

SONY

CORPORATE
REPORT 2025





Sony's Purpose & Values Video
https://www.sony.com/en/SonyInfo/CorporateInfo/purpose_and_values/

Purpose

Fill the world with emotion,
through the power of creativity and technology.



A photograph of two young children playing with a large cardboard box. A boy in a blue sweatshirt and brown pants sits on the left, looking towards the right. A girl in a purple shirt and a white astronaut helmet sits on the right, smiling. The cardboard box they are playing with has various hand-drawn illustrations on it, including a globe, a rocket ship, and a star. They are on a carpet with a colorful geometric pattern.

Values

Dreams & Curiosity

Pioneer the future with dreams and curiosity.

Diversity

Pursue the creation of the very best by harnessing diversity and varying viewpoints.

Integrity & Sincerity

Earn the trust for the Sony brand through ethical and responsible conduct.

Sustainability

Fulfill our stakeholder responsibilities through disciplined business practices.

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To Unleash the Creativity of Creators and Fill the World with Emotion

Since the first publication of our corporate report in 2019, we at Sony have consistently been telling our story of value creation under our Purpose while touching on the interests of a range of stakeholders, including shareholders. This year, we are focusing on introducing our initiatives to deliver *Kando* to the world through creativity and technology, starting with our long-term Creative Entertainment Vision, in multifaceted ways, with specific examples.

Point 1 Message from the New CEO



Hiroki Totoki, who took the office of President and CEO of Sony Group Corporation in April 2025, explains Sony's initiatives to increase value through its businesses and Group collaboration for further growth using the long-term management approach he inherited from his predecessors, with *Kando* at its core.

Point 2 Our Chief Officers Discuss Strategy



Under our new management system, four chief officers, in charge of strategy (CSO), digital operations (CDO), people (CPO), and finance (CFO), are appointed to support the CEO. In this report, each of the four explains Sony's strategy on value creation, business development, technology, R&D, and people, as well as financial and capital policy, including the fifth mid-range plan.

Point 3 Features of Our Long-Term Vision



To make our long-term Creative Entertainment Vision a reality, Sony is undertaking a range of initiatives from intellectual property (IP) creation to cultivation and extension. We offer examples of two specific IPs to deepen the reader's understanding.

Point 4 Material Topics Reviewed

Sony's Sustainability Vision
Inspire a world filled with emotion for this generation and beyond



This section introduces the review of material topics conducted in FY2025. It also outlines the relationship between Sony's Sustainability Vision and material topics, as well as the key focus areas of each business linked to them.

Disclosure of Financial and Non-Financial Information

Corporate Report 2025



Integrated report covering financial and non-financial information, such as business strategy and management policies for mid- to long-term value creation

- Messages from the CEO and the Chief Officers
- Value Creation under the Creative Entertainment Vision
- Value Creation in Each Business
- Corporate Governance

Investor Relations Website



A business overview, with financial and non-financial information, particularly relevant to shareholders and investors

- Materials for Each Meeting for Investors
- 20-F, Financial Statements, etc.
- Stocks, Corporate Bonds, and Ratings
- Internal Controls

Sustainability Report 2025



Covers non-financial information, such as activities related to sustainability and corporate social responsibility (CSR), relevant to a wide range of stakeholders

- Sony's Sustainability
- Employees
- Respect for Human Rights
- Community Engagement
- Environment
- Corporate Governance, etc.

Beyond the Boundaries, Toward Further Growth

Hiroki Totoki

President and Chief Executive Officer,
Representative Corporate Executive Officer



Our Shift in Business Direction So Far

I assumed the role of President and CEO in April 2025, and with our approximately 110,000 employees I accept the challenge of further evolving and growing Sony. I will do my utmost to continue to increase Sony's value, which was enhanced by my predecessors Kazuo Hirai and Kenichiro Yoshida, and to leave an even better Sony to the next generation. As a new management structure, we appointed Business CEOs, who are the chief executive officers of our major businesses, and Chief Officers*, who are our CSO, CDO, CPO, and CFO in charge of various functions at the Group headquarters.

As I look back at how we have managed Sony with *Kando* and our Purpose as our core, I see how, over the past few years, we have made strategic investments in such things as content, music catalogs, and anime, and focused on growing our various businesses and extending the reach of our IP across our business segments. We have also developed and applied innovative technologies to support creators. These initiatives have led to a transformation of Sony whereby our three entertainment businesses have steadily grown, now accounting for over 60% of consolidated Sony Group sales in FY2024. I can also see that this transformation of our business portfolio has not only supported our recent strong financial performance, evidenced by our record-breaking profit, but also has helped to build a business foundation that is highly resilient even during economic downturns.

* CSO: Chief Strategy Officer, CDO: Chief Digital Officer, CPO: Chief People Officer, CFO: Chief Financial Officer

Realizing Our Creative Entertainment Vision

In May 2024, Sony introduced the long-term Creative Entertainment Vision to illustrate what Sony wants to become over the next 10 years. By presenting our worldview as a creative entertainment company with a solid foundation of technology, as well as a clear timeline for pursuing that vision, we hope to inspire employees, partners, and creators to help us create a bright future together.

To realize the key message of this long-term vision, "Create Infinite Realities," our fifth mid-range plan (FY2024-FY2026) focuses on maximization of IP value through diverse collaboration based on the theme: "Beyond the Boundaries: Maximize Synergies Across the Group." (For details on the fifth mid-range plan, please see our "Message from the CFO," p.28.)

Photo by @kawado_photo Retouched by @hiroyabrian



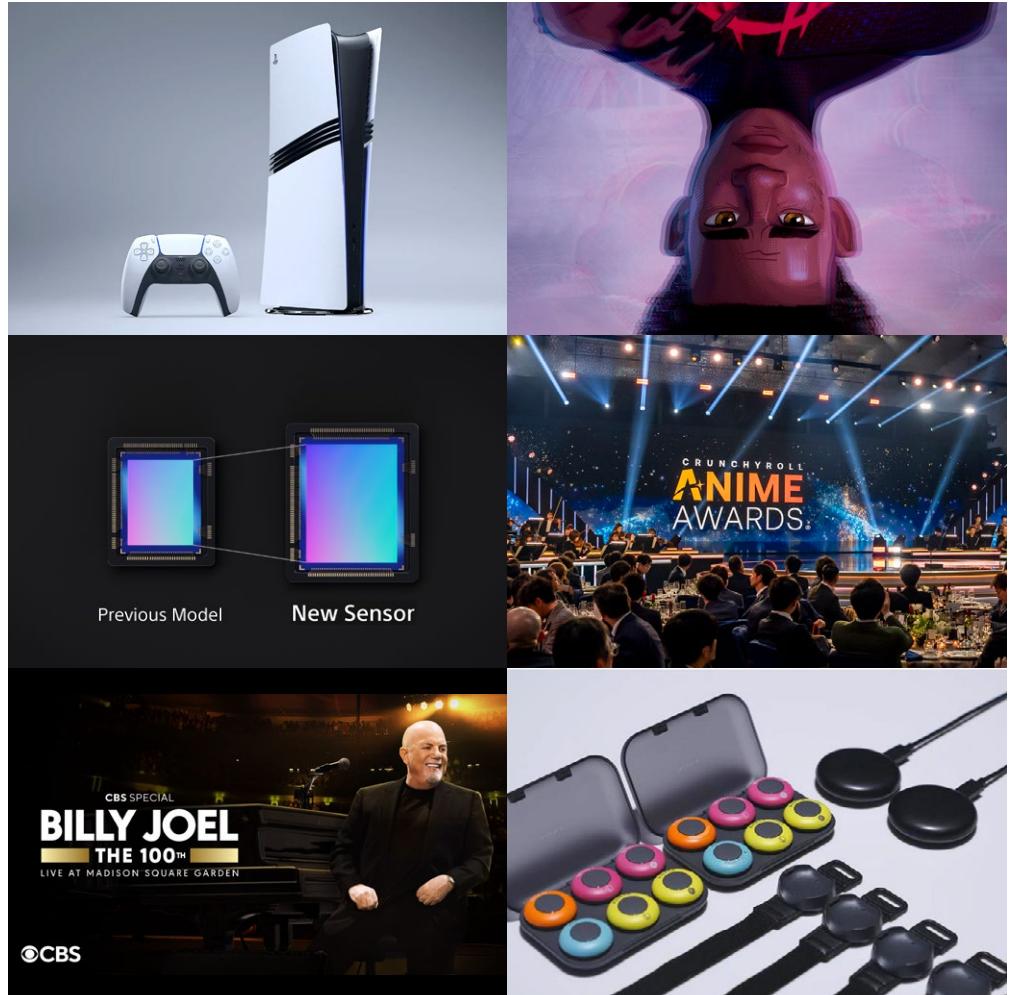
Building Value Through Evolving Businesses and Inter-Business Synergies

Here are the initiatives each of our businesses is pursuing to further grow Sony under the Creative Entertainment Vision.

- G&NS**
 - Strategic investment that leverages our active users and high level of user engagement
 - Expansion of our user base through highly narrative-driven single-player video games and live service video games
- Music**
 - Enhancement of our strong music ecosystem
 - Organic growth and strategic acquisitions, including in high-growth markets, and additional investment in music catalogs
 - Expansion of IP through the production of biopics of our artists, live events, and fandom services
- Pictures**
 - Production and release of franchises that leverage strong IPs like *Spider-Man* and *Jumanji*
 - Driving growth by expanding Crunchyroll subscribers and fandom services
 - Strengthening content development through visualization of game titles
- ET&S**
 - Pivoting imaging business products like cameras and services toward content creation
 - Focusing on technology development in growth areas like sports entertainment, and on innovation in content creation technology
- IS&S**
 - Increasing sensor sizes for mobile devices, and introducing a new generation of production processes
 - Expanding areas of high added value like cameras and products for industrial and social infrastructure

In recent years, we have seen the value and potential of cross-business collaboration across the Sony Group. While we accumulate expertise in maximizing IP value, through such initiatives as film and TV adaptations of Sony-owned game IPs and application of our IPs to location-based entertainment (LBE), we aim to build business opportunities and synergistic effects through alliances and collaborations with our partners. Having designated anime as an important growth engine for Sony, we plan to build an engagement platform where fans and creators are connected.

To evolve our businesses and create new value, we think it is necessary to celebrate individual differences and enrich people's hearts and minds, foster a society in which everyone can live with peace of mind, and protect and preserve the Earth. Based on this belief, we are working on various sustainability issues around our businesses.



To Grow Through Diversity

The diversity of our businesses and our people will be of paramount importance in realizing our Creative Entertainment Vision.

The synergies we create through organic connections between them are the source of Sony's unique competitive edge and the driver of our continuing evolution.

By unleashing the creativity of creators, we will strive for a world of infinite realities, entertainment, and *Kando*.



Feature

Value Creation of Creative Entertainment Vision

- To Bring Our Long-Term Vision into Reality

| Highlighted Example 1 Creators and Fans Boost *Solo Leveling*

| Highlighted Example 2 *The Last of Us* IP Value Continues to Expand

To Bring Our Long-Term Vision into Reality

Our long-term [Creative Entertainment Vision](#) outlines where the Sony Group wants to be in 10 years. In building this vision, we gathered diverse opinions from both within and outside our Group about future social changes and technological evolution. The key message of the Vision, "Create Infinite Realities," expresses Sony's ambition to seamlessly connect the multi-layered worlds we foresee, where physical and virtual realities overlap, developing limitless *Kando* through the power of creativity and technology together with creators. To realize this vision, we are undertaking initiatives – IP Creation, IP Cultivation, and IP Extension – to bring about a future filled with *Kando*.

Future

Approach

Creativity Unleashed

Transcend dimensions to unleash the creativity of creators around the world

Boundaries Transcended

Transcend boundaries to connect diverse people and values and foster communities

Narratives Everywhere

Expand exciting experiences rich in narrative beyond imagination and across the world

IP Creation

Transform creators' ideas into reality and generate new IP

IP Cultivation

Expanding IP into diverse genres and foster fans and communities

IP 360/Extension

Expand experiential value that allows immersion in the world of IP

Technology & Platform Enabler

Technologies and Platforms to Advance the Creative Entertainment Vision

Provide innovative technologies and platforms for generating IP and expanding experiential value

Our long-term Creative Entertainment Vision Create Infinite Realities

Seamlessly Connecting Multi-Layered Worlds Where Physical and Virtual Realities Overlap to Deliver Limitless *Kando* – Through Creativity and Technology – Working with Creators

IP Creation

IP Creation Example

- A full-length game starring Astro Bot, a beloved character since PlayStation®4 (PS4®) generation, released to become a hit and win multiple Game of the Year awards, including at The Game Awards 2024 [G&NS]



PlayStation®5 (PS5®) game Astro Bot

IP Cultivation

IP Cultivation Examples

- Building fandom for musical artists [Music]
- Adaptation of games and anime IP into visual works, production of biopics for musical artists [G&NS, Music, Pictures]
- Hosting the Crunchyroll Anime Awards to nurture anime IP and culture together with fans [Pictures]



Alternative broadcasts

IP 360/Extension

IP Cultivation and 360/Extension Examples

- Adaptation of *The Last of Us* video game as a TV drama series, pilot demonstration exhibit of LBE experience [G&NS, Pictures, ET&S, Group headquarters] [Highlighted Example 2](#)
- Appeal to new fan bases through collaboration between game IP and other companies' IP [G&NS]



Biopics for musical artists

Technology & Platform Enabler

- Pilot demonstration of production environment and efficiency improvement through development of anime production software *AnimeCanvas* [Music]
- Market launch of the new vehicle processing ecosystem *PXO AKIRA* using virtual production [Pictures]
- Partial launch of *XYN™* solution suite to support spatial content creation [ET&S]
- Supply of CMOS image sensors capable of capturing moments [I&SS]



World of Jumanji

Technologies and Platforms to Advance the Creative Entertainment Vision



CMOS image sensors



Celebrating creators at the 2025 Crunchyroll Anime Awards

Highlighted Example 1

Creators and Fans Boost *Solo Leveling*



Solo Leveling Season 2 -Arise from the Shadow-



Exhibiting at anime events in various regions



Limited-time theatrical release: *Solo Leveling -ReAwakening-*



CG animation data created with motion data captured by mocopi®

The anime series *Solo Leveling* is co-produced by Aniplex, under Sony Music Entertainment (Japan) Inc. (SMEJ), and Crunchyroll, an anime-focused direct-to-consumer (DTC) service, and animated by A-1 Pictures, a production studio under Aniplex.

The series was originally a webtoon title based on a South Korean novel. Noting its growing popularity in Japan and around the world, Aniplex and Crunchyroll started a joint project to produce an anime adaptation and distribute it globally. In the production process, while respecting the original story, the animation was adapted into the Japanese anime style, and also localized in a meticulous manner for simultaneous release worldwide. For instance, the character names and other terms remain in Korean for the global edition after the original novel, but were localized into Japanese for the Japanese edition. To cater to die-hard fans who enjoy the voices of Japanese voice actors, an additional dialogue recording in Japanese by the voice actors was produced separately for the Japanese and global editions with different character names. Subtitles are available in 16 languages, and the title was dubbed into 10 languages.

This work is also characterized by the use of various technologies in its production. The mobile motion capture system [mocopi®](#) is a case in point. For example, by utilizing it in the production of computer graphics for action scenes where many characters appear, it substantially cuts time and cost compared to traditional manual methods, leading to more efficient production. This is how Season 1 attracted unprecedented viewership that grew with each episode, making it a global hit and becoming the most-viewed new anime on Crunchyroll in 2024.

After the success of Season 1, to boost audience enthusiasm globally for Season 2, we exhibited the title at anime conventions in various regions, held stage events featuring it, and showed a specially edited film, *Solo Leveling -ReAwakening-* in theaters. With this boost, Season 2 became popular. It was positively rated on review sites, actively discussed on social media, and became a focus of attention worldwide as winner of the Anime of the Year in the Crunchyroll Anime Awards in May 2025. Thriving on successful projects like this, we aim to continue to cultivate IP, help creators unleash their creativity, and build excitement in the fan community.

Highlighted Example 2

The Last of Us IP Value Continues to Expand



The Last of Us video game released in 2013 and received a ground-up remake in 2022.

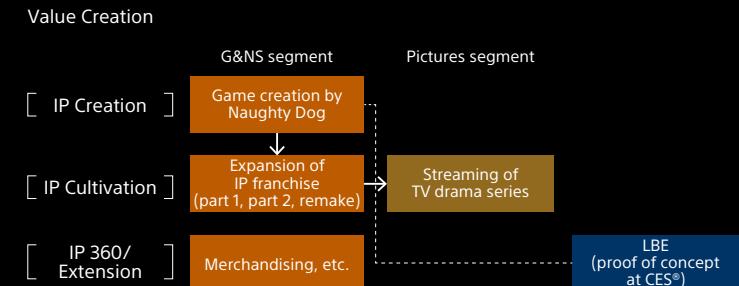


TV drama series

Image of LBE proof of concept at CES®

The Last of Us is a game released in 2013 for PlayStation®3, developed by Naughty Dog, part of PlayStation Studios™, to industry-wide acclaim and its sequel followed in 2020. Winning over 300 Game of the Year awards from various media outlets, *The Last of Us Part II* presents players with a complex and emotional story. With a full remake of *The Last of Us Part I* released on PS5® in 2022, a remaster of Part II for PS5® in 2024, and a PC version of both games now available, *The Last of Us* franchise has become a big hit, selling more than 37 million copies cumulatively.

Working closely with Naughty Dog, PlayStation Productions®* served as a production partner on the adaption of the Emmy-winning HBO Original drama series *The Last of Us*. Its success is a product of top creators from Naughty Dog involved in adapting the game IP, finding the essential value of a given IP, expanding on it and transforming it into compelling stories to produce video works. The franchise has also boosted streaming numbers of the songs for which Sony Music Publishing holds the



publishing rights, including *Take on Me*. Season 2, which dropped in April 2025, attracted nearly 37 million viewers on average per episode and garnered 16 Emmy nominations, raising fan expectations for Season 3, which is already scheduled for production.

We are experimenting how best to bring such an exciting franchise into the physical world through LBE and merchandising. At CES® in January 2025, we showcased a proof of concept combining Crystal LED, spatial sound, haptics, and olfactive technologies to offer a physical experience as if participants had stepped into the world of *The Last of Us*, drawing enthusiastic feedback.

We aim to continue expanding the value of popular IPs by applying them to genres different from their original works, and making them available across both the physical and virtual domains.

* An organization that adapts video games IP for film and TV

Value Creation

- Value Creation Model
- Message from the CSO
- Technology / Message from the CDO
- Employees / Message from the CPO
- Sustainability

To drive further growth in pursuit of our Purpose, we are implementing initiatives to maximize IP value while consistently working to establish the technology platform needed to support these initiatives, guided by our Creative Entertainment Vision, our long-term vision depicting where Sony wants to be in 10 years. Powered by synergies that arise from the organic connections among Sony's diverse businesses and employees, we aim to create sustainable value.

Sony's Purpose

Purpose explains the reason for our existence, for Sony Group employees to work together along the same vector and create value from a long-term perspective; in other words, why we exist



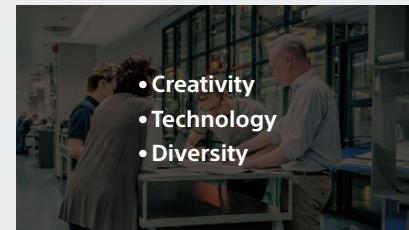
Identity

Identity expresses how we want to be perceived from the outside; in other words, who we are



Key Drivers

Key drivers are the essential elements to realize value creation



Creative Entertainment Vision

Where Sony wants to be in 10 years

1. Transcend dimensions to unleash the creativity of creators around the world
2. Transcend boundaries to connect diverse people and values and foster communities
3. Expand exciting experiences rich in narrative beyond imagination and across the world

Creative Entertainment Vision

Create Infinite Realities



Toshimoto Mitomo

Chief Strategy Officer,
Representative Corporate Executive Officer
Officer in charge of Legal, Compliance, Privacy,
Intellectual Property, Business Strategy, Sustainability,
External Relations, Business Incubation Platform,
Creative Platform and Mobility Business

At Sony, we are focused on maximizing the value of IP across the Group, moving in the direction outlined in our Creative Entertainment Vision. My mission as Chief Strategy Officer is to strategically support the creation of synergies between businesses and enhance collaboration both within and outside the Group for realizing our vision, to ensure the growth of Sony's corporate value over the medium to long term.

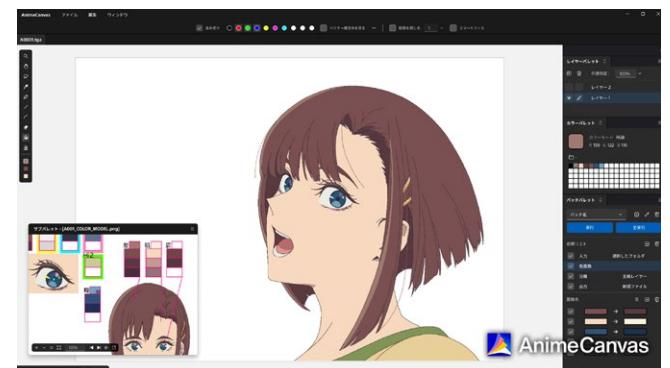
For example, in the anime business, which is one of our focus areas as a driver of future growth, we are developing businesses and partnering with other companies in a way that complements the collaborations currently led by Aniplex and Crunchyroll. By aligning ourselves closely with creators and fans, we aim to help create, cultivate, and extend anime IP, in order to maximize IP value and energize the entire anime ecosystem.

