

Panasonic

Modern Slavery Statement 2020

Panasonic Australia Pty Ltd

December 2020

Reporting Period: 1 April 2019 – 31 March 2020

1. Introduction

Panasonic Australia, a member of the Panasonic Group of companies, recognizes that business plays an important role in respecting and promoting human rights and for the eradication of modern slavery.

We recognize that modern slavery is a complex problem that is best addressed by collective commitment and responsibility to ensure that such practices do not occur and are brought to an end. We are committed to the abolition of forced labour, slavery and human trafficking by implementing and enforcing effective systems and controls to ensure that modern slavery is not taking place within our business and our supply chains.

2. Reporting Entity

The reporting entity covered by this statement is Panasonic Australia Pty Ltd (ABN 83 001 592 187) (“Panasonic Australia”), a company incorporated under the laws of Australia with its registered office at Ground Floor, 1 Innovation Road, Macquarie Park, New South Wales 2113. Panasonic Australia has 165 employees.

3. Our Structure, Operations and Supply Chain

3.1. *Our Structure and Operations*

Panasonic Australia is an Australian proprietary company and a member of the Panasonic Group (the “Group”) of companies whose ultimate parent entity is the Panasonic Corporation of Japan. (“Panasonic”). Panasonic Australia acts as a distributor of Panasonic branded electronic products to the consumer and business markets in Australia. Panasonic Australia does not manufacture any electronic products in Australia.

The Panasonic Group business is very diverse and covers different areas amongst consumer electronics, housing, automotive and business solutions. There are five key operational business based companies which consist of Appliances, Life Solutions, Connected Solutions, Automotive and Industrial Solutions which are responsible for promoting the evolution of products and solutions within their respective market segments.

The key products that Panasonic Australia distributes consists of consumer appliance products which are broadly classified as Blu Ray and DVD players/recorders, audio products and home theatre systems, digital still cameras, air-conditioning and home appliances. These products are sold through a range of retailers across Australia.

Panasonic Australia also distributes a number of connected solution electronic products for business which consist of mainly visual display televisions, ruggedized notebooks, projectors, professional broadcast cameras and monitors, security monitoring equipment and PBX telephone systems. These are sold through distributors, resellers and directly to major corporate customers.

3.2 *Our Supply Chains*

Panasonic Australia is a distributor of Panasonic branded appliance and business system electronic products. Our supply chain consists of two key categories a) the Panasonic products which we acquire which form the vast majority of products we distribute in Australia and b) other services and supplies provided to Panasonic Australia from companies within Australia to support the local sales and marketing operations and other activities.

The Panasonic products which we distribute in Australia are mostly manufactured and supplied by Panasonic Group companies. Very few products are purchased from third party manufacturers.

The Panasonic Group supply chain is highly complex and organized with suppliers located around the globe. The main part of the Group business, which consists of the manufacturing and the provision of electronic products, relies heavily upon the sourcing of raw materials, components and parts.

For the local Australian operations the 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.

For Marketing and Information Technology, some back end support services are also provided by Panasonic Group companies or by global affiliates.

4. Risk Assessment

The risk that modern Slavery will occur is thought to be especially high in certain regions of the world. Within the Panasonic Group we are aware there are greater human rights and labour related risks in areas where migrant foreign workers are widely employed. Panasonic is actively implementing a programme of enhanced checks in these regions to ensure compliance with local legislation.

The main business of Panasonic Australia is the distribution of consumer electronic appliances and connected solution electronic products. All employees of Panasonic Australia undertake training in order to ensure that they are aware of and comply with Panasonic's Code of Conduct, corporate policies, guidelines and procedures in order to ensure that all business activities are conducted in an ethical, compliant and respectful manner. The risk of modern slavery within the Australia operations is therefore unlikely.

The Panasonic Group companies acquire the components, parts and raw materials to manufacture the products which are supplied to Panasonic Australia. Panasonic globally is committed to the prevention of all forms of slavery and has a number of processes, assessments and policies in place to rigorously control hiring of employees and introduced robust employment policies and other controls to mitigate the risk of slavery and human trafficking in the business operations.

For the services that are sourced locally within Australia by Panasonic Australia, we assess the companies providing those services using a risk assessment criteria based upon a tiered approach to ascertain the risks of modern slavery. We are continuing to develop the risk assessment criteria and work with the suppliers to ensure that they are complying with all facets of the modern slavery legislation. These include, for example, inserting specific contractual terms in agreements with suppliers and developing a supplier questionnaire which address modern slavery.

5. Our Policies and Procedures to Prevent Slavery Risks

5.1 Panasonic Australia Policies and Grievances

Panasonic Australia is committed to ensure that it complies with all laws, rules and regulations within Australia and to follow the standards established by Panasonic for all Group wide operations. Essential to this commitment, is the Panasonic Group wide Code of Conduct which applies to all employees within Panasonic and which provides for and establishes the basis for the ethical and compliant conduct of all business activities including the prevention of practices which deter and prevent modern slavery.

