Policy on the Responsible Recruitment and Employment of Foreign Migrant Workers for Panasonic Group Companies in Malaysia

Revised 1st April 2025

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Introduction

Purpose of the Policy

The purpose of the Policy on the Responsible Recruitment and Employment of Foreign Migrant Workers for Panasonic Group Companies in Malaysia (hereinafter referred to as the Policy) is to provide Panasonic Group Companies in Malaysia with standards for managing the recruitment and employment of foreign migrant workers in a responsible and sustainable way.

The Policy explains the main components of the responsible recruitment and employment of foreign migrant workers that comply with national laws in Malaysia and in the relevant countries of origin, as well as with relevant international standards and applicable laws and regulations.

Panasonic Group Companies in Malaysia support the following international standards, guidelines and principles, and this document is based, where possible, on these frameworks and existing good practice:

- 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)
- ILO General Principles and Operational Guidelines on Fair Recruitment and the Definition of Recruitment Fees and Related Costs
- ILO C29 – Forced Labor Convention
- ILO C097- Migration for Employment Convention
- ILO C105 – Abolition of Forced Labor Convention
- ILO C143-Migrant Workers Convention
- ILO C181-Private Employment Agencies Convention
- International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families
- The UN Guiding Principles on Business and Human Rights (UN Guiding Principles)
- IOM Migrant Worker Guidelines for Employers: Promoting Respect for the Human and Labour Rights of Migrant Workers through Ethical Recruitment and Deployment, Responsible Employment and Safe Return
- The Dhaka Principles for Migration with Dignity (IHRB)
- The International Recruitment Integrity System (IRIS) Standard
- Code of Conduct of Responsible Business Alliance

Compliance with the Policy is mandatory for Panasonic Group Companies in Malaysia. If a Panasonic Group Company in Malaysia has already adopted a human rights policy, the stricter policy shall apply.

In April 2022, Panasonic Group adopted the Panasonic Group Code of Ethics and Compliance, the Panasonic Group Human Rights and Labor Policy and internal Rules on Human Rights and Labor Compliance (internal members access only). This revised policy, updated on 1st APRIL 2025 reflects such documents accordingly.

The Panasonic Group Code of Ethics and Compliance expressly states "As a global organization conducting business throughout the world, we comply with all applicable laws and regulations in our business activities and respect internationally recognized human

rights, such as those expressed in international norms established by the United Nations and the International Labour Organization. As well as upholding the human rights of Panasonic members, we should strive to prevent, mitigate and remediate any potential adverse impact on the human rights of any of our stakeholders which may result from our business activities, products, services and those transactions."

Panasonic Group Companies in Malaysia is committed to upholding human and labor rights of workers in our global supply chains, adhering to the Panasonic Group Human Rights and Labour Policy. This policy states that we comply with all applicable laws and regulations in our business activities and we support internationally recognized human rights and promote initiatives for the prohibition of all forms of forced labour, the effective abolition of child labour, the elimination of discrimination in respect of employment and occupation, freedom of association and the effective recognition of the right to collective bargaining, as well as safe and healthy working environment. 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.

In order to fulfill the social responsibility throughout the supply chain, Panasonic has also established "Supply Chain CSR Promotion Guidelines", emphasizing no tolerance for forced labor including human trafficking.

According to the International Organization for Migration (IOM), the contributions of foreign migrant workers have become increasingly important in international supply chains across all industries. When managed in a safe, humane and orderly way, labour migration benefits foreign migrant workers and their families, economies of communities of origin and destination. Employers across many industries and geographies rely on foreign migrant workers when facing labour shortages. However, too many foreign migrant workers face multiple forms of abuse and exploitation. Unethical recruitment practices leave them uninformed or deceived of the job terms and conditions. Excessive recruitment fees and related cost that they are required to pay for a job abroad often force them to take out loans leading to debt bondage and forced labor. Document retention during recruitment and employment often makes it impossible for foreign migrant workers to opt out of the recruitment process or to walk away from exploitative labor conditions.