In IP creation, we are supporting Group-wide collaboration on development of our *AnimeCanvas* anime production software, which aims to improve the efficiency of drawing and finishing, thereby helping anime creators concentrate on the creative aspects of their work. Also, by cultivating creative personnel specializing in anime, a challenge across the industry, we will strive to help build an environment where more high-quality products can be continuously delivered to the world.

We have also started an initiative to offer entertainment based around Japanese IP such as anime and manga globally to enhance fan engagement, and return value to creators by making the enthusiasm of those fans visible. In our strategic partnership announced in May 2025 with Bandai Namco Holdings and Gaudiy, which owns MyAnimeList, one of the world's largest sites for the Japanese anime and manga community, we are aiming to build a new ecosystem for the industry, making the most of our deep connection with anime fans, as well as assets within the Sony Group such as blockchain technology.

Another of our initiatives is to maximize the value of the excellent IP of other companies, for example through a strategic capital and business alliance we signed in December 2024 with KADOKAWA, a strong IP creator that owns many valuable properties. By combining their strengths with Sony's broad range of creation technologies and global reach, we intend to create innovative media franchises, including film adaptations of original IPs. We also signed a strategic partnership with Bandai Namco Holdings in July 2025. We plan to focus on expanding the fan community for IP such as anime and manga and strengthening engagement, while collaborating on the creation of new *Kando* experiences.

Going forward, we plan to continue to promote strategic collaboration both within and outside the Group by leveraging the strength of Sony's diverse technologies and knowledge in entertainment, and by maximizing the value of IP, to contribute to realizing the Creative Entertainment Vision.



With the *AnimeCanvas* production software, we are developing features such as the capacity to make coloring processes more efficient.



Message from the CDO

Tsuyoshi Kodera

Chief Digital Officer, Corporate Executive Officer
Officer in charge of Digital & Technology Platform
(Digital Transformation Strategy, Information Systems, Information Security and Advanced Technology), R&D, Technology Strategy and Quality Management

Sony is a unique entity that has many points of contact between users (fans) and creators through its diverse businesses, as well as powerful technology assets. My role as CDO is to connect and fulfill the aspirations of both. I believe this is essential to realizing our Creative Entertainment Vision.

As an initiative to realize our long-term vision, Sony is working to build a platform to facilitate the use of Group resources across the organization for diverse purposes, from technological development to assist in creative work to solutions to help expand and deepen engagement by users and creators. This Engagement Platform will increase user touchpoints, a direct path to greater earnings from IP in the music and other licensing businesses, and help expand and deepen engagement based on data regarding users' interests and preferences in the game and other DTC businesses. Sony plans to use AI to further enhance the visualization and utilization of data and employee know-how within the Group. At the same time, we are also moving forward with plans to more efficiently operate back-end functions such as accounts, commerce, and payments as a shared Group platform for higher-quality profit generation.

To prepare for the coming AI revolution in organizations and management, we are reorganizing our development structure and enhancing collaborations using the power of technology to more strategically support fans, creators, and our businesses, and going forward, we also plan to pursue the effective application of AI to support people.

Building the Engagement Platform

The Engagement Platform is intended to deepen and expand the engagement between the creators who make IP and content and the fans who enjoy them. We aim to do so by achieving this seven-step cycle:

1. Support the work of creators using fan data and technologies.
2. Make content and IP assets more visible for easier application and facilitate multifaceted use of IP including LBE, by collaborating across the categories of games, music, pictures, and anime.
3. As a result of 2, further activate and expand content and IP to even more fans.
4. Use AI and other technologies to facilitate the use of data held by Group companies relating to fans of content and IP, understand their characteristics, then offer them optimal options and services that encourage them to take the next steps.
5. As a result of 4, create and expand communities and fandoms, providing a scheme for fans to connect with each other.
6. Incorporate the needs and preferences of 5 into analytical data, and share it with creators.
7. Creators reflect the data from 6 in their content creation.

By continuing this cycle and consequently increasing the quality and quantity of our services for fans and creators, we aim to further contribute to expanding and deepening their engagement.



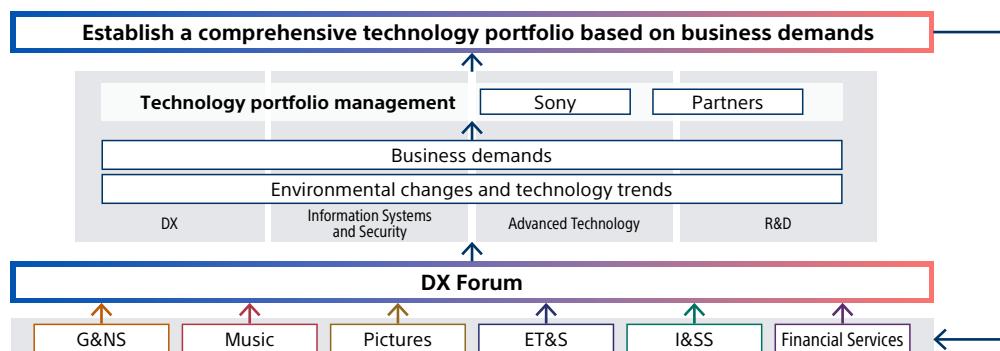
Building a System to Support Fans and Creators

In recent years, it is taking less time than ever for businesses to implement emergent technology. To build and enhance the Engagement Platform and link our technological power to increasing corporate value in such an environment, we consider it important to bring the activities of our technology-related organizations closer to fans, creators, and our business strategies. Based on this mindset, we consolidated and reorganized our technology-related organizations at the Group headquarters in April 2025.

In addition, we are working to strengthen ties among our employees working in the area of technology. Specifically, we are enhancing the Technology Strategy Committee, which helps employees of diverse backgrounds and values transcend business borders, understand and share the latest technological trends, and promote Group-wide collaboration and joint efforts.

Since 2020, we have been organizing the annual DX Forum to help tech and business communities across the Group discuss their common challenges and opportunities, and create and accelerate Group synergies. Every year, the discussions are becoming livelier, and the results of this initiative have started to show. As an example of collaboration based on shared use of data from Sony accounts and Group companies, we have begun an initiative to boost fan engagement with a given IP by making it accessible to new customers and expanding the fan base.

Through the DX Forum, we are promoting a cycle of understanding business-side demands, building a cross-Group, comprehensive technological portfolio based on that understanding, and encouraging those on the business side to use it.



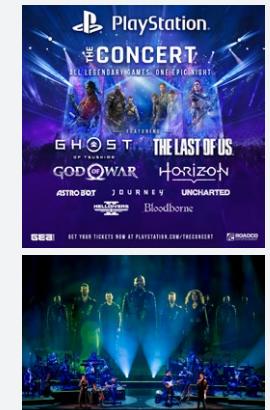
Supporting Fans | Live Event Data Analysis

To help our fans immerse themselves in their favorite IP worlds and enjoy diverse experiences, Sony connects virtual and physical experiences through the power of its technological resources, including AI and data, and deepens fan engagement.

A case in point is *PlayStation | The Concert*, a touring performance that transforms game music from iconic games – *God of War*, *The Last of Us*, *Ghost of Tsushima* and more – into a powerful on-stage experience where fans can relive and celebrate the stories and characters they love.

We analyzed PlayStation® gameplay and Sony headphone usage, as well as a number of other data points from across the U.S. and Europe, to identify cities where audiences who love gaming and live music intersect. These insights enabled us to strategically select the best event locations, ensuring the tour visits the cities that matter most to our fans.

Through this example of physical-digital integration that successfully raised the value of the fan experience and deepened their engagement, we have accumulated knowledge and expertise that we intend to apply in other areas to further increase fan engagement.



Supporting Creators

Machine-Learning Technology for More Efficient Production of Games and Anime

In the production process for games and anime, creators are pressed for creative time due to the multitude of manual tasks they are required to manage, such as subtitling of the dialogue and syncing of each character's mouth movements with their spoken dialogue. Sony is deploying machine-learning technology to address this issue.

For *Marvel's Spider-Man 2*, released in 2023, for example, we used voice recognition software specialized for games to make simultaneous subtitling automatic in some languages, and substantially raised production process efficiency.

In the area of anime production, we developed an automatic lip sync engine that recognizes phoneme and timing information from the voice data and began its trial launch from a TV anime broadcast in 2021. The theatrical version of *Utano ☆ Princesama TABOO NIGHT XXXX*, set for release in 2025, is the fourth and latest title where this technology has been used to help reduce animator workloads.



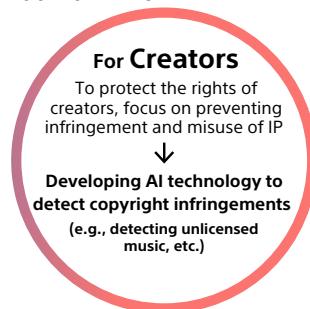
Approach and Initiatives in Relation to AI

Amidst the rapid evolution of generative AI and AI technologies, Sony is positioning AI as a catalyst for positive transformation and a partner in creativity, based on the belief that AI should support people. We place great importance on encouraging our employees to be wise, proactive users of AI, as well as addressing risks such as copyright infringement, privacy and ethics.

Internally, we see the use of generative AI as a starting point for enhancing productivity, reforming work processes, and inspiring creativity. In addition to introducing our generative AI platform Enterprise LLM, we are also exploring the use of AI in the design and manufacturing of image sensors, for example. Additionally, we are working together with our specialized departments – including Legal/Privacy, AI Governance, and Security – to develop usage guidelines, set guardrails, and promote risk awareness to create an environment where AI can be used safely and appropriately. We are also strengthening our efforts in both research and governance to ensure the fair and transparent use of AI.

At the same time, in order to protect the value of the IP generated by creators and their creative activities, we are developing AI technology that detects the unauthorized use of music and other copyright infringements, and we are also exploring the possibilities to further support game creators. We are also working to improve the value of the user experience, for example by using sound separation technology to upgrade the audio of classic film titles, and incorporating PlayStation Spectral Super Resolution (PSSR), an AI-driven upscaling technology that uses machine learning to provide super sharp image clarity on PlayStation®5 Pro (PS5®Pro).

Considering the Risks of AI, Using It Safely and Appropriately



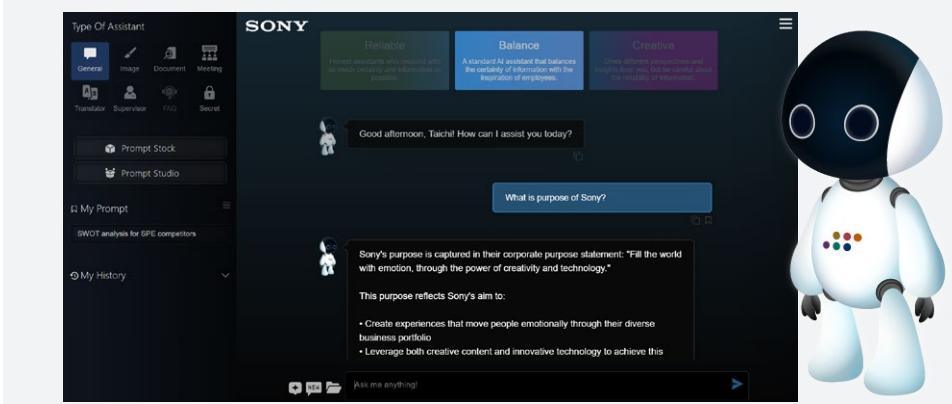
Supporting Employees | Introduction and Expansion of Enterprise LLM

At Sony, as an important foundation to enhance employee's productivity, we have introduced Enterprise LLM, a generative AI tool that employees can use with safety and security. In this rapidly evolving field, our priority is to provide each employee with the experience of leveraging opportunities and mitigating risks related to AI, so that they can deepen their knowledge and apply it in their business activities.

Since August 2023, we have accelerated its rollout to Group employees worldwide, and it is now available in about 210 organizations with over 50,000 active users. With its multi-cloud, multiple-LLM capabilities, it is a tool that can meet a wide range of needs. Based on over 130 models, it is not only being used in chat format, but also being implemented into business processes through API integration and other channels. To date, we have conducted over 300 pilot projects, of which more than 50 have been fully implemented in daily work flows. It is also being used in the Pollinator Network Group-wide employee program. (See "Employees" on p.22 for details.)

Furthermore, we are actively exploring the introduction and use of new tools, such as AI agents that leverage even more advanced technology, to better support employees and help raise productivity and efficiency for the Group as a whole.

Going forward, our dedicated departments related to Legal/Privacy, AI Governance, Security, and other areas plan to work together to strengthen our AI infrastructure so that more employees can proactively learn about, share, and implement these technologies across our businesses, within a safe and secure environment.





Message from the CPO

Yasuhiro Ito

Chief People Officer, Corporate Executive Officer
Officer in charge of Human Resources,
General Affairs, the Corporate Executive Office
and Lead of Diversity

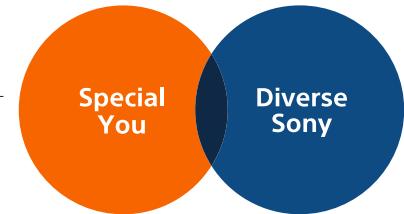
Sony's history shows us how new products and services result from interactions among employees from diverse backgrounds, and that this diversity of employees forms the foundation of Sony's multifaceted business operations today. Sony's development and business growth are based on values passed down to us from Sony's founding: an insatiable appetite for new challenges, and a respect for diversity.

To continue creating new value on the strength of diversity in people and businesses, we think it is important for Sony to remain an organization that embraces diverse perspectives of diverse people. To make that happen, we defined the key elements: "diversity of people," "diversity of experience," and "leadership and corporate culture that embraces diverse perspectives." By attracting employees with diverse attributes, offering them opportunities to have new experiences regardless of geographic borders and business categories, nurturing leaders who can drive the organization by making the most of our richly unique personnel, and fostering our corporate culture with openness to diverse thinking, we aim to achieve sustainable growth for both our employees and the Sony Group.

Sony is embracing these challenges as a Group under our Purpose, "Fill the world with emotion."

Sony's People Philosophy

Shape your own career with the spirit of freedom and open-mindedness. Feel the emotion of opening up your future.



Sony has a culture that values diversity. It is a place where people inspire each other to create new value.

Sony's People Philosophy: Special You, Diverse Sony

Sony has always respected the independence and aspirational spirit of individuals, cherishing a corporate culture based on a partnership of choice between Sony and each individual employee, where each party is accountable for being responsive to the needs of the others. Sony's People Philosophy, "Special You, Diverse Sony," expresses Sony's approach to employees, which is deeply rooted in its culture and has been passed down to today. It conveys the aspiration that each unique individual who shares Sony's Purpose and Sony, which embraces diverse individuals, will continue to grow together.

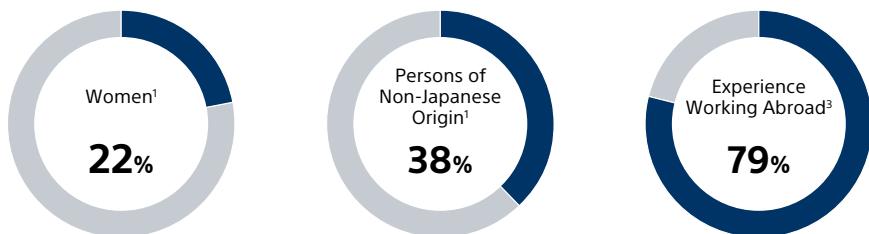
Contribution to the Fifth Mid-Range Plan

The theme of Sony's fifth mid-range plan is "Beyond the Boundaries: Maximize Synergies Across the Group." Synergies are realized on a solid foundation, which is our diverse employees, who have come together to engage in diverse business areas. We use "diverse perspectives" as a keyword in realizing our People Philosophy. In our effort to maximize synergies across the Group, we understand that it is important to create something new from the joint work of employees with different values and backgrounds, continue nurturing those employees who make the creation happen, and build a culture to sustain those efforts. To achieve the goals set by the mid-range plan and build an organization that embraces diverse perspectives, we are accelerating initiatives in three focus areas: the evolution of diversity in people and experience that underpins Group growth, providing opportunities to foster diverse individual experiences, and fostering an organizational culture and leadership that embraces diverse perspectives.

1. The Evolution of Diversity in People and Experience That Underpins Group Growth

The Sony management team is made up of people with diverse attributes, experiences, and specialties. As part of our commitment to greater diversity, we set a goal of increasing the percentage of both women and persons of non-Japanese origin among executives¹ at Sony Group Corporation to more than 30% by 2030. The appointment of Robert Lawson, former Chief Communications Officer of Sony Pictures Entertainment (SPE), as Sony Group Corporation's Senior Vice President in charge of Corporate Communications in FY2024 also reflects the ongoing evolution in the diversity of experience within leadership team. Sony globally promotes greater opportunities for women as part of its effort to cultivate work environments that encourage diverse people to perform at their best. As of March 31, 2025, the percentage of women in Sony's workforce was 34.2%, and that of management positions held by women² was 31.6% across the Sony Group. For their diverse employee experiences, we proactively hire people who have worked in other companies or job categories. These people accounted for roughly half of those who joined Sony in Japan in FY2024. In countries outside of Japan, many employees have experience working in other companies and job categories. Mergers and acquisitions and strategic alliances in growth sectors, such as game development, led to more than 9,000 people joining the Sony Group as new employees between FY2012 and FY2024, contributing to our business growth with greater background diversity.

Diversity in Sony Group Corporation's Leadership Team (As of July 1, 2025)



1. Directors, Senior Executives including Corporate Executive Officers, and other officers

2. Percentage of management posts held by women

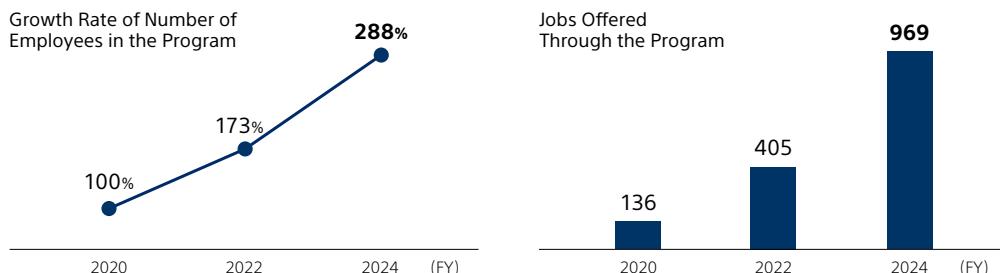
3. Experience working abroad refers to the overseas assignment experience at Sony of the Executive Chairman, CEO, Chief Officers, and Corporate Executives.

2. Providing Opportunities to Foster Diverse Individual Experiences

Sony continually hires diverse people who are fully motivated to grow, and offers them opportunities to make the most of their unique talents. In 2025, we revised our key recruiting slogan in Japan to "The driving force of emotion, is YOU." This expresses our desire to hire people full of enthusiasm, and with a spirit of challenge to touch the hearts of people around the world.

To continue attracting people with this challenger spirit and to help them build their careers through their own initiative, we conduct various career development programs, including an internal job posting program, the Free Agent program, and the Career Plus program. Sony is a pioneer in implementing an internal job posting system, starting in 1966, and has helped a total of over 8,000 employees move to their preferred posts. The Career Plus program allows employees to spend up to two days a week on a job or project aside from their regular post in a different division, and has been used by many employees seeking to build careers in their own ways. Sony undertakes these initiatives globally in ways to fit the characteristics of each region and business. For example, an internal job posting system has been introduced across all Group companies operating businesses in China, and new project teams are built using the Career Plus program to offer highly motivated employees new opportunities to challenge themselves.

Number of Employees and Internal Job-Offering Trend in the Career Plus Program



Note: Figures for FY2022 and FY2024 are comparisons made using the figure for FY2020 as 100%.

3. Fostering an Organizational Culture and Leadership That Embraces Diverse Perspectives

Within Sony, we also have leaders with diverse personalities and management styles. However, a common essential element is the capacity to embrace diverse perspectives. It is important to foster a corporate culture that encourages the active exchange of diverse perspectives, and turns those perspectives into organizational strengths.

Sony University, which aims to nurture the next generation of leaders, brings together employees from across the Group to strengthen their skills and mindsets through seminars and group discussions. The Sony Cross-Mentoring Program strategically links management teams from various businesses with next-generation leaders across regions and organizations. This initiative aims to help employees expand their scope and perspective and build Group synergy. We also hold round-table dialogues as opportunities for Group executives and employees active in their respective specialized fields to meet in person and exchange opinions, and in FY2024, we held a discussion on the theme of "Embracing Diverse Experiences and Perspectives."

Based on the belief that the effects of initiatives to support employee growth and cultivate corporate culture eventually reflect in employee engagement, Sony regularly conducts employee engagement surveys. Our employee engagement score, which has been consistently positive in recent years*, quantitatively captures the correlation between opportunities for growth and learning available to employees and employee engagement, and encourages employees to take action for further improvement.

* The percentage of employees who did not respond negatively to the engagement questions was 89% in FY2024.

Commitment to Growth Support for Next-Generation Executive Candidates



673+
hours

At Sony University, many executives and business leaders become involved in talent growth through the programs it offers, making it a place of mutual learning not only for its participants, but also for many of our executives and leaders.

