking and terminating supplier agreements based on human rights abuses identified through ongoing diligence and monitoring; and
- Tracking human rights-related reports made to its global hotline.

During FY23, PAC worked with subject-matter experts to develop additional performance benchmarks and KPI reporting to assess the effectiveness of its actions. Those benchmarks and KPIs were reviewed and evaluated in FY24 and PAC's target is to implement them in FY25/26.

## Continuous Improvement Activities for the Future

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

Panasonic Avionics Corporation complies with modern slavery regulations in several jurisdictions. PAC published its first Slavery and Human Trafficking Statement in 2016, and its first Australian Modern Slavery Statement in 2020. These statements demonstrate its concern and continuous intention to encourage the implementation of sustainable development goals. These statements may be found on its public website: <https://www.panasonic.aero/public-policy/>.

## Consultation and Board Approval

Panasonic Avionics Corporation consulted its subsidiaries and affiliates in the development of this statement.

This Modern Slavery Statement was approved by Panasonic Avionics Corporation's Board of Directors, who is the appropriate governing body of Panasonic Avionics Corporation, on June 12<sup>th</sup>, 2025.

## Attestation

In accordance with the requirements of the Canada Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

I have authority to bind Panasonic Avionics Corporation.

Date: Jun 15, 2025

Signed: *Ken Sain*  
Ken Sain (Jun 15, 2025 22:23 GMT+2)

Kenneth W. Sain  
President and Chief Executive Officer  
Panasonic Avionics Corporation