Recognizing that foreign migrant workers are particularly vulnerable in our global supply chains, we have established the Policy on the Responsible Recruitment and Employment of Foreign Migrant Workers for Panasonic Group Companies in Malaysia to ensure that this group of workers is treated ethically and fairly during recruitment, employment and return.

Scope of the Policy

The Policy applies to the recruitment and employment of foreign migrant workers by Panasonic Group Companies in Malaysia.

The principles of the Policy applies to all types of recruitment, regardless of the workers' origins, the Recruitment Agencies or intermediaries involved, or the type of employment.

The Policy does not offer a comprehensive human rights policy or code of conduct for Panasonic Group Companies in Malaysia. The scope of the Policy covers priority human rights risks pertaining to the recruitment and employment of foreign migrant workers in Malaysia.

The Policy must be integrated into the internal regulations of Panasonic Group Companies in Malaysia (unless the Panasonic Group Company has already adopted similar internal regulations), and extended to the enterprise's own operations and their directly managed business relationships, including labor recruiters, employment agencies, direct suppliers and service providers.

Collaborative Approach for Panasonic in Malaysia

By implementing the Policy, Panasonic Group Companies in Malaysia have agreed to closely align their approaches and to work together as one group.

Definitions

Panasonic Group Companies in Malaysia – Consolidated companies of Panasonic Holdings Corporation in Malaysia. [Appendix] List of companies.

Recruitment Agency – entity that has a contractual relationship with the employer and facilitates the recruitment and deployment of a foreign migrant worker to a workplace that is not in the worker's country of origin.

Glossary

Panasonic Code of Ethics & Compliance - the Code sets out "Our commitments" (the commitments that each Panasonic Group company must fulfill) and "My commitments" (the commitments that each Panasonic member must fulfill). Together, we commit to conduct business activities with the highest standards of ethics and compliance, embodying our Basic Business Philosophy.

Direct recruitment – A situation where a Panasonic Group Company goes directly to country of origin and recruits workers without using any intermediary such as a labour recruiter in either country of origin or destination.

Recruitment services relationship – A situation where a Panasonic Group Company partner directly with a labour recruiter in the country of origin for the recruitment process and where the employer upon selection of workers employs them directly without any intermediaries.

Employment services relationship – A situation where a Panasonic Group Company partner with a labour recruiter in the country of destination who in turn partner with a labour recruiter in the country of origin and where the labour recruiter in the country of destination upon selection of workers employs them and places them at the Panasonic Group Company worksite.

Human Rights Due Diligence – the process of a company to identify, prevent, mitigate and account for how actual and potential adverse human rights impacts are addressed as an integral part of business decision-making and risk management[1].

Foreign migrant worker – a person who migrates to a country not of his or her birth for the purpose of employment.

Country of origin – the country in which the worker resides at the time of recruitment.

Country of destination – the country to which the worker travels for work.

Debt bondage – the status or condition arising from a debtor's pledge of his or her personal services, or of those of a person under his or her control, as security for a debt, if the value of those services, as reasonably assessed, is not applied to the liquidation of the debt, or if the length and nature of those services are not, respectively, limited and defined.

Forced labor – all work or service that is exacted from any person under the threat of penalty and for which said person has not voluntarily offered his or her services[2] as illustrated in the ILO Indicators of Forced Labour.

[1] EU Directive on Corporate Sustainability Due Diligence, 13 June 2024

[2] ILO Forced Labour Convention, 1930 (No. 29)

Human trafficking –The recruitment, transportation, transfer, harboring, or receipt of persons, by means of the threat or use of force or other forms of coercion, of abduction, of fraud, of deception, of the abuse of power or of a position of vulnerability or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purpose of exploitation[3].

Recruitment fees or related costs – refer to any fees or costs incurred by the worker in the recruitment process to secure employment or placement, regardless of the manner, timing, or location of their imposition or collection[4].

Responsible recruitment / ethical recruitment / fair recruitment – as outlined in the IRIS standard for Ethical Recruitment, that is, at a minimum, transparent and conducted according to law, and that does not put candidates or workers at risk of forced or bonded labor, or that in any other way violates their rights and freedoms.

