

# Respect for Human Rights

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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 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.

Furthermore, as a global company operating worldwide, we comply with all applicable laws and regulations in our business activities while considering the human rights of all our stakeholders and respecting internationally recognized human rights as expressed in the International Bill of Human Rights and the International Labour Organization’s (ILO) Declaration on Fundamental Principles and Rights at Work. We strive to prevent, mitigate, and correct any possible negative impact our business activities, products, services, or related translations have on individuals, workers, and society.

We also seek our suppliers and business partners to understand and implement our human rights and labour compliance policies; in cooperation with our partners, we strive to monitor supply chain risks and take appropriate measures to prevent, mitigate, and correct the occurrence of such risks.

Specifically, we address the following issues:

- Formulating and reviewing human rights policies;
- Raising awareness on human rights;
- Conducting human rights due diligence;
- Responding to human rights risks in the supply chain;
- Establishing and operating grievance mechanisms;
- Engaging with stakeholders.

We also seek the advice of external experts in our human rights efforts.

Respect for human rights is one of the utmost material sustainability issues to the Group. For more details, see the “Materiality” section ([on page 6](#)).

## Policy

Panasonic Group established the 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 fulfill 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)
- ILO Declaration on Fundamental Principles and Rights at Work and ILO Core Conventions

### [WEB](https://holdings.panasonic/global/corporate/sustainability/social/human-rights/policy.html) Panasonic Group Human Rights and Labour Policy

<https://holdings.panasonic/global/corporate/sustainability/social/human-rights/policy.html>

### [WEB](https://holdings.panasonic/global/corporate/about/code-of-conduct/chapter-5.html) The Panasonic Group’ Code of Ethics & Compliance, 5. Our Social Responsibilities, 1. Respecting human rights

<https://holdings.panasonic/global/corporate/about/code-of-conduct/chapter-5.html>

We will periodically review and improve these policies based on the opinions of external experts, relevant stakeholders, and their representatives.

## Responsible Executive and Framework

The executive officer responsible for the Group’s initiatives to respect human rights is the Group Chief Human Resources Officer, who is also in charge of the CSR and Corporate Citizenship Activities (as of August 2023). Our operating officers’ remuneration are linked to relevant KPIs which reflect their responsible filed in sustainability.

In fiscal 2024, human rights and labour compliance initiatives is a part of our short- and medium-term performance-linked compensation metrics for Group CHRO. The Sustainability

Management Committee, chaired by the Group CEO, discusses crucial human rights issues and reports them to the Group Management Committee and the Board of Directors. The Board of Directors also oversees these issues. In fiscal 2023, compliance on mandatory human rights and labour requirements in various countries has been discussed at the sustainability management committee.

In fiscal 2024 (continued from fiscal 2023), we identified fraud and misconduct on human rights by suppliers and outsourcing partners as a major Group risk. Each business unit is working to reduce this risk. For more on risk management, see the “Risk Management” chapter (on [page 130](#)).

We established the Strategic Human Resources Department within Panasonic Holdings Corporation (PHD) to promote our day-to-day efforts to respect human rights and oversee the Group’s human rights and labour initiatives. It works with Group companies to promote initiatives at business sites across the Group.

When it comes to human rights in our supply chains, procurement divisions are responsible for protecting them, and these divisions gain the understanding and cooperation from our suppliers all around the world in line with our Groupwide human rights initiatives.

For more details, see the “Responsible Supply Chain” chapter (on [page 102](#)).

## Internal Training & External Communications

Panasonic Group has translated its Code of Ethics and Compliance, which includes respect for human rights, into 22 languages and provides regular opportunities for employees to learn about it at the time of entry into a company and promotion. In fiscal 2023, following the revision of the Code of Ethics and Compliance, we provided trainings for all employees, with 150,000 taking part. Furthermore, starting in fiscal 2023, the Human Resources Division, a critical relevant division, added human rights and labour compliance as a basic training elective for Group HR employees in Japan. We plan to update the content of this module and keep it for fiscal 2024. We also provide Pre-Overseas assignment Training for employees, including managers, posted from Japan to overseas subsidiaries, on international standards and the laws of each country regarding corporate responsibility to respect human rights. Additionally, in Southeast Asia, where many of our manufacturing companies are located, personnel from the PHD Strategic Human Resources Department have conducted direct training in Malaysia and other countries for managing directors and human resources managers at manufacturing sites.