Hours executives spent as a commitment to fostering next-generation leaders through Sony University, the Sony Cross-Mentoring Program or round-table dialogues with top management (FY2024)

Pollinator Network to Accelerate Intra-Group Collaboration on Strength of Individuals

The Pollinator Network is a mechanism for promoting business problem-solving and Group collaboration by appointing employees with broad personal networks within Sony as "Pollinators" and matching knowledge and skills within the Sony Group, or people who possess such knowledge, with people facing business challenges. In the matching process, we utilize Sony's proprietary tool Enterprise LLM (See "Technology" on p.19 for details) in combination with the knowledge and expertise of each Pollinator, and the combination of new generative AI technology with human elements makes highly precise matching possible. Since its start in September 2024, the Network has made over 200 matches of people and knowledge leading to cross-Group collaboration, which includes application of game technologies to the pictures business.

The selection of Pollinators, who are key to the Pollinator Network's success, is being carried out jointly by the Digital Transformation (DX) Division, which leads the program, and the Human Resources Department. In FY2024, its first year, 46 Pollinators from a wide range of businesses and specialized fields, mainly in Japan and the U.S., participated. A number of Sony University alumni also engage as Pollinators, leveraging the knowledge and networks they gained from their work and Sony University. We aim to continue to contribute to the creation of innovations through the intersection of diverse individuals, leveraging the active engagement of Pollinators with their extensive knowledge and networks.



Sony University Alumni Active as Pollinators



The Pollinator Network brings together a wide range of people from across the Sony Group with expertise in highly specialized fields such as technology and intellectual property. What is appealing about this program is that by watching other Pollinators engage in high-quality and diverse consultations, I can gain many new insights, take stock of my own knowledge and network, and create new opportunities. I feel rewarded by being able to contribute to Group collaboration through these activities.

Keizo Nakatani

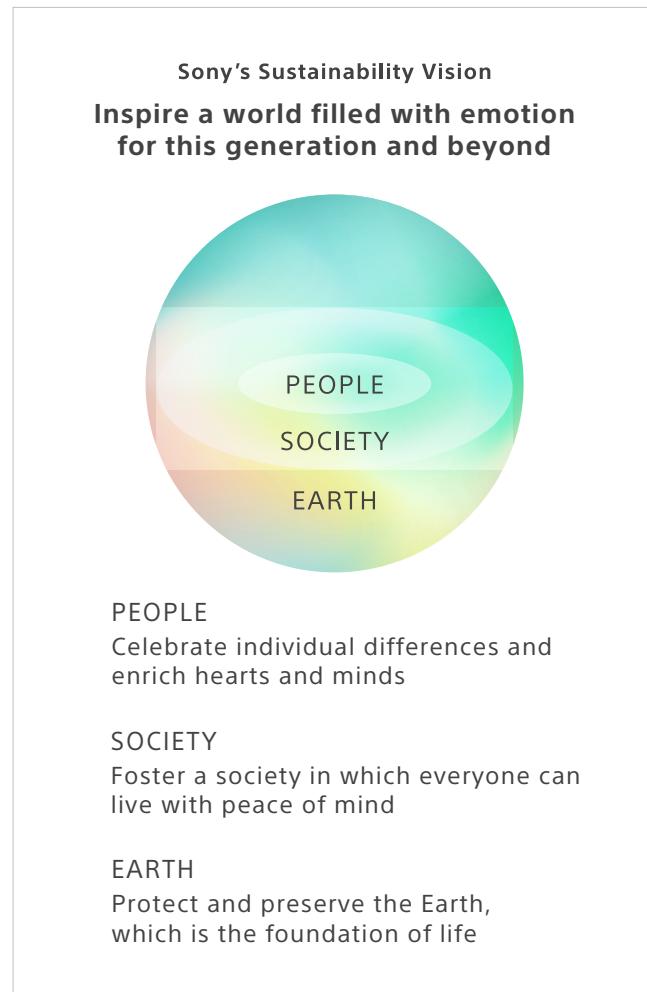
Executive Officer, Business Planning and Management,
Sony Network Communications Inc.



Being part of the Pollinator Network unlocks collaboration across Sony, connecting brilliant minds, bridging offices, and breaking silos. By working together across business units, we fuel innovation and make Sony stronger. It's exciting to see how we can power up each other's ideas and create something greater together.

Elizabeth Juenger

Director, Product Management,
PDS - Game & Player Experience,
Sony Interactive Entertainment LLC



Basic Policy and Vision for Sustainability

Sony operates diverse businesses based on its Purpose to “fill the world with emotion, through the power of creativity and technology,” and aims to achieve sustainable value creation and long-term growth in corporate value through this diversity.

In order to connect people to each other through emotion, it is necessary to create a society in which everyone can live with peace of mind in a healthy global environment. Sony acts with due consideration of its impact on stakeholders as well as the global environment, and focuses on building trust with stakeholders through dialogue. By pursuing innovation and sound business practices, Sony endeavors to enhance its corporate value and contribute to the development of a sustainable society. This is Sony’s basic policy for sustainability.

To address a variety of sustainability issues, Sony has established its Sustainability Vision to articulate the forward direction for the entire Sony Group, with the goal to “inspire a world filled with emotion for this generation and beyond.” This vision defines the direction of its activities from the standpoints of People, Society, and the Earth, and expresses Sony’s aims to create and fill the world with emotion through sustainability initiatives.



Sony's Sustainability Vision: Official Video

<https://www.sony.com/en/SonyInfo/csr/>

Sustainability Report 2025

https://www.sony.com/en/SonyInfo/csr_report/

Organizational Structure for Sustainability Initiatives

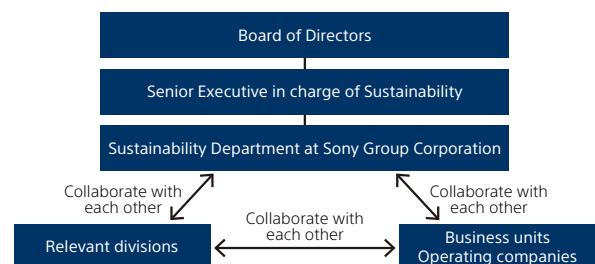
Based on the aforementioned basic policy, Sony designates sustainability as a management priority and has established the

Sustainability Department, under the supervision of the Senior Executive in charge of Sustainability, to promote a range of initiatives for the entire Group, in coordination with business units and all related divisions within the headquarters.

The Senior Executive in charge of Sustainability regularly reviews and assesses risks and engages in detection, communication, evaluation, and response to the risk of loss related to sustainability. The Sustainability Department reports to the Board of Directors at least once a quarter on sustainability initiatives and their progress.

The Sustainability Department strives to spread this basic policy for sustainability across Sony’s business operations. Through dialogue with stakeholders and materiality analysis, the Sustainability Department identifies sustainability issues that need to be addressed by the Sony Group as a whole, sets Group-wide policies, and promotes initiatives. Through materials such as the Sustainability Report, Sony discloses information related to its sustainability efforts.

Each business unit considers sustainability issues and opportunities for its respective businesses, and implements sustainability-related initiatives that align with its business characteristics.



Material Topics in Sustainability

Sony recognizes that stakeholders expect it to maintain a well-defined stance and take action to address the issues facing society and the global environment, in addition to delivering emotional experiences through its business. We also think it is important to clarify priorities in sustainability management and work on them continuously.

To ensure that the Group's sustainability initiatives are compatible with changes in the social environment and the expectations of stakeholders, Sony regularly identifies and analyzes material topics related to sustainability with a medium-to long-term perspective, and we reviewed those topics in FY2025.

In this review, referring to the newly formulated Creative Entertainment Vision, our Sustainability Vision, and various changes in the social environment and range of stakeholder needs, we assessed the influence that Sony has on society and the environment and vice versa, and after discussion with the management team, we identified the most important topics: diversity, respect for human rights, and climate change. Until now, we have identified "technology for sustainability" as one of our most important topics. However, as Sony already applies its technology to address various social and environmental issues and improve accessibility, we are now positioning technology as a means of addressing a broad range of sustainability issues.

Inspire a world filled with emotion for this generation and beyond			
Sony's Sustainability Vision	PEOPLE	SOCIETY	EARTH
Most important topics	Diversity	Respect for human rights	Climate change
Main focus areas	<ul style="list-style-type: none"> Build an environment in which employees of all backgrounds can thrive [All businesses] Value the well-being of employees and creators [Music] Strengthen the pipeline for diverse stories and talent [Pictures] Develop talent across the entire semiconductor industry and acquire talent [I&SS] Improve the accessibility of products and services [G&NS, ET&S, I&SS] 	<ul style="list-style-type: none"> Continue human rights due diligence [All businesses] Address human rights risks in global value chains [G&NS, ET&S, I&SS] Enhance online safety measures [G&NS] 	<ul style="list-style-type: none"> Operate major sites with renewable electricity [ET&S, I&SS] Reduce energy consumption of products and services [G&NS, ET&S] Raise awareness using content IP [Music, Pictures] Undertake initiatives for zero environmental footprint across film and TV operations [Pictures] Contribute to the environment through imaging and sensing technologies [I&SS]

Green Management 2030

Sony is working to achieve a zero environmental footprint by 2050 (2040 in the climate change area), setting medium-term environmental targets every fifth year. As a new challenge, we established our Green Management 2030 (GM2030) medium-term environmental targets to be achieved by FY2030.

Sony sets these goals by reviewing our progress toward current medium-term environmental targets, with consideration for social trends regarding priority environmental issues and requests from various stakeholders. These goals aim to reduce the environmental footprint of all our business activities and products throughout their life cycles in four important environmental aspects: climate change, resources, chemical substances, and biodiversity.

Our foremost priorities are to enhance initiatives to reduce

greenhouse gas (GHG) emissions, accelerate activities leading to resource circulation, and strengthen initiatives to address plastic packaging materials as a countermeasure to plastic pollution.

To reduce GHG emissions, focus point 1, we are working to achieve 100% renewable electricity used in our own operations and reduce Scope 3 GHG emissions, the largest category for Sony, by 25% from the FY2025 level by FY2030.

To realize better resource circulation, focus point 2, we promote the use of circular materials to reduce non-circular plastic per product weight² to 30% or less, and use 100% recycled tin³ and gold⁴ for specific applications by FY2030.

To address plastic pollution, focus point 3, we are working to reduce the use of plastics in product packaging⁵ to 10% or less, and eliminate plastic packaging⁵ for products weighing 5 kg or less by FY2030.



[Sustainability Report 2025 > Environment \(PDF\)](#)



1. Compared with FY2025 2. Rate of plastics other than recycled or renewable plastics used per product weight

3. Tin used in solder for mounting of major printed circuit boards in specific models

4. Gold used in major printed circuit boards and other components in specific models

5. Excluding packaging where use is technically unavoidable



Message from Senior General Manager of the Sustainability Department

Mitsu Shippee

Senior General Manager,
Sustainability Department

At Sony, we aim to achieve sustainable value creation and long-term growth in corporate value based on our Purpose. And we are moving forward with our efforts to promote sustainability under our Sustainability Vision.

We recently reviewed our material topics and identified diversity, respect for human rights, and climate change as the most important topics. We also clarified how they relate to the direction outlined in our Sustainability Vision in terms of People, Society, and the Earth, and reorganized the initiatives undertaken by each business unit related to the material topics. Over the past few years, we have increasingly integrated sustainability into our management strategies and business operations. Each business unit is now implementing sustainability-related initiatives that align with its business characteristics based on the analysis of issues and opportunities specific to each business.

In the environmental field, we have set the new GM2030 medium-term environmental targets that we aim to achieve by FY2030. Achieving these medium-term targets will be a crucial milestone, particularly in terms of realizing a zero environmental footprint in the area of climate change by 2040. We will engage in further efforts to reduce our environmental footprint, working together with each business unit.

Going forward, we will continue to strengthen our sustainability initiatives, placing great importance on dialogue with our diverse stakeholders.

PEOPLE

Helping Develop the Next Generation of Talent

Material topics
Diversity



To promote a more inclusive workplace and a society in which people with varying experiences can thrive, Sony is implementing tailored initiatives to make the most of the unique characteristics of each business segment and region.

In 2022, Sony Music Group (SMG) introduced its Global Scholars Program to cultivate the next generation of music industry leaders. The initiative is designed to provide scholarships and enrichment opportunities for students enrolled in a wide range of leading music and music-related fields of study.

In 2024, Sony launched the SONY STEAM GIRLS EXPERIENCE program to support young women majoring in science and engineering, a minority group in Japan. Under this program, in addition to providing scholarships, we run the STEAM GIRLS Baton program through collaboration between scholarship students and Sony's women engineers to raise interest in science and engineering among junior high- and high-school girls and convey the joy of working in the field, passing the baton on to the next generation.

SOCIETY

Online Safety

Material topics
Respect for human rights



Under the Sony Group Human Rights Policy, we promote initiatives to prevent or mitigate potential adverse human rights impacts that may arise from our operations. Sony Interactive Entertainment (SIE) proactively implements online safety measures to foster safe and welcoming digital environments for all PlayStation® players. These specifically include appropriate user-generated content management systems and rigorous enforcement of our Code of Conduct to take quick action on any inappropriate online behavior or content. By applying advanced parental-control features, voice-chat reporting and technology to detect harmful content, SIE aims to protect players from a wide range of potential online harms, such as images that violate our Code of Conduct, hate speech, and serious threats including child sexual exploitation and abuse. Skilled human moderators review reports from players and our automated tools help to identify content that violates the Code of Conduct. Through these and other efforts, SIE continues to prioritize safe and welcoming game-play experiences.

EARTH

Advancing the Deployment of Renewable Energy

Material topics
Climate change



Sony is implementing various initiatives to reduce our GHG emissions to net zero by 2040. To that end, we set the goal to achieve 100% renewable electricity used in our own operations by 2030. With consideration for the environments surrounding our sites, we have been procuring renewable energy by various means, including solar power generation and renewable energy certificates, and in FY2023, we achieved our interim renewable electricity rate target of 35% by FY2025, two years ahead of schedule. In FY2024, we accelerated the installation of on-site solar power systems, Sony Technology (Thailand)'s Chonburi Plant and Sony Device Technology (Thailand) expanded their solar equipment, Sony Interactive Entertainment San Mateo installed solar panels, and Sony Global Manufacturing & Operations expanded the solar system at its Kohda Site and installed a new system at its Inazawa Site. As a result of activities including these, the renewable electricity rate for FY2024 reached 40.1%.

Financial/Business

- Message from the CFO
- Topic: Future Business Strategy of Sony Financial Group
- Financial Highlights
- Status of Investment
- Value Creation in Each Business

Game & Network Services

Music

Pictures

Entertainment, Technology & Services

Imaging & Sensing Solutions



Lin Tao

Chief Financial Officer, Corporate Executive Officer
Officer in charge of Corporate Planning and Control,
Corporate Strategy, Accounting, Tax, Finance, IR,
Disclosure Controls, Risk Control,
Internal Audit and SOX 404

Assuming the Role of CFO

I assumed the role of CFO and Corporate Executive Officer in April 2025. I deeply appreciate the support and expectations expressed by all our stakeholders, including shareholders, the Board of Directors, the management team, employees, and business partners. Taking on such important responsibilities is truly sobering.

"Pursue management excellence and drive transformation." What I learned from working with Sony's leaders, past and present, is the importance of being in constant pursuit of excellence. Throughout my diverse career at Sony, including roles in the PlayStation business, the mobile business, and the CEO Office at headquarters, I have made this my guiding principle.

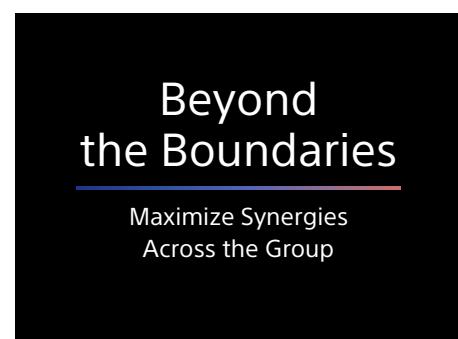
When I was the head of finance at SIE, as a member of the management team, I promoted the transformation of the Studio business which develops first-party game software titles. This involved the challenge of transforming an organization that had historically specialized in showcasing our consoles into one with an independent profit structure, reshaping its culture to make the Studio business a growth driver for SIE. While some decisions were

difficult, I believed they were necessary to fulfill our responsibility to our stakeholders, and I approached this with unwavering commitment. While this transformation is still ongoing, I will continue to address fundamental management challenges with our headquarters and business leaders to create sustainable value.

Outline and Progress of the Fifth Mid-Range Plan

The theme of the fifth mid-range plan (FY2024-FY2026) is "Beyond the Boundaries: Maximize Synergies Across the Group." We aim to accelerate growth through cross-boundary collaboration and synergy creation, while continuously evolving our business portfolio and improving profitability and investment efficiency to build businesses more resilient to external changes. Based on this strategy, we have established groupwide KPIs with an emphasis on profit growth: "10% or more CAGR of operating income" and "an operating income margin of 10% or more" for continuing operations.

In FY2024, the first year of this mid-range plan, the G&NS, Music, and I&SS segments performed well, contributing to record-high



	Target	Continuing Operations CAGR of operating income	Continuing Operations Three-year cumulative operating income margin
	Actual results*	(FY2023→FY2026) 10% or more	(FY2024-FY2026) 10% or more
		(FY2023→FY2024) 23%	(FY2024) 10.6%

* Results for FY2024 are on the basis of Sony excluding the Financial Services segment.

consolidated sales and operating income, excluding the Financial Services segment. Operating cash flow also increased significantly due to improvements in working capital in the G&NS and I&SS segments. Our KPI progress was strong, with operating income growth of 23% and an operating income margin of 10.6%. We have also made steady progress in preparing for the partial spin-off¹ of our Financial Services business scheduled for October 2025. (See p.32 for the future strategy of the Financial Services business.)

Despite increasing business uncertainty from AI development, accelerating social and industrial changes, and heightened geopolitical risks, we remain committed to achieving our mid-

range plan targets through scenario planning and agile execution.

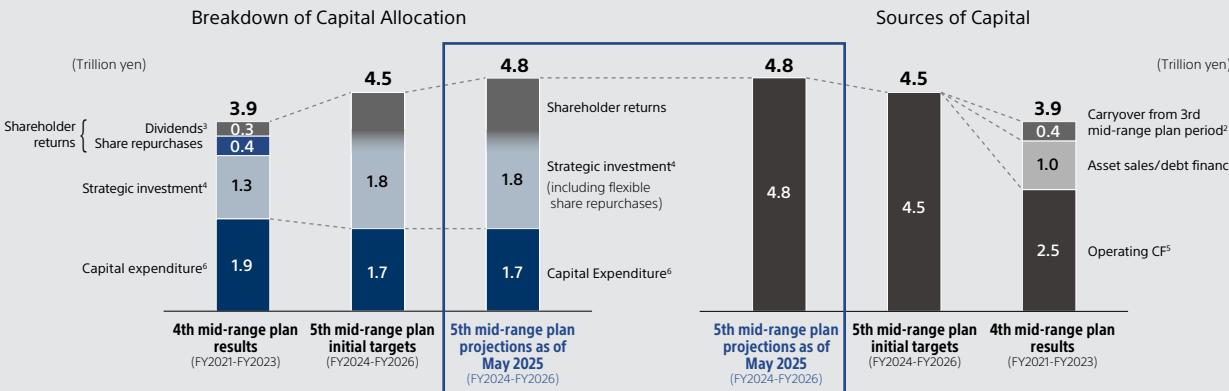
1. A transaction whereby Sony Group Corporation will continue to hold a portion of the shares of Sony Financial Group Inc. (SFGI) and distribute the remaining shares to its shareholders as dividends in kind (dividends of assets other than cash)

Capital Allocation and Business Portfolio

We expect our operating cash flow, the primary source of our capital allocation, to increase significantly from the previous mid-range plan and continue to expand steadily. This is due not only to the contribution from past investments but also to the evolution

of our earnings structure. In particular, the G&NS and Music segments, which accounted for over 50% of our operating income in FY2024, have achieved more stable profit generation through this evolution. In G&NS, the Platform Business—comprising network services and sales of non-first-party game software titles—has been steadily expanding and underpinning performance. In the Music segment, the accumulation of excellent catalogs we invested in, combined with market growth has contributed to streaming revenue growth. In the I&SS segment, we also anticipate increased earnings from the image sensor business, in which we invested nearly 1 trillion yen during the previous mid-

Capital Allocation



2. This represents an increase in operating cash flow from the forecast at the end of Q3 FY2020 in the 3rd mid-range plan, and a delay in cash outflows related to strategic investment projects that have already been decided upon.

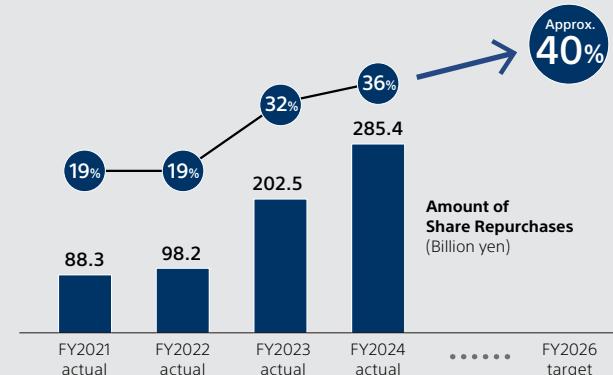
3. Dividends paid in the 4th mid-range plan were approximately 280 billion yen.

4. Strategic investment includes investments in major music catalogs included in operating cash flow.

5. Operating cash flow does not include the impact of investments in major music catalogs, which are included in strategic investment. Operating cash flow is on the basis of Sony excluding the Financial Services segment in the 4th mid-range plan, and the basis of continuing operations in the 5th mid-range plan. Figures for Sony excluding the Financial Services segment are not measures in accordance with International Financial Reporting Standards (IFRS). However, Sony believes that these disclosures may be useful information to investors.