Confidentiality reasons (II-4. Freedom of Movement) – as defined in the internal regulations on information security of Panasonic Group Companies in Malaysia, access to A Zone (the zone in which highly confidential management resources or information are processed and stored. It also includes zones that store objects that require strict supervision) is only granted to Panasonic Group employees, members of boards of directors, officers, managing directors, and other personnel affiliated with the business conducted in the zone. All access, both in and out, is recorded, and entry is prohibited to unauthorized persons.

Safety reasons (II-4. Freedom of Movement) – restrictions to ensure the health and safety of workers from the hazardous and harmful aspects of machinery, chemical substances, light, heat, sound, high altitudes, electricity, other energy sources, and the like, and to prevent occupational accidents as defined in the internal regulations for the safety and health management of Panasonic Group Companies in Malaysia and in Malaysian national regulations.

[3] United Nations Convention against Transnational Organized Crime, The Protocol to Prevent, Suppress and Punish Trafficking in Persons, especially Women and Children

[4] ILO General principles and operational guidelines for fair recruitment and definition of recruitment fees and related costs.

I. Key principles on Responsible Recruitment and Employment of Foreign Migrant Workers

I-1. Legal Compliance

Panasonic Group Companies in Malaysia recruits and employ all foreign migrant workers in accordance with the applicable laws and regulations in origin countries and in Malaysia. In doing so, Panasonic Group Companies in Malaysia strive to achieve compliance with international standards and good practice on ethical recruitment and employment of foreign migrant workers.

I-2. Equal Treatment and Opportunity

Panasonic Group Companies in Malaysia treats all foreign migrant workers equally. No foreign migrant worker shall be subject to any discrimination in any aspect of the employment relationship, including in recruitment, hiring, deployment, and repatriation.

a) There shall be no discrimination against any foreign migrant worker based on any of the following or any similar personal characteristics, experiences or beliefs: age, sex, gender, race, skin color, belief, religion, social status, nationality, ethnic group, caste, marital status, sexual preference, gender identity and gender expression, pregnancy, medical history, existence or non-existence of viral infection or similar, genetic information, existence or non-existence of disability, political party membership or political preference, labor union membership or history of military service during recruitment and employment, unless and except to the extent legal restrictions apply.

b) In line with the relevant laws of Malaysia, foreign migrant workers shall be remunerated equally for work of equal value.

c) To address foreign migrant workers specific needs, the Panasonic Group Companies in Malaysia shall:

   i. Address existing language barriers with foreign migrant workers systematically. Ensure that all internal policies, trainings and briefings, grievance mechanisms, employment contracts and other relevant documents can be accessed in simple and clear languages that are understood by all workers, including foreign migrant workers, with the support of an interpreter where needed.
   ii. Establish and maintain a comprehensive information and orientation system, including pre-departure and post-arrival orientations, to help foreign migrant workers understand employment terms and their rights and responsibilities during work abroad.
   iii. Provide foreign migrant workers with reasonable access to internet and communication services, including in dormitories, to enable unhindered contact with families and support networks.
   iv. Have communication and dialogue systems in place to enhance communication with all workers, including foreign migrant workers, solicit their feedback and improve available grievance mechanisms.

I-3. Access to Remedy

Panasonic Group Companies in Malaysia shall ensure that foreign migrant workers have access to effective remedies throughout all stages of labor migration. Complaints about human rights abuses shall be addressed promptly to enable appropriate remedies.

a) Panasonic Group Companies in Malaysia commit to establish and operate a factory-level operational grievance mechanism that is legitimate, accessible, predictable, equitable, transparent, a source of continuous learning, based on engagement and dialogue and rights-compatible for migrant workers throughout the stages of recruitment, deployment, employment, and return. This grievance mechanism is managed in-house, ensuring it is governed by clear policies and procedures. These will cover the scope for complaints and remediation, required languages, timelines, and designated focal points trained to screen and handle complaints. Any retaliatory practices are strictly prohibited.

