UK Modern Slavery Act Statement 2024

In the following statement, 'we,' 'us' or 'our' refers to the Panasonic Group.
Scope of Reporting - Fiscal Year 2024 (1st April 2023 to 31st March 2024)

1. Panasonic Group's Business structure and operation

The Panasonic Group's mission is to realize an ideal society offering material and spiritual affluence. This stems from the notion of achieving prosperity both in matter and mind, which is the ideal state of society that our founder, Konosuke Matsushita, envisioned and pursued throughout his life.

As a comprehensive electronics manufacturer, Panasonic Group develops, produces, sells, and provides services in relevant sectors through close cooperation with Group companies in Japan and abroad. Our business activities all depend on the support of many people, including our Group employees, customers who use our products and services, suppliers involved in procurement and sales, and our business partners. Therefore, our business activities may impact them positively or negatively. Under our 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 their rights and contribute to the well-being and happiness of these people.

Panasonic UK, Branch of Panasonic Marketing Europe GmbH ("Panasonic UK"), is a part of the Panasonic Group which is headquartered in Japan and one of the largest electronic manufacturers with 511 consolidated companies located globally.

Panasonic Group Data (Fiscal Year ended March 2024)

Consolidated Financial Results for FY3/24

Net sales	8,496.4 billion yen (101%)
Adjusted operating profit*	390.0 billion yen (124%)
Operating profit	361.0 billion yen (125%)
Net profit attributable to Panasonic Holdings Corporation stockholders	444.0 billion yen (167%)
Basic Earnings per share attributable to Panasonic Holdings Corporation stockholders	190.21 yen
EBITDA**	805.9 billion yen (112%)



As the key element of our Basic Business Philosophy, we have the basic concept of "a company is a public entity of society." This is also the very essence of the Panasonic Group's sustainability approach. As we stand at historical turning points in many areas today, Panasonic Group will continue to promote sustainability management globally and to contribute to the future of society.

Our business is very diverse and covers different areas among consumer electronics, housing, automotive systems, and business solutions. Our operations in these areas are driven by our five key business units:

Lifestyle	Refrigerators, microwave ovens, rice cookers, washing machines, vacuum cleaners, personal care products, air-conditioners for residential, and commercial use, heat pump-type hot water heaters, ventilation, perflation and air-conditioning equipment, air purifiers, air purifier/sterilizers, freezing or refrigerating showcases, lighting fixtures, lamps, wiring devices, solar photovoltaic systems, fuel cells, compressors, bicycles, nursing care services
Automotive	Automotive-use infotainment systems, head-up displays, automotive speakers, automotive switches, advanced driver assistance systems (ADAS) and related devices, systems, and devices for xEVs, Interior rearview mirrors
Connect	Aircraft in-flight entertainment systems and communications services, Electronic components-mounting machines, welding equipment, projectors, professional AV systems, PCs and tablets, solutions for various industries, installation/operation/maintenance services, supply chain management software
Industry	Relays, switches, power supplies, touch panels, motors, sensors, laser markers, capacitors, inductors, resistors, circuit board materials, semiconductor device materials, molding compounds, LCD panels
Energy	Cylindrical lithium-ion batteries for in-vehicle use, dry batteries, primary/secondary lithium batteries, nickel-metal hydride batteries, lithium-ion batteries, storage battery modules/systems

2. Our Commitment to Human Rights and Labour

The Group is committed to respecting the human rights of the stakeholders in its business activities, products and services, and transactions, based on the United Nations' Guiding Principles on Business and 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. We incorporate input from external experts and stakeholders in formulating related mechanisms and processes.

Panasonic Group established our Panasonic Group Human Rights and Labour Policy (the "Human Rights and Labour Policy"), referencing the below international standards and incorporating external experts' opinions. This policy states that, predicated on compliance with international standards and the laws and regulations of each country that apply to our business activities and transactions, we are committed to respecting internationally recognized human rights; identifying, preventing, and correcting human rights violation risks; promoting remedy and other measures for victims; creating a rewarding working environment; and engaging in dialogue on these issues with various stakeholders. Following this policy, we have established internal rules, developed a promotion system, and advanced specific initiatives for respecting human rights and creating a rewarding work environment.

