

SONY

Sustainability Report 2022

Sony's Purpose & Values

Purpose

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

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.



The Sony Group Code of Conduct

The Sony Group Code of Conduct (the "Code") sets forth the basic standards of ethical and responsible business conduct that must be followed by all Sony directors, officers, and employees ("Sony Group personnel") in their daily work.

The Code requires that we ask if our business conduct contributes to a better future, not only for Sony, but also for society as a whole. The Code provides a set of guiding principles to conduct our business activities on a principled path. Staying true to the Code helps ensure Sony's long-term success, which in turn is based on the trust of stakeholders.

Sony's Purpose, which is to fill the world with emotion through the power of creativity and technology, challenges Sony Group personnel to create new value, as well as to contribute to stakeholders from a long-term perspective. In pursuing this Purpose, in accordance with our Values, it is crucial that we follow the Code.



[The Sony Group Code of Conduct](#)

Approach to Sustainability

Sony manages diverse businesses with people at the core, and aims for sustainable value creation based on such diversity and mid-to long-term growth in the Sony Group's corporate value under its Purpose to "fill the world with emotion, through the power of creativity and technology," and its Corporate Direction of "getting closer to people."

In order to have people connected 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 the impact of its business activities on stakeholders, including shareholders, customers, employees, suppliers, business partners, local communities and other organizations as well as the global environment, and focuses on building trust with stakeholders through dialogue.

Through innovation and sound business practice, Sony endeavors to enhance its corporate value and contribute to the development of a sustainable society.



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Editorial Policy

Editorial Policy

Sony started to issue its Environmental Report in 1994. The report was then issued as Sony's CSR Report from 2003 to 2017, and has been issued as the Sustainability Report since 2018.

The Sustainability Report 2022 has been issued to provide a comprehensive and detailed report on non-financial information for a wide range of stakeholders. This report categorizes into eight areas of activity, and it focuses on activities in fiscal year 2021. It is issued with the approval of the corporate executive officer in charge of sustainability.

Scope:

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

In this report, "Sony" refers to the "Sony Group," as distinct from Sony Group Corporation and Sony Corporation. "Headquarters" refers to Sony Group 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](#)

Period Covered

FY2021 (April 1, 2021 - March 31, 2022)

Some information on activities in April 2022 and after is also included.

Date of Issue

August 2022 (Previous report issued: August 2021; issued annually)

Referenced Guidelines

The information in this report is presented with reference to the Global Reporting Initiative (GRI) Standards. This report also refers to the Environmental Reporting Guidelines (Fiscal year 2018 version) published by Japan's Ministry of the Environment.

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Reporting Principles of Materiality

Sony has defined materiality as "material topics related to sustainability that impact Sony's value creation and are based on mid- to long-term social changes and the needs of diverse stakeholders," and conducted a materiality assessment from the perspectives of both the company and the stakeholders.

[→ Materiality](#)

Third-Party Verification

For a third-party report on the verification of environmental data, please use the link below.

[→ Independent Assurance Statement](#)

Disclosure and Communication of Financial and Non-Financial Information

Sony understands the importance of appropriate disclosure to and communication with stakeholders. Since 2019, Sony has been issuing its Corporate Report to comprehensively communicate financial information and non-financial information, including policies for mid- to long-term value creation and business strategies.

Sony also posts financial data, non-financial information and business summaries designed primarily for investors and shareholders on the Investor Relations section of its website.

In addition, Sony issues its Sustainability Report to provide a wide range of stakeholders with non-financial information on topics such as activities related to sustainability and CSR.

Disclosure of Financial and Non-Financial Information

Corporate Report

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

- Message from the CEO
- Value Creation at Sony
- Value Creation in Each Business
- Corporate Governance

Investor Relations Website

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

- Briefings for Investors
- Corporate Strategy Meeting
- Earnings Announcement
- Business Segment Briefings
- ESG/Sustainability Briefing

Financial Reports

- Securities Report (Japanese only)
- SEC Filings

Corporate Governance and Internal Controls

- Corporate Governance Report

Sustainability Report

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

- Approach to Sustainability
- Addressing Social and Environmental Issues
- Environment
- Employees
- Respect for Human Rights
- Responsible Supply Chain
- Quality and Customer Service
- Community Engagement
- Ethics and compliance
- Corporate Governance

Media Utilized for Disclosure

Reports

- [Corporate Report](#)
- [Corporate Governance Report \(in Japanese\)](#)
- [Securities Report \(in Japanese\)](#)

Website Links

- [Investor Relations](#)
- [Sustainability](#)

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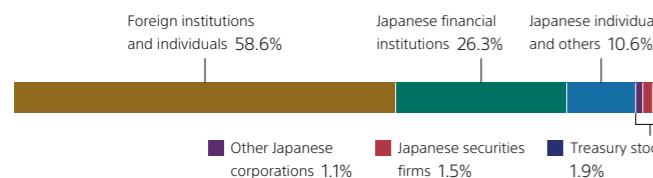
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Business Overview

Corporate Data (as of March 31, 2022)

Company name	Sony Group Corporation (trade name changed from Sony Corporation as of April 1, 2021)
Founded	May 7, 1946
Headquarters	1-7-1 Konan, Minato-ku, Tokyo, 108-0075 Japan
Common stock	880.4 billion yen
Subsidiaries	Subsidiaries 1,521 Affiliated companies 155 Out of which 1,488 are consolidated subsidiaries (including structured entities), and 139 are equity-method affiliates (including jointly-controlled entities)
Headcount (consolidated)	108,900
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	1,261,081,781
Number of shareholders	399,144

Distribution by shareholder type

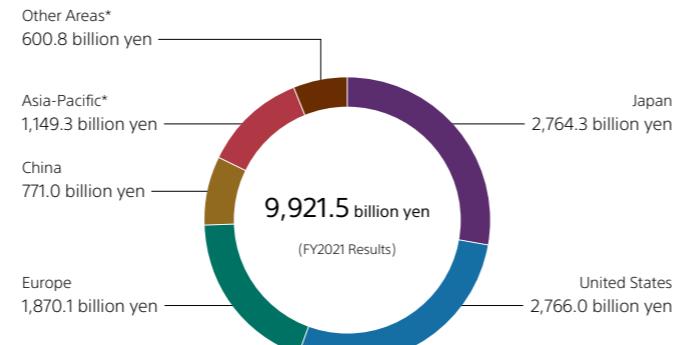


[↳ Securities Report \(in Japanese\)](#)

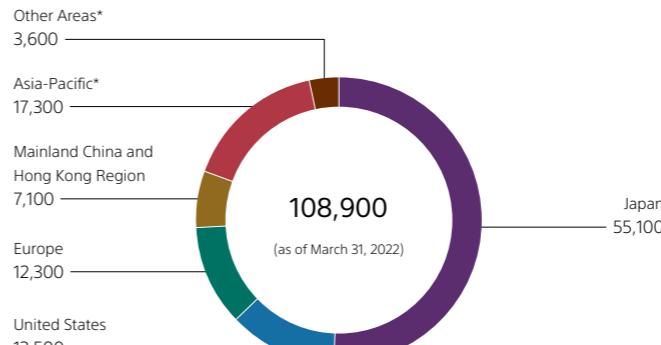
[↳ Form 20-F](#)

Data by Geographic Segment

Sales and financial services revenue

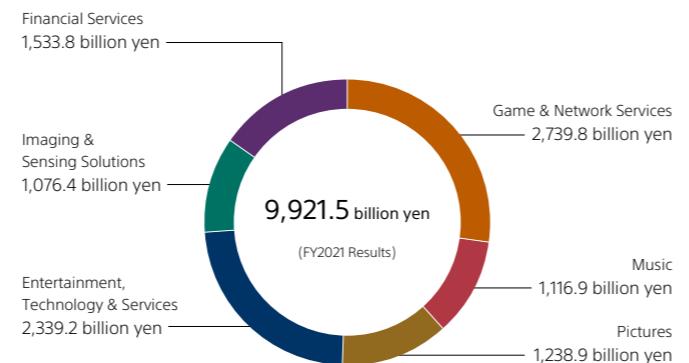


Number of Employees

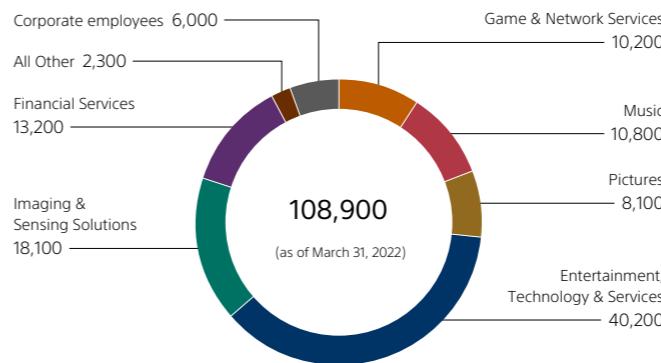


Data by Segment

Sales and financial services revenue



Number of Employees



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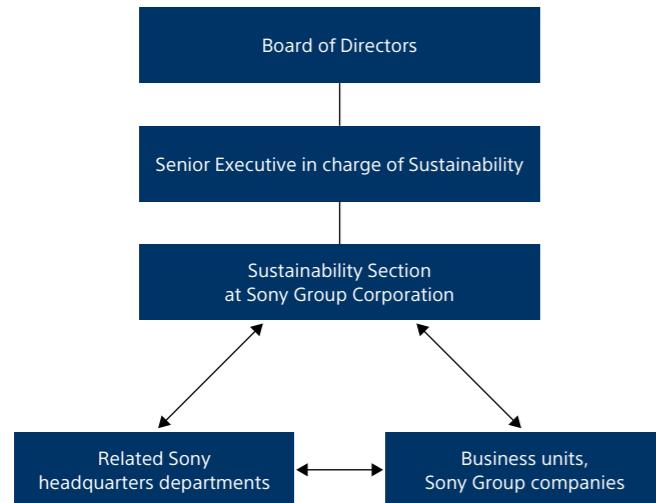
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Organizational Structure

Organizational Structure for Sustainability Initiatives

Sony's organizational structure for sustainability initiatives is spearheaded by the Sustainability Section at Sony Group Corporation headquarters, which in turn operates under the supervision of the Senior Executive in charge of Sustainability, who is appointed by the Board of Directors.



Sustainability Initiatives

- Formulate sustainability-related policies for the entire Sony Group
- Monitor sustainability-related activities
- Pursue sustainability activities in management and business units
- Disclose information to stakeholders and promote dialogue
- Raise employee awareness
- Report to the Board of Directors

Formulating and Monitoring of Sustainability-Related Policies

The Sustainability Section formulates sustainability-related policies for the entire Sony Group, pursuing and monitoring sustainability activities. It also reports on various external inputs to the Senior Executive in charge of Sustainability, and ensures that these inputs are fed back to the management team and sections in charge of headquarters functions (including legal, compliance, corporate communication, environment, product quality, procurement, investor relations, human resources, and marketing). Accordingly, Sony addresses sustainability from a Group-wide perspective and incorporates issues into management action as necessary. The Sustainability Section and other sections in charge of headquarters functions then implement sustainability activities throughout the Group by ensuring that Sony's policies and initiatives are conveyed to business units and group companies around the world.

Pursuing Sustainability Activities in Management and Business Units

Starting from fiscal year 2020, Sony has adopted a key performance indicator for sustainability initiatives as part of the evaluation pertaining to the remuneration linked to business results for Senior Executives. In addition, from fiscal year 2021, Sony is incorporating initiatives that address sustainability issues into the mid-range plans of each of its businesses, such as measures related to employees and the environment identified as key to each respective business, and Sony has set KPIs for those initiatives as part of its business performance evaluations.

Information Disclosure and Dialogue with Stakeholders

Through the issuance of various reports such as its Corporate Report and Sustainability Report, and through its ESG Briefing and websites, Sony communicates its approach to sustainability and information about initiatives regarding sustainability.

- [Corporate Report](#)
- [ESG Briefing](#)
- [Sustainability](#)

Raising Employee Awareness

Sony recognizes the importance of boosting employee awareness of sustainability and engages in a variety of initiatives to do so.

- Sustainability Awards
- Events such as the Sustainability Forum
- Sustainability-themed sessions at global online meetings open to all employees
- Dissemination of information via intranet websites
- E-learning training programs

Reports to the Board of Directors for Review

The Sustainability Section submits quarterly reports on its activities to the Board of Directors. Once a year, in principle, it reports to the Board of Directors on the status of Sony's entire set of sustainability initiatives, and the Board reviews them. For matters of great importance, the senior executive and department in charge of a particular matter provide regular reports for the Board of Directors to review.

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Message from the Senior Executive in charge of Sustainability

**Shiro Kambe**

Senior Executive Vice President
Corporate Executive Officer
Officer in charge of Sustainability
Sony Group Corporation

Sony's responsibility and contribution to Society and the Global Environment

Sony develops diverse businesses globally in alignment with its purpose to "fill the world with emotion, through the power of creativity and technology" and corporate direction of "getting closer to people." The Sony Group Code of Conduct states, "It is the core corporate responsibility of Sony to society to pursue its corporate value enhancement through innovation and sound business practices and contribute to developing a sustainable society."

For Sony to continue to provide emotion and create social value, it is necessary for the society and global environment in which we live to be healthy. Our daily lives, and Sony Group businesses, are being significantly impacted by the COVID-19 pandemic, extreme weather events around the world, and various social issues including those related to human rights and diversity, providing a stark reminder that the health of the global environment and society is not something we can take for granted. It is our responsibility to directly acknowledge the environmental and social impact of our business operations and take appropriate action to minimize and redress them. At Sony, we can also make contributions to solving environmental and social issues through our technologies and businesses, and I believe this is becoming an increasingly important consideration.

At Sony, ever since our founding, we have continued to uphold the principle of creating value for the society in which we operate. Since 2018, under the leadership of CEO Kenichiro Yoshida, Sony has focused

on sustainability as a key element of our management approach. I have particularly focused on integrating sustainability activities that were previously driven by Sony headquarters into the operations of each individual business, and the top management in Sony's various businesses are now taking the lead in promoting sustainability initiatives. Sustainability and ESG are positioned as important themes in board meetings, which are attended primarily by outside directors with diverse experience and expertise. The progress of the various sustainability initiatives is regularly reported to the Board, and the Board deliberates and approves sustainability policy. In order for Sony to also strengthen its governance from the viewpoint of sustainability, starting from fiscal year 2020, Sony has adopted a key performance indicator for sustainability initiatives as part of the evaluation pertaining to the remuneration linked to business results for Senior Executives. In addition, from fiscal year 2021, we are incorporating initiatives that address sustainability issues into the mid-range plans of each of our businesses, such as measures related to employees and the environment identified as key to each respective business, and we have set KPIs for those initiatives as part of our business performance evaluations.

Sony is making various efforts regarding the global environment from the two perspectives of responsibility and contribution. Sony has pursued environmental initiatives in accordance with its environmental principles since the early 1990s. And in 2010, we announced the Road to Zero, a long-term global environmental plan that aims to realize a sustainable society by achieving a zero environmental footprint throughout the life cycle of Sony's products and business activities by the year 2050, and drew and carried out a comprehensive roadmap to achieve the goals of the plan.

The Road to Zero plan symbolizes Sony's responsibility for the global environment. However, as climate change risks become more apparent and serious worldwide, and the transition to a decarbonized society has become an urgent issue, Sony decided in May 2022 to accelerate its environmental impact reduction activities in the climate change area and to bring forward the target year of achieving a zero environmental footprint in this area by ten years. It aims for carbon neutrality of all emissions, including those covered by Scope 3, by 2040. Sony has also accelerated the goal of achieving 100% renewable electricity used at its own sites by ten years, from 2040 to 2030. To this aim, Sony will implement measures such as continuing to reduce environmental impact at its own sites, further promoting the energy efficiency of its products, encouraging its partners to take action and contributing to carbon removal and fixation.

Sony is also actively working to contribute to the global environment through its own technologies and businesses, as well as through

co-creation with partners. Intelligent vision sensors are one example of this. Using AI to analyze and process images reduces the amount of data uploaded to the cloud, while also addressing security and privacy concerns and enabling a reduction in power consumption. Sony is working with various partners to develop and deliver next-generation solutions that utilize its intelligent vision sensors.

In recent years, corporations are facing ever more complex and diverse human rights issues. Sony respects the human rights of all stakeholders involved in its business operations and strives to prevent and mitigate potential adverse impact on human rights.

Sony's goal is to create value for society through an array of businesses centered on people. Sony is fostering diversity, equity and inclusion (DE&I) throughout the entire Group, where differences in background, gender and ability are viewed as strengths. The Group is also promoting initiatives aimed at fostering diversity and social justice in its engagement with greater society.

In 2020, Sony established the Global Social Justice Fund to support initiatives that promote social justice and human rights and foster DE&I around the world. We also established the Sony Global Relief Fund for COVID-19 to support those around the world affected by COVID-19. In order to provide humanitarian aid for people impacted by the conflict in Ukraine and those who have taken refuge in neighboring countries, in March 2022 Sony made donations to relevant international organizations and NGOs, and employees held fund-raising initiatives. Regarding human rights risks in the supply chain of electronics products, we are strengthening our efforts to implement the Sony Supply Chain Code of Conduct, and we are also working collaboratively with global companies and other stakeholders.

Sony actively discloses its sustainability-related initiatives through ESG briefings, the Corporate Report and the Sustainability Report. We also place great importance on dialogue with our stakeholders. Sony Group employees are also important stakeholders, and, in addition to top management's commitment to sustainability initiatives, Sony strives to foster a corporate culture in which each employee recognizes that sustainability is an issue that affects them personally. Sony has established sustainability awards as an in-house award system to encourage initiatives in each business and region. We also strive to boost employee awareness of sustainability by sharing information at online meetings for all Sony Group employees and by holding forums.

Going forward, Sony will continue to engage in dialogue with various stakeholders, develop our sustainability initiatives even further, and fulfill our responsibility and contribution to society and the global environment.

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Materiality

Overview and Purpose of Materiality Analysis

The Sony Group develops diverse businesses globally. 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.

In response to such expectations, and to various social and environmental changes, Sony reviewed material topics in sustainability from the standpoints of all its businesses in FY2022. In that process, Sony designated *creativity* and *technology*, two components of its Purpose, as drivers for value creation along with *diversity* of employees and businesses, and defined materiality as “material topics that are related to sustainability, impact Sony’s value creation, and are determined with longer-term social change and diverse stakeholder needs in mind.”

The Materiality Assessment Process

Step 1: Identify and classify material topics

Based on internal and external information and documents, Sony selected material topics with high relevance. References included the Global Reporting Initiative (GRI) Standards and the Sustainability Accounting Standards Board (SASB) standards, which are global guidelines for sustainability reporting, the ISO 26000 international standard for corporate social responsibility, and the SDGs, which are globally agreed goals for building a sustainable world.

Step 2: Assess the topics from the perspective of Sony and its stakeholders

The topics identified and classified in the Step 1 were assessed from the perspectives of Sony and its stakeholders.

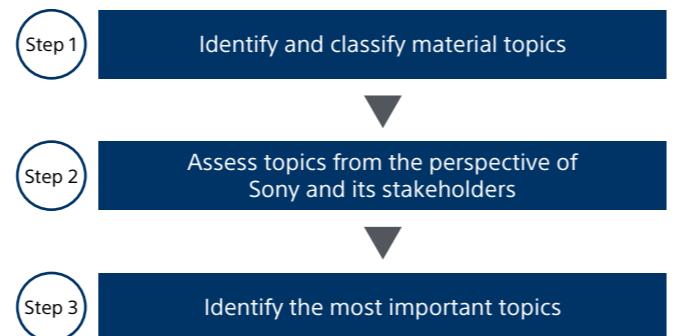
The senior executives in charge of Sony headquarters functions assessed each topic from the angle of its mid- to long-term positive or negative impact on value creation at Sony to determine its importance from the company's perspective.

The assessment of the importance of each topic from the perspective of stakeholders was based on information published by NGOs, investors, ESG rating agencies, the mass media and other sources.

Step 3: Identify the most important topics

The most important topics were specified after being reviewed by top management and the Board of Directors on the basis of the assessment conducted in Step 2.

Materiality Assessment Steps



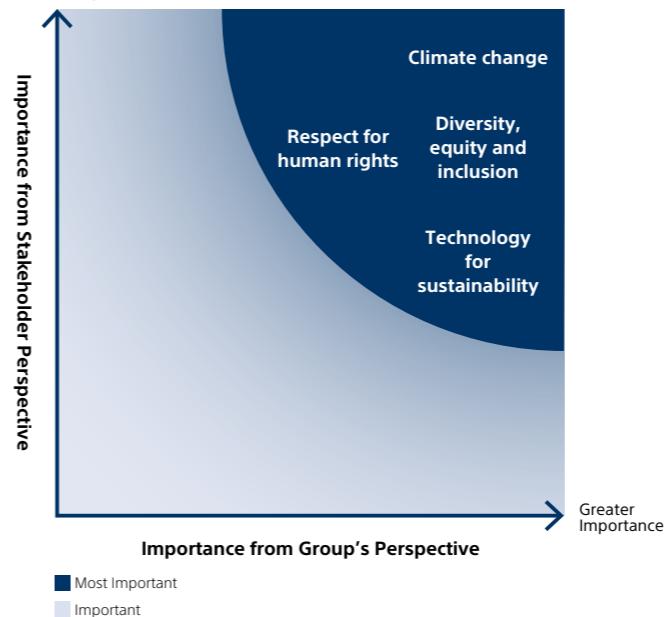
Analysis Results and Sony Group Material Topics

As a result of the aforementioned assessment process, climate change; diversity, equity and inclusion; respect for human rights; and technology for sustainability as the most important.

The Sustainability Report 2022 classifies Sony's material topics, including the above, into eight categories: environment, employees, respect for human rights, responsible supply chain, quality and customer service, community engagement, ethics and compliance, and corporate governance.

Sony Group Material Topics

Greater Importance



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Summary of Actions

Area of focus	Key focus	Achievements in fiscal year 2021	Future initiatives	Coverage
Environment 	<ul style="list-style-type: none"> Strive to achieve a zero environmental footprint throughout the life cycle of Sony's products and business activities in order to realize a sustainable society 	<p>Climate Change</p> <ul style="list-style-type: none"> Annual energy consumption rate per product: Up 3.3% (compared to fiscal year 2018) Greenhouse gas emissions from sites: Up 8.4% (compared to fiscal year 2020) Use of electricity derived from renewable energy (renewable energy ratio): 14.6% GHG emissions related to logistics between nations and within regions: Up 4.6% (compared to fiscal year 2018) <p>Resource Conservation</p> <ul style="list-style-type: none"> Use of virgin oil-based plastics per product unit: Down 3.1% (compared to fiscal year 2018) Use of plastic packaging per product unit: Down 15.2% (compared to fiscal year 2018) Amount of waste generated at sites: Worsened by approx. 7.6% (compared to fiscal year 2020) Promoted the One Blue Ocean Project worldwide, and encouraged reduction of single use plastic use at Sony sites <p>Chemical Substances</p> <ul style="list-style-type: none"> Facilitated the use of alternative substances for PVC and BFR based on Sony standards for the management of chemical substances <p>Biodiversity</p> <ul style="list-style-type: none"> Implemented education and awareness-raising initiatives on biodiversity conservation at all Sony sites as part of their community engagement Promoted the One Blue Ocean Project worldwide, and held community clean ups for plastic waste Expanded the Food for the Future project, distributed a guidebook detailing environmentally conscious food to employees, and provided meals that utilize environmentally conscious ingredients in Sony employee cafeterias 	<ul style="list-style-type: none"> Ramp up initiatives to achieve carbon neutrality by fiscal year 2040 and a zero environmental footprint by fiscal year 2050 <ul style="list-style-type: none"> Develop and leverage technologies that contribute to global environmental conservation Enhance supply chain engagement Strengthen environmental awareness-raising activities in the entertainment and other businesses Expand the adoption of renewable electricity by installing photovoltaic panels at Sony sites to achieve the target of sourcing 100% renewable electricity for worldwide operations by fiscal year 2030 Achieve carbon neutrality for direct and indirect emissions (Scope 1 & 2) in Sony's own operations by 2030 Further strengthen initiatives to achieve climate change targets by fiscal year 2035, which were approved as 1.5°C science-based targets (SBTs) Research and contribute to carbon removal/fixation Reduce plastic packaging materials used for products and the use of virgin oil-based plastics 	<p>→ Environment</p> <p>→ Addressing Social and Environmental Issues</p> <p>↗ Sony Group Portal Website Environment</p>

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Area of focus	Key focus	Achievements in fiscal year 2021	Future initiatives	Coverage	Sony's Purpose & Values
Employees 	<ul style="list-style-type: none"> Respect and support each employee's ambitions to grow and take on new challenges, and provide a range of experiences and opportunities for each diverse employee to make the most of their individual strengths, skills, abilities and creativity <p>Talent Development and Employee Engagement</p> <ul style="list-style-type: none"> Provided more accessible learning opportunities, including personalized content and online courses on a wide range of topics Promoted an environment where employees consciously build their own career and aim for self-growth Sony University, which supports the professional growth of key personnel, accepted entrants from all businesses and expanded its program to include various forms of participation by top management Employee survey response rate of 91%, employee engagement index of 89% (Percentage of employees who did not give an unfavorable response to four questions regarding employee engagement) <p>Occupational health & safety</p> <ul style="list-style-type: none"> Implemented OHS initiatives targeting zero injury and zero illness 23 sites from amongst our 50 sites worldwide have obtained comprehensive ISO 45001 certification 	<ul style="list-style-type: none"> Focus on "Diversity, Equity and Inclusion," "Talent Development," and "Employee Engagement" Build safe, healthy working environments Provide opportunities for employees to improve and make the most of their individual strengths, skills, abilities, and creativity 	→ Employees ↳ Corporate Report ↳ Sony Group Portal Website Diversity, Equity & Inclusion	<p>The Sony Group Code of Conduct</p> <p>Approach to Sustainability</p> <p>Editorial Policy</p> <p>Business Overview</p> <p>Sony's Sustainability</p> <p>Organizational Structure</p> <p>Message from the Senior Executive in charge of Sustainability</p> <p>Materiality</p> <p>Summary of Actions</p> <p>Stakeholder Engagement</p> <p>SDGs and Sony's Contributions</p> <p>External Evaluation and Recognition</p>	
Respect for human rights 	<ul style="list-style-type: none"> Continue reasonable efforts to avoid causing or contributing to adverse human rights impacts that may arise from our operations, products, services and/or business relationships 	<ul style="list-style-type: none"> Established areas of focus based on a human rights impact assessment, and specified "responsible supply chain," "respect for diversity, equity and inclusion," and "responsible development and use of technologies" to be priority action areas Established a working group to implement human rights due diligence, and reviewed and monitored necessary actions Supported social justice and human rights initiatives through the Global Social Justice Fund 	<ul style="list-style-type: none"> Continue to analyze and monitor human rights risks throughout Sony Group's business activities and value chains Continue to carry out human rights due diligence, and will further enhance initiatives to prevent or mitigate potential negative impact on human rights 	→ Respect for Human Rights	<p>Addressing Social and Environmental Issues</p> <p>Environment</p> <p>Employees</p> <p>Respect for Human Rights</p> <p>Responsible Supply Chain</p> <p>Quality and Customer Service</p> <p>Community Engagement</p> <p>Ethics and Compliance</p> <p>Corporate Governance</p> <p>Data Section</p> <p>GRI Standards Content Index</p>
Responsible supply chain 	<ul style="list-style-type: none"> Address risks to human rights, labor conditions, health and safety, and the environment throughout the electronics product supply chain 	<ul style="list-style-type: none"> Conducted CSR assessment at 12 Sony manufacturing sites and at the plants of 796 new and existing suppliers Distributed a video about sustainability to all suppliers Donated to the RMAP Audit Program (a fund to help cover the costs of refinery audits) 	<ul style="list-style-type: none"> Enforce strict compliance with the Sony Supply Chain Code of Conduct in Sony and its suppliers' operations In addition to training for employees, enhance awareness-raising activities through communication with suppliers. Continue to collaborate with various stakeholders to enhance measures regarding the sourcing of high-risk minerals 	→ Responsible Supply Chain	

Area of focus	Key focus	Achievements in fiscal year 2021	Future initiatives	Coverage
Quality and customer service 	<ul style="list-style-type: none"> Exceed customer expectations of product quality and customer service, pursue product safety, and improve usability and accessibility, thereby remaining a highly trusted partner to all customers 	<ul style="list-style-type: none"> Maintained the quality management system and continued to improve the quality of products Continued with initiatives to ensure the safety, long-term reliability, and security of products Continued with efforts to improve customer satisfaction by improving customer information centers and other customer services As part of Sony's initiatives to enhance the user experience, continued to take action from the customer's perspective by employing Human-Centered Design (HCD) processes, and launched a certification system for HCD experts Engaged with inclusive design in order to deliver products and services that take accessibility into account 	<ul style="list-style-type: none"> Strengthen preventive measures, product compliance systems, and compliance with the product security regulations, thereby improving quality from the perspective of customers and achieving quality that exceeds customer expectations Continue leveraging its worldwide network to collect and analyze information which can then be reflected in the next releases of products and customer services Strengthen the processes for Human-Centered Design (HCD) and develop new talent with HCD skills Continue to promote accessibility and inclusive design 	<p>→ Quality and Customer Service</p> <p>↗ Sony Group Portal Website Human-Centred Design</p> <p>↗ Accessibility</p>
Community engagement 	<ul style="list-style-type: none"> Under the slogan "For the Next Generation," contribute to the resolution of a wide range of global social issues in places where Sony does business around the world by fully utilizing its products, content, and technologies 	<ul style="list-style-type: none"> Community engagement expenditures: approx. 3.5 billion JPY Educational programs for children (Approx. 2,600 workshops and roughly 290 thousand participants) Utilized the Sony Global Relief Fund for COVID-19 to provide support in the medical and educational fields, and for the creative community (Fiscal year 2021 expenditures: approx. 1.6 billion JPY) Supported initiatives to promote social justice and human rights through the Global Social Justice Fund (Fiscal year 2021 expenditures: approx. 2.7 billion JPY) 	<ul style="list-style-type: none"> Continue striving to make the most of Sony's products, content, technologies, strengths of employees, and stakeholder partnerships to help address global issues and to meet various needs in local communities Through the two global funds, continue to support activities that leverage the Sony Group's assets and expertise Implement awareness-raising initiatives for people in and outside the Sony Group to address global issues, and strengthen employee engagement Apply technologies to solve social issues 	<p>→ Community Engagement</p> <p>↗ Sony Group Portal Website Social Contribution</p>
Ethics and compliance 	<ul style="list-style-type: none"> Foster an ethical culture based on Sony's Values and the Sony Group Code of Conduct Continuously assess compliance risks in relation to business activities and review the compliance program based on the results of the assessment Strengthen and continue to run programs that address changes in the privacy environment and technological development Strengthen systems and initiatives that tackle AI ethics 	<ul style="list-style-type: none"> Provide trainings and messaging on ethics and compliance via the Global Ethics & Compliance Network Operate the Sony Ethics & Compliance Hotline (Number of reports: 407 in fiscal year 2021) Maintained and implemented anti-corruption programs based on the Sony Group Anti-Bribery Policy Enhanced the global privacy management system and ran programs in order to respond to key changes in the privacy environment Improved the efficiency of privacy assessment processes through the use of privacy management software Provided privacy training to all employees Launched an AI ethics assessment of the development life cycle of electronics products and services Boosted employee awareness of AI ethics 	<ul style="list-style-type: none"> Continue to improve training and to set the tone from the top in order to create a corporate culture that values integrity and to ensure that every employee acts in a way that is ethically responsible Continue to assess risks and programs related to Sony's business activities and review the compliance programs based on the results of the assessment Improve technology and processes to further streamline privacy-related operations Monitor compliance with privacy-related policies, ensure that training is given, and strengthen action to boost awareness Improve AI ethics assessment processes and streamline their operation Improve and continue activities to educate employees about AI ethics 	<p>→ Ethics and Compliance</p>

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Area of focus	Key focus	Achievements in fiscal year 2021	Future initiatives	Coverage	Sony's Purpose & Values
Corporate governance 	<ul style="list-style-type: none"> Establish and enhance the corporate governance system that best suits the Sony Group Manage risks that may cause losses to the Sony Group Enhance information security management system and activities Comply with all applicable tax laws and regulations of each country and region where Sony conducts business as well as the common rules and guidance regarding international taxation 	<p>Enhanced corporate governance system</p> <ul style="list-style-type: none"> Continuously made periodic reports to the Board on ESG/sustainability related matters Enhanced Board's supervision over risks regarding economic security and geopolitics Focused on information security continuously through maintaining the number of directors in charge of information security Held additional executive sessions Expanded disclosure regarding in the table showing experiences and expertise of Directors Continuously conducted visiting audits by Audit Committee members at Sony's business sites. <p>Risk management</p> <ul style="list-style-type: none"> Continued to implement measures to secure employee safety and minimize business impacts under the Sony Group crisis management framework, in response to COVID-19 pandemic Conducted reviews of basic action manuals and implemented drills, to maintain and strengthen the functions of the crisis management framework and reduce business disruption risks <p>Information Security</p> <ul style="list-style-type: none"> Monitored and responded to security threats on a 24/7 basis via the global security operations center Constantly strengthened information security programs and provided information security training to all employees <p>Tax strategy</p> <ul style="list-style-type: none"> Continue to manage our tax affairs in line with business objectives and operations, as well as regular reporting and communication regarding tax with CFO, who is a board member, and the Audit Committee. 	<p>Corporate governance</p> <ul style="list-style-type: none"> Selection of director candidates to ensure diversity/continuity on the Board of Directors Intensively review and effectively supervise over the following material items: <ul style="list-style-type: none"> ESG/sustainability Information security, including cybersecurity Risks regarding economic security and geopolitics Growing/new business domain Implement a new type of stock-based compensation and strengthen remuneration governance measures Continuously conduct visiting audits by Audit Committee members at Sony's business sites, and ensure effective cooperation with financial auditors and internal audit departments <p>Risk management</p> <ul style="list-style-type: none"> Strengthen cooperation with group companies in business continuity planning (BCP), conduct and continuously improve practical drills, thereby enhancing the effectiveness of crisis management and BCP Manage impact to global operations due to trade restrictions and economic sanctions imposed by certain countries and regions Reduce risk for buildings by optimizing facility renewal and repair plans Reduce fire risk at manufacturing sites, in accordance with Sony Group guidelines <p>Information Security</p> <ul style="list-style-type: none"> Periodically validate and revise information security standards based on industry best practices, review security risks, and drive improvement initiatives, thereby continuously strengthening security governance Examine increasingly sophisticated cyber-attacks on a daily basis, improve countermeasures, and identify new threats, thereby continuing to swiftly and appropriately respond to security issues Continuously secure and develop high-level security professionals <p>Tax strategy</p> <ul style="list-style-type: none"> Continue to build open and transparent relationships with governments regarding our tax affairs. Continue to provide support to governments and the OECD regarding tax reform efforts and tax policy to ensure any future rules are fair and administrable. 	<p>→ Corporate Governance</p> <p>↳ Corporate Report</p> <p>↳ Sony Group Portal Website Internal Control</p> <p>↳ Securities Report</p>	<p>The Sony Group Code of Conduct</p> <p>Approach to Sustainability</p> <p>Editorial Policy</p> <p>Business Overview</p> <p>Sony's Sustainability</p> <p>Organizational Structure</p> <p>Message from the Senior Executive in charge of Sustainability</p> <p>Materiality</p> <p>Summary of Actions</p> <p>Stakeholder Engagement</p> <p>SDGs and Sony's Contributions</p> <p>External Evaluation and Recognition</p> <p>Addressing Social and Environmental Issues</p> <p>Environment</p> <p>Employees</p> <p>Respect for Human Rights</p> <p>Responsible Supply Chain</p> <p>Quality and Customer Service</p> <p>Community Engagement</p> <p>Ethics and Compliance</p> <p>Corporate Governance</p> <p>Data Section</p> <p>GRI Standards Content Index</p>

Stakeholder Engagement

Communication with Stakeholders

Sony recognizes that, by addressing issues that are of concern to its many stakeholders, it is strengthening its operating foundation, which is in turn vital to its business activities and the achievement of sustainable growth.

Sony strives to earn the trust of all stakeholders by conducting its business responsibly and engaging in stakeholder dialogue.

Stakeholders	Principal Goals	Main Communication Methods
Customers	<ul style="list-style-type: none"> Provide products and services that deliver satisfaction, safety and peace of mind from the customer's perspective Provide customer service that further enhances customer satisfaction Enhance usability and accessibility 	<ul style="list-style-type: none"> Customer Center (handles inquiries from customers), important notices regarding products and services, surveys of purchasers, trade shows, seminars, the Accessibility website, various social media sites, etc.
Shareholders	<ul style="list-style-type: none"> Ensure swift and appropriate disclosure Achieve continued growth in corporate value 	<ul style="list-style-type: none"> General meetings of shareholders and presentations on financial results, Business Segment Briefings and meetings for individual investors, ESG and Technology Briefings, Websites disclosing information for investors, Corporate Report (integrated report), etc.
Business partners	<ul style="list-style-type: none"> Ensure appropriate, transparent and fair procurement practices, in line with the Sony Group Code of Conduct and Sony Supply Chain Code of Conduct Ensure that procurement practices are in harmony with the environment and society (including labor issues, human rights and conflict minerals) 	<ul style="list-style-type: none"> Explanatory meetings for suppliers, audits and surveys related to CSR procurement, dedicated website for suppliers and a department established for handling their inquiries, regular consultations with suppliers, Sony Group Policy for Responsible Supply Chain of Minerals Hotline, etc.
Employees	<ul style="list-style-type: none"> Support employees with diverse backgrounds Hire diverse employees Nurture global business leaders and engineers who will drive growth in the future Support individual career-building efforts Promote dialogue through employee surveys and town hall meetings 	<ul style="list-style-type: none"> Town hall meetings, career counseling, employee surveys, Sony Ethics & Compliance Hotline, labor-management negotiations, Occupational Health & Safety Committee, in-house newsletters, in-house websites, etc.
Local communities	<ul style="list-style-type: none"> Promote initiatives that contribute to communities in fields where Sony is best able to do so Disaster relief and humanitarian aid Collaborate with NGOs and NPOs to help address social challenges 	<ul style="list-style-type: none"> Local volunteer initiatives, participation in events held by local organizations and governments, social contribution initiatives, etc.
Global environment	<ul style="list-style-type: none"> Reduce the environmental footprint of Sony's business activities and products throughout their life cycle to zero 	<ul style="list-style-type: none"> Activities for contributing to the community and reducing the environmental burden at each site, measures that take the environment into consideration over the lifecycle of products and services, environmental information provided through communication with various stakeholders, information provided on the Sony Group Portal Website "Environment"
NGOs, NPOs and other organizations	<ul style="list-style-type: none"> Collaborate with NGOs and NPOs to help address social challenges Participate in global frameworks Participate in CSR-related organizations and projects 	<ul style="list-style-type: none"> Activities held in collaboration with NGOs and NPOs, etc.

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Partnership and Participation in Multi-Stakeholder Frameworks

For Sony, engaging and working together with various stakeholders is vital for pursuing sustainability initiatives. In addition to promoting stakeholder engagement, Sony participates in multi-stakeholder efforts to forge a global framework for sustainability.

Organization/Initiative	Description	Sony Actions
Responsible Business Alliance (RBA) 	An alliance dedicated to supply chain responsibility encompassing human rights, labor conditions, health and safety, and the environment	<ul style="list-style-type: none"> • Founding member (of the former EICC) • Formulated the Sony Supply Chain Code of Conduct, which incorporates the provisions of the RBA Code of Conduct • Member of the RBA Board of Directors since 2020
Council for Better Corporate Citizenship (CBCC) 	Established under an initiative of Nippon Keidanren (Japan Business Federation) Helps Japan-affiliated companies engaged in business overseas to form good relations with various stakeholders	<ul style="list-style-type: none"> • Sony co-founder Akio Morita served as its first chairman • Continues to be actively involved in its initiatives
BSR 	A global non-profit organization with experts in CSR	<ul style="list-style-type: none"> • Member of the Human Rights Working Group and Sustainability Strategy Working Group organized by BSR

→ [Responsible Supply Chain](#)

Organization/Initiative	Description	Sony Actions
Save the Children 	An international NGO that works in approximately 120 countries in a wide range of fields such as education and humanitarian response, aiming at making to make children's rights to survival, development, protection and participation a reality worldwide.	<ul style="list-style-type: none"> • Jointly implemented projects and established a humanitarian fund in order to continuously support the children who lead the next generation.
The Valuable 500 	An international initiative to promote participation by individuals with disabilities so that they can demonstrate their latent potential to bring value to business, society, and the economy	<ul style="list-style-type: none"> • Joined in 2019 • Selected from among the 500 signatories as one of the Iconic Companies that are a driving force in their respective countries, regions, and industries
G20 EMPOWER 	An alliance to increase the number of women who play a key role in the economy and business, and to empower women	<ul style="list-style-type: none"> • Participated as an advocate in 2020 to support action in Japan
United Nations Office for Project Services (UNOPS) 	A UN organization which specializes in projects that procure and deliver goods and services in areas such as infrastructure and medical supplies, equipment and vehicles	<ul style="list-style-type: none"> • Signed a collaboration agreement in 2020 • Sony Startup Acceleration Program provides support in areas such as technological development and employee training

→ [Community Engagement](#)

→ [Employees](#)

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Organization/Initiative	Description	Sony Actions
TCFD 	The Task Force on Climate-Related Financial Disclosures established by the Financial Stability Board	<ul style="list-style-type: none"> Announced its endorsement of the TCFD Recommendations in 2019 Joined the TCFD Consortium
RE100 	A global initiative led by The Climate Group in partnership with CDP Participating companies set a goal of procuring 100% renewable electricity for power used in their global business operations	<ul style="list-style-type: none"> Joined in 2018 Committed to procuring 100% renewable electricity for power used in its global business operations by 2030 Selected as a corporate member of the RE100 Advisory Committee in 2022
Race To Zero Campaign 	An international campaign by the United Nations Framework Convention on Climate Change (UNFCCC) calling for actions to achieve zero greenhouse gas emissions by 2050	<ul style="list-style-type: none"> Joined in 2021
Business Ambition for 1.5°C 	A call to set targets that keep the global temperature rise to 1.5°C or less, led by the United Nations Global Compact, We Mean Business and SBTi	<ul style="list-style-type: none"> Joined in 2020

Organization/Initiative	Description	Sony Actions
Japan Climate Initiative (JCI) 	A network committed to strengthening communication and information sharing among companies, local governments, NGOs and all other actors that are implementing climate actions in Japan	<ul style="list-style-type: none"> Joined in 2018 Endorsed recommendations to the Japanese government Participates in dialogues between government representatives and companies
The World Wide Fund for Nature (WWF) Climate Savers Programme 	A programme where WWF partners with companies to formulate and implement plans to reduce emissions of greenhouse gases	<ul style="list-style-type: none"> Has participated since 2006 Signed a three-year comprehensive corporate partnership agreement with WWF Japan in 2021 to collaborate in the field of promoting biodiversity through forest conservation as well as the field of climate change
Playing for the Planet Alliance 	An international alliance to curb climate change established when the United Nations Environment Programme (UNEP) reached out to the gaming industry	<ul style="list-style-type: none"> Sony Interactive Entertainment joined in 2019
Music Climate Pact 	A global platform initiated by the British Phonographic Industry (BPI) and Association of Independent Music to promote decarbonization throughout the music industry	<ul style="list-style-type: none"> Sony Music Group signed up in 2021 through Sony Music Entertainment (UK)

→ Environment



SDGs and Sony's Contributions

Sony develops diverse businesses centered on people in alignment with its Purpose of "fill the world with emotion, through the power of creativity and technology," and its Corporate Direction of "getting closer to people." In order to have people connected 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. Through innovation and sound business practice, Sony endeavors to contribute to the development of a sustainable society.

Sony believes that its diverse business portfolio is very relevant to the 17 SDGs, and aims to contribute to the achievement of the SDGs through its technologies, products, services and content, as well as various partnerships.



Sustainability Initiatives and SDGs

Responsibilities toward the Global Environment and Positive Contributions

Sony endeavors to reduce environmental impact and prevent pollution in its business activities and throughout the life cycle of its products. To address Goal 13 (climate action), Sony is reducing energy

consumption from business activities and the life cycle of products and services, aiming to achieve zero emissions of greenhouse gases. Sony has also joined the RE100 initiative by making a commitment to sourcing 100% renewable electricity for the worldwide operations of the Sony Group by 2030. This concrete commitment is in line with securing renewable energy as sought by Goal 7 (affordable and clean energy). To minimize inputs of virgin resources into its business activities, Sony identifies key resources and strives to achieve zero usage of those virgin materials. Furthermore, Sony endeavors to ensure the appropriate use of water, minimize waste from its business sites, and collect and recycle products from the market to contribute to Goal 12 (responsible consumption and production).

→ Environment

Diversity, Equity and Inclusion (DE&I)

Sony leverages its diverse businesses and workforce as strengths in its business strategy. In order to further promote diversity as a key management strategy, in addition to promoting diversity in business and geography and hiring diverse human resources, Sony provides opportunities to think more deeply about diversity, whether it be in terms of race, nationality, disabilities, gender, sexual orientation, values, or work styles. These opportunities are also extended to other companies and external organizations. By promoting the message of diversity to society, Sony is promoting inclusive and sustainable economic growth, employment, and decent work for all, as outlined in Goal 8 (decent work and economic growth).

Sony is working to achieve gender equality and empower women as outlined in Goal 5 (gender equality) by establishing action plans to increase career opportunities for women and implementing ongoing initiatives at group companies.

→ Diversity, Equity and Inclusion

Human Rights and Diversity

All stakeholders who are connected to the business activities of the Sony Group, including employees and creators, are important and help support Sony in its drive to contribute to social change that will help achieve the SDGs.

Sony ensures that all employees are aware of the Sony Group Code of Conduct, in which its core principle of respecting human rights is

made explicit. Sony also implements initiatives to advance social justice, protect human rights and promote DE&I through the Global Social Justice Fund it established in 2020.

Via such initiatives, Sony is working to eliminate discrimination as addressed by Goal 10 (reduced inequalities), as well as to secure equal opportunities by encouraging appropriate behavior and correcting inequalities in outcomes.

→ Respect for Human Rights

Initiatives throughout Supply Chains

Sony works with its suppliers to secure compliance with the Sony Supply Chain Code of Conduct and Sony Group Policy for Responsible Supply Chain of Materials, applying the policies to its sites, suppliers and contract manufacturers. In this way, Sony and its suppliers are addressing issues in the supply chain including human rights, labor conditions, occupational health and safety, and the environment. Through this initiative, Sony is endeavoring to provide safe, decent, and humane work as called for by Goal 8 (decent work and economic growth), and contribute to suitable and equitable skills development and economic activity as sought by Goal 10 (reduced inequalities). By implementing such initiatives throughout the supply chain, Sony is aiming to realize peaceful and inclusive societies as described by Goal 16 (peace, justice and strong institutions).

→ Responsible Supply Chain

Community Engagement

Under the slogan "For the Next Generation," Sony is meeting community needs, focusing on the following areas: supporting education in various countries and regions, providing emergency relief and assistance for large-scale disasters.

These activities contribute to Goal 4 (quality education) and create a positive social impact while partnering with external sectors as prescribed by Goal 17 (partnerships for the goals).

→ Community Engagement

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External Evaluation and Recognition

ESG External Evaluations and Inclusion in Indexes

Sony is consistently ranked highly for its ongoing efforts to promote sustainability by the world's leading ESG evaluation institutions, and it has been chosen for inclusion in various ESG indexes.

ESG External Evaluations

- In CDP surveys, Sony Group Corporation received the highest A List rating for both climate change and water security (December 2021)
- Sony Corporation was selected as a Supplier Engagement Leader in CDP's Supplier Engagement Assessment in recognition of its climate change initiatives in cooperation with the supply chain (February 2022)
- Sony Group Corporation was chosen as one of the World's Most Ethical Companies for the fourth consecutive year by Ethisphere Institute, a US-based organization dedicated to the study and advancement of ethical business practices (March 2022)



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[ESG External Evaluations and Inclusion in Indexes](#)

Inclusion in ESG Indexes



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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Major External Awards Received for Sustainability Initiatives

* Organization names appear as they were at the time of award receipt. * Organizations with no country name given in "Awarded by" are in Japan.

Fiscal Year 2021 (in order received)

Name of Award	Recipient	Awarded by	Date
Sustainable Materials Management Electronics Challenge	Sony Electronics' responsible recycling of electronic waste through certified recyclers	United States Environmental Protection Agency	March 2022
2021 World's Most Ethical Companies	Sony Group Corporation	Ethisphere Institute (United States)	March 2022
AsiaStar 2021 Awards (Consumer Package)	Sony's Original Blended Material for the WF-1000XM4 wireless headphones packaging	Asian Packaging Federation (APF)	February 2022
WorldStar Awards 2022 (Electronics)	Sony's Original Blended Material for the WF-1000XM4 wireless headphones packaging	World Packaging Organisation (WPO)	February 2022
Corporate Equality Index 2022 (rates workplaces on equality for LGBTQ employees)	Sony Pictures Entertainment, Sony Corporation of America, Sony Interactive Entertainment, Sony Electronics	The Human Rights Campaign Foundation (United States)	February 2022
2021 Prime Minister's Industry Award for Environmental Quality Conservation	Sony Technology (Thailand) Co., Ltd-Chonburi (STT-C)	Ministry of Labour (Thailand)	December 2021
Gold Rating in the 2021 PRIDE Index	Sony Group Corporation and 17 Group companies in Japan	work with Pride	November 2021
Special TEPIA Award in the 15th Kids Design Awards	toio™ Format Title "Let's play with music Picotons™"	(NPO) Kids Design Association	September 2021
Electric Equipment Packaging Award, Japan Packaging Contest 2021	Efforts to remove plastics from headphone packages	Japan Packaging Institute (JPI)	August 2021
Japan Package Design Association Award, Japan Packaging Contest 2021	Sony's Original Blended Material for the WF-1000XM4 wireless headphones packaging	Japan Packaging Institute (JPI)	August 2021

[Major External Awards Received for Sustainability Initiatives](#)

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Addressing Social and Environmental Issues



Sony conducts its business around the axis of "emotion" and "people". In order to have people connected each other through emotion, it is necessary to create a society in which everyone can live in peace of mind and a healthy global environment. Sony sees great value in contributing to solving social and environmental issues through technology and business.

Contributing via Technological Development

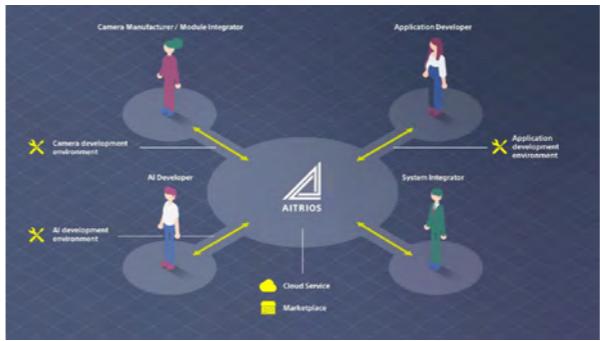
Intelligent Vision Sensors "IMX500": Edge AI Solutions That Help Solve Social Issues

In May 2020, Sony Semiconductor Solutions Corporation (SSS) announced the commercial release of its IMX500 intelligent vision sensors, the first image sensors in the world to be equipped with AI processing functionality. They feature a stacked configuration consisting of a pixel chip and logic chip, which are key technologies of SSS image sensors. The logic chip is equipped with SSS's original DSP (Digital Signal Processor) dedicated to AI signal processing, and embedded memory for the AI model.

The spread of the IoT has made cloud AI processing systems commonplace. However there is a concern that this will lead to increased CO₂ emissions as IP traffic and data center electricity consumption rise due to higher data volumes from a growing number of IoT devices. Edge AI processing addresses these problems by employing IoT devices that process and analyze data. SSS developed the IMX500 to be capable of outputting the desired metadata as semantic information. Because it only extracts necessary data, the data transmission latency, power consumption, and communication costs are reduced. Furthermore, privacy concerns are addressed by not outputting information that can identify an individual. One next-generation solution utilizing the IMX500 is an initiative to curb climate change. The issue being tackled is that most commercial buildings currently keep their heating, ventilation and air conditioning systems running whether people are present or not. Nomad Go is an American company that creates computer vision technology. With the aim of finding a solution to that issue, it utilized the IMX500 and Microsoft's Azure AI to effectively develop an intelligent building solution. Computer vision technology detects whether people are present in a commercial space and, if so, how many for how long. It precisely adjusts the room air conditioning as necessary, reducing

energy use and the associated greenhouse gas emissions. SSS also announced the launch of its AITRIOS™* edge AI sensing platform in October 2021. AITRIOS is a one-stop platform that provides various partners involved in development with all the features they need to efficiently develop and deploy solutions. The platform supports partners in efforts to build optimal systems in which the edge and the cloud function in synergy and address global environmental issues, thereby helping to solve issues with cloud systems.

* AITRIOS and AITRIOS logos are the registered trademarks or trademarks of Sony Group Corporation or its affiliated companies.



Edge AI sensing platform "AITRIOS"

- [新闻稿：Sony将发布世界上首款具备AI处理功能的智能视觉传感器](#)
- [与微软合作的共创新实验室，气候变暖要求智能建筑。这里有一种方法可以让它们变得更聪明](#)
- [AITRIOS | Edge AI Sensing Platform](#)

IoT for a Sustainable Society: Sony's Earth MIMAMORI platform

In order to realize a sustainable society, it is necessary to constantly protect various regions such as mountain forests, satoyama (woodlands surrounding rural settlements), rivers, and coasts. Furthermore, it requires the detection of anomalies to prevent problems from arising, instead of addressing environmental issues after they have already arisen. Such systems can only be realized through the ability to acquire and transmit data in a global sensor network extending to mountainous and coastal areas not serviced by conventional mobile networks. They also require devices and networks that can function in areas where electricity service is difficult.

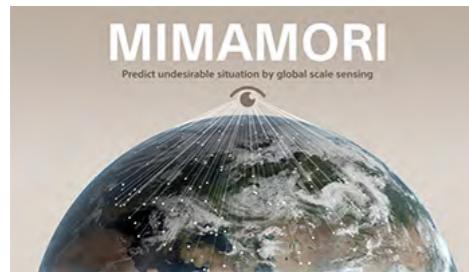
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Sony has a range of technologies to realize these systems.

- IMX500, intelligent vision sensor equipped with AI processing functionality
- Low-power edge AI devices such as SPRESENSE™ that offer advanced sensing in a battery-powered device
- Radio signal processing technology that enables low power and low bitrate data transmission with a range of over 1,000 km
- Prediction One, an analysis tool that makes useful predictions from the data collected
And more

Combining these technologies enables sensing all around the world, even in locations where humankind is not active. The data from such sensing can be collected by low-orbit satellites and the necessary information relayed to human society via AI processing. Sony calls this concept "MIMAMORI" and is engaged in research and development to make this mechanism to change human behavior patterns a reality. Within frameworks such as a comprehensive alliance with the Japan International Cooperation Agency (JICA) and the Social Innovation Division for Planetary Boundary established at Hokkaido University, Sony is collaborating with external partners in joint research and demonstration tests at various locations around the globe. These projects will help to prevent environmental destruction and predict emergencies such as river flooding and wildfires, as well as increase agricultural and livestock productivity.



"MIMAMORI," a proposed global sensing solution to detect anomalies and take preventative action

[Sony's Earth MIMAMORI platform](#)

[ELTRES](#)

[Wireless Experiment System Compatible with Sony's Proprietary Low-Power Wide Area \(LPWA\) Communications Standard
ELTRES™ Successfully Received Signal in Space \(in Japanese\)](#)

[Prediction One \(in Japanese\)](#)

Synecoculture™* and Augmented Ecosystems

Conventional agriculture largely focuses on increasing productivity from a single crop, by plowing top soil, spreading fertilizer, and applying agrochemicals. These practices damage ecosystems and cause environmental problems. Sony Computer Science Laboratories, Inc. (Sony CSL) successfully conducted demonstration tests for Synecoculture, a new agricultural practice that balances productivity and biodiversity, moving closer toward sustainability. Synecoculture is already being used in the Sahel region in Africa and has the potential to have a major global impact by contributing to desert greening and helping local economies around the world. Synecoculture eliminates the need for the plowing, fertilizing, and agrochemical use that impact the environment, by taking maximum advantage of the material cycling that occurs naturally in ecosystems, aiming to create rich ecosystems with a diverse mix of plants that coexist together and grow lushly. The importance of building ecosystems with a high degree of biological diversity and functionality is increasing in response to climate change, food crises, and pandemics. Synecoculture provides a fundamental solution to such global agenda. Sony CSL is also working to supply new value through augmented ecosystems, which expand the applications for Synecoculture beyond food production to the creation of ecosystems with diverse objectives and functions. The project supports education to enhance the understanding of natural environments and adds new value to the basic infrastructure of urban and living spaces. Building on this project, Sony founded SynecO Inc. to create sustainable environments and industries based on the renewable natural capital in which society should be rooted.

* Synecoculture is a registered trademark of Sony Group Corporation or its affiliates.

[Synecoculture™](#)

[Renewing agriculture to rebuild a broken environment \(Movie\)](#)

[News Release: New Company Founding: SynecO, Inc.](#)



Method of open-field agriculture and augmenting ecosystems by utilizing the self-organizing power of the ecosystem

STAR SPHERE

In August 2020, Sony announced the development of a nano/micro-satellite equipped with Sony camera equipment that can be operated by users to shoot images, and a joint development and technology demonstration agreement with the University of Tokyo and the Japan Aerospace Exploration Agency (JAXA).

Up until now, space missions for industrial purposes such as planetary exploration or space communication and surveys have dominated, and only a few people, such as astronauts, have experienced manned space flights. Believing it important that ordinary people can experience the universe for themselves and see Earth in a new light, as a planet in space, if humanity is to create sustainable societies and find solutions to environmental issues, Sony, the University of Tokyo and JAXA founded STAR SPHERE, a project that takes "Unleash Space" as its motto. The three partners aim to launch a man-made satellite in 2022.

The STAR SPHERE satellite will be highly maneuverable with 360 degree attitude control so that members of the public can explore and discover new aspects of the Earth and stars through the camera, such as the ever-changing hues of the aurora for example. Since half of the satellite's orbit will be at night, it will be installed with Sony high-sensitivity image sensors to help boost its environmental efficiency in operations such as the visualization of night-time economic activity. Sony intends to deliver "an experience connecting space and reality" via images captured in real time by checking the live stream from the camera when the satellite passes over an antenna on the ground station.

Up until now, satellites have been operated by specialized engineers, but Sony released a prototype shooting simulator in January 2022 that is simple and fun for laymen to use. Web content has been used to give the simulator intuitive operability, and Sony's Mapray 3D web map technology is leveraged for beautiful expression - the map data is optimized for 3D. The simulator can set shooting sequences as well as time frames for images to be shot.

Space is also a place where we can learn about Earth, and Sony has launched the Space Inspiration Competition in tandem with schools and educational institutes to use the power of entertainment to expand people's view of space.

Going forward, Sony aims to help to make people aware of just how precious Earth is by letting them see it from space, and to contribute to building a sustainable society where that value is shared worldwide.

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[STAR SPHERE Space Inspiration Project](#)

[\[Series\] Unleash Space! Background to the STAR SPHERE Project \(in Japanese\)](#)

Related Links

[→ Contributions to Solving Environmental Issues](#)

[\[Technology\]](#)

Contributing via Business Support

New Business Support Program

The Sony Startup Acceleration Program (SSAP) was launched in 2014 to create Sony startups and support project operation. SSAP provides seamless support from ideation to visualization, business verification, social implementation, and expansion. Leveraging Sony's experience and expertise in creating new business internally and globally, SSAP also provides startup support services to external organizations including major corporations for their new business development, venture companies, SMEs, non-profits (NPOs), educational institutions, and research institutes. SSAP engages in open innovation with companies and organizations, and aims to bring people's ideas to life and create an affluent and sustainable society.

Sony Startup Acceleration Program

[\[Sony Startup Acceleration Program \(in Japanese\)\]](#)

Corporate Venture Capital

Sony has participated for many years in the global ecosystem for creating new businesses and supporting the business growth of

venture companies. It established the Sony Innovation Fund in 2016, the Innovation Growth Fund in 2019, the Sony Innovation Fund: Environment in 2020 to support companies tackling global environmental issues, and in 2021 launched an innovative program to support ESG initiatives by companies it invests in. Sony Ventures Corporation, established in July 2021, launched Sony Innovation Fund 3 L.P. in February 2022. This new investment fund is for venture companies in industries that are expected to show strong growth. Sony Innovation Fund 3 L.P. is intended to contribute to social progress and the creation of sustainable societies via ESG-focused investment and support for venture companies.

[\[Sony Innovation Fund\]](#)

[\[News Release: Sony Ventures Corporation Actively Investing New Investment Fund "Sony Innovation Fund 3 L.P."\]](#)

Sony Innovation Fund

Research & Development

R&D

In Corporate R&D (Sony Group Corporation's R&D organization), Sony invests resources based on established financial discipline while envisioning the future business portfolio of the entire Sony Group. Prioritizing technologies that are expected to have applications in a variety of businesses, Sony will focus on areas of technology such as the "3R Technologies" of Reality, Real-time and Remote, as well as AI, sensing and security. Corporate R&D carries out various research and development activities in collaboration with multiple R&D organizations located in Japan, China, India, Europe and the United States, utilizing the different characteristics and strengths of each area. While striving to attract skilled research personnel locally, Corporate R&D aims to promote further collaboration between the various businesses within the Sony Group. Additionally, Corporate R&D continues to strive to enhance ease of movement for management and personnel between each R&D organization and strengthen its R&D from more diverse perspectives. For cross-sectional projects such as those in the entertainment and financial services areas, Corporate R&D assembles

teams with members from various organizations to promote R&D activities through the flexible and efficient collection of knowledge. Corporate R&D is also proactively taking part in open innovation, including collaboration with universities and other research institutions, in an effort to gain insight into the motivations of creators and users from a wider perspective to enhance the potential of its business.

[\[R&D Center\]](#)

Sony Computer Science Laboratories, Inc. (Sony CSL)

Sony CSL was established in 1988 to pioneer new research fields and paradigms, as well as new technologies and businesses, for the good of humanity, society and our planet. Sony CSL gives free rein to its researchers and is committed to creating a better future via creative and imaginative research.

Sony CSL is currently researching a diversity of themes at its laboratories in Tokyo, Paris, Kyoto and Rome, ranging from social issues in areas such as ecosystems, urban planning, and energy to augmentation of human capabilities and creativity.

It strives to channel the fruits of its research back into society.

Sony CSL

[\[Sony CSL\]](#)

Sony AI Inc.

Sony AI was established with the mission to "unleash human imagination and creativity with AI." It aims to accelerate AI research and development, and to combine it with the Sony Group's imaging and sensing technologies, robotics technologies, and entertainment assets – including movies, music, and games – to drive transformation across business domains and contribute to the creation of new ones. In the long-term, Sony AI also envisions helping to solve global-scale issues beyond Sony's business domains. Recognizing the power and influence that AI can have on society, Sony AI aims to contribute by developing AI that is responsible, fair and transparent.

Sony AI

[\[Sony AI \(some sections only available in English\)\]](#)

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Environment



Management Approach

Materiality Rationale

Sony's corporate activities are only possible if the earth, which sustains all life on earth, is healthy. This is why Sony is so determined to fight climate change, preserve resources, manage chemical substances, conserve biodiversity, and take other needed steps to protect the environment. True to this commitment, Sony conducts its business in a sustainable manner and provides environmentally conscious products and services, always seeking to deliver innovation and develop uniquely superior technologies. Sony also works hand-in-hand with stakeholders to help build a more sustainable society.

The Basics

Since the early 1990s, Sony has pursued environmental initiatives in accordance with its environmental principles and targets. In April 2010, Sony announced the "Road to Zero," a new global environmental plan, the goal of which is to realize a sustainable society by achieving a zero environmental footprint throughout the life cycle of its products and business activities by the year 2050. In May 2022, Sony made the decision to bring forward the target year of achieving a zero environmental footprint in the climate change area by ten years from 2050 to 2040. Working toward a zero environmental footprint, once every five years Sony sets concrete medium-term environmental targets for each stage of the life cycle for its products with respect to climate change, resources, chemical substances, and biodiversity.

Structure

Sony is implementing and continually improving its globally integrated environmental management system with the aim of realizing the Sony Group Environmental Vision, achieving its medium-term environmental targets and complying fully with legal requirements, regulatory demands and internal policies established for the Group. In addition, Sony has set up specialized functions to handle individual areas of activity within headquarters environmental functions.

[Environmental Data](#) ["Road to Zero," Sony's Global Environmental Plan](#) [Green Management 2025](#) [Sony Group Portal Website "Environment"](#)

Fiscal Year 2021 Results

Amount of plastics packaging per product unit

-15%

(compared to fiscal year 2018)

Renewable electricity rate for sites

14.6%

Utilization of entertainment content to raise awareness on sustainability issues

Over **0.43 billion** people total

Corporate Executive Officers oversee these functions as Sony Group Corporation senior management.

Looking to the Future

Acting on the basis of Green Management 2025, which sets medium-term environmental targets for fiscal year 2021-2025, Sony continues to strengthen its own internal initiatives, encourages business partners, consumers, and other stakeholders to take action and works together to build a sustainable society. By 2030, Sony will convert the electricity used at our manufacturing sites to 100% renewable energy and make direct and indirect emissions (scopes 1 and 2) of its own operations carbon neutral. By 2035, Sony will reduce GHG emissions for scope 3 products by 45%, and aim for net zero emissions for the entirety of scopes 1, 2 and 3 by 2040. Moving forward, Sony will continue to strengthen our efforts to achieve a zero environmental footprint.

Milestones

1976:	Company-wide Sony Environmental Conference established
1993:	Sony Global Environmental Policy and Environmental Action Program developed
1995:	Began to acquire ISO14001 certification at manufacturing sites in Japan
2002:	Green Partner Environmental Quality Approval Program introduced
2006:	Integration of environmental management systems at sites around the world completed
2009:	100% renewable electricity use achieved at all European sites
2010:	Road to Zero environmental plan announced
2015:	Approved as Science Based Targets (SBT)
2018:	Sony Joins RE100 Global Initiative
2022:	Sony announced the bringing forward of the target year of achieving a zero environmental footprint in the climate change area and "RE100" by 10 years Approved as a Science Based Targets (SBT) net zero target



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Sustainability Report 2022

Highlight

Accelerating Measures Against Climate Change

Progress To Date and Acceleration of Achievement Targets

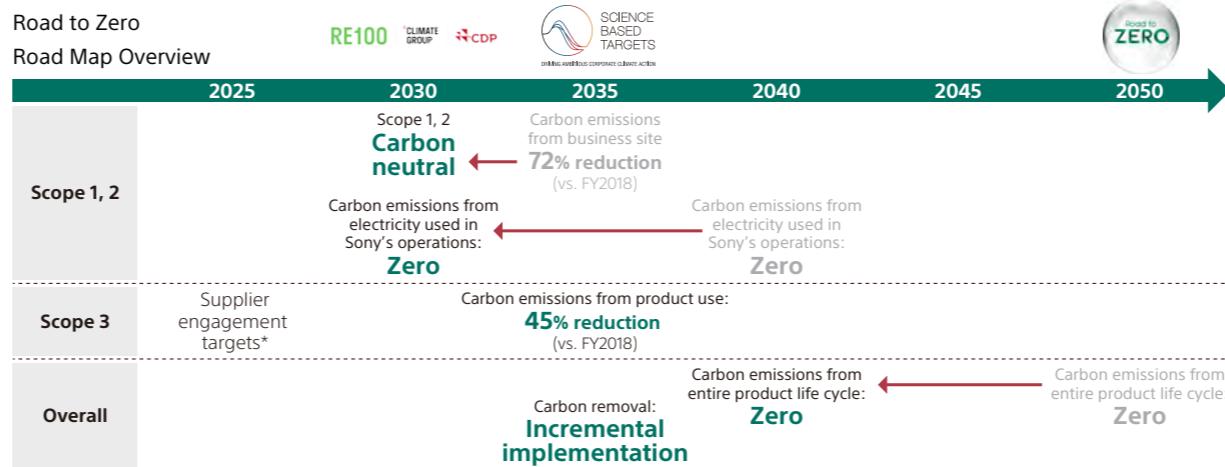
The transition to a decarbonized society is a pressing issue for the global community.