b) Panasonic Group Companies in Malaysia will encourage use of its centrally managed whistle-blowing system - EARS, and also participate in grievance mechanisms provided by government agencies, business associations, and other organizations. We shall strictly maintain confidentiality of such reporting, prohibit adverse treatment of whistleblowers or other impacted individuals, and communicate promptly with them in order to provide possible remedy.

c) Where such reported breaches concern our operations or any supplier of ours, Panasonic Group Companies in Malaysia refrain from any retaliation, as defined under the Code of Ethics and Compliance and Rules on the Prohibition of Retaliatory Behavior Against Whistleblowers and Others, against reporting individual(s) and we will use our leverage to influence our suppliers to refrain from retaliation too. In the event of retaliation, Panasonic Group Companies in Malaysia support whistleblowers in relevant cases of retaliation against them, at their own discretion.

I-4. Data Protection

Panasonic Group Companies treats the foreign migrant workers' personal data as confidential and protected, in accordance with applicable laws and regulations in countries of origin and in Malaysia.

a) Panasonic Group Companies shall collect only the personal information from foreign migrant workers that is legitimately required for their recruitment, deployment, employment, and return. No data will be collected unless it is required to judge the aptitude of foreign migrant workers for jobs which they are being considered or could be considered.
b) Any personal information and data collected, received, used, transferred, or stored is treated as confidential and shared only on a "need-to-know" basis and not without prior written informed consent by the worker or workers' representative, unless required by law. This includes medical information, complaints, and grievances.

I-5. Education, Review and Improvement

Panasonic Group Companies in Malaysia recognize that responsible recruitment and employment of foreign migrant workers requires continuous improvement and vigilance, and shall regularly review and update our policies, procedures, and practices to reflect evolving best practices, legal requirements, and stakeholder expectations.

a) Panasonic Group Companies in Malaysia will provide all foreign migrant workers and their managers, person in charge of recruitment and employment of foreign migrant workers with appropriate education and training on this policy. Furthermore, they shall conduct periodic refresher training sessions for all foreign migrant workers to understand their entitlements regarding overtime, rest days, sick leave, wage calculations, and terms of termination, as outlined in the relevant SOPs. Additionally, all supervisors and managers will receive training and regular reminders to ensure they understand and can effectively communicate these entitlements to their workers.

b) Panasonic Group Companies in Malaysia will ensure that this policy is integrated, effectively implemented and embedded into the enterprise's own operations and internal operating procedures, and in their directly managed business relationships, including labor recruiters, employment agencies, direct suppliers and service providers.

c) Panasonic Group Companies in Malaysia shall be continuously reviewed and revised the Policy and SOPs related to recruitment and employment of foreign migrant workers, in line with improvements to the Panasonic Group Human Rights and Labor Policy. The Group Companies shall leverage insights from internal leadership and feedback from a diverse array of external stakeholders to inform initiatives related to the responsible recruitment and employment of foreign migrant workers, with the objective of continuously enhancing the effectiveness of the Policy's implementation.

II. Recruitment and Deployment of Foreign Migrant Workers

Panasonic Group Companies promote efforts to establish a recruitment environment free from forced labor and unfair treatment, following all applicable laws, regulations, and internal rules and referencing international standards and guidelines.

II-1. Direct recruitment of foreign migrant workers

Panasonic Group Companies in Malaysia hire foreign migrant workers directly from the countries of origin or with the recruitment support of recruitment agencies based in the countries of origin, or participate in available public employment services. Employment services relationships with agencies, resulting in the indirect hiring of foreign migrant workers, is not recommended. In case of such a relationship, increased due diligence measures are required.