6. Capital expenditure also includes increases in right-of-use assets related to lease agreements.

Total Payout Ratio⁷



7. Total payout ratio does not include the dividend in kind of SFGI shares expected to be undertaken in FY2025 as a result of the planned partial spin-off of the Financial Services business.

range plan. Additionally, our investment in Crunchyroll, content expansion in the Pictures segment, and the creation shift in the ET&S segment are all contributing to stable operating cash flow generation. We aim to maintain this virtuous cycle where investments lead to future operating cash flow expansion.

Reflecting this situation, we have revised our forecast for the three-year cumulative operating cash flow during the fifth mid-range plan from the initial 4.5 trillion yen to 4.8 trillion yen. We plan to allocate this increase to enhance shareholder returns. Our capital expenditure plan remains unchanged at 1.7 trillion yen, primarily for image sensors, and strategic investments for growth and flexible share repurchases remain at 1.8 trillion yen. In FY2024, our strategic investments—including executed and decided projects such as music catalog acquisitions and an

investment in KADOKAWA—totaled approximately 514 billion yen.

We prioritize total payout ratio as our key metric for shareholder returns, with a plan to increase it over time. Currently, we project it will reach approximately 40% in FY2026, the final fiscal year of the current mid-range plan. In FY2025, we have established a 250 billion yen share repurchase facility, and plan to increase our dividend by 5 yen per share compared to the previous fiscal year, to 25 yen per share annually (after considering the stock split).

Building Corporate Value

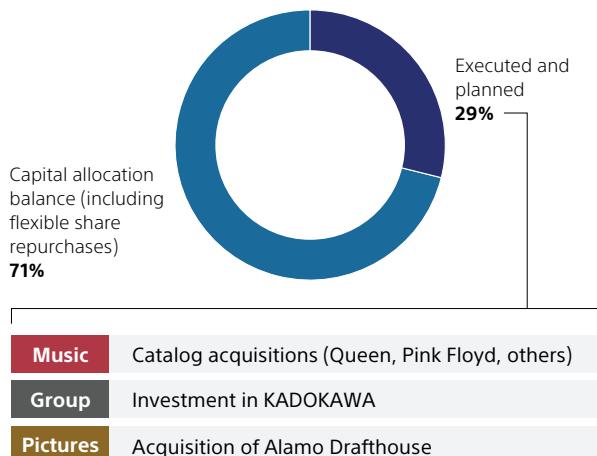
In this unpredictable business environment, we believe it is crucial to balance “offensive management” aimed at sustainable value creation with “defensive management” that maintains financial

stability and reduces business volatility. During our fifth mid-range plan, we aim to steadily capture returns from past investments while balancing future growth investments with enhanced shareholder returns, all with a focus on capital efficiency.

To enhance corporate value, it is also essential that we clearly communicate our mid- to long-term direction and value-creation story to capital markets, earning fair valuation from investors. Sony has always valued constructive dialogue with shareholders and investors, and this approach will never change. We treasure the insights gained from these exchanges and will continue to incorporate them into our management decisions.

I will continue to “pursue management excellence and drive transformation,” incorporating diverse perspectives as we strive to create corporate value that meets stakeholder expectations.

Progress of Strategic Investment under the Fifth Mid-Range Plan (FY2024)



Partial Spin-Off of the Financial Services Business

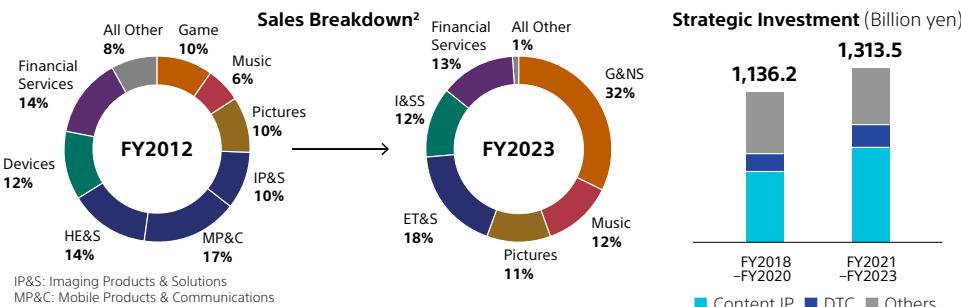
Based on the future business conditions and growth strategies, we've decided to execute a partial spin-off of the Financial Services business to realize growth for both the Sony Group and Sony FG. This allows Sony Group to focus on creation-centered businesses while enabling the Financial Services business to pursue strategic investments and capital alliances essential for its sustainable growth. We plan to distribute over 80% of SFGI shares, currently wholly owned by Sony Group, to our shareholders as a dividend in kind. SFGI is scheduled to be listed on the Tokyo Stock Exchange (Prime Market) on September 29, 2025.

For the Sustainable Growth of Both Sony Group and SFGI

Sony Group to specialize in its creation-centered business portfolio	<ul style="list-style-type: none"> Focus capital allocation on the three entertainment businesses and the image sensor business Optimize the balance sheet that has expanded as a result of the growth of the Financial Services business
SFGI will maintain use of the Sony brand while executing growth strategies with greater flexibility	<ul style="list-style-type: none"> Sony Group's continued partial ownership of SFGI shares will allow continued use of the Sony brand after the spin-off Enable faster decision-making on funding and investments tailored to business conditions The Financial Services business will remain an important part of the Sony Group after the spin-off, with plans to strengthen collaboration across businesses.

Mid-Range Plan: History and Progress

Evolution of Business Portfolio and Strategic Investment¹



Past Mid-Range Plans

• First Mid-Range Plan (FY2012-FY2014)

Reflecting on the poor results for FY2011, under the theme of "Transforming Sony," we concentrated our investments on our image sensor and game businesses while taking actions to reinforce our foundation. These actions included withdrawing from the PC business, splitting off the TV business as a separate subsidiary, and reducing headquarter overhead costs. Nevertheless, we fell far short of our quantitative goals because we failed to adequately respond to changes in our business environment.

• Second Mid-Range Plan (FY2015-FY2017)

Under the theme of "Profit Generation and Investing for Growth," we reorganized and split off certain business units as separate subsidiaries, implemented structural reforms, and expanded recurring-revenue businesses. While we achieved our quantitative goals for ROE and operating income, setting a new profit record, the earnings structures of the Pictures segment and Mobile business remained challenges.

• Third Mid-Range Plan (FY2018-FY2020)

Following the Corporate Direction of "Getting Closer to People," we focused on making strategic investments for future growth and increasing operating cash flow by achieving consistently high profits. We also reformed the Group management structure by establishing Sony Group Corporation to handle Group headquarters functions, and making SFGI a wholly-owned subsidiary. Our KPI of three-year cumulative operating cash flow³ significantly exceeded the target.

3. Sony without the Financial Services segment

• Fourth Mid-Range Plan (FY2021-FY2023)

Under the theme of "Sony's Evolution," we strengthened our Group architecture and prioritized capital allocation toward growth segments, creating a more growth-oriented business portfolio. We began preparing for a partial spin-off of the Financial Services business. Our KPI of three-year cumulative consolidated adjusted EBITDA significantly exceeded the target.

Fifth Mid-Range Plan (FY2024-FY2026): Background and Direction

Since FY2012 (first mid-range plan) to FY2017 (second mid-range plan), Sony successfully promoted management reforms based on the keyword *Kando*. During the third mid-range plan, we began portfolio evolution and accelerated the strengthening of our three entertainment businesses (G&NS, Music, and Pictures segments) as well as the I&SS segment through focused strategic investment and capital expenditures. Of the total 2.4 trillion yen in strategic investments made over the six years starting in FY2018, 64% was allocated to content IP and DTC. By FY2023, sales from the three entertainment businesses accounted for 55% of Sony's consolidated sales (26% in FY2012).

With a portfolio evolved toward growth, we began our fifth mid-range plan in FY2024. Under its theme, "Beyond the Boundaries: Maximize Synergies Across the Group," we have been striving to elevate our synergy creation initiatives to the next level. While prioritizing the mid- to long-term growth of our three entertainment businesses and the I&SS segment, we are working to strengthen our revenue base, investment efficiency, and profitability to build greater resilience against unpredictable changes in our business environment. Consequently, we have set as Group-wide KPIs the CAGR of operating income and operating income margin for continuing operations.

Fifth Mid-Range Plan: Progress by Segment

G&NS

- User engagement indicators have been increasing, reaching 129 million monthly active user (MAU) accounts in December 2024, a historic record for PlayStation®. Cumulative PS5® unit sales have also been growing steadily.
- Astro Bot and HELLDIVERS 2 won awards at The Game Awards 2024. We have built a diverse portfolio that includes family-friendly titles and live service games.

Music

- Streaming revenues on a U.S. dollar basis for FY2024 showed robust growth of 5% year on year for Recorded Music and 13% for Music Publishing.
- Several of our artists claimed top positions on the Billboard 200 once again in FY2024, as a result of enhancements to the A&R division. With the expansion of our repertoire, including through The Orchard, as well as the acquisition of several large catalogs, our market share has been growing steadily.

Pictures

- Despite the remaining impact of the strikes, franchise titles based on popular IPs, such as *Venom: The Last Dance* and *Bad Boys: Ride or Die*, recorded steady box office revenues.
- Paid subscribers to Crunchyroll exceeded 17 million as of March 31, 2025.
- We have been exploring experiential entertainment opportunities through our newly acquired Alamo Drafthouse.

ET&S

- Our operating income margin for FY2024 was 8% due to steady earnings from the imaging business and optimization of operational costs.
- We have maintained stable cash flow generation and high level of ROIC.
- Broader imaging applications and our sports business drove a creation shift.

I&SS

- The image sensor business for mobile products has continued to grow, driven by steady progress in larger and higher added-value sensors. Customer demand remained strong, with solid adoption of our products in 2025 models.
- As projected, we have reduced the impact of launching mass production for a new image sensor for mobile products, bringing operations back to near-normal levels.
- The automotive sensor business has continued to expand steadily, due to larger shipments following market growth.

Financial Services Business in Sony Group

The Sony Financial Group (Sony FG) evolved from the life insurance business that one of Sony's founders, Akio Morita, established in 1979. Sony Life, the operator of the founding business, has grown by being committed to customer-oriented services provided by its Lifeplanner sales specialists, insurance professionals hired through its strict requirements and specifically trained for the job. With the advent of online financial services, Sony FG branched out into the direct non-life insurance and online banking businesses, supported by the peace of mind and safety the Sony brand brings. Now, Sony Assurance holds the No. 1 market share¹ in the direct auto insurance market, and Sony Bank shows strength in mortgage loans and foreign-currency deposits, establishing a solid status.

After the listing of SFGI resulting from the partial spin-off of the Financial Services business by Sony Group Corporation, Sony FG plans to expedite decisions on investment and capital procurement taking each business's situation into account, investing for growth and strengthening its IT systems. At the same time, it plans to enhance collaborations with the Sony Group through branding and technology, continuing to use the Sony brand, IP, and technology. Additionally, through alliances with each Sony Group company, it is working to further build its brand value and create seamless customer experiences, expanding from non-financial to financial areas.

Sony FG's Business Strategy

In preparation for listing, Sony FG has created a new corporate philosophy and the new vision is "Pursuing lives filled with emotion, together." It sustainably increases corporate value, and remains committed to being a supportive presence for customers by staying close to them through its three "For Life" concepts: "Health for Life" to live with energy and vibrance, "Asset for Life" to live with financial well-being, and "Kando for Life" to live a life filled with emotion.

Going forward strategically, Sony FG puts high priority on a unified Group effort in offering value. It plans to integrate the

core competencies and functions of each business into Sony Life to create strong unity and offer cross-functional products and services. The key in this is Sony Life's sales channels, which are among the most competitive in Japan. The Lifeplanner channel is the bread and butter of the operation, highly competitive and supported by selective recruitment, accompanying-type consulting, and a full-commission system. By offering high-quality services, productivity per Lifeplanner sales specialist - measured in annualized premiums from new policies per person - is approximately five times² the industry average³. The "Agency channel," with its Agency Supporters providing sales assistance to agents and management support to agency owners has also been showing strong growth over the past five years, as indicated by its IFRS new business value⁴ per agency increasing by nearly a factor of three. Sony FG is expanding its customer base by building on these two channels and using the touchpoints of Sony Assurance, Sony Bank, and Sony Lifecare.

In terms of asset management, Sony FG continues to enhance asset liability management (ALM) with lower market risk than competitors. It also strives to increase diversity in investment to disperse risk and capture excess returns to maintain an

Sony FG Corporate Philosophy Structure



appropriate level of soundness. To build a financial base that is resilient in the face of fluctuations in interest rates and market trends, it is promoting initiatives to acquire new policies for Sony Life and reduce risk.

Through these initiatives, Sony FG aims to make over 170 billion yen in aggregate IFRS adjusted net income⁵ from existing businesses in FY2030, making average annual growth of 8% against the IFRS adjusted net income target of 125 billion yen for FY2026. It will pursue further growth by offering value as a unified Group and entering new fields. After the listing, it plans to allocate 40% to 50% of its IFRS adjusted net income to dividends, planning for stable dividend growth.

1. As of March 31, 2025, calculated based on the direct auto insurance premiums written reported by each company in Japan

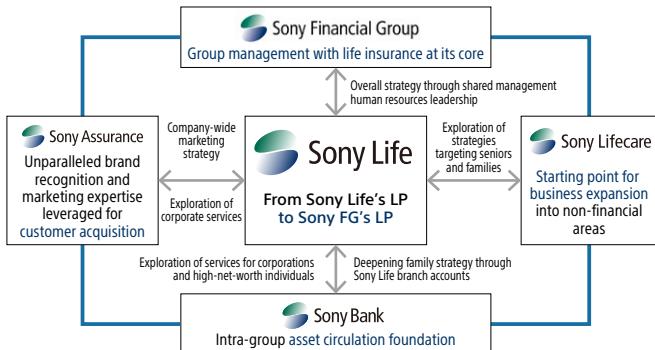
2. Annualized based on accumulated figures up until 3Q FY2024

3. The average of the non-consolidated company-wide figures, including those from channels other than sales personnel, of the following four major life insurance companies in Japan (Nippon Life Insurance Company, SUMITOMO LIFE INSURANCE COMPANY, Meiji Yasuda Life Insurance Company, and The Dai-ichi Life Insurance Company, Ltd.), based on the results announced by each company

4. Refer to p.14 of Presentation Material of Sony Group Financial Services Investor Day. (PDF) [2] for the definition of IFRS new business value

5. Refer to p.76 of Presentation Material of Sony Group Financial Services Investor Day. (PDF) [2] for the definition of IFRS adjusted net income

Value Provided as a Unified Sony FG

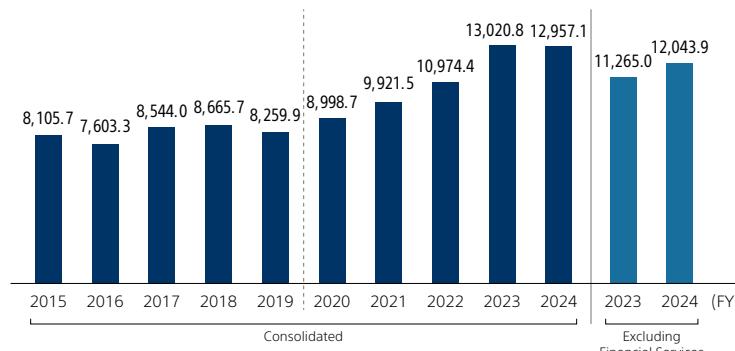


Financial Highlights

Changes in Key Financial Metrics

Notes: • Figures for Sony excluding Financial Services are not measures in accordance with accounting standards as issued by the International Accounting Standards Board (IFRS Accounting Standards). However, Sony believes that these disclosures may be useful information for investors.
• Sony adopted IFRS Accounting Standards starting in the quarter ended June 30, 2021, in lieu of the previously applied generally accepted accounting principles in the U.S. (U.S. GAAP). Results for FY2020 are also presented in accordance with IFRS Accounting Standards. Therefore, results for FY2015–FY2019 are based on U.S. GAAP, and results for FY2020–FY2024 are based on IFRS Accounting Standards (the same applies to the following pages).

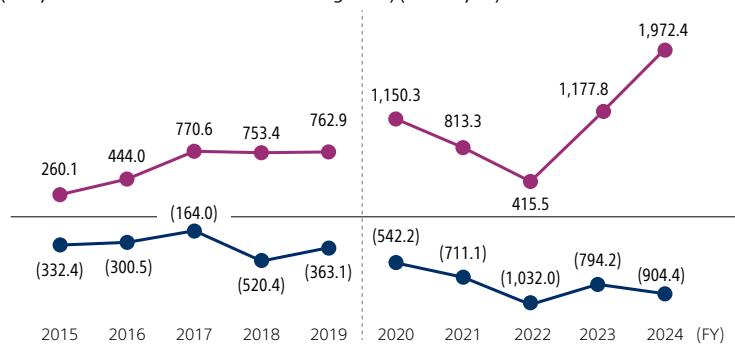
Sales (Billion yen)



- Consolidated sales excluding Financial Services for FY2024 totaled 12,043.9 billion yen, up 7% year-on-year, setting a new record high.

- Net sales growth over the past 10 years has been led mainly by the G&NS segment, as well as the Music and I&SS segments.

Cash Flow from Operating Activities, Cash Flow from Investing Activities (Sony without the Financial Services segment) (Billion yen)



- Operating cash flow for FY2024 increased, mainly reflecting a year-on-year improvement in working capital in the G&NS and I&SS segments. Investing cash flow increased due to business acquisitions and share buybacks.

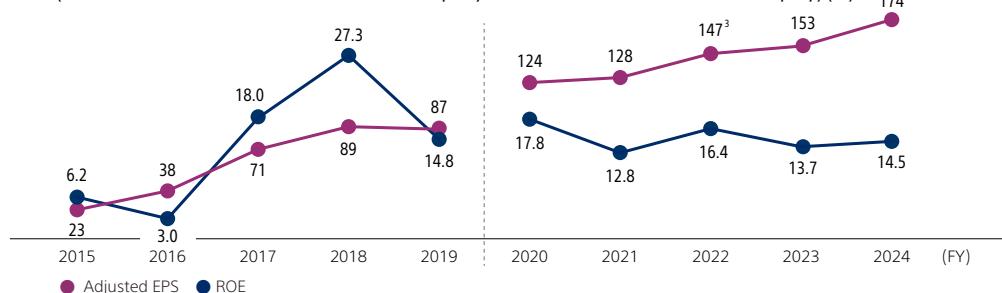
Operating Income, Operating Income Margin (Billion yen, %)



- Consolidated operating income excluding Financial Services for FY2024 totaled 1 trillion 276.6 billion yen, up 23% year-on-year, setting a new record high.

- We are focusing on improving profitability to increase our resilience to environmental changes, and have made a good start toward achieving our mid-term target of a three-year cumulative operating income margin of 10% or more.

Adjusted EPS^{1,2} (Net Income Attributable to the Company's Stockholders per Share (Diluted)) (Yen) ROE (Ratio of Net Income Attributable to the Company's Stockholders to Stockholders' Equity) (%)



1. Adjusted EPS is the result of dividing adjusted net income attributable to the Company's stockholders for each fiscal year ("adjusted net income") by the number of shares outstanding. The weighted-average number of shares on a diluted basis disclosed in Form 20-F for the corresponding fiscal year is used as the number of shares outstanding. For information on adjusted net income between FY2021 and FY2023, please refer to Sony's Form 20-F. Adjusted net income from FY2017 to FY2020 and in FY2024 is the "Adjusted Net Income Attributable to Sony Group Corporation's Stockholders" shown in the materials used in the year-end Earnings Announcement for the corresponding fiscal year (including supplementary materials). Adjusted net income for FY2016 and the years prior is calculated based on income before income taxes for the corresponding fiscal year adjusted for profit/loss determined by Sony to be non-recurring in nature, applying the statutory tax rate disclosed in Form 20-F for the corresponding fiscal year and subtracting net income attributable to non-controlling interests. Profit/loss deemed to be non-recurring in nature is disclosed in specific figures in Form 20-F for the corresponding fiscal year and includes profit/loss from factors such as write-downs of tangible and intangible assets, sales of assets and businesses, reevaluation of shares owned, and expenses related to natural disasters. Because effective tax rates exhibited significant volatility between FY2015 and FY2016, statutory tax rates have been used instead to better display the trend during this period. Please refer to Form 20-F for each fiscal year to see the differences between effective and statutory tax rates.

2. Sony conducted a five-for-one stock split of its common stock effective October 1, 2024, with a record date of September 30, 2024. The above figures for adjusted EPS are calculated based on the assumption that the stock split was conducted at the beginning of each fiscal year.

