Modern Slavery is a criminal offence under the UK Modern Slavery Act 2015. It can occur in various forms including servitude, forced or compulsory labour and human trafficking, all of which include the deprivation of an adult or child’s liberty by another, collectively called Modern Slavery. Over 40 million people live in some form of Modern Slavery worldwide according to the International Labour Organization (ILO), 25 million of them are victims of forced labour. These inhumane practices should not be tolerated or assisted. Companies can play a major role in preventing Modern Slavery by firmly implementing human rights for all workers along their whole supply chain.

The following statement discloses the efforts Panasonic UK has put into effect to tackle Modern Slavery at our company sites and along our entire supply chain. Panasonic UK - in the following statement also referred to as ‘we’, ‘us’ or ‘our’ - is committed to a work environment that is free from Modern Slavery in accordance with the UK Modern Slavery Act 2015, especially Art. 54 ‘Transparency in supply chains’.

Panasonic UK published its first Slavery and Human Trafficking Statement in 2016. This third statement demonstrates our continuous effort to prevent Modern Slavery from occurring in our company and supply chain.
Our Business. Panasonic UK is part of the global Panasonic Group which is head-quartered in Japan. Panasonic Corporation is one of the largest electronic manufacturers with 590 consolidated companies located globally.

Panasonic UK was established in 1972 as the exclusive distributor for Panasonic products in the UK. Since then the company has grown substantially and is now a leading supplier of consumer and business electronics products.

We are committed to creating ‘A Better Life, A Better World’, continuously contributing to the evolution of society and to the happiness of people around the world.

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 four key business units:

**Appliances**
- Manufacture of consumer electronics like TVs, cameras, air conditioners and more.

**Eco Solutions**
- Housing solutions like lighting fixtures, modular kitchen systems, photovoltaic modules and more.

**Connected Solutions**
- Business to business operation and sale of projectors, cameras, in-flight entertainment systems and more.

**Automotive & Industrial Systems**
- Cockpit/Infotainment systems, lithium-ion batteries and more.
Our Supply Chain. As a global company we operate a highly complex supply chain, with suppliers located around the globe. For our main business – the manufacture and provision of electronic products – our supply chains include the sourcing of raw materials and minerals.

Under our top level Procurement Policy we operate our Supply Chain CSR Promotion Guidelines which outlines our basic stance on CSR procurement issues. Suppliers are expected to follow these guidelines which we communicate directly to them and which are also available at our website. Furthermore, we commit ourselves to the Panasonic Clean Procurement Policy, which highlights our principles for fair and ethics-based procurement.

With regard to the risk of sourcing conflict minerals, so funding organisations that behave without proper regard for human rights or act otherwise unethically in conflict zones, we strive to adhere to the Organisation for Economic Co-operation and Development’s (OECD) Due Diligence Guidance for responsible Supply Chain of Minerals from Conflict-Affected and High-Risk Areas.

Risk Assessment. Panasonic is aware that the risk of Modern Slavery occurring is higher in some regions than in others. This does not mean we neglect our work in the less affected areas, but we prioritise our action towards regions associated with a high risk. The majority of our suppliers as well as our business operations are located in Asia. According to the ILO, in Asia and the Pacific region four out of every 1,000 people were victims of forced labour in 2016, therefore we recognise this region is of special attention to us.

Some circumstances present greater opportunities for Modern Slavery to take place, one of them being the exploitation of foreign migrant workers.
Our Policies. Our stance against Modern Slavery works alongside our policies to ensure a responsible supply chain. Panasonic has various procedures in place helping us to identify and mitigate risks as well as verifying the absence of Modern Slavery in our supply chain.

Our most important policy is the Panasonic Code of Conduct. It includes requirements to create a working environment defined by respect and human rights for all Panasonic employees. Furthermore, it states that Panasonic will not employ people against their will. To us, our goal is that not only everyone working for Panasonic but also those whose work relates to our company has read the Code of Conduct and acts according to its requirements.