II-2. Human Rights Due Diligence

Panasonic Group Companies in Malaysia shall perform ongoing human rights due diligence on their own employees, recruitment agencies and any other directly managed business partners in relation to the recruitment and employment of foreign migrant workers.

a) Panasonic Group Companies in Malaysia shall identify all service providers and any other business partners that are involved in the recruitment of foreign migrant workers in the countries of origin and in Malaysia.

b) Panasonic Group Companies in Malaysia shall conduct an initial risk assessment and ongoing monitoring of its own staff members, recruitment agencies and any other relevant directly managed business partners. For recruitment agencies, this includes checking that recruitment agencies are licensed, have no adverse court decisions and other administrative sanctions against them and that they adhere to ethical recruitment principles.[5]

c) A formal signed contract or Service Agreement between Panasonic Group Companies in Malaysia and the recruitment agency shall define the rights and obligations of both parties. It shall clearly stipulate our zero tolerance approach to recruitment fees and include provisions for a transparent and responsible recruitment and selection process, list itemized recruitment fees and related costs and the party responsible for covering them.

d) Panasonic Group Companies in Malaysia require recruitment agencies to carry out their own ongoing due diligence and maintain transparency on their business partners, including subagents and any other third-party service providers.

e) Panasonic Group Companies in Malaysia regularly audit recruitment agencies and monitor their improvement plan to ensure continuous compliance with ethical recruitment principles.

II-3. Recruitment Fees and Related Costs

Panasonic Group Companies in Malaysia shall not charge nor allow Recruitment Agencies or any other business partner to charge foreign migrant workers any recruitment fees or costs related to their employment.

a) Panasonic Group Companies in Malaysia shall pay all recruitment fees and costs related to recruitment and employment of foreign migrant workers which are hired by Panasonic Group Companies, in line with the ILO definition of recruitment fees and related costs[6]:
    - Payments for recruitment services offered by labour recruiters, whether public or private, in matching offers of and applications for employment;

[5] The IRIS Standard is a global standard that defines what ethical recruitment looks like in practice for labor recruiters. It consists of seven principles, which include respect for applicable laws and international standards, prohibiting the charging of recruitment fees and costs to migrant workers and respect for transparency in employment terms and conditions.

[6] ILO general principles and operational guidelines for fair recruitment and definition of recruitment fees and related costs

- Payments made in the case of recruitment of workers with a view to employing them to perform work for a third party;
- Payments made in the case of direct recruitment by the employer; or
- Payments required to recover recruitment fees from workers.

The recruitment related costs include:

- Administrative costs
- Medical costs
- Insurance costs
- Travel and lodging costs (depending on the district the workers come from a fixed lump sum is recommended)
- Orientation and training costs
- Costs for skills and qualifications
- Equipment costs

As part of the recruitment process, if a new passport or passport renewal with a validity of less than two years is required, Panasonic Group Companies will cover the cost of the new passport or passport renewal for foreign migrant workers from the date of the interview. However, the cost of passport renewal to maintain employment will be the responsibility of the workers.

b) Any workers' salary deduction for recruitment fees or any other agency charging fees for services, on behalf of workers, is prohibited.

c) If any such fees and costs are found to have been paid by foreign migrant workers, such fees and costs shall be repaid to the foreign migrant workers[7] no longer than 90 days upon their arrival at the workplace if indicated accordingly to the worker emphasizing that there will be no repercussions to them if they share honestly. The reimbursement plan should be agreed among the Panasonic Group Companies, factory management and concerned foreign migrant workers. The burden of proof (such as receipts) to rebut costs paid by foreign migrant workers should lie with employers.

d) Panasonic Group Companies shall take proactive due diligence measures to prevent own staff members, recruitment agencies and any other directly managed business partner from (double) charging additional recruitment fees or other costs to foreign migrant workers. This includes interviews with foreign migrant workers upon their arrival and throughout the employment period, and establishing clearly defined sanctions for labor recruiters in the service agreement in the case of breaches.

e) For foreign migrant workers recruited in-country through Government of Malaysia announced recalibration programs allowing for in-country ad-hoc recruitment of foreign migrant workers based on certain criteria, Panasonic will consider such recruitment only on case-by-case depending on current needs, noting that such recruitment is not encouraged. If it is decided that such in-country recruitment will go ahead (or have already been conducted), the same commitments shall apply as in the case of recruited foreign migrant workers from outside the country. This means that any in-country recruitment and employment of migrant workers by Panasonic Group Companies shall strictly adhere to the Policy and SOP on Recruitment and Employment of Foreign Migrant Workers, and Panasonic shall cover all recruitment