3. FY2020–FY2022 figures are based on IFRS Accounting Standard No. 4.

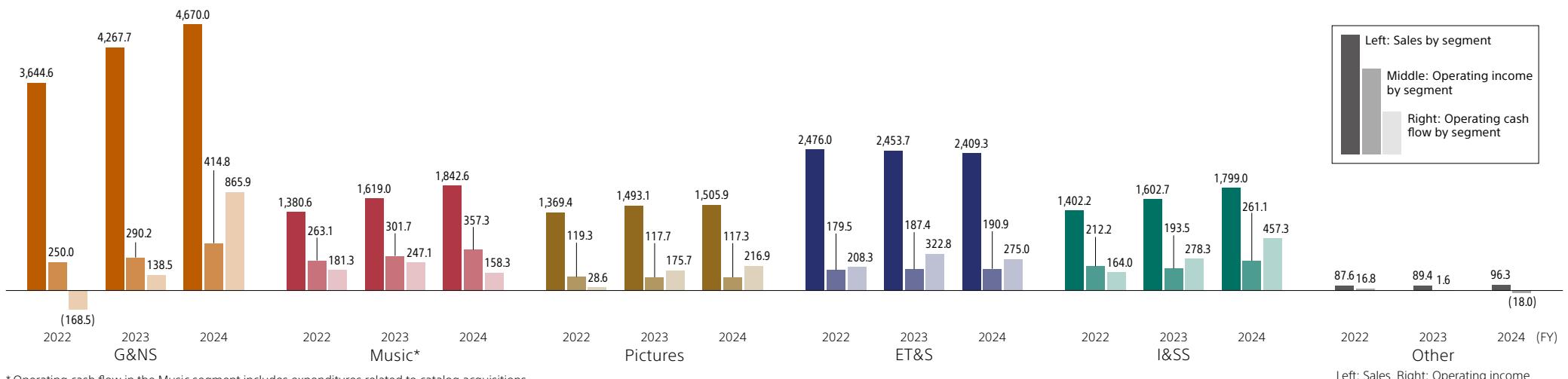
Performance Trends by Segment



Investor Relations > IR Library > Earnings Releases

Sales, Operating Income, and Operating Cash Flow by Segment (Billion yen)

Note: Sales in each business segment represents sales recorded before intersegment transactions are eliminated. Operating income in each business segment represents operating income reported before intersegment transactions are eliminated and excludes unallocated corporate expenses.



*Operating cash flow in the Music segment includes expenditures related to catalog acquisitions.

FY2024 Main Factors Impacting Operating Income Change

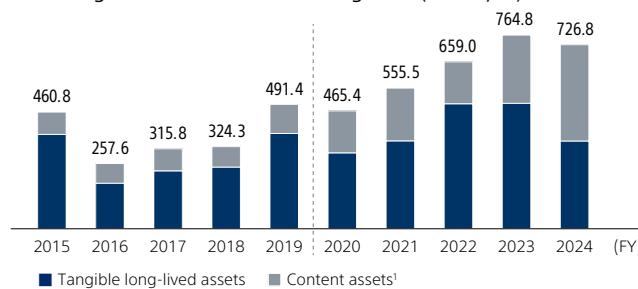
G&NS	(+) Impact of increase in sales from network services (+) Impact of increase in sales of non-first-party game software titles (-) Impact of decrease in sales of first-party game software titles
Music	(+) Impact of higher revenues from streaming services in Recorded Music and Music Publishing (+) Positive impact of foreign exchange rates (-) Increase in selling, general and administrative expenses
Pictures	(-) Lower contribution from catalog product in Motion Pictures (-) Impact of lower series deliveries in Television Productions in part due to production delays related to the strikes in Hollywood in FY2023 (+) Lower marketing costs for theatrical releases

ET&S	(+) Reductions in operating expenses (+) Positive impact of foreign exchange rates (-) Impact of lower unit sales of televisions (-) Increase in restructuring costs
I&SS	(+) Positive impact of foreign exchange rates (+) Impact of increase in sales of image sensors for mobile products (+) Decrease in costs associated with the launch of mass production of a new image sensor for mobile products (-) Increase in manufacturing costs (-) Increase in depreciation and amortization expenses

Note: We have omitted presentation of separate results for the Financial Services business due to the partial spin-off of SFGI, a wholly-owned subsidiary that operates financial services businesses, scheduled to be executed in October 2025. Financial Services revenue for FY2024 decreased by 47% year on year to 931.4 billion yen. Operating income decreased by 25% year on year to 130.5 billion yen, mainly due to recording realized and remeasurement gains resulting from transfer of a portion of shares of Sony Payment Services in FY2023, as well as a decrease in profits at Sony Life.

Status of Investment

Additions to Tangible Long-Lived Assets and Content Assets, Excluding the Financial Services Segment (Billion yen)



1. Excluding deferred film production costs, TV broadcasting rights, and other intangible assets

2. "Intangible assets" and "goodwill" are terms based on IFRS Accounting Standards. Under US GAAP, which was applied until FY2020, the equivalent assets were categorized as "intangibles, net" and "goodwill."

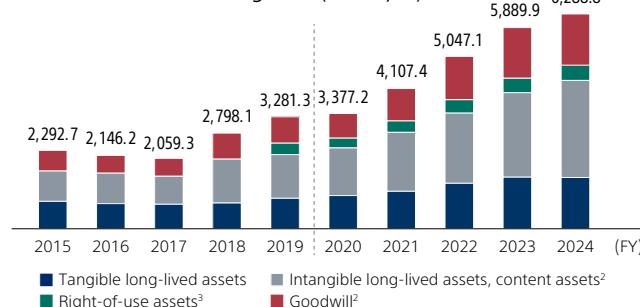
3. From FY2019, the lease accounting standard under US GAAP was revised, leading to the recognition of a substantial amount of right-of-use assets related to operating leases. Accordingly, from FY2019 onward, right-of-use assets are presented as a separate line item. For FY2018 and earlier, the amount of right-of-use assets related to finance leases was negligible, and therefore, they are aggregated under property, plant and equipment rather than presented as right-of-use assets in the above table.

Recent Major Investments and Status After Investment

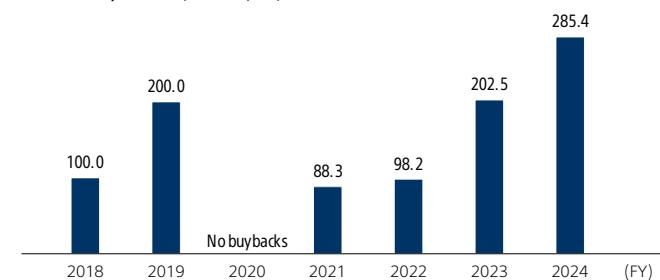
In recent years, Sony has been making a major shift in its business direction toward entertainment, while aggressively making strategic investments for further growth targeting content IP, fields that contribute to IP value enhancement, and creation technologies. In making investments and acquisitions, we place importance on investment efficiency and the potential upside for both Sony and the target companies, including factors such as existing collaborative relationships. Approximately three-quarters of the 1.3 trillion yen in strategic investments made during the fourth mid-range plan (FY2021–FY2023) was spent in the three entertainment businesses (excluding share buybacks). Capital investments mainly focused on image sensors.

During the fifth mid-range plan, we will continue to explore attractive investment opportunities in a disciplined manner, while further promoting integration with existing businesses to realize returns on past investments.

Total of Long-Lived Assets and Goodwill, Excluding the Financial Services Segment (Billion yen)



Share Buybacks (Billion yen)



Group headquarters	Major Investments		Status after Investment
	Investment Details	Outcomes/Strategic Objectives	
G&NS	<ul style="list-style-type: none"> Acquisition of game development studio Bungie 	<ul style="list-style-type: none"> Sharing Bungie's expertise in the live service games domain Deepening integration with SIE through optimization of cost structure and portfolio 	<ul style="list-style-type: none"> Examining collaboration opportunities across multiple domains including both companies' IP media mix and global development
Music	<ul style="list-style-type: none"> Acquisition of multiple major catalogs 	<ul style="list-style-type: none"> Increasing revenue from streaming services Expanding additional revenue opportunities through acquisition of rights associated with some of the catalogs, such as artists' names, images, and likenesses 	
Pictures	<ul style="list-style-type: none"> Acquisition of Crunchyroll, a DTC service specializing in anime 	<ul style="list-style-type: none"> Integrating services with Funimation Creating hit titles through collaboration with Aniplex 	
ET&S	<ul style="list-style-type: none"> Acquisition of Beyond Sports Acquisition of KinaTrax 	<ul style="list-style-type: none"> Alternative broadcasts using data acquired through Hawk-Eye Expanding business opportunities through use in athlete development 	
I&SS	<ul style="list-style-type: none"> Capital investment for image sensors Investment in JASM 	<ul style="list-style-type: none"> Expanding production capacity in response to progress in larger-sized sensors Long-term stable procurement of logic wafers through investment in JASM, a semiconductor foundry under TSMC 	

Game & Network Services

Business Vision

To Be The Best Place to Play





PlayStation® remains the Best Place to Play with innovative products and premium services that create a lifetime of value and engagement for players and creators globally.

Hideaki Nishino

Officer in charge of Game & Network Services Business
President and CEO, Sony Interactive Entertainment



PlayStation Studios' global network of creative teams has built world-class franchises and beloved characters to connect with and delight players in games and other media, on console and beyond.

Hermen Hulst

Officer in charge of Game Studio Business
CEO, Studio Business, Sony Interactive Entertainment

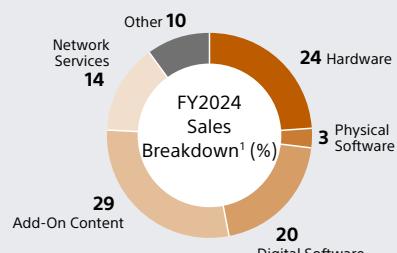
Understanding the Business Environment

- Increasing demand for diverse, engaging, and innovative games
- Growing importance of social gaming and creative communities
- Evolution of data analytics leverage and reliability
- Shifting monetization and business models
- Enhancement of software capabilities and accessibility functions

Areas of Focus for Sustainability

- Improving supply chain management, energy efficiency of our products and services, and reducing plastic consumption in hardware packaging
- Addressing player risks through online safety enhancements and moderation
- Cultivating inclusivity within SIE and within the gaming community through accessible functions in hardware and game development

Business Composition



Revenue Sources

- Revenue growth driven by recurring and consistent revenue from software titles, add-on content, and network services alongside growing user engagement
- In the back half of the console cycle, PS5® sales volumes are expected to decline

Investment Areas²

- Majority of investment in strengthening IP portfolio and evolving franchises
 - Maintaining effective and viable hardware production and software development with thoughtful capital investment
1. Sales to external customers
2. Includes expense items that are not capitalized

Strategic Key Points

1. Platform Business

- Continued expansion of user base and multi-device ecosystem
- Robust player engagement and value creation
- Consistent revenue generation from diverse content, compelling service offerings, and peripherals

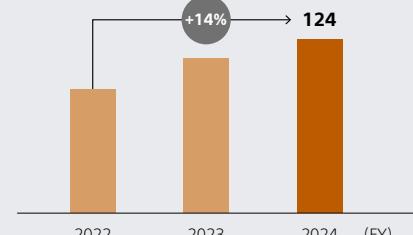
2. Studio Business

- Advancing position as creative leaders in single-player experiences
- Broadening business model and studio capabilities through diversification of live service offerings
- Evolving IP franchises and portfolio strength by unlocking areas of growth beyond gaming while balancing profitability

Strategically Emphasized Indicators

- PS5® hardware units sold globally
- PlayStation® monthly active users
- Total gameplay hours

PlayStation® Monthly Active Users (MAU)³ (Million accounts)



3. As of March 31, 2025

Monthly Active Users is an estimated total number of unique accounts that played games or used services on PlayStation® during the last month of the fiscal year and is based on company research and may be updated in the future.

Strategic Direction

SIE has grown PlayStation® into a community that continuously entertains players and pushes the boundaries of play. Cherished content, innovative hardware, and compelling service offerings make PlayStation® the Best Place to Play and the Best Place to Publish. This virtuous cycle brings together 124 million players¹ and over 4,000 creators¹ to experience and create over 12,000 titles¹.

Platform Business and Studio Business collaborate closely to ensure players are consistently delighted by PlayStation's diverse library of content and services and moved by PlayStation's world-class storytelling and their own limitless imagination. With this legacy of commitment, SIE remains focused on players and creators with investments in expansive content and advanced hardware, upholding excellence in premium services and PlayStation's evocative stories.

1. As of March 31, 2025

1. Platform Business

PlayStation® continues to deliver sustainable growth and engage its expanding user base with record MAUs, player engagement, and monetization. PlayStation's deep and diverse content catalog and reliable services promote consistent engagement and durable revenues, and the platform business now comprises over two-thirds of total sales of the G&NS segment.

The range of content of PlayStation® Store appeals to all player types and demographics. PlayStation® Plus is a proven and profitable online game subscription service. Curated experiences and valuable features have led to increased adoption of higher-tier memberships. SIE's focus on customization and innovation in consoles and peripherals elevates gamers' experiences with personalized and adaptive features. The PS5® Pro caters to gaming enthusiasts, offering the most visually immersive way to play games on PlayStation®. PlayStation's 30th Anniversary Limited

Edition Console design evokes nostalgia and legacy for veteran gamers. PlayStation Portal™ Remote Player brings the PS5® console experience to the palm of player's hand. PlayStation's personalized content and play-style strategies and ever-growing menu of services continues to enhance player engagement.

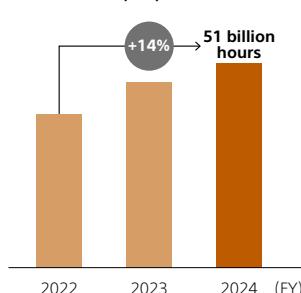
Building on this momentum, SIE plans to continue to strengthen PlayStation®, investing in captivating content, unique service offerings, and exceptional technological innovations while leveraging its vast gaming expertise to deliver an unparalleled PlayStation Experience.

2. Studio Business

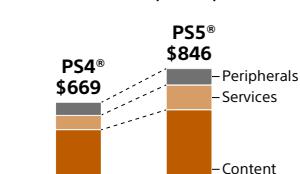
SIE continues to define excellence in interactive storytelling and franchise building. PlayStation's IP remains best in class for single-player games while diversifying into live services and growing beloved franchises beyond the console.

In FY2024, *Astro Bot* swept industry awards amid high acclaim, further building upon PlayStation Studios' IP success. The upcoming release of *Ghost of Yōtei* further demonstrates SIE's commitment to delivering compelling stories.

Total Gameplay Hours



Life-to-Date Spend per Console²



2. Life-to-Date spend represents cumulative spend attributed per active device over the first 5 years of each console lifecycle (LTD to FY2024 for PS5® and LTD to FY2017 for PS4®)

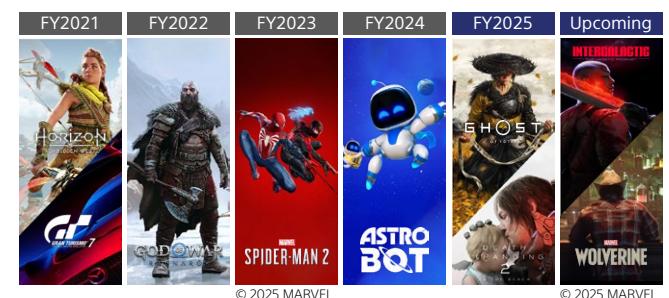
SIE continues to cultivate its live services expertise, showcasing recurring success with *MLB The Show*, *HELLDIVERS 2*, *Gran Turismo*, and *Destiny 2*, and preparing for the eagerly awaited *Marathon*. Expanding PlayStation's IP business in 2025, PlayStation Productions® brought back Emmy-award winning series *The Last of Us*, which was met with positive fanfare, and hit action-comedy series *Twisted Metal*.

SIE's IP business successes are achieved by its transformative focus on robust development cycles and operational efficiencies while continuing to deliver memorable experiences through games and films globally.

Sustainability

SIE has identified the environment, supply chain, safety, accessibility, and community engagement as important topics. For instance, SIE has taken steps to reduce PS5® energy consumption, eliminate plastic packaging from its products, enhance online safety and moderation, and proactively adopt accessibility standards to drive responsible growth.

Continuous Release of Major Titles Through Strong Franchises and New IP



Music

Business Vision

- Be the most artist- and songwriter-friendly and employee-friendly company, committed to the following core values: being creator-first while acting responsibly and transparently
- Drive creative development and optimize artist and songwriter revenue through the integration of music, entertainment, and technology
- Provide competitive advantages for artists and songwriters through multiplatform One Sony collaborations that create high-quality, technology-driven entertainment opportunities unique to Sony





At SMG, we always strive to create high-quality audio and visual content from exciting artists and songwriters globally whilst continuing to build our company in complementary creative and technological directions to this content.

Rob Stringer

Officer in charge of Music Business (Global)
Chairman, Sony Music Group;
CEO, Sony Music Entertainment



As a comprehensive entertainment enterprise, we create new IP based on music, anime and games and leverage our diverse solutions to develop various business globally.

Shunsuke Muramatsu

Officer in charge of Music Business (Japan)
President and Representative Director of the Board,
CEO, Sony Music Entertainment (Japan) Inc.

Understanding the Business Environment

- A marketplace full of diverse content that crosses linguistic, genre, national, and regional boundaries
- Advance of digital transformation and increasing necessity of copyright management reform
- Changing industry players and intensifying competition
- AI as a powerful tool for artists and songwriters in an ethical way

Areas of Focus for Sustainability

- Fostering a culture of respecting diversity
- Valuing the well-being of employees and creators
- Promoting sustainability awareness-raising and social contribution activities using content IP
- Promotion of environmentally friendly packaging and implementation of environmentally conscious events and concerts

Strategic Key Points

1. Recorded Music / Music Publishing

- Invest in and nurture talent and content
- Explore additional strategic investments in key areas of the business
- Strengthen operations in high growth markets and further enhance our catalog
- Sony Group collaboration

Strategically Emphasized Indicators

- Growth in total revenue and streaming
- Increasing market share and chart share
- Profit margin growth
- Growth in emerging market share and revenue
- Numbers of outstanding artists on roster and music catalogs

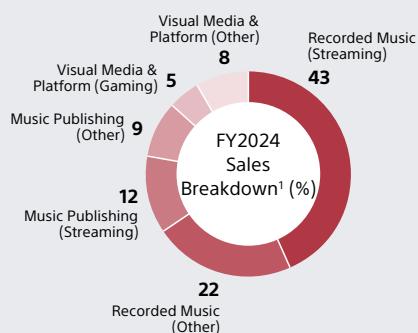
2. Visual Media & Platform

- Develop / acquire IP and maximize value
- Develop outside of Japan
- Sony Group collaboration including Crunchyroll

Strategically Emphasized Indicators

- Growth in total sales and sales outside Japan of the anime business
- Extending the lifetime value of hit game titles

Business Composition



Revenue Sources

- Streaming revenue remains the primary growth driver of the recorded music market
- Creation of long-term stable revenue from our music catalogs in Music Publishing
- The Visual Media & Platform business category has multiple earnings opportunities through IP 360 Extension

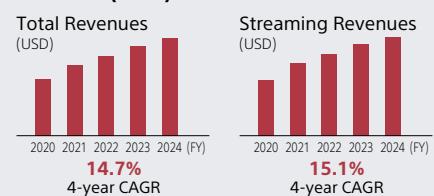
Investment Areas²

- Talent discovery and development (increase presence and expand touchpoints in growth markets)
- Continuous expansion of music catalogs, a highly liquid asset
- Investment in anime IP for development and use in diverse media

1. Sales to external customers

2. Includes expense items that are not capitalized

Growth in Total Revenue and Streaming Revenue (SMG)



FY2024 all-time high;
Up +\$3.9B since FY2020
and exceeded market
growth of 11.3%^{3,4}

3. As of December 31, 2024 (Source: IFPI Global Music Report 2025)
4. As of December 31, 2024 (Source: Music & Copyright)

Outpaced market
growth³; Increased
-\$2.8B since FY2020

Strategic Direction

From its position at the intersection of music, entertainment, and technology, SMG supports its artists and songwriters at the cutting edge of creativity. FY2024 saw SMG beat the growth of the expanding music market to renew record-high revenue for the ninth consecutive year, as well as achieving its highest operating income ever. It has aggressively promoted agreements and investments aimed at strengthening not only its labels and catalogs, but also its merchandising and live music businesses, completing over 100 transactions over the past five years. SMG expects streaming to continue to be the main growth driver going forward, and it will also aim for sustainable growth by expanding revenue opportunities in businesses that complement the growth of an artist's and songwriter's career.

1. Recorded Music / Music Publishing

SMG's artists and songwriters have delivered a continuous stream of hits. SMG is investing appropriately in high-growth markets such as Asia, Latin America, Eastern Europe, and the Middle East, which are currently seeing continuing high levels of development. The Orchard and AWAL have grown into industry-leading

Investing in Our Catalog



companies, and since SMG's acquisition in 2022 of Ceremony of Roses, revenue from the merchandising domain has increased approximately seven-fold.

As the streaming market matures, catalog consumption is expanding into a wider range of methods. It expects to continue to make strategic catalog acquisitions that deliver long-term stable revenue going forward.

SMG is also investing proactively in data and technologies to enable more marketing insights and to strengthen efficiency. In the use of AI, SMG is exploring opportunities for its artists and songwriters that include ethical product development, while working to protect the rights of its creators.

Operating mainly from its base in Japan, SMEJ is working to achieve sustainable growth not from one-hit songs, but by focusing instead on "hit artists," who are able to continue producing a consistent series of hits. Building atop a passionate fan base, SMEJ focuses on leveraging group synergies beyond the master recording business and digital marketing, discovering and developing artists capable of playing in major venues, and adding experience value through live performances and merchandise planning, as well as further promoting overseas development.