Sony is putting effort into measures against climate change from two perspectives: responsibility to aim to reduce greenhouse-gas emissions to zero, and contribution to innovation for industry and society.

Since the early 1990s, Sony has been operating under environmentally-conscious policies and action plans. Road to Zero, an environmental plan established in 2010, is designed to reduce the Group's environmental footprint to zero by 2050 by following a specific road map including goals set from four perspectives on environment, namely: climate change, resources, chemical substances and biodiversity. To address climate change, Sony has committed to reducing greenhouse-gas emissions to zero in both business operations and in its products throughout their life cycles. Sony sets medium-term environmental targets every five years, backcasting from the final goals of the plan for 2050, with each business pursuing its respective action plan to achieve them.

The current mindset in society in response to the increasingly serious effects of climate change is to support requiring corporations worldwide to accelerate measures to address climate change. For example, the international Science Based Targets initiative (SBTi) now stipulates a global temperature rise of 1.5°C above pre-industrial levels as the new target level, rather than the 2°C target set by the 2015 Paris Agreement, as well as establishing standards for net zero targets.

Under these circumstances, Sony announced in May 2022 that it will push forward its goal of achieving net zero throughout the entire value chain, moving the target year from 2050 to



2040. Specifically, this entails making direct and indirect emissions from its own operations (Scopes 1 and 2) carbon neutral by 2030. Sony has also accelerated its goal to achieve 100% renewable energy in its own operations by ten years, from 2040 to 2030 (see the chart above). Moreover, Sony's net zero target for 2040 was approved as the net zero target for the Science Based Targets initiative in August 2022.

Priority Initiatives to Achieve New Targets

To achieve these new targets, the Sony Group will continue to make an across-the-board effort to promote the use of renewable energy at all its business sites while reducing energy consumption. One example is the new Fab5 building at the Nagasaki Technology Center for image sensor production, which commenced operations in April 2021. Here, AI-assisted advanced control technology has been employed in semiconductor production to operate clean-room chillers and boilers, along with a system to recycle waste heat from production equipment to drive boilers, resulting in clean-room energy consumption

efficiency being improved by 30% compared to the FY2015 level. Across the entire life cycle of Sony products, greenhouse-gas emissions are highest when they consume electricity during customer use. With that in mind, Sony will pursue innovation in areas such as product design while accelerating initiatives promoting a net zero society.

Specifically, Sony is exploring investment opportunities in startups working on technology for the environment, mainly through the Sony Innovation Fund: Environment, a corporate venture capital fund established in 2020, as well as through making proposals to national governments and industry associations worldwide. Carbon removal/fixation is a particularly vital challenge to meet in order to realize net zero carbon emissions by 2040. Going forward, Sony is looking into various technologies leading to solutions, such as exploring credit generation from carbon absorption associated with augmented ecosystem businesses such as Syncoculture™ being rolled out by a Group company, SyncO, Inc. Sony will contribute to carbon fixation via both technological removal and natural absorption by ecosystems.

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Environmental Policies and Targets

Sony Group Environmental Vision

The Sony Group Environmental Vision presents a philosophy and principles for environmental management activities throughout the global Sony Group with the aim of contributing to the realization of a sustainable society. Since enacting the Sony Global Environmental Policy which is a predecessor of the Sony Group Environmental Vision and the Environmental Action Program, in 1993, Sony has pursued a broad range of environmental initiatives. Concurrent with the formulation of its Road to Zero global environmental plan, in 2010, Sony revised the Sony Group Environmental Vision.

Philosophy

Sony recognizes the importance of preserving the natural environment that sustains all life on the earth for future generations and thereby ensuring that all humanity can attain a healthy and enriched life. In order to realize such sustainable society, Sony strives to achieve a zero environmental footprint throughout the lifecycle of our products and business activities.



Sony focuses on four environmental perspectives

Basic Policy

Sony reduces our environmental footprint and prevents environmental pollution throughout the lifecycle of our products and business activities by complying with all applicable environmental regulations and also by continually improving our global environmental management systems. Sony formulates the following goals in four key environmental perspectives and takes proactive actions to achieve those goals.

Climate Change

Sony reduces energy consumption and strives to achieve zero emissions of greenhouse gases* generated throughout the lifecycle of our products, service and business activities.

* Gases that raise the temperature of the earth's surface by absorbing infrared radiation from reflected sunlight. Seven typical examples are carbon dioxide (CO₂), methane, nitrous oxides, hydrofluorocarbons (HFC), perfluorocarbons (PFC), sulfur hexafluoride (SF₆), and nitrogen trifluoride (NF₃)

Resources Conservation

In order to minimize resource inputs for our business activities, Sony identifies "Key Resources" and strives to achieve zero usage of those virgin materials. Sony also uses water efficiently, minimizes wastes from sites and maximizes our effort for take back and recycling products from markets.

Management of Chemical Substances

Sony minimizes the risk of chemical substances that we use causing serious harm to human health and the environment. Sony maintains strict control over the chemical substances we use, while, in line with the precautionary approach, taking steps whenever possible to reduce, substitute and eliminate the use of substances that have potentially significant impacts on the environment even in the cases where scientific evidence is not fully proven.

Biodiversity Conservation

Sony protects and utilizes ecosystem services in a sustainable manner, while actively promoting maintenance and recovery of biodiversity through our business and local contribution activities.

In order to realize the Environmental Vision, Sony formulates targets and concrete plans and initiates actions to implement, while contributing to a better society through partnerships and communications with internal and external stakeholders.

Environmental Plan

"Road to Zero," Sony's Global Environmental Plan

As stated in the Sony Group Environmental Vision, Sony strives to realize a sustainable society by achieving a zero environmental footprint throughout the life cycle of its products and business activities. It is this long-term goal that prompted Sony to name its new global environmental plan "Road to Zero." Under this plan, Sony aims to bring its environmental footprint to zero by 2050 and works to achieve medium-term environmental targets toward this end. In May 2022, Sony made the decision to bring forward the target year of achieving a zero environmental footprint in the climate change area by ten years from 2050 to 2040.

["Road to Zero," Sony's Global Environmental Plan](#)



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Four Focus Points for a Zero Environmental Footprint

Sony efforts to achieve a zero environmental footprint focus on four important environmental perspectives: climate change, resources, chemical substances, and biodiversity.

Focus on Climate Change

Sony aims to achieve zero greenhouse gas emissions in its business activities, as well as throughout the entire life cycle of its products and services. In order to reduce emissions, we conduct scenario analysis* in accordance with TCFD Recommendations, analyze and ascertain climate-related risks and opportunities, and review the countermeasures. To achieve zero greenhouse gas emissions, Sony works to maximize energy-saving measures and introduce as much renewable energy as possible. In addition to such measures as reducing the amount of electricity used at business sites, promoting the installation of solar power generation equipment, and maximizing energy efficiency in Sony products and services, Sony also encourages similar measures in the supply chain, including at contract manufacturers and suppliers of raw materials and components, to reduce direct and indirect greenhouse gas emissions. Sony also investigates ways to offset any greenhouse gas emissions that might remain through efforts such as carbon removal.

* See below for more information on scenario analysis in accordance with TCFD Recommendations.

→ Disclosure of Climate-related Information in Accordance with the TCFD Recommendations

Focus on Resources

Sony seeks to minimize the consumption of resources and maximize resource recycling in order to use resources effectively in its business activities and throughout the life cycle of its products and services, based on the globally prescribed promotion of a circular economy. Sony minimizes resource consumption by reducing the weight of products, minimizing the use of packaging materials, and utilizing resources more efficiently in its internal operations. Concurrently, Sony also works to extend the life of products through quality and durability enhancements, while undertaking environmentally conscious design, such as making products easier to repair, in order to indirectly reduce resource consumption. Additionally, as part of its efforts to respond to the growing global problem of plastic pollution in the ocean, Sony continues to work toward reducing the amount of single-use plastic

product packaging. Sony aims to reduce the number of parts derived from virgin resources to zero by identifying certain key resources* in terms of environmental impact due to the depletion, uneven distribution and mining of resources, loss of biodiversity due to mining, and the effects of these impacts on local communities. In terms of waste, Sony recycles waste generated from internal operations, with the goal of eliminating landfilled waste. Additionally, Sony designs products to facilitate recycling and implements ongoing programs to collect and recycle end-of-life products according to the needs of local communities, while also promoting advanced recycling with recycling companies.

* At Sony, "key resources" are designated by taking the following factors into account: resource depletion, resource availability, environment impact of resource extraction, and loss of biodiversity and community impacts from resource extraction.

■ Focus on Water Use

Although water circulates around the earth continuously through the water cycle, the amount of water available for use by the planet's inhabitants is limited. With population growth and other issues putting further pressure on water supplies, the importance of conserving this resource will increase in the years ahead. Taking into account the locations of its sites, as well as regional differences, Sony will continue taking steps to minimize its withdrawal of water and to ensure the water it returns to water sources is of a quality that does not negatively impact the environment.

■ Focus on Paper Resources

Recognizing that paper resources are limited, under the Sony Group Paper / Printed Material Purchasing Policy, Sony constantly works to reduce paper consumption while prioritizing the procurement of environmentally preferable paper, such as paper made from resources sourced from certified forests and recycled paper.

[↗ Sony Group Paper / Printed Material Purchasing Policy \[PDF: 427KB\]](#)

Focus on Chemical Substances

Sony endeavors to minimize the risk that chemical substances it uses might cause serious harm to human health and the environment. Chemical substances used in Sony products are suitably managed based on available data including national regulations, toxicity, environmental impacts, applications, and content level in components and products. Sony adopts a precautionary approach and takes steps to identify and strive to eliminate substances considered to be high-risk,

even in cases where scientific evidence is insufficient, thereby reducing potential impact on the environment. Sony manages the type and application of chemical substances used at business sites, and for high risk substances sets criteria for managing each substance to either prohibit their use or reduce emissions or amounts transferred. Sony also prohibits the use of certain substances in manufacturing processes in the supply chain which are restricted under international frameworks because of environmental impacts throughout the life cycle.

Focus on Biodiversity

Recognizing the importance of natural capital,*¹ as the very foundation of human life, and the ecosystem services*² it supplies, Sony endeavors to maintain and recover biodiversity, both in its business activities and through community initiatives.

At each stage of the product lifecycle, Sony business activities are either dependent on or related to natural capital and biodiversity. We set and work toward goals with this in mind, especially at stages where this link is particularly prominent. For example, Sony aims to eliminate parts derived from virgin resources and prevent the loss of biodiversity due to mining in our procurement of raw materials and parts. For paper resources closely tied to biodiversity, we are continuing efforts to reduce the amount of paper used, and prioritize the purchase of environmentally conscious paper.

Land use is another factor causing the loss and deterioration of biodiversity. In response, Sony promotes nature restoration and biodiversity conservation efforts that meet regional needs for the green areas on the premises of Sony sites as well as the surrounding area. Sony takes seriously the issue of plastic pollution in the oceans, which has become a worldwide crisis in recent years. We promote activities to reduce the amount of plastics used in products and in manufacturing sites, as well as the collection of plastic waste and cleanup activities at sites.

Sony also recognizes that food is essential to the lives all our employees and humanity as a whole. This is also linked to environmental issues such as soil pollution, deforestation, food loss and global warming. We work to communicate these issues to our employees and encourage them to have an environmentally conscious diet.

*¹ The natural assets include elements of the natural environment such as forests, rivers, the atmosphere and soil, as well as living organisms. Natural capital is the source of ecosystem services, fossil fuels and minerals.

*² Services produced by natural capital and received by humans from nature include groundwater, lumber, and climate regulation.

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Medium-Term Environmental Targets

Sony is working toward its goal of having a “zero environmental footprint”, setting medium-term (5-year) environmental targets progressively backcasted from targets based on current achievement levels. This approach will enable Sony to work steadily toward achieving the zero environmental footprint goal, while making ongoing adjustments based on current progress. In 2011, Sony established the Green Management 2015 medium-term environmental targets (fiscal year 2011–2015), which was the first step on the road to a zero environmental footprint, and took the second step in 2016 with the Green Management 2020 medium-term environmental targets (fiscal year 2016–2020). Sony is currently implementing initiatives to achieve the goals it has set under the Green Management 2025 medium-term environmental targets (fiscal year 2021–2025).

Green Management 2025

Sony Moves Even Closer to Zero with 2025 Targets

Since April 2021, Sony has been working to achieve the goals it has set under the Green Management 2025 medium-term environmental targets (fiscal year 2021 - 2025). Sony continues to accelerate its environmental activities in order to move even closer to a zero environmental footprint.

Green Management 2025



Green Management 2025 in Context

In light of the urgent environmental issue of climate change, greenhouse gas (GHG) emissions must be reduced to virtually zero by 2050 in order to keep the global average temperature increase below 1.5°C as recommended in the Special Report on Global Warming of 1.5°C approved by the Intergovernmental Panel on Climate Change (IPCC)* in 2018. In order to realize a decarbonized world with virtually zero GHG emissions, companies will need to develop energy saving products, introduce renewable energy, and reduce emissions throughout their supply chains. At the same time, in order to achieve sustainable use of resources, economic growth must be balanced with environmental impact; societies must shift to circular economies; and the recent problem of ocean plastic pollution must be addressed.

* IPCC: Intergovernmental Panel on Climate Change

Formulating Green Management 2025

Sony believes that encouraging business partners, consumers, and other stakeholders to take action and work together to build a sustainable world is equally as important as its own environmental activities. When formulating Green Management 2025, Sony examined its past environmental activities and conducted a group-wide materiality analysis focused on what is important to Sony, its stakeholders and society at large. Based on these results and the wider social context, Sony reaffirmed the importance of the four environmental aspects that it has been working to address: climate change, resources, chemical substances, and biodiversity. The following three areas are particular key priorities.

Focus Point 1: Improve Energy- and Resource-Efficiency of Products

Sony continues to pursue energy efficiency during product use, which accounts for the majority of GHG emissions throughout the life cycle of its products. In addition to minimizing the consumption of resources, Sony takes action to reduce the amount of plastic used in products and packaging in order to address the growing problem of ocean plastic pollution.

Focus Point 2: Expand Renewable Energy Use

Sony is a member of RE100 and aims to achieve 100% renewable electricity utilization at all Sony Group sites by 2030.* Sony will further accelerate efforts to achieve this goal by expanding the use of renewable electricity to at least 35%* of the total amount of electricity used at all Sony sites around the world.

* Revised May 2022

→ [RE100 Membership](#)

Focus Point 3: Enhance Supply Chain Engagement to Reduce Environment Impact

Sony has been working to reduce the environmental impact of the entire supply chain by working even more closely with raw material and component suppliers and contractors to which it outsources manufacturing. Sony endeavors to further enhance its engagement with these partners, encouraging them to set targets for reducing GHG emissions and water consumption and managing their progress.

In addition, Sony has helped raise awareness of the Sustainable Development Goals (SDGs), including those in relation to the environment, through its entertainment content reaching more than 2 billion people around the world. Green Management 2025 also focuses on promoting these activities and encouraging engagement in environmental activities with the aim of getting over 2.5 million people to take action.

Specific Green Management 2025 Targets

For a list of Green Management 2025 targets, please click on the following link.

↗ [Green Management 2025](#)

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Green Management 2025 Targets and Progress

Under the Green Management 2025 (GM2025) medium-term environmental targets, which spanned from fiscal year 2021 through fiscal year 2025, Sony set targets for each stage of the product lifecycle and took action accordingly. The targets and fiscal year 2021 progress of activities for each stage are outlined below.

Product/Service Planning and Design

Sony provides products and services with low environmental impact in all business areas. We are promoting electronic products with designs that reduce environmental burden throughout their lifecycle, and promoting the use of recycled plastics in our products alongside the reduction of plastic packaging. Particularly in its entertainment business, Sony also makes the most of the content it creates to develop and implement environmental campaigns.

Product/Service Planning and Design

Items	Targets (base year: 2018)	Fiscal year 2021 Progress
Overall	Centering around the entertainment business, raise the awareness of more than 2 billion people on sustainability issues and engage more than 2.5 million people by the entire Sony Group	Utilize entertainment content to raise the awareness of more than 0.43 billion people across the entire group, and promote participation to a total of 16 million people through events and social media
Climate Change	Reduce annual energy consumption per product unit by 5%	Approx. 3.3% increase
Resource	Reduce the amount of virgin oil-based plastics per product unit (excluding packaging materials) by 10%	Approx. 3.1% reduction
	Reduce the amount of plastics packaging per product unit by 10%	Approx. 15.2% reduction
	Eliminate plastic packaging for newly-designed small products	Released in 2021, the WF-1000XM4 headphones, Xperia PRO-I Smartphone, α7 IV Full-frame Mirrorless Interchangeable Lens Camera, etc., realize zero plastic* ² in individual packaging.* ¹
Chemical Substances	Eliminate high-risk applications of "Controlled Substances* ³ " that are of high concern and use alternative substances → Polyvinyl Chloride (PVC) → Brominated Flame Retardants (BFRs)	Promoted use of alternative substances based on Sony standards for management of chemical substances. For more information on alternatives for polyvinyl chloride (PVC) and brominated flame retardants (BFR), please see below.

*1 Individual packaging refers to the individual product box and packaging inside the box.

*2 Coating and adhesive materials excluded.

*3 "Controlled Substances" is an abbreviation for "Environment-related Substances to be Controlled," and it refers to substances contained in parts and devices that the Sony Group considers to have significant environmental impact on both humans and the global environment.

Operations

Sony has adopted renewable energy at worksites throughout the Sony Group as part of its focus on reducing its environmental impact. Sony has been accelerating the adoption of renewable energy since 2021. In May 2022, we moved our target year for using 100% renewable energy up from 2040 to 2030. Our GM2025 goal for renewable energy-derived electricity in 2025 was also increased from 15% to 35%. Furthermore, in 2021, we began working on environmental consideration in food, providing menus using environmentally conscious ingredients at employee cafeterias and conducting activities to raise employee awareness.

Operations

Items	Targets (base year: 2020)	Fiscal year 2021 Progress
Climate Change	Reduce absolute GHG* ¹ emissions from Sony's sites by 5%	Approx. 8.4% increase
	Utilize renewable electricity by 35%* ² or more (Renewable electricity rate)	Renewable electricity rate approx. 14.6%
Resource	Improve waste generation intensity value by 5%	Worsened by approx. 7.6%
	Reduce landfilled waste rate to 1% or less	Approx. 0.5%
Chemical substances	Sites that use large volume of water: improve water usage intensity value by 5%. Sites located in high water-risked areas: implement water risk reduction activities corresponding to the water risk of the area	Worsened by approx. 1.7% Risk reduction efforts underway according to risk, such as reduction of wastewater pollution
	Promote the use of certified and recycled paper	Promote the use of recycled paper and certified paper based on our purchasing policy for paper and printed media
Biodiversity* ⁴	Take actions for the specified chemical substances, as outlined below Class 1 substances: Prohibit use Class 2 substances: Prohibit use (Exemptions granted for certain applications) Class 3 substances: Reduce the total amount of VOCs* ³ released into the air to below FY2010 level or less	Class 1 substances: No use of prohibited substances Class 2 substances: No use of prohibited substances Class 3 substances: Emissions of VOC into the air: Approx. 65% reduction
Biodiversity* ⁴	Continually promote biodiversity conservation activities respecting the needs of local communities	Implemented activities to preserve biodiversity at 25 sites according to local needs
	In employee cafeterias, promote the serving of environmentally conscious food	Raise employee awareness by providing menus using environmentally conscious ingredients and distributing guidebooks at the employee cafeteria at 32 sites
	Implement initiatives to reduce ocean plastic pollution	Reduce single-use plastic use on site and promote the use of reusable water bottles

*1 GHG: Greenhouse gases. *2 Increased from 15% to 35% in May 2022.

*3 VOC: Volatile organic compounds. *4 Biodiversity data includes non-ISO14001 certified sites.

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Supply Chain

Sony requests its raw materials and component suppliers as well as subcontractors to strengthen their efforts to reduce environmental burden, set targets, manage progress and achieve results in order to meet targets across the entire product lifecycle.

Items	Targets	Fiscal year 2021 Progress
Climate change	Request suppliers of raw materials and components and contract manufacturers to monitor their GHG emissions, set medium- and long-term targets for emissions reduction, and perform progress management	Requested relevant suppliers to calculate actual emissions, set medium and long-term reduction targets and implement reduction measures. Surveyed supplier progress. Valid response rate: approx. 80% (transaction amount basis)
Resource	Request suppliers of raw materials and components and contract manufacturers to set water consumption reduction targets and perform progress management, while taking into consideration the water depletion risk in the areas where each site is located	Requested relevant suppliers to calculate actual emissions and water risk, set reduction targets and implement reduction measures. Surveyed supplier progress. Valid response rate: approx. 80% (transaction amount basis)
Chemical substances	Request and manage the response of suppliers of raw materials and components and contract manufacturers to Sony Group's unified standard, for law materials, components and products supplied to Sony Group, as well as products / semi-products to be delivered from an outsourcing contractor	Requested response based on Sony standards for the management of chemical substances.
	Request suppliers of raw materials and components and contract manufacturers to eliminate the use of substances specified by Sony Group in their manufacturing processes and perform appropriate management	Requested manufacturing outsourcing contractors to ban the use of substances specified by Sony from manufacturing processes and surveyed status of the use of these substances.
Biodiversity	Request suppliers of raw materials and components and contract manufacturers to take initiatives giving consideration to biodiversity	Requested relevant major suppliers take biodiversity into consideration. Surveyed supplier biodiversity activities.

Logistics

Sony is taking steps to reduce shipping weight by making products smaller and lighter, and pursuing alternative shipping methods (modal shift, etc.) by identifying and employing methods that are most efficient and have less impact on the environment in order to reduce CO₂ emissions due to distribution.

Items	Targets (base year: 2018)	Fiscal year 2021 Progress
Climate change	Reduce absolute CO ₂ emissions related to logistics between nations and within regions by 10%	Approx. 5% increase

Take Back and Recycling

Sony focuses on recycling-oriented product design and promotes take-back and recycling processing for end-of-life products. Meanwhile, Sony seeks to ensure that even items which the company itself is unable to recycle at the present time are recycled, and is collaborating with recyclers to clarify the extent to which key resources are being recycled.

Items	Targets	Fiscal year 2021 Progress
Resource	Establish and maintain recycling schemes suitable for the needs of local communities.	Complied with all legal requirements in all areas where laws and regulations on take-back and recycling are established. Implemented voluntary collection and recycling activities in areas where laws and regulations are not yet established.
	When recycling a key mineral resource (tantalum), improve sorting efficiency 1.5 times (vs fiscal year 2020)	Worked with Japanese recycling plants to conduct technical verification to improve collection efficiency for end-of-life products with parts containing tantalum.

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Global Environmental Initiatives

Approval for 1.5°C Science Based Targets

When formulating Green Management 2025 Medium-Term Environmental Targets, Sony took a longer-term perspective and set its climate change targets to be achieved by fiscal year 2035. These targets are listed below and have been approved by the Science Based Targets (SBT)* initiative as consistent with a 1.5°C goal. In May 2022, the target year was moved up to 2040, and our goal of achieving net zero in scopes 1 to 3 across the entire value chain was approved as an SBT net zero target in August 2022.

* SBT is an international initiative to encourage companies to set science-based greenhouse gas reduction targets in order to limit the increase in the average global temperature due to climate change to 1.5 degrees Celsius above preindustrial levels.



SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Science Based Targets logo

- Set SBT-consistent reduction targets for raw material and component suppliers and outsourced manufacturers equivalent to 10% of supply chain GHG emissions by fiscal year 2025
- Reduce GHG emissions at Sony sites globally by 72% relative to fiscal year 2018 levels by fiscal year 2035
- Reduce GHG emissions during product use by 45% relative to fiscal year 2018 levels by fiscal year 2035

RE100 Membership

In 2018, Sony joined RE100* and itself is working toward sourcing 100% renewable electricity for the worldwide operations of the Sony Group by 2040. This target was moved up to 2030 in May 2022. Sony has already switched to 100% renewable electricity in Europe and China. In Pan Asia, North America and Japan, we are increasing renewable energy use using various strategies including deploying solar energy systems. Particularly, to address its energy-intensive operations in Japan, Sony has installed solar power generation equipment at its main sites and is promoting intracompany transfers of surplus power generated by the solar power systems at Sony sites (Including some off-site power systems) to supply power to another Sony site. Sony will also cooperate with other RE100-member companies to shape renewable energy markets and realize regulatory changes that will lead to the plentiful and stable supply of affordable renewable energy throughout the world.

* RE100 is a global initiative led by the non-profit The Climate Group in partnership with CDP in which participating companies set a goal of procuring 100% renewable electricity for power used in their global business operations.

[→ Use of Renewable Energy](#)



RE100 logo

Tackling Ocean Plastic Pollution with the One Blue Ocean Project

Sony takes seriously the issue of plastic pollution in the oceans, which has become a worldwide crisis in recent years. Since 2019, Sony has continued to work on the One Blue Ocean Project, an initiative to help reduce ocean plastic pollution. It involves promoting even more activities to reduce the amount of plastics used in products and in workplaces, as well as the collection of plastic waste and cleanup activities at each Sony site.



Logo of the One Blue Ocean Project

Sony is promoting One Blue Ocean activities for products and sites based on the following four initiatives. The main achievements of fiscal year 2021 are also outlined below.

(1) Reducing plastic in products and proactively using recycled materials For a wide range of products, Sony is reducing the size and weight of plastic parts, minimizing plastic packaging, and expanding the use of recycled plastic.

■ Fiscal year 2021 Results

See below.

[→ Reducing Use of Virgin Plastics](#)

[→ Reducing Plastic Packaging](#)

(2) Reducing plastic usage in production activities

Sony is further reducing the amount of plastic used at production sites.

■ Fiscal year 2021 Results

Due in part to increased production, the amount of plastic waste generated from Sony production sites in fiscal year 2021 increased by 262 tons over fiscal year 2020. However, it represents a 876 tons reduction over plastic waste generated in fiscal year 2018.

(3) Reducing or discontinuing the use of single-use plastics in conference rooms and on site shops

Sony aims to eliminate the use of single-use plastics such as plastic bottles, straws, and cups in conference rooms and reception rooms. In addition, plastic bags will no longer be provided at in-company shops and cafes, and the use of single-use plastics such as straws and cups will be reduced and gradually phased out. At the same time, Sony is working to cultivate awareness among employees about the use of reusable shopping bags and personal cups.

■ Fiscal year 2021 Results

- By the end of fiscal year 2021, single-use plastics such as plastic bottles were no longer being provided in conference rooms at 33 sites.
- Plastic bags are no longer provided at shops and convenience stores located in 22 sites.
- Straws have been eliminated from cafes in 27 sites.

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(4) Expanding local cleanup activities along rivers and shorelines
Sony employees at certain sites and group companies all over the world have been carrying out community cleanup activities along rivers and seashores, and these activities will be steadily expanded to even more sites. Employee awareness of measures to combat ocean plastic pollution will also be further enhanced.

■ Fiscal year 2021 Results

- A total of 2,871 Sony Group employees and their families participated in cleanup activities
- 483 45-liter garbage bags amounting to 8.4 tons of garbage was collected.

[One Blue Ocean Project](#)

Promoting the Use of Environmentally Conscious Food with the Food for the Future Project

The production, transportation and consumption of food resources is profoundly affected by environmental issues such as soil pollution, deforestation, food loss and global warming. Sony believes that solving these environmental issues is important to everyone, so we started promoting the Food for the Future project in 2021.

In this project, Sony promotes the project based on the two following actions, encouraging every employee to raise their awareness of environmental considerations for food in their lives at home and in their meals in the cafeteria. The main achievements of fiscal year 2021 are also outlined below.

(1) Make sustainable food a part of daily life

Sony compiles a guidebook containing ideas that can be incorporated into daily lives and distributes this to employees. We also hold seminars to join our employees in considering the importance of having a sustainable diet.

■ Fiscal year 2021 Results

- Distribution of a guidebook on environmentally conscious food to sites worldwide
- Established the Sony Group Food Month and held seminars in Japan

(2) Choose sustainable food at the employee cafeteria

We incorporate environmentally conscious food into the meals offered at our employee cafeterias in order to deepen employee understanding of environmentally conscious food.

■ Fiscal year 2021 Results

- Provision of environmentally conscious food at employee cafeterias at 32 sites worldwide
- [Environmental Initiatives for Food](#)

Environmental Management Structure

Sony is implementing and continually improving its globally integrated environmental management system with the aim of realizing the Sony Group Environmental Vision, achieving its medium-term environmental targets and complying fully with legal requirements, regulatory demands and internal policies established for the Group.

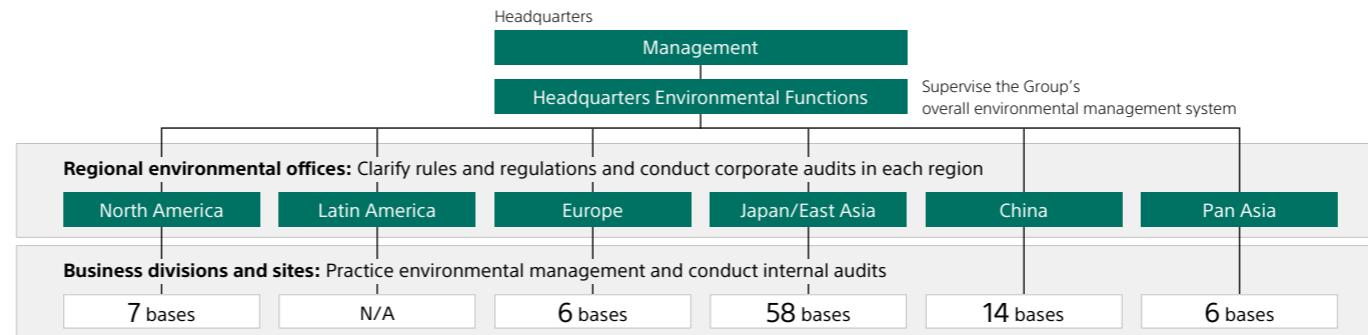
Integrated ISO 14001 Certification for the Entire Sony Group

Since the 1990s, Sony sites^{*1} throughout the world have sought certification under ISO 14001, the international standard for environmental management systems. Acquisition of ISO 14001 certification at all sites was completed in fiscal year 2000. Since then, Sony has expanded this effort, establishing a group-wide environmental management system integrating its headquarters with environmental departments, business units and sites globally, while taking advantage of the management systems already operational at each business site, and acquiring integrated ISO 14001 certification for the entire Sony Group in fiscal year 2005. As of March 31, 2022, integrated ISO 14001 certification had been obtained by 91 of the Sony Group's business units and sites around the world.^{*2}

*1 "Sites" refers to manufacturing and non-manufacturing sites.

*2 The scope of integrated ISO 14001 certification is all manufacturing, distribution centers with 100 or more employees and non-manufacturing sites with 1,000 or more employees.

The Sony Group Global Environmental Management System (As of March 31, 2022)



Integrated ISO 14001 certification for 91 Sony Group sites worldwide

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Specialized Functions for Environmental Management

In order to promote a wide range of measures, such as manufacturing and sales of environmentally conscious products, recycling of its products and environmental management at its sites, Sony has a dedicated headquarters that oversees environmental management for the entire Group based on the Sony Group Environmental Vision. It sets goals and rules and monitors performance. There are also specialized functions at this environmental headquarters, specifically in the areas related to energy consumed at sites and by products; resource conservation, including recycling; chemical substance management; biodiversity conservation; procurement; logistics; and communications. Each specialized function is integrated and linked with related fields and internal organizations such as quality assurance, customer service, occupational health and safety, and disaster prevention, to create an even more effective management system. The environmental headquarters is overseen by senior management, and a Sony Group Corporation corporate executive officer assumes ultimate responsibility. The president of Sony Group Corporation and other executives share information on environmental issues of importance to the Sony Group in regularly-held executive meetings. Additionally, to promote integrated environmental management globally, Sony has established six regional environmental offices to facilitate region-wide environmental management activities, such as a better understanding of local legal and regulatory trends, effective communication of standards and instructions set forth by headquarters to the regional divisions and sites, and effective performance of audits at all regional business divisions and sites. These are the North America environmental office, Latin America environmental office, Europe environmental office,^{*1} Japan/ East Asia environmental office,^{*2} China environmental office,^{*3} and Pan Asia environmental office.^{*4}

^{*1} The Europe environmental office supervises divisions/sites in the nations of Europe, Israel, Turkey, Russia, and former Soviet Union (except for Tajikistan, Turkmenistan, and Uzbekistan).

^{*2} The Japan/East Asia environmental office supervises divisions/sites in Japan, South Korea and the Taiwan Region.

^{*3} The China environmental office supervises divisions/sites in the mainland China and Hong Kong Region.

^{*4} The Pan Asia environmental office supervises divisions/sites in Mongolia and other Asia (except for divisions/sites supervised by the Europe environmental office, the Japan/East Asia environmental office, and the China environmental office), Africa, Middle East, Oceania, Tajikistan, Turkmenistan, and Uzbekistan.

Continual Improvement by Using the PDCA Cycle

In compliance with ISO 14001, the global standard for environmental management systems that is based on the rationale of the Plan-Do-Check-Act (PDCA) cycle, Sony's corporate headquarters conducts annual assessments of the environmental impact of the entire Sony Group and, after identifying risks and opportunities, incorporates its findings into medium-term environmental targets and annual plans. In line with these plans, individual business units and sites establish and implement their own annual plans, incorporating essential elements of guiding principles established by the headquarters. Progress on the implementation of these business plans is reviewed regularly by a committee that is headed by the officer in charge of environmental affairs, contributing to ongoing improvement efforts. Awards are given annually at the global level to recognize outstanding activities in core businesses. For all businesses of the Sony Group (except for certain operations such as the financial services), the results of environmental initiatives are assessed as part of the annual review of business results, and the assessment is used to determine bonuses for employees of Sony's main business units. Additionally, environment related matters are taken into account as a factor in evaluating the remuneration linked to business results of Senior Executives and Senior Vice Presidents in charge of each business unit.

The Sony Group Environmental Management System PDCA Cycle



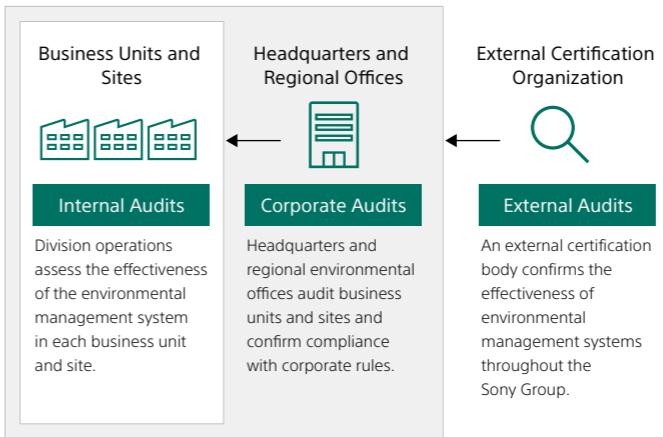
To gauge the progress of these environmental activities, Sony has developed an online data system for periodically collecting performance for, among others, power consumption by products,

energy used by sites, and volume of waste generated. To ensure the effective functioning of the PDCA cycle, Sony has created an environmental document structure in line with the requirements of ISO 14001. The structure covers overall elements of environmental management such as management procedures on site and in the business groups, internal environmental communications, efforts to make products more environmentally conscious, and internal audits. Another means by which the Sony Group facilitates environmental action is to provide broad environmental education for employees that is tailored to specific objectives or the type of work they perform.

Environmental Audits

Sony has established an integrated environmental audit system that combines three kinds of audits – internal, corporate and external – and aims to facilitate continual improvements to the Sony Group's environmental management system, prevent environmental accidents at sites, and ensure the reliability of environmental data. In internal audits, business units and sites independently confirm the effectiveness of their own organization's environmental management system. In corporate audits, headquarters or regional environmental offices conduct audits of business units and sites in order to verify compliance with corporate rules. In external audits, an external certification body conducts audits to determine the effectiveness of environmental management systems throughout the Sony Group.

Sony Group Environmental Audit System



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Overview of Sony's Environmental Impact

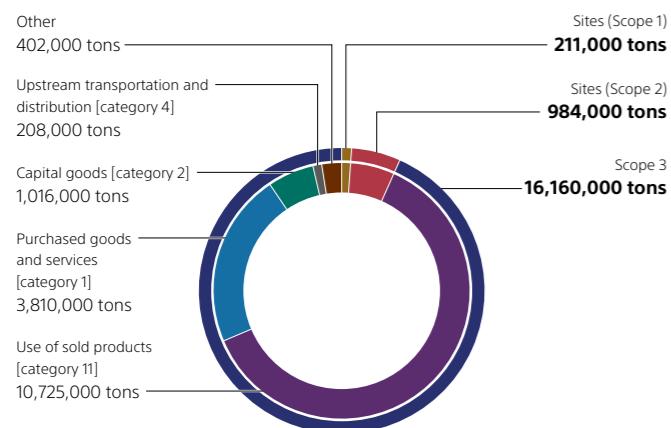
Assessing Greenhouse Gas Emissions over the Entire Value Chain

The recent escalation of climate change issues has prompted corporations to broaden the scope of efforts to ascertain the greenhouse gas emissions not just of their own operations but also those throughout their entire value chain.*¹ Sony has determined emissions from its major component suppliers and manufacturing contractors. Furthermore, based on the level of emissions identified, Sony has estimated greenhouse gas emissions for its entire value chain.*² The amount of greenhouse gas emissions from Sony's overall value chain in fiscal year 2021 is estimated to be approximately 17.36 million tons. The largest volume of emissions, approximately 10.73 million tons, was from "energy consumed during product use." The next largest category was "goods and services procured," which includes raw materials and components, at approximately 3.81 million tons. Sony will continue to strive to identify and manage greenhouse gas emissions over the entire value chain.

*¹ Value chain refers to the entire product life cycle process, from procurement of materials through to manufacturing, use and disposal. It includes upstream and downstream manufacturing processes.

*² Estimated greenhouse gas emissions are calculated in accordance with the Greenhouse Gas Protocol's scope 3 accounting and reporting standard and guidelines published by Japan's Ministry of the Environment.

Greenhouse Gas Emissions from the Value Chain



Environmental Data

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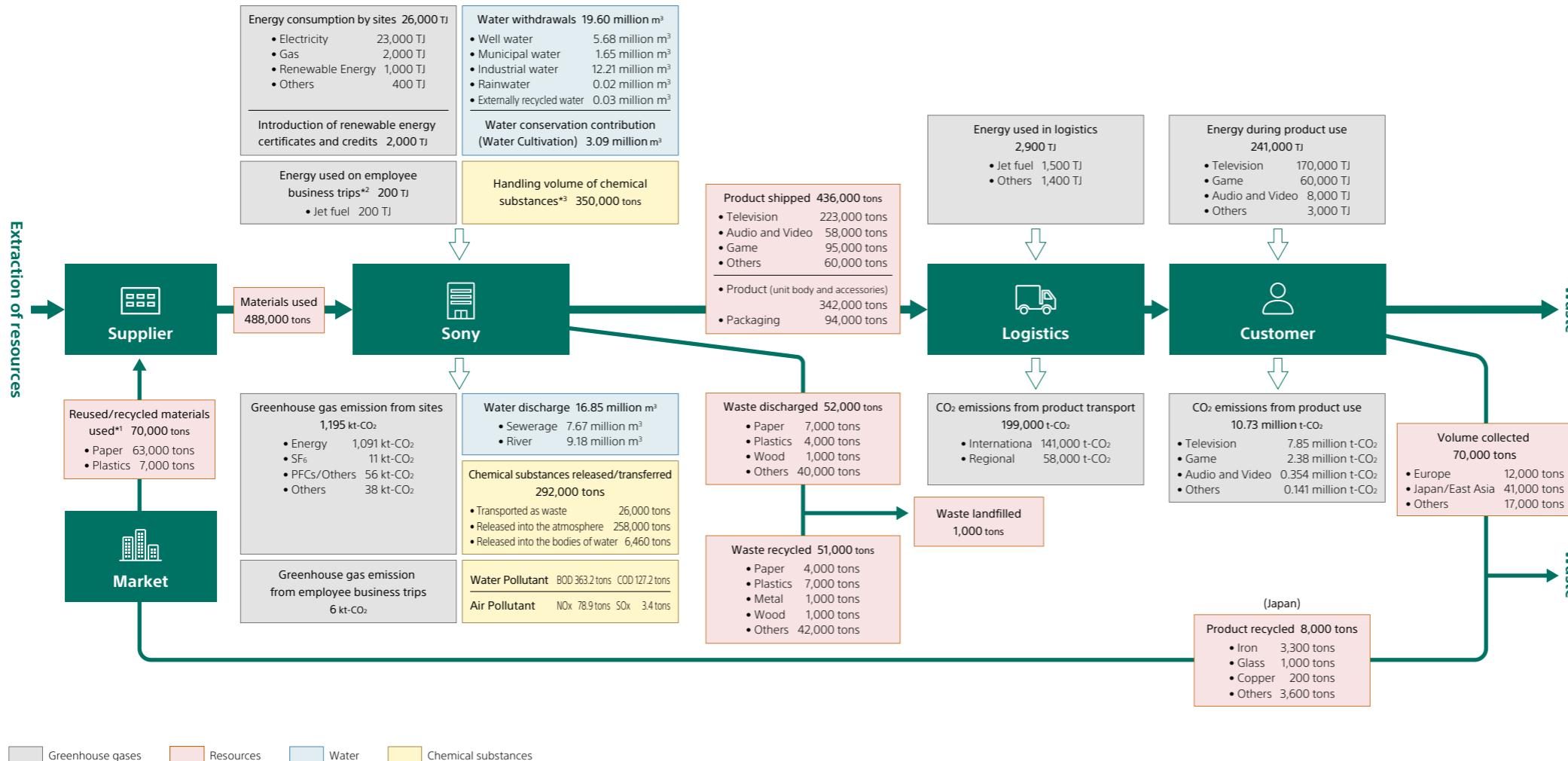


Overview of Environmental Impact

The chart below shows Sony's impact on the environment over the entire life cycle of its business activities, including energy and resources used in business activities, energy consumed by Sony products when used by customers, and the recycling and disposal of products after use. The chart shows the principal environmental impact during fiscal year 2021 for items that Sony can recognize and manage directly.

[Environmental Data Collection Methods and Rationale](#)

Overview of Sony's Environmental Impact



*1 Total volume of reused/recycled materials used in products *2 Relevant primarily to Sony Group companies in Japan, Europe and North America *3 Volume of Class 1-4 chemical substances handled

Note: Business processes other than those shown in this chart—including the production of purchased materials used and the recycling of products—may also have an impact on the environment.

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Disclosure of Climate-related Information in Accordance with the TCFD Recommendations

Sony recognizes that its business depends upon the sustainability of the global environment and societies where people can live in security. Based on this understanding, Sony is constantly moving forward with environmental and social initiatives throughout the value chain. In particular, Sony is tackling climate change as one of its priority issues. On May 27, 2019, Sony Group Corporation announced its endorsement of the final report published by the Task Force on Climate-related Financial Disclosures (the "TCFD Recommendations") established by the Financial Stability Board. Sony Group Corporation also participates in the TCFD Consortium, which was established to facilitate implementation and discussion among companies and financial institutions that endorse the TCFD Recommendations in Japan. Sony Group Corporation will continue its climate-related information disclosure in accordance with the TCFD Recommendations.

Policy on Climate Change

Sony reduces energy consumption and is striving to achieve zero emissions of greenhouse gases throughout the lifecycle of its products, service and business activities. Specifically, Sony has designated the following initiatives to achieve its medium-term environmental targets, and is working to reduce direct and indirect greenhouse gas emissions.

On-site

- Promoting efficient energy use
- Switching to energy sources that are lower in GHG emissions
- Promoting use of renewable energy
- Reducing GHG emissions from non-energy related sources

Off-site

- Developing and providing energy-efficient, environmentally conscious products and services
- Working with manufacturing subcontractors and suppliers of raw materials and components

[→ Sony Group Environmental Vision](#)

[→ Environmental Plan](#)

[→ Medium-Term Environmental Targets](#)

Governance

Under the Companies Act of Japan, Sony Group Corporation has adopted the "Company with Three Committees" corporate governance system as the most appropriate system for the company. Under this system, the Board of Directors (the "Board") determines Sony's fundamental management policies and other material matters, while broadly delegating the decision-making authority to conduct Sony's business operation to Senior Executives in line with their respective responsibilities as defined by the Board, with a view to promoting timely and efficient decision-making within Sony. The Board regularly deliberates and decides upon the mid-term management plan and annual business plan, taking into account various risks and opportunities, including climate change, in its deliberations and decisions. Senior Executives implement strategies according to the management plans and the business plan while carrying out business execution, and the Board receives and discusses reports on the status of business execution as needed. With authority delegated by the Board, the CEO of Sony Group Corporation, who is a member of the Board has responsibility and authority to establish and determine the Sony Group Environmental Vision, which stipulates the corporate philosophy on the global environment and corporate principles including on climate change matters and medium-term environmental targets (Green Management 20XX) both are applicable to entire Sony. The Corporate Executive Officer in charge of sustainability including environmental matters is appointed by the Board, then established the Sony Group Environmental Management Structure, which consists of internal regulations that stipulate the basic framework for global environmental management at Sony. Through the environmental department, this Corporate Executive Officer supervises the initiatives implemented by each business unit and business site to achieve the Sony Group Environmental Vision, and also supervises their operation of and adherence to the Sony Group Environmental Management Structure. In order to address the TCFD Recommendations, environmental department leads the analysis and identification of climate related risks and opportunities through scenario analysis and review the countermeasures. (For more details, see the following "Strategies" section.) The progress on initiatives implemented under this environmental execution framework are regularly reported to and reviewed by the Board. The Compensation Committee has the authority to determine the compensation policy on the content of individual compensation for

Senior Executives and other officers, including the CEO, and to determine or oversee the amount of individual compensation paid to Senior Executives. Sustainability including environmental matters is taken into account as a factor in evaluating remuneration linked to business results of Senior Executives. Furthermore, KPIs for initiatives to address sustainability issues that each business emphasizes are set and incorporated into the performance evaluation of each business.

[→ Sony Group Environmental Vision](#)

[→ Environmental Management Structure](#)

Strategies

Identifying and Addressing Business Risks

Tackling environmental issues is consistent with Sony's commitment to build a sustainable world and is important in terms of ensuring business continuity. Sony seeks to identify various environment-related risks and address foreseeable risks. This applies to transition risks such as adoption of carbon taxes, regional expansion of emissions trading schemes, stronger regulation of energy efficiency standards for products, and market changes driven by shifting consumer attitudes. It also applies to physical risks such as abnormal weather events and sea level rise due to climate change.

Creating and Expanding Business Opportunities

Sony believes that tackling environmental issues also leads to business opportunities. For example, the Paris Agreement^{*1} that emerged from the COP 21^{*2} meeting in December 2015 addressed climate change issues, and with increasing public awareness, consumer demand is shifting toward energy-efficient products. Sony has already increased the energy efficiency of many of its products. In light of these social trends, demand for energy-efficient products may continue to grow. One example of this is the development of IMX500, an intelligent vision sensor with AI processing functionality in its image sensor logic chip. We expect it to be used in IoT fields. Processing information through the sensor on its edge enables the transmission of metadata only (semantic information). This reduces the amount of data transmitted to the cloud as well as the amount of data to be processed, which we believe will reduce power consumption.

^{*1} The Paris Agreement was adopted at COP 21 held in Paris, France and serves as an international framework for climate change action starting from 2020.

^{*2} COP 21 refers to the 21st session of the Conference of the Parties (COP) to the 1992 United Nations Framework Convention on Climate Change (UNFCCC).

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Scenario Analysis

Analysis Methodology and Assumptions

In accordance with the requirements of the TCFD Recommendations and advice from external experts, we have conducted Scenario Analysis twice. The first analysis is on climate change impact for the Sony Group conducted from September 2019 to July 2020 (excluding financial business). The same applies after in the first analysis).

To assess the impact of climate change across the Sony Group, each business segment assessed the degree to which climate change impacts its industry on a four-point scale of "Very Significant," "Significant," "Moderate," and "Minor." The rating was based on how often climate change impacts were mentioned in the guidelines and assessment methodologies for investors, ESG assessment institutions, and investor initiatives. Based on the analyses, climate change was found to have a moderate impact on the Imaging & Sensing Solutions (I&SS), Electronics Products & Solutions (Entertainment, Technology and Services from April 1, 2022), and Game & Network Services segments, while having a minor impact on the Music and Pictures segments.

Of the three business areas that are moderately impacted by climate change, the I&SS segment generates the most greenhouse gas emissions. Sony Group Corporation conducted scenario analyses using multiple scenarios for the segment, in order to identify the risks and opportunities from changes in the external environment that are connected to climate change. For simplicity of analysis, it was assumed that the major businesses comprising the I&SS segment would not change significantly from fiscal year 2018 through fiscal year 2030. For the external environment in 2030, we used the 2°C¹ and 4°C² temperature rise scenarios predicted by the International Energy Agency (IEA).

In the second analysis from November 2021 to March 2022 we targeted the financial sector, a key sector in TCFD Recommendations. In order to evaluate impact across the entire financial sector, we conducted scenario analysis on Sony Life Insurance, Sony Assurance and Sony Bank based on individual business characteristics and the exposure of assets held. As prerequisite scenarios, we used the 1.5°C scenario,³ the 2°C scenario⁴ and the 4°C scenario.⁵

¹ 2°C scenario (IEA Sustainable Development Scenario, 2°C Scenario, Beyond 2°C Scenario, IPCC Representative Concentration Pathway (RCP) 4.5, RCP 2.6)

² 4°C scenario (IEA Stated Policies Scenario, New Policies Scenario, Current Policies Scenario, Reference Technology Scenario, IPCC RCP 8.5)

³ 1.5°C scenario (IEA Net Zero Emissions by 2050 Scenario)

⁴ 2°C scenario (IEA Sustainable Development Scenario, IPCC RCP 2.6)

⁵ 4°C scenario (IEA Stated Policies Scenario, IPCC RCP 8.5)

Analysis Results and Countermeasures

As a result of two analyses based on the above prerequisites, recognized risks and opportunities and countermeasures which are unique to the I&SS segment and financial sector are as shown in the table below.

Based on the results of the above scenario analysis, the entire Sony Group is working toward using 100% renewable electricity in its own operations by 2030 to achieve its RE100* target. Specifically, Sony Group Corporation is examining measures such as directly purchasing renewable electricity from power utilities and purchasing renewable electricity certificates.

Along with these efforts, in each business segment, Sony develops and enhances risk management and business continuity plans (BCPs)

from the perspective of improving risk management across supply chains, through the identification, analysis, and assessment of business continuity risks. Flood damage has grown in recent years due to the impact of climate change, prompting Sony to reassess the flood risk at its manufacturing sites in Japan and implement preventative measures that will mitigate flood damage and facilitate rapid recovery. Sony is collaborating with relevant companies and organizations, and conducts hands-on drills to address foreseeable risks, in an effort to enhance business continuity and accelerate flood recovery. Sony will continue to increase its resilience to climate change, based on its analyses and initiatives.

* A global initiative in which participating corporations aim to operate on 100% renewable electricity. It is headed by an international non-governmental organization, the Climate Group, in partnership with the CDP.

I&SS segment

Assumed scenario	Recognized risks and opportunities	Countermeasures
2°C scenario	Stricter regulations due to national decarbonization policies worldwide and the introduction of carbon pricing will lead to an increase in crude oil and fossil fuel prices. As a result, manufacturing costs for semiconductors, which require large amounts of electricity to produce, will increase.	<ul style="list-style-type: none"> Manufacturing sites outside Japan: Achieved 100% renewable electricity in fiscal year 2021. Manufacturing sites in Japan: Promote achieving 100% renewable electricity in the medium to long-term, including installing solar panels, purchasing renewable energy directly from power utilities and purchasing renewable electricity certificates.
2°C and 4°C scenarios	Progressive temperature rise increases the severity and frequency of abnormal weather, damaging Sony's manufacturing sites and suppliers and reducing demand due to the disruption of the supply chain.	<ul style="list-style-type: none"> Self-checks conducted annually at manufacturing sites, and regularly undergo on-site surveys dispatched from headquarters to establish a Plan-Do-Check-Act cycle to identify issues and establish improvement plans to reduce risk.

Financial sector

Assumed scenario	Recognized risks and opportunities	Countermeasures
1.5°C and 2°C scenarios	<ul style="list-style-type: none"> Increasing demands for loans to purchase the low-carbon vehicles and housing that contribute to creating a low carbon society increase profit opportunities Value of securities issued by companies taking insufficient low-carbon action declines, increasing investment opportunities for companies that contribute to a transition to a low-carbon society 	<ul style="list-style-type: none"> Development of services that take climate change into consideration, such as provision of special interest rates for home loans for environmentally conscious housing Establishment of a system for ESG investment at Sony Financial Group companies based on Sony Financial Group's ESG investment policy
4°C scenario	<ul style="list-style-type: none"> Increase in insurance and benefits payments due to climate change-related disasters such as typhoons and floods, and increase in infectious disease and heat stroke due to rising average temperatures Increase in credit costs due to the loss of value of security real estate granted to home loans due to the effects of climate change-related disasters Impact on operations and increase in costs due to climate change-related disasters affecting our offices and human resources 	<ul style="list-style-type: none"> Begin collecting information on climate change-related disasters, infectious diseases and heat stroke Continue to utilize reinsurance Begin collecting information on the impact of climate change-related disasters on security value Continued consideration of BCP advancement in the event of a natural disaster

Note: The above scenario analysis was conducted using IEA's scenarios for 1.5°C, 2°C and 4°C temperature rise and based on multiple assumptions. Actual events may differ from the scenarios.



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Risk Management

Each business unit, subsidiary/affiliated company and corporate division of Sony periodically reviews and assesses risks for the area of which it is in charge and works on finding, reporting, reviewing and responding to the risks. In addition, Senior Executives have established and maintain a system to identify and control risks that may cause losses to Sony, in the areas of which they are in charge. The Corporate Executive Officer in charge of group risk control comprehensively promotes and manages the establishment and maintenance of the systems as stated above through the activities with related departments. The Board of Directors receives regular reports on the framework and its operational status, to confirm the validity of the framework.

Under the framework, each business unit, subsidiary/affiliated company and corporate division also assesses and analyzes climate-related risks, when assembling business strategies and business plans.

Metrics and Targets

In 2010, the Sony Group formulated the Road to Zero global environmental plan, which aims to reduce its environmental footprint to zero by 2050. The target year for our goal of achieving carbon neutrality group-wide was moved up from 2050 to 2040 in May 2022. For climate change action, Sony is developing and supplying environmentally conscious products and services in order to reduce greenhouse gas emissions not only from manufacturing at its sites, but also throughout the life cycle of its products. Sony is also making energy-efficiency improvements at its business sites and shifting to renewable energy, while encouraging contract manufacturers and component suppliers to reduce their greenhouse gas emissions.

In September 2020, Sony Group Corporation announced its Green Management 2025 medium-term environmental targets to achieve by the end of fiscal year ending on March 31, 2026 and has been implementing initiatives to meet these targets since April 2021. In GM2025, the life cycle of products has been divided into five stages: product/service planning and design, operations, supply chain, logistics, take back and recycling. At each stage, Sony has set specific targets from the four perspectives of climate change, resources, chemical substances, and biodiversity, and implemented initiatives to achieve these targets. Climate change targets include a 5% reduction in annual energy consumption per Sony product (compared to fiscal year 2018). Along with moving up the year to

meet our climate change targets, we have also changed the target rate for renewable electricity used in our facilities from 15% or more to 35% or more.

Both our 1.5°C target to be achieved by 2035 and our net zero target to be achieved by 2040 are approved by the Science Based Targets (SBT)* initiative as climate change targets based on scientific grounds. In the financial sector, we have long made investments and loans in a variety of sustainable bonds, including green bonds. We established the Sony Financial Group ESG Investment Policy in April 2022, and our financial group companies are now proceeding to establish systems for ESG investment in accordance with this policy.

* An international initiative to encourage companies to set science-based greenhouse gas reduction targets in order to limit the increase in the average global temperature due to climate change to 1.5 degrees Celsius above preindustrial levels.

→ [Green Management 2025](#)

→ [Green Management 2025 Targets and Progress](#)

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Contributions to Solving Environmental Issues

Development of Environmental Technologies

Sony regards working to realize a sustainable society as a key theme and is conducting technological development to solve both environmental and social issues, not only in our business's technology development departments, but also in our R&D Center, Sony Computer Science Laboratories, Inc. (Sony CSL), and other R&D organizations. This includes the promotion of next-generation development in projects like Sony's Earth MIMAMORI platform, which utilizes sensing on a global scale to help prevent environmental destruction, and Synecoculture™, which creates a rich ecosystem through new farming methods.

There are a variety of departments responsible for the development and utilization of technologies that contribute to sustainability. Among these, we established the Sustainability Technology Liaison Meeting, which meets regularly to identify issues, search for, and share solutions. At meetings, information is actively exchanged, such as on a framework that organizes items to be considered while balancing social and economic viability of business activities and technology related to sustainability, and also on a map that visualizes activities in each department.

[→ Contributing via Technological Development](#)

Environmentally and Socially Beneficial Products and Services

Sony works to create products, services and systems that solve environmental and social issues through electronic equipment and a wide range of business areas.

Licensing of New Material Triporous™

Triporous is a plant-based porous carbon material with excellent adsorption qualities. Sony obtained end-to-end patents on this material and began licensing Triporous in 2019. Triporous is made from rice husks, which Japan alone generates around two million tons per year, and this excess biomass is part of approximately 100 million tons generated annually worldwide. Manufacturing Triporous can reduce air pollutants and greenhouse gases more than using incinerator disposal. Thanks to its microstructure derived from rice husks, Triporous has unique adsorption properties different from those of activated carbon. This porosity can be leveraged for a variety of applications, such as for high-performance environmental cleaning filters and facilities that remove pollutants in water and air. Triporous is currently being applied in apparel for deodorizing fibers and in the health care field for cleaning agents. As apparel with deodorizing fibers, it has also been selected as an idea of daily necessities to be installed on the International Space Station. Through our Triporous business, Sony will work with partners to solve a variety of social issues, helping to realize a more environmentally conscious, recycling-oriented society.



Triporous, a new material made from rice husks

- [🔗 Triporous™ official website](#)
- [🔗 More information about the environmental performance of Triporous™](#)
- [🔗 News Release: Sony Begins Licensing of New Material Triporous™](#)
- [🔗 News Release: Proposal for using Triporous™ selected as an idea for daily necessities aiming to be installed on the International Space Station \(in Japanese\)](#)

External Sales of SORPLAS™ Recycled Plastic

Sony commenced external sales of its proprietary Sustainable Oriented Recycled Plastic (SORPLAS) in 2014. SORPLAS is a flame-retardant recycled plastic that offers excellent heat resistance, durability, and recyclability. It contains up to 99% recycled materials. SORPLAS was first used in Sony products in 2011 and has since been incorporated into a wide variety of Sony products.

By now offering SORPLAS to other companies, Sony aims to promote the recycling of resources and help reduce the environmental impact of society as a whole. Many companies are interested in using SORPLAS. It is already being used in a wide variety of products, including televisions, cameras, smartphones, computers, lighting fixtures, and daily necessities such as travel goods and stationery.



SORPLAS recycled plastic pellets (black), recovered pellets (transparent: right) and Sony's original flame retardant (left)

- [→ SORPLAS™, Sony's Original Flame-Retardant Recycled Plastic](#)
- [🔗 News Release: Sony commences external sales of SORPLAS™ flame-retardant recycled plastic material that achieves high durability and heat resistance, and comprises up to 99% recycled content](#)

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Social Implementation of the Open Energy System™

Sony Computer Science Laboratories, Inc. (Sony CSL) is developing a distributed scalable energy system to promote the introduction of locally produced and consumed renewable energy, as well as the decarbonization of local communities. To this end, the Autonomous Power Interchange System (APIS), a core module of the proprietary microgrid Open Energy System™, was made open source and has been available free of charge since 2020.

In addition to a past demonstration test with the Okinawa Institute of Science and Technology Graduated University, Sony CSL additionally launched the UMABA Project in July 2021 at the working vacation facility, Umaba School Cottage, in Miyoshi, Tokushima Prefecture, Japan. This demonstration test is conducted with various partners from academia, industry and local governments and communities. In this test, we aim to demonstrate how the consortium and its technologies can contribute to decarbonization through sharing of renewable energy via storage and battery-based electric vehicles over an alternative current network.

Sony CSL does not maintain exclusive rights to these OES-related technologies. Instead, by making APIS, the core module, open source, we aim to promote rapid and widespread adoption of renewable energy with greater cooperation from stakeholders in order to realize a sustainable society.



Demonstration test in UMABA Project

FeliCa™ IC Card Passenger Ticketing Systems

Sony's smart card passenger ticketing system, based on FeliCa contactless IC card technology, is helping to alleviate air pollution in Bangladesh. The city is facing serious air pollution issues due to

increasing traffic congestion. The national bus company decided to adopt a FeliCa smart card passenger ticketing system in order to encourage the residents of Bangladesh to use municipal buses. The FeliCa based system has made it easier for users to get on and off buses. This added convenience has attracted more riders, which is in turn helping to alleviate traffic congestion.

Supporting Environmental Projects Using Drones

The Sony Group's Aerosense Inc. combines automated flight drones with cloud services to build and provide various industrial solutions. They enable high-precision drone surveying that helps save labor at civil engineering sites nationwide. This technology is also used for confirmation work in natural disaster response and prevention, bolstering national resilience by allowing damage to be quickly investigated during such events. Safe and efficient inspection and investigation methods that do not require people to travel to the sites are needed as occurrences of natural disasters increase due to abnormal weather. As one such solution, in 2021, Aerosense successfully completed a demonstration test to collectively inspect multiple sand control dams through drones suited to wide flight areas that utilized LTE* communications. This technology enables safe and efficient mountain surveying, paving the way for disaster response and prevention through regular inspections and emergency surveys immediately following a natural disaster.

In 2021, we conducted a demonstration test of logistics by drones in depopulated areas in five projects in coordination with the Ministry of the Environment and the Ministry of Land, Infrastructure, Transport and Tourism.



Aerosense drone

* LTE: Long Term Evolution. This communication standard is used for mobile wireless communication in smartphones and other cellular phones, and is capable of sending large amounts of data.

Digital Cinema Systems

Previous film development required a massive amount of positive film, water and chemicals. To rectify this issue, Sony developed the HDW-F900, the world's first digital video camera for cinema production, back in the year 2000, and began offering 4K digital cinema projection systems consisting of projectors and other devices in 2007. Since then, we have continued to provide digital cameras to movie production sites and theaters worldwide. These cameras save both resources and power and improve operation efficiency. Our VENICE Digital Cinema Camera was released in 2018. This camera was both smaller and lighter than conventional models, yet capable of 6K recording. Then, in 2022, we released VENICE 2, which supports internal recording within the camera, making filming systems even small and lighter.



VENICE 2 Digital Cinema Camera

[More information about the compact and lightweight VENICE](#)

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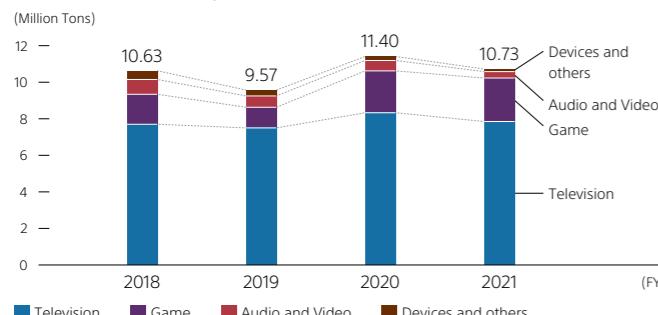


Products and Services

Reducing Greenhouse Gas Emissions

Sony products consume electrical power while used by their owners, resulting in indirect emissions of CO₂. Sony has adopted the target of reducing annual energy consumption per product*¹ from product use by 5% by fiscal year 2025 compared to the fiscal year 2018 level. Sony sets specific fiscal year targets in every product category and is implementing diverse measures to reduce energy consumption. Annual energy consumption of products in fiscal year 2021 was up 3.3% compared to 2018. For example, select BRAVIA™ televisions include a sensor*^{2,*3} that detects user movement to automatically reduce screen brightness, reducing power consumption when no one is in front of the TV. PlayStation®5 incorporates energy efficient features to suspend and resume game play at 0.5 watts or less if activated and uses around 80% less electricity in rest mode compared with the latest models of PS4 and PS4 Pro (on average). However, due to larger products, higher levels of performance and additional functions, 2021 power consumption Sony-wide increased approximately 3.3% over 2018. Total CO₂ emissions in product use over the lifetime of all products sold in fiscal year 2021 were approximately 10.73 million tons, which was 0.9% higher than in fiscal year 2018.*⁴

CO₂ emissions from product use



Notes: • CO₂ conversion rate from 2018 to 2020 uses the 2013 value of the relevant country
• The most recent CO₂ conversion rate for 2021 is used for the relevant country

*¹ Energy-using products which operate the intended main function with energy input from a commercial power supply

*² The BRAVIA CAM accessory automatically detects movement.

*³ Feature will be available via a future firmware update.

*⁴ In theory, emissions during product use in the current fiscal year should be calculated from the total quantity of electrical power consumed by previously sold Sony products that are still in use by consumers in the current fiscal year. However, given the difficulty of determining how many previously sold Sony products are still in use by consumers of the total number of Sony products sold to date, Sony uses the total quantity of electrical power consumed while in use over the lifetime of Sony products sold in the current fiscal year as an indicator for CO₂ emissions during use.

[Reducing the Power Consumption of BRAVIA™](#)

[Energy Efficiency of PlayStation®5](#)

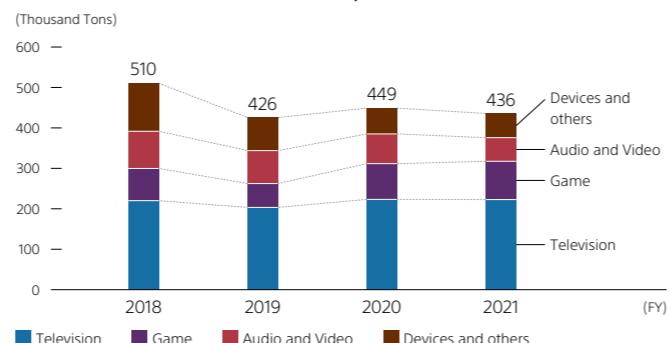
Conserving Resources

Reducing Resources Used in Products

Sony is working to reduce the average mass of products in order to minimize resource inputs. In fiscal year 2021, the total volume of resources used in products* was approximately 436 thousand tons, which was 15% lower than in fiscal year 2018. This is due to continuous efforts to reduce the size and weight of both products and packaging in a wide range of product categories, as well as a decrease in the number of units sold.

* Total volume of resources used is the total weight of resources used in products, accessories, instruction manuals and packaging materials. The weight of total products shipped is used to represent this value.

Total volume of resources used in products



Using Fewer Resources in Products and Packages

Sony is working to make its products and packages even more lightweight and compact across a wide range of product categories in order to conserve resources.

[BRAVIA™ Environmental Initiatives](#)

[Sony Group Portal Website "Environment"](#)

Extending Product Life to Save Resources

Sony indirectly reduces resource consumption by extending product life. The Xperia™ Smartphone, released in fiscal year 2021, features unique charging optimization technology that adjusts the amount of charge according to a user's individual usage habits, and a "careful charging" function that reduces load on the battery during charging. These features promote long-lasting batteries that don't deteriorate, even after three years* of use. This allows for a product to be used long-term, reducing battery and product waste.

* Based on a simulation that repeatedly charges and discharges with the same type of battery (for USB charging). Battery life varies by use.