We also publish the Panasonic Group Human Rights and Labour Policy in Japanese and English on our website and ask all our suppliers to respect human rights as part of our Panasonic Supply Chain CSR Promotion Guidelines. For more details, see the “Responsible Supply Chain” chapter (on [page 102](#)).

**WEB** The Panasonic Group's Code of Ethics & Compliance Chapter, 5. Our Social Responsibilities, 1. Respecting human rights

<https://holdings.panasonic/global/corporate/about/code-of-conduct/chapter-5.html>

## Human Rights Due Diligence

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.

The Group recognizes the need to identify human rights issues throughout its value chain and business activities and has begun analyzing priority issues. As we operate globally in a wide range of business area, 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. For more details, see the "Responsible Supply Chain" chapter (on [page 102](#)).

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

In light of this recognition, in fiscal 2023, we reviewed and added questions to our list before conducting another detailed self-assessment of some domestic manufacturing sites that were selected by our Group companies alongside our overseas manufacturing companies (for a total of 127 companies and sites). As a result of this survey, we identified 96 issues at 38 companies.

### Sample issues:

- Inadequacies in contracts between companies and recruitment agencies for employing foreign workers;
- Insufficient fire alarms and similar devices installed in dormitories for foreign workers;
- Overtime by young workers;
- Hiring and promotion processes which may cause discrimination

To address these issues, the relevant companies and sites has formulated improvement plans

by August 2023. Panasonic Holdings Corporation (PHD) will provide support, as appropriate, to complete the corrective measures by March 31, 2024.

In fiscal 2024, we will target all domestic manufacturing sites to identify and correct potential and present human rights issues.

Please see the "Responsible Supply Chain" chapter (on [page 102](#)) for our approach to human rights due diligence in the supply chain.

We will operate the system by building and making continuous improvements through dialogue, discussion, and cooperation with relevant stakeholders both internally and externally. We will also make disclosures about initiatives as appropriate using our official website, relevant reports, and other means of communication.

## Major Initiatives

### ■ Prohibiting Child Labour and Protecting Young Workers

Our Human Rights and Labour Policy includes a clear expectation to work toward the effective eradication of child labour.

When we hire employees, in addition to complying with all applicable laws, we also require the staffing firms, suppliers, and other companies we work with to do the same.

We also do not permit any midnight work, heavy labour, or dangerous labour for employees under 18 years old.

### Providing Employment Opportunities to Young People

We provide young job seekers with career education, human resource development with industry-academia collaboration, and employment opportunities through internships and other programs. In Japan, we run several internship programs throughout the year through industry-university cooperation. These internships have the following three goals:

- To train human resources through industry-university cooperation
- To provide an opportunity for learning through work experience focused on career education
- To eliminate employment mismatches by verifying work appropriateness

All our Group companies in China also offer internship programs and accept university students at business sites during their long holidays. These programs provide opportunities for students to learn about real business challenges and to propose ideas for solutions.

### Efforts to Protect the Rights of Children

Through the programs below, we show respect for the human rights of children and supports their healthy growth.

- Programs supporting employees raising children  
[WEB](https://holdings.panasonic/global/corporate/sustainability/diversity-equity-inclusion/support-worklifebalance.html) <https://holdings.panasonic/global/corporate/sustainability/diversity-equity-inclusion/support-worklifebalance.html>
- Providing products that support people raising children  
[WEB](https://holdings.panasonic/global/corporate/universal-design/products/declining_birth_rate.html) [https://holdings.panasonic/global/corporate/universal-design/products/declining\\_birth\\_rate.html](https://holdings.panasonic/global/corporate/universal-design/products/declining_birth_rate.html)
- Safe and secure, child-friendly product design that is conscious of healthy development (Japanese only)  
[PDF](https://www.panasonic.com/jp/corporate/technology-design/ud/pdf/KIDSDESIGN_pamphlet2021.pdf) [https://www.panasonic.com/jp/corporate/technology-design/ud/pdf/KIDSDESIGN\\_pamphlet2021.pdf](https://www.panasonic.com/jp/corporate/technology-design/ud/pdf/KIDSDESIGN_pamphlet2021.pdf)
- Corporate citizenship activities that safeguard and support the rights of children We are committed to fostering the next generation through corporate citizenship activities, such as funding scholarships and offering career education programs.
- Details on corporate citizenship activities  
[WEB](https://holdings.panasonic/global/corporate/sustainability/citizenship.html) <https://holdings.panasonic/global/corporate/sustainability/citizenship.html>

Furthermore, with the spread of COVID-19, we are rolling out new initiatives, including support for at-home learning, mental health care and donations to related NPOs to assist children impacted by the state of emergency.