[7] RBA Trafficked and Forced Labour- "Definition of Fees", January 2021

fees and related costs associated with the process (such as but not limited to fines for immigration offences, recalibration fees, government levies, security deposits, etc.). In addition, Panasonic Group Companies shall also:

a) Undertake increased due diligence (e.g. via worker surveys) to understand the migration journey of the workers, in particular the risk of debt bondage and other indicators of forced labour, and consider remediation of such risk if occurred;
b) Support workers to obtain the required documentation through legitimate channels, as part of the recalibration process; and
c) Hire such recalibrated workers directly, without involvement of intermediaries.

II.4. Transparency and Access to Accurate Information

All foreign migrant workers shall have access to transparent job terms and conditions, and they shall be able to give their informed consent on employment.

a) Panasonic Group Companies shall provide an accurate description of the terms and conditions of employment and adhere to ethical recruitment principles for foreign migrant jobseekers from the start of recruitment. This includes holding an information session for jobseekers that outlines the terms and conditions of recruitment, deployment, employment, and return, in a language they can understand. Information session will be delivered at the stages of pre-employment and pre-departure. Foreign migrant workers remain free to withdraw from the recruitment process at any point.

b) Upon selection, all foreign migrant workers shall be provided with, and sign before departure, the standard template employment contract for foreign migrant workers of Panasonic Group Companies that include terms and conditions that are clear, accurate, simple and compliant with applicable laws, in English and translated into the workers' native languages.

c) Panasonic Group Companies in Malaysia strictly prohibit substituting the initially signed employment contract with less favorable terms and conditions for foreign migrant workers at any stage of their employment.

III. Employment of Foreign Migrant Workers

Panasonic Group Companies in Malaysia shall not engage in forced labor, child labor, and human trafficking.

a) Panasonic Group Companies in Malaysia has zero-tolerance of human trafficking for purposes of forced labor or services, including, but not limited to, slavery and servitude. The consent of a human trafficking victim to the exploitation, whether intended or actual, is irrelevant to Panasonic Group Companies in Malaysia. All work must be voluntary, and disciplinary measures that result in forced labor are prohibited.

b) Panasonic Group Companies in Malaysia are committed to cooperating proactively with the competent authorities to counter human trafficking and forced labor. We are

strict with our suppliers, working hard to harness all our leverage to prevent any tolerance of migrant labor rights violations.

c) Where it is determined that our business activities have caused, contributed to or are directly linked to the adverse impact identified, Panasonic Group Companies in Malaysia shall utilize their leverage to mitigate the identified adverse impact and/or provide due remediation and reject business partners who fail to do so, or who refuse to take preventive and mitigation measures when alerted to forced labor and human trafficking risks in their operations or supply chains.

d) Panasonic Group Companies in Malaysia will not recruit and employ foreign migrant workers under the age of 18 to perform any work.

III-1. Safe, Decent and Respectful Work Environment

Panasonic Group Companies in Malaysia shall provide a workplace that is free of any form of harsh, abusive, or inhumane treatment where foreign migrant workers enjoy safe, decent and respectful employment and working conditions.

a) All foreign migrant workers shall be treated with respect and dignity. No foreign migrant worker shall be subject to any physical, sexual, psychological, or verbal harassment or abuse, or to monetary fines or humiliation as a disciplinary measure.

b) Panasonic Group Companies in Malaysia are committed to a zero-tolerance policy on all forms of violence, harassment and gender-based violence in the workplace, ensuring the safety and respect of all employees, including foreign migrant workers, managers, supervisors, and business partners.

c) Panasonic Group Companies in Malaysia undertake the responsibility to thoroughly investigate any allegations of violence, harassment and gender-based violence in the workplace. Each company under the Panasonic Group Companies in Malaysia shall appoint a person responsible for monitoring and investigating all cases related to harassment and/or gender-based violence also considering the comfort provided if this person is of same sex as the person submitting the case. Corrective actions and remediation will be implemented, and the corrective action plan will be closely monitored to ensure effective execution, reflecting Panasonic's commitment to maintaining a safe, decent, and respectful work environment.

d) A standard policy and process describing preventive and corrective actions against harassment and abuse, and the rules for disciplinary actions, shall be duly implemented.