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Going Paperless

Sony is working to reduce paper use across a wide range of its businesses. For our electronics products, we continue to prioritize ease of customer understanding for instruction manuals, while moving online in a variety of product categories to reduce paper use. We had previously included instructions for multiple languages for overseas models of audio products such as Walkman® or headphones, but have now unified these after-purchase instructions by introducing the Textless Quick Start Guide (QSG), which uses illustrations that users can easily understand regardless of language since 2015. For our LinkBuds, released in 2022, we removed after-purchase paper instructions entirely, instead providing a QR code on the packaging to enable users to use their smartphone to access the online Help Guide. Further, we revised the precautions and specifications that must be provided in paper manuals to reduce paper included in packaging by 85%.* Moving forward, we intend to extend these efforts to additional audio products and further reduce paper usage. The Sony Financial Group has been reducing the use of paper for contracts and transactions, employing digital technology to both to conserve paper resources and reduce mailing, which produces carbon emissions.

* Compared to WF-SP800N headphones

[↳ Sony Financial Group Paper Use Reduction Efforts](#)

Saving Resources in Promotional Materials

Sony is working to reduce resource consumption in products and packaging as well as in shop-front promotional materials. In Japan, make-to-stock has been the main system for promotional material production, but by shifting to build-to-order, only the required number is produced and sent directly to the storefront. Further, we have adopted a long-life design that can be reused for multiple years, saving resources used for promotional materials.

Reducing Use of Virgin Plastics

Virgin Plastic Used Per Product

With the target of reducing virgin oil-based plastic used per product by 10% from the fiscal year 2018 level, by fiscal year 2025 (excluding packaging), Sony is working to expand its use of recycled plastics and make its product chassis more lightweight and compact while also minimizing plastic packaging. In fiscal year 2021, virgin oil-based plastic used per product was down approximately 3.1% from the fiscal year 2018 level. This is mainly due to the advancement of recycled plastics across a wide range of product categories, such as televisions.

Incorporating Recycled Plastic

To reduce the consumption of virgin plastic, Sony has expanded the use of recycled plastics in a broad range of product categories by developing recycled plastics while elevating quality and reducing manufacturing costs.

Sony is using its original recycled plastic SORPLAS™ in the rear cover of select BRAVIA™ televisions. Recycled plastic is now used in some soundbar and headphones models as well.

In fiscal year 2021, the Sony Group used some 21 thousand tons* of recycled plastic in its products. This amount consisted of approximately 37% recycled plastic content from scraps and other waste materials generated from manufacturing by the Sony Group and other companies, and approximately 63% post-consumer recycled plastic content from used products, containers, and other sources.

We have used approximately 134 thousand tons* of recycled plastic from fiscal year 2014 through fiscal year 2021.

* Consumption of recycled plastic is based on the gross value including virgin plastic and additives that are mixed with recycled materials.

[↳ BRAVIA™ Environmental Initiatives](#)

[↳ Soundbar and Wireless Speaker Initiatives](#)

[↳ Headphones Initiatives](#)

SORPLAS™, Sony's Original Flame-Retardant

Recycled Plastic

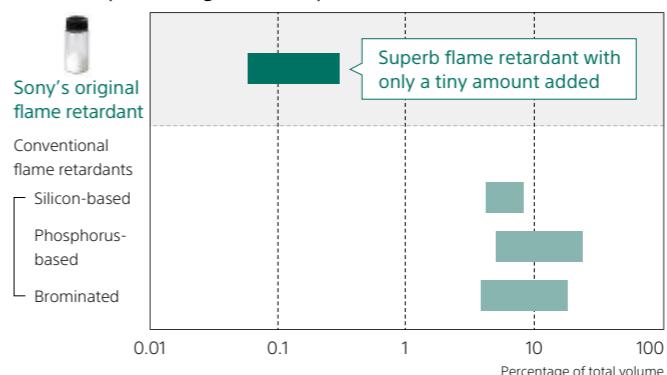
In 2011, Sony began practical use of Sustainable Oriented Recycled Plastic (SORPLAS), a flame-retardant recycled plastic made possible by a proprietary compounding technology that combines an original, non-halogen and non-phosphorus flame retardant—itself produced using a Sony-developed process—and waste plastics (polycarbonate resin) from various sources in an optimal blend. Thanks to Sony's novel flame-retardant, which makes it possible to impart flame-retardancy by the addition of a very small amount of less than 1% of total content while conventional flame retardants require an addition amount of around 10%, SORPLAS not only surpasses conventional flame retardant plastics in terms of durability, heat resistance and recyclability, but also achieves an outstanding utilization rate of up to 99% waste plastics. The effective utilization of SORPLAS has been shown to reduce CO₂ emissions in product manufacturing by up to 80%.* Moreover, Sony's versatile waste-plastic compounding technology makes it possible to tailor SORPLAS to the needs of a variety of products. Sony first used SORPLAS in its products in 2011 and has since incorporated it into a wide variety of Sony products such as select models of BRAVIA™, Xperia™ Smartphones, compact cameras and camcorders.

* In the case of SORPLAS in the BRAVIA™ LCD TV KDL-40EX52H. Based on Sony calculations, assuming plastic manufacturing (including shipping)

[→ External Sales of SORPLAS™ Recycled Plastic](#)

[↳ Leading the development of recycled plastics](#)

Volume of additive required for material to meet flame-retardancy standard (V-O rating at 1.5 mm)



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Reducing Plastic Packaging

Marine pollution due to plastic waste is a growing issue worldwide that Sony takes very seriously. Sony has adopted the targets of reducing plastic packaging used per product by 10% and eliminating plastic packaging from newly-designed small products, and is actively working to reduce the amount of single-use plastic packaging used in a range of product categories.

Individual packaging^{*1} uses zero plastic^{*2} for the WF-1000XM4 headphones, the Xperia PRO-I Smartphone and the α7 IV - Full-frame Mirrorless Interchangeable Lens Camera released in 2021. For the individual packaging of the WF-1000XM4, Sony's proprietary Original Blended Material paper is used for everything except the label.

^{*1} Individual packaging refers to the individual product box and packaging inside the box.

^{*2} Coating and adhesive materials excluded.

- [Reducing plastic packaging for headphones](#)
- [First Xperia™ Smartphone to Use No Plastic in the Individual Packaging](#)
- [A Lighter Environmental Footprint for Alpha 7 IV Camera](#)
- [Sony's Original Blended Material](#)



WF-1000XM4 individual packaging

Reducing Plastic inside Product Boxes

By minimizing packaging materials using packaging drop simulation technology, Sony reduced the amount of plastic packaging used for the 4K LCD TV KJ-55X85K, launched in 2022, by approximately 35%.^{*1}

For PlayStation®5 (PS5™), we shifted to paper to eliminate as much plastic packaging as possible, resulting in a 1-7% plastic usage rate for console and peripheral packaging (by weight, varies by product). The plastic film to protect the display and the plastic bag to protect the body of the Xperia™ Smartphone were replaced with paper for the Xperia PRO-I released in 2021. Furthermore, our α7 IV - Full-frame Mirrorless Interchangeable Lens Camera uses pulp molds and other recyclable^{*2} materials.

^{*1} Compared to 2018 model (KJ-55X9000F)

^{*2} Only possible in regions with a recycling system.

- [BRAVIA™ Environmental Initiatives](#)
- [Improved PlayStation®5 Packaging](#)
- [Zero Plastic Packaging – Xperia's initiatives for sustainability](#)



Paper protective materials used for the α7 IV

Switching to Paper Product Boxes

Sony is switching to paper product boxes for a wide range of product categories. In fiscal year 2021, Sony switched to paper product boxes for six headphone models sold in countries and regions around the world. All headphones shipped after 2022 will be in paper boxes. For the Xperia 1 III released in 2021, the film was changed to wear-resistant varnish to enable a package with as little plastic as possible. Sony has also switched to paper boxes for more than 130 compact camera and camcorder accessories.

- [Xperia™: toward zero plastic packaging](#)

Managing Chemical Substances

Sony's Proprietary Global Standards for the Management of Chemical Substances

Many of Sony's electronics products contain between a few hundred and a few thousand parts that are made of a variety of chemical substances, some of which may be classified as hazardous and may harm the environment if they are not properly controlled prior to product disposal. To prevent such environmental harm, some countries and regions have introduced laws and directives. In the European Union, certain chemical substances in products are restricted by Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment (RoHS) Directive^{*1} and REACH^{*2} regulation. In Japan, products that contain certain chemical substances are required to carry the J-Moss^{*3} mark, while in China it is required to disclose information on chemical substances contained in products in line with the Management Methods on the Pollution Control of Electronic Information Products, often referred to as China RoHS.^{*4} In light of the global nature of its markets and supply chains, Sony has established its own global standards for the management of chemical substances, titled "Management Regulations for the Environment-related Substances to be Controlled which are Included in Parts and Materials (SS-00259)",^{*5} taking into account the related laws and regulations around the world and simultaneously the opinions of various stakeholders. In line with these standards, Sony ensures globally consistent management of chemical substances in parts and materials.

^{*1} Directive on the restriction of the use of certain hazardous substances in electric and electronic products (RoHS).

^{*2} REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals) is a regulation for managing chemical substances introduced in Europe, whereby companies are required to, among others, register, apply for authorization, notify, restrict and communicate information on certain chemical substances.

^{*3} J-Moss refers to Japanese Industrial Standards (JIS) for marking the presence of certain chemical substances in electrical and electronic equipment.

^{*4} Management Methods on the Pollution Control of Electronic Information Products regulates the use of six substances, including lead and mercury, in electronic products and components sold in the Chinese market.

^{*5} Management Regulations for the Environment-related Substances to be Controlled which are Included in Parts and Materials (SS-00259) refers to Sony standards that are used for giving directions to suppliers on chemical substances for items procured by Sony. (For more information, please refer to "Controlled Substances -SS-00259 for General Use-" at the Sony website.)

- [Management Regulations for Environment-related Substances to be controlled which are Included in Parts and Materials \(SS-00259\)](#)

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Complying with Regulations Governing Chemical Substances in Products

Sony has set up necessary procedures to ensure compliance with the EU's REACH regulation requirements and revised RoHS Directive. In response to its obligation under REACH to provide information to customers, as well as to the CE marking requirement of the RoHS directive, Sony has adopted the chemSHERPA^{*1} scheme based on IEC 62474.^{*2} This enables Sony to collect data on specified chemical substances in parts and materials purchased from suppliers for management in an internal database.

^{*1} chemSHERPA is a scheme that facilitates sharing information throughout an entire supply chain on chemical substances that may be used in products.

^{*2} IEC 62474 is a set of international standards regulating the procedures, content, format and other aspects of reporting within the supply chain regarding the presence of chemical substances and constituent materials in electrical and electronic goods.

Three Core Principles for Managing Chemical Substances in Products

To guide its efforts to manage chemical substances in products in compliance with Sony's own global standards for management of chemical substances, titled "Management Regulations for Environment-related Substances to be Controlled which are included in Parts and Materials" (SS-00259), Sony has established three core principles:

Upstream Management

In 2002, Sony established the Green Partner Environmental Quality Approval Program, which outlines Sony's Green Partner Standards for chemical substance management. Sony audits suppliers based on these standards. Sony purchases electronic parts only from suppliers who have passed this audit and have been certified as Green Partners. Sony also applies the Green Partner Environmental Quality Approval Program to manufacturing partners. To further enhance the efficiency of the system to manage chemical substances, in 2003 Sony introduced the Green Book, a raw materials database, which was made available to Sony's direct suppliers via its electronic supplier portal. In the Green Book, Sony has registered only those materials that it has measured and confirmed compliance with the SS-00259 standards for Sony's designated raw materials such as recycled plastics and wires, and also for molding resins, paints, inks, and other materials that are commonly used by multiple first tier

suppliers. To assist REACH compliance, Sony has collected information on raw materials listed in Green Book data on the content of certain chemical substances and makes this data available to its suppliers and contract manufacturers.

Management in Quality Control/Quality Assurance Processes

New parts and materials are tested to ensure conformity with SS-00259 standards in addition to compliance with conventional quality control standards. Data on the content of certain chemical substances collected from suppliers are thoroughly evaluated for this purpose. By implementing these strict management procedures worldwide, incompliant products are prevented from entering the market.

Utilization of Chemical Analysis

To prevent prohibited substances from accidentally entering products, Sony requires suppliers to conduct ICP analysis on the specific parts and materials. For some high-risk substances Sony has also implemented internal control systems that involve using, for example, X-ray fluorescence (XRF) and other measurement devices, to Sony sites worldwide, to help confirm that prohibited substances are kept out of products.

Substance Management in Xperia™ Smartphones

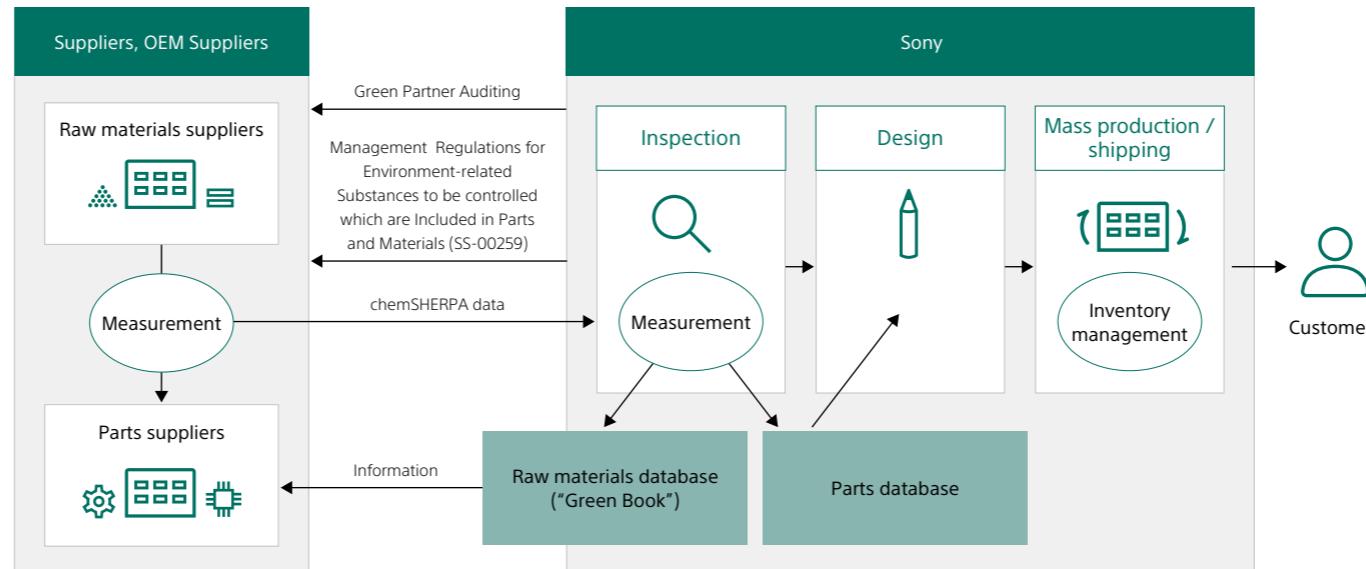
In the smartphone category, Sony began phasing out brominated flame retardants (BFRs) in circuit boards, casings, and cables starting in 2002, making it one of the first companies in the industry to phase out BFRs. Since then Sony has continued the journey and phased out BFRs in all parts, and also phased out chlorinated flame retardants (CFRs), polyvinyl chloride (PVC), as well as phthalates, beryllium, and antimony trioxide in plastic and resin. Going forward, Sony will continue phasing out all brominated and chlorinated compounds as well as antimony.

[Sony Mobile Critical Substances \[PDF:151KB\]](#)

Management of Chemical Substances in Packaging Materials

Sony takes precautions to increase the safety of its packaging materials and ensure that hazardous substances, including heavy metals, are not mixed into packaging materials by managing materials in line with its proprietary "Management Regulations for Environment-related Substances to be Controlled which are included in Parts and Materials" (SS-00259). The packaging section of SS-00259 is based on, among others, EU directives on packaging and packaging waste.

System for Managing Chemical Substances in Products



Note: Since fiscal year 2003, Sony's raw materials database (the Green Book) has been available to Sony's direct suppliers via its electronic procurement system.

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Reduction and Replacement of Chemical Substances of Very High Concern

Sony defines "Environment-related Substances to be Controlled" (hereafter "Controlled Substances") as certain chemicals that it has determined to have significant impact on both humans and the global environment, including substances that may not be controlled by laws (please refer to Management Regulations for Environment-related Substances to be controlled which are Included in Parts and Materials (SS-00259)). Sony either prohibits the use of these substances in parts or phases them out wherever a viable alternative that meets all product quality and technical requirements is available. In addition, Sony specifies high-risk applications from collected application- and content-related information, considering the hazardous nature and extent of exposure (volume) as risk factors, and proceeds to prohibit the "Controlled Substances" in the specified use.

[Management Regulations for Environment-related Substances to be controlled which are Included in Parts and Materials \(SS-00259\)](#)

Polyvinyl Chloride (PVC)

Improper disposal of PVCs poses a risk of generating hazardous substances. For example, Sony is concerned about the possibility that its small electronic products, in particular, could be collected to obtain valuable materials, and then the unwanted parts could be improperly incinerated and disposed of in landfills, thus causing adverse environmental impacts. In addition, there are also concerns about the environmental and health impact of some of the substances used as plasticizers and stabilizers in PVCs. Although PVCs are not currently regulated by any laws that apply to chemical substances used in electronic products, Sony works to reduce PVC content in individual components.

As a result, Sony does not use PVCs in product packaging materials (with the exception of some packing materials for devices, semiconductors, batteries, and similar items) or in sheets/laminates used for product housings, contactless IC cards, and carrying bags/cases for products (excluding those for professional use).

Sony has also successfully replaced PVCs by substitute materials for internal components that are difficult to remove prior to recycling, such as flexible flat cables, insulation plates, and heat-shrink tubes (excluding those for batteries). Also, Sony is working to end the use

of PVCs in the housings and internal wiring of small electronic devices (the adoption of alternatives is subject to the ability to resolve issues relating to quality, technology, and supply).

As of the end of July 2022, Sony has replaced PVCs in new products and new models in the following products with alternative substances.

PVC-Free Product Categories*

Xperia™ Smartphone

MP3 players WALKMAN®

IC recorder / Portable Radio Recorder / Sound Monitoring Receiver

Video Camera Handycam®

Digital Still Camera Cyber-shot™

Interchangeable lens camera α™

Memory Stick™

SxS™ memory card

* Parts in which PVC is eliminated are as below (excluding bundled/standalone accessories):

Xperia Smartphones: in all plastic components.

Products other than Xperia Smartphones: in casings and internal wiring.

[Examples of Polyvinyl Chloride \(PVC\) -Free Products and Brominated Flame Retardant \(BFR\) -Free Products](#)

Brominated Flame Retardants (BFRs)

Some BFRs are harmful to human health and tend to remain in the environment and accumulate in living organisms. As is the case with PVC, improper incineration of BFRs carries a risk of releasing harmful substances into the environment. Sony has banned the use of components and materials containing any of three specified BFRs – polybrominated diphenyl ethers, polybrominated biphenyls, or hexabromocyclododecanes – and is working to phase out BFRs (the adoption of which is subject to the resolution of issues relating to quality, technology, and supply).

Also, Sony is working to use Sony developed environmentally sound, bromine-free flame retardant for the manufacture of a polycarbonate plastic flame retardant in some product categories such as LCD TV. As of the end of July 2022, Sony has replaced BFRs in new products and new models in the following products with alternative substances.

BFR-Free Product Categories*

Xperia™ Smartphone

MP3 players WALKMAN®

IC recorder / Portable Radio Recorder / Linear PCM Recorder / Sound Monitoring Receiver

Video Camera Handycam®

Digital Still Camera Cyber-shot™

Interchangeable lens camera α™

Memory Stick™

SxS™ memory card

* Parts in which BFR is eliminated are as below (excluding bundled/standalone accessories):

Xperia Smartphones: in all plastic components.

Products other than Xperia Smartphones: in casings and main PWBs.

[Examples of Polyvinyl Chloride \(PVC\) -Free Products and Brominated Flame Retardant \(BFR\) -Free Products](#)

Sony has banned the use of tris (2-chloroethyl) phosphate, a chlorinated flame retardant identified as carrying risks similar to those associated with brominated flame retardants, as well as phosphoric acid tris (2-chloro-1-methylethyl) ester (TCPP) and tris (1,3-dichloro-2-propyl) phosphate (TDCPP).

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Creating Environmentally Conscious Products

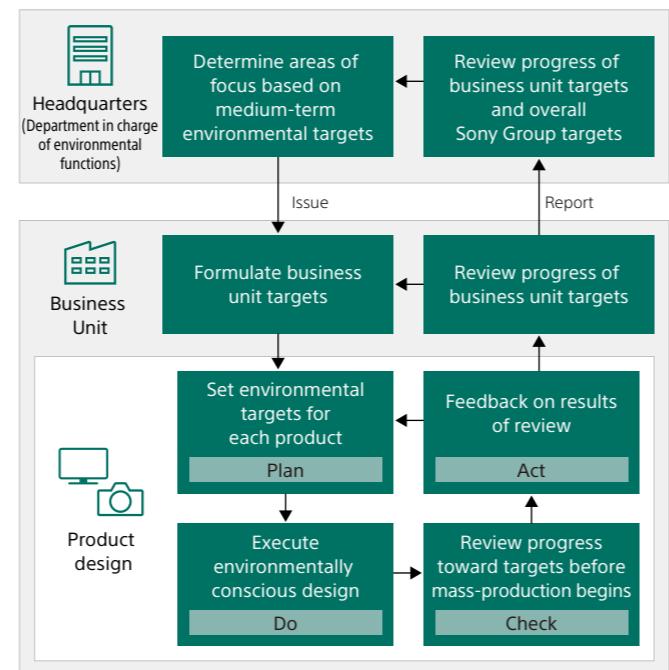
Promoting Environmentally Conscious Design

Sony has set medium-term environmental targets for products, including reducing annual power consumption, promoting resource conservation and managing chemical substances. Business units set areas of focus based on Sony medium-term environmental targets and targets based on the specific characteristics of the environmental impact throughout the lifecycle of targeted product categories. In the course of product design, environmental targets are set for each product according to business unit targets and feedback about previous models to execute an environmentally conscious design. Environmental assessments are conducted and progress toward these targets is reviewed before mass-production of a product begins. Business units receive feedback on the results of this review, conduct their own review of progress with their medium-term environmental targets for each product, and report results to the department in charge of environmental functions at headquarters. In turn, this department evaluates the targets and progress of each business unit and conducts an overall review of the Sony Group's progress on achieving its medium-term environmental targets. Based on the results of this review, Sony determines areas of focus for the subsequent fiscal year. This method enables Sony to execute ongoing environmentally conscious processes for the department in charge of environmental functions at headquarters, as well as each business unit and product, which in turn ensure the development of environmentally conscious products.

Designing Environmentally Conscious Products: Key Considerations

Observe relevant laws in individual countries	<ul style="list-style-type: none"> Product energy efficiency regulations Regulations concerning chemical substances in products Product recycling regulations
Reduction of energy consumption	<ul style="list-style-type: none"> Aim for zero energy use in standby mode Reduce power use in all modes Enhance the efficiency of external power supply Incorporate energy-saving features in products
Resource conservation	<ul style="list-style-type: none"> Ease of disassembly/reparability Use recyclable materials Reduce product weight Extend product life
Management of chemical substances	<ul style="list-style-type: none"> Controlled substances Compliance with technical standards
Other	<ul style="list-style-type: none"> Improve shipping efficiency by limiting weight of packaged products

Management Structure for Environmentally Conscious Product Development



Examples of Environmental Features in Sony Products

Sony is working on environmentally conscious and recycling-friendly designs and is improving environmental performance in terms of energy and resource conservation in a wide range of product categories. Signature products for these efforts are introduced on Sony Group Portal Website "Environment."

[Sony Group Portal Website "Environment"](#)

Designing Recyclability and Reparability into Products

One initiative Sony is taking to ensure that its products are environmentally conscious involves designing them with recyclability and reparability in mind. This means, for example, labeling the material type of plastic used in parts to make it easier to extract resources from used products during recycling, and reducing the number of screws to make it easier to dismantle and repair the product. These specific environmental considerations are compiled and incorporated into the design of each product. For example, Sony has issued Environmental Design Standards and Guidelines for TVs and Serviceability Standards, which are used when planning and designing new products, and monitors progress on meeting these standards. These design standards and guidelines reflect the trends in regulations inside and outside of Japan as well as Sony's medium-term environmental targets. Sony conducts an annual review and revision of these guidelines based on industry trends and the latest recycling information, which is gathered via regular sharing of information and opinions with the Green Cycle Corporation, an affiliate of Sony engaged in the recycling business. Additionally, in order to ensure compliance with the laws and regulations regarding circular economy in Europe, Sony provides information on repair and disassembly of the display products such as TVs and commercial monitors on the support page of the website for repair shops and recyclers, and provides dealers and retailers with reparability index information for TV and smartphone products sold in France.

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Utilizing Life Cycle Assessment (LCA)

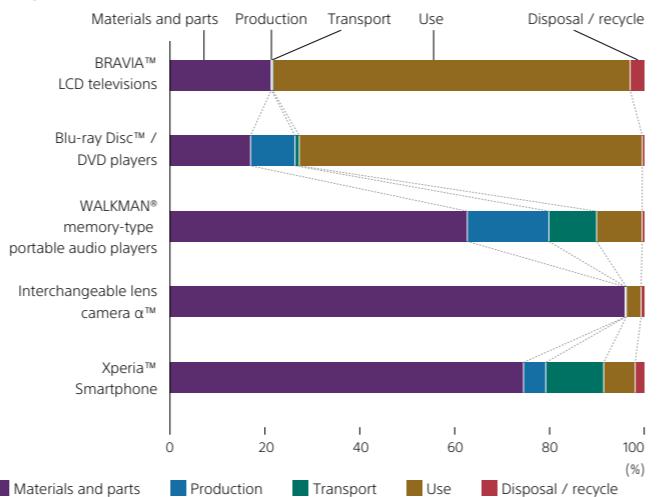
Product life cycle assessment (LCA) is a means of identifying and quantifying the environmental impact of products at all stages of their life cycles, which include the manufacture of materials and parts used in products, the assembly and transport of products, product use and standby mode, and end of life (i.e., disposal and recycling). LCA of major products helps us to clarify priorities for product improvement for all product categories and reduce the environmental impact of Sony products.

As shown in the graph to the right titled "Breakdown of CO₂ Emissions Over the Life Cycle of Signature Sony Products," we see that the life cycle stages responsible for generating a large portion of a product's CO₂ emissions differ depending on the product category. For example, for product categories such as LCD televisions, and Blu-ray Disc™*/DVD players, emissions during product use account for a large proportion of total emissions. For this reason, reducing the power consumption of these products during use is particularly important. Conversely, among product categories such as smartphones and interchangeable lens camera α™, a large portion of CO₂ emissions occur in the production of materials and parts, rather than during use. For these products, such measures as reducing product weight are crucial in lowering life cycle CO₂ emissions. LCA results are reflected in medium-term environmental targets and utilized in product design for the environment.

* The "Blu-ray Disc™" word mark is a trademark of the Blu-ray Disc Association.

Breakdown of CO₂ Emissions Over the Life Cycle of Signature

Sony Products



Sony calculated the emissions based on the following assumptions:

- Place of sale: Japan
- Product transportation: 500 kilometers by truck in Japan : by ship or by air for international transport
- Years of use:
BRAVIA LCD television: 10 years, Blue-ray Disc / DVD players: 7 years,
Walkman® Memory Type portable audio players: 5 years,
Interchangeable lens camera α: 6 years, Xperia Smartphone: 3 years

Notes: • This chart shows the proportion of CO₂ emissions at each stage of the life cycle.
It does not indicate the degree of environmental impact of these products.
• The assumptions (usage assumptions, shipping distance, mode of shipping, manufacturing site assumptions, etc.) used for calculation of CO₂ emissions differ among products.

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Supply Chain

Reducing Environmental Impact Across the Supply Chain

Working with Material and Component Suppliers and Outsourcing Contractors to Reduce the Impact on the Environment

As a part of its efforts to reduce environmental impact across the supply chain, we request that our materials and components suppliers and subcontractors handle both greenhouse gas and water depletion issues. For GHG emissions, Sony requests them to monitor emission levels, set medium- and long-term targets for emissions reduction and perform progress management. For water depletion, Sony requests them to set targets for water consumption reduction in consideration of water depletion risk in the areas where the site is located. Sony conducts surveys on efforts to reduce environmental burden in order to understand the impact greenhouse gas emissions and water consumption, etc., by sites have on manufacturing materials, components and products, delivered to Sony.

In fiscal year 2021, Sony obtained answers about a variety of data from materials and components suppliers which account for approximately 80% of the total transaction value and from subcontractors which account for approximately 90% of the total transaction value. We encourage accurate calculation of GHG emissions for suppliers for whom this information cannot be calculated.

Our 1.5°C Science Based Target (SBT) stipulates materials and components suppliers and subcontractors will set SBT-consistent reduction targets equivalent to 10% of supply chain GHG emissions by fiscal year 2025. To this end, Sony provides SBT guidance during surveys to them and supports target setting and certification acquisition of SBT-consistent targets for some suppliers.

With regard to chemical substances, Sony requires its materials and components suppliers and subcontractors to comply with laws and regulations in each country restricting or banning the use of chemical substances in materials, components, semi-finished goods and

finished products delivered to Sony based on Sony's own chemical substance management standards. Sony requests that substances restricted under international frameworks and separately designated by Sony not be used in the manufacturing process and continues to investigate the use of these substances.

[List of Chemical Substances Prohibited in the Manufacturing Process and Requiring Proper Management \(for Sony Materials and Components Suppliers and Outsourcing Contractors\) \[PDF:46KB\]](#)

Promoting Green Purchasing

Having set internal standards for green purchasing, Sony chooses environmentally conscious products when procuring nonproduction materials such as printing paper, stationery and office equipment in Japan. At the same time, in principle, Sony carefully examines needs, amounts to be used and stock levels to purchase appropriate quantities. In addition, when choosing products to be purchased, Sony prioritizes select recommended products in consideration of environmental impact at all stages of a product's life, from resource extraction through to production, distribution, use and disposal. Information on recommended products is included in Sony's purchasing system of nonproduction materials, making it possible for individuals in charge of purchasing decisions to give priority to environmentally conscious products.

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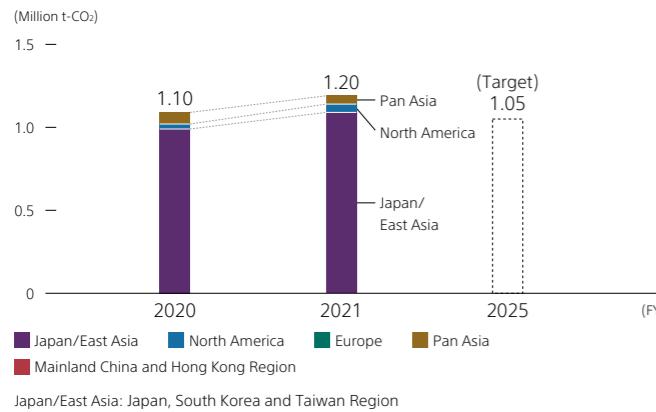
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Reducing Greenhouse Gas Emissions

Greenhouse Gas Emissions at Sony Sites:

With the target of reducing absolute greenhouse gas (GHG) emissions from Sony sites by 5% relative to fiscal year 2020 levels by fiscal year 2025, Sony has endeavored to reduce greenhouse gases such as CO₂ and perfluorocarbons (PFC) related to energy consumption. In fiscal year 2021, the total volume of GHG at manufacturing sites was approximately 1.20 million tons, which was approximately 8% higher than in fiscal year 2020. Although measures have been taken to reduce GHG emissions, such as promoting energy saving and expanding the use of renewable energy at Sony sites, the total amount has increased due to increased rates of GHG emissions at some power utilities.

Greenhouse Gas Emissions at Sony Sites:



CO₂ Emissions from Energy Use at Sites

In fiscal year 2021, emissions of CO₂ from energy use at Sony sites accounted for approximately 1.07 million tons, out of the approximately 1.20 million tons, of total greenhouse gas emissions at Sony, up by approximately 7,000 tons from fiscal year 2020. The above CO₂ emissions resulting from energy use at Sony sites include

emissions from fuel used by Sony-owned business vehicles. In fiscal year 2021, CO₂ emissions resulting from fuel used in vehicles amounted to approximately 8,000 tons.

Going forward, Sony will take efforts to restrict greenhouse gas emissions through infrastructure-related measures, including the installation of high-efficiency equipment and the promotion of energy recycling, and to enhance nonstructural measures, notably the introduction of training programs designed to foster energy-saving leaders.

Emissions of PFCs and Other Greenhouse Gases

PFCs and other greenhouse gases with high global warming potential are used in cleaning and etching processes during the manufacturing of semiconductors. Emissions of PFCs and other greenhouse gases in fiscal year 2021 (calculated in terms of CO₂) totaled approximately 105,000 tons, up about 7,000 tons from fiscal year 2020. Introduction of PFC abatement equipment and other reduction initiatives have been carried out, but total emissions increased due to the growth in semiconductor device production.

Promoting Efficient Energy Use

To achieve its fiscal year 2025 reduction targets, Sony is working on various energy conservation activities at its sites around the world. A sample of these initiatives follows.

High Efficiency Energy Systems for Factories

Sony Semiconductor Manufacturing Corporation's Nagasaki Technology Center (Nagasaki TEC) aimed to be the most energy efficient factory in the semiconductor industry upon construction of the Fab 5 building. In the refrigerators and boilers that control the temperature and humidity of clean rooms used for semiconductor manufacturing, AI is utilized, and advanced control technology operates the refrigerators at minimum power, while another system reuses the production equipment exhaust heat to power the boiler. These innovations improved clean room energy efficiency by approximately 30% compared to fiscal year 2015. Sony Device Technology (Thailand) Co., Ltd (SDT) installed an energy-efficient air conditioning system when it reconstructed its clean room for semiconductor production. The system requires less airflow than conventional air-conditioning systems to keep the work area clean, enabling it to reduce its annual CO₂ emissions by approximately 2,700 tons, a 67% reduction compared to the previous system.



Outside Nagasaki TEC where Fab 5 began operation

Sony Technology (Thailand) Chonburi Plant (STT-C) has reduced greenhouse gas emissions from its cooling system thanks to a collaborative project with Kansai Energy Solutions (Thailand) in which the two companies designed, operate and manage a highly efficient chiller system* that reduces CO₂ emissions by approximately 1,700 tons per year.

* A chiller system that supplies chilled water to a plant

[Helping to reduce our plant's footprint](#)

[Greenhouse Gas Emissions Reduction Project at STT-C](#)



Chiller system installed at STT-C

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Using AI-Based Data Analysis to Improve Heat Source System Efficiency

Sony's headquarters building is using CALC™, a suite of technologies developed by Sony Computer Science Laboratories that uses AI to analyze large-scale data sets. The tool is being used to improve energy efficiency by analyzing data from the building's heat source system and identifying factors that increase efficiency. CALC uses proprietary methods and algorithms that merge statistical and physics theory with technologies to precisely analyze observational data and deduce hidden factors. Sony's headquarters building utilizes sewage heat energy supplied from the nearby Shibaura Water Reclamation Center for its HVAC systems, which significantly reduces electricity consumption. Using CALC revealed the potential to improve the operation of sewage waste heat pumps, which led to adjustments in the operational controls and the realization of further energy savings.

[CALC: A Big Data Analysis Tool](#)



Factor analysis using CALC

Energy Conservation: Initiatives Driven by Plant Employees

Sony promotes a broad range of energy-saving efforts at its sites around the world. In addition to increasing the energy efficiency of buildings and equipment, in recent years Sony has actively implemented activities for reducing energy consumption suggested by manufacturing site employees. These activities focus on the formulation and implementation of energy-saving solutions for manufacturing sites, which consume more electricity than any other part of Sony's manufacturing operations. Employees set ambitious project targets and take steps to shed light on energy consumed in different manufacturing processes. This enables employees to identify unnecessary uses of energy in such processes, as well as to develop and test solutions and, having confirmed the effectiveness thereof, to effect ongoing improvements. Particularly outstanding solutions are subsequently expanded to other sites. These activities were prompted by the effectiveness of the Eco Challenge Project implemented in 2009 at Sony Group Corporation's Sendai Technology Center and Sony Storage Media Manufacturing Corporation's Tagajo site. Similar energy conservation activities are now being implemented at Sony manufacturing sites around the world.



Eco Challenge Project at Sony EMCS (Malaysia)

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Use of Renewable Energy

Use of Renewable Energy and Renewable Electricity Rate

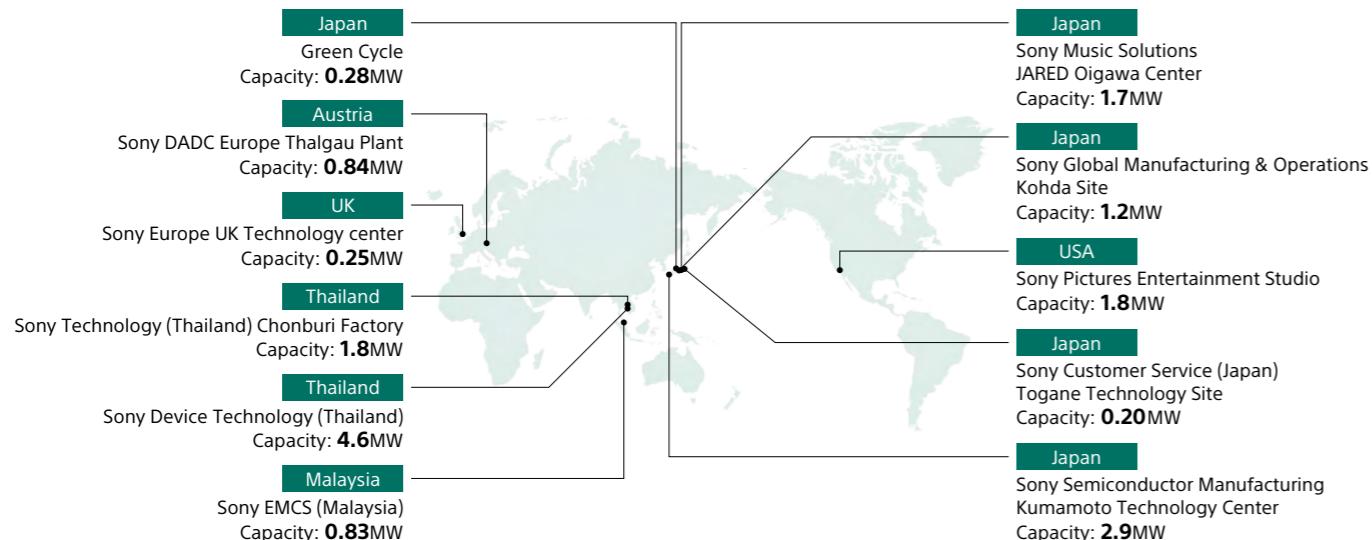
Sony's original goal to use renewable energy* (renewable electricity rate) for 15% or more of the electricity used in operations at business sites by fiscal year 2025 was updated to 35% or more by 2025 in May 2022. Sony is working to adopt renewable energy in ways suited to the regional circumstances of its business locations worldwide, employing strategies such as installing solar power systems in site buildings, procuring renewable energy from power utilities, and utilizing renewable energy certificates. In fiscal year 2021, 35,668MWh renewable electricity was used, which is approximately 14.6%.

* Renewable energy includes solar, wind, water, geothermal, and biomass. This is energy that comes from sustainable sources.

Renewable Energy Procurement Policy

Sony has always considered the surrounding environment when introducing renewable energy, so we have updated our procurement policy with additional environmentally conscious items for the introduction and operation of power generation equipment.

Major Sony sites that have installed solar power equipment



Key Procurement Policy

Evaluate environmental impact when introducing or operating power generation equipment, taking care to prevent adverse effects on the environment.

Examples of Environmentally Conscious Items:

- Land stability (outflow of earth or equipment due to slope collapse, etc.)
- Noise generated from power conditioners, etc.
- Impact of reflected solar panel light on living environment
- Impact on landscape
- Impact on animals, plants and ecosystems
- Check laws and regulations, and communicate with the local community during off-premises installation.
- Hydroelectric power generation must be 30 MW or less.
- Carry a sense of forward movement to promote proliferation of new renewable energy power generation as much as possible.
- Choose a renewable energy power source that already exists in the country or region of the site.

RE100 Membership

In 2018, Sony joined RE100,* a global initiative to use 100% renewable energy, in addition to internally set targets. Our goal of working toward sourcing 100% renewable electricity was originally 2040, but was moved up to 2030 in May 2022.

* RE100 is a global initiative led by the non-profit The Climate Group in partnership with CDP in which participating companies set a goal of procuring 100% renewable electricity for power used in their global business operations.

Sony accelerates target to achieve a zero environmental footprint by ten years

Regional Initiatives

Even before joining RE100, Sony had been taking action on renewable energy at sites around the world. It has already achieved 100% use of renewable energy in many regions. In fiscal year 2008, it was one of the first enterprises in Europe to make the switch to 100% renewable energy for the electricity consumed at its sites. Since then, it has achieved 100% use of renewable energy in China (in fiscal year 2020) and in the Pan Asia region (in fiscal year 2021). This success in the Pan Asia region is due to the installation of solar power systems at its sites and the active use of renewable energy certificates. Sony is systematically increasing the amount of renewable energy it sources in North America, with the aim of achieving 100% in fiscal year 2030. Similar introduction through a variety of initiatives is underway in Japan, as well. In fiscal year 2021, we installed a 1.2 MW large-scale solar power generation facility at the Kohda Site of Sony Global Manufacturing & Operations Corporation, and an 1.8 MW facility at the Sony Semiconductor Manufacturing Corporation's Kumamoto Technology Center. We also continue to promote use of 100% renewable energy at our business activities at Sony City Minato Mirai, such as introducing electricity derived from renewable energy. We also began introducing FIT Non-Fossil Certificate With Tracking* certificates in 2021.

* Certificates of the value of electricity generated by renewable energy, which are subject to the Feed-in Tariff (FIT). Also identifies the power plant from which the certificate is derived.



Solar power generation equipment newly installed at the Kohda Site

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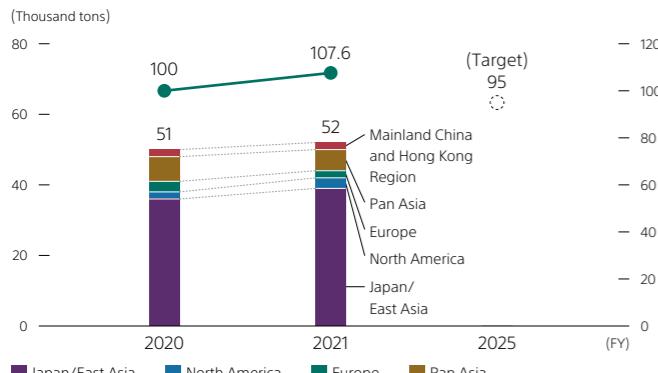


Reducing Waste Generation

Amount of Waste Generated at Sites

With the target of reducing waste amount intensity value from Sony sites by 5% relative to fiscal year 2020 levels by fiscal year 2025, Sony has implemented a variety of measures to reduce waste and use resources more effectively. In fiscal year 2021, waste intensity value at Sony business sites worsened approximately 7.6% compared to fiscal year 2020. Sites generated approximately 52,000 tons of waste, which is up approximately 0.5% from fiscal year 2020. Although Sony is promoting reduction by continuously improving production site processes and reducing waste generated, the volume of waste increased, mainly due to the expansion of semiconductor factories and increased production. Furthermore, about 7,000 tons of industrial waste generated was plastic waste.

Amount of waste generated at sites



Landfilled Waste Rate for Sony Sites

In fiscal year 2021, the landfilled waste rate for all Sony Group sites was approximately 0.5%. The rate for sites in Japan was 0.2%. However, the landfilled waste rate for Sony sites became approximately 1.5% when the calculation includes waste that Sony is required by law or ordinance to dispose by landfills. Sony strives to reduce the rate of waste disposed in landfills by recycling wastes generated by sites.

Management of Industrial Waste

Sony takes precautions to ensure waste from its sites is not inappropriately disposed of. For example, in Japan Sony has set consistent internal standards for selecting waste disposal contractors and inspecting disposal sites on an ongoing basis. It has also established an internal system of accreditation for disposal site inspectors, and is stepping up efforts to minimize risks associated with contracting out waste disposal. To reinforce this system, Sony implements periodic on-site inspections in the waste disposal contractors, thereby ensuring rigorous management procedures.

Example of Waste Reduction

Sony is reducing waste at all its business sites. Sony Semiconductor Manufacturing Corporation changed the flocculant used in the treatment of wastewater generated from production machinery to a biobased polymer flocculant that offers improved setting and flocculating performance. This led to a reduction of sludge, which accounts for the majority of waste. This led to a reduction of both conventional primary flocculant (inorganic flocculant) and inorganic flocculant-derived sludge. Sludge was further reduced by processing excess sludge in a dehydrator. These, in addition to other measures, have reduced waste by about 1,300 tons annually. In 2021, the Kagoshima Technology Center, in cooperation with a subcontractor company, recycled sludge from on premises into a block to create a flowerbed. A signboard describes this recycled block, giving customers and locals an opportunity to learn about environmental activities while also raising the awareness of people on premises.



Flowerbed made from blocks of recycled sludge

Improving Component Packaging

At all of its sites, Sony works to reduce the amount of waste through overall reviews of the packaging used in components and the optimization of this packaging. For example, a range of measures are employed to reduce the amount of materials used in component packaging materials and hence curb the amount of waste. These include the complete elimination of protective bags for components, modifications to increase the capacity of containers used to store components, and the switch from disposable containers to multi-use returnable boxes. In particular, Sony is working to standardize the sizes of, and materials used in, returnable containers while aiming to expand the range of items for which such containers are used.

→ [CO₂ Emissions from Transport of Finished Products](#)



Returnable container used to transport components at Sony Global Manufacturing & Operations Corporation

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Proper Water Management to Protect the Local Environment

Water Usage and Risk at Sony Sites

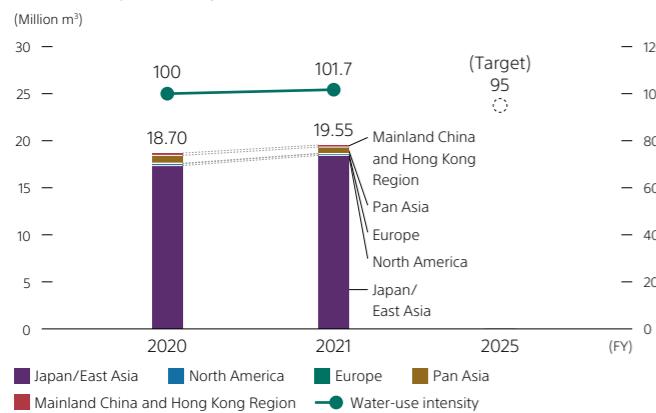
Water is a constantly circulating and unevenly distributed resource, which makes water issues very regional in nature. To tackle this issue, Sony set the goals of improving water usage intensity value on sites that use high volumes of water by 5% relative to fiscal year 2020 and implementing risk reduction measures at sites located in water risk areas. In fiscal year 2021, water usage intensity value at sites worsened approximately 1.7% relative to fiscal year 2020. Water usage was approximately 19.55 million m³, an increase of 4.5% relative to fiscal year 2020. Sony is making efforts to recycle water and save water on production sites, but the amount of water used has increased, mainly due to the expansion of semiconductor factories and increased production.

Sony also takes steps to ensure the quality of wastewater at its sites. In addition to observing related laws and regulations in each of the countries and territories in which it operates, Sony manages wastewater quality criteria further than is required. For example, the introduction of sophisticated water treatment facilities has enabled it to reduce BOD and COD levels* in wastewater.

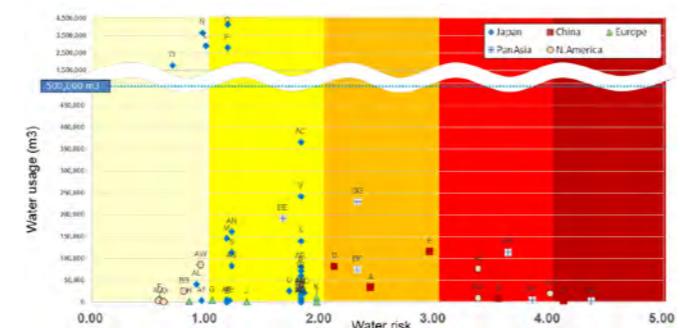
* Biochemical oxygen demand (BOD) and chemical oxygen demand (COD)

[Environmental Data \(Environmental Data file: Water Pollutants\)](#)

Water Usage at Sony Sites



Available water resources vary greatly in terms of quantity and quality, depending upon the region. In manufacturing, it is necessary to consider water resources from the perspective of securing enough water for production while maintaining good stakeholder relations. Sony uses water risk assessment tools provided by the World Resources Institute (WRI) and the World Wide Fund for Nature (WWF) to perform water risk assessments for the regions where Sony sites are located. Sony is working with local stakeholders to ensure proper use of water by promoting activities that reflect the water risks in each region.



Water risk reduction at Sony Group manufacturing sites

Efforts in Water Usage and Local Water Risk

- Sony's semiconductor manufacturing sites use the largest volumes of water and are located in areas where water risk is low, but we continue to promote wastewater recycling to reduce usage.
- We have set voluntary standards for environmental pollutants in wastewater, and are working to reduce the risk of wastewater pollution at Sony manufacturing sites where wastewater pollution risk is high.
- We have non-manufacturing sites located in areas with a high risk of water depletion and drought. The volume of water consumed at these sites is low, but we continue to work to reduce water usage.

Reducing Water Use at Manufacturing Sites

For semiconductors and electronic devices, vast amounts of water are needed not only in the manufacturing process but also in the recycling process. At its plants all over the world, Sony is taking a variety of measures to preserve local water resources, including wastewater, recycling and initiatives for reducing water usage.

Increasing Semiconductor Production while Reducing Water Usage

Sony Semiconductor Manufacturing Corporation (SCK) is working toward reducing the amount of water it uses for the semiconductor production while increasing the production capacities. Nagasaki Technology Center is working to reuse wastewater from gas detoxifying equipment used in the semiconductor manufacturing process, and is reusing about 80% of the wastewater. Kumamoto Technology Center (Kumamoto TEC) is aiming to reduce water used for combustion treatment to remove exhaust gas emitted from the semiconductor production lines. To do this, they have enhanced the equipment to increase the proportion of recycled water, thereby lowering the amount of fresh water needed by about 50%. In addition, in order to help preserve the abundant aquifer in the Kumamoto region, Kumamoto TEC has for many years been conducting "groundwater recharge" efforts. This involves flooding fields with river water that slowly permeates into the water table during times before planting or when no crops are being grown. In fiscal year 2021, approximately 3.09 million m³ water intake was recharged, a volume that exceeds that used by Kumamoto TEC.



Kumamoto TEC's facility for recovery of water used for gas combustion treatment

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Reducing Water Usage in Various Ways

Green Cycle Corporation, an affiliate of Sony that engages in the recycling of home appliances, began harvesting rainwater in fiscal year 2014. The rainwater undergoes rigorous quality tests before being used in recycling processes that involve crushing machines, etc. Via measures such as turning the entire 2,500 m² rooftop of Plant No. 2 into a rainwater collection area, Green Cycle Corporation was able to harvest 1,429.9 m³ of rainwater in fiscal year 2021, which covered 40% of the plant's total water usage.

The Sony headquarters building uses treated wastewater to cool its heating equipment. By using water treated at the nearby Shibaura Water Reclamation Center to cool heating equipment, the amount of clean water normally used to replenish the water in the cooling towers has been reduced by approximately 30,000 m³ per year. Sony Technology (Thailand) Chonburi Plant (STT-C) focuses on wastewater recycling as a means to reduce tap water usage. It has installed an on-site wastewater treatment plant to supply make-up water to air-conditioning cooling towers, which normally use large amounts of tap water. By using recycled water for the cooling towers, STT-C reduced its tap water consumption in fiscal year 2021 by 29,475 m³.



Wastewater treatment recycle plant installed at STT-C

Managing Chemical Substances

The Sony Group has developed a group-wide approach to the management of chemical substances used at sites where the use of these chemicals is controlled by legislation, designated as having a potentially harmful impact on the environment, or used in large quantities.

Reinforcing Standards for Managing Chemical Substances

Sony categorizes chemical substances into four classes and carefully manages and reduces the amounts of these chemical substances used, as well as the amount transferred as air, water, or soil emissions and waste. In countries where no legal reporting requirements exist for chemical management, Sony sites apply standards based on Japan's Pollutant Release and Transfer Register (PRTR) as internal rules. Chemical substances are classified as follows:

Class 1 substances: Prohibit use

- The substances regarded as having a serious impact on the human body or environment (carcinogenicity, mutagenicity, toxicity for reproduction, acute toxicity, ecotoxicity, etc.) which are prohibited to be produced or used under international treaties or individual countries' regulations
- The substances considered to have a high risk of environmental pollution such as soil contamination

[List of Chemical Substances Registered as Class 1 \(Prohibition of Use\) in Site Operation by the Sony Group. \[PDF: 101KB\]](#)

Class 2 substances: Prohibit use (Exemptions granted for certain applications)

- The substances regarded as having a serious impact on the human body or environment (carcinogenicity, mutagenicity, toxicity for reproduction, acute toxicity, ecotoxicity, etc.), which are subject to regulations that require their registration or to monitor the amounts released and transferred because they are of high risk.
- The substances recognized as needed to be eliminated because they are regarded as high risk in their management after

Class 3 substances: Reduce the amounts released and transferred

- The substances having a serious impact on the human body or environment, which are subject to regulations requiring monitoring of the amounts released and transferred.
- The substances which are recognized as needed to be reduced in the amount of release and transfer after considering the trend of regulations or the social circumstances.
- Volatile organic compounds (VOC) other than Classes 1 and 2

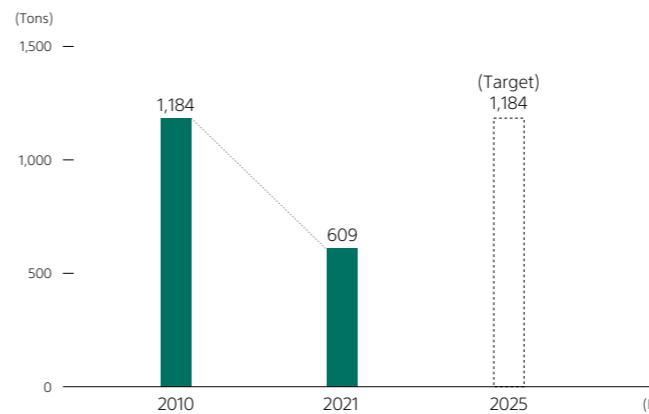
Class 4 substances: Comply with the relevant laws and regulations and use under appropriate control

- The substances not classified as Class 1, 2, or 3. Note that water and air are not required to be managed as chemical substances.

Efforts to Reduce VOC Emissions to Air

With the target of reducing volatile organic compounds (VOCs) released into the air to fiscal year 2010 levels or lower, Sony is working on a variety of initiatives, such as transitioning to VOC alternatives and reducing the amount of VOCs used in the manufacturing process. In fiscal year 2021, VOC emissions into the air were approximately 609 tons, down approximately 49% relative to fiscal year 2010. The decline was the result of a series of measures that include replacing VOCs with alternative substances and reducing VOC use in manufacturing processes.

Release of VOCs into the Air



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Example of Reduction in Chemical Substance Usage

Sony Semiconductor Manufacturing Corporation (SCK) collaborated with an equipment manufacturer to develop a proprietary volatile organic compound (VOC) treatment system as part of efforts to reduce the amount of VOCs released. Conventional VOC treatment systems are installed near ventilation duct outlets. Since such equipment is designed to treat extremely rarefied organic substances, it is very large, making space and cost constraints an issue for semiconductor plants that want to install these types of systems. SCK responded by focusing on production equipment for highly concentrated organic substance and developed a small, fixed condensing-type VOC treatment system in conjunction with an equipment manufacturer. The newly developed system can be installed near production equipment and is able to treat VOCs efficiently.



Small, fixed, condensing-type VOC treatment system developed by SCK in conjunction with an equipment manufacturer

Ozone-Depleting Substances

Sony succeeded in completely eliminating first-generation chlorofluorocarbons (CFCs) from its manufacturing processes in 1993 and banned the use of second-generation hydrochlorofluorocarbons (HCFCs) at the end of fiscal year 2000. Sony business sites currently prohibit the use of ozone depleting substances stipulated under the Montreal Protocol. Sony uses CFCs as a refrigerant in some air-conditioning units only. Compliance with laws and regulations in each country is ensured, and strict care is taken to prevent leakage of CFCs from these units during maintenance.

Environmental Risk Management at Sony Sites

To carry out effective risk management of chemical substances and emergency responses, the Sony Group has enacted the Sony Group Standards for Site Environmental Risk Management, which set the management standard and give examples of improvement measures. Based on these standards, at each site Sony has implemented accident prevention measures, including prohibiting the burial of tanks for chemical substances and pipes, and various leak prevention measures. In addition, Sony rigorously works to prevent environmental accidents through ongoing improvements to its systems based on regular audits at each site, information sharing among sites and other initiatives. Sony has established a system whereby its sites are required to promptly report environmental accidents to the authorities and to take appropriate countermeasures. No such accidents were reported at any of Sony's sites in fiscal year 2021.

Response to Soil and Groundwater Contamination

In the event that an incident of soil or groundwater contamination is identified at a Sony site in a voluntary check or other assessment, remediation processes are implemented in compliance with pertinent local laws and ordinances. For example, Sony Group companies in Japan deal with the occurrence of contamination of soil and groundwater at Group sites by taking steps in line with the Sony Group Standard for Assessing Soil and Groundwater, an internal

document that sets out procedures that comply with Japanese laws and ordinances. This manual stipulates that issues be addressed through the following three phases:

Phase 1	Investigate past and present chemical use and confirm the existence or otherwise of used or unused underground tanks, buried piping, other similar equipment, or previous incidents, at the site. Perform an inspection of the site to ascertain whether there is any residual soil or groundwater contamination.
Phase 2	Based on the investigations undertaken in Phase 1, carry out an assessment of the areas that are potentially contaminated. Undertake measurements at these locations in line with the Soil Contamination Countermeasures Act.
Phase 3	If any contamination is identified based on these results, carry out prevention and remediation procedures.

Incidents of soil and groundwater contamination resulting from operations have been confirmed at Sony Group sites as follows. In response, Sony has been remediating the contamination and submitting regular reports to authorities. Sony Semiconductor Manufacturing Corporation's Nagasaki Technology Center completed the treatment of contaminated soil in a 613.3 m² area that had been designated as an area requiring notification of character change to land, and the designation was lifted on June 25, 2021.

Progress of Soil and Groundwater Remediation (as of August 2022)

Site	Sony Global Manufacturing & Operations Corporation's Inazawa Site (Japan)	Atsugi Technology Center, Sony Group Corporation
Date Contamination Confirmed	June 2001 (Result of voluntary assessment)	March 2022 (Result of voluntary assessment)
Substance(s) Detected	Fluorine	Fluorine and its compounds
Cause	Leak from crack in drainage pipe	Leak from loose drainage pipe fitting
Response / Current Status	The site has discontinued use of the equipment that caused the contamination and is remediating and monitoring groundwater. Analysis conducted in fiscal year 2021 found a groundwater concentration of 0.87mg per liter.	An administrative report indicated there was soil and groundwater pollution on site, but because there is no possibility of this pollution flowing outside the site, it was designated as an area without health risk in June 2022. Contaminated soil will be removed from the leak point, and we will continue to monitor groundwater contamination.

Please see below for the latest information on site status.

[Progress of Soil and Groundwater Remediation](#)

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Sustainability Report 2022



Examples of Biodiversity Conservation Initiatives

Guiding Principles for Biodiversity Conservation Initiatives

Recognizing the importance of natural capital, as the very foundation of human life, and the ecosystem services it supplies, Sony endeavors to maintain and recover biodiversity, both in its business activities and through regional biodiversity conservation initiatives. Changes in land usage have been indicated as one of the causes of loss and deterioration of biodiversity. From a land use perspective on the site, we consider the impact of our business activities on neighboring ecosystems, carrying out biodiversity conservation and restoration initiatives in the green areas of our manufacturing sites, as well as in the ecosystems of the surrounding area according to the region's specific needs.

Conservation Initiatives

Conservation Activities in Sony Forest to Promote a Richer Ecosystem

Since its inception in 1972, the Kohda Site of Sony Global Manufacturing & Operations Corporation, a producer of products such as digital still cameras, has protected a natural woodland on its site, naming it Sony Forest. Sony Forest was designated as a wildlife sanctuary* (Kohda Northern Wildlife Sanctuary, Aichi Prefecture, Japan), and is vital to the neighboring ecosystem. Owls are at the top of the ecosystem pyramid, so in order to build a rich ecosystem inhabited by them, we continue activities at the Kohda Site such as building spaces for owls to fly and feed, as well as installing nest boxes. As a result of these efforts, inhabitation of endangered owls has been confirmed every year since 2016.



Owl chick born in the Sony Forest (2020)

Then, in 2011, the Kohda Site began carrying out activities to secure and share seedlings of native species, necessary for regeneration of the local ecosystem. It has been promoting this through collaboration with local government, residents, and companies. In recognition of these activities, Sony Forest was certified by the Japan Committee for the United Nations Decade on Biodiversity as the sixth exemplary project in 2015.

* In Japan, a wildlife sanctuary is an area considered important for the protection of wild birds and mammals.

Removal of Invasive Species in Yamagata Prefecture

Located about 8 km from Miyakozawa Wetland in Tsuruoka City, Yamagata Prefecture, Japan, Sony Semiconductor Manufacturing Corporation's Yamagata Technology Center (Yamagata TEC) produces CMOS image sensors. The center carries out its business activities in consideration of the neighboring ecosystem, which is home to a variety of native species. Miyakozawa Wetland spreads across the banks of Oyama Shimo-ike, itself a Ramsar site. The location is rich with biodiversity and has been confirmed to be home to valuable native species such as the endangered *Monochoria korsakowii*. However, there have been concerns about ecosystem impact, such as decreases in native species such as medaka, due to the introduction of non-native animals and plants such as *Procambarus clarkii* and Canada goldenrod. Therefore, each year under the guidance of the Tsuruoka city government and local organizations, Yamagata TEC employees participate in activities such as the targeted capture of *Procambarus clarkii*, while protecting medaka, a species of fish native to the area.



Yamagata TEC employees catching invasive red swamp crayfish

Monitoring Survey of the Recovering Gamo Tidal Flats

Sony Group Corporation's Sendai Technology Center (Sendai TEC) and Sony Storage Media Manufacturing Corporation's Tagajo site are conducting a biological monitoring survey of the Gamo Tidal Flats (Sendai City, Miyagi Prefecture, Japan), which is about 4 km from the manufacturing site. The Gamo Tidal Flats were damaged by the tsunami caused by the Great East Japan Earthquake, devastating the surrounding pine forest and reed fields, leading to a critical situation for the area's flora and fauna. This rich natural area was originally inhabited by a variety of worms and gobies, is a breeding ground for little terns and Kentish plovers, and is also the wintering ground for the brant goose, a natural monument of Japan, and has been designated as a national wildlife sanctuary special protection area. Since 2014, Sendai TEC and the Tagajo Site have been tracking the recovery of the Gamo Tidal Flats in collaboration with the Gamo Conservation Society environmental NGO. A decade has passed since the earthquake, and the environment of the Gamo Tidal Flats continues to recover. A 2020 survey confirmed 12 species of benthic life including sand blubber crabs, 21 species of birds including the red-necked stint and other plovers and sandpipers, 11 species of plants including okahijiki and hamanigana, and 4 species of insects including earwigs. Three rare species, osprey and dunlin (birds) and herbaceous seepweed (salt-tolerant plant) were also observed.



Osprey chicks found in the Gamo Tidal Flats

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Biodiversity Conservation Activities in Austria

The Sony DADC Thalgau plant in Austria is actively promoting activities to conserve biodiversity in the nature-rich region of the Fuschlsee Nature Reserve, located 10 km away. In recent years, the habitat of the wild bee, which plays an important role in the ecosystem as a pollinator in this area, has been deteriorating due to climate change and housing development. Sony DADC Austria is implementing activities to protect the bee, such as installing beehives on the factory grounds, housing approximately 400,000 bees. In addition, to protect the ecosystem that lives in the grassland on the factory grounds and as a way of landscape management, employees let sheep of local farmers graze the land instead of using tractors that strain the soil.



Planting nectar plants to protect bees

Biodiversity Conservation Activities in China

Sony Precision Devices (Huizhou) Co., Ltd. (SPDH) is located in a natural area close to a mangrove forest, and is actively promoting biodiversity conservation efforts in the region, including the targeted removal of alien species and Synecoculture. Mangrove Forest Park is home to a wide variety of flora and fauna that inhabit the intertidal zone and brackish water, including stores, black-faced spoonbills (nationally protected species in China) and other endangered species. SPDH has been pursuing efforts to remove water hyacinth, a non-native species to the area, since 2010, in cooperation with the Huizhou Aquatic Environmental Center. Since 2020, SPDH has been conducting biodiversity conservation and restoration activities on the premises of its sites through Synecoculture. Synecoculture takes

maximum advantage of the material cycling that occurs naturally in ecosystems, aiming to create ecosystems with a diverse mix of plants that coexist together and grow lushly. Since Synecoculture was adopted at SPDH for the on-site fields, more than 40 kinds of organisms, including honeybees, mantis, grasshoppers, sparrows and magpies have been observed so far, and over 30 kinds of vegetables have been harvested. Harvested vegetables are served to employees in the cafeteria, and the importance of biodiversity is shared with employees through the philosophy behind Synecoculture.



Employees harvesting at the Synecoculture farm

Other initiatives

- [Volunteering to Protect Nature Reserves in the UK](#)
- [Old Growth Conservation Efforts in Kunisaki City, Oita Prefecture](#)
- [Promoting Forest Management Activity at So-net Forest \(in Japanese\)](#)
- [Protecting Spawning Grounds of the Endangered Loggerhead Turtle in Japan](#)
- [Environmental Protection Activity in New York City](#)
- [Coral Conservation Efforts in Nagasaki Prefecture](#)
- [Participating in the Forest Conservation Project in Sumatra](#)
- [Participating in Panama's Biodiversity Event Festi Harpia 2019](#)

Efforts to Reduce Usage of Single-use Plastics Group-wide

Sony is promoting efforts to reduce the use of single-use plastics at group companies worldwide in order to prevent the marine pollution caused by plastic waste. All our manufacturing sites have reduced or ceased provision of plastic straws, cups, plastic bottles, shopping bags and other items made of single-use plastic in conference rooms, cafes, etc. We have also installed water servers at many of our sites to promote employee use of reusable water bottles.



A water server allows employees to refill their own bottles

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Environmental Initiatives for Food

Sony has been working on environmental issues related to food in our Food for the Future project since 2021. We engage every employee in activities that encourage them to be aware of use of environmentally conscious food and take action in their daily lives through a variety of efforts, including distribution of a guidebook detailing environmentally conscious food that features Sony Pictures Entertainment's Peter Rabbit, and providing meals that use environmentally conscious food in our employee cafeterias worldwide. In 2021, October was designated Sony Group Food Month in Japan. During the month, cafeterias at each site provide information about environmentally conscious food, provide meals that use them, and hold seminars featuring keynote speakers from the Food and Agriculture Organization of the United Nations to develop employee awareness.



Guidebook of environmentally conscious food distributed to employees

Worldwide Cleanup Activities Catered to Regional Characteristics

Sony continues to conduct cleanup activities at its manufacturing sites around the world that are catered to the specific characteristics of the region. Even in locations where it is difficult for people to gather due to the COVID-19 pandemic, we are conducting cleanup activities after ensuring thorough infection control measures at many of our sites. For example, Sony Device Technology (Thailand) Co., Ltd. (SDT) has been planting mangroves since 1999 and is also engaged in cleanup activities to conserve these forests. In fiscal year 2021 we cleaned up the Klong Cone Canal, which flows into the Gulf of Thailand, collecting about 202 kg of plastic waste and other rubbish.



