Slavery and Human Trafficking Statement 2020

Modern slavery can occur in various forms including servitude, forced, compulsory labour and human trafficking, all of which include the deprivation of a person's (an adult or child's) liberty by another (collectively "modern slavery"). The following sets out the procedures Panasonic has put in place that aim to prevent modern slavery from occurring within our business or supply chain.

Panasonic is committed to a work environment that is free from modern slavery, in accordance with the laws and regulations of the respective countries in which we operate.

We have a zero-tolerance approach to modern slavery and we are committed to acting ethically and with integrity in all our business dealings and relationships. We are committed to implement and enforce effective systems and controls to ensure modern slavery is not taking place anywhere in our own business or in any of our supply chains. We will not knowingly use modern slavery in any of our products and/or services supplied. Additionally, we use guidelines and Standard Purchase Agreements with suppliers to require that they not utilise slave labour.

ZETES is committed to make efforts to confront Modern Slavery at its sites and along its entire supply chain, in accordance with Section 54 of the Modern Slavery Act 2015.

In the following statement, 'we', 'us' or 'our' refers to the Panasonic Group.
Scope of Reporting - Fiscal 2020 (1st April, 2019 to 31st March, 2020)

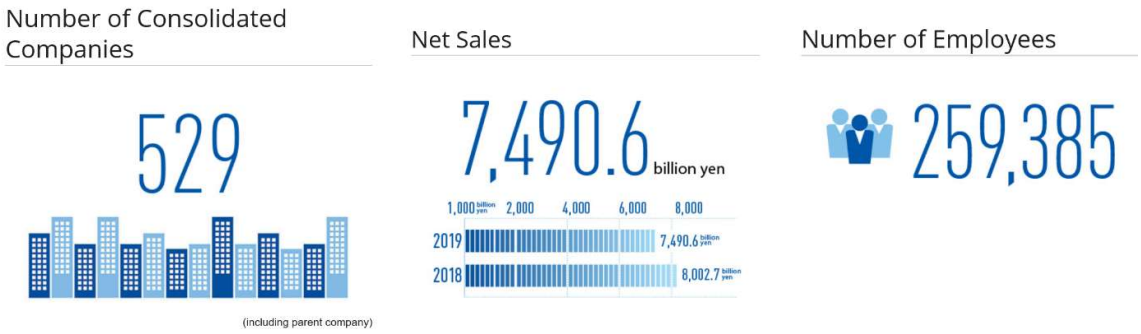
ZETES published its first Slavery and Human Trafficking Statement in 2018. This third statement demonstrates its concern and continuous intentions to encourage the implementation of Sustainable Development Goals (SDGs). As an international company we understand our responsibility in supporting goal 8 '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

ZETES is part of the global Panasonic Group, which is head-quartered in Japan and one of the largest electronic manufacturers with 529 consolidated companies located globally.

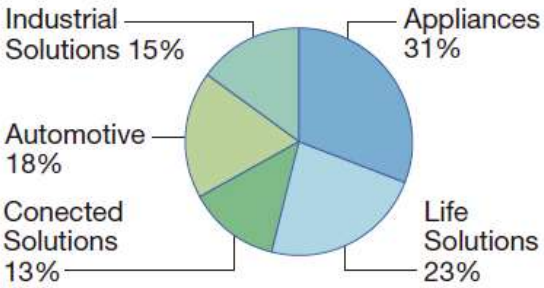
Panasonic Corporation Data (Fiscal Year ended March 2020)



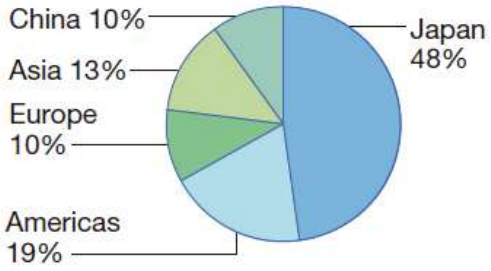
As the key element of our business philosophy, we have the basic concept of the "company as a public entity of society." This is also the very essence of the Panasonic Group's sustainability. As we stand at historical turning points in many areas today, Panasonic Group will continue to promote sustainability 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 four key business units:

Sales by Segment (FY2020)



Sales by Region (FY2020)



Appliances	Life Solutions	Connected Solutions	Automotive	Industrial Solutions
B2C businesses such as home appliances, beauty, and health, and B2B businesses such as cooling and heating appliances for commercial use, devices, energy etc.	Housing, offices, commercial facilities and smart town, and mobility areas such as bicycles and vehicle interior spaces.	Provides “connected values” to B2B customers in the six priority business segments "Distribution", "Logistics", "Entertainment", "Public", "Avionics" and "Manufacturing".	Vehicle infotainment, in-vehicle electronics, automotive mirrors and motorized systems such as automotive batteries.	Extensive range of solutions in the B2B business areas including electronic components, FA and industrial devices, electronic materials and batteries.

ZETES, established in 1984 in Belgium, is a leading international system integrator and technology company offering mobility and value-added solutions in the automatic identification and data capture industries for Goods and People. It employs more than 1,200 people in 22 countries across EMEA, wherein our business operations are deployed. In 2017 ZETES joined the Panasonic Group, operating as a wholly-owned independent subsidiary. ZETES is part of the Connected Solutions business unit.