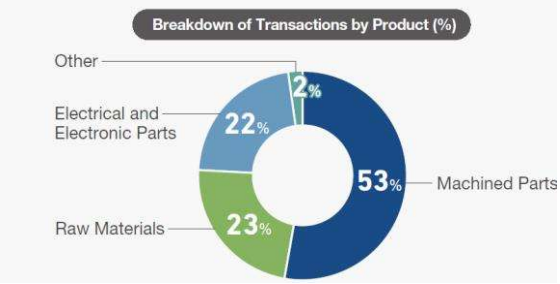
Moreover, the Panasonic Group Code of Ethics and Compliance ("Code of Ethics and Compliance"), defines the commitments that all Group employees must fulfil and positions respect for human rights as our social responsibility. We strive to raise awareness of this responsibility.

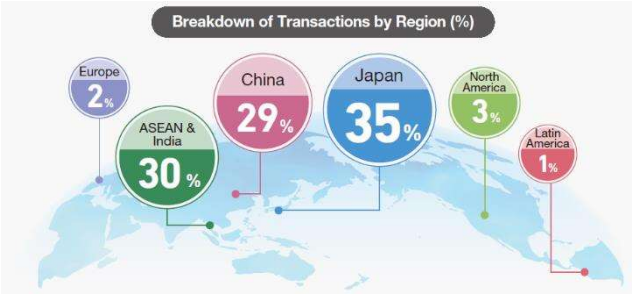
Main international standards used as reference:

- The United Nations' Guiding Principles on Business and Human Rights
- The United Nations' International Bill of Human Rights (Universal Declaration of Human Rights, International Covenant on Civil and Political Rights, and International Covenant on Economic, Social and Cultural Rights)
- The International Labour Organization (ILO)'s Declaration on Fundamental Principles and Rights at Work and ILO Core Conventions

We regularly, and periodically as necessary, review and improve those policies based on the opinion of external experts, relevant stakeholders, and their representatives. Most recently, the Human Rights and Labour Policy has been revised in August 2023 through consultation with internal and external experts. This revision was meant to enhance and consolidate efforts to prevent forced labour in the supply chain and respond to the ILO's adding occupational health and safety to its Core Labour Standards

Panasonic Group strives to do business with suppliers that not only provide superior technology and quality but also fulfil their social responsibilities including human rights and environmental considerations, worker-friendly labour conditions, and fair-trade practices. The parts and materials we purchase range from raw materials to electrical/electronic components and processed parts. Panasonic Group does business with approximately 13,000 suppliers worldwide and our suppliers are located in various regions and countries, meaning that some parts and materials come from regions and countries with migrant workers.





Panasonic Group has summarized its core thinking on procurement in a 3-item set of Procurement Policy. The fundamental basis of this policy is the concept that, “based on relationships of mutual trust, and through diligent study and cooperation, our suppliers are invaluable partners in creating the value our customers demand”.

In April 2022, we established the “Rules on Supply Chain Compliance” to strengthen our efforts to promote CSR in the supply chain. These rules stipulate the basic policy regarding supply chain compliance for materials and components for the manufacturing of Panasonic products and internal rules for its implementation. In addition to a thorough implementation of procurement operations, management reviews are conducted on a regular basis. Furthermore, in light of society’s and stakeholders’ increasing expectations, and of trends in legislation, we will revise, as necessary, to continuously improve our efforts.

3. Human Rights Risk Assessment & Management

The Group recognizes the need to identify human rights issues throughout its value chain and business activities and has begun analysing priority risks. As we operate globally in a wide range of business areas, some of our businesses have extensive supply chains and we recognize the risk that workers in these supply chains may be in vulnerable positions or unsafe working environments in different countries or regions. Therefore, we begin by addressing human rights issues at our manufacturing sites and in our supply chain.