SDT employees conduct cleanup activities

Other initiatives

[Cleaning Up Marine Plastic Waste Across China](#)

Wow! Wow! Biodiversity Project

Together with the Nature Conservation Society of Japan, Sony launched the Wow! Wow! Biodiversity Project in fiscal year 2015, as a platform for organizing nature appreciation events, holding photo contests for the general public and spreading awareness of biodiversity through social media. In fiscal year 2016, Sony China joined this project and is conducting similar awareness-raising activities in various cities across China. The annual photo contests have become popular in both Japan and China. Through the submission of photos, the splendor of nature and the importance of

biodiversity are conveyed to more and more people. About 8,000 entries were submitted to the Chinese photo contests from 2016 to 2021, and they were shared through social media with approximately 420,000 people, including Sony Group employees in China and their friends. In addition to holding exhibitions of the winning photo entries in Japan and China, the project has been providing other opportunities for the public to think about the importance of biodiversity, through activities such as biodiversity lectures and photographing living organisms workshops using Sony cameras.



Exhibition of winning works from the Japanese photo contest

[Wow! Wow! Biodiversity Project \(in Japanese\)](#)

Environmentally Preferable Paper Purchasing

Recognizing that paper resources are finite, Sony strives to use paper in an environmentally responsible manner, and it has established a related purchasing policy for paper and printed materials. Accordingly, Sony makes a point of purchasing environmentally preferable paper, such as recycled paper and forest-certified paper. In fiscal year 2021, Sony used a total of approximately 362 tons of FSC-certified paper* for such items as corporation publications, including company brochures and notices of general meetings of shareholders, product catalogs, calendars, business cards, and envelopes.

* FSC-certified paper is any paper product made from wood that has been certified by an international body called the Forest Stewardship Council, which aims to promote forest preservation.

[Focus on Paper Resources](#)

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Logistics

CO₂ Emissions from Transport of Finished Products

With the target of reducing absolute CO₂ emissions related to logistics between nations and within regions by 10% (compared with fiscal year 2018) by fiscal year 2025, Sony has worked to reduce transport weight by making products and packaging smaller and lighter, while optimizing transportation efficiency and switching to transportation methods that have a low impact on the environment. In fiscal year 2021, the total CO₂ emissions from product transport (international and regional*) was approximately 191 thousand tons, an increase of 5% over fiscal year 2018. This was the result to restrictions on production and international transportation due to the COVID-19 pandemic.

* Some countries and regions are excluded from "intraregional transportation."

CO₂ Emissions from Product Transportation (International and Regional)



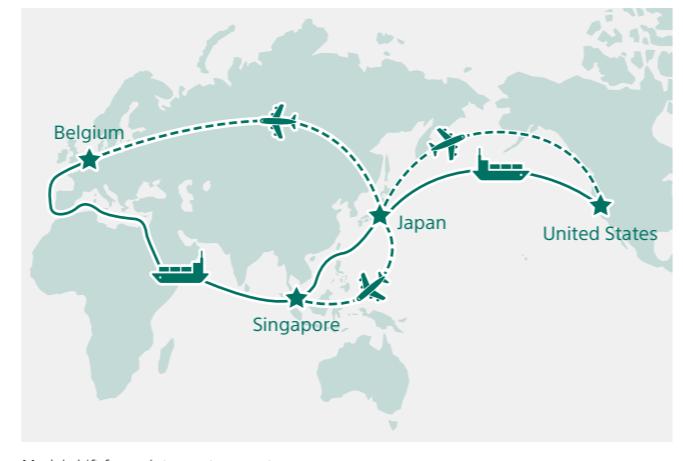
Reducing the Environmental Impact of Logistics

Promoting Modal Shift

As a part of its efforts to reduce environmental impact from the transport of finished goods, Sony promotes modal shift, switching the modes of transport it uses from air to sea and from truck to railroad.

Modal Shift for Tape Media

From fiscal year 2020, Sony Storage Media Solutions Corporation switched from air to sea transport for storage tape media that is manufactured in Japan and destined for distribution centers in the US, Belgium, and Singapore. The modal shift led to a reduction of approximately 905 tons of CO₂ emissions in fiscal year 2021 compared to the previous fiscal year.



Modal Shift in the US

Sony Electronics Inc. (SEL) in the United States has optimized the use of rail transport for product shipments from the West Coast to reduce CO₂ emissions generated during transport. SEL has also increased loading efficiency reducing number of shipments. In addition, SEL has participated in the U.S. Environmental Protection Agency's SmartWay program and has used environmentally responsible logistic partners.

Modal Shift in Japan

In Japan, Sony has promoted modal shift from truck to rail transport, which boasts lower CO₂ emissions. For large-sized products in

particular, such as BRAVIA™ TVs, Sony proactively uses railroad for long-distance (500km or more) domestic transport. Recognizing these efforts, since 2011, Sony has been certified by the Japanese Ministry of Land, Infrastructure, Transport and Tourism as a certified company in the "Eco Rail Mark" system, while BRAVIA TVs have earned product certification.

Sony also promotes domestic sea transport. In fiscal year 2021, CO₂ emissions attributable to the transport of products in Japan were approximately 231 tons lower than would have been the case if products had been transported by truck.



Logo indicating Eco Rail Mark certification for businesses

Improving Transport Efficiency with Milk Runs

Efficient transport realized by maximizing loading volume per truck reduces environmental impact. Sony seeks to improve transport efficiency by utilizing milk runs.* In China, Sony has been improving transport efficiency, which helps to reduce CO₂ emissions, using a combination of transport solutions such as milk runs and round trips.

* In a milk run, a truck follows a route to collect parts from several suppliers, thereby improving transport efficiency compared with the routing method of separate runs to each supplier.

Promoting the Use of Reusable Bands for Products and Parts Transport in Manufacturing Sites and Warehouses

To keep stacked cartons from collapsing during transport of products and parts in manufacturing sites and warehouses, Sony employs reusable bands as one of its materials. This has contributed to the reduction of use and disposal of packaging materials such as stretch films.

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Product Recycling

Product Recycling Policy and Performance

Sony's Product Recycling Policy

Sony subscribes to the principle of individual producer responsibility (IPR), that is, the idea that a producer bears responsibility for its products over their entire life cycle. Accordingly, Sony is focused on recycling-oriented product design, collection and recycling used products, and building global recycling systems that suit the needs of individual countries and regions. Sony recognizes its social responsibility as a manufacturer to deal with its used products and actively promotes product collection and recycling, and complies with recycling laws and regulations in countries and regions around the world.

Product Recycling Initiatives

In the treatment of used products, Sony complies with recycling laws and regulations in countries and regions around the world, including Japan's Home Appliance Recycling Law, the EU's Waste Electrical and Electronic Equipment Directive (WEEE Directive), state recycling laws on waste electrical and electronic equipment in the US, China's Management Regulations for Recycling and Disposing of Consumer Electronics and Electronic Waste, and India's recycling law on electronic waste.

Sony's Recycling Targets and Record

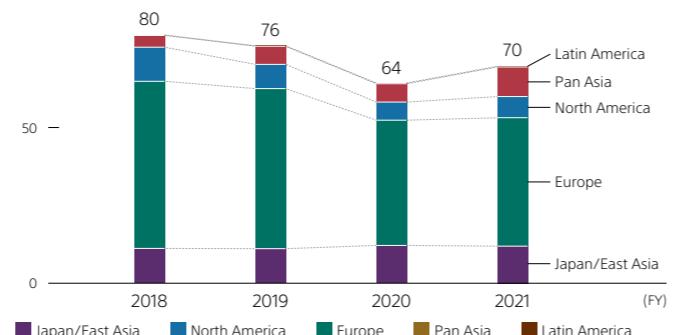
Sony promotes the collection of end-of-life products worldwide with our goal to establish and maintain recycling schemes suitable for the needs of local communities. In fiscal year 2021, Sony's Take-Back of End-of-Life Products Record was approximately 70 thousand tons of end-of-life products (as of July 2022).

Sony has also been working on advanced recycling since 2021 with the goal to improve collection efficiency 1.5 times over fiscal year 2020 in regards to the recycling of key mineral resources (tantalum). In Japan, Sony is coordinating efforts with recycling plants to build a process for recovering parts containing tantalum from end-of-life products and improve processes and facilities. In fiscal year 2021, Sony is carrying out technical verification to improve collection efficiency of installed equipment.

Take-back of End-of-Life Products Record

(Thousand tons)

100 –



Notes: • The figure for fiscal year 2021 is as of July 2022. The figure for fiscal year 2020 was corrected from that of previous year's report.

- Japan / East Asia refers to the Japan, South Korea and Taiwan region.
- End-of-life products collected and counted may vary by region.

Improving Product Recyclability

Working with the Sony Group's Specialized Recycling Company

As one of its strategies for resource efficiency, Sony works to increase the recyclability of its products. When examining various related measures, Sony receives feedback from Green Cycle Corporation, an affiliate of Sony specializing in the recycling business. Highly effective, practical measures incorporating these ideas and suggestions for easier disassembly and separation of materials obtained during the recycling process are then drawn up and submitted to design departments for each product category. Meanwhile, Sony supports the efforts of Green Cycle Corporation to improve its recycling technologies by sharing the latest information on product dismantling.

The amount of home electronics waste, including flat-screen TVs, has been rising in recent years, and boosting waste processing capacity has become an issue. In fiscal year 2020, Green Cycle Corporation built a second recycling building and introduced a new process for flat-screen TV processing based on Sony product information and other data. The new building has improved the efficiency of the disassembly process and significantly boosted processing capacity.



Recycling at Green Cycle Corporation's facilities in Nagoya, Aichi Prefecture

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Recycling Activities in Japan

Sony recycles televisions and personal computers in line with applicable recycling-related laws in Japan. Sony also bears the cost of recycling lithium-ion batteries and other small rechargeable batteries, as well as packaging materials, as required by law.

Recycling of Television Sets

Japan's Home Appliance Recycling Law, which came into effect in April 2001, initially covered four major home appliances: televisions, refrigerators, washing machines and air conditioners. In April 2009, the law was revised to also cover LCD and plasma televisions and clothes dryers. Among applicable products, Sony manufactures televisions* (CRT, LCD and plasma models). The Home Appliance Recycling Law requires consumers to pay collection, transport and recycling fees when disposing of applicable home appliances, retailers to take back such appliances and return them to manufacturers, and manufacturers to recycle these appliances.

Sony has established a nationwide cooperative recycling network with four other manufacturers. As a consequence, Sony-manufactured televisions are now recycled at 15 recycling plants across Japan. At these recycling plants, TVs are manually disassembled, and the parts are crushed and sorted using various equipment.

Materials such as iron, copper, aluminum, and plastic are then separated out and sold to businesses that produce raw materials, making them available for reuse. In addition, certain harmful substances such as lead and mercury found in some older products and parts are removed and disposed of properly in accordance with the law.



TV being dismantled at Green Cycle Corporation

In fiscal year 2021, Sony recycled approximately 125 thousand CRT televisions and 419 thousand flat-screen televisions. The Home Appliance Recycling Law obliges manufacturers to maintain recycling rates of at least 55% for CRT televisions and at least 74% for flat-screen televisions. Sony has consistently exceeded these rates since fiscal year 2001. In fiscal year 2021 the recycling rate for Sony-manufactured CRT televisions was 74%, while for Sony-manufactured flat-screen televisions it was 86%.

* Sony-manufactured televisions include products bearing the Aiwa brand manufactured in and before 2005.

[Compliance with Japan's Home Appliance Recycling Law \(in Japanese\)](#)

[Sony's Recycling Record](#)

Recycling of Personal Computers

Although Sony sold off its personal computer business in July 2014, it is collecting and recycling its PC products in Japan that are no longer used by households and businesses, including long-time corporate users, in accordance with Japan's Act on the Promotion of Effective Utilization of Resources. Items being recycled are desktop PC units, notebook PCs, CRT displays, and LCDs.

Sony is a member of the PC3R Promotion Association and collects and recycles used PC products under the industrywide collection and recycling scheme operated by the association. The results of the association's collection and recycling efforts are published on the association's website ([link below](#)).

In fiscal year 2021, Sony collected and recycled a total of approximately 24 thousand units, for a total weight of approximately 128.8 tons. From these items, about 95.4 tons of materials were reused, including metal, plastic, and glass parts.

[Result of Collection and recycling of used PCs by the PC3R Promotion Association \(in Japanese\)](#)

[Information on recycling used computers made by Sony \(in Japanese\)](#)

Recycling Activities in Europe

Take-back legislation in Europe—in particular, the European Union (EU) Directives on Waste Electrical and Electronic Equipment (WEEE),*¹ Batteries*² and Packaging*³—requires manufacturers to organize and finance the collection and recycling of end-of-life products and packaging.

Sony takes full responsibility for its take-back obligations in all applicable European countries. With the aim of building a recycling market where the principle of competition works in Europe, Sony formed the European Recycling Platform (ERP) in cooperation with other companies in 2002, building efficient and cost-effective systems for the collection and recycling of end-of-life products that enable member companies to fulfill their obligations as manufacturers. Sony continuously strives to find the best recycling partners.

*1 Directive 2012/19/EU on waste electrical and electronic equipment (WEEE)

*2 Directive 2006/66/EC on batteries and accumulators and waste batteries and accumulators

*3 Directive 94/62/EC on packaging and packaging waste

Sony's Recycling Compliance Systems

Sony utilizes authorized collection schemes for the collection and recycling of WEEE, batteries and packaging across Europe. These conduct regular on-site audits of all contracted recyclers to ensure compliance and prevent illegal shipments outside the EU. Sony engages authorized partners that undertake recycling on behalf of manufacturers to ensure our products are recycled in a compliant manner, in accordance with European Directives and country specific regulations.

In 2021, Sony financed the costs of recycling approximately 41,253 tons* of end-of-life products and packaging in Europe. In collaboration with other manufacturers, Sony discloses relevant information on components that require special treatment for product categories placed on the market in Europe for recyclers to facilitate safe recycling.

* End-of-life products and packaging in fiscal year 2021 does not include certain countries, such as France.

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Recycling Activities in North America

Sony Electronics Inc. in the United States and Sony of Canada Ltd. continue to contribute to the development of the recycling infrastructure in North America. All recycling and support activities are committed to a responsible recycling process that support state and provincial legislation and voluntary initiatives.

United States: Promoting of the Sony Take Back Recycling Program

Sony Electronics Inc. (SEL) continues to promote the Sony Take Back Recycling Program, which was put in place to increase recycling rates for used electronics in compliance with individual state laws and regulations. Through this program, SEL works with recycling companies across the United States to allow consumers to drop off Sony products at designated collection centers free of charge. In fiscal year 2021, these collection centers and through compliance channels collected approximately 5,961 tons (13.11 million pounds) of used consumer electronics. This equates to recycling 0.1 kg for every 1 kg of electronics sold.

SEL also manages a website that provides consumers with information about the program and the importance of recycling. The website provides consumers with useful recycling information that helps bolster recycling rates for used electronics through a variety of features, such as a search function to find nearby recycling centers. As a member of the Call2Recycle Program,* SEL recycles rechargeable batteries free of charge in line with the program's recycling scheme. In honor of these socially responsible contributions related to recycling, the United States Environmental Protection Agency has given SEL a gold award in the Sustainable Materials Management Electronics Challenge for four consecutive years.

* Call2Recycle is a nonprofit public service organization that conducts and manages rechargeable battery recycling programs and provides related consulting services in the United States and Canada.

- [Sony Take Back Recycling Program](#)
- [Call2Recycle](#)



Sony Take Back Recycling Program collection activity (United States)

Recycling Responsibly

In addition to conducting its own independent audits of recyclers and the downstream processing firms to which they subcontract, SEL has set forth a recycling policy whereby all recyclers it does business with must obtain Responsible Recycling (R2) or e-Stewards certification. R2 and e-Stewards are certification systems for recyclers organized in part by the U.S. Environmental Protection Agency (EPA) that evaluate such factors as environmental management performance and workplace environment. SEL participates in the EPA Sustainable Material Management Electronics Challenge program since its program inception.

Canada: Working with Provincial Governments to Set Up Electronics Equipment Recycling Programs

Since the first provincial program was launched in 2004, Sony of Canada Ltd. (Sony Canada) has worked with provincial governments to set up recycling programs for end-of-life products. From 2008 through 2015, Sony Canada operated an expanded recycling program for small electronics equipment across Canada by enabling consumers to take such products to its retail partners across the country. More recently, compliance obligations with provincial programs matured to deliver appropriate collection opportunities for consumers through the Electronic Products Recycling Association (EPRA). Consumers and businesses can drop off their end-of-life electronics free of charge for responsible recycling at an EPRA-authorized drop-off location in nine provinces. In addition, Sony Canada is a founding and current active member of Electronics Product Stewardship Canada (EPSC). EPSC is comprised of leading electronics manufacturers who work to design, promote and implement sustainable solutions for end-of-life electronics.

[Recycling your Sony products](#)

[Electronic Products Recycling Association](#)

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Recycling Activities in Pan Asia

The operations of Sony in the Pan Asia region stretch from Middle East to New Zealand. Throughout the region, Sony offices and manufacturing locations continually work to ensure that the recycling needs of the local community are met. In terms of national electronic waste recycling legislation, Sony actively works with local partners to ensure that local requirements are met.

India: Working with a Local Partner to Collect and Recycle E-Waste

In order to ensure compliance with E-Waste Management Rules, 2016 and amendments, Sony India has partnered with a leading third party company for channelization of e-waste which includes collection and recycling of e-waste. In fiscal year 2021, Sony India collected and recycled approximately 3,661 tons of e-waste internally and through the third party partner.

Additionally, Sony India focused on raising awareness regarding environmentally safe disposal of E-waste and encouraged end-consumers to submit their end of life Sony Products to the broad network of e-waste collection points established by Sony India for their safe disposal. As of the end of March 2022, 33 collection points across the country have been established. Sony India continues to review results and formulate future plans accordingly.

[ELECTRONIC WASTE \("E-WASTE"\) MANAGEMENT](#)

Australia: Participating in the "National Television and Computer Recycling Scheme" (NTCRS) in conjunction with a "Government-Accredited Recycling Partner"

Since 2012, Sony Australia has been taking part in a recycling scheme with partners accredited by the Australian federal government under new home appliance recycling legislation, specifically the "National Television and Computer Recycling Scheme". Under the recycling system, Sony Australia has been making a concerted recycling effort over this period of time. From July 2021 through June 2022, approximately 4,734 tons of discarded televisions, computers, printers and computer peripherals had been recycled as Sony's share of the total amount recycled.

Korea: "ART" (Action Really Together) Campaign

In Korea, the recycling law has been in place since 2003 and covers electronics, battery as well as packaging. Sony Korea has been working with related associations to collect the specific volume assigned by the government annually. In addition, to educate and encourage employees and local community to play their parts in e-waste recycling, Sony Korea has initiated the 'Zero Waste Campaign' in Korea since 2012. This initiative has since been extended to Sony Group companies, neighbors and friends of Sony employees as well as other organizations. Hence, the campaign was renamed "Action Really Together (ART)" in 2016 to emphasize the importance of taking actions together for a good cause, regardless of brands. Besides collecting end-of-life products for recycling, Sony Korea also collects unwanted used products in good working condition and donates them to a local NGO.

["ART" \(Action Really Together\) Campaign in Korea](#)



"ART" campaign logo

Recycling Activities in Latin America

Sony has offices in a number of Central and South American countries, including Argentina, Bolivia, Chile, Colombia, Ecuador, Mexico, Panama and Peru. These offices operate recycling programs designed to meet the needs of their particular areas. Here we introduce a joint project operated throughout Latin America as well as representative examples of Sony commitment to recycling initiatives.

Sony Joint Project: Green Service Program

Since 2010, Sony sales companies in Latin America-including Sony Mexico, Sony Inter-American, Sony Peru, Sony Chile, Sony Argentina and Sony Bolivia gradually launched the Green Service Program. Under this initiative, using participating companies' service networks, products and components that are under warranty but discarded during repair are appropriately treated. Also the e-waste generated by Sony sales companies facilities in Latin America are appropriately treated under this program as well. This program marks a shift in focus from simple disposal to the proper management and repair of products, helping Sony fulfill its responsibility to reduce the environmental impact of its products after they are sold and respond to the expectations of customers. In fiscal year 2021, approximately 222 tons of e-waste were collected and processed appropriately. Going forward, the companies will continue to implement the Green Service Program.

Recycling Programs in Latin America

Sony encourages the customers to recycle their products under each recycling program in countries existing the takeback and recycling regulations. In Mexico and Peru, Sony handles the individual take-back and recycling scheme through 12 collection points, and complies with the recycling regulation based on producer responsibility. In Colombia, Sony belongs to a collective scheme promoting take-back and recycling, and complies with the recycling regulation. Also, they are participating in the collective take back program called "Vision 30/30". This collective program seeks to continue the path to the recycling of containers and packaging within the framework of the existing regulation.

Recycling Activities in China

Compliance with Regulations on Recovery Processing of Waste Electrical and Electronic Products (China WEEE)

In 2011, China enacted the Regulations on Recovery Processing Waste Electrical and Electronic Products. The regulation mandates the recycling of five types of products: televisions, refrigerators, washing machines, air conditioners and PCs, and obliges manufacturers and importers to contribute to a fund that is used to cover the cost of processing of waste electrical and electronic products. In compliance with the regulations, Sony (China) Limited makes regular contributions to the fund.

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Environmental Communication

Worldwide Environmental Communication

Through hosting special events and supplying special content, Sony is helping to raise the environmental awareness of society. Sony provides a wide variety of stakeholders with environmental information in an accurate, timely and continuous manner.

Taking Advantage of Sony Events to Raise Environmental Awareness

Sony Expo 2021 was held in China to showcase the latest information on everything from products to entertainment. During the event, we held a Sustainability Session to introduce our environmental efforts. There were more than 20,000 spectators including online viewers, to whom we shared the Sony Group's environmental vision and the myriad environmental initiatives undertaken in China. Moreover, some of the participants at the venue were invited to experience Synecoculture™*¹ together with the artist of Sony Music Entertainment.



Sony Expo 2021

Since 2015, Sony Electronics Inc. (SEL) in the United States has worked with partners to conduct the Sony Open in Hawaii, a PGA Tour event*² with an environmental focus. In 2022, the tournament continued its Sustainability Initiative, reusing structural material, diverting waste through recycling, and reducing energy and water use. The event is supported by large number of volunteers. SEL provided reusable water bottle which contains recycled plastic to volunteers, and water dispensers were installed for volunteers to help reduce the plastic waste from the event. Additionally, BRAVIA™, XR-65A95K was selected for the winner's prize, which uses Sony's Original Flame-Retardant Recycled Plastic SORPLAS™ in its rear cover.

*1 Synecoculture™ is a trademark or registered trademark of Sakura Shizenjuku Global Nature Network.

*2 PGA Tour is the US men's professional golf tour.

[Synecoculture™](#)

Environmental Activities Leveraging Entertainment Business

Sony capitalizes on its influential entertainment business to promote environmental activities.

Sony Interactive Entertainment (SIE) is engaging in environmental efforts supported by Playing for the Planet Alliance* through its action-adventure Horizon Forbidden West, created by Guerrilla. SIE, in cooperation with its partners worldwide, planted trees and invested in wildflower meadows and coastal ecosystems in selected regions tied to player participation, which helped to raise their awareness of climate change and biodiversity.



The nature in Horizon Forbidden West

Sony Pictures Entertainment (SPE) teamed up with the United Nations (UN), the UN Food and Agriculture Organization, and the UN Foundation for a multi-media campaign where Peter Rabbit and his friends from Peter Rabbit 2: The Runaway encouraged fans to be food heroes by taking actions like eating more healthy foods, buying local and seasonal food, reducing food waste and planting their own garden. On behalf of Sony Music Entertainment (UK), the Sony Music Group has joined the Music Climate Pact to share insights on combating climate change and promote decarbonization efforts across the music industry.

* Playing for the Planet is an international initiative launched by the United Nations Environment Programme (UNEP) to rally the game industry to combat climate change.

- [The Horizon Forbidden West Project](#)
- [Peter Rabbit's global educational campaign](#)
- [The Sony Music Group joins the Music Climate Pact](#)



Campaign poster by SPE

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Consumer-Focused Environmental Communication

Sony promotes Environmental Communication to share environmental information with consumers through the official website, video sharing sites and social media. We introduced our group-wide environmental targets and environmental features of new products in some of the product announcement videos released in fiscal year 2021. This kind of Environmental Communication enabled us to reach more consumers with this information.

Furthermore, Sony China displayed camera lenses at regional Sony stores along with a video that showcased resource conservation efforts in products, which resonated with many of our customers.



Introducing environmental features in new product announcement videos

[Introducing environmental features of products on display at China's Sony Stores](#)

Raising the Environmental Awareness of Employees

Sony shares information on environmental issues with employees of the global Sony Group. All Group employees in Japan are required to take an environmental e-learning course, and the teaching materials from the course are being used to conduct environmental education at business sites outside of Japan. Sony is raising the environmental awareness of Group employees worldwide, using channels such as the corporate intranet to provide timely environmental information. Sony conducts events and educational activities for employees at its business sites around the world, to introduce environmental issues and Sony's environmental initiatives. For example, in 2021 Sony conducted online seminars on the issues of environmentally conscious food and ocean plastic for all employees in Japan.

Management of Risks Related to Chemical Substances

As a company that uses chemical substances, Sony discloses information on emissions of such substances and exchanges views on safety and environmental issues with residents in the vicinity of its sites, as well as with local authorities, with the aim of reinforcing mutual understanding.

For instance, Sony Semiconductor Manufacturing Corporation actively participates in local community events and organizes its own interactive events at all of its plants. The company also holds tours of its manufacturing plants, during which it explains to visitors how wastewater is processed by environmental-related equipment.

Stakeholder Engagement

Sony is active in a wide range of fields, and its stakeholders have diverse expectations. In order to promote a healthy, spiritually abundant, sustainable society, Sony is deeply committed to stakeholder engagement, a process whereby it seeks to earn greater trust from stakeholders and cooperate with them to achieve common aims.

[→ Partnership and Participation in Multi-Stakeholder Frameworks](#)

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Employees



Management Approach

Materiality Rationale

Since its establishment, Sony has sought to remain at the forefront of technological development, building continuously on its achievements to deliver new value for people everywhere. In these efforts, Sony recognizes the people who work at Sony to be its most important management resources. Employees are important stakeholders in Sony's diversified, global business and are the key to its efforts to achieve sustainable growth and generate social value. Sony is committed to increasing employee engagement by making the most of the individual strength, skills, abilities, and creativity of its diverse people. Sony seeks to sustainably elevate its talent and organizational capabilities in order to raise its overall business performance.

Basic Approach

Since its founding, Sony has viewed employees not as a group, but as individuals. Sony respects the independence of each individual and their enthusiasm for taking on challenges and cherishes a corporate culture that places the company and employees on equal terms, based on the partnership of choice between Sony and each individual employee, where each party is accountable for being responsive to the needs of the other. With the recent launch of Sony's new organizational structure, Sony's People Philosophy—unchanged since the beginning—is now described with the phrase, "Special You, Diverse Sony." Accordingly, Sony's HR strategy framework is organized around the themes of "Attract talented individuals," "Develop talented individuals," and "Engage talented individuals." Sony seeks to maximize the value that each of its diversely talented employees can create, thereby driving the Sony Group's sustainable value creation.

System

Material issues related to employees are discussed and deliberated at group-level meetings and by HR committees for each business segment. The Sony Group Corporation officer in charge of human resources and HR managers from the six Sony business segments also hold regular meetings.

Fiscal Year 2021 Results

Employee Engagement Index

89%

* Percentage of employees who did not give an unfavorable response to four questions regarding employee engagement

The Diversity Committee reports directly to the CEO about diversity, equity & inclusion, and Sony also has structures in place for employees to get consultation on a broad range of issues including human rights issues, human rights risks, work-life balance, and LGBTQ+ concerns.

Looking to the Future

With a focus on diversity, equity & inclusion, talent development, and engagement, Sony Group will continue to offer working conditions that contribute to the health and safety of employees as part of its efforts to achieve sustainable growth and generate social value. Sony will provide opportunities for employees to improve and make the most of their individual strength, skills, abilities, and creativity.

Milestones

1966:	Internal job posting program started
1973:	Sony Technology Exchange Fair started
1978:	Sony Taiyo Corporation founded
1988:	Flex-time system introduced Basic Policy and Management System established
1990:	Parenting leave and flex holiday programs Introduced
2000:	Sony University program started
2008:	Flexible work (formerly called telework) policy introduced
2011:	Human Rights Committee changed name to Diversity Committee
2015:	Flexible career leave and free agent programs introduced
2017:	Work style reform project started at Sony Group companies in the electronics business in Japan
2018:	PORT, a venue for developing new talent, established at Headquarters
2020	Redefined Sony's People Philosophy and human resources strategy Selected as one of the Iconic Companies of The Valuable 500

Cumulative total of hours spent in employee training programs (worldwide)

1,472,974

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Some of the Main Initiatives Aligned with Sony's HR Strategy

Attract Talented Individuals: Opening Up New Fields for Persons with Disabilities (Financial Services)

Sony Life and its special-purpose subsidiary Sony Life Business Partners (SLBP) promote inclusivity and offer environments where employees with disabilities can "be themselves" in their work.

SLBP was established by Sony Life as a special-purpose subsidiary in March 2019. Sony Life was expanding its regular workforce, and recognized the need to hire persons with disabilities and expand the fields in which they could confidently play an active role. In addition to clerical and cleaning work, it started to provide work that involved collecting used stationery to be recycled and reused. Sony Life aims to provide a place where persons with mental, developmental or intellectual disabilities can find independence and autonomy, and can contribute to society through high-quality work.



Develop Talented Individuals: Positive Influence (Music)

Positive Influence is the first talent and inclusion program to be run at Sony Music Entertainment (SME). By opening up paths into the music industry, it has continued to really change things for young people from lower socio-economic communities. Employees receive specialized coaching from the Creative Mentor Network, a charity that has partnered with SME, so that they can have a positive impact on the communities concerned, on SME, and on the creative industry as a whole. The Positive Influence program enables employees to play an active role in those communities, share their knowledge of the music industry with young people from lower socio-economic communities, and facilitate opportunities for them. Simultaneously the program has added value to Sony's internal culture by helping to support the development of its employees and create a deeper understanding amongst its workforce of the systemic issues faced by young people trying to break into the industry, encouraging them to become advocates for change and actively champion diverse talent.



Engage Talented Individuals: SIE Heroes 2021 (Game & Network Service)

SIE Heroes 2021 is a peer-to-peer recognition program that celebrates and recognizes the efforts of SIE colleagues from across the globe. The program was started in 2020, which was a challenging year for SIE with the pandemic and the launch of a new console. It was the first significant employee engagement activity since SIE moved to a global model. In 2021, there were 6,000 nominations (an 82% increase from the previous year) in four categories, Work/Project, Emotional Support, Unsung Hero, or Something Else. The leadership team is invested in this project, sending personal notes to employees who received the highest number of nominations. Nominations are displayed on an in-house website with the prior approval of the parties concerned. This program surfaces thousands of organic stories of employees demonstrating positive cultural behaviors and has helped SIE to continue fostering a culture of recognition and support.



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Sony's People Philosophy

Sony's People Philosophy: Special You, Diverse Sony

This has been redefined in line with the new organizational structure established in 2021. The phrase "Special You" describes an independent individual who shapes their own career with a spirit of freedom and open-mindedness and opens up the future. "Diverse Sony" represents Sony's culture, which values diversity and supports each employee's individual strength, thoughts, dreams, and the challenges they are excited about. "Special You, Diverse Sony" conveys the message that each unique individual and Sony itself, which embraces the individual, can grow together, aligned by our shared Purpose. Since its founding, Sony has respected the independence and aspirational spirit of individuals, always cherishing a corporate culture

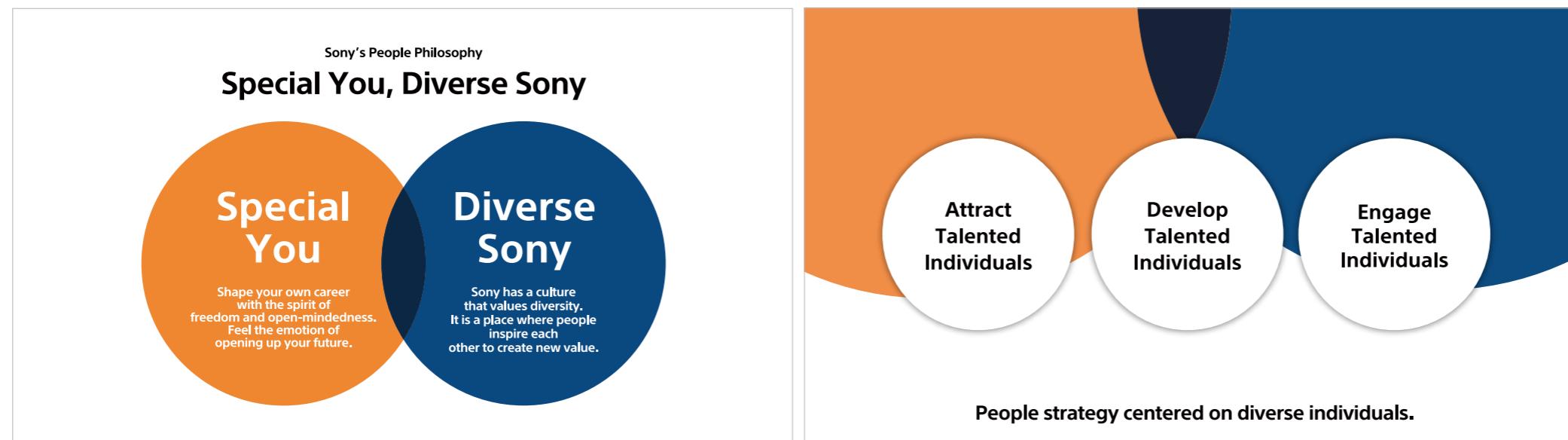
based on the partnership of choice between Sony and each individual employee, where each party is accountable for being responsive to the needs of the other. This is the essence of Sony's Founding Prospectus, written in 1946 by co-founder Masaru Ibuka, which reads, "We shall establish an ideal factory that stresses a spirit of freedom and open-mindedness, and where engineers with sincere motivation can exercise their technological skills to the highest level," and "We shall place emphasis on a person's ability, performance and character, so that each individual can fully exercise his or her abilities and skills." It is also reflected in the words that fellow co-founder, Akio Morita, spoke to newly hired Sony employees: "If you regret joining Sony, quit immediately. Once you've decided to work for Sony, let us be responsible to each other. I'd like every one of you to think at the end of your life that you have no regret spending time at Sony." A positive growth cycle by which the growth of diverse individuals propels Sony's growth is possible because the company and the employees stand together on equal terms, with an overarching expectancy to mutually deliver and scale up, as Sony continues to provide employees with a range of growth opportunities so they can willingly take on their best career options.

The group-wide HR strategy is based on Sony's People Philosophy

and is organized around the themes of "Attract talented individuals," "Develop talented individuals," and "Engage talented individuals." Attract talented individuals: Sony approaches a broad range of talent via recruitment campaigns across the Group, attracting diverse people who identify with the Sony Purpose, embrace a challenging spirit and possess ambition to grow. Develop talented individuals: Sony provides employees with a diverse range of spaces and opportunities for autonomous learning and has systems in place that make various career challenges available to them. Engage talented individuals: Sony boosts employee engagement and creates relationships where organizations and employees help each other to develop and grow. Because each of the Sony Group's diverse businesses requires various management styles and talent with different skills and abilities to create value, each business plans and executes a HR strategy that best suits its needs, while operating in line with the shared People Philosophy. Rather than managing each individual business, Sony Group Corporation leads and supports the evolution of each Sony business, while focusing on common themes that will drive sustainable growth for the entire group.

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Diversity, Equity and Inclusion

Sony Group Diversity Statement

Sony, which develops diverse businesses globally, employs employees with diverse backgrounds. Sony leverages its diverse businesses and workforce as strengths in its business strategy. The Sony Group Diversity Statement was established in 2013 to serve as a global policy to further highlight the importance of diversity in the workplace. Sony's People Philosophy establishes that Sony is a "place" that supports and realizes the growth of independent "individuals" and will grow together to fulfill the Sony Purpose & Values. Accordingly, Sony values the perspective of equity and strives to ensure true inclusion. Sony regards diversity, equity and inclusion as a key management concern and will continue to maximize its performance in this area.

Sony Group Diversity Statement

It is in Sony's DNA – and a source of our innovation – to value different perspectives and backgrounds as we conduct our business activities globally and rise to new challenges. Sony promotes diversity across the Sony Group as a key management strategy by ensuring an inclusive work environment and by recruiting, hiring, training and promoting employees from diverse backgrounds.

[Diversity, Equity and Inclusion](#)

Business and Geographies

Cross-Business Collaboration

Sony is engaged in a broad range of businesses, and its diverse employees collaborate across them to take on new challenges in the development of products, services and content, and marketing. In fiscal year 2021, a total of 3,400 Sony Group employees were transferred to other companies within the Group to enable them to

branch out in their careers and build cross-business connections, and this is creating new opportunities for collaboration around the Group.

Employees Activities Across Regions

As of March 31, 2022, approximately 960 employees were transferred overseas as part of Sony's global deployment of personnel, to transfer technology and knowledge, and launch new businesses. This includes some 80 employees dispatched from group companies outside of Japan, working in various business fields, approx. 50% of whom are in management positions. The Sony Group operates job transfer policies to efficiently facilitate international transfers. In fiscal year 2021, the global COVID-19 pandemic continued to be a major impediment to personnel transfers. In response to this, Sony took a flexible approach while carefully assessing the situation in line with restrictions and regulations on international entry.

To better support employees of all nationalities and languages, the Sony Group in Japan follows up on employees after hiring and assists employees in their networking and career development. To facilitate English communication among employees from around the world, intranet content and systems for personnel and accounting are offered in both English and Japanese. Sony also shares government information related to the COVID-19 pandemic, such as about border controls and vaccinations, and provides comprehensive support with the practicalities of daily life.

Furthermore, in collaboration with the project members of DIVI@Sony* (Diversity Initiative for Value Innovation at Sony), Sony Group companies in Japan have conducted surveys and interviews with non-Japanese employees, their managers and colleagues. Using these results, those companies have identified issues they face and are working on devising and implementing necessary measures. Specifically, Sony provides opportunities for non-Japanese employees to explore their own career development and gain insights, and implements ongoing initiatives to foster a culture that respects diversity. These initiatives include Sony Happy Hour, a regular networking event for non-Japanese employees, interviews with non-Japanese management personnel who serve as role models, cross-cultural communication events, and talks on diversity by globally known outside speakers.

* DIVI@Sony stands for Diversity Initiative for Value Innovation at Sony

Talent Acquisition

Sony is developing, designing, selling and marketing products, services and content in many different countries and regions around the world, and promotes the localization of these operations by securing local talent that can meet national, regional and local needs with R&D bases globally. Sony ensures diversity, equity and inclusion in hiring and works with external organizations to promote hiring of minorities. In Japan, Sony is strengthening the recruitment of international talent of diverse nationalities for R&D departments and Sony AI Inc. in order to drive progress on advanced technologies and businesses, while also increasing the hiring of talented university graduates and mid-career professionals from around the world.

Under its Global Internship Program, Sony welcomes talented university students from a variety of countries/regions, including Japan and other Asian countries, Europe, and North America, to offices in its major business fields.

(The entry wage at Sony Group Corporation is established at an equal level for both men and women and is set adequately higher in comparison to the legal minimum wage in each part of the country.)

Gender, Sexual Orientation, Disabilities

Promoting Greater Opportunities for Women

Sony embraces diversity and the working contributions of women, who accounted for 35% of the workforce and held 30.1% of management positions as of the end of fiscal year 2021.

Sony Group Corporation has set a target for women to hold over 20% of management positions by fiscal year 2025, and another target for 100% of employees with newborns to take child care leave (legal childcare leave of absence and/or Sony's paid child care leave), with the men among them taking an average of more than 10 days of child care leave. Group companies in Japan set their own targets and are actively implementing initiatives to achieve those targets. Sony carries out "disclosure of information" and "disclosure of action plans" in accordance with the provisions of Japan's Act on Promotion of Women's Participation and Advancement in the Workplace, using the Ministry of Health, Labour and Welfare's "Database of Corporate Performance in the Area of Women's Participation and Advancement in the Workplace."

Both in and outside Japan, Sony operates a leadership program to

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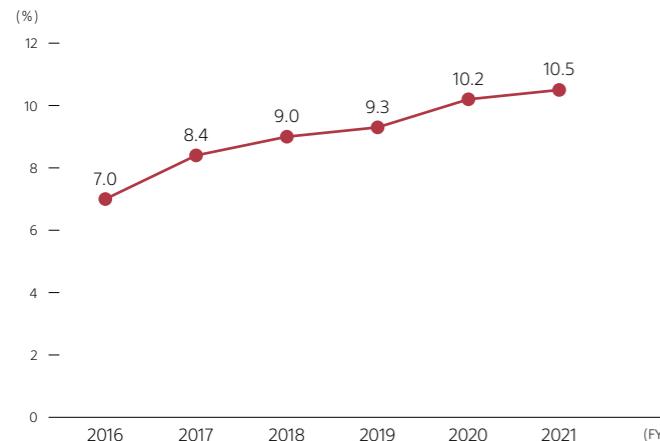
develop leadership skills and mindsets among women and support their networking, by providing opportunities for career development and assisting the professional growth of women. In March 2022, Sony invited an expert to give a lecture in celebration of International Women's Day. The event was intended to provide a deeper understanding of global trends and to encourage the audience to take action aimed at gender equality.

[Sony Group Corporation's Action Plan for the Act on Promotion of Measures to Support the Development of the Next Generation](#)

[Sony Group Corporation's Action Plan for the Women Empowerment Law](#)

[Sony Group Corporation Awarded "Eruboshi" Certification by Japan's Minister of Health, Labour and Welfare for Its Outstanding Performance in Promoting Women's Participation in the Workplace \(in Japanese\)](#)

Shift in Ratio of Women in Management Positions in Sony Group Companies in Japan



Targets for Ratio of Women in Management Positions at Major Sony Group Companies in Japan (End of Fiscal Year 2025)

Company	Targets for the Ratio of Women in Management Positions by End of Fiscal Year 2025
Sony Group Corporation	20%
Sony Corporation	7%
Sony Semiconductor Solutions Corporation	4.7% ^{*1}
Sony Interactive Entertainment Inc.	15% ^{*2}
Sony Music Entertainment Inc.	28%
Sony Financial Group	15% ^{*3}

*1 Percentage calculated from the numerical target for women in management positions by the end of fiscal year 2025, prescribed according to the number at the end of fiscal year 2021

*2 Numerical target of Sony Interactive Entertainment Inc. in Japan

*3 Sum of the percentage of women in management positions calculated from numerical targets in action plans based on the Act on Promotion of Female Participation and Career Advancement in the Workplace, as stipulated for Sony Financial Group companies

Management Roles Pay Ratio of Women to Men* (Sony Group Corporation)

Item	Men	Women
Men-Women Ratio: Basic Salary	102	100
Men-Women Ratio: Total Remuneration	102	100

* Comparison of average compensation for managers excluding executives. The same pay scale is applied to men and women. Gaps are due to differences in factors such as grade distribution.

Key Activities to Promote Women's Career Development at the Sony Group around the World

Japan	Celebrated International Women's Day with a lecture by a guest speaker which was attended online by approx. 400 people. The goal of the lecture was to encourage the audience to take individual action aimed at gender equality. Feedback from top management included the comment, "We need to create a corporate culture and workplace environment where women can develop their career." The event was a clear reminder of how mindsets are being changed.
China	To coincide with Diversity Week 2021, Sony China held online workshops on topics such as "how to find happiness at work and in life," "what defines an inclusive workplace," and "unconscious bias." It also held an offline campaign called "Diversity Blossoms" which offered many opportunities to think about diversity, equity and inclusion.
United States	Sony Music Publishing held a management workshop on unconscious bias. Inclusivity is essential when managing a diverse workforce. Participants in the workshop could see how they, just like everyone else, have unconscious biases and learned how important it is to look at things from diverse angles.

Promoting Greater Opportunities for Individuals with Disabilities

Sony employs and supports individuals with disabilities in compliance with the laws, regulations, and rules of the countries and regions in which it operates, while endeavoring to create inclusive working environments that enable employees to build successful careers regardless of any disabilities they may have.

Sony co-founder Masaru Ibuka once recalled the day when an initiative was launched, saying, "We had a spirit of autonomy and a belief in creating workplaces that do not offer charity, but rather create an environment that makes it possible for individuals with disabilities to manufacture products that exceed those manufactured by individuals without disabilities."^{*4} Sony's senior management has been seeking to build an environment in which individuals do not feel held back by their disability and disabilities do not create barriers, enabling everyone to thrive.

Sony Taiyo Corporation, which was established in 1978 prior to the legal institution in Japan of special-purpose subsidiaries, has begun to share throughout the Sony Group the know-how and experience it has amassed on the employment of persons with disabilities. Sony

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has created an inclusive environment at its three special-purpose subsidiaries: Sony Taiyo Corporation, Sony Kibou/Hikari Corporation which specializes in providing employment opportunities for individuals with intellectual and mental disabilities, and Sony Life Business Partners Co., Ltd. which was established in 2019 to carry out clerical work and other tasks for Sony Life. Sony is now expanding initiatives to create an inclusive environment throughout the group. Sony Group special-purpose subsidiaries are independent business establishments that seek to provide job satisfaction via carefully thought out employment, such as duties carried out jointly with other business sites or individual companies. These initiatives are leveraged in the employment of persons with disabilities at each group company. Guidance is provided to prepare suitable work environments and raise employee awareness so that everyone can flourish at work wherever they are, and to increase workplace knowledge about disability employment and expand job opportunities in individual companies. Amongst other steps, Sony prepared group-wide guidelines on reasonable workplace accommodations, prior to legislative changes introduced in Japan in 2016. These guidelines ensure that sufficient discussions take place with individual employees who have a disability prior to making such accommodations. Group companies outside Japan also employ persons with disabilities in partnership with national and local government agencies or as allowed by local circumstances, and in some cases have received external recognition for employment of persons with disabilities or have been cited as examples for other companies to follow. Sony provides opportunities for learning about special-purpose subsidiaries in Japan and approaches to employing persons with disabilities, as well as avenues for companies to share expertise. By employing persons with disabilities in a way that only Sony can, Sony is practicing the approach of co-founder Masaru Ibuka both locally and globally. In December 2019, Sony became a signatory of The Valuable 500, an initiative of the World Economic Forum that focuses on the inclusion of persons with disabilities. Sony has been selected as one of the Iconic Companies among the 500 signatories, and is providing support for the Media Hub^{*2} project. In addition to employing persons with disabilities and giving consideration to the accessibility of products and services, Sony aims to lead the inclusion of persons with disabilities throughout the global community, linking its efforts to spread the sentiments of Sony's founders and expand its corporate initiatives to Sony's intrinsic value.

Employees with disabilities accounted for 2.87% of Sony Group Corporation's workforce as of March 31, 2022, while the average for the Sony Group in Japan (companies with over 101 employees, consolidated basis) was 2.50% as of March 31, 2022, both above the 2.3% mandated by Japanese law for companies over a certain size. *1 Based on the approach of Sony co-founder Masaru Ibuka that, although there are persons without disabilities, no one is healthy all the time. *2 The Valuable 500 Media Hub: An initiative to build a creative content resource with interviews and footage featuring persons with disabilities in the community.

Key Activities to Promote Career Development of Individuals with Disabilities at the Sony Group around the World

Global	Sony was selected as one of the Iconic Companies in The Valuable 500, an international initiative to promote participation by individuals with disabilities so that they can demonstrate their latent potential to bring value to business, society, and the economy. The Iconic Companies are a driving force in their respective countries, regions, and industries. Sony is providing support for The Valuable 500 Media Hub Project.
Japan	The Sony Group in Japan is creating inclusive workplace environments where a disability is no impediment to building a career, and is working with employees with disabilities to check building accessibility and make improvements where necessary. Ten Sony Group companies participated in the annual job fair, which was held online with company information sessions and individual interviews taking place on the same day, and was an opportunity for job seekers with disabilities to engage with Sony Group companies. As the only company in Japan selected by The Valuable 500 as one of its Iconic Companies, Sony is discussing initiatives with affiliated companies in Japan and The Nippon Foundation Library to create a society where people with disabilities can flourish.
United States	Sony Corporation of America works with partners such as Disability:IN, a global organization devoted to inclusion and equity for persons with disabilities in business, to provide training and educational opportunities to support employees with disabilities.
China	Sony China goes beyond simply providing employment opportunities for people with disabilities; it endeavors to promote the hiring of people with disabilities via a diversity and inclusion program that supports practical courses which help university students with disabilities adapt to their future life as a working adult.

LGBTQ+ Inclusivity

Sony globally strives to provide LGBTQ+^{*1} employees with working environments in which they can feel comfortable being themselves, striving to be a leader whilst acknowledging various national and regional considerations and circumstances.

In Japan, Sony has expanded certain personnel programs^{*2} to encompass same-sex partners and implements an e-learning course for all employees that covers LGBTQ+ issues, while also offering LGBTQ+ workshops.

Sony also supports the diversity of employees in other ways, such as enabling employees to use their preferred names at work, providing multipurpose restrooms, using gender-neutral uniforms, making it optional for job applicants to indicate their gender on applications, and providing private toilet and shower facilities in each room at corporate dormitories.

In addition, Sony organizes internal and external events designed to raise awareness on working environments that are comfortable for everyone.

In recent years, Sony has also been focusing on the impact that the presence of allies who understand LGBTQ+ issues and offer active support has on the psychological safety and willingness to work of LGBTQ+ employees. It is making efforts to increase the numbers and visibility of such allies in its workforce, and held joint events with companies in other businesses to explore this topic in fiscal year 2021.

*1 LGBTQ+ is an acronym for lesbian, gay, bisexual, transgender, queer or questioning, and others. The expression is broadly used to refer to persons who do not identify as straight (heterosexual) or cisgender (identifying with the gender assigned at birth).

*2 Personnel programs that have been extended to same-sex partners include monetary gifts and leave for bereavement, rent subsidies, and participation in employee family events.



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LGBTQ+ Initiatives by the Sony Group around the World

Japan	<p>Sony organizes talks on LGBTQ+ issues for employees and the public online, making them easier to attend for employees from other business sites and staff in charge of diversity at other companies. In addition to expanding opportunities for employees of the Sony Group in Japan to learn about LGBTQ+ issues, this has made the Sony Group's stance known to the wider public. Sony has also co-hosted events with other companies to increase the number of employees who are LGBTQ+ allies. Sony sponsored and was involved in Diversity Career Forum, an event organized by the NPO ReBit. Through the forum, Sony was able to broadly highlight its LGBTQ+ and diversity initiatives to the public. Sony received the highest Gold rating in the PRIDE Index from the volunteer organization work with Pride (wwP), in recognition of its internal and external efforts to promote understanding of LGBTQ+ issues.</p>
United States	<p>In the United States, Sony Pictures Entertainment Inc., Sony Corporation of America, Sony Interactive Entertainment Inc. and Sony Electronics all achieved the maximum score of 100% based on assessments in the Corporate Equality Index from the Human Rights Campaign Foundation, recognizing them as companies that create ideal working environments for LGBTQ+ employees. These scores reflect the level of fairness achieved within the organization toward LGBTQ+ employees, which is underpinned by rules designed to support these employees. Sony holds training on LGBTQ+ inclusion in partnership with the LGBTQ+ media advocacy organization GLAAD, and is also an official sponsor of the 33rd Annual GLAAD Media Awards, which honor media for fair, accurate, and inclusive representations of LGBTQ+ people and issues.</p>

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Talent Development

Growth via the Interaction of Highly Original Employees and the Sony Culture of Supporting a Spirit of Challenge

Sony aims to be a place where each unique employee can grow and be challenged to the utmost, and where their growth leads to the growth of the company. Sony strives to further enhance motivation and encourage personal growth for its employees through on-the-job learning, as well as through access to a variety of programs designed to enhance individual abilities and skills and tailored to local needs. As a company that does business in a variety of countries and regions, Sony recognizes the importance of cultivating future business leaders with a global perspective. Accordingly, Sony is implementing initiatives aimed at fostering such employees and creating even more opportunities to bring their capabilities into full play.

Learning and Career

Learning and Development

Sony has defined the global behaviors it wants to see among employees: "Inspire and Be Inspired," "Stay on Point," and "Break Through Barriers." Sony is strengthening its systematic training to give employees the skills they need in various formats including group training and e-learning.

Management is considered to play an important role in the growth of the company and its employees. Management teams and HR in the Sony Group in Japan discuss the orientation of medium-term management training and engage in initiatives to expand horizons and gain experience in a wider range of fields. Sony is also strengthening its overall management using leadership development and coaching strategies at its overseas bases and in its businesses.

In addition to mandatory training, Sony supports employee-driven development. It offers seminars, courses at outside institutions, and

a growing range of online courses to fit the needs of employees, and has also expanded individualized study opportunities by opening a learning platform for group companies in Japan in 2021. Sony is creating an environment that makes employees aware of their own career path and individual growth. To be more specific, it is doing this via recommended content based on an employee database of individual skills and so on, an approach that delivers the learning an employee needs when they need it, and the visual representation of the employee's learning trajectory. Sony is also working on content collaboration with overseas group companies via the platform. Overseas group companies also run their own initiatives, and have provided personalized learning content based on the situation of each employee. In addition, programs to acquire the skills needed to produce high-quality output in a changing work environment have been provided in Japan and overseas. For example, Sony Corporation of America runs sessions where experts talk about working successfully in a hybrid environment, and provides tools and resources to support employees in transitioning to a hybrid environment.

Information on training sessions conducted in fiscal year 2021 is shown below.

Learning and Development

Item	Japan	Outside Japan	Total
Number of programs	2,910	18,496	21,406
Number of times offered	11,159	35,686	46,845
Cumulative total participants	179,043	203,067	382,110
Cumulative total training hours	568,662	904,312	1,472,974

Career Development

Sony has always encouraged its employees to take on new challenges, fostering this mindset both to further the growth of its employees and its growth as a company.

Back in 1966, Sony became the first Japanese company to launch an internal job posting program, which has now been in place for 56 years. The program provides an avenue for employees to explore career opportunities while serving to optimize the assignment of personnel and strengthen key parts of Sony's business. To date,

more than 7,900 employees have moved to new positions via the program, which has become essential to Sony's personnel strategy of developing employees who are eager to take on new challenges. In fiscal year 2015, Sony introduced Career Plus, a program that enables employees to remain in their current positions while also being involved in other jobs and projects posted by the company by holding concurrent or secondary positions. The program enables personnel to broadly leverage their expertise and knowledge while also building up their networks within Sony.

Moreover, in order to ensure that career development is focused on the individual, Sony has greatly expanded its existing open recruitment system, adding new programs to it. These include a free agent program that gives talented employees the ability to declare their availability to Sony Group companies, which provides them with greater opportunities to branch out and pursue job opportunities in new fields, and Sony CAREER LINK, a program in which employees who register a profile can be contacted by a specific workplace or human resources department when a position matching their skills and experience becomes available.

Every autumn, Sony offers employees opportunities to network and explore new avenues in its Career Month, when it holds lectures and workshops to encourage employees to be more proactive about their career and provides career counseling. Employees also meet directly with their supervisors to discuss development plans regarding their careers and growth, and to review their skills. They receive support in autonomously shaping their career path in a way that is appropriate to their current career stage. Sony seeks to support employees' growth through work experience, and the New Performance Management Program used at Sony Group companies was revised in fiscal year 2016 to better reflect individual observations and foster growth. The program not only enables employees to set individual goals and track their progress, but also encourages year-round communication with their superiors by incorporating feedback on such aspects as their everyday conduct and impact on their workplace. Sony is pursuing its purpose of "fill the world with emotion, through the power of creativity and technology" by encouraging its employees to take on new challenges and supporting their career development by giving them professional experience within the Sony Group.

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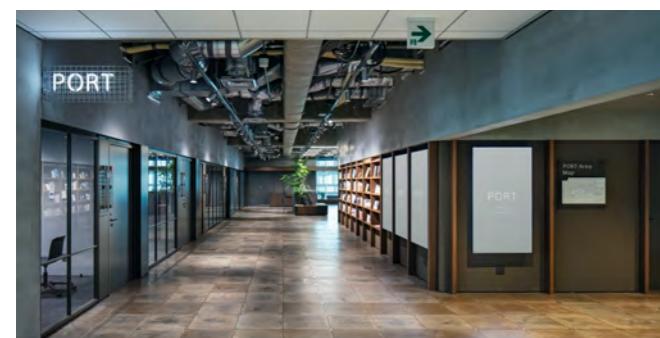


PORT—An Ideal Venue to Develop New Talent

Sony recognizes the importance of fostering a culture and nurturing an environment in which the group's diverse businesses and the diverse employees who drive those businesses can learn from each other and continue to grow. PORT is a place where ambitious employees who hold diverse values – people from various specialized fields and backgrounds – can organically interact across business and geographic boundaries.

It embodies this concept by providing a venue for employees of the Sony Group to gather, connect, and create synergies in order to grow as individuals and nurture human resources who can navigate Sony into the future. PORT holds a large number of spontaneous employee-led lectures, study sessions, workshops, and brainstorming sessions. In fiscal year 2021, more than 1,000 events, mainly online, were held, bringing in more than 54,000 participants over the year. There is a wide range of content, including lectures by employees to explore Sony's diverse businesses in depth, round-table discussions where employees share their work-related experiences and thoughts on their job, lectures to get people to think about their career, groups to discuss work styles in remote environments, AI-related workshops, lectures on career development, and discussions of topical books.

Sony provides active support so that employees can keep these activities going. PORT supports the creation of learning communities, facilitates lateral connections amongst employees actively engaged in initiatives, and provides a venue where know-how can be shared. It directly supports more than 20 communities, and regular study group meetings are held more than 700 times a year.



PORT Minato Mirai supports voluntary activities for employees to learn in remote and in-person situations
Photo: ©Kenta Hasegawa



A studio set up at PORT Minato Mirai to support the creation and dissemination of educational content

PORT Shinagawa and PORT Minato Mirai provide environments geared to online PORT activities. With the support of dedicated staff and access to Sony cameras and equipment, employees can record and stream training sessions and learning activities and create their own content. These efforts enable employees of the Sony Group working in different countries and regions to stay connected despite geographical limitations and continue to create voluntary learning opportunities.

Career support for Senior Employees

In today's era of extended longevity, work and life planning are not uniform, and each individual has different needs and values. Sony has deployed the Career Canvas Program for veteran and senior employees to encourage them to think about, design and implement their own life plans while working actively within Sony. In line with Sony's founding philosophy of "building one's own career," we offer a variety of programs, including workshops on career development and financial assistance, to help employees relearn how to keep developing themselves.

Engineering Talent

To pursue its purpose of "fill the world with emotion, through the power of creativity and technology," Sony must engage in innovation to win new customers. Technology vitally underpins the value creation which drives all Sony Group businesses, so Sony constantly seeks to get even closer to people, to understand their motivations, and to pursue "technology that inspires emotion."

Using Field-Specific Technology Strategy Committees to Achieve Inter-Organizational Collaboration

Sony aims to create long-term social value, in addition to generating sustainable, strong revenues. In order to create sustainable value and continue growing, Sony must leverage the diversity of its businesses and employees to further evolve. Lively interaction among employees from different backgrounds who hold diverse values leads to their own continual growth and ultimately drives the growth of Sony. Technology strategy committees are given the role of sharing knowledge from various fields across organizations, systematically advancing the technologies, and promoting the growth of human resources. The committees are highly significant in Sony's efforts to create sustainable value and secure ongoing growth. Sony formed field-specific technology strategy committees in fiscal year 2015, and they involve approximately 1,300 employees.

Field-Specific Technology Strategy Committees

Business units and group companies			
	Group company A	Group company B	Group company C
Representative member meeting	Representative member	Field A technology strategy committee	
	Representative member	Field B technology strategy committee	
	Representative member	Field C technology strategy committee	

A technology strategy committee is established for each field. Each one consists of specialists who are selected from across Sony Group companies. These committees work to achieve technical innovation and roll out organization-specific technologies across the group. Technology is developed by people, so technology strategy committees implement related human resource measures. Sony offers talent development programs such as a key technology training course as well as personnel recruitment; this approach accounts for the special features of different technologies, and transcends the boundaries between different Sony Group companies.

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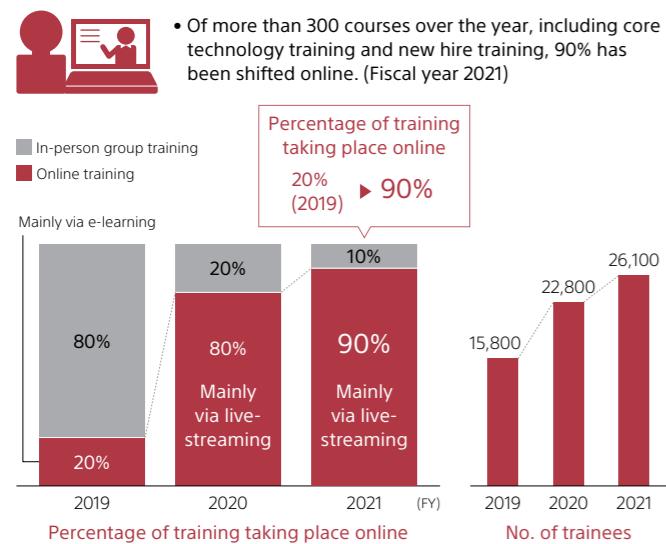
Technology Training Courses

At the Sony Group in Japan, approximately 300 Sony engineers with frontline expertise in key technological fields serve as instructors, developing curricula and textbooks for use in core technology training courses and contributing to the enhancement of engineer expertise. These courses, which serve as the foundation for gaining further technical skills, have been in continuous development since the 1980s. Employees with a high level of expertise in a specific technical field serve as leaders who plan courses with selected themes that are in demand based on the latest conditions in specific fields and Sony goals. The courses are used by employees to expand their knowledge of specialized subjects, brush up on their knowledge for application in other areas, or re-learn subjects.

Sony develops the basic skills of its new recruits by offering them general technological training designed by its leading engineering experts, as well as specialized training programs developed by each of Sony's business units, which are designed to familiarize the trainees with technologies specific to each business.

In fiscal year 2021, 90% of all training was held online and the AI and cloud-related educational content was enhanced. As a result of these efforts, a total of 26,100 employees took part in these courses, which are the cornerstone of the Sony Group's training for engineers, and will continue to be provided as opportunities for professional development.

Technology Training Courses



Engineers are provided with various opportunities to gain advanced knowledge in related fields and foster their ongoing professional development by participating in sponsored courses, seminars given by outside experts, and employee open houses.

Sony Outstanding Engineer Award

Created to further inspire engineers to take on new challenges, the Sony Outstanding Engineer Award is the highest form of individual recognition for engineers of the Sony Group. In order to develop products and services that appeal to customers' sensibilities, there is a wide range of technologies that Sony will have to work on. In addition to elemental technologies, there is also a need to integrate creative new technologies, and to optimize complex systems. Intended to increase the motivation of engineers, such awards have encouraged employees to be proactive in addressing challenges and have also promoted a corporate culture that emphasizes value creation.

Corporate Distinguished Engineer Program

Based on Sony's Purpose, the Corporate Distinguished Engineer program is designed to accelerate formulation and implementation of technology strategies that support sustainable growth and the development of talent. The term Distinguished Engineer (DE) designates those engineers group-wide who possess outstanding expertise and technical knowledge in key technological fields and are capable of carrying out the DE mission, shown below. The program highlights the important role that the DEs play as "the faces of Sony technology" who take the lead in formulating technology strategies and supporting talent development. Publicizing this program within the company and in society at large demonstrates this awareness and legacy at a group-wide level.

The Distinguished Engineer's Mission

The DE is to formulate and execute technology strategies while identifying signals of change, and support the development of talent in order to ensure Sony's sustainable growth. The DE:

- Formulates the technological strategies that underpin our Sony's corporate strategy beyond the existing frameworks
- Supports the execution of corporate strategies through technology by building global network and identifying signs of change
- Discovers engineers with high potential and supports their development

Sony Technology Exchange Fair

The annual Sony Technology Exchange Fair (STEF) provides an opportunity for engineers of the Sony Group to present their R&D work to colleagues and create new value by sharing information and ideas among more employees. In addition to providing a space to present technologies of the Sony Group's businesses, STEF also seeks to enhance expertise and knowledge, featuring lectures and seminars by invited speakers from inside and outside the group, panel sessions chaired by a DE, and the Open Innovation Showcase featuring exhibits by companies receiving investment from the Sony Innovation Fund. The event has served as a launchpad for numerous business applications since it was first organized in 1973. With "Kando-Creating Technology" as its theme, STEF was held as a hybrid format with a mix of online and on-site venues in fiscal year 2021. More than 15,000 Sony Group employees worldwide participated in the event. COVID-19 measures were in place at the on-site venue, and the mood of the engineers was buoyant as the exhibitors and visitors interacted in person for the first time in two years. There was a live stream from the on-site venue in Tokyo for employees around the world who could not make it in person, creating a sense of unity between all the venues. 48 online seminars were also held featuring guests and DEs who play a prominent role in their field. Sony is a creative entertainment company with a solid foundation of technology, and STEF is a key corporate event that brings employees together and creates the potential for collaborations throughout the Sony Group. STEF is intended to generate technologies that will underpin the Sony of the future.

Incentive Remuneration for Inventions

Sony rewards employees for their inventions by ensuring that they receive fair and suitable incentive remuneration as stipulated under the Patent Act. The remuneration serves as an incentive to realize inventions and increase patent quality to strengthen Sony's business.

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Leadership and Future Leaders

Sony provides opportunities for professional growth across the Sony Group by leveraging the comprehensive capabilities of its diverse businesses to ensure that it continues to nurture future leaders. Sony University was established in 2000 with the mission to "cultivate talent who can create and lead management visions and strategies," to "pass on the Sony Spirit," and to "create a human network for group management." Under this mission, Sony University programs are designed to foster top management candidates and global leaders who will play key roles in driving the business forward. The courses offered include a program for leading managers from different Sony organizations around the world to foster innovative thinking and polish their leadership skills. Managers from Sony group companies who show promise as potential business leaders are selected to participate in a half-year program focusing on management literacy and interpersonal skills. Lively interactions with people from different business units and organizations, and opportunities to learn from each other, give Sony University an atmosphere of friendly rivalry. The course for global general managers was extended and made more widely available in fiscal year 2021. Participants drawn from Sony Group companies worldwide engaged in group discussions and dialogue with members of the management teams of various business segments, endeavoring to improve their skills and mindsets in areas such as leadership and vision. There was a dialogue session with CEO Kenichiro Yoshida where participants representing each business unit gave presentations on initiatives based on the theme of "getting closer to people." Their presentations were followed by an active exchange of opinions in which the other participants also joined. In the courses for general managers and leaders in Japan, selected teams submitted suggestions to the top management about new initiatives and policies Sony should tackle. Lively discussions ensued with CEO Kenichiro Yoshida, CFO Hiroki Totoki and other executives, including those in charge of Sony's business segments. Regular talent reviews in each business segment and lateral group-wide opportunities for professional growth serve to maximize knowledge of other business segments, expand personal networks and support synergies between business segments. Having a robust talent pipeline also helps Sony to formulate systematic business succession plans.