In addition to the Code of Conduct Panasonic Australia also has established policies with respect to working conditions, rates of pay, anti discrimination, equal opportunity, work place safety and employee welfare that reinforce the respect for human rights. We also have a whistleblowing policy to make sure that all personnel including executives managers, employees and contractors, as well as consumers and suppliers, who deal with us can feel confident to raise concerns and feel confident to report those concerns to us in a safe and supportive manner which ensures confidentiality, anonymity and protections against adverse actions.

5.2 Panasonic Group Policies and Mechanisms

Overarching the local Australian policies and grievances, Panasonic has established Group wide policies and procedures which promote a high standard of compliance with respect to the Code of Conduct, labour, health, safety environment, ethics, anti bribery, anti cartel and whistle blowing, adherence to global standards and regulations and supply chain corporate responsibility guidelines.

Panasonic supports the fundamental principles of the United Nations Universal Declaration of Human Rights, the International Labour Organisation Declaration of Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises. Panasonic is also taking an active approach to reflecting core international standards, including the Guiding Principles on Business and Human Rights, which were adopted by the UN Human Rights Council in June 2011. The major parts of these principles are embodied in the Panasonic Group wide Code of Conduct.

The application and compliance obligations of these policies are summarized below:

- a. Code of Conduct – includes requirements to ensure the respect for human rights and that Panasonic will not employ people against their will.
- b. Respect for Human Rights – complementing the Code of Conduct and is relevant to Panasonic's efforts to effectively educate management and to manage human rights as well as covering such issues as working hours, wages, humane treatment, prohibition of discrimination, protection of privacy, concern for human rights of foreign workers, trainees and the freedom of association.

- c. Recruitment – includes protections for fundamental human rights and the compliance with laws and regulations of the respective countries in which Panasonic operates globally as well as prohibiting child labour and forced labour.
- d. Training – training is conducted globally for all new permanent staff in accordance with the Panasonic Basic Business Philosophy Principles and Code of Conduct which includes respect for human rights with an emphasis on not employing persons against their will and in compliance with local employment laws.
- e. Whistleblowing – Panasonic protects whistleblowers by providing an anonymous whistle blowing hotline for employees and employees are regularly reminded of the whistleblowing hotline and are encouraged to use it if they suspect any potential illegal behaviour or practice including human rights abuse, and
- f. Suppliers – Panasonic has established a set of Supply Chain (CSR) Promotion Guidelines which apply to all participants in the supply chain to eliminate slavery and human trafficking by including (but not limited to) standard terms in supply agreements and requesting suppliers to conduct CSR self assessments.

Panasonic expects all suppliers to adhere to the CSR guidelines. Panasonic continues to work with suppliers to ensure that they are aware of the expectations and follow the standards set in the Panasonic procurement policy with respect to human rights, the acquisition of labour and workplace health and safety. Panasonic expects that all suppliers will uphold these policies and share the overall values in a trusting and mutually beneficial relationship through diligence and cooperation.

6. Valuation of Effectiveness of Actions

Panasonic Australia will conduct the assessment of local suppliers on an annual basis based upon the risk assessment profile in accordance with local policies and procedures. These will include referencing the specific terms in contracts and using a supplier questionnaire which we are developing on an ongoing basis in accordance with the relevant legislative requirements to combat modern slavery.

As mentioned above, Panasonic will continue to conduct assessments of its suppliers which are used for the purposes of manufacturing products. Under the supervision of the Panasonic corporate headquarters involved in setting CSR and Procurement policies and guidelines, Panasonic Australia will continue to assess external trends and communicate with relevant stakeholders within the Panasonic Group and externally to the Group.

There is a high level of awareness amongst Panasonic Australia employees through training and by promulgation of the relevant policies to ensure that during all daily activities each and every member considers the impact of modern slavery on the operations in Australia.

Where any transgression or non-compliance becomes evident, Panasonic Australia and/or Panasonic Group members will take action to rectify non-compliances with suppliers by working collaboratively in accordance with the relevant policies and standards.

7. Continuous Compliance and Improvement

Panasonic Australia local management will further to continue to monitor and provide input into the Panasonic global policy by ensuring that at each and every level that the requirements of Modern Slavery are considered and met.

Panasonic and Group members will continue to assess and monitor supply chains as they are very much aware that there are serious risks involved with respect to human rights and labour. Given the complexity of the supply chains on the global scale, completely eradicating modern slavery at all suppliers will take considerable time and effort. Panasonic is committed to working on sustained initiatives to mitigate the risk of modern slavery contraventions by incorporating the feedback it receives into its business activities and product creation. This will include, but not be limited to, revising supplier questionnaires and data collection methods.

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 in accordance with the requirements of the Australian Modern Slavery Act 2018 (Cth).



Michael O'Donnell

Director

Panasonic Australia Pty Ltd

Date: 31 December 2020