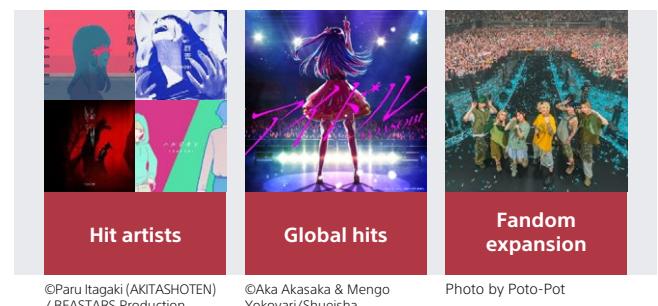
2. Visual Media & Platform

Recently, SMEJ has been diversifying its revenue sources to include anime, games, and solution businesses, building a healthy portfolio. Anime continues to grow strongly, driven by the expanding overseas market. For further business growth, SMEJ is focusing on strengthening partnerships with major publishers and creators, enhancing its planning and production capabilities through anime adaptations of popular manga and through original works, and bolstering its IP development capabilities through collaboration with Crunchyroll. In games, SMEJ is working to maximize the lifetime value of titles such as *Fate/Grand Order*, while also creating new hit titles.

Sustainability

SMG works alongside its peers, suppliers, and artists to reduce environmental impact. It is also working to provide support for employees, artists and songwriters, and promote social contribution activities. SMEJ is promoting projects that support the mental and physical well-being of artists and staff across the Japanese entertainment industry, while also raising awareness through events and driving digital transformation (DX) for sustainability on the front lines of anime production.

Examples of Enduring "Hit Artist" (YOASOBI)



Pictures

Business Vision

Produce and distribute world-class movies, television, and video content to consumers across the globe





In the midst of tremendous change in the entertainment industry, SPE has remained stable and continues to deliver strong results. Our differentiated strategies both in how and where we choose to do business have supported this stability, and we will build on this momentum by continuing to invest in key areas of growth.

Ravi Ahuja

Officer in charge of Pictures Business
President and CEO, Sony Pictures Entertainment Inc.

Understanding the Business Environment

- Challenges in the entertainment industry continue following lingering COVID pandemic impacts and historic labor negotiations and strikes in FY2023
- Transformative changes in the industry's economic, production, and delivery models driven by the streaming revolution (emphasis on profitability)
- Geopolitical challenges remain a concern, such as the existence of markets where theatrical releases are difficult

Areas of Focus for Sustainability

- Strengthening the pipeline for diverse stories and talent from a variety of backgrounds
- Undertaking initiatives for zero environmental footprint across film and TV operations to combat climate change and conserve resources
- Raising awareness for sustainability using content IP

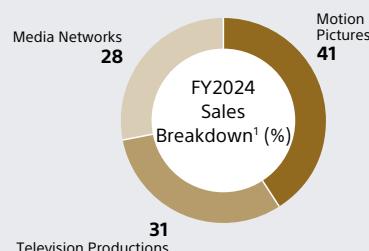
Strategic Key Points

- Commitment to theatrical releases and development of strong IP franchises**
- Leveraging strengths as an independent production studio to capitalize on diverse IP**
- Investment in fandom communities**
- Sony Group collaboration**

Strategically Emphasized Indicators

- Number of feature film productions
- Number of television productions
- Crunchyroll paid subscriber growth

Business Composition



Revenue Sources

- Pursue value maximization through the development and utilization of content IP
- Motion Pictures/Television Productions: Box office revenue/commission fees and distribution/licensing revenue
- Media Networks: Viewer fees and advertising fees, along with recurring revenue from Crunchyroll

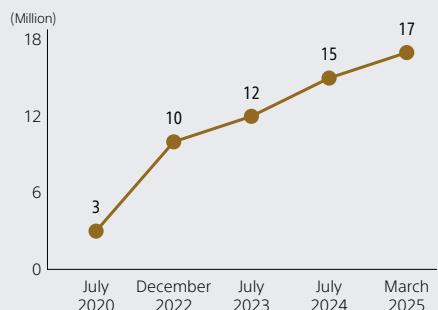
Investment Areas²

- Content production (capitalized as deferred film production costs and TV broadcasting rights)
- Acquisition of TV broadcasting rights and digital distribution rights
- Promotion of experiential entertainment initiatives

1. Sales to external customers

2. Includes expense items that are not capitalized

Crunchyroll Paid Subscriber Growth³



3. Includes Funimation subscribers from December 2022

Strategic Direction

The entertainment industry is in an extended period of transformation. The market is facing uncertainty and instability due to the impacts of the pandemic and historic labor negotiations, tariff and geopolitical issues, and changing media consumption patterns among the young generation. In this environment, SPE has recorded solid results on the strength of its differentiated strategies. SPE's commitment to theatrical releases and unique position as an independent content supplier that works with any and all partners remains a strong competitive advantage among industry peers, as does its prominence in high fan engagement areas like anime and game shows. Looking ahead, SPE plans to focus on its partnerships with the best creators in the industry, investment in the fandom communities, appealing to younger audiences, and a renewed focus on the growing Indian market.

1. Commitment to Theatrical Releases and Development of Strong IP Franchises

SPE has delivered excellent results from both its wealth of IP franchises and original productions. FY2024 was another successful year, with hits including *Venom: The Last Dance*, *Bad Boys: Ride or Die*, and *It Ends with Us*. Backed by strong execution

capabilities at the box office and highly rated marketing, SPE has continued to make production deals with many world-famous film directors, and it has a number of major productions planned for leading franchises, including the scheduled releases of *Spider-Man: Brand New Day* in July 2026 and the final chapter of the *Spider-Verse* animated trilogy in 2027.

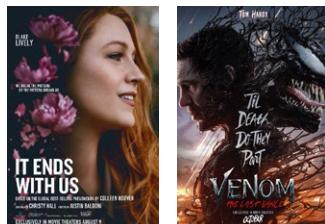
2. Leveraging Strengths as an Independent Production Studio to Capitalize on Diverse IP

SPE's status as an independent studio has enabled it to focus on high-quality storytelling that features in productions of popular series such as *The Night Agent*, *Cobra Kai*, and *The Boys*, as well as a successful TV adaptation of game IP with *Twisted Metal*. The consistently top-rated TV entertainment programs *Wheel of Fortune* and *Jeopardy!* also continue to capture high audience ratings. SPE plans to continue to create appealing content around a wide range of IP.

3. Investment in Fandom Communities

In the anime field, which is expected to continue expanding rapidly, Crunchyroll continues to grow, with over 17 million subscribers as of the end of March 2025. Collaboration with Sony Group businesses is accelerating, including the anime adaptation of the game IP

Motion Pictures: Box Office Earnings from Popular Productions*



\$350M

\$479M

\$405M

\$261M

\$51M

* As of August 13, 2025 (Source: Sony)

TV Productions: Franchises and Popular Productions



Ghost of Tsushima: Legends. In addition, Crunchyroll is developing a range of services for building fandom communities, including e-commerce, mobile game library services, and manga apps.

4. Sony Group Collaboration

Business collaboration with G&NS, Music, ET&S, and other segments has already proven to be a growth driver. For example, in adapting game IP for film and television, over 10 productions are already under way. In the area of technologies that support creative activity, SPE is also strengthening Group collaboration and making proactive investments. Advanced visualization facility Torchlight, which was officially announced in 2024, continues to evolve, and Pixomondo has developed a cutting-edge vehicle processing ecosystem, PXO AKIRA.

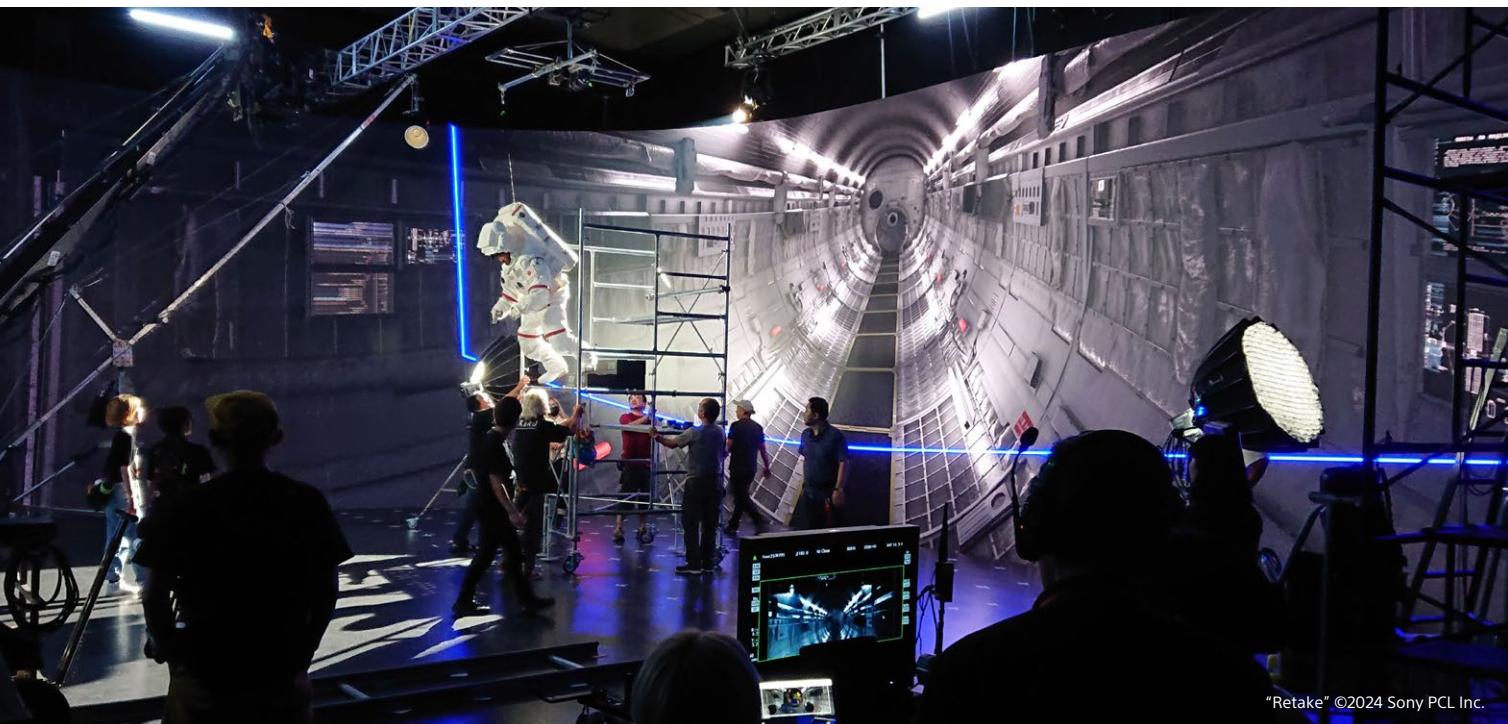
Sustainability

SPE remains committed to delivering high-quality entertainment to global audiences through its growing pipeline of diverse stories and creative talent. It also focuses on implementing sustainable production, including GHG emissions reduction and the use of renewable energy. For example, over the past five years from FY2019 to FY2024, SPE has reduced energy consumption by over 13% at its location in Culver City in the United States.

Entertainment, Technology & Services

Business Vision

Create the future of
entertainment through
the power of technology
together with creators



"Retake" ©2024 Sony PCL Inc.





We aim to leverage our creation technologies for the pursuit of new entertainment and a future full of *Kando* together with creators.

Kimio Maki

Officer in charge of Entertainment,
Technology & Services Business
Representative Director, President and CEO,
Sony Corporation

Understanding the Business Environment

- Ongoing geopolitical risks and policy changes regarding the environment and human rights
- Uncertainty regarding tariff policies and the global economy
- Changes in consumer behavior due to normalization of anxiety and growing influence of social media
- Increasing complexity of content production and rise of generative AI, changes in relationships between humans and machines due to AI agent technology, etc.

Areas of Focus for Sustainability

- Increasing the use of circular materials, practical implementation of material-to-material recycling, continued 100% renewable electricity used in our operations
- Focus on inclusive design, product development and service provision with consideration for accessibility
- Building an environment in which diverse employees can thrive
- Addressing human rights risks in the value chain

Strategic Key Points

1. Structural Reforms/Transformation

Reduce volatility through structural reforms and promote business transformation to focus on creation fields

2. Area Expansion

Expand business area while enhancing stable revenue and profit base

3. Business Growth/Generation

Evolve business model and create new business by expanding investments, including in human resources

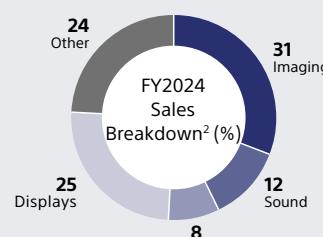
Strategically Emphasized Indicators

Mid-term targets (FY2027):

- Operating income margin of 10%
- Free cash flow (FCF) of 160 billion yen
- 80% of operating income from the creation business¹

1. Imaging business, Sports business, New Content Creation business, and Sound business (professional audio, etc.)

Business Composition



2. Sales to external customers

3. Includes expense items that are not capitalized

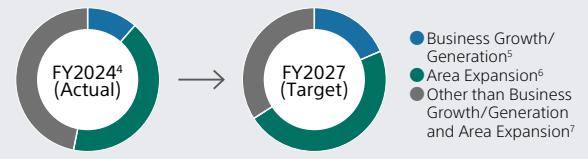
Revenue Sources

- Earnings driven by high-value-added products such as mirrorless interchangeable-lens cameras and headphones
- Secured stable earnings by appropriately handling externally driven supply/demand fluctuations through comprehensive operations, from development to production, distribution, and sales

Investment Areas³

- R&D investment in creation technology and high-value-added products
- Investment in growth areas such as the sports business
- Capital expenditures mainly consist of recurring investments within the scope of depreciation

Sales Breakdown



Share of Business Growth/Generation and Area Expansion
Increase of 10 or more points

4. In FY2024, Business Growth/Generation and Area Expansion business accounted for 54% of sales in the ET&S segment.

5. Sports business, New Content Creation business, Network Services business, Life Science business, etc.

6. Imaging business and Sound business

7. Display products including TVs, Smartphone business, Home Audio business, etc.

Strategic Direction

The ET&S segment delivers *Kando* to people around the world, based on its mission to "Create the future of entertainment through the power of technology together with creators."

To achieve this, the segment has set its business direction of "establishing a business structure for maintaining profitability and growth strategy," and the business goals of "enhancing corporate value" and "generating cash." Having established its key measures as "reducing volatility," "accelerating growth," and "strengthening sustainability," the segment will aim for further evolution based on the strategies established for each of the following three categories. In terms of business figure targets, the segment aims to increase the share of the highly profitable Area Expansion and Business Growth/Generation categories by 10 or more points from FY2024 to FY2027, accelerating the shift in its business portfolio. By FY2027, the segment aims to see an operating income margin of 10% and FCF of 160 billion yen.

1. Structural Reforms/Transformation: TV/Smartphone Business

The segment plans to conduct extensive structural reforms and transform its business to focus on creation fields, advancing efforts to increase profit levels and reduce volatility, thereby controlling risk. During FY2026, the segment plans to complete major structural reforms, such as reorganization of the sales structure and optimization of manufacturing sites.

2. Area Expansion: Imaging Business/Sound Business

The segment aims to achieve further growth by enhancing its stable revenue and profit base and expanding its business area. In the Imaging business, the segment plans to enhance the expressive capabilities of increasingly diverse creators through initiatives such as advancing imaging technology through the development of proprietary sensors with the I&SS segment and expanding its lineup of innovative lenses, thereby reinforcing recurring businesses. The segment aims to also expand its highly profitable solutions business in areas such as 3D content, live

streaming, and remote shooting, driving the diversity of the imaging industry and output from new creators.

In the Sound business, the segment plans to collaborate with Grammy Award-winning creators and enhance its product appeal by advancing technologies such as noise cancelling to increase the sound experience value even further. The segment plans to also expand its lineup of professional products, such as microphones, and deploy its solutions, including the 360 Virtual Mixing Environment, which reproduces the acoustic field of an immersive audio studio with high precision, in diverse sectors including films, video games, and anime, in order to expand its business area.

3. Business Growth/Generation: Sports/New Content Creation Business, etc.

The segment plans to accelerate its overall portfolio shift by boosting investments, including in human resources, evolving its business models, and creating new businesses.

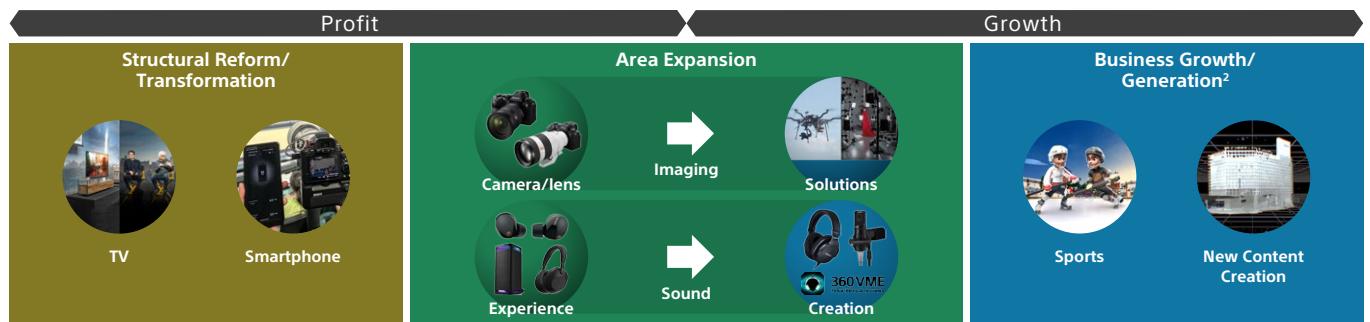
In the Sports business, the segment aims to provide Hawk-Eye's officiating support services, create new entertainment through alternative broadcasts using the visualization technology

of Beyond Sports, and plans to expand into the biomechanics field with athlete performance enhancement and injury prevention through synergies with KinaTrax. In the New Content Creation business, the segment aims to create a new creation industry utilizing the technology of creative tools that enable spatial capturing and real-time application of captured data in production.

Sustainability

The segment is focusing its efforts on the three areas of the environment, accessibility, and diversity. Regarding the environment, the segment is promoting implementation of material-to-material recycling of plastic in TVs, aiming to reduce its environmental impact to zero by 2050. In addition, the segment plans to continue to use 100% renewable electricity in its own operations. In the area of accessibility, the segment plans to strengthen its inclusive design activities through collaboration with creators with disabilities. In efforts to promote diversity, the segment plans to accelerate initiatives to resolve the gender gap in Japan, which is an ongoing social issue, and create an environment in which diverse employees can thrive.

ET&S Business Portfolio¹



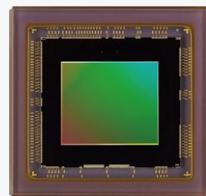
1. Mainly major businesses related to creation are listed.

2. In addition to Sports and New Content Creation related to creation, the Business Growth/Generation area also includes businesses such as Network Services, Life Sciences, etc. that are not related to creation.

Imaging & Sensing Solutions

Business Vision

Spark people's imaginations and enrich society by providing inspiring, intelligent, and reassuring solutions that push the boundaries of image quality and cognition with transcendent imaging and sensing technologies





Under the corporate slogan, "Sense the Wonder," we will work with various stakeholders, aiming to create new value, spark people's imaginations, and enrich society through the evolution of imaging and sensing technologies.

Shinji Sashida

Officer in charge of
Imaging & Sensing Solutions Business
Representative Director,
President and CEO,
Sony Semiconductor Solutions Corporation

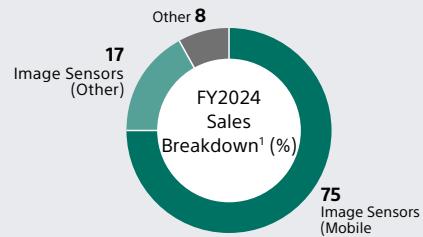
Understanding the Business Environment

- Impact of tariff policies, geopolitical risks, and uncertain macro-economic trends
- Increased government policy support for the semiconductor industry in countries around the world
- Spread of video usage on mobile devices
- Increased ability to recognize the environment around vehicles with the advancement of smart-car technology
- Increased need for input information that contributes to AI value creation with the spread of AI

Areas of Focus for Sustainability

- Reducing GHG emissions in the semiconductor manufacturing process
- Recharging groundwater to preserve water resources
- Contributing to the environment and accessibility through imaging and sensing technologies
- Building an environment in which diverse employees can thrive
- Developing talent in the semiconductor industry through collaboration with the industry, governments and academia, and acquisition of talent
- Addressing human rights risks in the value chain

Business Composition



Revenue Sources

- Image sensors for mobile products are a main overall earnings driver
- Expanding applications beyond mobile to camera, industrial and social infrastructure, and automotive fields

Investment Areas²

- Continuous capital investment in image sensors
(Through investment optimization, capital investment in the 5th mid-range plan is expected to be reduced compared to the 4th mid-range plan, with approximately half of the total investment relating to the introduction of advanced processes.)

Strategic Key Points

1. Growth-Driving business area

Continue to strengthen technological capabilities and invest in growth to win through competition

2. Profitable business area

Maintain and strengthen high competitiveness to achieve stable profit contribution

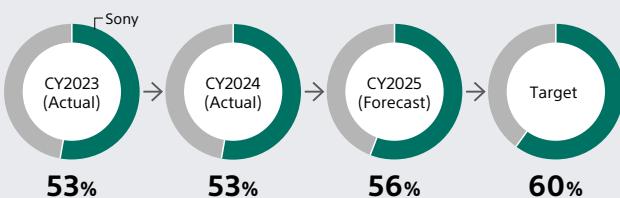
3. Strategic business area

Conduct business operations that are focused and disciplined while cultivating with a long-term perspective

Strategically Emphasized Indicators

- Global image sensor market share by revenue
CY2025 forecast: 56%
- ROIC
FY2025 forecast: 10.4%
Mid-term target for FY2027-FY2029: 12-15%

Image Sensor Share (by Revenue)³



3. Excludes fingerprint sensors (Source: Sony)

Strategic Direction

Under the fifth mid-range plan (FY2024–FY2026), the I&SS segment's basic strategy is growth with profitability. The segment is working on business growth and profitability improvement, while operating its businesses to enable the generation of continuous free cash flow. The market environment for the segment's mainstay image sensor business is experiencing high levels of uncertainty, but the business is on a continued growth trajectory in the mid- to long-term, driven by expanding creation with video. The segment sees opportunities for growth by expanding creative possibilities and creating user experience value through the evolution of sensor characteristics needed for improved video performance.