Main Initiatives to Train Human Resources and Develop Skills Worldwide in Sony Group Companies

Music	Sony Music Entertainment has established the Amplify program to combine talent development and business innovation. This program focuses on getting the most out of an engaged and skilled workforce by inspiring them to be real innovators and on investing in the early career pipeline as a real differentiator, covering the various elements over a period of seven months. This program has achieved real business results through experimentation.
Movie	To support the development of top talent, Sony Pictures Entertainment Inc. facilitates four programs intended to build leadership and industry acumen at key stages in an employee's career. The Business of Entertainment 101 program provides an overview of the entertainment business to emerging leaders to develop their business acumen. The Business of Entertainment 201 program provides a deep-dive into industry trends and research, to stimulate new ideas and deepen collaborative relationships between leaders across the company. The Coaching for Results program gives managers coaching techniques they can use on a daily basis to nurture and guide their team. In the Executive Coaching program qualified coaches assist senior leaders to improve their skills and tackle individual challenges. There is an on-demand portal site that supports leaders to continue their professional growth, and effective team building tools are also provided.
Entertainment, Technology & Services	Sony Corporation provides a wide range of learning opportunities for young employees to study proactively in diverse settings and boost their potential to flourish professionally. These opportunities include practical work in solving future organizational challenges from the perspective of a manager, and sessions on business imagination and leadership development, whose aim is for software engineers to create and drive new business. Some departments already run management training for section leaders that is based on dialog with the employees working under them, and are running a program on sustainable management methodology that brings out the initiative and creativity of diverse employees working from home. The results of employee engagement surveys and stress checks are utilized to gain an understanding of concerns and challenges so that reforms can be accelerated.
Imaging & Sensing Solutions	As part of its strategies to nurture the next-generation of leaders, Sony Semiconductor Solutions runs a Core Personnel Training Mini MBA for management. The one-year program provides an overview of "management" and "business," and the aim is for the participants to comprehensively examine the organization, update the role that they as leaders should play within it, and expand their horizons. After completing the course, they draft a medium-term plan that converts challenges in their own organization which came up in group discussions into solutions for the SSS Group. They present their medium-term plan to top management, which ensures that they do not simply acquire information but are also motivated to modify their behavior. In addition, to help them develop specific strategies to assist middle management, they carry out surveys of all SSS section managers (around 500 people) to gain an understanding of the true state of management affairs and identify challenges.

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Employee Engagement

Sony implements diverse structural, environmental, and cultural initiatives, so that employees can constantly challenge themselves to create value.

Work-Life Balance and Well-Being

Sony believes that strong revenues are sustained by providing a worker-friendly environment where all employees can perform to their full potential. Under this vision, Sony considers employee health and work-life balance as essential to creating innovation and sustaining strong revenues as a company. Sony offers flexible working provisions and work conditions for employees to realize this work-life balance, while adhering to the customs and laws in countries and regions where it does business.

Each employee of the Sony Group plays a part in the sustainable growth of the company. As part of its commitment to diversity, equity and inclusion, Sony has an important responsibility to create inclusive workplaces with attractive working conditions, and to encourage ways of working that enable employees to make the most of their talents while balancing their work responsibilities with events in their personal lives, including parenting, nursing care, and medical treatment. Sony recognizes the need to accommodate diverse ways of working to secure the health and motivation of employees.

Sony's workstyle reform project was launched at group companies in Japan in 2017. It endeavors to further raise awareness of existing initiatives such as a day for leaving work at the prescribed time and ensuring employees take advantage of such schemes, as well as encouraging employees to take their annual paid leave.

In Japan, Sony has introduced a flex-time system, a discretionary working system, and an advanced professional system which enable employees to have versatile work options. Last year, Sony Group Corporation employees used an average 14.8 days of paid leave, and employees of the Sony Group in Japan used an average 13.2 days, which is higher than the general average.

Main Work-Life Balance Initiatives at Sony Group Companies around the World

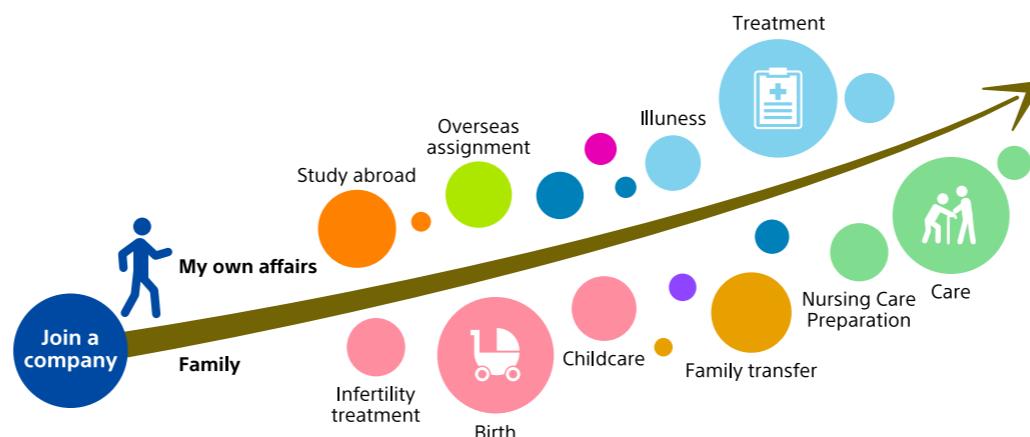
Game & Network Services (Global)	Sony offers online therapy, fitness classes, and free telemedicine services. The promotion of work-life balance also includes the Reset Friday initiative to allow all employees to concentrate on their work every Friday afternoon without being interrupted by meetings.
Music (Europe)	Efforts have included a talk by a psychologist on work-life balance and by a psychiatrist on the effects of exercise on the brain and stress levels.
Movie (United States)	Sony has introduced a leave system to accommodate changes throughout the various stages of life, including leave to deal with medical treatments for employees and their families. Sony also offers health-related programs, referrals to physicians, and benefits related to employee family support.
Entertainment, Technology & Services (Japan)	Some Sony Group companies provide services for employees who are raising children or planning to become parents, such as private spaces for nursing mothers, emergency childcare services, and daycare facilities. Other childcare support activities include creating communities where parents can share information on education and other child-related topics.

Flexible Work Options for Diverse Lifestyles

The Sony Group in Japan offers human resources programs that enable employees to make the most of their talents within their preferred lifestyles.

Sony Group Corporation has a flexible career leave program, which has been in place since 2015 and is designed to open up a wider range of career paths. It enables employees to take up to five years off to pursue studies or work on upgrading their language or communication skills, or when accompanying a spouse who has been assigned abroad or embarks on international studies, or to take up to two years off to pursue studies at their own expense to further develop their expertise.

The company has a flexible work policy, which broadened the scope of its former telework policy in 2018 by making all employees eligible and expanding the number of telecommuting days available to employees. As a special measure to prevent the spread of COVID-19, the maximum limit on full telecommuting days that employees can take under the flexible work policy has been eliminated, and since June 2020 the core hours that were part of the flextime policy have been abolished. These changes were made to prioritize the health and safety of employees by mitigating the risk of COVID-19 transmission and creating an environment that allows for more flexible and efficient work styles. Even under these circumstances, Sony's efforts are unchanged to expand programs to provide employees with flexible and efficient work options, with the aims of enhancing the business efficiency of its organizations, fostering an organizational culture that generates ideas, and increasing the productivity and output of each employee.



Support to enable employees to continue their careers at various phases of their lives

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Supporting Employees Balancing Work with Child Care, Nursing Care, and/or Medical Treatment

The Sony Group in Japan promotes the Symphony Plan, a system to support the work-life balance of employees that is focused on the three areas of child care, nursing care, and medical treatment. The plan is designed to help Sony employees achieve work-life balance by creating an environment in which they can make the most of their skills at all stages of their career and throughout the various events in their lives.

Under the Symphony Plan, the Sony Group in Japan has various support programs including childcare paid leave (up to 20 days), which can be used in conjunction with childcare leave, a childcare and nursing care leave grant, which enables employees to take leave without having to worry about finances, and "life vacations" and "accumulated leave", which can be used for the purposes of childcare, fertility treatment, nursing care, and medical treatment (cancer). These programs are widely used by employees.

For employees who have childcare or nursing care responsibilities and fertility or cancer treatment, Sony provides support by offering the option of reduced working hours and allowing use of paid annual leave on an hourly basis for childcare or nursing care.

Since fiscal year 2017, the Career Plus Leave program has been supporting career development while employees take parenting or nursing leave by enabling employees to keep doing some work from home and also by subsidizing development programs such as language courses. The program provides greater flexibility for employees to continue their career development. The program provides greater flexibility for employees to continue their career development.

Work-Life Balance Policies at Sony Group Corporation

General (childcare, care, treatment)	<ul style="list-style-type: none"> All employees eligible to work from home, a satellite office or elsewhere remotely Use of paid annual leave Life vacations (Leave covering the time required for hospital appointments) Accumulated leave Support for continued career development by employees during childcare leave, nursing care leave or flexible career leave to accompany a spouse (Subsidies for education expenses while on leave)
Childcare	<ul style="list-style-type: none"> Childcare leave (Up until April 15 of the year following the date on which the child reaches 1 year of age) Childcare leave grant (50,000 yen/month during the period of childcare leave) Reduced working hours for childcare (Until the end of March of sixth grade of elementary school) Parental leave (Provides for 20 days' paid leave) Flex-time work system during childcare (Until the end of March of sixth grade of elementary school) Babysitter/childcare subsidy (Until end of March of third grade of elementary school)
Care	<ul style="list-style-type: none"> Care leave (For one year, to care for a specific family member) Care leave grant (50% of standard monthly remuneration, up to 200,000 yen per month, during the period of care leave) Reduced working hours to provide care (For a specific family member and specific reason, until that reason no longer exists) Flextime to provide care (For a specific family member until there is no longer a reason to do so)
Treatment	<ul style="list-style-type: none"> Infertility treatment scheme (Up to one year's leave, reduced working hours, flexitime, funding) Scheme for designated medical treatment (cancer treatment) (Reduced working hours, flexitime)

Promoting Work-Life Balance

In addition to establishing programs that promote work-life balance, the Sony Group in Japan strives to create a corporate culture in which employees seeking to balance the demands of childcare (or nursing care) and work can build careers. Sony conducts seminars for employees who will be taking childcare leave. At these seminars, employees gain knowledge and information that will be useful during their leave, review their career so far, and start career planning for their return. Follow-up seminars are offered to those employees after returning to work. Both seminars are also attended by the employee's managers. Sony also conducts seminars to encourage men in the workforce to take parental leave by providing them with

information on the various provisions available to them, including paid and unpaid leave, as part of the company's goal to foster environments that make it easier to balance work and childcare. The seminar enables participants to hear about the experiences of other men who have taken parental leave.

Starting in 2018, Sony established a tie-up with a daycare provider to assist employees of Sony group companies in Japan who find it difficult to secure a daycare for their children and return to work. The tie-up enables the use of corporate-led daycare facilities* throughout Japan. To meet the needs of the growing number of family caregivers, Sony also conducted seminars and lectures on strategies for balancing nursing and work, while providing essential information about nursing. Through these initiatives, Sony is helping employees to continue developing their careers while balancing it with parenting and nursing.

* Under amendments to Japan's Child and Child Care Support Act, which came into effect in April 2016, the Cabinet Office of Japan introduced provisions to allow for corporate-led daycare facilities in an effort to address shortages of places and long waiting lists for daycare facilities, so that parents can work. The provisions enable corporations to organize the establishment and operation of daycare facilities

Organizational Culture and Communication

Communication

Sony values employee communication. Embracing a corporate culture that promotes the spirit of freedom and open-mindedness passed down since its founding, Sony fosters diverse forms of communication both within workplaces and across organizational boundaries in order to create value.

Communication between Top Management and Employees

Sony treats communication between top management, including the CEO, and employees as a priority. Through the corporate intranet, information is provided on progress made in the Group's businesses, and communications are exchanged via e-mail and other media. Sony also works to create many other opportunities for direct dialogue between top management and employees. For example, Sony management holds regular informal gatherings and town hall meetings with employees which cover a wide variety of themes, from technology to management. By sharing opinions from both perspectives, not only do employees gain a closer affinity with

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management, but the views of employees can also be used to enhance the quality of management.

Employee Engagement Survey

Sony implements a single employee engagement survey across all of its businesses worldwide to collect information that is used to increase the engagement of each employee and energize the organizations. The survey gathers and analyzes information on key factors for continuously improving employee engagement such as employees' trust in the company and attitudes about value creation, work efficiency and effectiveness, work environment, career, growth and, as of 2021, employee wellbeing indices. The survey results are used to identify areas for further improvement and effective action. Even though the survey was carried out during the prolonged global COVID-19 pandemic, the number of people who felt they had a chance of building a career in the Sony Group increased, and the engagement index remained favorable for the second year running. The survey results were used as the basis for detailed analyses of each business segment and senior management discussions on effective action. The improvement initiatives were shared with employees via the corporate intranet and general meetings, with periodic review of results to monitor progress. The survey results were disclosed to managers on the day of the survey to facilitate discussions with employees on improvements that can be made with regard to issues for each organization based on the results and comments from staff who provided them. Sony makes the most of these employee surveys to shed light on employee engagement and promptly incorporates results into ongoing discussion and action across its organizations.

Results of Employee Engagement Survey

	2019	2020	2021
Survey Response Rate	88%	91%	91%
Employee Engagement Index*	85%	88%	89%

* Percentage of employees who did not give an unfavorable response to four questions regarding employee engagement

Communication among Employees

Sony is exploring new avenues for fostering even more active communication. Sony Group companies in the picture business and the entertainment, technology & services business operating in North America, Europe, and the Asia-Pacific region have adopted a system that allows employees to recognize and give accolades to peers for their contributions.

Sony employees are voluntarily creating various communities across business and organizational boundaries, which serve as platforms for information exchange, learning, and idea creation. Sony Corporation is utilizing We Project, a bottom-up initiative designed to ferment corporate culture, to hold opinion polls about corporate culture and build communities on the in-house SNS.

Sony actively supports these communities by providing venues and platforms, providing endorsement from the management team, and asking management to be involved in planning various activities.

Labor Unions

Sony maintains excellent labor-management relations. Approximately 9% of the overall workforce (at consolidated sites) is unionized.

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Workplace

Sony creates appealing workplaces that foster Sony's corporate culture and make it possible for people to have diverse work styles, while encouraging employees to take on new challenges and pursuing greater employee engagement.

Fostering Sony's Corporate Culture

Sony strives to create appealing workplaces which foster a corporate culture that will lead the company into the future. At its Sony City headquarters, Sony's corporate culture is enhanced via a range of "Sony experiences" such as employee collaborations and a variety of events. Sony has created a history wall outlining its corporate history with quotes from the founders and a lounge in the ground floor entrance hall of the headquarters building to communicate Sony's principles and corporate culture.

Sony Group companies are also creating workplaces with their own unique identities.



History wall and lounge in the entrance hall of the Sony City headquarters building

Enabling Diverse Work Styles

Wherever possible, Sony has adopted measures to boost the flexibility of its work styles and provided working environments where employees can enjoy work-life balance. As part of these measures, it has created the STATIONS satellite offices at Sony City Minato Mirai. These can be used by employees from all segments of the Sony Group and provide an additional option to working from home or

commuting to their usual work location.



Photo: ©Nacása & Partners

Activity-Based Working

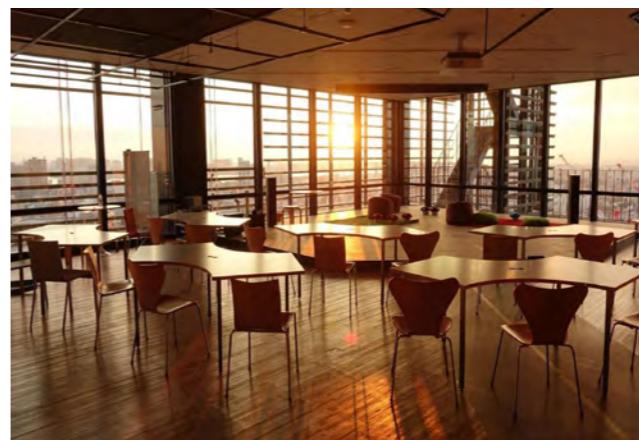
Sony's offices utilize open floor plans that encourage collaboration and foster the creativity and productivity of employees. Sony embraces the concept of activity-based working to create functional workplaces that flexibly adapt to different styles of working and environments according to the work objectives and situation, enabling its diverse workforce to achieve a good work-life balance.



The Sony City Minato Mirai office, designed to create a collaborative environment

Encouraging Employees to Take on New Challenges

Sony endeavors to create spaces that encourage employees to take on new challenges, guided by its vision of creativity and spirit of taking on challenges. The Creative Lounge at the Sony City headquarters building, BRIDGE TERMINAL at Sony City Osaki, and Comi-chika at the Atsugi Technology Center serve as creative collaboration spaces for open communication and idea generation, supporting employees as they take on new challenges. Sony operates the Sony Startup Acceleration Program to accelerate the development of new business applications based on ideas generated from these creative spaces.



BRIDGE TERMINAL at Sony City Osaki

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Occupational Health & Safety

Global OHS Initiative

Sony Group Global Policy on Occupational Health & Safety: Philosophy and Vision

Sony has established the Sony Group Global Policy on Occupational Health & Safety for Sony Group companies worldwide. This policy states, "The Sony Group regards securing the health and safety of workers as a key challenge. The Sony Group is committed to aiming for ZERO injury and ZERO illness, and to securing a safe and engaging environment in the workplace for all workers in all business activities." To fulfill this commitment, Sony works hard to build safe, healthy working environments for everyone working at Sony. Sony has also formulated the Sony Group OHS "Vision Zero" with the ultimate objective of ensuring ZERO injury and ZERO illness.

Sony Group Global Policy on Occupational Health & Safety: Philosophy Philosophy

The Sony Group is committed to aiming for ZERO injury and ZERO illness, and to **securing a safe and engaging environment** in the workplace for all workers in any business activity.



Sony Group OHS "Vision Zero"
Sony does not tolerate occupational accidents and has set an ultimate goal of ZERO injury and ZERO illness.

**VISION
ZERO**

Sony Group Global OHS Medium-Term Plan

To achieve its Vision Zero objectives, Sony is working to meet its OHS Medium-Term Plan, which is a globally shared plan. It is currently working to meet the targets for the period from fiscal year 2021 to fiscal year 2023.

Sony Group Global OHS Medium-Term Plan (Fiscal Years 2021 to 2023)

Focal Points	Targets	Subjected Sites
ISO45001	Complete external certification acquisition and maintain the certification	Subjected Sites for ISO 45001 certification
	Evolve the OHS Management System based on ISO 45001	All sites
Reduction of accidents	Reduce accidents caused by slips, trips, falls and collisions	All sites
	Strengthen management of chemical substances (including the 9 RBA-listed process chemical substances)	Manufacturing, logistics and R&D sites
	Reduce accidents caused by machinery	Manufacturing, logistics and R&D sites
	Strengthen the evaluation of effectiveness of corrective actions toward incidents that have occurred and their horizontal deployment across the company	All sites
Response to new risks	Implement health risk measures based on changes in Working Styles and Working Environment	All sites
	Strengthen "Management of Change"	All sites

Further Improvement of OHS Management System Based on ISO 45001

Since fiscal year 2019, Sony has operated an OHS management system based on the ISO 45001 international standard for people working in the Sony Group worldwide. In addition, since fiscal year 2020, Sony has been working steadily to obtain ISO 45001 external certification, beginning with manufacturing, logistics and R&D sites around the world and then proceeding on to other sites. Of the 50 relevant sites, 30 have already obtained ISO 45001 external certification. (the HQ OHS Office, 12 sites in Japan/East Asia, 11 sites in China, 5 sites in Pan Asia, and 1 site in Europe.) Of them, 23 sites have acquired comprehensive certification (as of June 2022).

Reduction of Accidents Caused by Unsafe Behavior

The global occurrence of OHS incidents has been trending downward each year in terms of both numbers of incidents and lost work days, but Sony is still working to further reduce risks. An analysis of OHS incidents in all regions has prompted Sony to identify collisions, slips, trips and falls due to unsafe behavior as a global priority due to the especially high number of such incidents. Accordingly, action to further reduce the number of slips, trips, falls and collisions is being promoted globally in the OHS Medium-Term Plan for fiscal years 2021 to 2023.

Measures to Reduce Health Risks

The global spread of COVID-19 transformed work styles and workplace environments. In response, Sony is carrying out periodical reassessments of harmful workplace risk factors that also cover mental health issues. Sony then implements measures to reduce health risks and initiatives to promote good health with the aim of enabling employees to maintain their vitality and enthusiasm for their work and professional growth. Sony is implementing measures that are consistent with the actual situation and characteristics of each business site; these include enhancing mental health initiatives in response to the increase in remote work, and promoting ergonomics in response to the increase in working from home.

Improving Management of Chemical Substances / Reducing Accidents Caused by Machinery

Sony's R&D facilities and manufacturing sites use a wide variety of chemical substances and machinery, and reducing the risks associated with that use is an important determinant of the level of safety and health. Sony is establishing a risk assessment system that will not just identify hazards relating to chemical substances, machinery, and work modes, but will also check that legal requirements are met. This system will be deployed globally. Sony also carries out internal site audits and corporate audits by Headquarters and Regional Safety Offices to ascertain the state of chemical substance management at its manufacturing sites. Management of the hazardous process chemicals* flagged by the Responsible Business Alliance's Industry Focus List in 2021 has also been included in Sony's medium-term occupational health and safety plan in order to promote thorough risk assessment.

* Subjected 9 Process Chemicals (CAS No.)

1-bromopropane (106-94-5), Benzene (71-43-2), Dichloromethane (75-09-2), Methanol (67-56-1), N-hexane (110-54-3), N-methylpyrrolidone (NMP) (872-50-4), Tetrachloroethylene (127-18-4), Toluene (108-88-3), Trichloroethylene (79-01-6)

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Global OHS Organization

To ensure that all group companies operate under a single management structure, Sony has established a global OHS system led by top management and comprised of eight Safety Offices (in Japan/East Asia, China, Pan Asia, Latin America, North America, Europe, and in the Music and Pictures segments), and appointed Regional Safety Officers who are responsible for implementing cross-regional programs. To staff the management of this system, Sony established an HQ OHS Office at Sony Group Corporation headquarters to serve as the OHS headquarters at the Sony Group. This office does the practical work to ensure compliance with laws and regulations related to health and safety, as well as to set Sony Group OHS targets and ensure that they are met.

<Top Management>

- Establish Sony Group basic OHS policies and targets
- Establish and supervise an organization for promoting the OHS management system
- Appoint, remove and direct Sony Group Safety Officers and Regional Safety Officers

<HQ OHS Office>

- Sony Group's OHS-related headquarters functions (governance functions)
- Ensure compliance with OHS laws and regulations, and set and seek to accomplish the corporate target

<Regional Safety Officers>

- Set and implement regional targets and plans
- Establish and direct Regional Safety Offices
- Direct compliance with OHS-related legislation and Group regulations, and instruct corrective action when violations occur
- Staff of Regional Safety Officers
- Ensure that the Sony Group complies with OHS laws and regulations and accomplishes the corporate targets in their regions.



23 sites worldwide acquired comprehensive ISO 45001 certification

*1 Japan, South Korea and Taiwan Region

*2 Mainland China and Hong Kong Region

*3 Mongolia, Asian countries other than the above, the Middle East, Oceania, Africa, Tajikistan, Turkmenistan, and Uzbekistan

*4 Europe, Turkey, Israel, Russia, and former Soviet Union countries (except for Tajikistan, Turkmenistan, and Uzbekistan)

*5 Sites affiliated with Sony Music Entertainment

*6 Sites affiliated with Sony Pictures Entertainment

Management Review

The HQ OHS Office facilitates annual management reviews conducted by the officer in charge of human resources and general affairs based on each region's reports to evaluate OHS activities; the occurrence of occupational accidents and illnesses in each region; and the level of achievement of activity goals.

Management comments set out in management reviews are reflected in the OHS Medium-Term Plan, and are fed back to each Regional Safety Office and to sites within each region.

OHS Education

Sony provides regional education tailored to its businesses in each region. In addition, the HQ OHS Office holds training sessions for internal auditors to improve the skills of auditors in each region. In Japan/East Asia, the Japan/East Asia Regional Safety Office provides group training to ensure that OHS managers and employees of business sites have the required skills.

Fiscal Year 2021 OHS Training

Region	Training program	Target group	No. of trainees
Japan/ East Asia	Global Auditors Training	Regional safety officers and managers	30
	OHS Managers Basic Training	Newly appointed site OHS managers	36
	Laser Safety Management Training	Site employees responsible for handling equipment	84
	Handling Chemical Substances, and Risk Assessment Training	Site chemical substance managers	40
	Handling Machinery/Equipment, and Risk Assessment Training	Site employees responsible for handling equipment	48
	Internal Auditors Training	Site OHS managers	17
North America	Internal Auditors ISO 45001 Training	Site OHS managers	18
China	OHSMS Basic Training	Non-manufacturing site OHS managers and supervisors	10
	Risk Assessment Training	Manufacturing site OHS managers and supervisors	35

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Occupational Health and Safety Initiatives by Region/Business

Occupational Health and Safety Initiatives in Japan/East Asia

In fiscal year 2021, 7 out of the 11 accidents caused by unsafe behavior that led to absence from work were due to slips and falls, and there is a tendency for the length of absences from work to increase.

Although the number of accidents causing absence from work among external contractors' employees working at Sony sites decreased, such accidents continue to occur. Sony will further reduce industrial accidents through efforts such as raising awareness of accidents caused by slips and falls, measures to prevent recurrence, and the lateral sharing of examples of good practices, and by requesting that external contractors cooperate in ongoing safety activities.

As initiatives to reduce employee health risks, Sony carries out risk assessments in response to changes in work styles and workplace environments, with a particular focus on working from home, and is boosting mental health awareness. In addition, Sony has achieved its goal of "banning indoor smoking" and keeping workplaces free of second-hand smoke at its main business sites in Japan, and continues to educate smokers on the risks and provide support for kicking the habit. In fiscal year 2021, Sony continued to regard the COVID-19 pandemic as a new health risk and has been implementing measures to prevent its spread at all of its sites, including disinfection and temperature checks when entering premises.

Occupational Health and Safety Initiatives in China

In the China region, Sony completed its transition to ISO 45001 certification in fiscal year 2020, with comprehensive ISO 45001 certification for the China Regional Safety Office and the manufacturing sites under its jurisdiction. In fiscal year 2021, the scope of the OHS management system was expanded to include non-manufacturing sites, and seven non-manufacturing sites were among the sites that acquired comprehensive certification. Also, various ongoing regional safety initiatives have been implemented since fiscal year 2015 to achieve zero occupational accidents. These include raising awareness of near-miss accidents, safety simulations for electric motorbikes, and production of safety videos. In fiscal year 2021, Sony produced a regional traffic safety video that is being widely used in orientation courses for new recruits and

in safety training. It also ran training to foster a better understanding of traffic laws and regulations, and a total of 25,000 employees at 12 business sites attended the course.



Comprehensive ISO 45001 certification for the China Region

Occupational Health and Safety Initiatives in North America

Sony operations in North America consist of a diverse group of companies across many fields. Operations include corporate office functions, sales and marketing, warehouse and distribution, game and network services, music and film business, biotechnology R&D, and a limited amount of manufacturing. Site headcounts range from fewer than 10 to more than 1,000 employees. The Sony Group Global Policy on Occupational Health and Safety (OHS) serves as the underlying guidance documentation. Operations strive for a well-balanced program of safety, health and wellness initiatives, in keeping with the type and size of operation. As a manufacturing and warehouse facility, Sony DADC Terre Haute is preparing for external ISO45001 certification.

Advancing Safety, Health and Well-Being

The North American region established "Advancing Safety, Health and Well-Being" as the tagline for the Vision Zero logo. The logo with the tagline is used to communicate the Vision Zero objectives and workplace safety.



Advancing Safety, Health and Well-Being

Emergency Preparedness

The SEL Security team hosts an emergency preparedness event and releases newsletters twice a year. The event in December 2021 featured the "*If You See Something, Say Something*" campaign and the current *run-hide-fight* guidance from the U.S. Department of Homeland Security. It highlighted how to recognize and report terrorism-related suspicious activity.



Emergency Preparedness Fairs at Sony Electronics Inc. (SEL)

DADC Terre Haute Safety Slogan Contest

DADC Terre Haute conducted a Safety Slogan contest in the summer of 2021. Amongst contending entries, the winning phrase was "Don't be Safety Blinded, Be Safety Minded".



DADC Terre Haute Safety Slogan Contest

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Occupational Health and Safety Initiatives in Latin America

In Latin America, Sony has worked to establish OHS campaigns, internal audits focused on health, safety, and the environment, and has held proactive events. Each Sony location has an emergency preparedness plan in place, tailored to meet the potential emergencies that may occur at that site.

Emergency Drills

There are basically three training programs: first aid training and COVID-19 related health campaigns for medical brigades, and fire extinguisher training for security brigades.



Training for handling fire extinguishers

Occupational Health and Safety Initiatives in Europe

In Europe, Sony has identified occupational health and safety (OHS) management as a top priority and has implemented an OHS risk reduction program. The program aims to lower OHS risk by reducing occupational accidents and strengthening the health and well-being of employees. A 26% reduction in lost days was achieved Europe-wide after the program's implementation.

Sony Europe

—Mental Health and Wellbeing Newsletter—

On a monthly basis, all Sony Europe employees receive a newsletter dedicated to wellbeing. Each issue focuses on a different topic and provides readers with tips and tricks, as well as courses of action.

UK Technology Centre

—Mental Health—

A mental health pamphlet has been created and distributed amongst employees. The document features information about how to spot and improve a deteriorating mental health state. To accompany this pamphlet, a 'Working from Home Self-Assessment Tool' has been

developed to help employees recognize pain points and tackle them in a timely manner.

Occupational Health and Safety Initiatives in Pan Asia

With COVID-19 infections still rife around the world, manufacturing sites in the Pan Asia region are continuing in fiscal year 2021 to implement and constantly improve occupational health and safety initiatives in tandem with measures to prevent the spread of COVID-19 infections.

Ongoing OHS initiatives

Five manufacturing sites in Thailand, Malaysia and Australia have adopted Sony OHSMS (ISO 45001) as the Sony global target, and it is soon to be adopted at manufacturing sites in India as well. All the manufacturing sites extensively implement activities to boost occupational health and safety. Such action includes improving the safety of machinery and equipment, ergonomically-aligned working

conditions, control of chemical substances, preparation for emergencies, hazard prediction training, programs to raise awareness of near-miss accidents, activities to boost OHS awareness, and training courses.

Measures to counter the spread of COVID-19 infections

Each manufacturing site is making efforts to maintain normal operations by implementing the following measures to control COVID-19 infections: 1) COVID-19 screening for employees, visitors and contractors, 2) vaccination programs for employees, 3) physical distancing in workplaces and during work duties, 4) area cleaning, 5) boosting awareness of personal hygiene, and 6) touchless campaigns. Sony sites in the Pan Asia region are promoting measures to maintain business operations, and also encouraging working from home as a new work style at all sites. Sony is striving to protect its employees from infection and maintain smooth business operations.

Occupational Health & Safety Initiatives



Near-miss accident campaign and training (Thailand)

Measures to Counter the Spread of COVID-19 Infections



COVID-19 vaccination program for employees (Thailand)



Regular screening for employees (Malaysia)

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External Recognition for OHS Initiatives (Fiscal Year 2021)

Site	Name of Award
Shanghai Suoguang Visual Products Co., Ltd.	Rated A for improved OHS functions by the city of Shanghai
Sony Device Technology (Thailand)	1. Thai National Occupational Safety and Health Award 2021 (Platinum Award) 2. Zero Accident Award 2021 (Silver Award) 3. Good Labour Practices Award 2021 4. Workplaces Making Lifestyle-Based Changes in Response to the COVID-19 Pandemic: New Normal certification
Sony Technology (Thailand) Co., Ltd., Chonburi	Zero Accident Award 2021 (Gold Award)
Sony Technology (Thailand) Co., Ltd., Bangkadi	Zero Accident Award 2021 (Silver Award)



Thai National Occupational Safety and Health Award 2021 (Platinum Award) certification (for the 12th year running)



Zero Accident Award 2021 (Thailand)

OHS Performance

Sony employs a global data collection system to gather occupational health and safety data on a quarterly basis in the countries and regions in which it has operations. Sony analyzes these statistics to gain an understanding of circumstances and trends in terms of country/region and accident type, in order to help prevent recurrences.

Sony Group Global OHS Performance*3

	2017	2018	2019	2020	2021
Number of lost-work injuries (external contractors)	113 (-)	105 (30)	74 (11)	71 (18)	75 (6)
Number of lost workdays (external contractors)	1,612 (-)	2,009 (300)	1,526 (137)	1,211 (463)	1,209 (191)
Frequency Rate	0.55	0.45	0.34	0.32	0.39
Severity Rate	0.0064	0.0070	0.0058	0.0044	0.0052
Number of deaths	0	0	0	0	0

Scope of data for fiscal year 2021: 182 sites (manufacturing and logistics sites, non-manufacturing sites including sales & marketing companies)

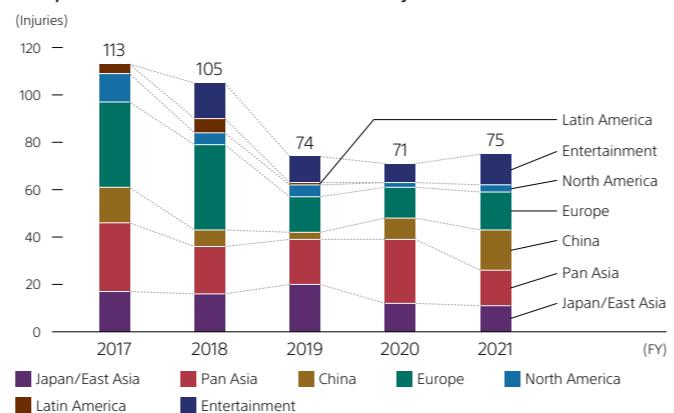
(Definition)

Frequency rate: Number of accidents causing one or more lost workdays ÷ total number of man-hours worked × 1,000,000

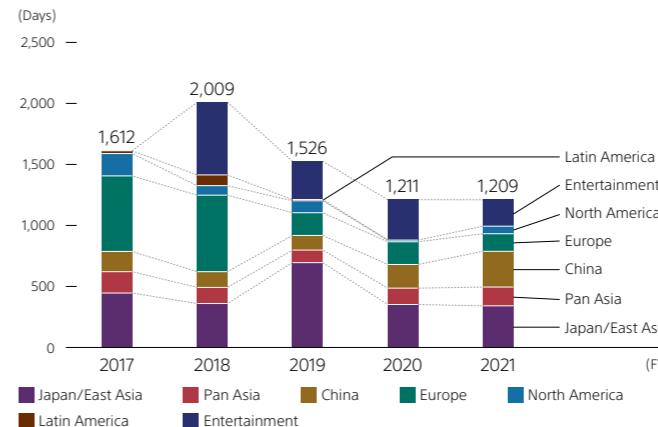
Severity rate: Number of lost workdays ÷ total number of man-hours worked × 1,000

*3 Totals include non-Sony employees. Figures in parenthesis indicate accident data for non-Sony employees.

Sony Global Trends in the Number of Injuries



Sony Global Trends in Lost Workdays



Major Causes of Injuries in Fiscal Year 2021

- Slips, trips and falls: 26 (6 more than the previous year)**
- Collisions with people or objects: 16 accidents (1 less than the previous year)**
- Cuts and grazes: 11 accidents (5 more than the previous year)**

These were the top three categories of unsafe behavior causing accidents in fiscal year 2021, accounting for roughly 70% of all accidents causing absence from work. Sony has set a medium-term target of reducing accidents caused by slips, trips, falls and collisions, and is making global efforts aimed at improvement.



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Maintaining and Promoting Health

Creating a Workplace Culture of Wellness

It is essential that employees be mentally and physically healthy if they are to perform at their best and create innovation. Sony focuses on enhancing organizational and personal well-being (health and happiness) by fostering a corporate culture that values both body and mind in order to help ensure sustained growth for both the company and employees.

Using data from health checkups and stress checks, Sony is addressing employee's health issues involving mental health, balancing medical treatment and work, and lifestyle diseases and taking various steps to resolve these issues.

Sony is focused on the prevention and early detection of health problems, improving the workplace environment, and the health literacy of employees, through attentive and individualized support, education and training for line managers, and providing information and activities to raise awareness via a variety of channels.

Promoting Mental Health

Sony implements comprehensive mental health support measures with the aim of helping employees to display their full potential. These efforts are focused particularly on preventing health problems and motivating employees and organizations.

Employees with fewer stress responses such as fatigue and anxiety tend to display higher levels of engagement. To bolster the ability of the individual to manage stress, which is a key to a vibrant organization, Sony holds mindfulness workshops for employees. It also holds online sessions for communication between employees and medical professionals, and is facilitating such dialogues in an endeavor to boost the health literacy of its employees with regard to managing their health with new work styles.

Support for individual employees is also important. Sony has

established health-counseling services, offering access to counseling with clinical psychologists, industrial physicians and occupational health nurses via in-person or online sessions. Sony also works with outside professional organizations to implement a program under which employees returning to work after taking mental health leave receive help readjusting to the workplace via Sony's employee assistance program (EAP). Sony has a mental health support program in place to provide employees with psychological care in the event of natural disasters and other incidents, as well.

Helping Employees Receive Treatment while Working

Sony actively seeks to provide support that will enable employees to strike a proper balance between treatment and work, and to feel fulfilled and motivated in their work. In fiscal year 2020, Sony introduced the Symphony Plan, a program to help employees attain this particular balance. Sony has increased the involvement of medical professionals and incorporated expert perspectives to support the provision of working conditions tailored for individual treatment plans. For employees who receive treatment for cancer or other diseases while continuing to work, Sony offers medical consultation with occupational physicians and occupational health nurses, who reduce such employees' health risks by devising job arrangements tailored to each individual situation. To ensure that employees are able to choose from a diverse array of flexible work styles, their workplace works with the Human Resources Department and Occupational Health Department to provide the most appropriate job support. As part of its efforts to support cancer prevention and early detection, Sony provides cancer education (e-learning) for employees and cervical cancer testing for younger employees. It launched a program in fiscal year 2021 to encourage employees to undergo secondary cancer screenings.

Health Management for Employees Who Work Long Hours

Working long hours for an excessive period of time not only causes physical and mental health issues, but also reduces the job satisfaction

of employees and risks the health of the organization as a whole. Sony actively works to create a better working environment in both respects. Line managers, the Human Resources Department, and the Occupational Health Department work together to improve working environments, with workplace structures that do not concentrate an excessive burden on certain employees and a focus on workplace culture in which employees feel comfortable consulting with their superiors. Sony provides education and training for line managers on the impact of working long hours to help them understand the health issues involved and enhance their skills of managing the work hours and health of the employees in their team. As part of the comprehensive efforts to help employees stay healthy and prevent health problems, Sony employees who work long hours are seen by industrial physicians and occupational health nurses.

Women's Health

To establish dynamic working environments where women can display their abilities, it is important to address health issues that affect women. Sony is working to increase literacy about women's health so that women can improve their own physical and mental health and reach their full potential. Sony seeks to educate and inform employees of all genders about health issues that affect women at different stages of their lives through various initiatives including online seminars led by experts. Additionally, Sony operates a support hotline for women's health issues that lends a sympathetic ear and individualized advice about health issues that affect women.

Preventing Lifestyle-related Diseases

Preventing lifestyle diseases caused by lack of exercise and/or sleep, irregular eating habits, and other aspects of an imbalanced lifestyle is a major challenge for corporate employees. Sony makes sure that employees undergo comprehensive medical checkups and examinations and then receive personal health advice from industrial physicians and occupational health nurses, as well as support for follow-up examinations at medical institutions if needed. Sony also focuses on counseling and advice dealing specifically with managing metabolic syndrome. Additionally, Sony implements various

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initiatives to set employees up for better lifestyle habits and increase health literacy. These initiatives take into account analysis of data on employee health issues compiled by organization, based on data from employee medical checkups. The initiatives include disseminating lifestyle information and holding various seminars for employees.

Helping Employees Quit Smoking and Preventing Passive Smoking

Sony actively encourages employees to quit smoking and works to prevent second-hand smoke from affecting non-smokers. In order to eliminate unwanted second-hand smoke, Sony is moving forward with steps to eliminate cigarettes and smoking areas from working environments such as moving smoking areas outdoors. Industrial physicians and occupational health nurses work closely with employees who are smokers to provide one-on-one counseling and support to ensure that they correctly understand the health risks to themselves and, through second-hand smoke, to those around them, and to motivate them to quit smoking. Other support measures include providing financial assistance for employees to participate in stop-smoking support programs, support for outpatient stop-smoking medical consultations, and information and awareness-raising. These efforts are gradually reducing the percentage of smokers in the Sony workforce.

COVID-19 Measures and Accommodating New Work Styles

Sony is committed to maintaining a safe working environment that ensures sufficient physical distance between employees at business sites. In consideration of governmental guidance in each country and the specific work style of each of its diverse businesses, Sony limits the number of employees allowed to report for in-person work based on attendance plans at each company and unit.

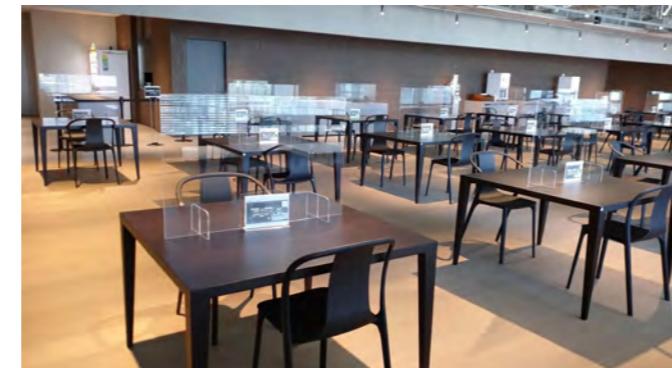
With many employees working from home, Sony recognizes the importance of mental health care. Sony provides tips for self-care and employee care, and is enhancing autonomy and activating workplace communication to reduce the anxiety and sense of isolation of employees working from home.

Sony has also set up a counseling desk where medical professionals provide timely advice on topics such as reducing stress and improving working conditions and lifestyle habits while self-isolating and working from home.

Main Initiatives in Japan

(Primarily for areas under restrictions during a state of emergency or quasi-state of emergency)

- Prohibited international and domestic business travel
- Expanded the provisions for working from home
- Eliminated core hours in the monthly flextime system
- Added special leave due to temporary school closure and special measures for the COVID-19 vaccine
- Relaxed restrictions on commuting to include private cars and bicycles
- Paid allowances for working from home and to support COVID-19 infection prevention
- Ordered employees to refrain from business meals
- Opened satellite offices to support diverse work styles
- Implemented corporate COVID-19 vaccination drive
- Added special leave for the COVID-19 vaccination
- Conducted harassment prevention training related to vaccination



Cafeteria with infection prevention and physical distance measures

Health Management for Employees Transferred Overseas

At present, employees of the Sony Group and their family members

from Japan are stationed in 40 countries worldwide. This is why Sony has established a health management system that ensures that staff stationed overseas and their families can live and work in safety and good health. Before departing for an overseas post, in addition to receiving healthcare information, medical checkups, and vaccinations, employees are provided with information on the medical, health, hygiene conditions and medical facilities in the country where they will be stationed. Employees also receive online health guidance and counseling and regular healthcare information during their period of stay. During the pandemic, Sony is providing extensive information to employees on topics such as COVID-19 vaccines, adjusting to working from home and dealing with stress. It is also constructing a system that enables employees to receive a medical examination in the country where they are stationed if they are temporarily unable to return to Japan.

Sony offers employees who are stationed overseas with the same stress checks that employees in Japan receive, working to improve work environment and support mental health at the place of assignment. In addition, Sony works to prevent disease and mitigate risk, with industrial physicians tracking the situation at sites and medical facilities overseas to provide the support that employees working overseas need in order to feel secure.

Infectious Disease Measures

In addition to protecting employees who are active globally from the threat of infectious diseases by arranging for employees to receive necessary vaccinations if they work in or travel on business to countries at risk, Sony also provides information on safety and infectious diseases in specific countries, issues alerts, and implements such safety measures as restrictions on business travel under certain circumstances. Timely information on such infectious diseases as malaria, hepatitis, and HIV is also provided to employees. In Japan, if there is an outbreak of a new strain of influenza, tuberculosis, rubella, measles, or other illness, Sony cooperates with the government and other entities as necessary in order to respond flexibly while staying ready to implement business continuity plans. Sony provides male employees from age groups that were not vaccinated through public rubella vaccination programs with access to rubella antibody tests when they receive their regular health checkups.



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Respect for Human Rights



Management Approach

Materiality Rationale

Sony recognizes the potential impact its global business operations may have on human rights. It respects the human rights of all stakeholders involved in its business operations, including its employees and its suppliers' workers, and understands its responsibility to help ensure appropriate labor practices to prevent and mitigate human rights abuses.

Basic Approach

Sony strives to respect human rights in all of its business operations in accordance with the Guiding Principles for Business and Human Rights issued by the United Nations Human Rights Council. Sony's policy requiring respect for human rights is set forth in the Sony Group Code of Conduct. Sony expects all Group companies to pursue responsible business conduct by respecting all human rights in compliance with its Code as well as all relevant laws and regulations.

Structure

The Sustainability Section at Sony Group Corporation is supervised by the Senior Executive in charge of Sustainability. It assesses human rights impact throughout Sony Group's business activities and value chains. In 2021, the Sustainability and the Legal & Compliance sections at Headquarters launched a working group to implement human rights due diligence measures for the entire Sony Group's business activities and its value chain, based on Sony's human rights impact evaluation results and regulatory trends. The working group strives to prevent and/or mitigate any potential negative impact on human rights in collaboration with personnel at Sony businesses, including personnel in the human resources and procurement departments. Sony also established the Diversity Promotion Council, chaired by the senior executive in charge of human resources and general affairs, with members drawn from related departments at

Fiscal Year 2021 Results

Set priority areas and promoted initiatives

- 1. Responsible supply chain**
- 2. Respect for Diversity, Equity and Inclusion**
- 3. Responsible development and use of technologies**

Headquarters. The Council provides support for group-wide initiatives to raise awareness of human rights and promote diversity. The Board of Directors receives regular reports on sustainability initiatives encompassing Sony's human rights initiatives.

Looking to the Future

Sony will continue to carry out human rights due diligence, and will further enhance initiatives to prevent or mitigate potential negative impact on human rights.

Milestones

1987:	Human Rights Office established
1991:	Human rights lectures for employees launched
1995:	Sony Group Human Rights Committee established
1998:	Counseling services on human rights and equal opportunities for employees initiated
2000:	Philosophy and basic approach to human rights established
2003:	Sony Group Code of Conduct established
2011:	Human Rights Committee changed name to Diversity Committee
2012:	Human rights impact assessment conducted
2018:	Sony Group Code of Conduct revised Sony Group AI Ethical Guidelines established Human rights impact assessment updated
2019:	Sony Group AI Ethics Committee established
2020:	Human rights impact assessment updated
2021:	Working group to implement human rights due diligence established

[☒ Sony Group Code of Conduct \[PDF: 2.78 MB\]](#)

[☒ Sony Group AI Ethics Guidelines \[PDF: 103 KB\]](#)

[☒ Sony Group Statement on Modern Slavery Act](#)



Highlight

Dialogue with Stakeholders on DE&I and Social Justice

The ESG Briefing in September 2021 included explanations about "Protecting the Earth: Sony's 'Responsibility' and 'Contribution'" and "Evolution of Sustainability Management." As stated in its Purpose, Sony's goal is to create value for the society in which we live, through an array of businesses centered on people. Sony is fostering diversity, equity, and inclusion (DE&I) throughout the entire Group, where differences in background, gender, and ability are viewed as strengths. It also promotes initiatives aimed at fostering diversity and social justice in its engagement with greater society, and referred to the initiatives as examples of this.

One example is the utilization of technology to enhance the accessibility of Sony's products and services. Sony conducts interviews with employees and users with disabilities during the product planning and development process. With the feedback we receive from this user research and usability testing, we improve our products and services, thereby incorporating the needs of diverse customers. Sony is also devoted to creating an inclusive work environment where employees can pursue their careers regardless of any disabilities they may have.

Treating all people with respect and dignity is one of Sony's most important principles. We have built a corporate culture which finds strength in the diversity of our businesses and employees. In 2020, Sony established the 100 million USD Global Social Justice Fund.

Through this fund, Sony Group companies will support initiatives that promote social justice and anti-racist initiatives to foster DE&I around the world.

As our society grows ever more unstable against the backdrop of the COVID-19 pandemic, it is becoming increasingly important to offer a physically and mentally healthy environment in which creators can immerse themselves in their work. For example, the Sony Music Group outside of Japan is working with NPOs and other organizations to provide support to artists in the US, the UK and other countries via the Artists & Songwriters Forward initiative. In Japan, Sony Music has launched B-Side, a project to support both the mental and physical health of artists and creators signed with Sony Music, as well as the staff who support them. Sony will continue to provide various support so that diverse and talented individuals can maximize their creative potential.

[ESG Briefing](#)



Initiatives to enhance accessibility
Creating an inclusive work environment to enhance employee potential



Support initiatives that promote social justice and protect human rights
and foster diversity, equity and inclusion



Creator support

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Human Rights Initiatives

Human Rights Due Diligence

Sony is committed to respecting internationally recognized human rights in its business activities and value chains, and engages in initiatives to prevent or mitigate any potential negative impact in line with the United Nations Human Rights Council-published The United Nations Guiding Principles on Business and Human Rights (UNGPs). The UNGP outlines preemptive steps companies should take to prevent or mitigate any negative impact on human rights in their business activities and supply chains.

Human Rights Impact Assessments

Sony has undertaken group-wide human rights impact assessments since 2012 in partnership with BSR, an independent, global, non-profit organization devoted to building a just and sustainable world to identify relevant risks and to work to mitigate them. Sony draws up a list of human rights issues from international standards such as the Universal Declaration of Human Rights, the ILO International Labour Standards, and the OECD Guidelines for Multinational Enterprises. We also reference source materials from human rights experts, advocates, academics, governments, NGOs and other experts to identify potential human rights risks. This information is compared to Sony's areas of business to identify risks most relevant to Sony's business activities.

Prevention or Mitigation of Potential Negative Impact on Human Rights

The human rights impact assessment carried out in 2020 identified the following as potential human rights risk areas:

- Human rights risks related to workers in the electronics industry supply chain, including the procurement of raw materials
- Potential human rights risks in new technologies such as AI
- Potential risks that customers with whom Sony has direct or indirect business relationships may engage in human rights abuse

Sony has established areas of focus based on this assessment. Sony will prioritize action in the areas of focus listed below and further enhance initiatives to prevent or mitigate potential negative impact on human rights.

1. Responsible supply chain
2. Respect for Diversity, Equity and Inclusion (DE&I)
3. Responsible development and use of technologies

Key Human Rights Initiatives in Diverse Business Operations

1. Responsible Supply Chain

Sony believes that it bears responsibility for its entire product supply chain. This includes areas such as human rights, labor conditions and environmental protection, not only at its own production sites but also at those of its suppliers and subcontractors. Sony is a founding member of the RBA and has played an active role on the RBA Board of Directors since 2020. The RBA Code of Conduct represents industry best practices; Sony was not only involved in its formulation but also adopted it as the Sony Supply Chain Code of Conduct. Sony electronics manufacturing sites and suppliers are requested to comply with the Sony Supply Chain Code of Conduct. They are also requested to carry out risk assessments, be subjected to regular monitoring regarding compliance with the Supply Chain Code of Conduct, and implement any necessary improvements based on the results of the monitoring.

Sony Manufacturing Sites

Self-assessment surveys were carried out at 12 Sony manufacturing sites in Japan, China, Korea, Thailand, Malaysia, and the UK in fiscal year 2021. The results showed a low level of risk at all of them.

Supply Chain

In fiscal year 2021, Sony requested new and existing suppliers to comply with the Sony Supply Chain Code of Conduct, and conducted assessments using questionnaire for 796 plants, written improvement instructions for 94 plants, and remote/on-site assessment for 39 plants to provide instructions for improvement.

[→ Responsible Supply Chain](#)

2. Respect for Diversity, Equity and Inclusion

Sony is committed to creating a workplace that respects human rights and provides equal employment opportunities that allow all individuals to make the most of their capabilities. Sony also helps to ensure that workers' rights are safeguarded by adhering to worker protection laws, regulations, and standards in all regions where it operates.

The Sony Group Code of Conduct, which sets forth Sony's global policy on respect for human rights, also includes Sony's policy on equal opportunity in employment and nondiscrimination. The Sony Group Code of Conduct expressly states: "Sony strives to promote diversity and seeks to create a culture that allows all Sony personnel to contribute their unique talents and skills so as to provide the best products and services to our customers, and Sony is committed to recruiting, hiring, training, promoting and otherwise treating applicants and employees without discrimination based on factors that are unrelated to Sony's legitimate business interests."

Boosting Awareness of Human Rights Is a Cornerstone of Diversity

Human rights issues that corporations face today are increasingly complex and wide-ranging. Sony considers it essential to boost awareness of human rights, an awareness that underpins respect for diversity. The importance of this concept is emphasized in training courses and other actions taken by Sony to enhance employees' understanding of human rights and diversity.

Global Social Justice Fund

Sony is committed to respecting human rights, advancing social justice, and promoting DE&I. One of Sony's core principles is to treat all people with respect and dignity. Sony has built a corporate culture which finds strengths in diversity. To further these efforts, in 2020, Sony Group established a US\$100 million Global Social Justice Fund ("Fund"). Through this Fund, we support initiatives that promote social justice and anti-racist initiatives to foster DE&I around the world.

[→ Sony's Two Global Funds](#)

Accessibility

Sony Group strives to fulfill our Purpose to "fill the world with emotion, through the power of creativity and technology." For a future where everyone shares the moment, Sony gives careful attention when designing and planning our products and services to help ensure accessibility. To ensure that its products and services can be used by as many people

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as possible, including people with disabilities, Sony conducts interviews and usability tests with people with disabilities during the planning and development process, and reflects the results of these tests in its products and services. Sony has been participating in the CSUN Assistive Technology Conference. Many people with disabilities attend this conference. It provides people with diverse needs the opportunity to experience our products and services and engage in dialogue with us.

→ [Accessibility](#)

Advertising Creativity and Content Services

As a company that conducts business in various regions and countries across the globe, Sony recognizes that conduct which is socially and professionally acceptable in one culture or region may be viewed differently in another culture. As such, Sony takes those differences into account in its decision making. Advertising personnel from Sony Group companies in Japan regularly meet to exchange information on and study human rights issues with respect to advertising. Sony Interactive Entertainment (SIE) applies Computer Entertainment Rating Organization (CERO), Entertainment Software Rating Board (ESRB), and Pan European Game Information (PEGI) ratings to its PlayStation game titles, adhering to the age-based recommendations of ratings organizations in Japan, the United States, and Europe, respectively. Sony Pictures Entertainment (SPE) also implements various DE&I initiatives that impact every area of its business, including its content. For example, SPE collaborates with the Geena Davis Institute on Gender in Media, a non-profit organization, to identify ways to increase positive and diverse gender images onscreen.

3. Responsible Development and Use of Technologies

Responsible AI Initiatives

Sony aims to use AI technology in its products and services in a manner that will enrich people's lives and contribute to the advancement of society. In 2018, Sony was one of the first companies to establish AI Ethics Guidelines to ensure that AI development and usage would be aligned with our values, including fairness, transparency, privacy, and stakeholder engagement. The Sony Group AI Ethics Committee, established in 2019, examines AI use cases to ensure compliance with these guidelines. In 2021, Sony added AI ethics assessments to the quality management system for electronic products and services, and established the AI Ethics Office as the office responsible for implementing the assessments. The AI Ethics Office serves as a

centralized body to provide subject matter expertise to all Sony Group businesses. Sony strives for ethics by design, meaning that ethical considerations are evaluated at every stage of the AI development process, from planning, to design, to development and deployment. In 2021, Sony also launched the AI ethics research flagship within Sony AI, with the goal of conducting cutting-edge AI research that will enable our AI products and services to be at the forefront of ethical technologies.

→ [Responsible AI](#)

Hotlines

Sony has established the following hotlines for employees and stakeholders to report and seek advice concerning any potential violation of laws, regulations, the Sony Group Code of Conduct, the Sony Supply Chain Code of Conduct or other internal rules. These hotlines equip Sony to respond quickly and appropriately, while giving full consideration to personal privacy. Sony strictly enforces confidentiality and ensures that reporters are not subject to reprisal for reporting or using these services.

Sony Ethics & Compliance Hotline

Sony established the Sony Ethics & Compliance Hotline as a mechanism for all Sony Group employees to raise concerns and to seek guidance about possible violations of laws or internal policies, including violations of the Sony Group Code of Conduct.

→ [Sony's Ethics and Compliance Program](#)

EEO (Equal Employee Opportunity) Hotlines

Sony Group companies in Japan have established a hotline for equal opportunity. The hotline is available for all Sony Group employees in Japan to discuss a wide range of equal opportunity-related issues, such as harassment and support for work-life balance. In addition, Sony Group companies in Japan have also established a hotline specializing in cases to provide employee counseling by third parties with expertise on issues that employees are reluctant to raise within the company.

Supplier Hotline

Sony has established a Supplier Hotline as a mechanism for suppliers

to report misconduct by a Sony Group company executive or employee that violates laws, regulations, the Sony Group Code of Conduct, the Sony Supply Chain Code of Conduct or the company's agreements with suppliers.

→ [Supplier Hotline \(in Japanese\)](#)

Hotline Regarding the Sony Group Policy for Responsible Supply Chain of Minerals

Sony has established a hotline for stakeholders to report misconduct that violates the Sony Group Policy for Responsible Supply Chain of Minerals.

→ [Sony Group Policy for Responsible Supply Chain of Minerals Hotline](#)

Education and Training

Employee Training

All employees receive training on respecting human rights and preventing harassment in the workplace as part of the Sony Group Code of Conduct training upon hire and refresher training at least every four years thereafter. In Japan, we regularly implement various programs, such as focusing on domestic issues for all employees and using more practical content for newly appointed managers. In addition, an e-learning course focusing on the protection of human rights is provided to all employees of Sony Group Corporation as well as many Sony Group companies. In fiscal year 2021, 94% of eligible employees took the e-learning course.

Raising Employee Awareness of Human Rights

Sony Group companies in Japan have formed their diversity promotion committees, which conduct workshops on human rights, diversity, and related matters. Based on the information obtained from those initiatives, they collaborate laterally via a Diversity Liaison to share best practices and study the latest information. Serious cases of harassment and communication issues related to human rights are discussed within the overall system and appropriate responses considered. Additionally, Sony works with the Industrial Federation for Human Rights, Tokyo to compile information on various aspects of the subject and improve human rights literacy in Japan. Each December, in support of Human Rights Week, an awards ceremony is held in Japan for all Sony Group companies to recognize departments that have been successful in their efforts to protect human rights and promote diversity. Sony Group companies outside of Japan have similar programs in place to ensure respect for human rights in the workplace.



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Responsible Supply Chain



Management Approach

Materiality Rationale

In recent years, stakeholders have grown increasingly aware of how crucial it is that companies fulfill their overall responsibilities throughout their supply chains, including procurement and production. Sony takes these stakeholder concerns seriously and is working closely with its suppliers on initiatives in fields such as human rights, labor conditions, health and safety, and environmental protection. These initiatives cover not only Sony's own sites, but sites throughout the supply chain – from parts and material suppliers, to mineral mining operations, to production sites operated both by Sony and by subcontractors.

Basic Approach

Each and every Sony director, executive, and employee complies with the Sony Group Code of Conduct and conducts ethical business practices. Based on this approach, Sony focuses on supply chain management and responsible procurement of minerals and works with suppliers and subcontractors to establish a responsible supply chain that ensures compliance with the Sony Supply Chain Code of Conduct and the Sony Group Policy for Responsible Supply Chain of Minerals. These efforts are undertaken in collaboration with relevant industry organizations and other stakeholders.

Structure

Under the Senior Executive in charge of Sustainability, the sustainability section and compliance department at the head office play central roles in promoting actions aimed toward creating a more responsible supply chain, cooperating with procurement and other related departments in our businesses, as well as management departments at manufacturing sites.

Fiscal Year 2021 Results

Supplier plants conducting CSR assessment:

796

Number of suppliers who were requested to procure from smelters that are compliant with the Responsible Minerals Assurance Process (RMAP)*:

* Responsible Minerals Assurance Process: A program in which a third party certifies that the minerals handled by the smelter are from sources that do not fund armed conflict or engage in human rights violations.

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Looking to the Future

In order to further strengthen efforts to establish a responsible supply chain, Sony will expand assessments of its own sites and its suppliers, for example by having primary suppliers request secondary suppliers and other subcontractors to comply with the Sony Supply Chain Code of Conduct. Sony remains committed to ongoing efforts to raise awareness, educate, and provide training not only to employees, but also across the supply chain, communicating with suppliers to raise awareness and the capacity to respond effectively to responsible supply chain issues. Sony will also continue to strengthen its countermeasures of high-risk minerals in its procurement.

Milestones

2004:	Sony joins the Electronic Industry Citizenship Coalition (EICC, now the Responsible Business Alliance) as a founding member
2005:	Sony Supplier Code of Conduct established
2006:	EICC self-assessment started at electronics manufacturing sites
2012:	Sony Supplier Code of Conduct revised to create second edition
2014:	Sony Group Conflict Minerals Policy established and a survey on use of conflict minerals started
2016:	Sony Supply Chain Code of Conduct established and cobalt supply chain assessment started
2017:	Sony Group Policy for Responsible Supply Chain of Minerals established
2021:	Sony Supply Chain Code of Conduct revised to create 3.1 edition

[Sony Supply Chain Code of Conduct \[PDF:568KB\]](#)

[Sony Group Policy for Responsible Supply Chain of Minerals \[PDF:282KB\]](#)

[Sony Group Policy for Responsible Supply Chain of Minerals Hotline](#)



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Communicating with Suppliers

Distributing Videos to Suppliers

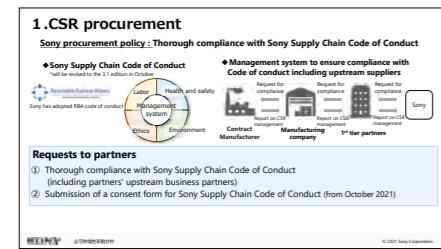
In 2021, we distributed a video about sustainability to all our suppliers through a distribution system specifically for them in order to improve awareness of Sony's sustainability activities overall, including conduct for a responsible supply chain. Available in Japanese, English and Chinese, the video explains what is required according to the Sony Group Code of Conduct and Sony Supply Chain Code of Conduct, and requests the establishment of management systems for compliance with the Sony Supply Chain Code of Conduct upstream of the supply chain. The video was also shared with internal procurement personnel, to aid in communication with suppliers.



Japanese



Chinese



English

Visualizing Supplier Sustainability Efforts

We check for supplier compliance with the Sony Supply Chain Code of Conduct, which includes their efforts for human rights, ethics, environmental and health and safety initiatives, and this oversight is vital to our supplier selection process. In consideration of the fact that supplier sustainability activities will continue to grow more important, in fiscal year 2021, we built a system to visually identify and centrally manage supplier sustainability achievement (including compliance with the Sony Supply Chain Code of Conduct, reducing the effect on the environment) and are preparing to more appropriately select suppliers in consideration of their results in the future. We communicate the meaning and social significance of these efforts, providing direct feedback to our suppliers to motivate them toward sustainable endeavors and maintain their compliance with the Sony Supply Chain Code of Conduct.

Training and Raising Awareness in Internal Procurement Personnel

We implement training for internal personnel who are involved in parts procurement for socially responsible procurement and the Sony Supply Chain Code of Conduct. Continuing from the previous year, in fiscal year 2021, this training was provided to new employees and midcareer hires. The training covers the Sony Supply Chain Code of Conduct, as well as laws and regulations in different countries, responsible mineral procurement, environmental conservation, and management of chemical substance contained in product. These sessions educate employees on the importance of responsible procurement and how it relates to their work while also assessing their general knowledge.



Training new employees

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Supply Chain Management

We are engaged in supply chain management that includes the production sites of our suppliers and subcontractors in addition to our own electronics manufacturing sites.

Sony Supply Chain

Sony develops, designs, manufactures and sells a wide range of electronics and other devices, utilizing a supply chain that stretches across the entire globe. As of June 2022, we have 12 electronics manufacturing sites in Japan, China, South Korea, Thailand, Malaysia, and the UK. Further, we procure materials and parts for Sony electronics from suppliers worldwide.

In fiscal year 2021, the value of transactions with parts suppliers and OEM/ODM suppliers by geographic area was as follows: Mainland China and Hong Kong Region (46.6%), Japan (18.9%), Asia-Pacific (16%), Europe (8.1%), and other areas (10.4%).

Electronics manufacturing sites at Sony (country and name of manufacturing site) (as of June 2022)

【UK】

- Sony Europe B.V. UK Technology Centre

【Japan】

- Sony Global Manufacturing & Operations Corporation
- Sony Semiconductor Manufacturing Corporation
- Sony Storage Media Manufacturing Corporation
- Sony/Taiyo Corporation

【Thailand】

- Sony Technology (Thailand) Co., Ltd.
- Sony Device Technology (Thailand) Co., Ltd.

【Malaysia】

- Sony EMCS (Malaysia) Sdn. Bhd.

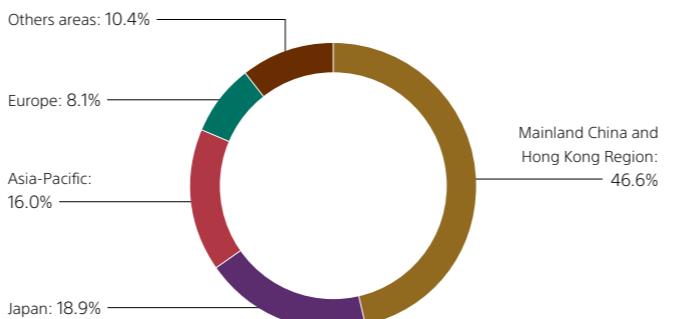
【South Korea】

- Sony Electronics of Korea Corp.

【China】

- Sony Precision Devices (Huizhou) Co., Ltd.
- Shanghai Suoguang Visual Products Co., Ltd.
- Sony Digital Products (Wuxi) Co., Ltd.

Parts and OEM/ODM supplier ratio by geographic area (transaction value basis in FY2021)



Note: Major countries and regions that belong to each category:

• Europe: UK, France, Germany, Russia, Spain, Sweden

• Asia Pacific: India, South Korea, Oceania

• Other areas: United States, Middle East, Brazil, Mexico, Canada

The amount is calculated based on the location of the company registration of supplier

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Establishing and Promoting the Sony Supply Chain Code of Conduct

Sony recognizes the increasing importance of global companies' responsibility to manage their supply chains responsibly as diligent members of society. This extends beyond our manufacturing sites, including those of parts suppliers and subcontractors. Sony works with its suppliers to address issues such as human rights, labor conditions, health and safety, and environmental protection throughout its supply chain in order to ensure a responsible supply chain.

Sony Supply Chain Code of Conduct

Sony was involved in establishing the RBA Code of Conduct, which indicates industry best practice, and adopted that code to establish the Sony Supply Chain Code of Conduct. Sony actively implements efforts to comply with the code for our manufacturing sites and suppliers. The RBA Code of Conduct has been translated into 26 languages including English, Chinese, Japanese, Thai, and Malay. Compliance with the Sony Supply Chain Code of Conduct is included in contracts signed when Sony begins doing business. As a part of the customer requirements under this Code of Conduct, parts suppliers must comply with the Green Partner Environmental Quality Approval Program and the Sony Group Policy for Responsible Supply Chain of Minerals. Suppliers are also requested to distribute and comply with the Sony Supply Chain Code of Conduct within their own supply chain.

In addition, as a founding member of the RBA, Sony also works to strengthen its supplier assessments, ongoing monitoring, and other initiatives worldwide.