- Support for at-home learning: Panasonic Kids' School (Japanese only)  
[WEB](https://holdings.panasonic/jp/corporate/sustainability/citizenship/pks/ouchide.html) <https://holdings.panasonic/jp/corporate/sustainability/citizenship/pks/ouchide.html>

### ■ Responsible recruitment and employment

Our Human Rights and Labour Policy includes a clear 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.

For example, in Malaysia, based on the expert advice, technical support, and training delivered by the International Organization for Migration (IOM), UN Migration Agency, and other experts, management and human resources managers of our group companies in Malaysia formulated policies and standard operating procedures for the ethical recruitment and employment of foreign migrant workers. 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 employees from paying recruiting and hiring fees;
- Providing safe and sanitary dormitories.

For countries with potential risks, the PHD Strategic Human Resources Department personnel interview each manufacturing company about their efforts and use their experience in Malaysia to provide advice on and check the status of corrective measures. In fiscal 2023, they provided advice and guidance in Singapore and Taiwan.

In the supply chain, we make similar requests to our suppliers through the Panasonic Supply Chain CSR Promotion Guidelines. For more details, see the “Responsible Supply Chain” chapter (on [page 103](#)).

### ■ Prohibition of Discrimination

Our Human Rights and Labour Policy includes the elimination of discrimination in the field of employment and occupation. Moreover, in our Code of Ethics and Compliance, the Group prohibits discrimination, behavior that leads to discrimination, and harassment on the basis of age, gender, race, skin color, beliefs, religion, social status, citizenship, ethnicity, marital status, sexual orientation, gender identity and expression, pregnancy, medical history, viral infection status, genetic information, disability status, political affiliation or orientation, labour union affiliation, veteran status, or any similar status or characteristic. We also strive to raise awareness of this prohibition. By doing so, we are working on creating workplaces where it is possible for diverse talents to form critical partnerships with mutual respect and work together dynamically.

In Japan, we are engaged in the following efforts to prevent sexual discrimination, including sexual harassment, as well as harassment based on power differentials, and to comply with the Act for Eliminating Discrimination against Persons with Disabilities in order to create a more fair, equal, and pleasant workplace:

- Establishing, publishing, and thoroughly implementing sexual harassment policies
- Distributing leaflets and manuals on sexual harassment
- Holding seminars and training on preventing sexual harassment and harassment based on power differentials, and workplace culture revitalization
- Conducting management-level harassment training
- Running LGBTQ-related training
- Distributing educational materials to help employees understand the difficulties of and necessary considerations for people with disabilities

### About hiring decisions

We work to continuously improve awareness with reference to the laws and guidelines for each country and make sure we apply them consistently based on the appropriateness, ability, and desire of the candidate. After identifying issues, we strive to correct them in the short term while ensuring that we take measures to prevent recurrence through awareness-raising and education.

### ■ Respect for the Freedom of Association and the Right to Collective Bargaining

Our Human Rights and Labour Policy includes our effective approval of freedom of association and the right to collective bargaining. In each country and region, we make efforts to establish healthy relations with employees and to solve their issues by active dialogue with them. In addition, based on our Human Rights and Labour Policy, we will pursue ways to respect internationally recognized human rights principles at our locations in countries that do not legally permit the formation of labour unions.

#### In Japan

PHD and each Group companies have stipulated in their collective agreements concluded with the labour unions representing PHD and Group company employees that unions retain the right to organize, collectively bargain, and strike, as well as prohibitions on discrimination against union members and interference with union activities. The labour union membership rate among non-management employees is 97.2%.

Based on a common understanding that the Company's sound development, improvements in labour and welfare conditions for employees, and social development are inseparable, the Company and the Union have established a system of Union participation in management based on equality and robust trust between labour and management. The Company and the Union discuss essential management matters in Labor-Management Council.

#### In Europe

Following an EU directive\* adopted in 1994, we have set up a voluntary labour agreement to provide a venue for healthy discussion between labour and management. We have also established the Panasonic European Employee Congress (PEEC). Employee representatives and company representatives also meet to exchange opinions and discuss business issues including management strategies and living support for employees.

\*EU directive: A directive that obliges all companies employing 1,000 or more employees in two or more European Union countries to establish a pan-European labour-management consultation committee.