The segment will continue to focus on ROIC as a profitability indicator, and plans to achieve the mid-term target for FY2027–FY2029 by improving the profitability of mobile image sensors through higher density and securing profit contribution from strategic business areas. The segment plans to also strive to improve the invested capital turnover ratio by reducing the burden of capital investments through various initiatives. In addition, the segment plans to improve its financial position by increasing the quality of its profits and funding investment within the range of the cash flow generated by its businesses.

1. Growth-Driving Business Area

In the area of mobile image sensors, the segment plans to continue to strengthen technological capabilities and invest in growth to facilitate competitive strength and drive growth of the overall I&SS segment. The recent trend of increasing sensor size has contributed to the evolution of image sensor characteristics and is expected to continue going forward. An additional trend that is expected to drive further evolution of characteristics is increasing density. Higher density is realized by process node adaptation through a newly commissioned advanced process

technology, and by multi-layered stacking (three layers), which has been achieved through the evolution of the I&SS segment's strengths in stacking technology. The segment will aim to achieve further business growth by harnessing these two technologies to increase the value of its sensors.

2. Profitable Business Area

The segment plans to work to maintain and strengthen its competitiveness in image sensors for cameras as well as for industrial and social infrastructure, with the aim of achieving stable earnings contributions. With regard to image sensors for interchangeable-lens cameras, in particular, the segment's global shutter technology has garnered strong interest within the industry, and it is promoting further development through close collaboration within the Group. The segment plans to also capture new earning opportunities by utilizing mobile image sensors for new types of cameras, such as handheld cameras.

3. Strategic Business Area

The segment is cultivating strategic business areas as future business pillars with a long-term perspective by conducting business operations that are focused and disciplined.

The segment plans to advance the comprehensive sensor characteristics of its automotive image sensors and strengthen

I&SS Business Areas

Growth-driving business area	Profitable business area	Strategic business area
Mobile	Camera Industrial/Social infrastructure (Industry/ Security, etc.)	Automotive <u>Analog</u> Display device System solution

Underlined sections are other than image sensors

its market position. In FY2026, the segment expects to achieve a market share of 43% by revenue, and to achieve profitability in this business during the fifth mid-range plan. In semiconductor lasers for Heat-Assisted Magnetic Recording (HAMR), which dramatically increases recording densities for hard disk drives, the segment plans to monitor trends in the data center market going forward, while steadily expanding the customer base to achieve mid- to long-term growth.

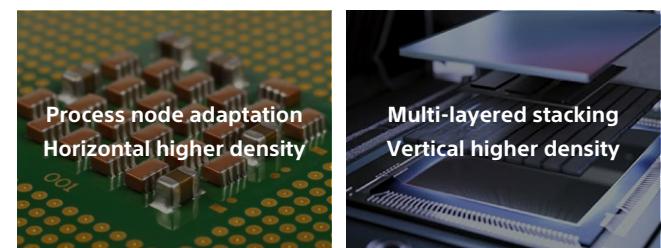
Initiatives for Intellectual Property and Standardization

In collaboration with Sony Group Corporation, the segment is strategically promoting industry cooperation and rule-making initiatives for international standardization. These efforts represent a key factor in strengthening our business competitiveness and achieving sustainable growth through intellectual property and standardization strategies.

Sustainability

The I&SS segment has formulated the "Sustainability Compass," which sets out a vision with "Social Vision Seven" that it aims to achieve by 2030 for the environment, society, and people. Guided by this compass, the segment plans to continue to promote initiatives utilizing technologies from the perspectives of responsibility and contribution.

Mobile Image Sensors: Two Technologies Supporting Higher Density



Corporate Governance

- Messages from Outside Directors
- Board of Directors
- Strengthening Corporate Governance



Message from the Chair of the Board and Chair of the Nominating Committee

Wendy Becker

Outside Director

Review of FY2024

Under the leadership of the former Chair, Mr. Hatanaka, the Board of Directors in FY2024 reviewed timely reports from management on the Group's overall business status, focusing on the progress of the fifth mid-range plan. While our consolidated operating income has reached a record high, we are not complacent. We find ourselves in a rapidly changing and uncertain environment, and as such, we regularly monitor the management team's responses to significant risks such as geopolitics and cybersecurity.

The fifth mid-range plan, which is central to our monitoring, is built around the Creative Entertainment Vision. This is CEO Totoki's long-term vision to create and maximize the value of content IP as a source of *Kando* (emotion), and it has the full support of the Board of Directors. Recognizing our true strength in creating synergies through our diverse businesses and considering the balance between capital efficiency and shareholder returns, we have held extensive discussions on key growth strategies. These include strategies for the entertainment businesses and image sensor business and capital allocation to drive the growth of these businesses. We also reviewed the opportunities and risks presented by the evolution of AI and the progress of our collaboration in the mobility space with Honda Motor Co., Ltd. Additionally, our visit to an animation studio in Japan was a valuable experience to understand the strategies. Based on these discussions, we believe that our support for approximately 514 billion yen in strategic investments during FY2024, the first year of the fifth mid-range plan, including our investment in KADOKAWA CORPORATION this January, was extremely significant for achieving future growth.

The business portfolio is also a key area of focus for the Board. We support management's decision that the partial spin-off of the Financial Services business is the desirable option for the growth of both the Financial

Services business and our other five businesses. In preparation for this spin-off, in FY2024 we reviewed the validity of the growth strategy for the Financial Services business, and on September 3, 2025, the Board resolved the execution of the spin-off.

CEO Succession

In reviewing FY2024, the transition of the CEO from Mr. Yoshida to Mr. Totoki and the subsequent shift to a new management structure was a crucial point for the Board of Directors and the Nominating Committee. While the Nominating Committee continuously reviews the CEO succession plan, it conducted multifaceted reviews and discussions on the proposal after receiving it from Mr. Yoshida to recommend Mr. Totoki as CEO. Furthermore, we held multiple sessions for all directors, not just the members of the Nominating Committee, to discuss the matter, leading to a unanimous resolution by the Board of Directors in January 2025 to approve this change.

While I believe that the Nominating Committee and the Board of Directors should primarily be actively involved in CEO appointments, and that the formation of the management team should generally respect the CEO's views, a thorough review from stakeholders' viewpoints is necessary. From FY2024 to FY2025, there were leadership transitions in the G&NS, Pictures, and I&SS business segments, as well as the appointment of Chief Officers who support the CEO and oversee broad corporate functions at Sony Group Corporation. We have supported these transitions and appointments after thoroughly listening and challenging Mr. Totoki's perspective and after the Board and the Nominating Committee reviewed their track records.

Looking Ahead Toward FY2025

In June 2025, a new Board of Directors was launched with myself as Chair, joined by three new outside Directors: Ms. Goto, Ms. Denzel, and Mr. Hyodo. The committee structure has also been renewed, and I am serving as Chair of the Nominating Committee as well.

The business environment surrounding Sony will undoubtedly continue to change. As a Board, we will continue to monitor the progress of the fifth mid-range plan and our responses to risks. However, our most important role is to engage in deep dialogue with our new management team on measures for long-term growth and value creation, including acceleration of AI usage. The Nominating Committee will focus on deepening management succession planning to ensure we always have the right leadership for the future.

Ultimately, the Creative Entertainment Vision is brought to life every day by our talented employees and creators around the world. As Chair, I am truly excited to lead this Board and support our new management team and am fully committed to helping enhance the sustainable corporate value of the Sony Group as "a creative entertainment company with a solid foundation of technology."



Message from the Chair of the Audit Committee and a Director in Charge of Information Security

Joseph A. Kraft Jr.

Outside Director

In FY2024, the Audit Committee's key themes were non-financial information disclosure, risk management, and subsidiary management. The committee conducted its audit activities by receiving reports from, and continuously exchanging opinions with, the internal control department of management, the internal audit departments of headquarters and each business domain, and the independent auditor. Specifically, the committee discussed the audit status of newly acquired subsidiaries with the internal audit department and confirmed plans to strengthen governance. The committee also intensively discussed measures for the partial spin-off of the Financial Services business. In FY2025, the committee will focus more on reports from the management and the independent auditor, exchanging opinions with them, and dialogue with the management team and conduct effective auditing in response to changes in the business portfolio including the partial spin-off of the Financial Services business. We will strive to increase the quality of our audit activities so that governance will be maintained and strengthened under the new management, and the integrity of financial reporting will be assured.

Threats in cyberspace continue to grow year by year and have become one of the biggest risk factors companies face throughout the world. Various cyber threats, such as advanced use of AI, ransomware attacks, and the expansion of supply chain attacks are increasingly intensifying. As Directors in charge of information security, we worked on increasing awareness of the crisis regarding cyber risks at the Board of Directors and among the management team by visualizing and presenting the implementation status of important security controls, coordinating with organizations responsible for information security. Sony's Purpose is to "fill the world with emotion, through the power of creativity and technology," and it is vital that Sony remains a trusted presence also in the digital space. In FY2025, we will continue to focus on contributing to the maintenance and enhancement of an effective information security system to uphold the trust placed in us by diverse stakeholders including customers and investors.



Message from the Chair of the Compensation Committee

William Morrow

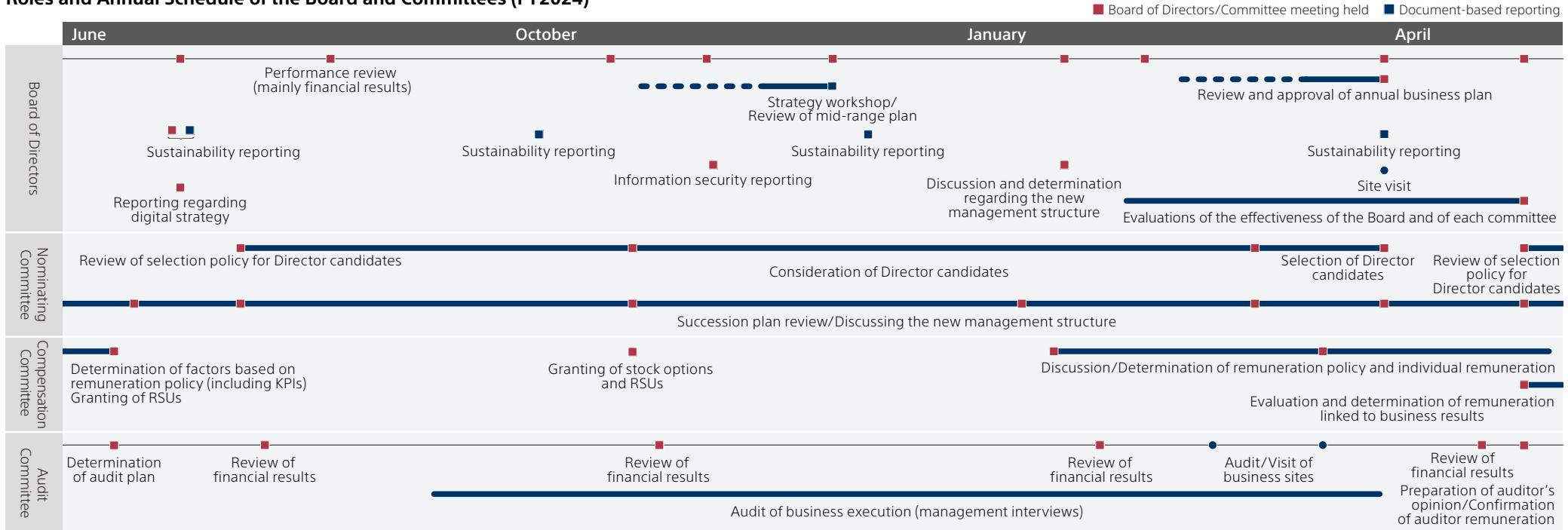
Outside Director

Since I assumed the position of Director in 2023, I have been involved in various activities as a member of the Board of Directors for two years. The environment surrounding Sony is constantly evolving, with increasing geopolitical and cybersecurity risks, significant technological innovations such as generative AI and the rapid expansion of its application, and I feel that the agenda we need to address are also increasing. In FY2024, the first year of the fifth mid-range plan, I believe we had tense yet exciting discussions with the management team regarding the progress of the plan, maximizing IP value for Sony's further growth, strategic investments, and synergies among various businesses. In FY2025, I aim to contribute to effective oversight of management, as well as supporting the realization of the Creative Entertainment Vision, by engaging in discussions with other Directors and the management team through opportunities such as Board of Directors meetings, outside Directors' meetings, and site visits.

In June 2025, I was appointed Chair of the Compensation Committee. Sony's executive remuneration is, in principle, comprised of fixed remuneration, remuneration linked to business results ("bonus"), and stock-based compensation. It is designed to serve as an incentive for both short-term performance and the mid- to long-term enhancement of corporate value, by aligning our efforts with the expectations of our shareholders and various stakeholders, including our communities and employees. In FY2024, the Compensation Committee revised the evaluation metrics for the bonus in accordance with the financial targets for the fifth mid-range plan. The committee also discussed and determined the compensation structure and levels under the new management structure effective April 1, 2025. The committee also conducted a comprehensive review of and discussion on its policy regarding use of stock-based compensation with consideration of other companies' trends in Japan and other countries for FY2025 and beyond. In FY2025, we expect to continue designing of the bonus structure under uncertain global conditions, as well as review mid- to long-term incentives aiming for further enhancement of corporate value, which will in turn continue to support further growth of Sony.

Board of Directors

Roles and Annual Schedule of the Board and Committees (FY2024)



Board of Directors: Determines Sony's fundamental management policies, and oversees the management of Sony's business operations. As part of this role, the Board of Directors (the "Board") has the authority to (i) appoint/dismiss statutory committee members, and (ii) appoint/dismiss and/or conduct oversight of appointment/dismissal of Senior Executives. In addition, in order to improve Directors' understanding of Sony businesses so that the Board can effectively perform its oversight role, the Board has conducted events such as two-day Corporate Strategic Workshops and business site visits. The Board also periodically receives reports on and discusses the risks that may impact Sony's businesses such as information security and oversees them.

Nominating Committee: Determines the content of proposals regarding the appointment/dismissal of Directors to be submitted for approval at the General Meeting of Shareholders, and evaluates management succession plans for the CEO and other executives.

Compensation Committee: Sets policy on the content of compensation for Directors, Senior Executives and other officers, and also determines or oversees the determination of their individual compensation in accordance with such policy.

Audit Committee: Monitors the performance of duties by Directors and Corporate Executive Officers, and oversees and evaluates the independent auditor.

Board of Directors (As of June 24, 2025)**1** Kenichiro Yoshida**2** Hiroki Totoki**3** Wendy Becker**4** Keiko Kishigami**5** Joseph A. Kraft Jr.**6** Neil Hunt**7** William Morrow**8** Shingo Konomoto**9** Yoriko Goto**10** Nora Denzel**11** Masayuki Hyodo

As of June 24, 2025

Name	Position/Principal Activities Outside Sony	Years as Director	Committee Membership/Assignment				Experience, Expertise, Etc.					
			Audit Committee Member	Nominating Committee Member	Compensation Committee Member	Director in Charge of Information Security	CEO or Equivalent Position of Business Enterprise	Global Business	Diversity (Gender/Nationality)	Engineering/IT/Technology	Sony Group Business Segment/ Relevant Industry	Finance/ Accounting
1 Kenichiro Yoshida	Chairman, Representative Corporate Executive Officer	11	—	—	—	—	●	●	●	● ²	●	●
2 Hiroki Totoki	President and CEO, Representative Corporate Executive Officer	6	—	—	—	—	●	●	●	● ²	●	●
3 Wendy Becker ¹ (Chair of the Board)	Chairperson of the Board, Logitech International S.A. Independent Non-Executive Director, Chair of Remuneration Committee, GSK plc	6	Chair				●	●	●		(Telecommunications Service/ Consumer Goods)	●
4 Keiko Kishigami ¹	Certified Public Accountant in Japan Board Member, WWF Japan	5					●	●		●		●
5 Joseph A. Kraft Jr. ¹	CEO, Rorschach Advisory Inc.	5	Chair				●	●		●	(Financial)	●
6 Neil Hunt ¹	Chief Product Officer, Vibrant Planet, PBC Board Member, Roku, Inc. Former Chief Product Officer, Netflix, Inc.	2					●	●	●	●	(Entertainment/ IT/Software)	●
7 William Morrow ¹	CEO, DIRECTV Entertainment Holdings LLC	2		Chair			●	●	●	●	(Telecommunications Service/ Entertainment)	●
8 Shingo Konomoto ¹	Chairman, Member of the Board, Nomura Research Institute, Ltd.	1					●	●	●	●	(IT)	●
9 Yoriko Goto ¹	Certified Public Accountant in Japan Former Board Chair, Deloitte Tohmatsu Group and Deloitte Touche Tohmatsu LLC	Newly appointed					●	●				●
10 Nora Denzel ¹	Outside Director, Gen Digital Inc. Lead Independent Director, Advanced Micro Devices, Inc. Former Senior Vice President of Big Data, Intuit Inc.	Newly appointed					●	●	●	●	(IT/Software/ Semiconductor)	●
11 Masayuki Hyodo ¹	Chairman of the Board of Directors, Sumitomo Corporation	Newly appointed					●	●		●		●

1. An outside Director who satisfies the requirements under Article 2, Item 15 of the Companies Act of Japan

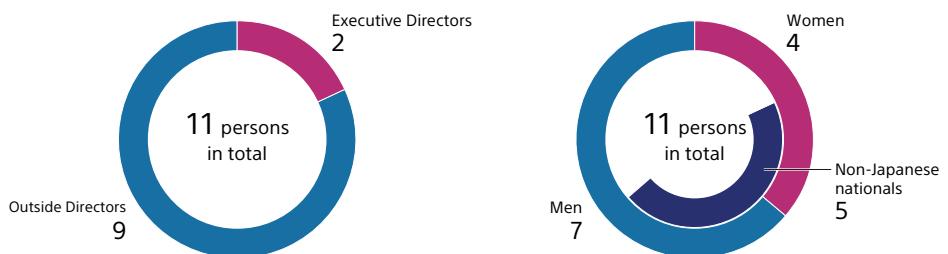
2. Executive Directors Kenichiro Yoshida and Hiroki Totoki have comprehensive knowledge of each business within the Sony Group and play important roles in developing and executing the overall management strategies of the Sony Group.

Policy Regarding Composition of the Board

With a view toward securing effective input and oversight by the Board, the Nominating Committee reviews and selects candidates for the Board with the aim of assuring that a substantial part of the Board is comprised of qualified outside Directors that satisfy the requirements established by Sony and by law. The Nominating Committee selects candidates that it views as well-suited to be Directors in light of the Board's purpose of enhancing Sony's corporate value. The Nominating Committee broadly considers various relevant factors, including a candidate's capabilities (such as work and other experience, achievements and expertise), availability, and independence, as well as diversity (including gender and internationality) in the boardroom, the appropriate size of the Board, and the knowledge, experience and talent needed for the role.

Under the Board Charter, Sony Group Corporation also requires that the Board consist of at least 8, but no more than 14, Directors. In addition, since 2005, the majority of the members of the Board have been outside Directors. As of June 24, 2025, the Chair of the Board and all members of the Audit Committee, the Nominating Committee and the Compensation Committee are outside Directors.

Composition Ratio of the Board



Reasons for Specification of the Experience, Expertise, etc. Required of Directors of the Corporation

Experience, Expertise, Etc.	Reason for Specification
CEO or equivalent position of business enterprise	As the Board is required to comprehensively oversee the management of the Sony Group, the Corporation believes that experience and knowledge in corporate leadership as a top executive are important, and therefore specified this criterion.
Global business	As the Sony Group has developed all its businesses globally and has headquartered more than half of its main business segments in the U.S., the Corporation believes that management experience and insight developed in companies with global operations are important, and therefore specified this criterion.
Diversity (gender/nationality)	As the Sony Group operates diverse businesses, the Corporation believes that it is important to appoint Directors with various backgrounds, including gender and nationality, to oversee management from multiple perspectives, and therefore specified this criterion.
Engineering/IT/technology	As the Corporation brands itself as "a creative entertainment company with a solid foundation of technology," the Corporation believes that experience and knowledge in technological research and development, as well as in the development of products and services using IT/digital technologies, are important, and therefore specified this criterion.
Sony Group business segment/ Relevant industry	As the Board is required to evaluate the restructuring of the Corporation's business portfolio, as well as supervise the Sony Group's main businesses segments, the Corporation believes that experience and knowledge related to its businesses or its relevant industries are important, and therefore specified this criterion.
Finance/accounting	As the Board is required to supervise the Sony Group's financial strategies and accounting practices effectively, the Corporation believes that experience and knowledge in finance and accounting are important, and therefore specified this criterion.
Risk management/ Government relations	As the Board is required to oversee responses to major changes in the environment surrounding the Sony Group including geopolitical risks, information security, the rise of new technologies such as AI, global environmental challenges and social division, the Corporation believes that experience and knowledge in risk evaluation and management as well as experience and knowledge in government agencies/NGOs/specialized institutions are important, and therefore specified this criterion.