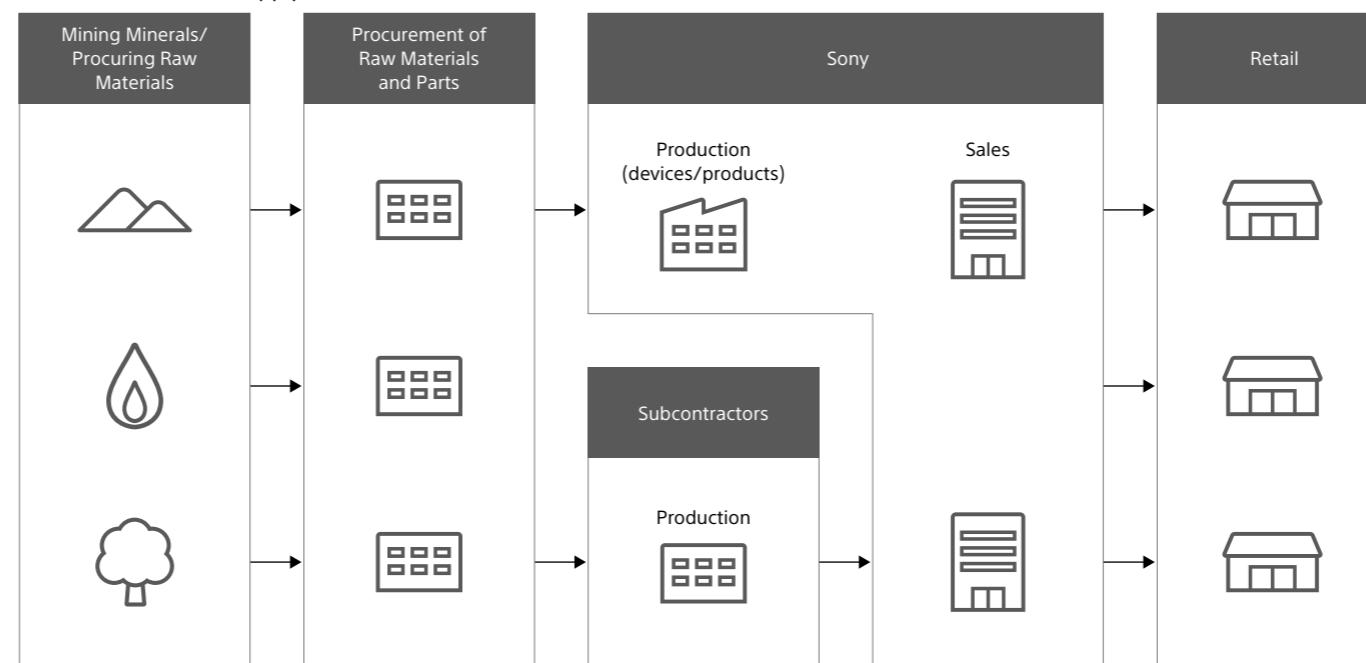
→ Stakeholder Engagement > Partnership and Participation in Multi-stakeholder Frameworks

→ Participation in the Responsible Business Alliance (RBA)

↗ Sony Supply Chain Code of Conduct [PDF:372KB]

↗ RBA Code of Conduct

Basic Structure of the Supply Chain



Sony Supply Chain Code of Conduct Items

A. Labor	B. Health and Safety	C. Environmental	D. Ethics	E. Management Systems
1) Freely Chosen Employment	1) Occupational Safety and Preparedness	1) Environmental Permits and Reporting	1) Business Integrity	1) Company Commitment
2) Young Workers	2) Emergency Preparedness	2) Pollution Prevention and Resource Reduction	2) No Improper Advantage	2) Management Accountability and Responsibility
3) Working Hours	3) Occupational Injury and Illness	3) Hazardous Substances	3) Disclosure of Information	3) Legal and Customer Requirements
4) Wages and Benefits	4) Industrial Hygiene	4) Solid Waste	4) Intellectual Property	4) Risk Assessment and Risk Management
5) Humane Treatment	5) Physically Demanding Work	5) Air Emissions	5) Fair Business, Advertising and Competition	5) Improvement Objectives
6) Non-Discrimination/ Non-Harassment	6) Machine Safeguarding	6) Materials Restrictions	6) Protection of Identity and Non-Retaliation	6) Training
7) Freedom of Association	7) Sanitation, Food, and Housing	7) Water Management	7) Responsible Sourcing of Minerals	7) Communication
	8) Health and Safety Communication	8) Energy Consumption and Greenhouse Gas Emissions	8) Privacy	8) Worker Feedback, Participation and Grievance
				9) Audits and Assessments
				10) Corrective Action Process
				11) Documentation and Records
				12) Supplier Responsibility

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Organizational Structure

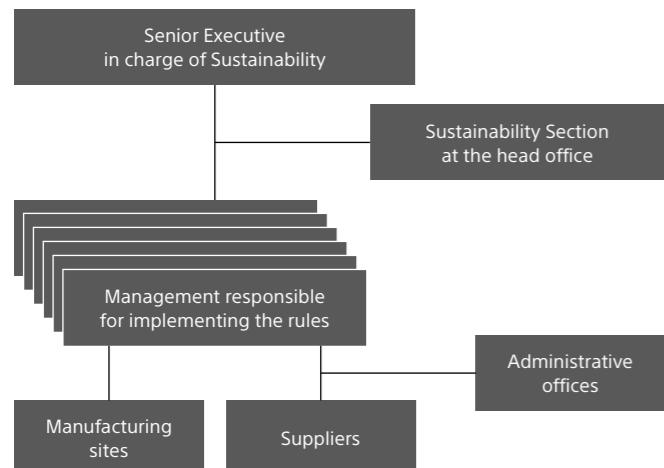
At Sony, the Sustainability Section and compliance groups at the head office take the lead in promoting efforts toward a responsible supply chain in cooperation with other related procurement divisions and management departments at manufacturing sites.

Under the supervision of the Senior Executive in charge of Sustainability, the Sustainability Section at the head office assesses external trends and communicates with stakeholders, drawing on both to formulate basic company-wide supply chain management policy.

The Senior Executive in charge of Sustainability appoints the management responsible in each relevant business unit. They are then responsible for overall operational compliance for the area in their charge, including compliance with the Sony Supply Chain Code of Conduct, as well as risk assessment, regular monitoring and remedial measures. Administrative offices are responsible for overall implementation for suppliers.

In cases where assessments or external sources indicate any possibility of violations of the Sony Supply Chain Code of Conduct or a material legal violation, or in cases where the supplier does not provide adequate cooperation with assessments and audits, the managers responsible for implementing the rules work together with the Sustainability Section and compliance groups at the head office to determine the facts and take action deemed necessary, and the situation is reported to the Senior Executive in charge of Sustainability.

Implementation Framework of the Sony Supply Chain Code of Conduct



Initiatives at Sony Electronics Manufacturing Sites

Conducting Regular Assessments

As part of its efforts to ascertain Sony manufacturing sites' compliance with the Sony Supply Chain Code of Conduct, Sony uses standard tools provided by the Responsible Business Alliance (RBA) to check compliance, assess improvements, and implement other monitoring activities.

Specifically, Sony utilizes the RBA questionnaire as an annual self-assessment survey at all of its electronics manufacturing sites in and outside of Japan to evaluate compliance designated by the Sony Supply Chain Code of Conduct in terms of labor, health and safety, ethics, environment, and management systems. At manufacturing sites where self-assessment surveys indicate issues with compliance and further evaluation and improvement in these areas are deemed necessary, appropriate measures to improve compliance are developed and implemented.

In fiscal year 2021, 12 manufacturing sites in Japan, China, Korea, Thailand, Malaysia and the UK, completed self-assessment surveys. The results showed that risk of noncompliance was low at all manufacturing sites.

Employment and Working Conditions of Foreign Workers

In recent years, forced labor among foreign and immigrant workers at factories manufacturing electronic products and components has become an issue both in Japan and around the world.

Since fiscal year 2017, Sony has been conducting surveys of actual work conditions and risk assessments to monitor the employment status and labor conditions of foreign workers at Sony manufacturing sites in Japan. The assessments check whether the site has any foreign workers or not (in either direct or indirect employment) and confirm the hiring processes and labor conditions. The surveys of actual conditions are conducted for selected manufacturing sites. In fiscal year 2021, Sony continued to conduct document assessments of on-site subcontractors at a number of manufacturing sites to verify their hiring processes for technical intern trainees in Japan and the countries in which they were hired, as well as the labor conditions of trainees. The results showed that steps are continuously being taken to ensure compliance with the labor standards set out in the Sony Supply Chain Code of Conduct.

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Sony's Approach to Supplier Relations

Requesting Compliance and Monitoring Compliance Status with the Sony Supply Chain Code of Conduct

Requesting Compliance

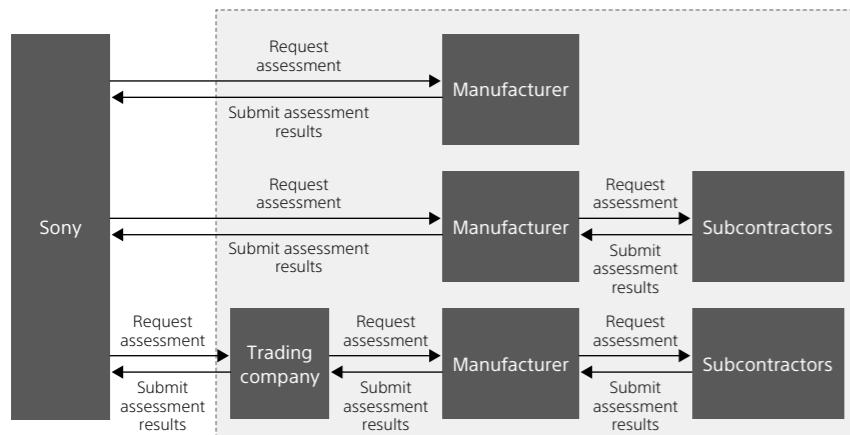
Compliance with the Sony Supply Chain Code of Conduct is included in contracts signed when Sony begins doing business with suppliers. All suppliers are provided this Code of Conduct upon signing a new contract, and are kept informed of changes through updated documents. Further, Sony regularly reminds suppliers of their responsibilities and obtains a compliant consent from them. Upon the revision of The Sony Supply Chain Code of Conduct in 2021, the code was distributed again with a further reminder, and a compliant consent was obtained.

When starting new business dealings with suppliers, Sony requests compliance with the Sony Supply Chain Code of Conduct not only from the primary supplier, but also from plants supplying materials and parts.

Furthermore, if a primary supplier is a trading company, Sony acquires a compliant consent from the parts manufacturer and manufacturing sites through the trading company and confirms that compliance is implemented.

Sony also distributes the Sony Supply Chain Code of Conduct to our own supply chain, requesting through primary suppliers that it is observed by secondary and further suppliers.

Scope of Supplier Assessment



Supplier Assessment

To ascertain supplier compliance with the Sony Supply Chain Code of Conduct, Sony conducts assessments based on the supplier's risk level for all suppliers and their manufacturing facilities. If Sony does not deal directly with the manufacturing facility, the assessments are conducted through the trading company or manufacturer that is the primary supplier.

If a manufacturer is suspected to be in violation of the Sony Supply Chain Code of Conduct, instructions for improvement are issued, an on-site assessment is conducted and employees and managers are interviewed in person to verify the actual management situation, based on the identified potential risk. If issues are found, guidance for improvement is provided, and we continue to verify and evaluate subsequent actions taken. Sony's policy is to review its business relationship with a supplier if a serious violation (such as forced labor, child labor, inhumane working conditions, unlawful discrimination, lack of an emergency and disaster action plan, presence of risks that cause a serious life-threatening accident to a worker, significant environmental pollution issues) of the Sony Supply Chain Code of Conduct is confirmed or if the supplier fails to cooperate fully in an investigation or audit.

New Suppliers

Sony conducts assessments based on the supplier's risk level for all new suppliers and their manufacturing facilities. All direct suppliers and their plants are requested to comply with the Sony Supply Chain Code of Conduct. Suppliers and their plants are categorized by risk level, based on such factors as the country and region in which they are located, size of business, industry, and type of business. Suppliers and their plants conduct an assessment using questionnaires from the Responsible Business Alliance (RBA).

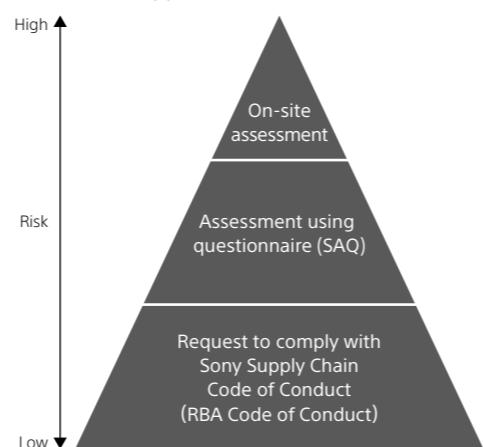
In assessment, questionnaires evaluate compliance with the Sony Supply Chain Code of Conduct specifically in items related to forced labor among foreign, migrant and immigrant workers, which has become a serious issue worldwide. Questionnaires returned by suppliers are analyzed to identify potential risks for individual manufacturing plants.

Existing Suppliers

Major OEM and ODM suppliers that do sizable business with Sony continue to conduct annual assessments using questionnaires from the Responsible Business Alliance (RBA). If an assessment indicates a high risk, the OEM or ODM supplier is subject to an on-site audit, which may include an audit by a third-party. Furthermore, with growing stakeholder interest in the issue of forced labor in the electronics industry supply chain overall, Sony has been strengthening activities related to periodic assessment of existing suppliers for compliance with the Sony Supply Chain Code of Conduct since 2020. Just as for new suppliers, existing suppliers and their plants are categorized by risk level, based on such factors as the country and region in which they are located, size of business, industry, and type of business to determine if they fit criteria for assessment.

Assessment using labor issues-specific questionnaire is conducted for applicable existing suppliers, and supplier response is analyzed to identify potential risks for individual manufacturing plants.

Risk-Based Supplier Assessment



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Assessment Results for Fiscal Year 2021

Sony requested that all new and existing suppliers comply with the Sony Supply Chain Code of Conduct.

New Suppliers

An assessment using questionnaire was conducted for 64 plants. We provided written instructions for improvement to 13 supplier plants deemed to be in minor violation.

We conducted on-site assessments at 6 supplier plants suspected to be in violation, pointing out issues and issuing instructions for improvement. In either case, suppliers are asked to make a plan for improvement, manage progress and show evidence-based results.

Existing Suppliers

An assessment using questionnaire was conducted for 732 plants. We provided written instructions for improvement to 81 supplier plants deemed to be in minor violation.

We conducted remote or on-site assessments at 13 supplier plants suspected to be in violation, pointing out issues and issuing instructions for improvement. In either case, suppliers are asked to make a plan for improvement, manage progress and show evidence-based results.

In addition, remote or on-site assessments and interviews were conducted regarding labor, health and safety, environment and ethics were also conducted at 20 supplier plants in Japan. Through interviews, we checked the working and living environments for plants employing technical intern trainees. While no issues were indicated, we were able to confirm instances of workers paying brokerage fees to agencies in their home countries, and we are working with suppliers to proceed with improvements.

Assessment Results for New and Existing Suppliers

	2019	2020	2021
Assessment using questionnaire	92	472	796
Written improvement instructions	5	86	94
Remote assessment / on-site assessment	8	6	39

Examples of Instructions for Improvement Based on Observations from On-Site Assessments

■ Working hours

Observation: Overtime hours at a supplier (over 60 hours/week)

Improvement instructions: Requested a plan for improvement of working hours, continuously monitored until improvements are completed

■ Employment of foreign workers

Observation: Passports belonging to foreign workers were being confiscated

Improvement instructions: Requested that workers be allowed to opt out of passport storage or given access to storage, and checked for improvement completion

■ Young workers and student workers

Observation: Young workers and student workers were working long hours or at night

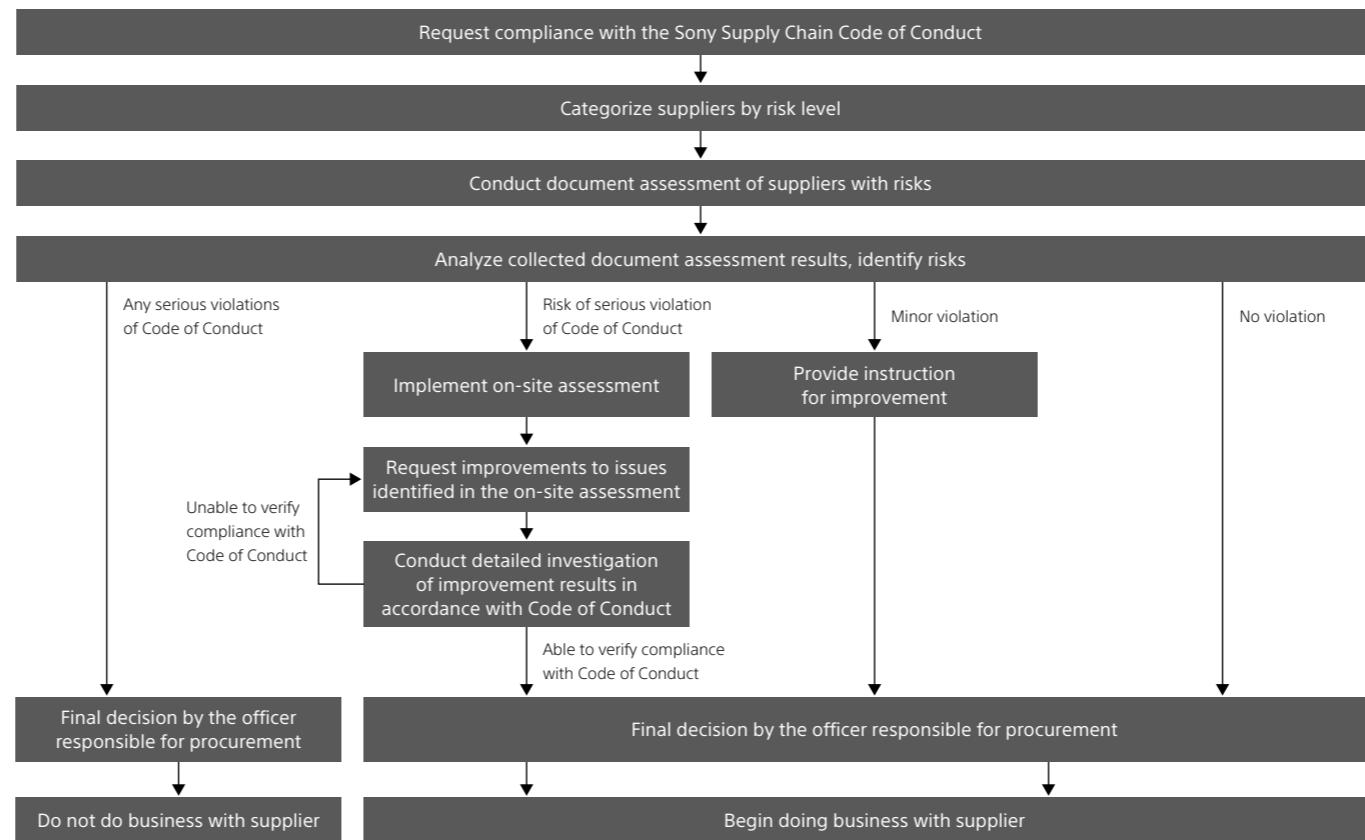
Improvement instructions: Requested the establishment of internal regulations to prevent overtime and late-night work, and checked for improvement completion

■ Recruitment fees

Observation: Recruitment-related fees paid by foreign workers

Improvement instructions: Requested to stop making workers pay fees and checked for improvement completion

Assessment Flow at Start of New Transactions with Suppliers



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Responding to External Reports

In cases where any possibility of violations of the Sony Supply Chain Code of Conduct is reported via external sources, such as NGOs or media reports, we work expeditiously and objectively to confirm facts regarding the report, including an RBA audit by a third-party auditor. If this determination confirms the reported violations at our electronics manufacturing sites, Sony ensures that corrective action is immediately taken, including an RBA audit conducted by a third-party auditor. At supplier plants, we promptly request to make an improvement plan. We request progress reports for implementation of these plans and check further by conducting follow-up audits as needed. In cases where any possibility of violations is reported at a secondary supplier, Sony works with the primary supplier to ensure that remedial action is carried out. Sony's policy is to review its business relationship with a supplier if a serious violation of the Sony Supply Chain Code of Conduct is confirmed or if the supplier fails to cooperate fully in an investigation or audit.

Communicating with Suppliers

Sony is deeply committed to communicating with suppliers and is involved in a variety of measures to this effect. See the Highlights page for further information on these efforts in 2021.

→ [Communicating with Suppliers](#)

Supplier Hotline

Sony has established a Supplier Hotline which suppliers may use to report conduct by a Sony Group company executive or employee that violates laws, regulations, the Sony Group Code of Conduct, or the Sony Supply Chain Code of Conduct, as well as conduct that violates the company's agreements with suppliers as a framework to facilitate sharing of concrete information.

↗ [Supplier Hotline \(in Japanese\)](#)

Participation in the Responsible Business Alliance (RBA)

Supply chains overlap considerably in the electronics industry, with multiple manufacturers of finished products sharing the same subcontractors and parts suppliers. Accordingly, there are fears that the introduction of independent, company specific standards for socially responsible management will cause confusion and constitute a significant burden on companies in the supply chain. With the aim of improving processes in the electronics industry supply chain, in 2004 Sony and other companies established the Electronic Industry Citizenship Coalition (EICC, currently the RBA). The alliance then developed the RBA Code of Conduct (formerly the EICC Code of Conduct) incorporating best industry practices. The RBA is working with its member companies to develop tools that help to establish and manage codes of conduct, Web-based systems, and skills development programs for suppliers. As of June 2022, the RBA consisted of more than 200 participating companies from Europe, the Americas and Asia, and members included manufacturers and OEM companies. The RBA has membership categories for different levels of engagement and has granted Full Member status to Sony, its highest membership category. Sony was granted representation on the RBA Board of Directors in 2020. The RBA promotes corporate social responsibility (CSR) in supply chains through the Responsible Minerals Initiative (RMI), which addresses issues with minerals procurement, the Responsible Labor Initiative (RLI), which addresses human rights issues such as forced labor, and other programs.

→ [Stakeholder Engagement > Partnership and Participation in Multi-stakeholder Frameworks](#)

↗ [Responsible Business Alliance](#)

↗ [RBA Board of Directors](#)

Supplier Code of Conduct in Entertainment Business

Sony is committed to enhancing Sony Group's responsible supply chain activities in the entertainment industry.

In March 2021, Sony Pictures Entertainment Inc. (SPE) established the SPE Supplier Code of Conduct, which is based on principles similar to those of the Sony Supply Chain Code of Conduct, in order to strengthen its supplier programs related to standards for human rights, ethical business practices, safety and environment. SPE promotes awareness of the Supplier Code of Conduct.

↗ [Code of Conduct for Suppliers to Sony Pictures Entertainment Inc](#)

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Responsible Sourcing of Minerals

In recent years, stakeholders have become increasingly concerned about violations of the human rights of workers and environmental issues in the sourcing of mineral resources essential for the manufacture of electronic products. Sony is working with its suppliers to address issues related to human rights, labor conditions, health and safety, and environmental protection at production sites, as well as in its procurement of minerals.

Establishing the Sony Group Policy for Responsible Supply Chain of Minerals

Some minerals that are used in Sony products carry human rights and environmental risks in the extraction process.

In the Sony Group Code of Conduct, Sony set forth basic policies including prohibition of using any form of forced labor, specifically, child labor. Sony has established the Sony Supply Chain Code of Conduct to be complied with throughout the electronics product supply chain. In addition, in October 2017, Sony established the Sony Group Policy for Responsible Supply Chain of Minerals, replacing the Sony Group Conflict Minerals Policy that was established in 2014.

Basic Policy

In the policy, Sony pledges that, in order to avoid contributing to conflicts or serious human rights abuses through its sourcing practices, Sony identifies certain minerals that are sourced in conflict-affected and high-risk areas and that are high-risk for Sony from the perspective of corporate social responsibility ("High-Risk Minerals"). Sony's policy is to refrain from knowingly purchasing any products, components or materials that contain High-Risk Minerals that contribute to conflicts or serious human rights abuses in the chain of custody.

High-Risk Minerals

Tantalum, Tin, Gold, Tungsten and Cobalt

Expectations for Suppliers

Sony requires its suppliers to source High-Risk Minerals from smelters determined to be compliant with the Responsible Minerals Assurance Process (the "RMAP")^{*1} protocols established by the Responsible Minerals Initiative (the "RMI"), or other smelters that have been determined not to be contributing to conflicts or serious human rights abuses under other trusted traceability projects.

^{*} Responsible Minerals Assurance Process: A program in which a third party certifies that the minerals handled by the smelter are from sources that do not fund armed conflict or engage in human rights violations.

OECD Due Diligence Guidance Initiatives

Sony exercises due diligence on the source and chain of custody of High-Risk Minerals in our supply chain to determine supplier compliance with our policy. We follow the Organization for Economic Cooperation and Development (the "OECD") Due Diligence Guidance for Responsible Supply Chains of Minerals from conflict affected and high-risk areas (the "OECD Guidance") or other internationally recognized framework when conducting such due diligence.

[Sony Group Policy for Responsible Supply Chain of Minerals \[PDF:283KB\]](#)

[Participation in the Responsible Business Alliance \(RBA\)](#)

Addressing the Issue of Conflict Minerals

Addressing US Law on Conflict Minerals

The Democratic Republic of the Congo (DRC) and adjacent countries have been mired in conflict with armed groups perpetuating human rights abuses in that region. These armed groups have been trading in certain minerals commonly found in that region to finance their activities. These minerals, tantalum, tin, gold and tungsten ("the four minerals") are commonly found in many products, ranging from jewelry to electronics to airplane components. Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act in the United States, which first became effective in January 2013, defines the four minerals as "conflict minerals." This law seeks to ensure transparency and reporting related to conflict minerals and requires companies whose stock is listed on a US stock exchange, as Sony's is, to conduct an inquiry into the origin of the four minerals in their supply chains. On May 26, 2022, Sony submitted its ninth report to

the U.S. Securities and Exchange Commission (SEC) based on its review of its supply chain activities for the 2021 calendar year.

[Sony's SEC Report \(Form SD & Conflict Minerals Report\) \[PDF:593KB\]](#)

Survey and Results on Use of the Four Minerals

The four minerals enter global supply chains from numerous countries. Determining the mine of origin for these minerals requires the cooperation of many levels of suppliers and intermediaries in the supply chain. Sony is committed to working with suppliers to continuously improve supply chain transparency and reduce risk. Investigation on the origin of the four minerals used by the Sony Group overall is conducted as follows.

1. Every survey year, Sony checks each business group to see if there is any possibility for the four minerals being used in its products
2. Sony further looks for the presence of the four minerals in the products of the identified business group that are manufactured or outsourced for manufacturing by Sony in the survey year and identifies target products
3. The survey is conducted using the RMI Conflict Minerals Response Template (CMRT), the industry standard, and target suppliers are asked to participate by filling out a survey response for each product concerned, in order to identify the smelters or countries of origin for the procured minerals concerned
4. The smelters indicated in the survey responses are then carefully compared to the RMI smelters list.

In 2022, while the results of Sony's due diligence for the 2021 report to the SEC was not able to confirm the country of origin for all of the tin, tantalum, tungsten or gold in Sony's electronics products, the country of origin of these minerals was not identified as being from the DRC or adjacent countries. In the 2021 survey, Sony identified a total of 339 smelters and refiners as potential sources of the four minerals and, of those, 255 smelters and refiners were compliant with RMAP or were certified by London Bullion Market Association (LBMA)^{*1}; 153 of these smelters and refiners^{*2} in the supply chain were reported to procure materials from the DRC and its adjacent countries.

^{*1} Includes smelters under RMAP assessment

^{*2} Please refer to the smelter list in the aforementioned Sony report to the SEC, which includes smelters confirmed as conflict-free through Sony's traceability program.

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Expectations for Sony Suppliers of the Four Minerals

If it is determined that any of the four minerals are used in the manufacture of products, Sony requires relevant suppliers to comply with the Sony Group Policy for Responsible Supply Chain of Minerals and to fully cooperate with its due diligence efforts regarding sourcing the four minerals in accordance with the terms of this policy. In addition, to ensure that products, components or materials delivered to Sony do not contain any conflict minerals, Sony expects suppliers to have in place pertinent policies, a due diligence framework and a management system consistent with the OECD guidance.

Approach to Mitigating Risks in the Supply Chain

In the event that Sony confirms that any of its products, components or materials may contain conflict minerals, Sony, in collaboration with relevant suppliers, shall take actions reasonably necessary to eliminate such minerals from such products, components or materials and shall request that the suppliers makes necessary improvement to its sourcing practices. This includes adoption of a conflict-free sourcing policy, increased responsiveness and accuracy of the supplier survey, and increased use of the four minerals sourced from smelters or refiners participating in the RMAP program. Further, in the event that Sony confirms that a supplier has failed to cooperate sufficiently with a due-diligence investigation, fails to follow Sony's requests for remediation or has otherwise violated this policy, Sony shall take necessary actions, including without limitation, termination of business with such supplier by stopping new orders. As part of its efforts to promote RMAP-conformance among smelters, Sony identifies non-conformant smelters and works with them to gain certification. In 2021, 58 suppliers specified in their CMRT that they source from smelters that were not listed as conformant or that were unwilling to undergo an RMAP assessment. As a result of an improvement request by Sony, 36 suppliers conducted investigations and responded that the non-compliant smelters were not in fact in their supply chains, while we continue to request improvement from the remaining 22 suppliers.

Sony has also established a hotline to allow any interested party to voice concerns regarding the circumstances of mineral extraction, trade, handling and/or export in conflict affected and other high-risk areas. In addition to its internal risk assessments, the hotline enables Sony to be alerted to risks in its supply chain.

[Sony Group Policy for Responsible Supply Chain of Minerals Hotline](#)

Managing the Cobalt Supply Chain

Cobalt is an important mineral used in lithium-ion batteries for a wide range of products including electric vehicles and smart phones. There have been concerns about child labor and working conditions at sites where it is extracted in the Democratic Republic of Congo (DRC), a country known to have the largest reserves of cobalt in the world.

In 2016, a supplier reported that some lithium-ion battery parts procured by Sony contained cobalt produced in the DRC. In response, Sony established the Sony Group Policy for Responsible Supply Chain of Minerals in October 2017. This policy is a revision of the Sony Group Conflict Minerals Policy, which targeted the four minerals. In addition to the four minerals, Sony has recognized cobalt as another High Risk mineral and launched efforts to build a responsible cobalt supply chain.

Since then, Sony has continued to manage its cobalt supply chain using industry standard tools, such as the Cobalt Reporting Template (CRT) developed by RMI, and by carrying out further third-party RMAP audits of cobalt refineries.

In fiscal year 2020, we conducted a CRT-based survey of lithium-ion battery suppliers and identified cobalt refineries in the supply chain. As we identified the refineries not compliant with RMAP, we requested that such refineries conduct third-party RMAP audits and that suppliers with such refineries in their battery supply chain also encourage such refineries to conduct third-party audits.

In fiscal year 2021, Sony conducted CRT based surveys of 8 lithium-ion battery suppliers. Within these, we identified 23 cobalt refineries in the supply chain, and confirmed that all were either RMAP-compliant or currently conducting third-party RMAP-based audits (as of March, 2022).

Multi-Stakeholder Cooperation

Sony recognizes that multi-stakeholder collaboration is the key to identifying and mitigating the adverse human rights impact that can be associated with mineral extraction in high-risk areas. Specifically, Sony continuously collaborates with various multi-stakeholder efforts such as RMI in order to participate in the development of the due diligence process and mitigate human rights risks in the supply chain.

Participating in Industry Groups and the Public-Private Alliance

For High-Risk Minerals, Sony actively participates in and supports industry groups and alliances that identify the negative effects of mineral mining in high-risk areas, and works to mitigate or prevent these effects.

RMI

In 2011, RBA launched the industry-leading Conflict Free Sourcing Program (CFSP, currently RMAP), then, with the aim of promoting collaboration with other industries and multiple stakeholders outside electronics, established RMI (formerly CFSI) in 2013. Sony utilizes the frameworks developed by these industry groups and alliances as part of its efforts to ensure responsible sourcing of raw materials. RMI holds workshops for discussions with NGOs, socially responsible investors, local government representatives and other stakeholders, in which Sony participates.

Furthermore, Sony donates to the following RMI-related funds.

- The Initial Audit Fund (RMAP Audit Program):

This fund helps cover the costs for cobalt refineries to undergo third-party RMAP audits (donated fiscal year 2016-2019, 2021)

- RMI-Pact partnership for supporting Alternative Livelihoods through a Vocational training program:

A program in cooperation with Pact, an NGO that provides vocational support to young people in cobalt mining areas of the DRC (donated fiscal year 2020)

- Better Mining:

A project in cooperation with the RCS Global Group that aims to improve the health and safety of mines in areas of the DRC where artisanal and small-scale mining takes place (donated fiscal year 2020)

[Responsible Minerals Initiative](#)

Japan Electronics and Information Technology Industries Association (JEITA)

The Japan Electronics and Information Technology Industries Association (JEITA) cooperates with RBA/RMI to handle conflict mineral issues. Sony participates in JEITA's Responsible Minerals Trade Working Group.

[Responsible Minerals Trade Working Group \(in Japanese\)](#)

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Quality and Customer Service



Management Approach

Materiality Rationale

In recent years, customers and other stakeholders have become increasingly concerned about the protection of consumer rights. Product safety, security, and accessibility are very important in this respect. Sony is expected to provide products and customer services that are high in quality from its customers' viewpoints.

Basic Approach

True to its philosophy and policy for product quality and customer service, Sony is wholeheartedly committed to improving product and service quality from its customers' viewpoints in order to maintain and enhance satisfaction, confidence, and trust. In particular, Sony is working to ensure product quality and improve usability and accessibility, in the conviction that its most important goal is to remain a highly trusted partner to all customers.

Philosophy and Policy

Since the start of its operations, Sony has been firmly committed across all of its businesses to providing customer-oriented, high-quality products and services. This philosophy is set forth in the Founding Prospectus drafted in 1946 by Sony's co-founder, Masaru Ibuka.

The Sony Group Code of Conduct mandates that Sony continuously strive to comply with or exceed legally mandated standards in all business activities to ensure the safety of its products and services. Sony has established the Sony Pledge of Quality, which lays out its basic policy on product and customer service quality. This is aimed at reinforcing awareness of Sony's commitment to ensuring that the quality of its products and customer services exceeds the expectations of its customers around the world.

Fiscal Year 2021 Results

Strengthened systems to improve accessibility

- Implemented inclusive design and reflected it in products and services
- Exhibited at CSUN, the world's largest international showcase for accessibility

Looking to the Future

Sony remains committed to a fundamental policy of ensuring product safety, security, and accessibility, taking its customers' viewpoints into consideration in order to deliver product quality and customer service that exceed expectations. It will continue leveraging its worldwide network to collect and analyze information which can then be reflected in the next releases of products and customer services.

Milestones

2001:	Sony CS Charter established
2004:	Corporate quality standards established from the customer's perspective
2006:	Corporate executive in charge of product quality and safety appointed, and rules enhanced for rapid reporting of product incidents to management
2007:	Sony Pledge of Quality established (revised in 2012), and quality officers established for each electronics affiliate and region
2009:	Product security system enhanced, and Quality and Reliability Lab opened
2014:	Secure@Sony program established, allowing anyone to report security issues relating to Sony products, network services, or websites
2017:	Sony Product Security Incident Response Team (PSIRT) launched and external initiatives enhanced
2019:	Systematic operation of teams responsible for promoting accessibility
2020:	Boosted the hiring and training of employees with human-centered design (HCD) skills Incorporated requirements for AI ethics into the electronics business commercialization process
2021:	Launched a certification system for HCD experts



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Highlight

CSUN Assistive Technology Conference 2022

The Sony Group exhibited at the 37th CSUN Assistive Technology Conference (CSUN)* in Anaheim California from March 14 to 18, 2022.

By exhibiting at CSUN, Sony is promoting efforts to improve accessibility by making more customers aware of accessibility-friendly products and services, and listening to the voices of various customers.

The 2022 CSUN was an in-person event and the Sony Group booth had measures in place against COVID-19. BRAVIA™, PlayStation®5, SRS-NS7, LinkBuds and the Alpha 7 IV were among the products on display. People of all ages with diverse needs and backgrounds visited the Sony Group booth and provided a lot of new perspectives and valuable feedback. Sony will continue to provide opportunities for customers to experience products and services for themselves, and to reflect the feedback it receives in its initiatives to improve products and services.

* The world's largest international conference focused on "Accessibility," which introduces the latest products, services and initiatives in this field.

 CSUN



The Sony booth

Product and Network Service Security:

Evolutions in the Sony Security Development Life Cycle

Sony recognizes that ensuring the security of the products and network services it provides is a key quality requirement (security quality) and strengthens it every year. The prevention of product security issues is an ongoing initiative to maintain and enhance safe and reliable security quality so that vulnerabilities in shipped products and network services cannot be exploited to cause problems.

In 2012, the Sony Security Development Life Cycle was formulated as measures and rules to enhance security quality throughout each phase, from product development and network service planning right up to the time the product becomes waste or the network service is terminated. Those measures and rules are in place for all Sony products and network services.

The Security Development Life Cycle (Development processes in software development focused on boosting the security quality of products and network services)

Product Development Phases	Product planning	Design	Implementation	Testing	Production	Operation and maintenance	Disposal
Security Measures	Systematic adoption of security measures	Security by design	Secure implementation	Security tests	Compliant with security quality	Safe operations and maintenance	Deletion of data
Training							

In order to enhance security quality, since 2017 each business unit has been conducting annual inspections to ensure these security quality measures are being properly implemented for all products and services. Such inspections enable Sony to swiftly identify new challenges, such as the need to respond to vulnerabilities in the supply chain, and to formulate, add and implement improvement strategies in order to maintain and improve security quality.

Sony has included requirements for conformance to the IoT security regulations in the Sony Security Development Life Cycle, and is establishing operations that observe the relevant laws in individual countries/regions.

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Product Quality and Quality Management

The Sony Pledge of Quality declares that "Sony employees will always respect our customers' viewpoints in striving to deliver product quality and customer service that exceed their expectations." To this end, Sony makes continuous, decisive efforts to enhance product quality and to reinforce its quality management system.

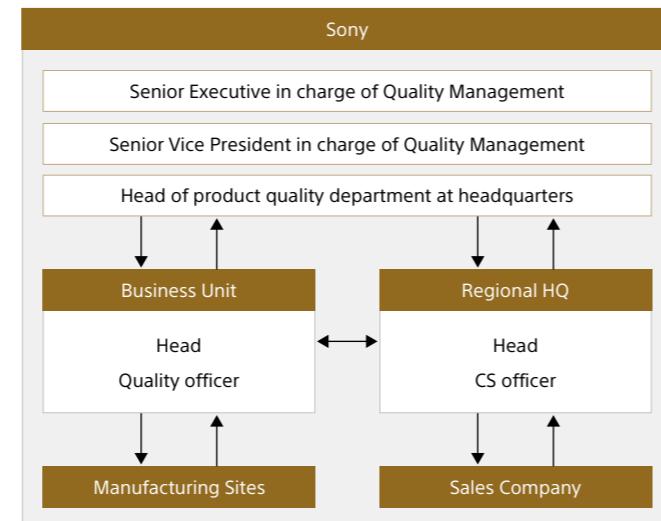


Sony's Quality Management System Framework

Sony has configured its quality management system by defining quality management mechanisms across all processes, from product planning, development, design and manufacturing to sales and customer service. This has included defining the roles, responsibilities and authority of those responsible for product and customer service quality and establishing guidelines.

Based on this quality management system, Sony is implementing measures on an ongoing basis to improve the quality of its products and services. Examples of such measures are given below.

Framework of Sony's Quality Management System



Senior Vice President in charge of Quality Management

- The Senior Vice President in charge of Quality Management is appointed with the task of coordinating efforts to improve product and customer service quality and ensuring timely responses to problems.
- Rules worldwide have been strengthened to ensure prompt reporting to the Senior Vice President in charge of Quality Management when Sony receives information about an incident involving a Sony product that affects customer safety or has the potential to do so. Based on the reports received, the corporate executive in charge of product quality provides the necessary follow-up and instructs the relevant divisions to investigate the incidents and respond appropriately to the customer. Under a similar system, Sony has been addressing software security issues found in products and managing potential security issues.

Quality Officers and CS Officers

- Sony has appointed quality officers within each business unit and tasked them with promoting activities to improve product quality and spearheading initiatives to enhance the quality of products and services in specific business areas under the direction and supervision of the Senior Vice President in charge of Quality Management and the head of the relevant business unit.

- Regular meetings of quality officers from business units are held to evaluate the progress of quality-oriented business plans, promote initiatives aimed at achieving targets, and debate specific activities and responses to quality-related issues and common challenges.
- Sony has appointed CS officers responsible for improving the quality of customer service in markets around the world where Sony products are sold and has tasked them with spearheading a network of global-level initiatives under the supervision of the Senior Vice President in charge of Quality Management and the individual in charge of the relevant regional headquarters.
- Meetings of business unit quality officers and regional CS officers are held to evaluate the progress of quality and customer service business plans and promote initiatives aimed at achieving targets, and to share information on customer service and product quality activities and common challenges, thereby contributing to global efforts to improve product quality and customer service.
- Sony has created a framework for promoting business unit- and region-specific initiatives to ensure its products comply with pertinent laws and regulations.

Quality Management

- Sony has obtained certification under ISO 9001 for all sites manufacturing electronics products.
- It has formulated mid-term plan and fiscal year targets for Sony product quality and customer service initiatives, as well as key quality-related indicators for business plans, with the aim of fulfilling the Sony Pledge of Quality. Business units and regional headquarters subsequently devise their own quality and customer service targets and business plans for the fiscal year, in line with which they continue to promote quality improvement initiatives.
- Sony holds meetings of top managers of the electronics business to deliberate and decide on key strategies related to product quality and customer service.
- It formulates and administers quality standards applicable to Sony's electronics products and related customer service, which focus on such criteria as product safety and performance, labeling, customer service, usability and accessibility. These standards are updated continuously to reflect technological advances, changes in applicable legal and regulatory requirements, and social changes, with the aim of ensuring Sony's ability to deliver quality and services that exceed the expectations of customers.



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Responding to the Customer

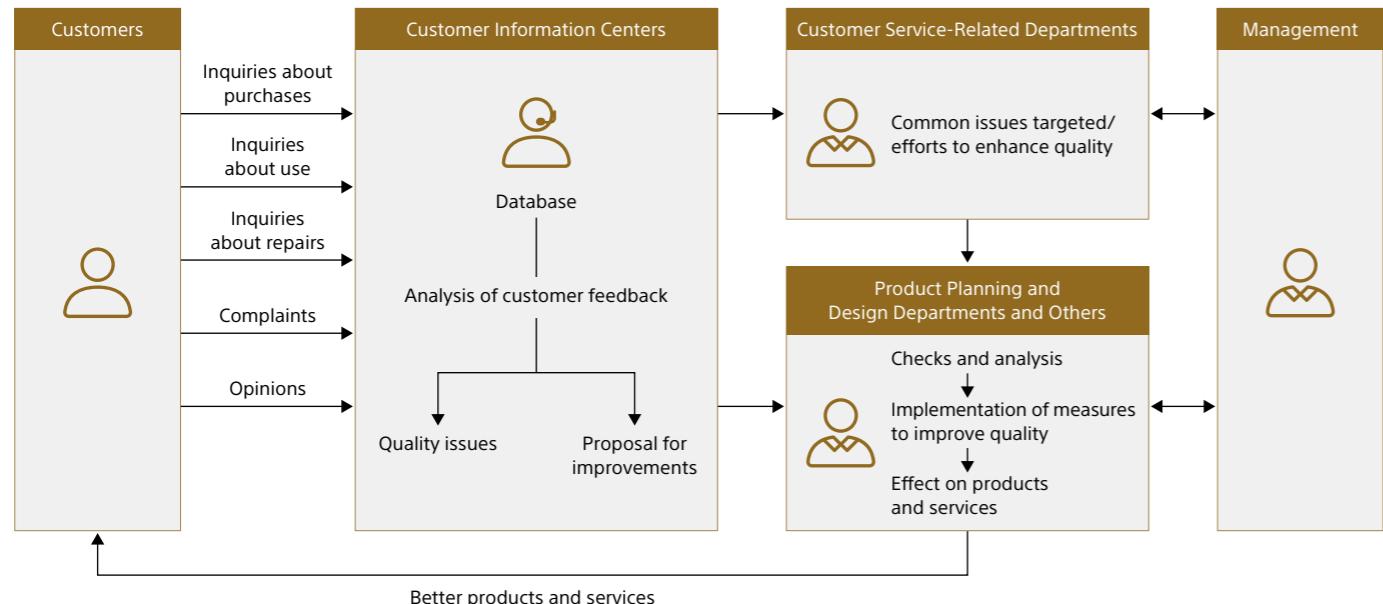
Sony makes active use of customer feedback to improve its products and customer service. Sony customer information centers promptly and accurately evaluate customer opinions, reports of malfunctions after purchase, questions regarding use, and other feedback. These feedbacks are aggregated in the database for the planning, design and product quality groups to work together to improve product quality and strengthen product performance, reporting progress to top management on an as-needed basis.

In recent years, the communication tools used by customers have become more diverse. In order to meet broader customer expectations, Sony has started to analyze customer feedback on social media as well.

Quality Hotline

It is vital to detect product quality-related problems at the earliest stage possible. To that end, Sony has established the Quality Hotline

Utilizing customer feedback



to gather product quality-related information, including reports of problems, as well as opinions from Sony Group employees. Group employees can use the Quality Hotline, an in-house website, to send messages regarding matters that are too difficult to handle at their workplace, such as certain product quality issues. They can also share findings identified during customer use of products and any problems with the quality of product-related customer service as perceived by customers who have made use of those services. Upon investigating a problem to ascertain the veracity of the information received, the Quality Hotline office proposes and introduces measures to prevent previous problems from recurring and precluding potential new problems.

Market Quality Improvements

Sony has established dedicated quality management organizations in each of its business areas that are responsible for improving the quality of pertinent products in each market. At Sony headquarters, information related to quality issues arising in the marketplace is

gathered in a timely manner from a broad range of sources in Japan and overseas and reported weekly to headquarters quality management and technical specialists. Based on the reported information, Sony ascertains whether or not issues in the marketplace have been addressed appropriately. In addition to ensuring that such issues are thoroughly addressed, Sony is accelerating its quality improvement performance by promoting measures to prevent recurrence and proactive measures in relation to quality issues.

Responses to Quality Issues

Sony recognizes that ensuring its customers' satisfaction, confidence and trust is one of its most important management tasks and strives to prevent quality-related problems through the systems and efforts described above.

Sony responds swiftly in the event of a quality-related issue, with the relevant departments working together to investigate facts and take appropriate action on a global scale. When such an issue arises, Sony decides upon the need for public announcements and market action for customers, and implements any needed steps after undertaking various studies of the issue, following a process common to all Sony products.

This process starts with the gathering of information from customer service centers worldwide and collaboration with concerned local parties to ensure an accurate grasp of the issue. Based on information collected, Sony then works to determine the correct response by identifying the cause of the issue, implementing countermeasures and promptly verifying the effectiveness thereof, and reviewing the issue from the customer's perspective. Sony also cooperates with CS officers at sites in each region to ensure the same level of service is provided to customers the world over. With regard to methods and media for issuing public announcements of product quality-related issues, Sony examines the effectiveness of the various means at its disposal, including the Internet, e-mail, notification via app, or other media.

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Improving the Quality, Safety and Long-Term Reliability of Products

Improving the Quality of Products

Sony strives to maximize product quality by improving design, manufacturing, and parts.

Design-Related Quality Initiatives

In the initial stages of the design process, the individual in charge of a particular business unit verifies new technologies and new parts and, from the user's perspective, determines how a product is to be used. At the conclusion of the design process, the individual in charge confirms the degree to which the intended levels of product quality and reliability have been realized. In addition, to ensure that customers are provided with products of a quality worthy of the Sony brand, Sony requires relevant departments including original equipment manufacturer (OEM) and original design manufacturer (ODM) companies to comply with group-wide quality standards. Compliance with these standards is also tested at the end of the design process. Such approaches prevent the occurrence of problems pertaining to new technologies and new product parts, while also ensuring that product designs incorporate consideration of user convenience.

Production-Related Quality Initiatives

In the effort to ensure that Sony does not receive, manufacture or ship anything with quality-related problems, Sony adheres to a policy of workmanship at all of its manufacturing sites that ensures customers can use Sony products with confidence. Initiatives include setting important targets at each manufacturing site and implementing PDCA processes, thereby facilitating the achievement of such targets and the continuous improvement of product quality. Sony has also established standard product quality rules to ensure Sony products manufactured by OEM/ODM companies are of the same high quality as those manufactured at Sony production sites.

Parts-Related Quality Initiatives

Recognizing the importance of parts and determined to manufacture products built for long-term use, Sony carefully selects key parts independently for each of its major product categories and is pursuing

focused efforts aimed at increasing the reliability of the parts it uses through cooperation among relevant departments.

Improving Product Safety

Providing reliable products that customers can use safely is a top priority for Sony. Accordingly, at every stage of its business activities, including product planning, development, design, manufacturing, marketing, and after-sales service for all products and services, Sony takes steps to comply with safety standards based on laws and regulations while constantly striving to surpass those standards in order to maintain the safety of its products. As part of these efforts, Sony has established a team in charge of product safety assessment from a medical perspective. When developing products employing new technologies and using new technologies at events, Sony also seeks advice on product safety from a medical perspective from outside experts in order to ensure products do not affect customer health, and this advice is then incorporated into technology assessment, product development, design and engineering. When deemed necessary, Sony also conducts evaluation tests to assess safety with the assistance of a specialized organization. If a safety-related problem involving a Sony product is reported, Sony immediately collects information and examines the facts, and then takes the steps necessary to rectify the problem.

Improving the Long-Term Reliability of Products

Sony has established a Quality Reliability Lab supporting Sony's commitment to deliver safe, durable and reliable products to customers. The Quality Reliability Lab has assigned specialists to work full time on improving technologies essential to product reliability and continues working to ensure the long-term reliability of products by developing elemental technologies for preventing age-related deterioration and corrosion of materials and parts, as well as technologies necessary to ensure the reliability of new technologies and functions required for new products and to analyze and evaluate such technologies and functions. These technologies and the information obtained through these activities are utilized to improve design and parts selection processes and increased reliability of products. Sony also presents some of its own knowledge of evaluation technologies at academic meetings and industry conferences and gatherings, seeking to go beyond its own walls and contribute to the industry.

Efforts to Improve Quality of Product Security

With more products connecting to networks, there is a heightened danger of personal information leaks, falsification or destruction of data, product hacking and other such security issues. As a consequence, it is very important to improve the quality of the security of products and network services.

Sony has a function for collecting security risk-related information from outside experts, researchers and other individuals. Sony assigns managers responsible for the software security of products and has a dedicated department for it. The department coordinates with business units to address issues with the security of products. Based on the information received, the department assesses the impact of risk on customers from a software security perspective and implements appropriate measures.

To deliver products that customers can use with confidence, Sony has security design and response systems that ensure the security of products over their entire life cycle – from planning and shipment to disposal – such as conducting security risk assessments, using product security vulnerability detection tools, and security inspections prior to product shipment. Sony has also established internal guidelines pertaining to the security of products and continues to implement employee training programs to strengthen product security.

Due to growing concern over security issues with Internet of Things (IoT) devices, regulators in countries/regions are developing new laws and regulations concerning IoT security. Sony is establishing internal frameworks for gathering and responding to regulatory information in order to secure regulatory compliance.

Responsible AI

In accordance with the Sony Group AI Ethics Guidelines, Sony established an internal document stipulating requirements to be complied with in the commercialization process of electronics products and services, and in July 2021 started to include AI ethics assessments in the product development life cycle.

[→ Responsible AI](#)

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Customer Service

In addition to continuously improving product quality, Sony is taking various steps to improve its responsiveness and its customer service capabilities, in line with its commitment, set forth in the Sony Pledge of Quality: "Sony employees will always respect our customers' viewpoints in striving to deliver product quality and customer service that exceed their expectations." In customer service, this includes responding to changing customer needs, and in repair services, building organizations designed to ensure the best possible repair service quality.

System

Sony has assigned CS officers responsible for improving the quality of customer service in markets around the world where Sony products are sold. Under the guidance and supervision of the Senior Vice President in charge of Quality Management and of regional headquarters, Sony has also introduced a set of key performance indicators to enhance customer service quality on a global level. Sony has also established a network of bases through which it provides services tailored to the needs of customers in each region.

Training for Customer Support Staff

Committed to providing high-quality services to customers around the world, Sony provides ongoing training for employees and the staff of service partners. In addition to focusing on the acquisition of new service technologies and the sharing of solutions to ensure issues are swiftly and effectively addressed, staff are trained to help customers get the greatest possible enjoyment from their Sony products.

Customer Information Centers and Customer Service Improvements

Sony established its first customer information center in 1963 in Japan to respond to customer inquiries. Today, Sony has customer information centers worldwide, enabling it to provide prompt responses to customer needs that reflect customers' perspectives, thereby helping Sony to improve the quality of its customer service. In addition to support via telephone and e-mail, in several regions Sony provides customer support via such means as live Internet chat sessions, support using social media and messaging apps, and online community forums where customers can share information to help each other find solutions. In these ways, Sony tailors its support to meet the increasingly diverse needs of its customers in every region of the world.

In addition, Sony conducts surveys to determine customer satisfaction at various touchpoints, and makes improvements based on the survey results in its efforts to continually improve customer satisfaction.

More Convenient, Eco-Friendly Instruction Manuals

To provide better explanations on how to use its products, Sony is bolstering its online support and providing online instruction manuals for improved searchability and greater convenience so that users are able to quickly find what they are looking for. The Sony website has a support section that offers not only information on the products themselves but also additional support information on software upgrades and network service updates. This is designed to help users better understand Sony products, software, and services, as well as to enable them, when needed, to troubleshoot as quickly as possible. To accommodate a variety of user environments, Sony also provides support information compatible with mobile devices for greater customer convenience. When it comes to printed product manuals, Sony provides brief "startup guides" that focus on the information needed to begin using a product, such as how to connect and set up, and how to use the basic functions.

For some products sold globally, Sony has developed instruction manuals with minimal text and more extensive visuals, making it

possible to include multiple languages in a single manual, which is expected to contribute to environmental protection by reducing paper consumption.

Repair and Service Network

Currently, there are 3,458 Sony repair service locations worldwide. To enhance customer satisfaction, Sony is working to meet customer needs by performing immediate problem diagnosis at the repair reception desk, improving repair quality and reducing the number of days required for repairs, among other efforts. In addition, Sony is continuously enhancing its service network to ensure that it can respond appropriately to repair requests in each region for each product. By strengthening the feedback mechanism for product quality based on repair information, Sony also aims to keep enhancing quality.

Consumer AV Product Service Locations (Fiscal Year 2021)

Region	Repair Service Locations
Japan	454
United States/Canada	636
Europe	803
Mainland China and Hong Kong Region	553
Asia Pacific* ¹	533
Other Areas* ²	479

*1 Southeast Asia, Oceania, India, South Korea and Taiwan Region

*2 Middle East, Latin America and Africa

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Improving the User Experience

User experience is an essential aspect of quality at Sony. In order to gain an accurate understanding of the increasingly diverse needs of customers and to deliver a superior user experience, Sony has adopted Human-Centered Design (HCD) processes and ensures that its design efforts always take the customer's perspective.

System

Sony is promoting HCD via collaboration between relevant departments and business groups. The initiative is driven by a team that promotes activities across the Group and is overseen by the corporate executive officer in charge of product quality. Products and services are becoming more multi-functional all the time, and their user interfaces also tend to be more complex with the advance of technology. Sony employs intradepartmental cooperation on development to deliver products and services that people can use with ease and comfort.

Using Human-Centered Design in Product and Service Development

Sony is working to improve product usability and create experiences that meet the core needs of customers. It conducts worldwide user research including home visits and user interviews. These efforts are part of a continuing cycle of issue identification and product improvement, which includes prototyping and usability testing in the upstream stage of design. Employees also conduct long-term usage surveys, including interviews with customers, both before and after product release. In addition, Sony analyzes how customers feel and behave when they use a service, and then works to improve the user experience by sharing customer feedback with relevant personnel.

[Human-Centered Design \(HCD\)](#)

Systems for User Research and Testing

Sony has built an environment and established systems that ensure user research and testing can be carried out quickly and efficiently via group-wide collaboration spanning sites in Japan, North America, Europe, India, and China. Via steps such as the introduction of online systems, it ensures that the necessary user research and testing can be carried out in spite of the physical constraints imposed by the COVID-19 pandemic. There is also an internal monitor program through which employees and their families participate in questionnaire surveys, interviews, and usability tests. These systems and programs enable Sony to deliver a superior user experience and keep creating products that are easy to use.



Usability testing

Formulating Internal Standards and Applying Acquired Expertise

Product and service designers from across the Sony Group meet to formulate standards for interactions, use of words and icons on devices and screens, and so on. The knowledge gained through user research and testing, the expertise of the product development departments, and case studies of the application of UX (user experience) design are shared across the Group as well. These standards and expertise are posted on Sony's internal portal site to ensure that everyone at the Sony Group has access to them. This information is used in product and service development as Sony continues to work to enhance usability for customers.

Human Resource Development and Awareness-raising Activities on HCD

In order to continue delivering a superior user experience, Sony launched a system in 2021 to certify employees with a high level of expertise and experience as HCD experts. These experts will play a leading role in the workplace. Eight HCD experts were certified in the first phase, and Sony is working to ensure that HCD becomes further entrenched in development departments. Sony provides internal training so that not only experts but also development site personnel and leaders can acquire the needed skills to help deliver experiences that better meet the needs of customers. People with HCD skills are also being actively hired in order to increase the number of employees with a high degree of expertise who are ready to lead customer-focused initiatives. In order to further deepen employee understanding of HCD, Sony also holds timely lectures and events open to all employees featuring internal and external experts. Through these activities, employees involved in various aspects of product and service creation are working to acquire the knowledge and skills necessary to master HCD.

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Accessibility

With the purpose of “filling the world with emotion, through the power of creativity and technology,” Sony continues to pursue accessibility initiatives in order to contribute to a future where everyone can equally share “Kando” (emotion).

System

Under the Senior Vice President in charge of Quality Management, a team that promotes accessibility and inclusive design* across the group stands at the core of efforts involving cooperation with the people responsible for promoting accessibility in the business units. Having established a globally consistent set of standards and systems, we are using them as the basis for continuous improvements. We provide comprehensive support for the Sony Group’s accessibility-related activities, including employee training, company-wide lectures, surveys and evaluation tools designed to improve accessibility, and the introduction of inclusive design.

* Inclusive design is an approach that obtains new insights into designs for all by ensuring that the needs of a wide range of users are understood and included.

Ensuring That as Many People as Possible Can Enjoy Sony Products and Services

In December 2019, Sony joined The Valuable 500, an international initiative to help promote participation by individuals with disabilities so that they can demonstrate their latent potential to bring value to business, society, and the economy. From amongst the 500 signatories, Sony was selected as one of the Iconic Companies that will play a leading role in their country, region and industry. As part of this role, Sony is promoting accessibility and inclusive design initiatives group-wide so that as many customers as possible can enjoy Sony products and services. For information on accessible

products and services, please visit the Accessibility page of the Sony Group Portal website.

[Accessibility](#)

Employee Education

Sony Group holds forums and seminars led by experts to increase employee understanding of accessibility.

E-learning training is offered at the principal Sony Group companies to foster a general understanding of accessibility, and around 28,500* employees took the course in 2021.

Every year on Global Accessibility Awareness Day (GAAD)*², Sony Group companies hold lectures and events to enhance employee understanding of accessibility. For example, Sony Pictures Entertainment (SPE) held a lecture for its employees to coincide with GAAD. In addition, SPE held “family-friendly sensory screenings” with adjusted lighting and sound setting for persons with hypersensitivity, such as autism, which were offered at offices in the US. The aim was to boost employee awareness and understanding of hyperesthesia while enjoying a movie with employees and their family members and those who have this condition.

*1 The number of participants in Japan.

*2 Global Accessibility Awareness Day is a day to discuss, think and learn about accessibility and inclusion for those who need it.

Inclusive Design Initiatives

To enhance accessibility and enable more people, including people with disabilities, to enjoy its products and services, Sony employs inclusive design. Sony incorporates feedback gained through the participation of employees with disabilities in the planning and development process, interviews with people with disabilities, and usability tests.

For example, in developing televisions, Sony asks users with visual impairments to try the products for a designated period of time, participate in hands-on experience and provide feedback on how to improve product design. Sony released the PS5™ software Ratchet & Clank: Rift Apart in 2021 which features a great set of accessibility features. They were developed by employees with disabilities alongside external accessibility consultants and other employees with diverse backgrounds.

Employees with disabilities evaluate the Walkman® so that their

perspectives can be incorporated into the product on an ongoing basis.

Collaborative Initiatives

Sony is also accelerating collaborations with other companies to enhance accessibility and inclusion. Its truly wireless headphones LinkBuds, released in February 2022, were a collaborative project with Microsoft Soundscape to empower richer experiences for everyone to explore their surroundings using 3D spatial audio. Sony also participates in the “With My Eyes” project to bring “difficult to see” into “clearer sight” for people with low vision, QD Laser, Inc.’s laser retina projection device can be attached to Sony cameras, allowing people with low vision to shoot video and still images with their own eyes.

Movie Initiatives

Sony Pictures Entertainment (SPE) is developing a process for creating audio descriptions and captions* for use when movies are screened in cinemas or released on DVD or Blu-ray. The audio description system uses audio to convey information, such as people’s movements, movie scenes, captions, and on-screen messages, primarily for people with visual impairments. Captions are primarily for people with hearing disabilities. They show the names of the people speaking and their lines as well as meaningful onscreen information on the audio, such as music, sound effects, and ambient noises. Audio description and captions enable more people to enjoy movies and videos.

* The movies where these features are supported vary by country and region.

Independent Employee Initiatives

Groups of employees (Employee Resource Groups) at Sony are taking the lead in improving accessibility.

At Sony North of America and Sony Interactive Entertainment, employee networks are leading the way in supporting employees with disabilities and regularly disseminating information to raise awareness of accessibility within the company. For example, the diverse range of perspectives brought by Sony Interactive Entertainment’s employee resource group in Europe and America played a central role in the development of the ABLE@PlayStation Inclusive Language Guide. This guide helps to resolve mutual misunderstandings, improve communication, and boost awareness. It has also been made available for external use to support inclusivity for all outside of Sony.

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Making the Most of Diverse Customer Feedback

Sony exhibits at accessibility-related events in order to gather consumer feedback and use it to improve products and services. It has been exhibiting at the CSUN Assistive Technology Conference (CSUN), the world's largest international showcase for accessibility, since 2018. In March 2022, Sony's accessible products such as BRAVIA™, PlayStation®5, a wireless neckband speaker and the Alpha 7 IV were on display at CSUN.

At the TechShare Pro conference gathering for accessibility experts held in November 2021, Sony once again participated as a Silver Sponsor and featured its products online.

Moreover, Sony sites in Europe and the United States also provide opportunities for regular dialogue with organizations of people with disabilities as part of efforts to make Sony's products and services even easier to use.

Standardization for Accessibility Improvements

Sony has established its own evaluation standards for accessibility, based on industry standards and designed to improve the quality of accessibility in its products and services. These standards are implemented company-wide. Periodic product assessments are carried out using the standards, with a particular focus on electronics products such as BRAVIA™ and Xperia™. The results of those assessments are then leveraged in ongoing efforts to improve products and services.

Sony is also proactively involved in standardization* activities aimed at driving improvements in accessibility throughout the industry.

* IEC 62731 Text-to-speech for television; IEC 62944 Digital Television Accessibility; IEC TC 100/TA 16 Active Assisted Living (AAL), accessibility and user interfaces

Working to Enhance Sony Website Accessibility

Sony has established the Sony Group Web Accessibility Policy which sets forth the accessibility standards and compliance requirements for all Sony Group Companies' websites. Sony Group's web accessibility requirements are aligned with the Web Content Accessibility Guidelines (WCAG) published by the World Wide Web Consortium (W3C).

With the use of websites and other digital platforms continuing to rise, the Sony Group Web Accessibility Policy seeks to ensure that Sony Group companies' websites are designed and developed in a way that is accessible to all, including members of the disabled community and the elderly.

Sony has been actively promoting the established web accessibility policy, as well as working with companies within the Sony Group in implementing the policy and conducting checks to ensure compliance. Sony has regularly conducted a range of web accessibility trainings targeting different roles in the organization and will continue to do so in the future.

Creating an Environment for Carefree Internet Use

Sony Interactive Entertainment (SIE) will continue to make games as popular as music, movies and broadcasting, and has been developing the PlayStation® business for users in all age groups. Console game industry organizations have responded to the proliferation of new game genres by introducing rating systems for customers in Japan, the United States and Europe (CERO, ESRB and PEGI, respectively), based on games' target age groups. Sony has applied the U.S. system for more than 20 years, offering parents and guardians suggested age categories and descriptions that detail the contents of a game. PEGI is endorsed by the European Commission as a paradigm of self-regulation in the entertainment industry. In Japan, measures are being promoted to make the system more effective, including, with the cooperation of retailers, the voluntary refusal to sell software rated by CERO for ages 18 and above to underage customers.

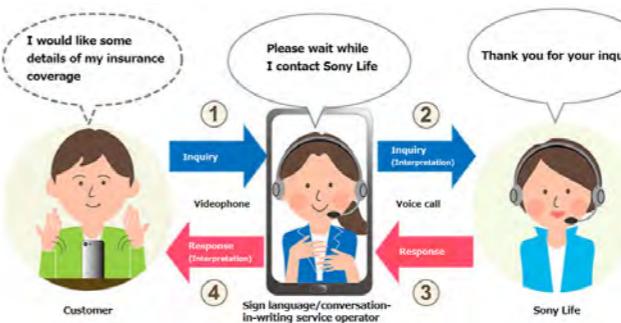
SIE has enhanced its parental controls features on its game consoles, including PlayStation®5. This enables parents to navigate the play experience of their family in a way that works best for their needs. For example, the family manager can control the setting so their children can only use the console to enjoy games that are suitable

for their age group, offering added safety and peace of mind. The feature also allows a parent to limit screen time and block the ability to chat with other remote users.



PlayStation®5
© Sony Interactive Entertainment Inc. All rights reserved.
Design and specifications are subject to change without notice.

Sony Life Insurance Co., Ltd. and Sony Assurance Inc. provide sign language and written communication services to facilitate inquiries from customers with hearing or speech disabilities. Operators use their sign language interpretation skills for sign language or written conversations with customers.



Processing inquiries using sign language and written communications

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Community Engagement



Management Approach

Materiality Rationale

Sony can only create sustainable social value based on its Purpose when society itself is healthy. It is Sony's responsibility as a global company to recognize various social issues and contribute to the creation of a sustainable society via community engagement activities. Doing so helps Sony to build relationships of trust with communities.

Basic Approach

Under the slogan "For the Next Generation" and based on its policy of community engagement, Sony develops initiatives in collaboration with various stakeholders in order to contribute to the resolution of a wide range of global issues by making the most of Sony products, content, and technologies.

Vision of Sony's Founder

In Sony's Founding Prospectus, Masaru Ibuka, one of the founders, set "the promotion of education in science among the general public" as a primary goal. He was convinced that enhancing scientific literacy would be critical for the recovery of postwar Japan and that science education for children was the key. In 1959, 13 years after Sony's establishment, he set up the Sony Fund for the Promotion of Science Education to support elementary schools in the pursuit of science education excellence. His vision lives on in Sony's community engagement activities.



Masaru Ibuka



Research presentation by schools assisted under the Sony Fund for the Promotion of Science Education

Fiscal Year 2021 Results

Total contributions
by the two global funds

Approx. 11.3 billion
yen

Looking to the Future

Sony strives to make the most of its products, content, technologies, strengths of employees, and stakeholder partnerships to help address global issues, including those targeted by the Sustainable Development Goals (SDGs), and to meet various needs in local communities.