3.1 Own operations

In fiscal year 2022, we conducted a detailed self-assessment of human rights and labour issues at almost all our overseas manufacturing companies to gain an overview of the Group’s risks. The questions we asked referenced the relevant self-assessment metrics from the Responsible Business Alliance (RBA). Through this process, we gained a general understanding of our human rights and labour risks. However, we recognized that we need a more detailed understanding of our risks to quickly address them.

In light of this recognition, in fiscal year 2023, we reviewed and added questions to our list before conducting another detailed self-assessment of some Japanese manufacturing sites that were selected by our Group companies alongside our overseas manufacturing companies (for a total of 127 companies and sites). Identified human rights risks through this self-assessment were mitigated by the end of March 2023.

In fiscal year 2024, annual self-assessment was conducted for all in-scope manufacturing companies and collected responses from almost all of them (completed at 202 companies and sites so far). Panasonic Holdings Corporation (PHD) will evaluate the collected results, and the relevant subsidiaries and manufacturing sites will complete the correction of identified issues by the end of fiscal 2025, under the supervision of the operating companies.

As the Group operates globally in a wide range of business areas, there are various human rights risks in our value chain and, we consider that it is important to take a risk-based approach for them. Taking our business characteristics and results of our self-assessment results conducted in the last few years into account, we consider that forced labour and occupational health and safety as the highest risks in our manufacturing companies and sties which we prioritize to address. The process of identifying priority potential and existing human rights risks is as follows:

1) List all relevant human rights risks that could be adversely affected by our business activities.
2) Evaluate the severity (scale, scope, and remendability) and likelihood of occurrence (based on publicly available data and self-assessment results)
3) Collaborate with external and internal stakeholders to check the validity of our approaches and results.

In fiscal year 2025, we will prioritise our efforts to address the above risks while continuing our efforts in mitigating already identified risks. Moreover, we will continuously improve our process for identifying material risks, and review the results of our efforts, especially in the event of imminent human rights risks, to ensure immediate prevention/mitigation/remediation of identified human rights risks as soon as possible.

3.2 Suppliers

The importance of identifying human rights issues throughout Panasonic's value chain and business activities is recognised in Panasonic Group's Code of Ethics & Compliance and the Human Rights and Labor Policy, whereby we have set out our commitment to requiring our suppliers to comply with our Panasonic Supply Chain CSR Guidelines ("the CSR Guidelines"). In addition, we require in the CSR Guidelines a respect for human rights as expressed in United Nations norms and principles, an evaluation of the status of suppliers' human rights initiatives and the implementation of prevention / mitigation / corrective measures. We also require suppliers to communicate these CSR Guidelines to their suppliers and to monitor the compliance with the CSR Guidelines.

Since fiscal year 2023, the Group takes additional initiatives to continue to build a structure for human rights due diligence. While incorporating guidance from outside experts, the Group has compiled a table to assess human rights risks at our suppliers by using risk indicators and indices provided by international organizations in order to identify suppliers for which action should be taken on a priority basis.
Since fiscal year 2024, all operating companies narrowed down the audit targets from among these identified suppliers based on the aforementioned risk approach and conducted supplier audits for a total of 141 suppliers (16 of which were audited by third-party organizations) using the supplier audit plans they formulated.

The items identified through audits are shown in the table below. We have asked suppliers to improve these items, and we are monitoring their progress.

Category	Examples of findings in supplier audits
Labour	Records of working hours, break times, and overtime hours have not been properly managed
Human rights	Breakrooms that ensure privacy for women are not provided.
Health and safety	Emergency evacuation routes are unclear.
Environment	Environment impact assessments are not properly conducted.
Ethics	Anti-bribery and other related training for all employees is not provided.
IT	Insufficient security management and employee training