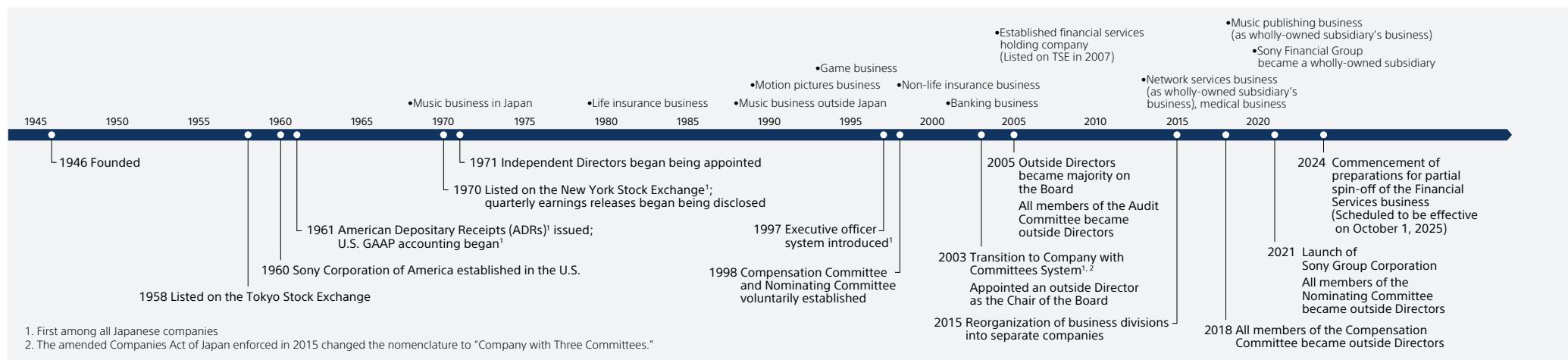
Governance at Sony

Historically, Sony has consistently focused on effective Group management by evolving its governance while diversifying its businesses, the regions it serves and its capital procurement methods. Sony therefore sees corporate governance as the basis for management that improves corporate value over the medium- to long-term as highly important, not simply as a response to legal requirements or social trends.

To realize Sony's Purpose and achieve sustainable corporate growth, Sony continuously strives to operate the Sony Group effectively by maintaining objective, transparent and sound management and realizing timely and efficient decision-making.

Sony clearly separates its management and oversight functions, and enhances the independence of the Board and its functions as an oversight organization to ensure objective, transparent and sound management. In addition, Sony enables timely and efficient decision-making by largely delegating authority for conducting Sony's business operations from the Board to the management team.

Evolution of Governance Along with Diversification of Businesses



Sony's Governance System (Monitoring Model): Separation of Management and Oversight

Enhancing the Independence and Oversight Functions of the Board

- Adopted the "Company with Three Committees" system in 2003
- 9 out of 11 members of the Board are outside Directors
- Appointed an outside Director as Chair of the Board
- All members of the Audit Committee, the Nominating Committee and the Compensation Committee are outside Directors
- Additional independence requirements and re-election limit for outside Directors*

* In principle, re-election is limited to five times. Thereafter, re-election requires a resolution of the Nominating Committee and the consent of all of the Directors. Even with the consent of all of the Directors, in no event may any outside Director be re-elected more than eight times.

Delegation of Authority

The Board has the authority to determine fundamental management policy, and ensures timely decision-making by largely delegating its authority for business operations to the management team.

Continuously Improving Governance

Sony's governance is a continuously evolving management system. Sony has conducted evaluations of the effectiveness of the Board and of each committee ("Evaluation") annually since 2015. A third-party outside counsel conducted the Evaluation in respect of the Board and committee activities in FY2024,

Major efforts to improve effectiveness of the Board and committees (FY2024)

- Monitoring the progress of the fifth mid-range plan and long-term growth strategy
- Deepening discussion and supervision over focus areas, including growth through IP value maximization and technology platform supporting IP value maximization
- Risk management, including cybersecurity and economic security/geopolitical risks
- Engagement with external investors

Operation policy and priority matters of the Board and committees (FY2025)

- Monitoring the progress of business portfolio and capital allocation
- Deepening discussion and supervision over initiatives toward the Creative Entertainment Vision
- Responding to risks that could affect the management plan, including cybersecurity and economic security/geopolitical risks
- Selection of Director candidates to ensure diversity/continuity of the Board
- Further consideration of the use of stock-based compensation and strengthening remuneration governance measures
- Audit Committee to ensure effective cooperation with management side and appropriate relationships with the accounting auditor and internal audit department

and reported that the Board is established and operated in a manner sufficient to be highly evaluated, based on various points, including the self-evaluation results of the Directors and comparison with benchmarked companies in Japan and the United States. Following discussion and analysis based on the Evaluation, the Board affirmed that the Board and each committee were functioning effectively.

Major efforts to improve the effectiveness of the Board and committees for FY2024 and operation policy and priority matters of the Board and committees for FY2025 based on the results of the Evaluation are as described in the left chart. Sony aims to continuously take appropriate actions to further enhance functions of the Board and the committees in response to the results of the Evaluation, as well as various comments and opinions given by Directors and outside counsel during the Evaluation process.

Cybersecurity Initiatives and Governance

Sony recognizes the importance of cybersecurity not only for achieving financial success but also for maintaining the trust of stakeholders. As part of its risk management framework, Sony continuously maintains and enhances its information security program, implementing it based on internal rules and industry best practices. The program also manages cybersecurity risks for third parties, such as contractors, through pre-assessments and contractual measures. In the event of a cybersecurity incident, Sony follows an incident response plan, and significant incidents are promptly reported to the management team and Directors in charge of information security. In FY2024, Sony experienced several cyberattacks, but none had a material impact on Sony's business strategy or financial condition.

The information security program is overseen by the CDO (Chief Digital Officer) and GISO (Global Information Security Officer) who reports to the CDO. The current GISO has over 40 years of cybersecurity experience and held key positions, including Deputy Chief Information Officer in charge of cybersecurity at the U.S. Department of Defense, before joining Sony, bringing a high level of expertise. Each business segment has an EISO (Executive Information Security Officer) who, supported by the global information security team that works across the entire Sony Group, is responsible for assessing and managing cybersecurity risks within their respective segments. The EISO reports to the GISO and the management of each business unit as necessary. The CDO and GISO regularly report to the CEO and the Board several times a year. The Board receives foregoing reports and discusses key initiatives, risk management, significant incidents, etc.

Management Succession

Sony places priority on CEO succession to realize sustainable value creation throughout the Sony Group. In the CEO succession planning process, the Nominating Committee, composed entirely of independent outside Directors, vets potential successors based on the Sony CEO's qualifications. It does so in frequent consultation with executives, including the CEO, and reports its recommendations to the Board. In addition to CEO succession planning, the Nominating Committee assesses succession plans for Senior Executives with key management responsibilities for individual business units and headquarters functions, based on reports from the management side, including the CEO.

CEO Succession Planning Process

CEO succession planning involves defining the qualifications that Sony seeks in CEOs able to manage its diverse businesses as a unified Group, screening both internal and external candidates, and comparing the two groups, so as to ensure the thoroughly objective evaluation of successor candidates. Sony looks for candidates both internally and externally on a year-round basis. The Nominating Committee narrows down the pool of candidates by vetting them in light of their potential to fulfill the CEO role. In doing so, Nominating Committee members also interact with the candidates not only during formal meetings but also through individual interviews and offsite opportunities, to gain a deeper understanding of each individual. The committee also reviews both near-term and longer-term CEO successor candidates based on their anticipated timelines toward becoming CEO.

New Management Structure as of April 1, 2025

Kenichiro Yoshida, Chairman and CEO (at the time), proposed to Mr. Yoshihiko Hatanaka, Chair of the Board and Chair of the Nominating Committee (at the time) that Hiroki Totoki, Representative Corporate Executive Officer, President, COO and CFO (at the time), would assume the position of President and CEO, and the Nominating Committee conducted a multifaceted review of the proposal, and then the proposal was unanimously approved by the Board in January 2025. As part of the planned transition process, Hiroki Totoki was delegated responsibilities such as presiding over the General Meeting of Shareholders held in 2024, attending key business management meetings, and delivering a speech at CES®, one of the world's largest technology conferences. Through these measures, a structured transition was implemented, and Hiroki Totoki assumed the role of President and CEO as of April 1, 2025.

Under the new management structure, with the aim of positioning our headquarters as that of a global entertainment company, we established a lean structure to enable dynamic and efficient decision-making in response to a constantly changing business environment, by enhancing the diversity of experience and backgrounds within our leadership team, and reducing hierarchical levels.

To clarify management roles according to their responsibilities for the management of the entire Group or of each business, each of the Chief Executive Officers of the Sony Group's major businesses has been designated as a "Business CEO"; each of those assisting the CEO who oversees the entire Group's management, and who holds responsibility for wide-ranging headquarters functions, has been designated as a "Chief Officer"; and each of the executives in charge of functions at the Group headquarters has been designated as a "Corporate Executive."

Promoting Dialogue with Shareholders/Investors

To foster trust with shareholders and investors as well as maximize corporate value, under the leadership of the CFO, Sony promotes constructive dialogue with shareholders and investors, primarily conducted by the department in charge of investor relations, with participation from the management team as well.

In FY2024, Sony held individual interviews and group meetings conducted by the department in charge of investor relations. Sony also held investor briefings such as the Corporate Strategy Meeting and the Business Segment Meeting, which were conducted by the management team including the CEO, COO/CFO, and the heads of headquarters functions and each business segment. After such events, Sony conducted individual interviews and group meetings and had dialogues with a wide range of institutional investors both inside and outside of Japan. There was also an opportunity for individual dialogue between an outside Director and a company which provides advisory services to institutional investors.

In addition to an overview of financial results, the interests of investors at these dialogues included the business environment, competitive advantages and growth potential of each business; progress in creating synergies among businesses within the Group, such as utilization of IP in the entertainment businesses; business opportunities and risks resulting from generative AI; prospects in new areas such as anime and mobility; Sony's policy regarding the business portfolio and M&A; the details of the fifth mid-range plan; and the policy regarding shareholder returns. The department in charge of investor relations reports the interests and opinions of investors obtained through such dialogues as feedback to the Board and management team in a timely manner to enhance Sony's future dialogues, including by expanding disclosure.

Additionally, in preparation for the partial spin-off of the Financial Services business, Sony conducted individual meetings in which the CEO and CFO of SFGI engaged in discussions with a wide range of institutional investors both inside and outside of Japan regarding the growth strategy of the Financial Services business.

In addition to dialogues with institutional investors, Sony held multiple briefings for individual investors conducted by the department in charge of investor relations in order to encourage active dialogue with individual investors.

Ensuring Transparent Compensation That Incentivizes Sound Management

Sony's Compensation Committee sets the policy on the content of individual compensation for Directors, Senior Executives and other officers, and determines, or supervises the determination of, the amount and content of individual compensation of Directors and Senior Executives in accordance with the policy.

Basic Policy Regarding Director Remuneration

The basic policy for Director remuneration is to improve the supervisory function for business operations based on research regarding remuneration of Directors of other companies. Based on this policy, Director remuneration consists of (1) Fixed remuneration and (2) Stock-based compensation (restricted stocks or restricted stock units). Director remuneration does not include remuneration linked to business results on a short-term basis. Sony does not pay any additional remuneration for services as a Director to Directors who concurrently serve as Corporate Executive Officers.

Basic Policy Regarding Senior Executive Remuneration

Senior Executives are key members of management responsible for executing operations of Sony or its businesses, and Senior Executive remuneration provides effective incentives to improve business results on a short-, medium- and long-term basis in order to further improve corporate performance as a whole. The amount of each component and its percentage of total compensation are determined in accordance with the individual's level of responsibility, emphasizing linking remuneration to business results and shareholder values*.

Based on this policy, Senior Executive remuneration consists of (1) Fixed remuneration, (2) Remuneration linked to business results, (3) Stock-based compensation (stock acquisition rights and restricted stocks or restricted stock units), and (4) Phantom restricted stock plan. In order to ensure that remuneration linked to business results effectively incentivizes Senior Executives to achieve financial targets for the medium- to long-term and financial targets for the fiscal year for which compensation will be paid, the amount of such remuneration is determined based on the level of achievement of the two metrics below and can fluctuate, in principle, from 0% to 200% of the standard payment amount in FY2025.

(i) Certain key performance indicators linked to the consolidated or individual business results of Sony during the fiscal year, such as operating income and operating income margin, which are selected based on the areas for which each Senior Executive is responsible

(ii) Achievement of the Group Sustainability Evaluation

The Group Sustainability Evaluation is an assessment of efforts by executives to enhance the medium- to long-term corporate value and sustainable growth of the Sony Group as a whole, not being limited to their respective businesses and organizations, including management succession and investment in human capital, sustainability initiatives related to social value creation and ESG, value creation through collaborations among businesses of Sony, and engagement indicators based on employee surveys.

Stock acquisition rights and restricted stocks or restricted stock units are granted as stock-based compensation to increase the willingness of executives to contribute to the enhancement of Sony's corporate value, and thereby to increase the business results of Sony.

Reference: Executive Compensation Package Designed to Focus on Long-Term Management (FY2024)



* The above chart shows the components of remuneration for Corporate Executive Officers for FY2024. For this chart, the remuneration linked to business results is based on the standard payment amount for each Corporate Executive Officer. As to the stock-based compensation, the underlying amount is calculated based on the weighted-average fair value per share of stock acquisition rights and the restricted stock units at the date of their grant in FY2024. Accordingly, the proportion of each component based on the amount actually paid will differ from the chart.

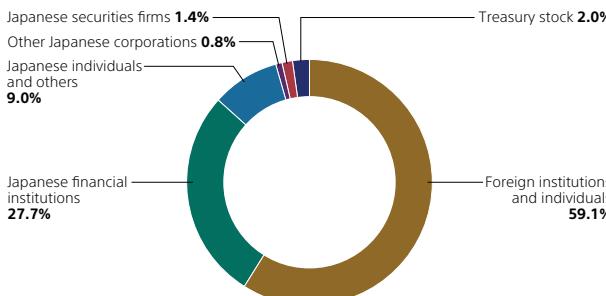
Compensation Policy Under the New Management Structure

The Compensation Committee discussed the compensation structure and levels under the new management structure effective April 1, 2025. Specifically, to further strengthen incentives for both short-term and mid- to long-term performance, the committee revised the proportion of fixed remuneration, remuneration linked to business results, and stock-based compensation. In addition, taking into consideration the role and position of Sony's headquarters as a global entertainment company, the committee determined the compensation levels based on third-party survey results regarding executive compensation at both domestic and international companies, including those in the entertainment industry.

Corporate Data (As of March 31, 2025)

Company name	Sony Group Corporation
Founded	May 7, 1946
Headquarters	1-7-1 Konan, Minato-ku, Tokyo 108-0075, Japan
Common stock	881.4 billion yen
Subsidiaries	1,584
Affiliated companies	146 Out of which 1,546 are consolidated subsidiaries (including structured entities), and 132 are equity-method affiliates (including jointly controlled entities)
Headcount (consolidated)	112,300
Listed stock exchanges	Tokyo Stock Exchange (Japan) New York Stock Exchange (outside Japan)
Shares per unit	100
Fiscal year-end	March
Ordinary general meeting of shareholders	June
Number of shares issued	6,149,810,645
Number of shareholders	394,088

Distribution by Shareholder Type



Selection for ESG Indices / External Evaluation



2025 CONSTITUENT MSCI NIHONKABU
ESG SELECT LEADERS INDEX



Note: "World's Most Ethical Companies" and "Ethisphere" names and marks are registered trademarks of Ethisphere LLC.

FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that Sony Group Corporation has been independently assessed according to the criteria of the FTSE4Good and FTSE Blossom Index Series and has satisfied the requirements to become a constituent of those index series. Created by the global index provider FTSE Russell, those index series are designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices and used by a wide variety of market participants to create and assess responsible investment funds and other products.

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Share Price Trend

 (Share price trend taking the closing price on March 31, 2020 as 100. Five-year period to March 31, 2025)


Cautionary Statement

Statements made in this report with respect to Sony's current plans, estimates, strategies and beliefs and other statements that are not historical facts are forward-looking statements about the future performance of Sony. Forward-looking statements include, but are not limited to, those statements using words such as "believe," "expect," "plans," "strategy," "prospects," "forecast," "estimate," "project," "anticipate," "aim," "intend," "seek," "may," "might," "could" or "should," and words of similar meaning in connection with a discussion of future operations, financial performance, events or conditions. From time to time, oral or written forward-looking statements may also be included in other materials released to the public. These statements are based on management's assumptions, judgments and beliefs in light of the information currently available to it. Sony cautions investors that a number of important risks and uncertainties could cause actual results to differ materially from those discussed in the forward-looking statements, and therefore investors should not place undue reliance on them. Investors also should not rely on any obligation of Sony to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Sony disclaims any such obligation. Risks and uncertainties that might affect Sony include, but are not limited to:

- (i) Sony's ability to maintain product quality and customer satisfaction with its products and services;
- (ii) Sony's ability to continue to design and develop and win acceptance of, as well as achieve sufficient cost reductions for, its products and services, including image sensors, game and network platforms, smartphones and televisions, which are offered in highly competitive markets characterized by severe price competition and continual new product and service introductions, rapid development in technology and subjective and changing customer preferences;
- (iii) Sony's ability to implement successful hardware, software, and content integration strategies, and to develop and implement successful sales and distribution strategies in light of new technologies and distribution platforms;
- (iv) the effectiveness of Sony's strategies and their execution, including but not limited to the success of Sony's acquisitions, joint ventures, investments, capital expenditures, restructurings and other strategic initiatives;
- (v) changes in laws, regulations and government policies in the markets in which Sony and its third-party suppliers, service providers and business partners operate, including those related to taxation, as well as growing consumer focus on corporate social responsibility;
- (vi) Sony's continued ability to identify the products, services and market trends with significant growth potential, to devote sufficient resources to research and development, to prioritize investments and capital expenditures correctly and to recoup its investments and capital expenditures, including those required for technology development and product capacity;
- (vii) Sony's reliance on external business partners, including for the procurement of parts, components, software and network services for its

- (viii) products or services, the manufacturing, marketing and distribution of its products, and its other business operations;
- (ix) the global economic and political environment in which Sony operates and the economic and political conditions in Sony's markets, particularly levels of consumer spending;
- (x) Sony's ability to meet operational and liquidity needs as a result of significant volatility and disruption in the global financial markets or a ratings downgrade;
- (xi) Sony's ability to forecast demands, manage timely procurement and control inventories;
- (xii) foreign exchange rates, particularly between the yen and the U.S. dollar, the euro and other currencies in which Sony makes significant sales and incurs production costs, or in which Sony's assets, liabilities and operating results are denominated;
- (xiii) Sony's ability to recruit, retain and maintain productive relations with highly skilled personnel;
- (xiv) Sony's ability to prevent unauthorized use or theft of intellectual property rights, to obtain or renew licenses relating to intellectual property rights and to defend itself against claims that its products or services infringe the intellectual property rights owned by others;
- (xv) the impact of changes in interest rates and unfavorable conditions or developments (including market fluctuations or volatility) in the equity and bond markets on the revenue and operating income of the Financial Services business;
- (xvi) shifts in customer demand for financial services such as life insurance and Sony's ability to conduct successful asset liability management in the Financial Services business;
- (xvii) risks related to catastrophic disasters, geopolitical conflicts, pandemic disease or similar events;
- (xviii) the ability of Sony, its third-party service providers or business partners to anticipate and manage cybersecurity risk, including the risk of unauthorized access to Sony's business information and the personally identifiable information of its employees and customers, potential business disruptions or financial losses; and
- (xix) the outcome of pending and/or future legal and/or regulatory proceedings.

Risks and uncertainties also include the impact of any future events with material adverse impact. The continued impact of developments relating to the situations in Ukraine and Russia and in the Middle East, as well as the series of changes in U.S. tariff policy, could heighten many of the risks and uncertainties noted above. Important information regarding risks and uncertainties is also set forth in Sony's most recent Form 20-F, which is on file with the U.S. Securities and Exchange Commission.

Editorial Policy

Sony's Corporate Report 2025 is an integrated report that covers the worldwide business activities of the Sony Group on a consolidated basis. The report's purpose is to comprehensively communicate financial information, including business results, policies for medium-to long-term value creation and business strategies, and non-financial information to Sony's stakeholders.

Reporting Scope

Scope: Sony Group Corporation, consolidated subsidiaries and other companies within the scope of consolidation

Period: FY2024 (April 1, 2024–March 31, 2025)
Certain subsequent information announced by September 12, 2025 is also included.

Note: In this report, "Sony" and "the Group" refer to the "Sony Group," as distinct from Sony Group Corporation and Sony Corporation. The "Sony Group" refers to Sony Group Corporation (the parent company operating in Japan) and all consolidated subsidiaries in which Sony Group Corporation holds a capital stake of more than 50%.
For a list of consolidated subsidiaries please see "Affiliated Companies" on Sony's website.

Affiliated Companies

<https://www.sony.com/en/SonyInfo/CorporateInfo/Subsidiaries/>

Guidelines Referenced

Integrated Reporting, International Integrated Reporting Council
Guidance for Collaborative Value Creation, Ministry of Economy, Trade and Industry, Government of Japan
Environmental Reporting Guidelines 2018, Ministry of the Environment, Government of Japan
GRI Standards, Global Reporting Initiative

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