Our Supply Chain

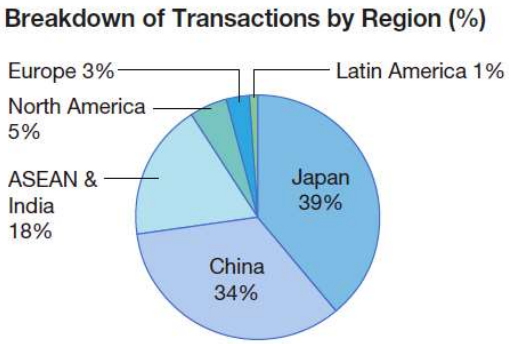
As a global company, we operate a highly complex supply chain, with suppliers located around the globe.

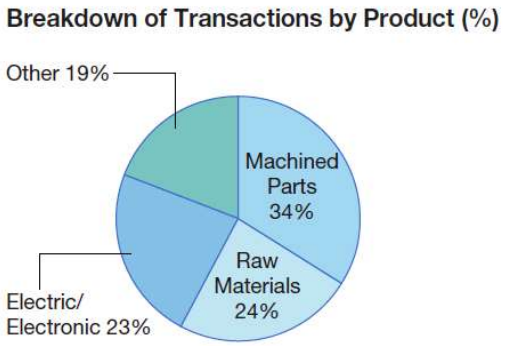
Panasonic does business with approximately 10,000 companies worldwide.

Around 70% of these business partners are located in Japan and China. Industry-wise, 34% of them supply machined parts. Panasonic promotes activities with its global business partners across its entire supply chain in order to achieve its CSR-related goals.

For our main business – the manufacture and provision of electronic products – our supply chains include the sourcing of raw materials and minerals.

https://www.panasonic.com/global/corporate/sustainability/supply_chain/minerals.html





Our Key Risk Area

Modern slavery risks are believed to be especially high in certain regions of the world. 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 program of enhanced checks in these regions to ensure compliance with local legislation.

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 verify the absence of Modern Slavery in our supply chain, including the following:

Panasonic Code of Conduct

Our Code of Conduct includes requirements on ensuring respect for human rights and that

Chapter 3: Employee Relations
(Omitted) (2) Respect for Human Rights 2) The Company will not employ people against their will, and will not use child labour. The Company will comply with the employment laws and regulations of the countries and regions in which it conducts business. >Panasonic Code of Conduct, Chapter 3: Employee Relations https://www.panasonic.com/global/corporate/management/code-of-conduct/chapter-3.html

Panasonic will not employ people against their will.

Complementing our Code of Conduct is the statement on our efforts concerning fundamental human rights, which covers 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.

Recruitment

When recruiting employees, Panasonic adopts a perspective of protecting fundamental human rights and engages in recruitment activities that comply with the laws and regulations of the respective countries in which we operate. Panasonic also prohibits forced labour including child labour. In order to prevent child labour, we have included age verification in the 'Self-Assessment Checklist' which is used when individuals join the company. The risk of child labour is thought to be especially high in China and elsewhere in Asia and Panasonic is implementing age verification in these regions. The company does not allow employees under the age of 18 to engage in overtime work and heavy labour, and offers them consideration and support so that they have opportunities to receive education.

Training

We conduct training for all new, permanent staff on our Basic Business Philosophy and Code of Conduct. This includes training on: compliance with local laws and a respect for basic human rights with emphasis on not employing persons against their will and on compliance with local employment laws.

Confidential Whistle-blowing

We protect whistle blowers by providing an anonymous whistle-blowing hotline for employees. Employees are regularly reminded of the whistle-blowing hotline and are encouraged to use it if they suspect any potentially illegal behaviour or practice.

Suppliers

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. 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.

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.

Standard Purchase Agreements (Excerpts)

(Demand on Suppliers to Respect Human Rights)

The Supplier must strive to provide equal employment opportunities and not engage in forced labour, child labour, excessive work hours, illegal employment of foreign workers, or other unlawful/inappropriate labour practices. With regard to employment conditions, including wages and work hours, the Supplier shall comply with the laws and regulations of countries and regions in which business activities are undertaken.

CSR Self-Assessments for Suppliers

We request our suppliers to conduct CSR self-assessments. The checklists used for these self-assessments includes questions that address all the issues related to modern slavery, including the confirmation of worker ages in order to prevent child labour, prohibitions against the collection of fees or retention of worker passports or identification documents by recruitment agencies and the requirement to provide employment contracts (including terms of employment) in workers' native languages. For details, please see Responsible Procurement Activities: Ensuring CSR among Suppliers.

https://www.panasonic.com/global/corporate/sustainability/supply_chain/suppliers.html

Continuous Improvement Activities for the Future

Some of Panasonic'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 labour. Given the complexity of these supply chains, completely eradicating Modern Slavery at all our suppliers will take time and effort. We are committed to making sustained initiatives against the problem of Modern Slavery.

Panasonic was involved in alleged human rights and labour violation investigations which were uncovered by some media outlets in the recent years. In 2017 the New York Times investigated a recruitment agency, who employed labour on behalf of Panasonic, in violation of migrant workers' rights during the hiring process in the Czech Republic. We immediately investigated the issues and found some of the contents of the articles to be untrue, however, we recognised that there may be potential risks in locations where a large number of foreign migrant workers are being employed.

As countermeasures, Panasonic European Headquarters started a 3 year European Procurement Project in autumn 2019. With this project our aim is to further identify and analyse risks, to update policies, procedures and guidelines and to implement these changes accordingly. Furthermore we will be monitoring the process of corrective measures to further mitigate any risks.

This statement has been approved by: