

Panasonic Avionics Corporation Slavery and Human Trafficking Statement

for the Fiscal Year that ended 31 March, 2016

Introduction:

Slavery and human trafficking are criminal offenses under the United Kingdom's Modern Slavery Act 2015. Such offenses can occur in various forms including slavery, servitude, forced or compulsory labor, and human trafficking, all of which include the deprivation of a person's (an adult or a child's) liberty by another in order to exploit them for personal or commercial gain (collectively "Modern Slavery").

Panasonic Avionics Corporation ("we," "us" or "our") 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. This document sets out the procedures we have put in place with the aim of preventing opportunities for Modern Slavery to occur within our business and supply chains.

We take a zero-tolerance approach to Modern Slavery and are committed to acting ethically and with integrity in all our business dealings and relationships, and to implementing and enforcing effective systems and controls to ensure Modern Slavery is not taking place anywhere in our business or any of our supply chains. We will not knowingly use Modern Slavery to supply any products or services, nor will we accept products or services from suppliers that we believe to engage in acts of Modern Slavery.

Organization Structure:

Panasonic Avionics Corporation, a U.S. corporation, is a subsidiary of Panasonic Corporation of North America, the principal North American subsidiary of Panasonic Corporation.

Our ultimate parent company is Panasonic Corporation, which is headquartered in Japan. Panasonic Corporation's business as a whole is as a manufacturer and seller of commercial and consumer electronic products and associated services operating in the consumer and business sectors.

Our Business:

Panasonic Avionics Corporation is a supplier of inflight entertainment and communication ("IFEC") systems. The company's solutions, supported by professional maintenance services, fully integrate with the cabin enabling its customers to deliver a rich variety of entertainment choices.

Panasonic Avionics Corporation's global business is organised into three key business units:

- Inflight entertainment and cabin management systems;
- Global communications services (broadband connectivity to aircraft); and
- Technical support services and maintenance of the above.

Panasonic Avionics Corporation's worldwide operations include operations in the United Kingdom, where we provide hardware, service, support, maintenance and repair to airlines throughout Europe.

Our supply chain

Our supply chains include the sourcing of materials principally related to the provision and manufacture of IFEC parts and systems. As a member of the Panasonic Corporation family of companies, we are able to leverage a number of industry-leading Panasonic patents and the entire company's supply chain.

Our key risk areas

The risk that Modern Slavery will occur is thought to be especially high in certain regions of the world. Panasonic Corporation is actively implementing a program of enhanced checks in these regions to ensure compliance with local legislation.

Due Diligence Process for Human Trafficking and Slavery:

As part of our initiative to identify and mitigate risk we have taken a number of actions to verify the absence of Modern Slavery in our supply chain, including the following:

- **POLICY** – We have developed an Anti-Slavery and Human Trafficking policy that reflects our commitment to act ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure Modern Slavery is not taking place anywhere in our supply chains.
- **CODE OF CONDUCT** – Our Code of Conduct includes requirements on ensuring respect for human rights and that Panasonic will not employ people against their will.
<http://panasonic.aero/publicpolicies.aspx.html>
- **SUPPLIERS** – We expect that all companies in our supply chain comply with our Anti-Slavery and Human Trafficking policy, our business principles and Basic Business Philosophy. We also ask our suppliers to meet our Corporate Social Responsibility (“CSR”) requirements, including safeguarding human rights and the health and safety of workers.
<http://www.panasonic.com/global/corporate/management/procurement/for-suppliers.html>
- **TRAINING** – We ensure that all new employees are familiar with our Basic Business Philosophy and Code of Conduct. This includes providing information upon hire related to: contribution to society, 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.
- **RECRUITMENT** – We have strict recruitment policies and comply with the laws and regulations of the respective countries in which we operate. Our recruitment processes include: confirming that workers meet minimum age requirements in order to prevent child labor; not allowing temp agencies to collect fees from workers or retain workers' passports or identification documents; and providing workers with employment contracts or other documents reflecting the terms and conditions of employment, including terms in those workers' native languages as required by applicable employment laws.
- **SUPPLIER CSR SELF CHECK QUESTIONNAIRE** – Panasonic Corporation is in the process of formulating and testing tools which will allow us to measure the degree to which certain suppliers comply with our CSR principles in our supply chain. This includes issues concerning Modern Slavery and requires suppliers to complete a self-assessment questionnaire on their compliance

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- **CONFIDENTIAL WHISTLE-BLOWING** – We protect whistle-blowers by providing an anonymous whistle-blowing hotline for employees that 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.
- **COMPLIANCE TEAM** – We have a dedicated compliance team within our Legal department, which works closely with other departments to ensure compliance with applicable laws and ethical business practices.

Plans for the future and continuous improvement:

We have expressed our commitment towards better understanding our supply chains and working towards greater transparency and responsibility towards people working in them.

We will continue to work with our suppliers to encourage commitment to and compliance with Anti-Slavery and Human Trafficking policies and legislation. We plan to action the following over the coming months and years:

- **ANTI-SLAVERY AND HUMAN TRAFFICKING POLICY** – We will implement the policy that we developed specific to Anti-Slavery and Human Trafficking.
- **STANDARD CLAUSES** – We are working on including clauses that require our suppliers to warrant that they comply with all applicable laws in their performance of their obligations under their contract with us, including laws that prohibit slavery and human trafficking, to assist in ensuring our suppliers comply with our Anti-Slavery and Human Trafficking policy and provide evidence of their compliance when requested.
- **SUPPLIER REVIEW** – In addition to the Supplier CSR Self Check Questionnaire circulated by Panasonic Corporation as described above, Panasonic Avionics Corporation will be enhancing our periodic supplier reviews to specifically address the issue of Modern Slavery.



Paul Margis
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Panasonic Avionics Corporation