Milestones

1959:	Founded Sony Fund for the Promotion of Science Education in Elementary Schools
1972:	Established Sony Foundation for Education (now Sony Education Foundation)
1984:	Established Sony Music Foundation
2006:	Became a corporate sponsor of the UNHCR Refugee Film Festival in partnership with Japan for UNHCR
2009:	Launched Sony Science Program
2010:	Started a partnership with Save the Children Japan for disaster assistance
2012:	Launched a project for forest conservation in Sumatra in cooperation with the World Wide Fund for Nature (WWF)
2018:	Launched KANDO Experience Program
2020:	Established the Sony Global Relief Fund for COVID-19 Launched CurioStep with Sony Established Global Social Justice Fund

↗ Social contribution initiative

↗ History of Sony's social contribution activities

Educational programs offered workshops to approx.

290,000 children



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Highlight

Sony's Two Global Funds

Sony provides various kinds of ongoing support via the two \$100 million global funds it established in 2020: the Sony Global Relief Fund for COVID-19 and the Global Social Justice Fund. To support those affected around the world, the Sony Global Relief Fund for COVID-19 focuses on donations to external organizations working in the medical and educational fields, and for the creative community, and engages in initiatives that leverage Sony Group businesses and technologies.

The Global Social Justice Fund supports initiatives that promote social justice and human rights, and foster diversity, equity and inclusion (DE&I) around the world.

[→ Sony's Two Global Funds](#)

Sony's Educational Program CurioStep with Sony

CurioStep with Sony is being rolled out globally as an educational program that aims to provide children with opportunities to experience creativity and technology, and to expand their curiosity and creativity while fostering problem-solving skills and acceptance of diversity. In Japan, CurioStep Summer Challenge 2021 was held to coincide with the school holidays. It offered eight categories of events, mainly online, which the roughly 2,600 children who participated could select according to their interests.

[→ The CurioStep with Sony Educational Program](#)



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Policy, Framework and Key Areas of Community Engagement

Policy of Community Engagement

Under the slogan “For the Next Generation,” Sony engages in various ways with communities everywhere it does business by making the most of its products, content, technologies, and strengths of employees, and also by partnering with stakeholders.

Inheriting the vision of its founders, Sony leverages its strengths to roll out initiatives to support education in the STEAM*1 fields. Through the companies of the Sony Group, Sony’s charitable foundations, and partnerships with external organizations, we offer learning opportunities for children to empower curiosity, support their dreams and help them gain the power to change the world.

Sony also provides humanitarian aid in response to large-scale disasters and emergency crises around the world, taking into account the degree of urgency and its relationship with the region.

For the Next Generation

Under the slogan “For the Next Generation,” Sony addresses diverse social issues

Resources leveraged	Areas of focus
 Products and content	Supporting education in STEAM fields, etc.
 Technologies	Providing emergency relief in large-scale disasters
 Employees	Employing technology to solve social issues
 Partnerships with stakeholders	Using entertainment to enhance public awareness

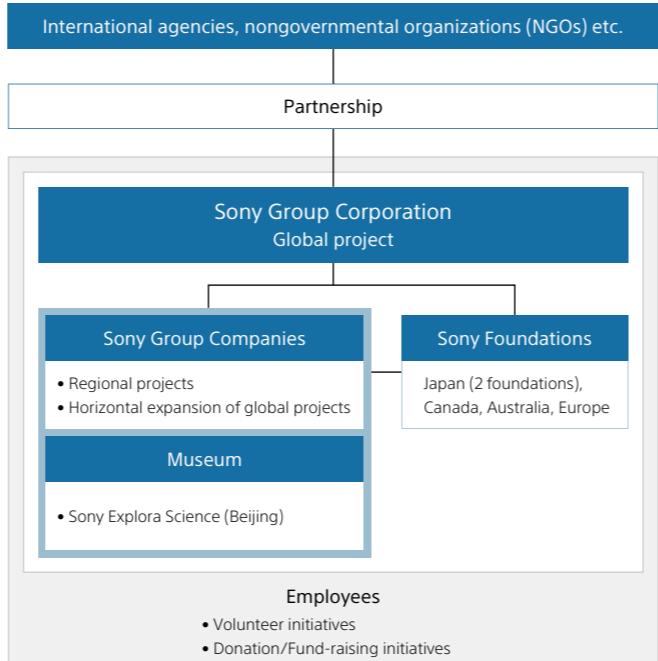
In addition, Sony strives to address the SDGs and other global issues by employing technology to solve social issues and using entertainment to enhance public awareness.

* STEAM stands for science, technology, engineering, art and mathematics

Framework for Community Engagement

Sony’s global projects are spearheaded by Sony Group Corporation in Tokyo. In addition, each group company worldwide, along with Sony’s foundations and science museum, is involved in initiatives tailored to local needs. These efforts are all guided by Sony’s community engagement policy, and they often include cooperation with international organizations and NGOs. Employees are also encouraged to play an active role in their communities by volunteering, taking part in fundraising, and in other programs.

Framework for Community Engagement



Sony Museums and Foundations

Sony ExploraScience (Beijing)

At this Sony science museum, visitors can see, touch and enjoy the principles and laws of science in action as they experience the progress and fascination of digital technology.

[Sony ExploraScience \(Beijing\)](#)

Sony Foundations

- [Sony Education Foundation \(Japan\)](#)
- [Sony Music Foundation \(Japan\) \(in Japanese\)](#)
- [Sony Foundation Australia Limited \(Australia\)](#)
- [Sony Canada Charitable Foundation \(Canada\)](#)

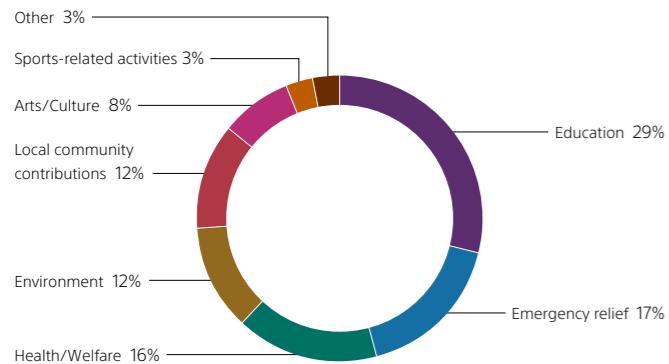
- Stichting Sony Europa Foundation (Pan-Europe)

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Results of Community Engagement Initiatives

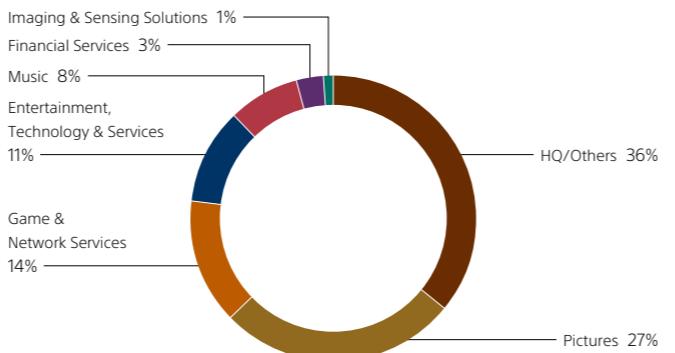
In fiscal 2021, the Sony Group contributed approximately 3.5 billion yen* to community engagement initiatives. By category, approximately 30% of the expenditure went to supporting education. The next highest area of expenditure went to supporting disaster relief and humanitarian aid. By business segment, approximately 36% of the total expenditure was contributed by HQ/Others, following by 27% by Pictures and 14% by Game & Network Services.

Community Engagement Expenditure by Field (Fiscal year 2021)



* Cumulative figure. In addition to donations, sponsorships and independent program expenses (including facility operation expenses), this amount includes the market value of products donated. It does not include expenditures from the Sony Global Relief Fund for COVID-19 and Global Social Justice Fund. Please see "Sony's Two Global Funds" for details about their expenditure.

Community Engagement Expenditure by segment (Fiscal year 2021)



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Sony's Two Global Funds

In April 2020, Sony established the Sony Global Relief Fund for COVID-19, a 100 million USD fund to support those around the world affected by COVID-19. This fund makes donations to external organizations working in the medical and educational fields, and for the creative community, and engages in initiatives that leverage Sony Group businesses and technologies.

In June 2020, Sony also established the Global Social Justice Fund, a 100 million USD fund to support initiatives that promote social justice and human rights, and to foster diversity, equity and inclusion (DE&I) around the world.

The various forms of support via these two global funds are driven by the ideas and aspirations of the Sony Group's diverse workforce.

Sony Global Relief Fund for COVID-19

100 million USD

Approximately 80% of the 100 million USD fund has been earmarked*
(Total expenditure of 7 billion yen as of fiscal year 2021)

Global Social Justice Fund

100 million USD

Approximately 71% of the 100 million USD fund has been earmarked**
(Total expenditure of 4.3 billion yen as of fiscal year 2021)

* As of March 31, 2022

[□ Sony Global Relief Fund for COVID-19](#)

[□ Global Social Justice Fund](#)

Sony Global Relief Fund for COVID-19

The fund has provided ongoing support in the medical and educational fields, and for the creative community. In April 2021, it responded to the surge in COVID-19 infections in India by donating a total of 1 million USD to UNICEF and other organizations to procure oxygen for medical purposes and PCR testing machines, and to support local relief activities. Children's educational opportunities have been limited by the pandemic. Sony Pictures Entertainment provides ongoing support for school-based and home learning by creating STEM* inspired educational content through the engaging lens of magic, as a free resource available through Impossible Science's online channels. Impossible Science includes partnerships with Sony Group IP to explore the impossible within noteworthy Sony properties and characters, such as the iconic PlayStation® character Sackboy most recently seen in "Sackboy: A Big Adventure." The episode featuring Sackboy, the lead character from the game, demonstrates how to build and launch a rocket with bubbles and knowledge of chemical reactions. This initiative has been nominated for seven awards including four Webby Award nominations and a win for the Best Series for Kids 5-11 in the Cynopsis RISING STARS AWARDS. Sony Pictures Entertainment (Japan) produced and released

DIVOC-12, an omnibus of short films created by twelve directors, in a project to support the continued activities of directors, production staff and actors in Japan whose creative activities have been curtailed by the pandemic. The film was also distributed digitally. Some of the revenue from this project has been donated to the Japan Arts Council to be used to support artistic and cultural activities in Japan that have been affected by COVID-19.

* STEM stands for science, technology, engineering, and mathematics.

[□ Sony Group Donates \\$1 Million in Response to the COVID-19 Crisis in India](#)

[□ Impossible Science \(Only available in English\)](#)

[□ DIVOC-12 \(in Japanese\)](#)



Still from an Impossible Science video

Global Social Justice Fund

Through this fund, Sony has supported ongoing initiatives to promote social justice and human rights, and foster DE&I around the world.

The Screen Scoring Diversity Scholarship, which is part of Sony Music Group's Social Justice Fund efforts, aims to encourage inclusivity and expand opportunities for Black composers, who are vastly underrepresented throughout the film and scoring community. Sony Music Publishing (SMP) and Bleeding Fingers Music launched the Screen Scoring Diversity Scholarship for Black composition students to enroll in the University of Southern California's (USC) celebrated Screen Scoring program.

Sony Corporation of America has made a major donation from the Global Social Justice Fund and formed a three-year partnership, in which it will also provide funding, with The Steve Fund, America's leading organization focused on supporting the mental health and emotional well-being of young people of color. This partnership will dramatically expand the Steve Fund's digital technology, increasing awareness of its education and development programs to students, families and professionals.

CREATE ACTION is a Sony Electronics program designed to make long-lasting impact for local organizations and the communities for underrepresented groups. Selected organizations receive direct funding, Sony Electronics products and a Sony-produced short film telling the organization's story. There were 10 grant recipients in fiscal year 2021.

[□ The Steve Fund Receives Funding from Sony \(Only available in English\)](#)

[□ CREATE ACTION \(Only available in English\)](#)



Screen Scoring Diversity Scholarship recipient meets with SMP and USC leaders

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Sony Group Community Initiatives

The CurioStep with Sony Educational Program

CurioStep with Sony is an educational program that aims to provide children with opportunities to experience creativity and technology, and to expand their curiosity and creativity while fostering problem-solving skills and acceptance of diversity. The program is being rolled out globally. In addition to running a science museum in Beijing and the annual Sony Creative Science Award toy-making contests in Singapore and Taiwan, Sony held the CurioStep Summer Challenge 2021 in Japan to coincide with the school holidays. It offered eight categories of events, mainly online, which the roughly 2,600 children who participated could select according to their interests. The events included music and science craft workshops, a space-themed talk event, and a programming contest.

Sony also runs the KANDO Experience Program, an initiative to address educational inequalities in Japan. In collaboration with NPOs and other external organizations, it conducts a wide variety of workshops for elementary school-aged children and seeks to address the social issue of educational inequalities caused by poverty, differing home environments, and regional differences. Since fiscal year 2020, Sony has been working with a third-party organization to evaluate the social impact of the KANDO Experience Program. The aim of this is to make the program more effective, and to publicize its impact as a means to facilitate discussions throughout the wider community on the possibility of rectifying educational equalities. According to the fiscal year 2020 third-party assessment, overall there was a high level of satisfaction with the KANDO Experience Program, including the response from the children who participated. The assessment recognized that the program helps to improve children's creativity and arouse their curiosity.

[CurioStep with Sony](#)

[KANDO Experience Program](#)



Sony Creative Science Award (Taiwan) promotes science learning through a creative toy-making competition

Special 20th Anniversary Project

Offering Yen Time Deposit with Donations to the Emergency Disaster and Recovery Fund for Children (Sony Bank)

To celebrate its 20th anniversary in 2021, Sony Bank held various special projects based on the themes of "gratitude and connection." One of those projects is Yen Time Deposit with Donations to the Emergency Disaster and Recovery Fund for Children – a joint social contribution initiative with customers where Sony Bank makes donations proportionate to the balances of newly opened three-year yen time deposits.

Sony Bank will make an annual donation equal to 0.04% of the balance of three-year yen time deposits opened between October 2021 and March 2022 to the Emergency Disaster and Recovery Fund for Children (established by Save the Children Japan and the Sony Group, Inc.) throughout the deposit period. Around 400 Sony Bank customers have taken this opportunity to make a social impact by simply opening a three-year yen time deposit account with no cost to them.

This initiative restarted on a permanent basis in June 2022. Sony Bank will continue to enable our customers to support this initiative via their familiar yen time deposits.

As a bank, Sony Bank recognizes the highly influential nature of our business and aims to contribute to a society where people can lead fulfilling lives by providing valuable products and services and undertaking corporate activities in line with the vision and values of the Sony Financial Group.

[→ Partnership with Save the Children](#)

[↗ Yen Time Deposit with Donation to the Emergency Disaster and Recovery Fund for Children \(in Japanese\)](#)



Assisting after the Sulawesi tsunami
Thomas Gustafian / Save the Children

PlayStation Cares (Sony Interactive Entertainment)

PlayStation Cares is the corporate giving platform of Sony Interactive Entertainment (SIE). Through the platform SIE amplifies employees' giving efforts by matching their donations to charitable organizations up to a certain limit each year. It also offers in-person and virtual volunteer opportunities for employees to drive impact within local communities. PlayStation Cares is currently available to SIE employees in the United States, Canada, Europe, Australia, New Zealand, and Brazil. In fiscal year 2021, SIE employees donated USD 3.3 million including corporate match towards more than 2,300 global causes. Through PlayStation Cares, SIE is supporting important causes that impact the lives of people of all ages, including our youngest and most vulnerable players. In fiscal year 2021, SIE has provided more than 17,000 PlayStation products such as consoles and games to Child's Play, an organization focusing to improve the lives of children through the power of play. The product will be distributed amongst Child Play's network of more than 185 hospitals worldwide.



VR gaming provided comfort during a child's hospital stay

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Disaster Relief and Humanitarian Aid

Sony provides humanitarian aid in response to large-scale disasters and emergency crises around the world, taking into account the degree of urgency and its relationship with the region.

Sony Group's Disaster Relief and Humanitarian Aid

In fiscal year 2021, the Sony Group provided donations and other assistance to areas and victims affected by natural disasters and humanitarian crises listed below.

Date of incident	Incident	Recipient
	Amount of donation (yen, approx.)	
Mar. 2022	Humanitarian aid in Ukraine and countries in the region	United Nations High Commissioner for Refugees, Save the Children, United Nations Children's Fund, etc.
	Approx. 6.56 million USD	
Dec. 2021	Typhoons in the Philippines and Malaysia	Save the Children, Malaysian Red Crescent
	Approx. 4.45 million yen	
Sep. 2021	Earthquake in Haiti	Save the Children
	5 million yen	
Jul. 2021	Floods in China	China Foundation for Poverty Alleviation, Wuxi Xinwu District Charity Federation
	1.096 million yuan	
Jul. 2021	Floods in Europe	Red Cross Germany, Red Cross Flanders (Belgium)
	Approx. 3.8 million yen	

Humanitarian Relief for Ukraine Emergency

To support humanitarian aid efforts for the affected populations in Ukraine and neighboring countries, as of July 2022, the Sony Group has donated a total of approx. 6.56 million U.S. dollars to international aid organizations in monetary contributions or product donations. A total of 2 million U.S. dollars was donated to UNHCR, the UN Refugee Agency, and the international NGO, Save the Children. Across the globe, Sony Group employees also donated toward the cause with their donations then being matched by Sony Group companies. The Sony Group also contributed 1 million U.S. dollars to support the United Nations Children's Fund (UNICEF)'s Learning Passport, helping to ensure children and families in Ukraine and surrounding countries have access to quality learning and critical resources. Product donations in support of frontline humanitarian efforts include Xperia™ smartphones to UNHCR, and audio and video systems to children's shelters in Ukraine to alleviate their psychological stress. In Europe, employees are also actively volunteering to donate items needed at shelters and offering support to those in need.



UNHCR staff using an Xperia™ smartphone
©UNHCR/Rafal Kostrzynski

Partnership with Save the Children

In 2016, in partnership with Save the Children, Sony co-established the Emergency Disaster and Recovery Fund for Children, which provides immediate support upon the sudden onset of natural disasters or humanitarian crises as well as medium-to long-term recovery support to children. The fund pools a certain amount of funds at all times, which enables a rapid response to crises around the world by making monetary disbursements to Save the Children's emergency response. The funds are used to deploy everyday goods and hygiene kits, to establish Child Friendly Spaces, which are safe and secure settings for children to play and spend time in, and to provide training in Psychological First Aid for Children, an approach used to reduce the initial distress of children exposed to crisis situations. As of March 31 2022, the Emergency Disaster and Recovery Fund for Children has disbursed around 110 million yen which is to be used for Save the Children's relief activities in response to disasters around the world. Recognizing the importance of frameworks that not only provide for conventional emergency response and reconstruction support but also improve preparedness for disasters before they occur, Save the Children and Sony announced in March 2021 that they will jointly promote the development of resilient communities against disasters. As part of this new partnership, Sony provides support for the Safe Schools program. This program, carried out by Save the Children in over 40 countries, is an all-inclusive, all hazards approach to keep children safe in and around schools. As part of the Safe Schools program, since June 2021 disaster preparedness educational programs are being provided at elementary and junior high schools in India to help students and teachers enhance their disaster responsiveness and also establish task forces to strengthen the safety management mechanisms at schools and create safe learning environments for students. Partnerships and collaboration with the government and local communities are also being strengthened. Save the Children and Sony will provide insights gained through the school safety program in India to further strengthen and expand its initiatives globally, aiming to replicate them in other countries. Sony will donate a total of 45 million yen to Save the Children over the period up to 2023 in order to fund these initiatives, and will also consider dispatching employees to assist on-site as part of an effort to make the most of Sony technology and personnel to help resolve social issues.

[Emergency Disaster and Recovery Fund for Children](#)

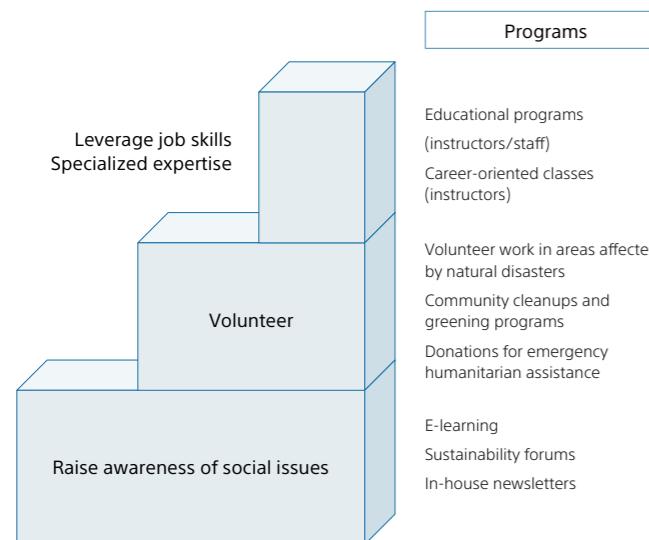


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Volunteer Systems for Employees

Employee engagement in Social Contribution Initiatives

Sony uses a three-step approach to provide its employees with opportunities to participate in social contribution initiatives: raise awareness of social issues, volunteer, and leverage job skills. There are programs for each approach. E-learning, sustainability forums and in-house newsletters are provided to raise awareness of social issues. Opportunities to participate in volunteer work and donations (funds, goods, books) include donations for emergency humanitarian assistance, volunteer work in areas affected by natural disasters, and participation in community cleanups and greening programs. For those who wish to leverage their job skills, opportunities are provided to serve as educational program lecturers or staff, or as career-oriented class instructors.



Leave for Volunteering Purposes

To support employee participation in volunteering activities, Sony Group Corporation has an employee volunteer support system, making it easier for employees to participate in these activities by allowing them to use accumulated holidays for initiatives requiring extended leaves of absence. Employees participate as volunteers in educational support activities and disaster relief activities.

Employee Initiatives Addressing Social Issues

There are various initiatives where Sony employees address social issues. Sony Pictures Entertainment launched Sony Pictures Giving Portal, an online platform providing information for employees who wish to participate in social contribution activities or its matching gift program. Sony Interactive Entertainment drives community partnerships, financial or in-kind donations, and employee volunteerism focused on social issues via PlayStation Cares, its corporate giving platform available to employees in the US, Canada, Europe, Australia, New Zealand, and Brazil.

Many of the activities utilizing the Sony Global Relief Fund for COVID-19 were born from ideas submitted by employees, and roughly 50 Sony Group organizations are involved in them. This helps to boost employee engagement, as well as facilitating Sony's contributions to society through its businesses.

Charitable Donation Systems for Employees

Sony has been introducing matching gift programs where the company matches donations made by employees to support aid organizations in times of disasters and emergency humanitarian crises. In fiscal year 2021, Sony Group companies around the world took part in the employee donation drive to support humanitarian relief for Ukraine Emergency. The employee donation together with the amount matched by the company reached a total of approximately 1.69 million U.S. dollars.

In fiscal year 2021, as one of its fund-raising methods, Sony introduced an employee ID card donation initiative. Some Sony Group employee ID cards have a function that allows electronic money payments. When employee ID cards need to be reissued for organizational changes, employees have a choice to donate the amount that is left in the old ID card when returning them to the company. Throughout this initiative, in fiscal year 2021, approximately 1.9 million yen was donated to the Emergency Disaster and Recovery Fund for Children which is jointly operated by Save the Children and Sony.

→ Organizational Structure

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Ethics and Compliance



Management Approach

Materiality Rationale

Integrity and Sincerity is part of Sony's key Values to enhance its Purpose. Sony's ethics and compliance program supports Sony's value creation. It helps to ensure that Sony Group personnel throughout Sony's diverse business portfolio work together to deliver emotional experiences to Sony customers in an ethically responsible manner generating trust for the Sony brand.

Basic Approach

Sony's ethics and compliance program is designed to comply with laws, manage key group-wide risks and create a culture of integrity to ensure ethical and responsible business conduct. The program is continuously improved based on both best practices and global regulatory expectations.

The Sony Group Code of Conduct ("Code") is the cornerstone of the program. The Code identifies Sony's high standards for ethical and responsible business conduct and is aligned with Sony's ethical values. It supports Sony's commitment to diversity and its commitment to the creation of social value. Sony has also adopted in-depth group-wide policies, procedures and controls for key risk areas such as antitrust, anti-corruption, and privacy and personal information management. Senior management evidences its commitment to ethical business conduct by repeatedly communicating the importance of staying true to the Code and leading by example.

Fiscal Year 2021 Results

Ethisphere Institute recognized Sony as one of the World's Most Ethical Companies* for the fourth consecutive year.

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



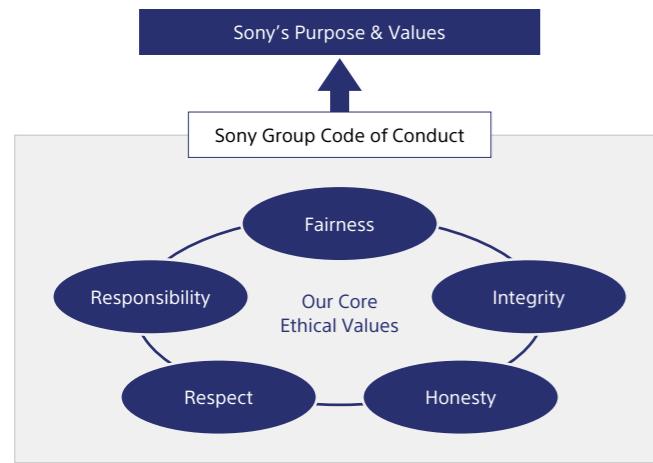
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The Sony Group Code of Conduct

The Code is the cornerstone of Sony's ethics and compliance program and underlines a shared obligation to foster Sony's culture of integrity and protect Sony's reputation. The Code applies to all Sony board members, officers and employees ("Sony Group personnel").

Sony's Core Ethical Values

Sony Group Code of Conduct



Sony is committed to enhancing its Purpose & Values through ethical and responsible business conduct. Sony's culture of integrity is built upon accountability to the core ethical values of Fairness, Integrity, Honesty, Respect and Responsibility which guide how Sony Group personnel work with colleagues, business partners and the communities in which Sony does business.

Periodic Code Review

Sony periodically updates the Code as part of its continued effort to maintain the Code's effectiveness and to provide clear direction and resources on relevant topics to Sony Group personnel on these risk areas.

The Code confirms Sony's commitment to following its core ethical values in every aspect of its business operations and includes guidance on key risk areas:

- Accurate recordkeeping
- Anti-corruption / bribery
- Antitrust / fair competition
- Avoiding conflicts of interest
- Diversity / anti-discrimination / equal employment opportunity / fair labor and employment practice / proper workplace conduct
- Fair dealing (fair business practices)
- Privacy (e.g., data privacy of employees, customers, consumers) and cyber security
- Respect for human rights
- Financial integrity and anti-fraud
- Speaking up / no retaliation
- Tax compliance
- Workplace health and safety

Sony also recognizes its responsibility as a member of a global society. The Code reflects principles set out in relevant global ethical guidelines, which include (among others):

- Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises
- The United Nations Global Compact
- The United Nations Guiding Principles on Business and Human Rights
- The United Nations Universal Declaration of Human Rights
- The Guiding Principles on Business and Human Rights and Sustainable Development Goals (SDGs)

Sony also actively participates in Keidanren (Japan Business Federation), an alliance of Japan's leading corporations and observes the standards in the Charter of Corporate Behavior of Keidanren. These standards are also embodied in the Code.

Code Implementation

The Code was approved by the Sony Group Corporation Board of Directors and adopted by the decision-making bodies of every Sony Group company ("Sony Group" or "Sony Group companies") as their respective code of conduct. Sony Group managers, at all levels are responsible for promoting the Code as part of their ongoing commitment to creating a culture of integrity and ensuring ethical and responsible business conduct.

The Code, which is available on Sony's website and on each Sony Group company's intranet, has been translated into 23 languages to help ensure that it is clearly understood by the employees and relevant third parties working for Sony. Sony provides additional translations as necessitated by changing workforce demographics. All Sony Group employees and selected third party staff are required to complete comprehensive Code of Conduct training. Training must be completed within 90 days of commencement service. Refresher Code of Conduct training must also be completed at least every four years. In addition, Sony provides in-depth training on key risk areas at least once per year. To ensure awareness of all employees and relevant third parties working for Sony, frequent messaging about Code topics and key risk areas are also provided.

[☒ Sony Group Code of Conduct \[PDF: 2.63MB\]](#)



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Sony's Ethics and Compliance Program

The Basics

Sony's ethics and compliance program starts with "Tone from the Top." Senior management continuously communicates the importance of being true to Sony's core ethical values. Their commitment is supported by a robust ethics and compliance program aligned with business processes, including policies and procedures, training and messaging, ongoing risk assessments, program assessment and surveys, third party management, reporting mechanism, and monitoring and audits. Sony continuously improves its program in accordance with regulatory guidance and other leading practices that organizations with mature ethics and compliance programs have found to be effective.



The Sony Group Corporation Board of Director's Audit Committee provides oversight of Sony's program and receives monthly reports and periodic in-person updates concerning ethics and compliance program activities. Reports to the Board's Audit Committee provide program performance results, compliance hotline metrics, employee training data, and new program and communications initiatives, and updates on global regulatory developments. In addition, the Sony Group Corporation Board of Directors also receives annual

updates on compliance related risks and Sony's global ethics and compliance program.

Policies and Procedures

Sony's global policies provide necessary rules and procedures to help ensure ethical and responsible business conduct and compliance with applicable laws and regulations. For example, Sony maintains global policies in each of the following risk areas.

- Sony Group Anti-Bribery Policy
- Sony Group Record Retention Policy
- Sony Group Economic Sanctions Compliance Policy
- Sony Group Customer Due Diligence Policy
- Sony Group Global Policy on Antitrust / Competition Law Compliance
- Global Insider Trading Prevention Policy

These policies are regularly communicated to all Sony Group personnel and relevant third parties. The Sony Group Anti-Bribery, Economics Sanctions and Customer Due Diligence policies provide screening for applicable transactions to help ensure compliance with anti-corruption, sanctions and anti-money laundering laws.

Training and Messaging

Sony adopted a "Compliance Education Protocol" to ensure that minimum ethics and compliance training and communications in critical risk areas are provided to all employees and relevant third parties working for Sony. For example, all Sony personnel and relevant third parties working for Sony are required to complete the Code of Conduct and Proper Workplace Conduct training within 90 days of first providing services to Sony. Additional compliance training is mandated based upon risk assessments and employee and third party roles and responsibilities.

Key Compliance Training (assigned based upon risk assessments and roles and responsibilities) includes:

- Anti-Bribery
- Economic Sanctions Compliance
- Customer Due Diligence
- Antitrust and Fair Competition
- Import / Export Trade Compliance
- Information Security and Privacy
- Manager Training

Risk Assessment Areas under Ethics and Compliance Program

Sony conducts ongoing risk assessments to help assure that Sony's ethics and compliance program activities effectively mitigates and manages top risks. Key legal and compliance risk areas assessed include:

- Antitrust
- Bribery
- Conflict of Interest
- Economic Sanctions Laws
- Environmental Laws
- Financial Laws
- Fraud
- Information Security Laws
- Infringement of Intellectual Property
- Insider Trading
- Labor and Employment Laws
- Money Laundering
- Privacy / Personal Information Protection Laws
- Product Safety / Product Compliance
- Securities Laws
- Supply Chain Laws
- Trade Compliance
- Other Laws

Third Party Management

Sony performs risk-based due diligence procedures on its business partners to help ensure that Sony is only doing business with reputable business partners. This due diligence protects Sony Group companies from being involved in transactions involving the proceeds of criminal conduct and/or with entities or individuals who are designated on an economic sanctions list and/or trade control list.

→ Responsible Business Conduct

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Reporting Mechanism

Sony provides many different types of resources to employees to enable them to raise concerns to ensure the effectiveness of Sony's global ethics and compliance program. Please refer to "Sony Ethics & Compliance Hotline" for more details.

Monitoring / Audit

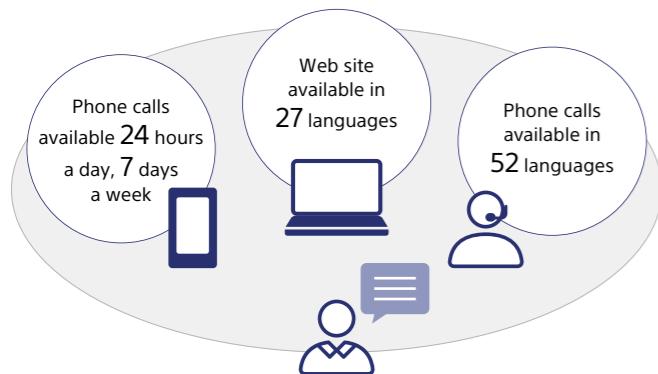
Sony has a Compliance Monitoring function, which measures the effectiveness and maturity of Sony's global ethics and compliance program. This is done by conducting periodic assessments of program implementation on a global basis. It also conducts risk-based compliance audits and validations of controls.

Sony Ethics & Compliance Hotline

Sony believes that a "speak up / listen up" culture – where employees are encouraged to raise concerns and feel confident that they can do so without fear of retaliation – is a key to early detection and prevention of ethical and regulatory problems.

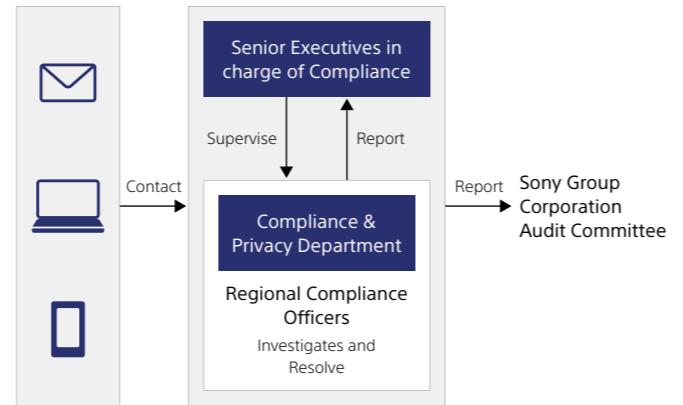
Multiple Reporting Channels

Sony provides many different types of resources to employees to enable them to raise concerns, including the Sony Group Ethics & Compliance Hotline ("Hotline").



The Hotline is available online (in 27 different languages) or by phone, 24 hours a day, seven days a week. The phone lines are staffed by specially trained third party representatives, with translators in up to 52 different languages. All information provided to the Hotline is handled confidentially. Calls to the Hotline are not recorded or traced, and reporters may remain anonymous to the extent permitted by law.

How Sony Operates the Hotline / How Sony Investigates Reported Matters



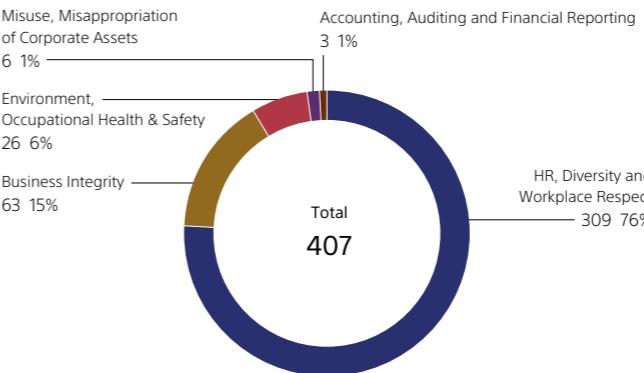
All concerns raised through the Hotline are investigated independently of ordinary internal reporting structures. Third party representatives, following the receipt of concerns, check possible conflicts of interest before providing necessary information to the appropriate Regional Compliance Office ("Office"). The Office reviews the information and determines what initial actions are appropriate. The Office investigates the allegation (or ask appropriate department to investigate the allegation) under the oversight of the Regional Compliance Officer, collect more information, or take other actions as appropriate. The Office also works with legal and/or other subject matter experts to determine how best to investigate and resolve the allegations. Management will take corrective action to improve business operating systems or take disciplinary action against employees who have violated the law or company policy, when the facts warrant doing so.

Each Regional Compliance Officer reviews all reports and responses in his or her region, as an added check to help assure matters are fully and fairly addressed. The status of raised concerns is also reported on a monthly basis to the Sony Group Corporation

Compliance & Privacy Department, which provides a report to the Sony Group Corporation Audit Committee.

In FY2021, the Hotline received 407 concerns. The pie chart below shows the total number of concerns received in FY2021 by category. 76% of raised concerns was related to employees, diversity and workplace. 15% was related to business integrity. The remaining concerns comprised: environment, occupational health & safety; misuse, misappropriation of corporate assets; and accounting, auditing, and financial reporting.

FY2021 Reported Concerns by category



Notes: The figures in percentages are rounded to the nearest whole number wherefore the total does not sum up to one hundred percent.

Among the Environment, Occupational Health & Safety related concerns, the concerns were primarily related to COVID-19, such as pressure to return to the office and, inadequate COVID-19 measures at work. Others were related to occupational health and safety.

In FY2021, 112 concerns were substantiated and remediated as appropriate, and 166 cases were unsubstantiated. The remainder includes cases under investigation, among others.

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The table below are examples of issues raised through our Hotline, including information about how these issues were addressed.

FY2021 Hotline Cases

Issue(s) Raised	Guidance	Action(s) Taken
A manager engaged in harassing behavior (ranting at subordinates and kicking things) when the manager is frustrated.	Sony will not tolerate any form of discrimination, or harassment including, bullying or other behaviors that create a hostile work environment under the Sony Group Code of Conduct.	The allegation was substantiated. The manager had caused similar problems in the past. The manager was disciplined.
An employee downloaded a third party's intellectual property without the third party's consent.	Sony Group Code of Conduct prohibits this behavior. Employees must protect the intellectual property of others and shall not knowingly misuse intellectual property.	The allegation was substantiated. The downloaded third-party content was removed. The employee was disciplined and specifically instructed not to use unauthorized third-party content.
An employee was selling customer promotional giveaways to a third party.	Sony's assets may only be used for legitimate business purposes. The Sony Group Code of Conduct prohibits employees from using Sony's assets for their personal benefit.	The allegation was substantiated. The employee admitted the theft, paid the sales proceeds from the stolen giveaways to the company, and resigned.

How Sony Promotes Speak-Up Resources

Sony continuously promotes both the need to raise concerns and promotes the various resources available for employees to raise their concerns. The Code clearly states that every employee is responsible for speaking up to protect their colleagues and Sony. Code of Conduct training and ongoing messages also promote the importance of reporting concerns and advise employees that their concerns can be directed to either their manager, human resources personnel, legal and compliance personnel, or the Sony Ethics & Compliance Hotline. Since Sony understands that employees may prefer to raise concerns with their manager in the first instance, training is also provided to all managers on how to create an environment where employees feel comfortable speaking up when they observe unethical behavior. This training instructs managers on how to handle concerns and prevent any appearance of retaliation.

No Retaliation

Sony does not tolerate retaliation against anyone who cooperates in an investigation or raises a concern in good faith. The Code and other internal rules explicitly provide that Sony does not tolerate any form of retaliation against anyone for making a good faith report or for cooperating in an investigation of a report. Sony keeps information provided to the Hotline confidential to the extent possible. Sony promotes its retaliation policy against retaliation in trainings and communications to employees and imposes appropriate consequences in the event any employee is found to have engaged in retaliatory behavior.

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Organizational Structure

Global Ethics & Compliance Network

Overview:

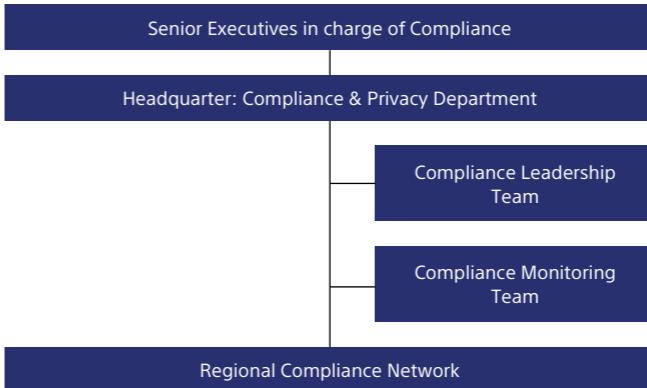
Sony's global ethics and compliance program is designed to support ethical and responsible business conduct. It is a shared endeavor and is successful through a team effort of directors, management, and employees at all levels, with each person taking ownership and responsibility for ethical business conduct and compliance with the law and in every interaction.

Sony established a group-wide ethics and compliance network of experienced compliance personnel (the "Global Network") to strengthen effective implementation of the ethics and compliance program throughout Sony Group. The Global Network (i) establishes a centralized risk management framework in line with best practices; (ii) provides necessary support and guidance to compliance personnel embedded in the business; and (iii) monitors compliance with the risk management framework to provide effective oversight, address gaps, and drive consistency and continuous program improvement across all Sony Group companies.

Roles:

- The Senior Executives in charge of Compliance: Provide top-level leadership for the Global Network and oversee Sony's global ethics and compliance program.
- The Sony Group Corporation Compliance & Privacy Department: Designs and oversees the Global Network and Sony's group-wide ethics and compliance program with support of the Compliance Leadership Team. It also works with the Compliance Leadership Team members, local business unit leaders and compliance members to conduct comprehensive risk assessments and implement compliance policies, procedures, and internal controls to prevent and detect unethical behavior. It provides oversight of investigations related to potential legal or policy violations.
- The Compliance Leadership Team: Assists in identifying, developing, and implementing best practices in compliance strategies and compliance-related measures. The team is comprised of the Senior Executive in charge of Compliance, all of the Regional Compliance Officers, the Head of Compliance Monitoring, and subject matter experts.
- The Compliance Monitoring Team: Helps to measure the effectiveness and maturity of Sony's global ethics and compliance program by conducting periodic and global-based assessments on program implementation and by undertaking risk-based compliance audits and validations of controls.
- Each Regional Compliance Officer: Is appointed by the Senior Executive in charge of Compliance and is responsible for implementing and overseeing the ethics and compliance program at all Sony Group companies in his or her region to promote ethical and responsible business conduct and prevent and detect violations of laws, regulations and company policies. Each Regional Compliance Officer must also ensure that each Sony Group company in his or her region has designated appropriate personnel and resources to ensure effective implementation of Sony's global ethics and compliance program.

Global Ethics & Compliance Network



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Responsible Business Conduct

Third Party Management

Sony is firmly committed to ethical and responsible business conduct in compliance with all applicable laws and regulations. As part of Sony's commitment to ethical and responsible conduct, Sony only does business with reputable third parties. Sony established internal rules and procedures to help ensure compliance with applicable laws and regulations related to potential third party risks, which include: anti-corruption, anti-money laundering, economic sanctions, trade controls, tax laws and restrictions on other financial crimes. Sony identifies transactions that may pose higher risks. Sony performs pre-transaction due diligence, and ongoing monitoring, for these higher risk transactions to protect Sony Group companies from being involved in transactions concerning the proceeds of criminal conduct and/or with entities or individuals who are designated on an economic sanctions list and/or trade control list. Depending on the risk profile of the transaction, additional protections, such as contractual warranties may also be required. Sony provides periodic training to ensure its employees are well aware of policy requirements as well as relevant "red flags" identifying potential transaction risks. Any concerns are promptly investigated via the Global Network and the legal department of each subsidiary. Appropriate action for the case such as disciplinary, remedial, or corrective measures are considered and implemented.

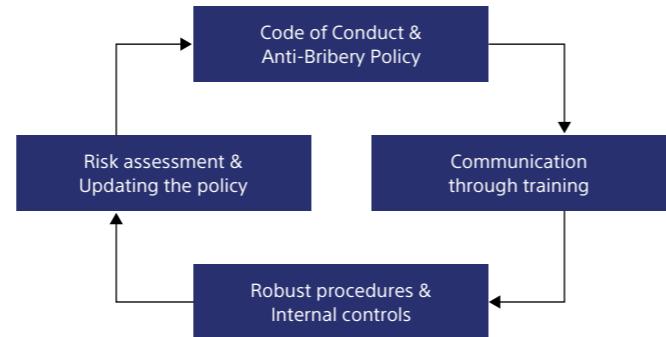
Anti-Bribery and Corruption

Sony believes that corruption negatively impacts the communities and economies where we do business and that it must be eliminated to realize a sustainable, inclusive and transparent society. One of the core principles set forth in Sony Group Code of Conduct is the need to give due consideration to the impact of our business activities on the interest of our stakeholders. Sony Group Code of Conduct prohibits all types of corrupt practices. Sony has also adopted a global anti-bribery policy that contains rules and procedures

designed to prevent corruption involving government officials ("Sony Group Anti-Bribery Policy"). All Sony Group personnel are required to read, understand and follow the Sony Group Anti-Bribery Policy and the Sony Group Code of Conduct.

Sony closely monitors global anti-corruption law enactment and enforcement trends to ensure that Sony's global ethics and compliance program and internal controls properly address these evolving risks.

Sony's Anti-Bribery and Corruption Program



Policies

- Sony Group Code of Conduct prohibits improper payments in every transaction, whether with a government official or with a private party.
- The Sony Group Anti-Bribery Policy was established and most recently revised in 2022 under the policy above. It identifies types of transactions that are considered to pose higher risks based on regulatory landscape and Sony's business and provides conditions and procedures that all Sony Group personnel must adhere to when interacting with officials of various governments around the world. This includes strict limitation on the type of expenditures that are permitted, due diligence and pre-approval requirements.

Communication through Training

- Sony provides extensive training and support to assist local management with policy compliance. Tailored training is provided to management and employees depending on their respective roles as explained below.
 - All Sony employees receive training on anti-bribery and corruption expectations as part of the Code of Conduct training upon hire. Refresher training is also provided at least every four years thereafter.
 - Employees who are at a higher risk for interactions with government officials (i.e., senior management, finance, legal, marketing, sales, real estate, corporate development, tax, audit, anyone involved in procurement and any other employees identified as dealing with government officials) receive more focused anti-corruption training, which includes training on Sony's specific policy pre-approval and due diligence requirement. This training is provided to those employees, in addition to the Code of Conduct training upon hire and at least once every two years thereafter, as well as more frequently based on risk assessments.
 - Personnel in Sony's control functions, legal, finance, other control personnel receive live training in addition to the above, as necessary.



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Robust Procedures & Internal Controls

- Sony has implemented robust internal controls and accounting processes designed to detect and prevent violations of company policies relating to improper payment risks and to ensure accurate books and records.
- Third parties (including intermediaries such as distributors and sub-agents) who interact with government officials on Sony's behalf, joint venture partners, parties to acquisition targets and certain investments are subject to due diligence. In accordance with the due diligence procedures specified based on risk levels including but not limited to whether the transaction involves any red flags or high risk territories that Sony specifically identifies in its policies, types of transactions and whether the transaction involves any intermediaries such as distributors and sub-agents, employees handling the transaction and professional functions such as financial department or the legal department in each company perform due diligence together as appropriate. Due diligence is performed periodically thereafter if the transaction is continuous in its nature, namely the sale of goods. Any transacting parties (including intermediaries such as distributors and sub-agents) who pose high risks must also agree to abide by applicable anti-corruption laws and regulations and Sony's anti-bribery policy.
- Concerns are promptly investigated via the Global Network and legal department of each subsidiary. Appropriate action for the case such as disciplinary, remedial and/or corrective action is considered and implemented. Such remediation activities are monitored until completed.

Risk Assessment & Updating Policy

- Sony conducts periodic anti-corruption assessments and audits of its business to raise overall awareness, detect potential misconduct, and monitor compliance with anti-corruption laws and policy. Sony continues to leverage opportunities to share both knowledges and best practices across its system.*

* Sony's material legal and regulatory proceedings in FY2021 are disclosed in our Form 20-F: "Item 8. Financial Information A. Consolidated Statements and Other Financial Information. Legal Proceedings," p. 81.

Antitrust and Competition Law Compliance

Sony wants to outperform the competition based on the merits of Sony's products and services, not because of unfair business practices. Sony complies with antitrust and competition laws and does its part to promote a fair and competitive marketplace. Sony has implemented the Sony Group Policy on Antitrust / Competition Law Compliance, which explains the purposes of competition laws and guides employees on compliance with such laws. Sony has also developed robust, customized training courses to raise awareness regarding competition laws and to reinforce the policy requirements. Additionally, Sony legal personnel monitor changes and developments in competition laws and maintain up-to-date controls, policies, and procedures for compliance with these laws.*

* Sony's material legal and regulatory proceedings in FY2021 are disclosed in our Form 20-F: "Item 8. Financial Information A. Consolidated Statements and Other Financial Information. Legal Proceedings," p. 81.

Economic Sanctions, Trade Controls, Anti-Money Laundering and Other Business Partner Due Diligence

Sony maintains up-to-date group-wide policies governing compliance with economic sanctions, money laundering, and trade control laws such as the Sony Group Economic Sanctions Compliance Policy, group-wide policies on trade controls and the Sony Group Customer Due Diligence Policy. These policies identify transactions that may pose higher risks based on the regulatory landscape and Sony's business, provide necessary due diligence and pre-approval requirements, and specify training requirements in compliance with applicable laws and regulations. In accordance with the due diligence procedures specified based on risk levels including but not limited to whether the transaction involves any red flags or high risk territories that Sony specifically identifies in its policies, types of transactions and whether the transaction involves any intermediaries such as distributors, employees handling the transaction and professional functions such as financial department or legal department in each company perform due diligence together as appropriate. The results of due diligence determine whether the transaction can proceed or whether it can only proceed subject to additional safeguards. Due diligence is performed periodically after the commencement of the transaction. Personnel in Sony's transaction, finance, accounting, trade controls and legal functions are required to receive training on these policies so that such personnel can perform proper due

diligence of business partners.

Elimination of Anti-Social Forces

Sony strongly opposes anti-social forces that threaten to disrupt the order and safety of the community. Sony will not entertain relationships with members of anti-social forces. Furthermore, Sony will not give economic benefits to, or accept illegal demands from, any anti-social force. Sony ensures that it does not do business with members of organized crime and other anti-social forces by performing due diligence procedures on its business partners. Sony also ensures this by delivering related training to its employees.

Customer-first Business Operations

Sony Financial Group is in charge of Sony's financial services business and pursues business operations from a customer-oriented perspective throughout. As a financial holding company, Sony Financial Group Inc. has clarified this initiative as its customer-first business operation policy and, as subsidiaries, Sony Life Insurance Co., Ltd., Sony Assurance Inc. and Sony Bank Inc. each go further to establish business operation policies fine-tuned to their respective activities. These policies are reviewed periodically to respond to factors such as changes in the business environment, and the progress of their initiatives is reported regularly to the respective companies' boards of directors or relevant senior managements and disclosed on their websites.

"Customer-first Business Operation Policy" and Relevant Initiatives

- [Sony Financial Group Inc.](#)
- [Sony Life Insurance Co., Ltd. \(in Japanese\)](#)
- [Sony Assurance Inc. \(in Japanese\)](#)
- [Sony Bank Inc.](#)
- [\[Customer-first Business Operation Policy\] Performance of Fiscal 2021 Initiatives \(in Japanese\)](#)

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Privacy and Personal Information Management

Sony believes it is important to protect the personal information of Sony's customers, employees and other stakeholders and thus ensure trust.

Sony has entered a new digital age, where the global privacy landscape and advancements in information and communication technology are changing at a faster pace than ever before. New global privacy laws continue to emerge, raising the bar for privacy compliance across the world. Rapidly evolving cloud-based solutions and social media platforms, smartphones and other mobile devices, Big Data and transformative technologies such as AI, means Sony faces new privacy challenges and risks every day.

To be able to respond to these changes and to ensure Sony continues to earn stakeholders' trust, Sony maintains a robust global privacy program. Sony's approach to privacy continues to be grounded in a group-wide governance structure that enables the effective management of potential risks and incorporates privacy controls into business processes, systems and products to safeguard the personal information of Sony customers, employees and other stakeholders.

Privacy Governance

Led by Sony Corporation's Executive Vice President responsible for Privacy, Sony has a governance structure of privacy and personal information management that covers the entire Sony Group. Sony's privacy management is governed by a set of global policies and standards, which are based on applicable laws, principles and best practices. These policies set forth Sony's group-wide commitment to privacy and define practices and procedures to be followed by Sony executives and employees to ensure appropriate handling and protection of the personal information that Sony collects, stores and/or processes. Sony routinely reviews and revises these policies and standards to address changes in the risk landscape, and the regulatory environment. Sony Corporation's Executive Vice President

responsible for Privacy monitors the global implementation of and compliance with those policies.

Under the direction of Sony Corporation's Executive Vice President responsible for Privacy, Privacy Officers and legal departments responsible for privacy and personal information management at Sony Group companies work together and ensure effective implementation of policies and standards.

Strong executive support for, and governance of privacy are essential. Accordingly, executives at Sony headquarter and each Sony Group company take responsibility for playing an active role in managing privacy risks within their organizations and instilling a culture that respects privacy and builds trust.

Safeguarding Privacy and Personal Information

Sony continues to enhance protection of personal information by evaluating and addressing privacy risks through the use of a global privacy management framework that promotes the integration of privacy principles and requirements into Sony's data processing activities.

To maintain the stakeholders' trust, Sony continuously looks for ways to improve practices, implement stronger controls, and provide more robust security to protect personal information and other information entrusted to its care.

Employee Training

Sony believes every employee has a role to play in safeguarding privacy. To increase the education and awareness of our workforce, Sony requires all employees to receive information security and privacy training. In addition, Sony provides privacy specialist personnel with bi-annual training and awareness on new privacy requirements and hot topics, as well as occasional training and awareness through privacy working groups and group-wide projects.

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Responsible AI

Framework for AI Ethics Initiatives

Through the utilization of artificial intelligence (AI), Sony aims to contribute to the development of a peaceful and sustainable society while delivering kando – a sense of excitement, wonder or emotion – to the world. At the same time, Sony understands that the influence of AI on society is multi-faceted and can have unintentional consequences. Sony established the Sony Group AI Ethics Guidelines in September 2018 to guide all Sony officers and employees to utilize AI and/or conduct AI-related R&D in a manner that conforms with our values and emerging social norms. The guidelines were subsequently revised to align with Sony's Purpose established in January 2019 to "fill the world with emotion, through the power of creativity and technology." In December 2019, Sony established the Sony Group AI Ethics Committee and since that time has been strengthening its initiatives and framework for AI ethics. In 2021, the AI Ethics Office was established to provide subject matter expertise on AI ethics to all Sony business units. In addition, Sony has established a notification system for AI utilization in products, services, and internal operations in Sony Group's business units, to share information on AI ethics risks. In March 2021, in accordance with the Sony Group AI Ethics Guidelines, Sony established an internal document stipulating requirements to be complied with in the commercialization process of electronic products and services, and in July 2021 started conducting AI ethics assessments in the product development life cycle. Sony uses e-learning tools to promote an understanding of AI ethics among its employees and invites speakers from outside the company to discuss this issue at lectures and symposia.

Stakeholder Dialogue and External Collaboration

Sony actively pursues dialogue with relevant companies, organizations, and the academic community on ethical issues surrounding AI utilization, while considering the interests of diverse stakeholders, including customers and creators.

In May 2017, Sony became the first Japanese company to join the Partnership on AI to Benefit People and Society (PAI), a non-profit organization created to contribute to solutions for some of humanity's challenging problems, including advancing the understanding of AI and addressing ethics surrounding AI technology. One of the most common issues in AI ethics is that of fairness, transparency, and accountability, abbreviated as "FTA." Sony utilizes knowledge it has gained from its AI and robotics related research, development, and business ventures and contributes to a number of working groups addressing this issue. Sony chaired the Social and Societal Influences of AI Working Group, which focuses on the social impacts of AI, and currently serves as an expert advisor for PAI's strategic planning. Sony also serves on the steering committee for ABOUT ML,* an initiative to improve the transparency of machine learning. Sony also serves as an expert advisor to the Explainability Research Project and Diversity and Inclusion Research Project. Sony's Global Head of AI Ethics is also one of the General Chairs of the 2022 ACM Conference on Fairness, Accountability, and Transparency (FAccT), the premier conference on sociotechnical algorithmic systems.

Sony is also involved with Japanese initiatives to establish principles and guidelines that promote the utilization of AI for social good. These initiatives include the AI Utilization Strategy published by Keidanren (Japan Business Federation) in February 2019 and the Social Principles of Human-centric AI published by Japan's Cabinet Office in March 2019. Sony is currently a member of the Conference toward AI Network Society, a group within the Ministry of Internal Affairs and Communications whose goal is the comprehensive study of the social, economic, ethical, and legal factors involved in the promotion of AI networks throughout society as a whole. Additionally, Sony is a participant in the Global Partnership on AI, an initiative launched in June 2020 to promote the development and utilization of AI based on human-centric principles, and serves as a member of the AI and Pandemic Response Subgroup, a working group that aids the

development of responsible AI solutions for epidemics of infectious disease such as COVID-19.

* ABOUT ML stands for "Annotation and Benchmarking on Understanding and Transparency of Machine Learning Lifecycles."

Trusted R&D for AI

Sony pursues R&D for AI that is trusted and backed by solid technologies, and is engaged in technical initiatives related to AI ethics. As a solution for securing FTA, Sony equipped its AI development tool Neural Network Console with eXplainable AI (XAI) to make it easy to use. XAI is a technology that enables people to understand the logic behind AI decision-making, an area often called the "black box" since it is not always immediately apparent. Sony has also released its machine learning fairness library and Responsible AI XAI source code as open source software. Additionally, Sony provided its Prediction One predictive analysis tool with the ability to visualize the predictive reasoning.

In 2021, Sony also launched the AI ethics flagship within Sony AI with projects to conduct cutting-edge research on the challenges faced in the development of AI products and services, including ethical data collection and algorithmic fairness. Taking advantage of its position as a company that extends across a wide range of industries, Sony will put fair and transparent AI into practice, leveraging its global and diverse perspective.

[Sony Group AI Ethics Guidelines \[PDF: 60KB\]](#)

[Sony Group's Initiatives for Responsible AI](#)

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Corporate Governance



Management Approach

Materiality Rationale

Historically, Sony Group Corporation 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 Group Corporation therefore sees corporate governance as the basis for management that improves corporate value over the mid- and 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 Group Corporation continuously strives to operate Sony effectively by maintaining objective, transparent and sound management and realizing timely and efficient decision-making.

Basic Approach

Sony Group Corporation continuously strives to strengthen its corporate governance system based on the understanding that corporate governance is an essential basis to promote our management in order to fulfill the company's corporate social responsibility and increases corporate value over the mid- and long-term. To operate Sony effectively, Sony Group Corporation continues to approach its corporate governance through two basic precepts:

- (a) The Board of Directors (the "Board"), a majority of which is comprised of independent outside Directors, focuses on effective oversight of management's operation of the business and maintains a sound and transparent governance framework by utilizing the Nominating Committee, the Audit Committee and the Compensation Committees; and
- (b) The Board determines Sony's fundamental management policies and other material matters and delegates to each of the Senior Executives that assume important roles for the management of Sony, including the Corporate Executive Officers, decision-making authority to conduct Sony's business operations broadly in line with their respective responsibilities, as defined with a view to promoting timely and efficient decision-making within Sony.

Structure

In furtherance of these efforts, Sony Group Corporation has adopted a "Company with Three Committees" corporate governance system under the Companies Act of Japan (Kaishaho) and related regulations (collectively the "Companies Act"). Under such system, Sony Group Corporation has introduced its own requirements to help improve and maintain the soundness and transparency of its governance by strengthening the separation of the Directors' function from that of management; maintaining what the company believes is an appropriate Board size, which enables the members of the Board to actively contribute to discussion; and advancing the proper functioning of the statutory committees.

Milestones

1961:	Issued American Depository Receipts (ADRs); Started US-GAAP accounting
1970:	Listed on the New York Stock Exchange and disclosing quarterly earnings release
1971:	Started appointing independent directors
1997:	Introduced a new corporate executive officer system
2003:	Adopted a company with three committees system
2005:	Majority of the board became independent
2015:	Split out business units as subsidiaries
2021:	Launch of Sony Group Corporation



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Corporate Strategy, Business Strategy and Other Policies

The Board sets and determines the fundamental management policy, including the mid-term plan and annual business plan pursuant to the Charter of the Board by fully examining various the thinking of management led by the CEO, from multiple perspectives. Please refer to the pages below for Sony's Purpose & Values, the Mid-Term Corporate Strategy for Sony, the business strategy for each business segment, and the vision of Sony's founder:

- [About Sony](#)
- [Corporate Strategy](#)
- [Business Briefing](#)
- [Vision of Founder and Approach to Sustainability](#)
- [The Founding Prospectus](#)

For details such as policies, approaches, plans and initiatives on sustainability, please refer to the pages below.

- [Approach to Sustainability](#)
- [Environment](#)
- [Respect for Human Rights](#)
- [Diversity, Equity and Inclusion](#)

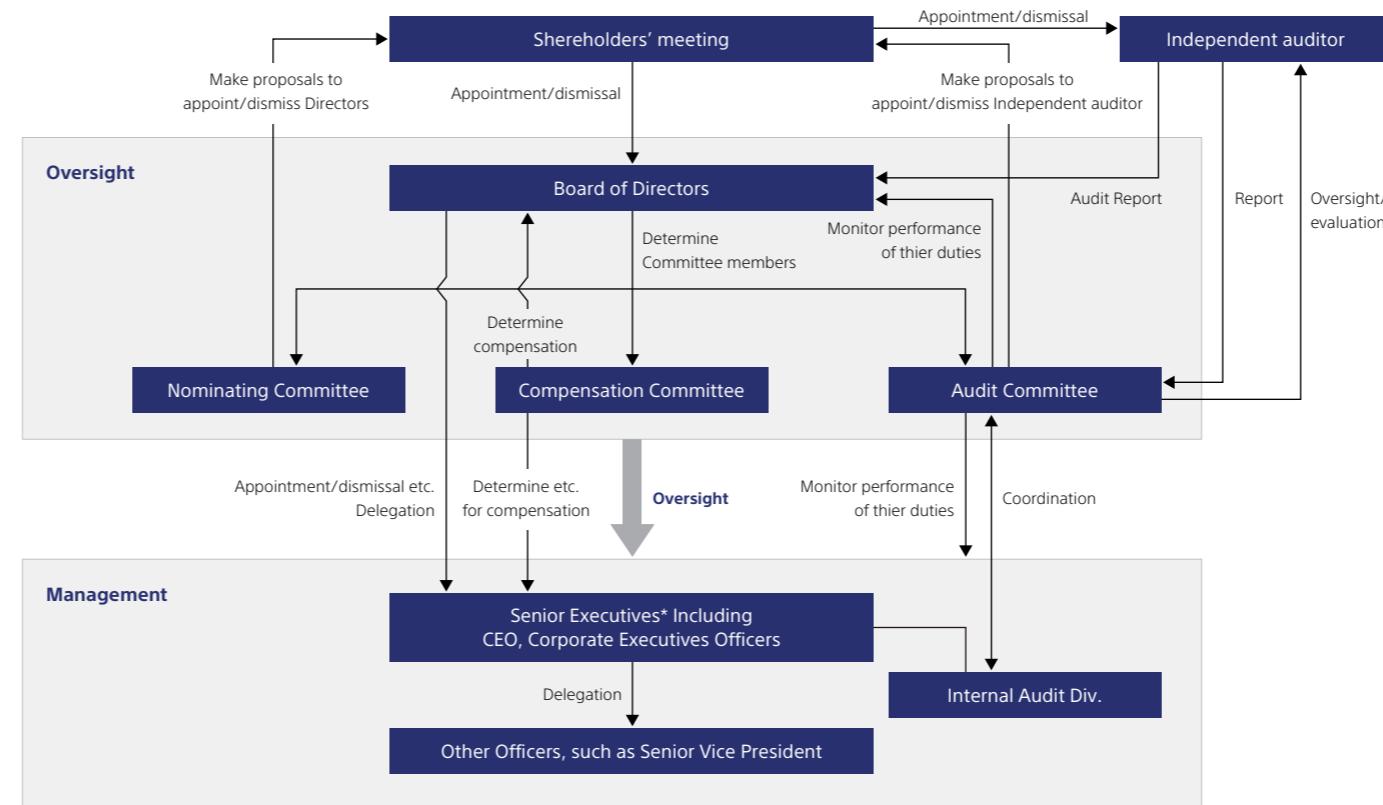
Governance Framework

Sony Group Corporation is governed by the Board, the members of which are elected at the Ordinary General Meeting of Shareholders. Under the Companies Act, a "Company with Three Committees" is required to have three committees: a Nominating Committee, an Audit Committee and a Compensation Committee, each consisting of Directors appointed by the Board. The Companies Act also requires the Board to appoint Corporate Executive Officers (Shikko-yaku), who

make decisions regarding the execution of Sony's business activities within the scope of the authority delegated to them by the Board. Sony Group Corporation has appointed its Chief Executive Officer ("CEO"), who is responsible for Sony's overall management, and other officers who are responsible for important and extensive headquarters functions as Corporate Executive Officers. Sony Group Corporation has also appointed Corporate Executive Officers, including the CEO and other executives, that assume important roles for the management of Sony as Senior Executives. In addition, Sony grants titles, such as Senior Executive Vice President, Executive Vice President and Senior Vice President, to management team members in accordance with their respective roles and responsibilities.

Executives

Corporate Governance Structure



* Senior Executives: Corporate Executive Officers and certain other senior officers that assume important roles for management of Sony



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The Board of Directors

Members: 10 Directors including 7 outside Directors (as of June 28, 2022)

As of July 31, 2022

Name	Position / Principal Activities Outside Sony	Years as Director	Committee Membership/Assignment				Experience and Expertise					
			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
Kenichiro Yoshida	Representative Corporate Executive Officer, Chairman, President and Chief Executive Officer	8	–	–	–	–	●	●		●	● ^{*2}	●
Hiroki Totoki	Representative Corporate Executive Officer, Executive Deputy President and Chief Financial Officer	3	–	–	–	–	●	●		●	● ^{*2}	●
Shuzo Sumi ^{*1} (Chairman of the Board)	Senior Executive Advisor, Tokio Marine & Nichido Fire Insurance Co., Ltd.	5	Chair				●	●		●	(Financials)	●
Yoshihiko Hatanaka ^{*1} (Vice Chairman of the Board)	Former Representative Director, Chairman of the Board, Astellas Pharma Inc.	3		Chair			●	●			(Health Care)	●
Tim Schaaff (Non-executive Director)	Former Chief Product Officer, Intertrust Technologies Corporation	9				Chair			●	●	(IT/Software)	●
Toshiko Oka ^{*1}	Professor, Professional Graduate School, Graduate School of Global Business, Meiji University	4	Chair					●	●			●
Sakie Akiyama ^{*1}	Founder, Saki Corporation	3			Chair			●	●	●	(IT/Device)	
Wendy Becker*	Chairperson of the Board, Logitech International S.A. Non-Executive Director, Oxford Nanopore Technologies plc	3				Chair		●	●	●	(Telecommunication Service/Consumer Goods)	●
Keiko Kishigami ^{*1}	Certified Public Accountant in Japan Board Member, WWF Japan	2	Chair					●	●			●
Joseph A. Kraft Jr. ^{*1}	CEO, Rorschach Advisory Inc.	2				Chair		●	●		(Financials)	●

Under the Companies Act, the term of office of Directors expires at the conclusion of the Ordinary General Meeting of Shareholders held with respect to the last business year ending within one year after their election.

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

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

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Purpose/Authority

- To determine Sony's fundamental management policies
- To oversee the management of Sony's business operations as an entity independent from Sony's management
- To appoint and dismiss the statutory committee members
- To appoint and dismiss Corporate Executive Officers, and oversee the status of appointment/dismissal of Senior Executives except for Corporate Executive Officers
- To appoint and dismiss Representative Corporate Executive Officers

For the matters to be decided by the Board and the matters to be reported to the Board, refer to the page below.

[The Board Charter \[PDF:176KB\]](#)

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 independence 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 the candidate's 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, experiences and talent needed for the role. Under the Charter of the Board (the "Board Charter"), Sony Group Corporation also requires that the Board consist of not fewer than 8 Directors and not more than 14 Directors. In addition, since 2005 the majority of the members of the Board have been outside Directors.

Qualifications for Directors and Limitation of Re-election

The qualifications for Directors of Sony Group Corporation under the Board Charter are generally as summarized below. As of June 28, 2022, all Directors satisfy the qualifications for Directors as set forth below, and all outside Directors satisfy the additional qualifications for outside Directors and are also qualified and designated as Independent Directors under the Securities Listing Regulations of the Tokyo Stock Exchange.