#### In China

Nearly all Group-affiliated companies in China have labour unions (gōnghuì). We hold regular opinion exchanges and discussions surrounding compensation, welfare and benefits, training, and the like through initiatives including periodic labour-management dialogues, proactive joint labour-management recreational events, and advance briefings to unions concerning critical management decisions, with a focus on building good relations between labour and management.

### ■ Occupational Health and Safety

Support for ensuring a safe work environment and promoting physical and mental health is also a priority, as stipulated in the Human Rights and Labour Policy. Please see "Creating a safe, secure, and healthy workplace" in the "Employee Well-being" chapter (on [page 83](#)).

### ■ Managing Working Hours

We have included provisions in our Employee Handbook related to proper management of working hours, break times, overtime work, holidays, leave, and other matters based on labour laws in each country and labour-management agreements (e.g. collective bargaining agreements).

In Japan, the standard working day is set at 7.75 hours per day, and any extra hours worked are eligible for extra pay, going beyond the minimum required by law. We have also established internal working hour management standards that are even stricter than legal standards as part of our efforts to eradicate long working hours for all employees, including managers and supervisors.

We also provide employees with more annual paid leave than legally required, and they may accumulate up to 50 days of leave. Our system has been improved in terms of flexibility to accommodate individual needs for using annual leave, including not only having no restrictions on the purpose of the leave, but also making hourly or half-day leave available to all employees regardless of work style.

On top of these system enhancements, we address the physical and mental health management of employees by allocating human resources in ways optimized for preventing uneven overtime workload distributions among specific employees, and by providing additional medical examinations for employees who have worked long hours.

### ■ Wage Management

We have established guidelines for compensation system design and aims to achieve competitive compensation levels, wherein we have set guidelines for appropriate wages, allowances, bonuses, and other types of occasional compensation or retirement pay, all based on national laws governing labour, labour-management agreements (such as collective agreements), and the like.

We also establish company regulations for each country in compliance with all wage-related laws and regulations concerning minimum wages, statutory benefits, and overtime. We operate according to these regulations pays employees directly for an agreed-upon period at agreed-upon time and provides employees with notifications of pay through pay statements or electronic data.

Furthermore, in countries and regions where the law permits monetary penalties, we recognize

and allows these penalties as an option of disciplinary action. However, this permission is predicated on the penalty procedures and amounts being set within legal limits and within the limits of reasonable impact on the livelihood of those penalized, as well as such measures being codified in internal regulations and made well known to employees.

### Grievance Mechanism

In order for us to respond quickly to remedy any complaints we receive related to human rights violations, we established a global hotline (supporting 32 languages) as a point of contact where our employees or external business partners and their employees can report any compliance violations they have become aware of, including those issues involving human rights or labour. This hotline uses an external, independent system that prevents the identity of the internal or external person reporting being revealed, and we have internal rules in place such that we are careful to protect the confidentiality of such reports and to make sure that the person reporting the violation does not suffer any acts of retaliation and detrimental treatment.

For more details, see the “Whistle-blowing System” in the “Business Ethics” chapter (on [page 138](#)).

In addition, to encourage wider acceptance of complaints from outside our group, we have also applied to participate in the new industry joint grievance system to be established in October 2022 by the Japan Electronics and Information Technology Industries Association (JEITA) CSR Committee.

[WEB](#) **Japan Center for Engagement and Remedy on Business and Human Rights (JaCER)**

<https://jacer-bhr.org/en/index.html>

### Participation in International and Industrial Partnerships

Panasonic Group has been a participant in the United Nations Global Compact since January 2022. In addition to declaring 10 fundamental principles in four different fields, including respect for human rights, we are working to make our efforts related to human rights and labour reference international standards, and we fulfill our duty to communicate with the public by disclosing the progress and results of those efforts.

We also joined the Responsible Business Alliance (RBA)—an international CSR organization involved in the electronics, ICT, and automotive sectors—in October 2021. We are working to develop a highly reliable management system by their excellent self-assessments tools, the guidance document for solving of issues and participation in their affiliated, Responsible Mineral Initiative for the promotion of responsible mineral procurement.

Panasonic Group is working to build a highly reliable management system through the above efforts.

[WEB](#) **United Nations Global Compact**

<https://www.unglobalcompact.org/what-is-gc/participants/149557-Panasonic-Corporation>

[WEB](#) **Responsible Business Alliance (RBA)**

<https://www.responsiblebusiness.org/about/members/>