III-2. Freedom of Association, Worker Management Dialogue

Panasonic Group Companies in Malaysia uphold the freedom of association and the right to collective bargaining, ensuring that foreign migrant workers can join and participate in any associations or unions of their choice in accordance with applicable laws.

a) All foreign migrant workers can join unions, in line with Malaysia's legal requirements.

b) Panasonic Group Companies in Malaysia do not prohibit the involvement of trade unions or other worker associations in independently engaging with foreign migrant workers during recruitment, upon their arrival in the country, and throughout their employment.

c) No worker shall be punished, terminated, threatened, intimidated or harassed for joining a union or engaging in union activities. Panasonic Group Companies in Malaysia does not recruit migrant workers for the purpose of replacing other workers who are on strike. We strictly prohibit retaliation against migrant workers based upon their support or participation in any trade union or collective bargaining process.

III-3. Wages and Benefits

Wages paid to foreign migrant workers shall comply with all applicable local wage laws, including laws relating to minimum wages, overtime allowances, and any fringe benefits required by law and/or employment contract (whichever is greater).

a) Panasonic Group Companies in Malaysia strictly prohibit and condemn the use of wage deductions or any form of monetary fines as disciplinary measures or as a means to recover recruitment fees or retain employment, whether directly or indirectly.

b) All foreign migrant workers shall be provided with wage statements in a timely manner. The wage statement shall include sufficient information, in a language that foreign migrant workers understand, to verify that the work performed is accurately compensated, and it shall itemize any lawful deduction.

c) Wage advances, loans, and savings schemes shall be offered in accordance with applicable Malaysian laws if requested by foreign migrant workers and must not place them at risk of debt bondage or create additional financial burdens. The repayment of wage advances shall be interest-free and free from any additional fees or costs.

III-4. Working Hours and Rest Days

Panasonic Group Companies in Malaysia shall comply with applicable labor laws and regulations regarding working hours, rest time, overtime hours, holidays and vacations. In addition, we endeavor to adopt reasonable total work hours to protect mental and physical health and allow foreign migrant workers to lead a healthy lifestyle. No foreign migrant workers shall be forced to work.

a) Panasonic Group Companies in Malaysia shall grant all foreign migrant workers a minimum of one rest day (24 hours) every seven calendar days.

b) Panasonic Group Companies in Malaysia shall provide all foreign migrant workers with annual paid leave in accordance with Malaysian laws and work regulations. Foreign migrant workers' applications for leave shall not be denied without a valid business reason.

c) Panasonic Group Companies in Malaysia ensure that overtime work is entirely voluntary and respect foreign migrant workers' freedom to decide whether to accept overtime under any circumstances. Overtime will not be compulsory or used as a disciplinary measure, or for failure to meet production quotas or to earn minimum wage.

III-5. Access to Personal Documents

Panasonic Group Companies in Malaysia are prohibited from holding or otherwise destroying, concealing, confiscating, or denying access by foreign migrant workers to their identity or immigration documents, such as government-issued identification, passports, work permits, or education and training documents like diplomas and training certificates.

a) Panasonic Group Companies in Malaysia shall ensure all foreign migrant workers have possession of their personal documents and are able to access these documents directly and immediately without restriction.

b) Panasonic Group Companies in Malaysia shall provide workers with individual safe and lockable storage to keep their personal documents and belongings protected against unauthorized access. Access to storage shall be free, and stored items shall be freely and immediately accessible to foreign migrant workers at any time, without restrictions or required permission.

c) When requesting and taking possession of foreign migrant workers' personal documents is required by law for administrative purposes, Panasonic Group Companies in Malaysia shall obtain written consent from the foreign migrant workers and provide them with a receipt. Personal documents shall be immediately returned to the foreign migrant workers when no longer required for administrative or processing purposes.