4. Mitigation Measures to Address Modern Slavery Risks

Our Human Rights and Labour Policy clearly states the prohibition of "any and all forms of forced labour." We recognize that migrant workers who cross national and regional borders to work at our manufacturing sites and in our supply chain are particularly vulnerable. In light of this recognition, while Panasonic Group respects the human rights of such workers, we promote efforts to establish a recruitment and employment environment free from forced labour and unfair treatment, following all applicable laws, regulations, and internal rules and referencing international standards and guidelines the ILO and other organizations established. In fiscal 2024, we revised our internal rules to better clarify the procedures for initiatives to prevent forced labour throughout our supply and value chains and the roles PHD, Panasonic Operational Excellence (PEX), and operating companies should play in these initiatives. Specifically, in the unlikely event that the Group or a third party, such as a supplier or business partner, is found to be engaged in, or suspected of being engaged in, forced labour or any of the 11 ILO Indicators of Forced Labour, our internal rules stipulate that we must promptly address the negative impact on human rights, including by working to cease, correct, or mitigate such conduct or providing remediation for the victims.

Given the high amount of foreign migrant workers in Malaysia, there is increased risk for forced labour. Therefore, management and human resources managers at our Group companies in Malaysia adopted a Policy on the Responsible Recruitment and Employment of Foreign Migrant Workers and standard operating procedures for the ethical recruitment and employment of foreign migrant workers based on the expert advice, technical support, and training delivered by the International Organization for Migration (IOM), the UN Migration Agency, and other experts. Through identifying and remediating issues by checking the on-site operational status of policies and manuals, they are working to establish compliance related to human rights and labour. Some specifics from this policy are as follows:

- Prohibiting companies from retaining passports and other personal documents;
- Prohibiting foreign migrant workers from paying recruiting and hiring fees;
- Providing safe and sanitary dormitories.

For other countries with potential forced labour risks, we interview each manufacturing company about their efforts and use our experience in Malaysia to provide advice on and check the status of corrective measures such as in Singapore and Taiwan.

Training and workshops: In fiscal year 2024, we conducted several training sessions in Malaysia. 6 human rights due diligence training sessions (also addressing forced labour as a particular risk) were held in Malaysia in cooperation with the United Nations Development Programme (UNDP) :

1) For 182 members of internal management teams and others on business and human rights, the basics of human rights due diligence, and the Group's human rights initiatives, including our Human Rights and Labour Policy.
2) For 207 of the approximately 500 suppliers in Malaysia with significant transaction amounts (228 attendants)

Moreover, in fiscal year2024, we conducted training in Malaysia on preventing forced labour in our own operations. The 240 participants included managers and staff in human resources, accounting, purchasing, legal, manufacturing, and other areas within our Malaysian and Singaporean subsidiaries.

We plan to further expand the scope of our own operations and supplier education by prioritizing those regions and suppliers with high risk.

In addition to above activities, all Panasonic UK employees have to complete mandatory Code of Ethics and Compliance training courses, which highlight the importance of respecting human rights and access to the Global Hotlines.

5. Access to Remedy

The Panasonic Group has established "Global Hotline EARS" (supporting 32 languages) that anyone, including Panasonic Group employees and suppliers, can use to anonymously report any violation or suspected violation of laws and regulations, agreements with our suppliers, the Panasonic Group Code of Ethics & Compliance, or other material codes in the Group's supply chain. Whenever there is a report, the Group follows all internal rules and guidelines as well as the laws of the relevant countries with regard to the protection of the individual making the report, and from there it undertakes appropriate investigations and countermeasures. In addition to our Global Hotline, we offer access to JaCER, an industrywide grievance platform established by the CSR Committee of the Japan Electronics and Information Technology Industries Association (JEITA). JaCER is a contact point for suppliers and their employees to report any adverse human rights impacts in the Group's supply chain. By accepting grievances through a third-party contact, we aim to make grievance handling fairer and more transparent, promote dialogue and redress more than ever before, and work to resolve essential human rights issues. In all reporting systems, we ensure whistleblower anonymity and report confidentiality and publicize the contact information for reporting systems on our supplier web portal and our website, "For Suppliers."

This statement has been approved by:

Gareth Rayworth

Digitally signed by Gareth Rayworth
Date: 2024.09.27 11:23:03 +01'00'

Representative

Panasonic UK