Complementing our Code of Conduct is the Global Human Rights and Labour Policy. Both cover issues such as working hours, wages, humane treatment, prohibition of discrimination, protection of privacy, concern for the human rights of foreign workers, trainees, and younger labourers, the freedom of association and more. This way we ensure that our business activities contribute to a respectful environment where all employees are treated rightfully.

In the context of modern slavery, the following human rights and labour violations are likely to occur:

- Passport confiscation
- Payment below minimum wage
- Threat of keeping wage as a penalty for not complying with orders
- Long working hours
- Recruitment fee
- Restriction of freedom of movement in and after work hours
- Conflict with working contract
- Restricted and short breaks
- Conflict with working contract

According to the ILO, half of all victims of forced labour are in some kind of debt bondage to their employers or recruitment agencies which makes it impossible for them to leave their job.

We at Panasonic do our best to prevent any of these incidents from happening in our business or supply chain. To know the risks to which foreign migrant workers especially are exposed, and which are possible to occur in our supply chain, helps us to keep an eye on our suppliers in regard to any of the violations as listed above.
Due Diligence. In our business and supply chain we strive for a continuous process of tracking and assessing the ongoing performance of our suppliers regarding human rights and labour issues. In a very dynamic and volatile environment it is important to reassess possible risks and respond to changes.

<table>
<thead>
<tr>
<th>SUPPLIERS</th>
<th>We expect all members of our supply chain, as well as contractors, to comply with our Anti-Slavery and Human Trafficking policy, our business principles and Basic Business Philosophy. They 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. These Procurement Guidelines have been created in Japanese, English and Chinese. We expect our suppliers to adhere to these guidelines and therefore we are working on distributing them to all our suppliers via email and ensuring that they have been notified of our expectations. To ensure our values are implemented across the whole supply chain, our operations follow the official Panasonic 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.</th>
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<tr>
<td>CONTRACTS</td>
<td>When starting business with new suppliers and setting up the supply contract, it is of great importance to include clauses on Anti-Slavery and Human Trafficking in our standard purchase agreements. Panasonic is therefore committed, overtime, to include these clauses in all our purchasing contracts. Within these clauses, suppliers are also expected to comply with our Anti-Slavery policy and to provide evidence of their compliance when requested.</td>
</tr>
<tr>
<td>TRAINING</td>
<td>Employees, as well as suppliers, should understand and follow our values and principles. For that reason we conduct training for all new, permanent staff on our Basic Business Philosophy and Code of Conduct. This includes face to face as well as online training on the following topics: compliance with local laws, respect for basic human rights with emphasis on not employing persons against their will, and on compliance with local employment laws.</td>
</tr>
<tr>
<td>WHISTLE-BLOWING</td>
<td>We protect whistle blowers by providing an anonymous whistle-blowing hotline for employees which is run by an independent third party. Employees are regularly reminded of the whistle-blowing hotline and are encouraged to use it if they suspect any potentially illegal behaviour or practice.</td>
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Follow-up. In the Slavery and Human Trafficking statement from last year we announced plans for future work for the coming years under 4 headings:

- Supplier CSR meeting and self-check questionnaire
- Follow-up of the self-check questionnaire
- Hotlines for workers employed by suppliers
- Employ an external information service

While good progress has been made on the first two subjects as already detailed above, slower progress has been made on the last two.

However the challenge to tackle Modern Slavery is a dynamic process that does not always follow a straight line. Having been made aware through the media of certain working conditions for employees in our supply chain in recent years, we appreciate the need to maintain a process of continual improvement in these risk areas. Panasonic is committed to bring increasing transparency to our supply chain to help ensure workers’ protection. We will continue to put our effort into the elimination of situations that allow any form of Modern Slavery to arise in our supply chain.
This statement has been approved by:

Signed

Simon Grantham

Simon Grantham
Managing Director
Panasonic UK