III-6. Freedom of Movement

Panasonic Group Companies in Malaysia shall not restrict foreign migrant workers' freedom of movement without reasonable grounds.

a) Panasonic Group Companies in Malaysia shall not restrict foreign migrant workers from entering and exiting facilities at foreign migrant workers' workplaces, unless otherwise prohibited for confidentiality or safety reasons.

b) Rules for entering and exiting the workplace and employer-provided accommodation shall be explained and displayed in languages understood by foreign migrant workers. If such rules are implemented, they shall not restrict the freedom of movement of foreign migrant workers.

c) Panasonic Group Companies in Malaysia shall not require foreign migrant workers to pay any security deposits.

III-7. Living Conditions and Dormitories

Panasonic Group Companies in Malaysia shall provide safe, sanitary, adequate, and decent accommodations to foreign migrant workers in compliance with the applicable laws and regulations in Malaysia.

a) Panasonic Group Companies in Malaysia shall not impose curfews or in any other way limit foreign migrant workers' movements inside or outside of the provided accommodations.

b) A standard policy and process describing how to manage and provide standard, safe, sanitary, adequate and decent accommodation for foreign migrant workers in order to ensure their welfare, safety and well-being shall be duly implemented.

c) Panasonic Group Companies in Malaysia ensure that all accommodations provided by the company or third-party vendors are regularly inspected to maintain cleanliness, safety, and habitability, with detailed records of inspections available for review.

d) Feedback shall be actively sought from foreign migrant workers about their living conditions, ensuring any concerns or complaints are promptly addressed, while considering specific needs based on gender, age, or disability.

e) Sufficient living space, ventilation, sanitation, and segregated facilities where appropriate, including designated areas for sick workers to prevent the spread of illness, disease, and heat stress, shall be provided to promote health and safety as per the applicable laws and regulations.

III-8. Voluntary Termination of Employment Contracts by Foreign Migrant Workers

An employment contract signed by a foreign migrant worker includes the worker's right to terminate the contract.

a) In conformance with the minimum legally mandated notice period, foreign migrant workers shall have the freedom to terminate their employment without penalty or salary deductions.

b) Panasonic Group Companies in Malaysia shall arrange and pay for the repatriation of foreign migrant workers.

c) Panasonic Group Companies in Malaysia shall ensure that all outstanding wages and benefits owed to foreign migrant workers for previously completed work are fully paid upon the termination of their employment contract with the exception of necessary (temporary) withholdings in accordance with Malaysian law. In such cases, Panasonic Group Companies in Malaysia are expected to explain this accordingly to the foreign migrant workers during their onsite induction and post-arrival orientation and reinstate upon the termination of their employment contract.

APPENDIX

Panasonic Group of Companies in Malaysia

No	Abbreviation	Company Name
1	PM	Panasonic Malaysia Sdn Bhd
2	PAVCKM	Panasonic AVC Networks Kuala Lumpur Malaysia Sdn Bhd
3	PPMY	Panasonic Procurement Malaysia Sdn Bhd
4	PMAM	Panasonic Management Malaysia Sdn Bhd
5	PIDMY	Panasonic Industrial Devices Malaysia Sdn Bhd
6	PMMA	Panasonic Manufacturing Malaysia Bhd
7	PISM	Panasonic Insurance Service Malaysia Sdn Bhd
8	PIDSMY	Panasonic Industrial Devices Sales (M) Sdn. Bhd
9	PAPAMY	Panasonic Appliances Air-Conditioning Malaysia Sdn Bhd
10	PAPARADMY	Panasonic Appliances Air-Conditioning R&D Malaysia Sdn Bhd
11	PSNM	Panasonic System Networks Malaysia Sdn Bhd
12	PFI	Panasonic Financial Centre (Malaysia) Sdn Bhd
13	PASMY	Panasonic Automotive System Malaysia Sdn Bhd
14	PAPRADAP	Panasonic Appliances R&D Center Asia Pacific Sdn Bhd
15	PFSISMY	Panasonic Factory Solutions Integration Systems Malaysia Sdn Bhd
16	KDKM	KDK Fans (M) Sdn Bhd