

Panasonic Avionics Corporation's Slavery and Human Trafficking Statement 2021

Modern slavery may occur in various forms—including servitude, slavery, forced or compulsory labor, forced marriage, debt bondage, 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 and/or services we use or supply.

We are striving to improve our internal regulations, 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 is committed to make efforts to confront modern slavery at its sites and within its entire supply chain.

*In the following statement, 'we', 'us' or 'our' refers to Panasonic Avionics Corporation.
Scope of Reporting - Fiscal 2021 (April 1, 2020 to March 31, 2021)*

Panasonic Avionics Corporation published its first Slavery and Human Trafficking Statement in 2016. This sixth statement demonstrates its concern and continuous intentions to encourage the implementation of Sustainable Development Goals (SDGs). As an international company we understand our responsibility in supporting the United Nation's goal 8 'Decent work and economic growth' and 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.

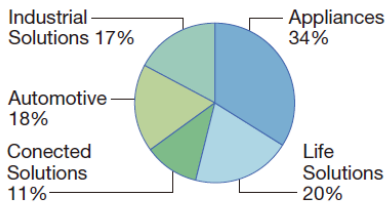
Our Business. Panasonic Avionics Corporation is a U.S. corporation incorporated in the State of Delaware, and is headquartered in Lake Forest, California. We are a subsidiary of Panasonic Corporation of North America, the principal North American subsidiary of Panasonic Corporation. Our ultimate parent 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.

Panasonic Corporation Data (Fiscal Year ended March 2021)

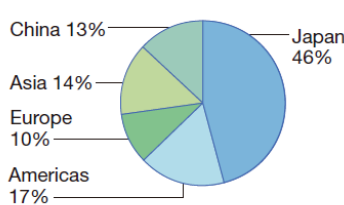
FY2021 Financial Result

Net sales 6,698.8 billion yen **Operating profit** 258.6 billion yen **Profit before income taxes** 260.8 billion yen
Net profit attributable to Panasonic Corporation stockholders 165.1 billion yen **Number of Employees** 243,540

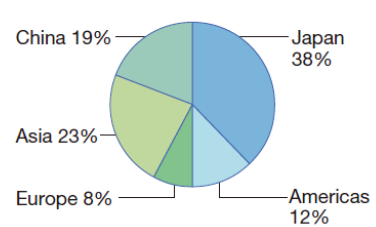
Sales by Segment (FY2021)



Sales by Region (FY2021)



Employees by Region (End of FY2021)



A key element of Panasonic Group’s business philosophy is the basic concept of the “company as 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 four key business units:

Appliances	Home Appliances, Heating and Cooling Solutions, Smart Life Network, Commercial Refrigeration & Food Equipment, etc.
Life Solutions	Housing Systems, Energy Systems, Lighting, Panasonic Ecology Systems, etc.
Connected Solutions	Aircraft In-flight Entertainment Systems, Projectors, Professional AV Systems, PCs and Tablets, Solutions for Various Industries, Installation / Operation / Maintenance Services.
Automotive	Vehicle Infotainment, In-vehicle Electronics, Advanced Driver Assistance Systems (ADAS), Automotive Mirrors and Motorized Systems Such as Automotive Batteries.
Industrial Solutions	Relays, Switches, Power Supply, Motors, Sensors, Small lithium-ion Batteries, Energy Storage Modules, Capacitors, Coils, Resistors, Dry Batteries, Micro Batteries, Electronic Circuit Board Materials, LCD Panels.

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.

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.

As part of our initiative to identify and mitigate risks, we have taken a number of actions to abate modern slavery in our supply chain, including the following:

Code of Conduct Our [Code of Conduct](#) includes requirements on ensuring respect for human rights and on not employing people against their will.

<p>Chapter 3: Employee Relations</p> <p>(2) Respect for Human Rights</p> <p>...</p> <p>ii) [The Company] will not employ people against their will, and will not use child labor.</p> <p>iii) [The Company] will comply with the employment laws and regulations of the countries and regions in which it conducts business.</p> <p>>Panasonic Corporation of North America Code of Conduct, Chapter 3: Employee Relations</p>
--

Complementing our Code of Conduct is our [Business Partner Code of Conduct](#), which also prohibits our business partners from engaging in human trafficking, forced labor, and child labor.

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 Conduct. This training covers compliance with local laws and respect for fundamental human rights, emphasising not employing persons against their will or in violation of local employment laws. We maintain internal accountability standards and procedures for employees and contractors failing to meet our standards. Failure to comply

with company policies may subject the employee to disciplinary or corrective action, up to and including termination.

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

Confidential Whistle-blowing We protect whistle-blowers by providing an anonymous whistle-blowing hotline for our employees and business partners, which is run by an independent third party. Employees are regularly reminded of the whistle-blowing hotline. They are encouraged to use it if they suspect any potentially illegal behavior or practice, including modern slavery. Employees may access the hotline via the company intranet and via our public website: www.panasonichotline.com

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 critical suppliers and assess compliance with CSR guidelines.

Suppliers should also 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 expect 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 labour, involuntary or exploitative prison labour, 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.

Continuous Improvement Activities for the Future.

Some of 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, completely eradicating modern slavery at all our suppliers will take time and effort. Modern slavery is an area that our Office of Ethics & Compliance assesses for compliance purposes. 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 November 5, 2021.

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