Director qualifications

- He/she shall not be a director, a statutory auditor, a corporate executive officer, a general manager or other employee of any company in competition with Sony in any of Sony's principal businesses (a "Competing Company") or own 3% or more of the shares of any Competing Company.
- He/she shall not be or have been a representative partner or partner of Sony's independent auditor the past three years before being nominated as a Director.
- He/she shall not have any connection with any matter that may cause a material conflict of interest in performing the duties of a Director.

Additional qualifications for outside Directors

- He/she shall not have received directly from Sony, during any consecutive twelve-month period within the last three years, more than an amount equivalent to 120,000 USD, other than Director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service).
- He/she shall not be an executive director, corporate executive officer, general manager or other employee of any company whose aggregate amount of transactions with Sony, in any of the last three fiscal years, exceeds the greater of an amount equivalent to 1,000,000 USD, or two percent of the annual consolidated sales of such company.

Also, each outside Director may, by resolution of the Nominating Committee, be nominated as a Director candidate for re-election up to five times, and thereafter by resolution of the Nominating Committee and by 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.

Matters related to Outside Directors

Sony Group Corporation expects that each outside Director play an important role in ensuring proper business decisions by Sony and effective input and oversight by the Board through actively exchanging opinions and having discussions about Sony's business based on his or her various and broad experience, knowledge and expertise. Considering these expectations, the policy and procedures on the election of Director candidates, including independent outside Director candidates, are set forth as described above. As of June 28, 2022, the Board has 10 Directors, seven of whom are outside Directors. The Chairman of the Board is an outside Director; all members of the Nominating Committee, the Compensation Committee and the Audit Committee are outside Directors.

Policy and Procedure for Selection and Dismissal of Senior Executives

Sony Group Corporation appoints Corporate Executive Officers including the CEO and other officers that assume important roles for the management of Sony as "Senior Executives." The Board, has the authority to appoint and dismiss and assign the roles and responsibilities of or to request a report regarding such matters for Senior Executives, including the CEO, and exercises such authority as necessary.

In making decisions on the appointment of Corporate Executive Officers, including the CEO, the Board considers whether candidates for CEO meet certain qualifications for the CEO position which are set by the Nominating Committee and whether candidates for other Corporate Executive Officer positions have the necessary skills, capabilities, experiences and achievements that correspond to such Corporate Executive Officers' expected roles and responsibilities. The Board also receives a report on the status of appointment and dismissal of Senior Executives other than Corporate Executive Officers. The term of office of Senior Executives, including the CEO, is one year. The Board discusses, determines and/or oversees their re-appointment upon the expiration of each term considering the factors described above as well as their latest performance. The Board dismisses a Corporate Executive Officer, as necessary, in the event that the Board recognizes such Corporate Executive Officer is disqualified after discussions amongst the members of the Board or the Nominating Committee, even in the middle of the term for such Corporate Executive Officer.

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Nominating Committee

Members: 3 outside Directors (as of June 28, 2022)

Name	Position
Shuzo Sumi	Chair of the Nominating Committee (Outside Director)
Yoshihiko Hatanaka	Nominating Committee Member (Outside Director)
Wendy Becker	Nominating Committee Member (Outside Director)

Purpose/Authority

- To determine the content of proposals to be submitted for approval at the General Meeting of Shareholders regarding the appointment and dismissal of Directors
- To evaluate management succession plans, which the CEO develops, for the CEO and other executives designated by the Nominating Committee

The Nominating Committee determines the content of proposals regarding the appointment and dismissal of Directors, considering the policy on composition of the Board, the qualifications for Directors and the limitation of re-election of Directors. Please refer to the page below for more details.

→ [The Board of Directors](#)

Policy Regarding Composition of the Nominating Committee

Under the Companies Act, the Nominating Committee must consist of at least three Directors, the majority of whom must be outside Directors. In addition, under the Board Charter, the chair is to be selected from among the outside Directors. In determining whether to appoint or remove a member of the Nominating Committee, continuity of the Nominating Committee shall be duly taken into account. As of June 28, 2022, the Nominating Committee is comprised of three outside Directors.

Management Succession Plans

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 qualification. It does so in frequent consultation with executives, including the CEO, and reports its recommendations to the Board of Directors. 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 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, and then reviews both near-term and longer-term CEO successor candidates based on their anticipated timelines toward becoming CEO.

Audit Committee

Members: 3 outside Directors (as of June 28, 2022)

Name	Position
Toshiko Oka	Chair of the Compensation Committee (Outside Director)
Sakie Akiyama	Compensation Committee Member (Outside Director)
Yoshihiko Hatanaka	Compensation Committee Member (Outside Director)

Purpose/Authority

- To monitor the performance of duties by Directors and Corporate Executive Officers
- To oversee and evaluate the independent auditor

Policy of Composition of the Audit Committee

Under the Companies Act, the Audit Committee shall consist of at least three Directors, the majority of whom shall be outside Directors. In addition, under the Board Charter, each member of the Audit Committee ("Audit Committee Member") shall satisfy all of the following qualifications:

- he/she shall not be a Director engaged in the business operations of Sony Group Corporation or any of its subsidiaries, a Corporate Executive Officer, an accounting counselor, a general manager or other employee of Sony and
- he/she shall meet the independence requirements or such other equivalent requirements of the U.S. securities laws and regulations as may from time to time be applicable to Sony Group Corporation. The chair is to be selected from among the outside Directors. The Audit Committee Members shall be selected from among the persons who possess appropriate experience and talent as well as the necessary finance, accounting and legal knowledge to serve on the Audit Committee. In determining whether to appoint or remove the Audit Committee Member, continuity of the Audit Committee shall be duly taken into account.

Moreover, at least one Audit Committee Member shall meet the audit committee financial expert requirements or such other equivalent requirements of the U.S. securities laws and regulations as may from time to time be applicable to Sony Group Corporation. The Board makes a determination on whether or not such Audit Committee Members meet these requirements. As of June 28, 2022, the Audit Committee is comprised of three outside Directors, two of whom (Toshiko Oka and Keiko Kishigami) are "audit committee financial experts" within the meaning of Item 16A of Form 20-F under the Securities Exchange Act of 1934, as amended.

Policy on Selection of Independent Auditor Candidates and Independence of Independent Auditor

With respect to the candidates for independent auditor nominated by the CEO and other Corporate Executive Officers, the Audit Committee evaluates the nomination, prior to making a decision on the candidates. The Audit Committee continues to evaluate the independence, the qualification and the reasonableness as well as the performance, of the independent auditor so appointed. For more details on activities of the Audit Committee, please refer to the page below.

→ [Structure of Audit by the Audit Committee, Internal Audit and Accounting Audit, and Status Thereof](#)



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Compensation Committee

Members: 3 outside Directors (as of June 28, 2022)

Name	Position
Wendy Becker	Chair of the Compensation Committee (Outside Director)
Sakie Akiyama	Compensation Committee Member (Outside Director)
Yoshihiko Hatanaka	Compensation Committee Member (Outside Director)

Purpose/Authority

- To set policy on the content of individual compensation for Directors, Senior Executives and other officers
- To determine the amount and content of individual compensation of Directors and Corporate Executive Officers in accordance with the policy, and oversee the determination regarding the amount and content of individual compensation of Senior Executives other than Corporate Executive Officers

Policy Regarding Composition of the Compensation Committee

Under the Companies Act, the Compensation Committee must consist of at least three Directors, the majority of whom must be outside Directors. In addition, the chair is to be selected from among the outside Directors. A Director who is a CEO, a Chief Operating Officer ("COO") or a Chief Financial Officer ("CFO") of Sony Group Corporation or who holds any equivalent position shall not be a member of the Compensation Committee. In determining whether to appoint or remove a member of the Compensation Committee, continuity of the Compensation Committee shall be duly taken into account. As of June 28, 2022, the Compensation Committee is comprised of three outside Directors.

Basic policy for Director and Senior Executive remuneration

The basic policy regarding remuneration for Directors and Senior Executives, as determined by the Compensation Committee, is as follows:

Basic policy regarding Director remuneration

The primary duty of Directors is to oversee management's operation of Sony, which is a global company, the following two elements have been established as the basic policy for the determination of remuneration of Directors in order to improve that oversight function. No Director remuneration is paid to those Directors who concurrently serve as Corporate Executive Officers.

- Securing a talent pool of Directors possessing requisite abilities from a global perspective; and
- Ensuring the effectiveness of the supervisory function of the Directors.

Based on the above, Director remuneration shall consist of the following components. The amount of each component and its percentage of total remuneration shall be set at an appropriate level determined in accordance with the basic policy above and research conducted by a third party regarding remuneration of directors of both Japanese and non-Japanese companies.

Type of remuneration	Description
Fixed remuneration	<ul style="list-style-type: none"> ● Set at an appropriate level determined based on research conducted by a third party regarding remuneration of directors of both Japanese and non-Japanese companies with a view to the level of responsibility of the Director and maintaining competitiveness for securing talent.
Remuneration linked to stock price (restricted stock)	<ul style="list-style-type: none"> ● Granted restricted stocks to further promote shared values between Directors and shareholders and incentivize Directors to develop and maintain a sound and transparent management system. ● Any Director to whom restricted stock is granted, in principle, may not sell or transfer the granted shares during his or her tenure. This restriction is removed on the date such Director resigns.
Phantom restricted stock plan	<ul style="list-style-type: none"> ● Points determined by the Compensation Committee shall be granted to Directors every year during their term in office. Then, when they resign, the remuneration amount shall be calculated by multiplying the closing price of common stock by the individual's accumulated points. <p>* Because Sony replaced the phantom restricted stock plan for Directors with restricted stock from the fiscal year ended March 31, 2018, Sony did not grant new points to Directors from the fiscal year ended March 31, 2018 to the fiscal year ended March 31, 2022.</p>

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Basic policy regarding Senior Executive remuneration

Senior Executives are key members of management responsible for executing the operations of Sony as a whole, or of their respective businesses. In order to further improve the business results of Sony, the following two elements have been established as the basic policy for the determination of remuneration of Senior Executives.

- Securing a talent pool possessing requisite abilities from a global perspective; and
- Providing effective incentives to improve business results on a short-, medium- and long- term basis.

Based on the above, Senior Executive remuneration shall primarily consist of the following components. The amount of each component and its percentage of total remuneration shall be at an appropriate level determined in accordance with the above basic policy and the individual's level of responsibility. The amount and percentage will also be based on research conducted by a third party regarding remuneration of management of both Japanese and non- Japanese companies, with an emphasis on linking Senior Executive remuneration to business results and shareholder value.

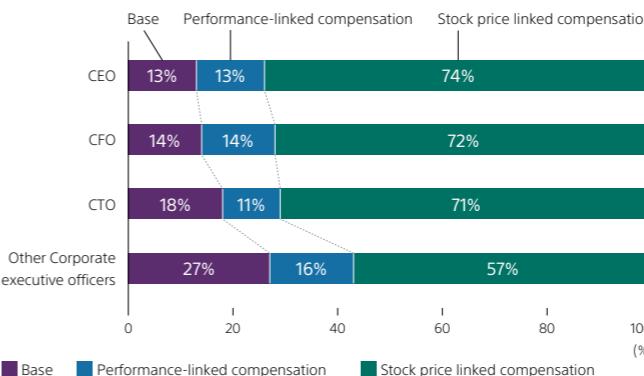
Type of remuneration	Description
Fixed remuneration	<ul style="list-style-type: none"> ● Set at an appropriate level determined based on research conducted by a third party regarding remuneration of management of both Japanese and non-Japanese companies with a view to the level of responsibility of the Senior Executive and maintaining competitiveness for securing talent.
Remuneration linked to business results	<ul style="list-style-type: none"> ● Structured appropriately and based on appropriate metrics to ensure that such remuneration effectively incentivizes Senior Executives to achieve financial targets for the mid- and long-term and financial targets for the fiscal year for which compensation will be paid. ● Specifically, the amount to be paid to Senior Executives shall be 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 depending on the level of achievement. <ul style="list-style-type: none"> (1) Certain key performance indicators linked to the consolidated or individual business results of Sony during the fiscal year, such as Adjusted EBITDA and Adjusted EPS (net income attributable to Sony Group Corporation's stockholders per share), which are selected based on the areas for which each Senior Executive is responsible. (2) Individual performance in the area(s) for which each Senior Executive is responsible. ● Efforts to accelerate value creation through collaborations among the businesses of Sony, sustainability initiatives related to social value creation and ESG (environment, social and governance) and engagement indicators based on employee surveys shall be included in the evaluation factors for individual performance. ● The standard payment amount shall be determined so that it is a percentage of the Senior Executive's total cash compensation (fixed remuneration plus remuneration linked to business results) that is appropriate to each individual's level of responsibility.
Remuneration linked to stock price (Stock acquisition rights and restricted stock)	<ul style="list-style-type: none"> ● Stock acquisition rights and restricted stock are granted to incentivize Senior Executives to increase mid-to long-term shareholder value. ● In principle, one-third of the total number of exercisable stock acquisition rights will become exercisable each year after the allotment date, starting one year after the allotment date. (All of the allocated stock acquisition rights will be exercisable after three years from the allotment date.) ● The Senior Executives to whom restricted stock is granted, in principle, may not sell or transfer the granted stock before the third anniversary date of the Ordinary General Meeting of Shareholders of the fiscal year when the restricted stock was granted. ● In principle, Senior Executives who have greater management responsibility and influence over Sony as a whole shall have a higher proportion of their remuneration linked to the stock price. (Please see below "Reference: Executive compensation package designed to focus on long-term management.") ● The amount of remuneration linked to the stock price shall be determined so that it is a percentage of the Senior Executive's total compensation (remuneration linked to the stock price plus total cash remuneration) that is appropriate to each individual's level of responsibility.
Phantom restricted stock plan	Points determined by the Compensation Committee shall be granted to Directors every year during their term in office. Then, when they resign, the remuneration amount shall be calculated by multiplying the closing price of common stock by the individual's accumulated points.

With respect to the remuneration linked to stock price, the Compensation Committee approved the introduction of the restricted stock units on June 30, 2022. By further utilizing the remuneration linked to stock price, including the restricted stock units, Sony aims to increase the willingness of executives/employees to contribute to the enhancement of Sony's corporate value, and thereby to increase business results of Sony. For details of the restricted stock units, please refer to the press release below.

[Introduction of Stock Compensation Plan through Restricted Stock Units \(RSUs\)](#)

(Reference: Executive Compensation Package Design to Focus on Long-Term Management (FY2021))

The bar chart below shows the components of remuneration for Corporate Executive Officers for the fiscal year ended March 31, 2022. The standard payment amount is used to depict remuneration linked to business results and remuneration linked to stock price is calculated based on the fair value of stock acquisition rights and the issue price of restricted stock as of the date granted in the fiscal year ended March 31, 2022. Accordingly, the proportion of each component based on the amount actually paid will differ from the chart below.



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Procedures to determine remuneration of Directors and Senior Executives

The Compensation Committee or bodies or individuals under the supervision of the Compensation Committee determine the amount and content of the compensation for each Director and Senior Executive based on the policy outlined above. In principle, each year at the meeting of the Compensation Committee held after the Ordinary General Meeting of Shareholders, the Compensation Committee determines the amount of basic remuneration and the content of each Director's and Corporate Executive Officer's compensation for the corresponding fiscal year. At the meeting of the Compensation Committee held after the corresponding fiscal year end, the Compensation Committee determines the final amount of compensation of each Director and Corporate Executive Officer. As for Senior Executives who are not Corporate Executive Officers, bodies or individuals under the supervision of the Compensation Committee make those determinations.

For remuneration linked to business results, the Compensation Committee determines the standard payment amount, the financial performance KPIs (including the proportion of each indicator) and the targets for individual performance for each Senior Executive.

Thereafter, the Compensation Committee determines the amount of such remuneration based on the level of achievement of the financial performance KPIs and each executive's individual performance at the meeting of the Compensation Committee held after the corresponding fiscal year end for Corporate Executive Officers. Bodies or individuals under the supervision of the Compensation Committee make those determinations for Senior Executives other than Corporate Executive Officers.

The Compensation Committee or bodies or individuals under the supervision of the Compensation Committee determined the amount of compensation of each Director and Senior Executive for the fiscal year ended March 31, 2022 according to the procedure described above.

Corporate Executive Officer remuneration linked to business results for the fiscal year ended March 31, 2022

For the fiscal year ended March 31, 2022, the standard payment amount for remuneration linked to business results for Corporate Executive Officers was determined to be between 60% and 100% of the amount of their fixed remuneration depending on their level of responsibility. The financial performance KPIs and the weighting of such financial performance KPIs primarily used for Corporate Executive Officers in the fiscal year ended March 31, 2022 were as follows:

$$\text{The amount of the remuneration linked to business results to be paid to Corporate Executive Officers} = \text{Standard payment amount}^{\ast 1} \times \text{Payment rate of remuneration linked to business results}^{\ast 2} (0 \text{ to } 200\%)$$

^{\ast 1} Standard payment amount was determined to be between 60 to 100% of the amount of fixed remuneration of each Corporate Executive Officer.

^{\ast 2} Payment rate of remuneration linked to business results was determined, in principle, to be between 0 to 200% based on the achievement of (i) financial performance KPIs for the area (s) for which each Corporate Executive Officer is responsible and (ii) individual performance in the area (s) for which each Corporate Executive Officer is responsible.

The financial performance KPIs and the weighting of such financial performance KPIs primarily used for Corporate Executive Officers in the fiscal year ended March 31, 2022 were as follows:

KPI	Weight	Target to be achieved for the fiscal year ended March 31, 2022 (Consolidated)	Result for the fiscal year ended March 31, 2022 (Consolidated)
Adjusted EBITDA ^{\ast 1}	50%	Amount determined in order to achieve the Adjusted EBITDA (defined below) target of 4.3 trillion yen for the three-year period from the fiscal year ended March 31, 2022	1,597.9 billion yen ^{\ast 3}
Adjusted EPS ^{\ast 2}	50%	523.2 yen	640.2 yen ^{\ast 4}

Adjusted EBITDA, which is the most important financial performance KPI under the fourth mid-range plan, was selected as a Financial Performance KPI to enhance the growth potential of the entire Sony Group under the fourth mid-range plan. Adjusted EPS was selected to incentivize awareness of shareholder value and capital efficiency. The Compensation Committee determined a target for Adjusted EBITDA for the fiscal year ended March 31, 2022 that was meant to incentivize management to achieve the 4.3 trillion yen for the three-year period from the fiscal year ended March 31, 2022. The target for Adjusted EPS for the fiscal year ended March 31, 2022 was 523.2 yen, which was obtained by dividing the forecast of net income attributable to Sony Group Corporation's stockholders for the fiscal year ended March 31, 2022, which was disclosed in April, 2021 (660 billion yen) by the number of diluted shares outstanding at the beginning of such fiscal year. The results for the Financial Performance KPIs for the fiscal year ended March 31, 2022 were as follows: Adjusted EBITDA: 1,597.9 billion yen (while net income attributable to Sony Group Corporation's stockholders for the fiscal year ended March 31, 2022 was 882.2 billion) ^{\ast 3}, and Adjusted EPS: 640.2 yen^{\ast 4}, each exceeding the targeted amount. As outlined above, including the formula, the remuneration linked to business results for Corporate Executive Officers for the fiscal year ended March 31, 2022 was determined based on the level of achievement of the financial performance KPIs and the individual performance for which those Corporate Executive Officers were responsible. Consequently, the range of potential payment was determined to be, in principle, between 0% and 200% of the standard payment amount. As a result, the ratio of remuneration linked to business results of Corporate Executive Officers for the fiscal year ended March 31, 2022 varied from 167.8% to 178.5% of the Business Results Linked Standard Payment Amount.

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*1 "Adjusted EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization)" = Net income attributable to Sony Group Corporation's stockholders + Net income attributable to noncontrolling interests + Income taxes + Interest expenses, net, recorded in Financial income and Financial expense - Gain on revaluation of equity instruments, net, recorded in Financial income and Financial expense + Depreciation and amortization expense excluding amortization for film costs and broadcasting rights included in Content assets as well as deferred insurance acquisition costs - the profit and loss amount that Sony deems to be non-recurring.

*2 "EPS (Earning Per Share)" means net income attributable to Sony Group Corporation's stockholders per share. "Adjusted EPS" is calculated by using the value excluding the profit and loss amount that Sony deems to be non-recurring from the value of the net income attributable to Sony Group Corporation's stockholders.

*3 The following table shows a reconciliation of net income attributable to Sony Group Corporation's stockholders reported in accordance with IFRS to Adjusted EBITDA for the fiscal year ended March 31, 2022.

	Fiscal year ended March 31 2022 (Yen in billions)
Net income attributable to Sony Group Corporation's stockholders	882.2
Net income attributable to noncontrolling interests	6.2
Income taxes	229.1
Interest expenses, net, recorded in Financial income and Financial expense	7.6
Gain on revaluation of equity instruments, net, recorded in Financial income and Financial expense	(66.2)
Depreciation and amortization expense excluding amortization for film costs and broadcasting rights included in Content assets as well as deferred insurance acquisition costs	470.4
EBITDA	1,661.7
Profit and loss amount that Sony deems to be non-recurring*	(63.8)
Adjusted EBITDA	1,597.9

For further information about the profit and loss amount that Sony deems to be non-recurring, refer to "Issues Facing Sony and Management's Response to those Issues: Fourth Mid-Range Plan – Financial Targets and their Progress" in "Item 5. Operating and Financial Review and Prospects" in Sony Group Corporation's Form 20-F (Annual Report) for Fiscal Year ended on March 31, 2022. Form 20-F (Annual Report) for Fiscal Year ended on March 31, 2022:

Form 20-F (Annual Report) for Fiscal Year ended on March 31, 2022:

[Form 20-F \(Annual Report\) for Fiscal Year ended on March 31, 2022](#):

*4 Adjusted EPS result for the fiscal year ended March 31, 2022 is calculated by dividing adjusted net income attributable to Sony Group Corporation's stockholders for the fiscal year ended March 31, 2022 by diluted weighted average number of shares during the fiscal year. The following table shows a reconciliation of net income attributable to Sony Group Corporation's stockholders for diluted EPS computation reported in accordance with IFRS to Adjusted EPS for the fiscal year ended March 31, 2022.

	Fiscal year ended March 31 2022 (Yen in billions, yen per share amounts)
Net income attributable to Sony Group Corporation's stockholders for diluted EPS computation*	882.3
Profit and loss amount that Sony deems to be non-recurring, including adjustments for income taxes and non-controlling interests**	(81.3)
Adjusted Net income attributable to Sony Group Corporation's stockholders for diluted EPS computation	801.1
Weighted-average shares for diluted EPS computation (thousands of shares)*	1,251,260
Adjusted EPS	640.2

*1 Refer to Note 26 of the consolidated financial statements in Sony Group Corporation's Form 20-F (Annual Report) for Fiscal Year ended on March 31, 2022.

[Form 20-F \(Annual Report\) for Fiscal Year ended on March 31, 2022](#):

*2 This amount is calculated by subtracting the tax effect of 15.0 billion yen and an adjustment of non-controlling interests of 0.9 billion yen from 63.8 billion yen, the total amount of profit and loss that Sony deems to be non-recurring, included in income before income tax, then adding a tax benefit of 33.4 billion yen resulting from the reversal of a previous write-down of certain deferred tax assets at certain companies in Japan. For further information about the profit and loss amount that Sony deems to be non-recurring, refer to "Issues Facing Sony and Management's Response to those Issues: Fourth Mid-Range Plan – Financial Targets and their Progress" in "Item 5. Operating and Financial Review and Prospects" in Sony Group Corporation's Form 20-F (Annual Report) for Fiscal Year ended on March 31, 2022. Form 20-F (Annual Report) for Fiscal Year ended on March 31, 2022:

Form 20-F (Annual Report) for Fiscal Year ended on March 31, 2022:

[Form 20-F \(Annual Report\) for Fiscal Year ended on March 31, 2022](#):

Support for Activities of Directors, the Board and the Committees

Sony Group Corporation engages in various activities to enhance the oversight function of the Board over management's operation of Sony's business as follows:

Outside Director Initiatives

The Chairman of the Board is elected from among those Directors other than the Representative Corporate Executive Officer, and the Chairman leads the Board activities and secures the appropriate cooperation, communication and arrangement among outside Directors and Senior Executives. For example, the Board conducted outside Directors' meetings generally the same day as each Board Meeting was held. The Board also conducted Directors' corporate strategic workshops with management and meetings of the Chairman and the CEO. All these activities were aimed at securing better understanding by outside Directors of Sony's business and management's initiatives and encouraging corporate strategic discussions among Directors.

Secretariat Offices for the Board and each Committee

The company has established the secretariat offices of the Board and each Committee to support the activities of the members and encourage constructive and proactive discussion at the meetings of the Board and each Committee. Each secretariat office endeavors to distribute necessary materials for the meetings in advance and to provide other information such as accounting information, organizational charts, press releases, external analyst reports and credit rating reports, as appropriate. Each secretariat office explains the meeting agenda to the members and provides them with presentation materials in advance of each meeting date and facilitates deliberation in separate meetings or briefing sessions depending on the nature of matters to be discussed. Each secretariat office also provides the absent members with a follow up briefing, as appropriate. In addition, each secretariat office shares the annual schedule of the meetings and anticipated agenda items in advance with the members, in order to appropriately set the frequency of meetings and the number of agenda items to be deliberated at each meeting.



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Provision of Necessary Information

When the company is requested to provide additional information by Directors, each secretariat office endeavors to provide the members such information promptly. Also, each secretariat office verifies appropriately whether requested information is provided smoothly. In the event that the members consult with external specialists, participate in various seminars and so on to perform their duties, the costs and expenses in connection with such activities are borne by the company in accordance with applicable internal rules.

The Audit Committee Aide

With the approval of the Board and with the consent by the Audit Committee, the company has established the Audit Committee Aide to support the activities of the Audit Committee. The Audit Committee Aide does not concurrently hold positions related to the business operations of Sony and, upon instruction by each Audit Committee member, conducts investigations into and analyses of auditing matters and engages in physical inspections or visiting audits either by him/herself or by cooperating with relevant departments in order to support the Audit Committee.

Policy for training Directors

Newly appointed Directors receive briefings by Senior Executives and outside experts regarding their expected roles and responsibilities, including their legal duties, as a Director or a member of the Committees. In addition, newly appointed outside Directors receive briefings about the business, financial status, organization and governance structure of Sony. Also, throughout their tenure, each Director receives compliance-related training in accordance with internal protocols and briefings on matters relevant to each Director's fulfillment of his/her roles and responsibilities including the current status of Sony's business.

Evaluation of the Board and the Committees' Effectiveness

Policy for Evaluation

Sony Group Corporation believes that it is important to endeavor to improve the effectiveness of the Board and each Committee in order to support Sony's business operations and enhance the corporate value of Sony. To achieve this goal, Sony Group Corporation conducts evaluations of the effectiveness of the Board and of each Committee (the "Evaluation") at least annually.

Recent Evaluation

From February through May 2022, under the leadership of the Chairman of the Board, the Board conducted the Evaluation mainly in respect of Board and Committee activities in the fiscal year ended March 31, 2022 after confirming that actions proposed in response to the results of the previous Evaluation were appropriately taken. The recent Evaluation was conducted, as the company did with the previous Evaluation, with the support of a third-party outside counsel with expertise in Japanese and global corporate governance practices (the "Outside Counsel") in order to ensure transparency and objectivity and to obtain professional advice.

Procedures for Recent Evaluation

First, the Board discussed and confirmed that the actions proposed to be taken in response to the results of the previous Evaluation were taken, and discussed and confirmed the proposed procedures for the Evaluation for the fiscal year ended March 31 2022. Thereafter, the third-party evaluation was conducted by the Outside Counsel in accordance with the following steps:

- Reviewed relevant material, such as the minutes of Board meetings, and attended a Board meeting;
- Confirmed with the Board secretariat office and each Committee's secretariat office how meetings of the Board and Committees were conducted;
- Gathered responses to a questionnaire from each Director about the current status and practices of the Board and each Committee, such as the composition of the Board, operation of the Board, commitments of each Director, activities of each Committee and procedures of the previous Evaluation;

- Interviewed the Chairman of the Board, and the Chair of each Committee, Directors, who are concurrently in the positions of Corporate Executive Officers, and certain additional Corporate Executive Officers about the Board and Committee status and practices; and
- Researched other global companies' practices in Japan, the United States and Europe, and compared them with the company's practices.

The Board then received, reviewed and discussed the Outside Counsel's report on the results of its evaluation. The Board confirmed the effectiveness of the Board and the Committees.

Summary of the Results of the Recent Evaluation

The Outside Counsel reported that the Board is established and operated in a manner sufficient to be highly regarded, based on various points, including the self-evaluation results of the Directors and the comparison with benchmarked companies in Japan, the United States and Europe. Following discussion and analysis based on the Outside Counsel's report, the Board re-affirmed that the Board and each Committee were functioning effectively as of May 2022. The Outside Counsel also provided examples of potential options, based on other companies' practices, to help further improve effectiveness of the Board and the Committees. The examples include conducting mutual evaluation among Directors (peer review), enhancing the involvement by the Board in sustainability and risk management, and conducting deeper discussion regarding Board succession at Board meetings.

Actions in response to the Results of the Evaluation

In order to further increase corporate value of Sony, Sony Group Corporation will 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 the Outside Counsel during the Evaluation process. For reference, after the previous Evaluation conducted from February through April 2021, Sony Group Corporation took the following actions, among others, to help improve the effectiveness of the Board:

- Continuously made periodic reports to the Board on ESG/sustainability related matters;

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- Enhanced Board's supervision over risks regarding economic security and geopolitics;
- Focused on information security continuously through maintaining the number of Directors in charge of Information Security;
- Held additional executive sessions;
- Expanded disclosure regarding in the table showing experiences and expertise of Directors; and
- Continuously conducted visiting audits by Audit Committee members at Sony's business sites.

Senior Executives and Other Officers

Senior Executives (In Sony Group Corporation, Corporate Executive Officer, Senior Executive Vice President and Executive Vice President)

Total number of Senior Executives: 18 (including 6 Corporate Executive Officers) (as of June 28, 2022)

[Executives](#)

Purpose/Authority

Determines and executes Sony's business activities in accordance with their roles and responsibilities

Delegation of Authority from the Board

The Board determines the fundamental management policies and other material matters related to the operation of Sony's business. The Board assigns the duties of Corporate Executive Officers including the CEO, by determining the areas over which each Corporate Executive Officer is in charge and by determining the scope of Senior Executives. Then, it delegates its decision-making authority to the CEO with a view to promoting timely and efficient decision-making within Sony. The CEO further subdelegates a part of such authority to other Senior Executives.

Other Officers

(In Sony Group Corporation, Senior Vice President)

Total number of other officers: 8 (as of June 28, 2022)

Purpose/Authority

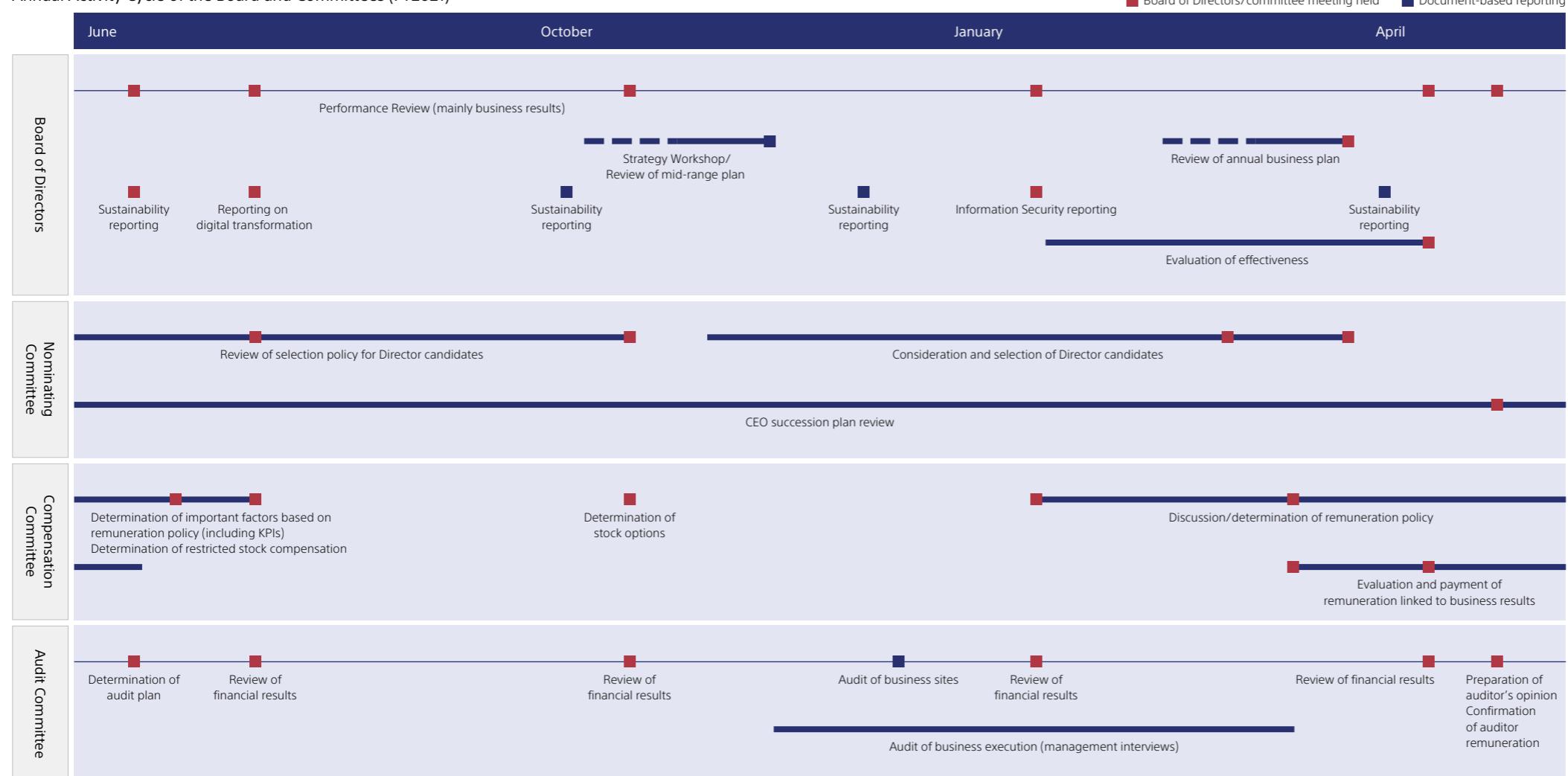
Carries out business operations their assignments within designated areas, such as business units, headquarters functions and/or research and development, in accordance with the fundamental policies determined by the Board and Senior Executives.

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Meeting Record and Attendance Record of Outside Directors

During the fiscal year ended March 31, 2022, the Board convened ten times. The Nominating Committee met five times, the Audit Committee met six times and the Compensation Committee met six times. All nine outside Directors, including Kazuo Matsunaga who retired in June 2021 and Adam Crozier who retired in December 2021, participated in all meetings of the Board held during their tenure period in the fiscal year ended March 31, 2022.. Also, all outside Directors who are members of the Committees participated in all of the meetings of each Committee held during the fiscal year ended March 31, 2022.

Annual Activity Cycle of the Board and Committees (FY2021)



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Internal Control and Governance Framework

At a Board meeting held on April 26, 2006, the Board reaffirmed the internal control and governance framework in effect as of the date thereof and resolved to continue to evaluate and improve such framework going forward, as appropriate. At Board meetings held on May 13, 2009 and April 30, 2015, the Board amended and updated the internal control and governance framework, and with the resolution of the Board dated as of May 10, 2022, the Board reaffirmed the framework in effect and determined to continue to evaluate and improve such framework going forward, as appropriate. These determinations were required by and met the requirements of the Companies Act of Japan. For the content of the reaffirmation and the status of its implementation determined by the resolution of the Board dated as of May 10, 2022, please refer to the page below.

[Board of Directors' Determination Regarding Internal Control and Governance Framework Pursuant to the Japanese Companies Act and Status for Implementing the Internal Control and Governance Framework](#)

As for the summary of the principal frameworks of the internal control and governance framework based on the Board determination above, please refer to each page below.

Financial Reporting Framework

Sony's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Internal Financial Reporting Standards (IFRS). Sony formed a cross-functional steering committee comprised of management in charge of the principal Sony headquarters functions to monitor the actions necessary to maintain effective internal control over financial reporting, including documenting, testing and evaluating internal controls and overseeing and assessing the global evaluation. Based on the evaluation by Sony Group Corporation, CEO and CFO

have concluded that Sony maintained effective internal control over financial reporting as of March 31, 2022.

Disclosure Framework

The securities of Sony Group Corporation, the ultimate parent of all Sony companies, are listed for trading on exchanges in Japan and the U.S. As a result, Sony is obligated to make various disclosures to the public in accordance with applicable securities laws, regulations and rules in those countries and listing standards of the stock exchanges on which Sony Group Corporation's shares are listed. Sony is committed to full compliance with all requirements applicable to its public disclosures.

Sony Group Corporation's policy on investor relations activities is to aim to disclose accurate information in a timely and fair manner, as well as to endeavor to promote constructive dialogue with shareholders and investors, with a view to maximizing Sony's corporate value by building a relationship of trust with shareholders and investors. Sony Group Corporation has established disclosure controls and procedures as an approach to implement this policy. All personnel responsible for the preparation of submissions to and filings with the Tokyo Stock Exchange, the U.S. Securities and Exchange Commission and other regulatory entities, or for other public communications made on behalf of Sony, or who provide information as part of that process, have a responsibility to ensure that such disclosures and information are full, fair, accurate, timely and understandable, and in compliance with the established disclosure controls and procedures.

Sony Group Corporation has established "Disclosure Controls and Procedures," outlining the process through which potentially material information is reported from important business units, subsidiaries, affiliated companies and corporate divisions and is reviewed and considered for disclosure in light of its materiality to Sony. As a body to assist the CEO and the CFO of Sony Group Corporation, in designing, implementing and evaluating the Disclosure Controls and Procedures, Sony Group Corporation has established the "Disclosure Committee," which is comprised of members of senior management of Sony who are in charge of a part of Sony's headquarters functions. In order to assure appropriate and timely disclosure, the Disclosure Committee shall evaluate events that are reported from the

important business units, subsidiaries, affiliated companies and corporate divisions in accordance with Sony's internal rules in light of their materiality to Sony. Based on such evaluation, the Disclosure Committee shall review the necessity of disclosure in accordance with applicable securities laws, regulations and rules, as well as the listing standards of the relevant stock exchanges, and report to the CEO and the CFO for their determination.

Risk Management System Framework

Each business unit, subsidiary / affiliated company and corporate division of Sony periodically reviews and assesses risks for the area of which it is in charge and works on finding, reporting, assessing and responding to the risks. In addition, Senior Executives including Corporate Executive Officers, of Sony Group Corporation have established and maintain a system to identify and control risks that may cause losses to Sony Group regarding the areas of which they are in charge. The Corporate Executive Officer in charge of group risk control comprehensively promotes and manages the establishment and maintenance of the system stated above through the activities with related departments.

Examples of risks that may significantly impact investor judgements include reduced market relevance and profitability due to intensifying competition from competitors; newly incurred costs to comply with laws and regulations in countries and regions where Sony operates; impact on global operations due to trade restrictions and economic sanctions imposed by certain countries and retaliatory measures to them; impairment of long-lived assets; and changes in consumption behavior caused by the increasing prevalence of new technologies and distribution platforms.



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Crisis Management System Framework

One aspect of risk management is the proper handling of crises if and when they arise, and the proper preparation for such crises. Sony Group's crisis management and business continuity activities predominately occur at the business and operational level closest to the events Sony Group may encounter. Since some events can have a significant impact on the entire Sony as a whole, Sony Group Corporation has established a group crisis management procedure to enable a swift and organized group-wide response to crises as needed.

Framework on Business Continuity Planning

Sony has strengthened its business continuity planning (BCP) to enhance risk management throughout the supply chain. The group identifies, analyzes, and evaluates business risks in order to mitigate the risk of business disruptions due to emergencies such as earthquakes, natural disasters, and accidents.

Sony's electronics business struggled to cope with the impact of the Great East Japan Earthquake and severe flooding in Thailand in 2011, and with the impact of the earthquakes in the Kumamoto region of Japan in 2016. Nevertheless, Sony's employees and top management rallied together, capitalizing on their experiences in implementing measures to ensure business continuity, and succeeded in minimizing the impact of production disruptions. Knowledge gained from recovery efforts after the Kumamoto earthquakes was shared with relevant companies and local firms through industry bodies, to enhance the competitiveness of Japanese industry and strengthen supply chains. Utilizing lessons learned to date, Sony pursues ongoing initiatives to reduce business disruption risks at its business sites, from the perspectives of disaster prevention, disaster mitigation, and business continuity.

Sony Group Corporation has established a group-wide crisis management and business continuity framework for reviewing crisis management and BCP at each of its businesses and preparing for incidents and business disruptions that would significantly impact the entire Sony Group. In order to boost the effectiveness of Sony's business continuity planning, top management and Headquarters organizations carry out exercises based on scenarios such as natural disasters posited by the Japanese government.

In response to the COVID-19 pandemic, Sony has established a group crisis management system, placing the highest priority on ensuring the safety of employees and others and preventing the spread of the virus, as well as taking swift action to minimize the impact on Sony businesses.

For example, Sony has shipped and supplied more than 1.2 million face masks to Sony group companies in Japan, Southeast Asia, Europe, and the United States, and supplied Sony group companies in India with medical equipment. Sony is securing business continuity through global coordination while implementing measures in accordance with internal guidelines, and preparing emergency supplies.

Additionally, Sony establishes and manages crisis management and business continuity plans to minimize the impacts of business interruptions. To increase the effectiveness of these efforts, Sony is strengthening its business continuity and enhancing rapid recovery through coordination between the relevant companies and organizations and by conducting realistic exercises.

Sony recognizes the importance of BCP to its business strategy. Taking into account its experience with large-scale emergencies, Sony will continue to implement effective, practical measures, such as enhancing risk management across its group-wide supply chains.

Main Initiatives for Reducing Business Disruption Risks for Building and Equipment

Countermeasures against Earthquake

Utilizing lessons learned from the Kumamoto earthquakes, Sony has established guidelines for seismic measures for Sony group companies in Japan. These measures, which are essential to the safety of employees, are established by determining the seismic wave activity at each business site and conducting simulations to assess risk. The seismic measures apply to building structures and utility facilities as well as non-structural materials such as ceiling materials, to enhance safety in an earthquake. Sony has completed the implementation of particularly high-priority safety measures.

Countermeasures against Fire

The Sony Group has global guidelines to facilitate early fire detection and protection against the spread of fire in buildings and equipment. These guidelines are stricter than the regulatory requirements in Japan. Under the guidelines, Sony's manufacturing sites around the world implement annual self-checks and are regularly audited on-site by the HQ Facility Management Office to verify compliance

with them. Manufacturing sites implement Plan-Do-Check-Act (PDCA) cycles to address any uncovered issues and establish improvement plans to effectively reduce risks.

Countermeasures against Flood-related Damage

Flood-related damage is on the rise due to the impacts of climate change. Sony surveys the flood risk at its business sites, which in turn implement preventative measures to mitigate damages in the event of a flood and ensure operations can be rapidly restored.

Case Example for Reducing Business Disruption Risks

Semiconductor Manufacturing Site:

Seismic Isolation Structure and Initiatives to Reduce Fire Risks

The Nagasaki Technology Center of Sony Semiconductor Manufacturing Corporation became the first manufacturing site of the Sony Group to adopt a seismic isolation structure. This is being incorporated in its expansion building, which will be completed in stages from 2021 onwards. The seismic isolation system employs a hybrid seismic isolation structure with multiple base isolation devices to mitigate earthquake motion, and micro-vibration control that is essential for a semiconductor plant.

The expansion building is compliant with the Sony Group's global guidelines on building and equipment specifications, to reduce fire risk. For example, the building features an NFPA* compliant high-sensitivity smoke detection system and sprinklers, non-flammable exterior walls and exhaust ducts, and fire barrier walls between distribution transformers, for early fire detection and protection against the spread of fire.

* The National Fire Protection Association (NFPA) is a US-based organization that develops standards for fire prevention.



Hybrid seismic isolation structure

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Semiconductor Manufacturing Site: Deployment of Earthquake Motion Prediction System

In 2018, Sony Semiconductor Manufacturing Corporation completed the deployment of an earthquake motion detection system for its main business sites. The system detects initial P waves (primary waves) from earthquakes and uses the data to predict the magnitude of subsequent S waves (secondary waves). If necessary, critical semiconductor manufacturing equipment is shut down before S waves reach the site, protecting equipment and products. Since the system can also predict epicentral earthquakes, a network of Sony's business sites and its peripheral observation points is operated to improve response times and enhance prediction accuracy.

Semiconductor Manufacturing Site: Initiatives against Flood Damage

Sony Semiconductor Manufacturing Corporation carries out disaster impact assessments for each of its manufacturing sites, based on simulations etc. of assumed risks of flood damage. It is gradually deploying measures such as the installation of water stops to mitigate damage at critical facilities.

Information Security

Like many companies, Sony faces increasingly sophisticated cybersecurity threats, so the importance of information security continues to grow. In recent years, malicious actors seeking to compromise the information of global companies continue to grow in number, and their attack methods are becoming more advanced. To address this situation and ensure that Sony continues to earn customers' trust, Sony maintains and enhances a robust information security program. Led by the Chief Information Security Officer (CISO), Sony's information security program is grounded in a company-wide governance structure. Sony manages potential risks effectively, incorporates security controls into systems and products to safeguard information, trains officers, employees and business partners to understand how their actions can introduce information security risk, and deploys 24/7 monitoring and response capabilities to swiftly address attacks.

Information Security Governance

Sony's information security program is governed by a set of global policies and standards based on internationally accepted industry best practices. These policies set forth Sony's commitment to information security and define practices and procedures to be followed by Sony executives and employees to help protect information resources and information systems from unauthorized access, leakage, falsification, loss, destruction, and other security risks. Sony routinely reviews and revises these policies and standards to address changes in the risk landscape, threats, and the regulatory environment. The CISO monitors the global implementation of and compliance with those policies.

The CISO's office coordinates with the executive information security officers (EISOs) responsible for information security at Sony group companies to create a group-wide information security management system. These officers ensure effective implementation of policies and standards.

Strong Board of Directors and executive support for, and governance of, information security is essential. The Board of Directors and Senior Executives of Sony Group Corporation are regularly informed of cybersecurity risk and information security program activities. The Directors of Sony Group Corporation in charge of information security review information security activities frequently, and the CISO briefs

the full Board of Directors regularly on the activities. Senior Executives of Sony Group Corporation and senior managements of respective group companies also review security activities regularly and play an active role in managing risks within their respective organizations and work to instill a culture of security awareness in all employees. Sony group companies have set up information security management committees to fulfill this responsibility.

Employee Training as a Key Component of Information Security

Every employee has a critical role to play in protecting Sony's most sensitive information. To increase Sony employees' awareness of information security threats, Sony requires all personnel to receive annual information security training, where they learn how to report incidents and study the types of behaviors they must avoid in order to reduce risk. Sony employees also regularly receive phishing awareness training, which tests employees' knowledge of how to spot and avoid cyber-attacks delivered through fraudulent emails.

Monitoring and Response Measures

Sony has a 24/7 global security operations center equipped with advanced technical capabilities to prevent and manage information security incidents. Sony's incident response team defends the company's information infrastructure by using threat intelligence and analysis, monitoring and detection of malicious activity, rapid response and containment, and sophisticated forensics capabilities.

Strengthening Measures Against New Threats

Sony is committed to safeguarding the trust of customers, employees against threat regarding information security and business partners. Sony continuously looks for ways to improve practices, implement stronger controls, and provide more robust security against new threats, all in order to protect the personal data information entrusted to its care. To do this, Sony employs and invests in a workforce of information security professionals and subject matter experts.



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Structure of Audit by the Audit Committee, Internal Audit and Accounting Audit, and Status Thereof

Audit structure and status of the Audit Committee

The Audit Committee conducts the audit of the performance of duties by Directors and Corporate Executive Officers pursuant to applicable laws and regulations, and the Charter of the Audit Committee established by the Board, through deliberation at Audit Committee meetings (held six times during the fiscal year ended March 31, 2022), activities of Audit Committee Members (for example, reviewing reports relating to the execution of duties by the Corporate Executive Officers and employees of Sony Group Corporation, or directors, statutory auditors and employees of major subsidiaries of Sony and visiting audits at Sony's business sites), and activities of the Audit Committee supporting personnel (the Audit Committee Aide). In addition, the Audit Committee conducts the "organizational audit" in cooperation with divisions in charge of internal audit and divisions in charge of internal control of Sony. Through the process, the Audit Committee receives periodical reports from these divisions at the Audit Committee meetings or other meetings to be held from time to time, requests them to conduct necessary investigation, and receives reports on its process and result. Furthermore, the meetings with divisions in charge of internal control of Sony were held eleventh times, and the meetings with the independent auditor were held twelfth times during the fiscal year ended March 31, 2022. The Audit Committee also assesses the eligibility and the independence of the independent auditor and the adequacy of the audit by receiving a report from the independent auditor that the organization of quality control of the auditor, the independence, professional ethics, expertise and the effectiveness and the efficiency of the audit, pre-confirming the audit plan at the beginning of each fiscal year, preapproving auditor compensation, and reviewing the report of the procedures, and the result of the audit, for the last fiscal year and interim periods including review of quarterly financial reports and evaluating their content.

Internal audit structure and status

Sony Group Corporation established a department in charge of internal audit, the Risk & Control Department (which is composed of approximately thirty member), which coordinates closely with the internal audit departments of major subsidiaries around the world, and Sony Group Internal Audit Charter, and endeavors to maintain and enhance the internal audit structure of Sony in order to promote Sony's internal audit activities on a global basis. The Risk & Control Department and each internal audit department of major subsidiaries of Sony ("Internal Audit Department") play an important function in maintaining Sony's governance in order to strengthen Sony's management structure, promote efficiency of management, and maintain and avoid any loss of material assets, including Sony's brand image, by evaluating the effectiveness of the internal control system and risk management structure of Sony through independent and objective audit.

The Risk & Control Department and each Internal Audit Department conduct the internal audit of each department or subsidiary that they supervise, in accordance with the annual audit plan that is established based on the risk assessments conducted in the beginning of each fiscal year and any matters proposed by Sony's management or the Audit Committee. Each internal audit is conducted under the planned audit procedure. Afterward, each Internal Audit Department follows up until the completion of any improvement plan developed based on the audit result.

In order to ensure its independence, fairness and objectiveness, the appointment and dismissal of the head of the Risk & Control Department is subject to the prior approval of the Audit Committee. The appointment and dismissal of the person in charge of each Internal Audit Department also require the prior approval of the head of the Risk & Control Department.

The Risk & Control Department makes periodic presentations on the result of internal audit to the Audit Committee, and the Corporate Executive Officer in charge of internal audit.

The Risk & Control Department also make periodic reports to the independent auditor on the status of the internal audit activities and the result of the audit. The audit report issued by the independent auditor is used for the planning of the internal audit and conducting the internal audit.

Accounting audit status

Sony's accounting audit has been conducted by Pricewaterhouse Coopers Aarata LLC under an agreement since 2007. The certified public accountants who conducted the accounting audit of Sony for the fiscal year ended March 31, 2021, are as follows:

Hitoshi Kiuchi*, Takeaki Ishibashi*, Yuko Harada and Kenichi Shishido*
The team at PricewaterhouseCoopers Aarata LLC that conducted Sony's accounting audit is composed of 98 certified public accountants, 87 assistant certified public accountants and 312 other staff members.

* The number of years of continuous audit-related work is not stated because it is within 7 years.

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Policy and Governance Framework on Tax Strategy

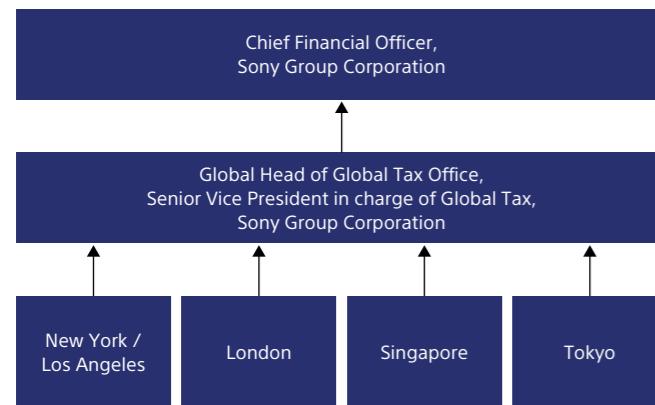
Tax Policy

Sony conducts its business, including managing its tax obligations, honestly, ethically and with integrity. Sony Group Code of Conduct defines that it is Sony's policy to comply with all applicable tax laws and regulations of each country and region where Sony conducts business as well as the common rules and guidance regarding international taxation. Sony understands and complies with both the spirit and letter of the laws and regulations that apply to their businesses.

Governance Structure

Based on the above global tax policy, each Sony group company has the responsibility to understand and comply with tax laws and regulations applicable to its businesses, with support from Sony's Global Tax Office (the GTO) , which is in charge of Sony's overall tax position. The global head of the GTO as Sony Group Corporation's Senior Vice President in charge of Global Tax reports directly to Sony Group Corporation's Chief Financial Officer based in Japan, who is a board member. Significant tax events are reported to the Audit Committee.

GTO Report Line



The GTO has implemented a series of processes and controls to identify, manage and report tax risk appropriately. These include regular updates with Finance teams; documented review processes; regular training for staff involved in tax return preparation and review; and regular updates with the global head of the GTO.

Transactional taxes such as VAT and sales taxes, Customs Duty, Employment Taxes and others are the ultimate responsibility of the relevant divisional Finance Director for each business. The GTO has strong links with these divisional Finance Directors to ensure that in the event of material risks being identified or errors made, the GTO provides support including where necessary liaising with the relevant tax authority.

Approach to Tax Planning

Sony operates diverse businesses within a complex global environment, in which tax is an important factor. Sony believes in taking a principled and responsible approach to managing its tax affairs, in line with business objectives and operations. Sony does not engage in transactions where the sole aim is to achieve tax avoidance or profit shifting which are against the spirit of tax laws. The tax function provides appropriate input as part of the approval process for business proposals to ensure the tax consequences are clearly understood. Sony is committed to fulfilling its obligation both to comply with applicable tax laws and to safeguard Sony's reputation. The jurisdictions in which Sony does business may offer various tax incentives such as enhanced deductions, credits and exemptions for certain types of income and expense to meet local policy objectives such as encouraging inward investment. Sony Group Corporation believes it has a duty to its shareholders to take advantage of such incentives where they are generally available to all taxpayers who meet the relevant criteria and the requirements to claim the incentive do not conflict with broader business objectives.

Tax Risks

Sony employs diligent professional care and judgement in assessing tax risk, and may take advice from third-party specialists and where appropriate consult with or obtain rulings from relevant tax authorities to support the decision-making process. However, tax law is not always clear and unambiguous, and differences in interpretation can arise. Sony monitors its tax positions closely and will not record an accounting benefit unless it determines based on consideration of the facts and the law that it is more likely than not that the position will be sustained.

Dealings with Tax Authorities

Sony seeks to maintain good professional relationships with tax authorities. When providing responses to Tax Authority questions, all responses are based on an honest and accurate representation of the facts as Sony understands them.

Transparency

Sony Group Corporation prepares and files annually a country by country report in accordance with Japanese law and prepares and files a transfer pricing master file in accordance with the laws of the countries where Sony does businesses.



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Relationship with Shareholders and Other Stakeholders

Sony's core corporate responsibility to society is to strive to enhance its corporate value through innovation and sound business practice. Sony recognizes that its business activities have direct and indirect impact on the societies in which Sony operates, and therefore sound business practice requires that Sony's business decisions give due consideration to the interests of Sony's stakeholders including shareholders, customers, employees, suppliers, business partners, local communities and other organizations. Sony Group's officers and employees must endeavor to conduct the business of Sony accordingly.

Policy for Constructive Dialogue with Shareholders

Sony Group Corporation's policy on investor relations is to make public disclosures which are timely and fair, accurate and easily understandable, and provide a comprehensive picture, with the goal of maximizing enterprise value of Sony Group Corporation by building a relationship of trust with shareholders and investors. Pursuant to this policy, the Board of Directors ("Board") appoints the CFO as the Corporate Executive Officer in charge of IR activities. Under the CFO's supervision, the department in charge of IR ("IR Department") works to promote constructive dialogue with Sony Group Corporation's shareholders and investors. As a part of these efforts, the IR Department engages in various activities to enhance the manner and frequency of dialogue with shareholders and investors. These go beyond one-on-one meetings to include investor briefings, corporate strategy meetings and business unit briefings. The IR Department also coordinates internally to gather information necessary to guide the dialogue with shareholders and investors. Further, the IR Department evaluates the opinions and concerns expressed from shareholders and investors and conveys appropriate feedback regarding those opinions and concerns to the Corporate Executive Officers in charge and the Board.

When holding dialogue with shareholders and investors, any insider information shall not to be disclosed. The IR Department reviews information to be disclosed in advance with other relevant departments, such as legal department, and outside experts, as appropriate. As for details of Sony Group Corporation's Disclosure Control and Procedure and IR activities, please refer to the website below.

[→ Disclosure Framework](#)

[☒ Investor Relations](#)

Administration of the General Shareholders Meeting

Sony Group Corporation's policy on administration of the general shareholders meeting is as follows.

Basic policy for the general shareholders meeting

Sony Group Corporation endeavors to develop open environment where each shareholder could easily make a statement by the following two points, as the basic policy for the general shareholders meeting.

- To take necessary measures to encourage the shareholders who find it difficult to attend the shareholders' meeting to vote
- To encourage direct communications between the shareholders who attend the general shareholders meeting and Sony Group Corporation's management

Sony Group Corporation sets the date of the general shareholders meeting appropriately, depending on venue availability. Further, Sony Group Corporation displays the voting results gathered before the general shareholders meeting date on the screen of the meeting hall during the voting in order to operate the general shareholders meeting in a transparent manner. In addition, Sony Group Corporation has provided streaming live video of the general Shareholders meeting (hybrid virtual shareholder meetings) since 2021. Also in 2022, Sony Group Corporation accepted the questions from the shareholders who are watching the streaming live video.

Activities to secure the rights of shareholders

Sony Group Corporation endeavors to develop an environment in which shareholders could exercise their rights appropriately and effectively, to secure equal treatment of shareholders, including institutional investors who hold shares in a street name, and to consider concerns of minority shareholders and foreign shareholders adequately, through confirming shareholder composition quarterly. As a part of these activities, Sony Group Corporation prepares the convocation notice, giving consideration to the accuracy of the information provided therein and the readability of such notice to facilitate informed voting by shareholders, both in Japanese and English. Sony Group Corporation strives to send the convocation notice for the general shareholders meeting early enough to give shareholders sufficient time (about three weeks before the date of the general shareholders meeting) to consider the agenda and posts it at its website in advance. Sony Group Corporation also uses an electronic voting platform to allow electronic voting through the internet (via PC or smartphone).

For more information on the general shareholders meeting, please refer to the page below.

[☒ Shareholders' Meeting](#)

Review of voting results

The voting results for each agenda item of the general shareholders meeting and its analysis are reported to and reviewed by the Board as appropriate. The IR Department then takes any appropriate follow-up measures, such as engaging in dialogue with shareholders.

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Relationship with Other Stakeholders

As a part of the Sony Group Code of Conduct, CEO communicates and implements our thoughts and initiatives about Sony Group Corporation's social responsibility and relationship with stakeholders of Sony. The Board periodically receives report on the status of the communications and the implementation of the Code of Conduct and reviews such report.

- [The Sony Group Code of Conduct](#)
- [Stakeholder Engagement](#)

Sony Group Corporation understands that there are various challenges in society, such as Sustainable Development Goals ("SDGs") and identifies material challenges highly relevant with Sony's business operations, such as environmental challenges, diversity inclusions through CSR Materiality Assessment. Sony Group Corporation will aim to engage in CSR activities with understanding of such material challenges.

- [Approach to Sustainability](#)
- [Environmental Policies and Targets](#)
- [Diversity, Equity and Inclusion](#)
- [Gender, Sexual Orientation, Disabilities](#)

The Board periodically receives report on the status of addressing such material challenges or the implementation of the Code of Conduct and reviews such report. The Board also confirms whether the risk management structure would be established properly, and necessary actions would be planned and conducted with a recognition of sustainability as one of Sony's challenges within the risk management structure.

Shareholdings in Other Listed Companies

Sony Group Corporation and its subsidiaries may acquire and/or hold shares of other listed companies for the purpose of expanding Sony's business portfolio, promoting certain businesses within Sony and enhancing Sony's relationships with the companies whose shares it holds. Sony's policy regarding shareholdings of listed companies (excluding Sony's subsidiaries), and its policy for exercising voting rights are as follows:

Policy regarding shareholdings of listed companies

Shareholding policy

Sony Group Corporation and its subsidiaries decide whether to acquire or continue to hold shares of listed companies (excluding the acquisition and holding of shares by Sony Group Corporation's listed subsidiaries, and Sony Group Corporation's shareholding in its own listed subsidiaries) based on an appropriate examination of each investment, and choose to engage in such shareholding only if it is judged to meet Sony's business purposes and to have sufficient economic rationale. If it is determined that investments do not meet these criteria, Sony Group Corporation and its subsidiaries will avoid or reduce exposure to such holdings.

Assessment of rationale for shareholding

In all cases where Sony Group Corporation and its subsidiaries hold shares in listed companies (excluding shares held by Sony Group Corporation's listed subsidiaries, and Sony Group Corporation's shareholdings in its own listed subsidiaries) for reasons other than for the sole purpose of investment, Sony Group Corporation carries out a timely review to assess the rationale for shareholding, the importance of Sony's business relationship with each company whose shares it holds (taking into account the progress of, and outlook for, any anticipated business collaboration between Sony and said company), and any anticipated positive impact of such shareholdings on Sony's business relationship with the company. In addition, Sony Group Corporation also assesses the appropriateness of these shareholdings by considering the potential of each investment to contribute to mid- and long-term value creation in Sony, via an assessment of expected return on investment and cost of capital. These evaluations are first carried out on the management side, after which the Board, which is responsible for overseeing business operation, carries out its own assessment based on the result of the evaluations by the management side.

Details of the assessment carried out by the Board of Directors

Based on the above policy, at the Board meeting held on June 28, 2022, Sony Group Corporation carried out an assessment of the rationale for its and its subsidiaries' shareholdings in listed companies (excluding shares held by Sony Group Corporation's listed subsidiaries, and Sony's shareholdings in its own listed subsidiaries) as of March 31, 2022. As a result of the assessment, it was determined

that Sony should consider reducing its exposure to certain holdings, which were concluded to be reduced in such review.

Policy for exercising voting rights

Sony Group Corporation believes in the importance of enhancing the corporate value of the listed companies whose shares it holds, and Sony Group Corporation's own corporate value in turn, through the exercise of its voting rights. Accordingly, Sony aims to exercise its voting rights with the intention of increasing each company's mid- to long-term corporate value, after a comprehensive consideration of both the significance and economic rationale of its shareholdings, and the details of proposals. For example, Sony Group Corporation has established internal rules determining what factors should be taken into account when considering proposals about matters such as the appropriation of retained earnings, the appointment of directors, statutory auditors and accounting auditors, as well as shareholder proposals. Through these rules, Sony Group Corporation makes appropriate decisions regarding the exercise of its voting rights.

Business relations with companies who invest in Sony Group Corporation

Should a company who holds shares of Sony Group Corporation's stock express the intention to sell such shares, Sony Group Corporation will not attempt to obstruct such sale by threatening to limit business transactions with said company, and will not engage in any transactions that would harm the common interests of the company or its shareholders.

Anti-Hostile-Takeover Measures

Sony Group Corporation has not adopted any anti-hostile takeover measures. Sony Group Corporation will fully examine the necessity and rationale with respect to the adoption or implementation of anti-hostile takeover measures with the Board and/or the Audit Committee and once complete, will provide sufficient explanation to shareholders.

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Related-Party Transactions

As a part of the Sony Group Code of Conduct established by the Board, Sony Group Corporation's officers and employees are prohibited to commit any conduct where their loyalties may be divided between Sony Group Corporation's interests and their own interests. To help ensure compliance with these requirements, Sony Group Corporation regularly reviews the status of related-party transactions, whether financial or otherwise, between Sony companies and officers in the Sony or their close relatives. Furthermore, Sony Group Corporation requires its Directors and officers to obtain approval of the Board in connection with transactions between Sony Group Corporation and the Director or officer in accordance with applicable laws and regulations, the Board Charter and any other applicable internal rules. The Board is expected to approve any such related-party transactions only after appropriate examination of the size and nature of the transaction, the requirements of applicable laws and regulations, the Board Charter and any other applicable internal rules, and concluding that the interests of Sony Group Corporation and its shareholders are not adversely affected.

Policy for Shareholder Returns

Sony Group Corporation believes that continuously increasing corporate value and providing dividends are essential to rewarding shareholders. It is the policy of Sony Group Corporation to utilize retained earnings, after ensuring the perpetuation of stable dividends, to carry out various investments that contribute to an increase in corporate value, such as those that ensure future growth and strengthen competitiveness. Going forward, Sony Group Corporation will determine the amount of dividends based on an overall consideration of its consolidated operating results, financial condition and future business expectations.

Roles of Corporate Pension Funds as Asset Owners

Sony Group Corporation owns, as a domestic corporate pension plan, a closed-end defined-benefit corporate pension (the "Pension Plan"). The Pension Plan manages its assets in line with its Basic Pension Plan Management Policy (the "Basic Management Policy") which was set to secure beneficiaries' right of benefit and to increase the benefit. In order to realize prudential and appropriate asset management structure in the Pension Plan, Sony Group Corporation appoints asset management director of the Pension Plan who should have proper knowledge and skills, based on the nomination by Senior General Manager of Sony Group Corporation's Finance Department, and external advisor to supplement their specialties in asset management. Any decisions on fund management are made by the person who has the ultimate authority in accordance with the Basic Management Policy, after deliberation at the pension committee, which is composed of heads and/or personnel of HR Department, Accounting Department and Finance Department which are related to management of the Pension Plan, and then, potential conflict of interests between Sony Group Corporation and the Pension Plan is properly controlled.

In addition, when the asset management begins, the asset management guidelines which show matters to be complied with in asset composition, management method, etc. are issued to the managing trustee, and the compliance status pursuant to the said guidelines are periodically reviewed and evaluated.

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Environment (FY)

Item	Scope	Unit	2019	2020	2021
Annual energy consumption reduction rate per product (compared to fiscal year 2018)	Electronics products	%	-	-	Increased 3.3%
Greenhouse gas emissions: Scope 1 (direct emissions)	Sony Group	Thousand tons-CO ₂	188	203	211
Greenhouse gas emissions: Scope 2 (indirect emissions)	Sony Group	Thousand tons-CO ₂	1,188	899	984
Greenhouse gas emissions: Scope 3 (Other emissions)	Sony Group	Thousand tons-CO ₂	14,870	16,883	16,160
Purchased goods and services	Sony Group	Thousand tons-CO ₂	3,316	3,791	3,810
Capital goods	Sony Group	Thousand tons-CO ₂	1,296	1,009	1,016
Fuel- and energy-related activities (not included in scope 1 or scope 2)	Sony Group	Thousand tons-CO ₂	95	173	173
Upstream transportation and distribution	Sony Group	Thousand tons-CO ₂	172	267	208
Waste generated in operations	Sony Group	Thousand tons-CO ₂	41	43	44
Business travel	Sony Group	Thousand tons-CO ₂	87	6	11
Employee commuting	Sony Group	Thousand tons-CO ₂	125	51	52
Upstream leased assets	Sony Group	Thousand tons-CO ₂	(N/A)	(N/A)	(N/A)
Downstream transportation and distribution	Sony Group	Thousand tons-CO ₂	3	3	5
Processing of sold products	Sony Group	Thousand tons-CO ₂	4	5	5
Use of sold products	Sony Group	Thousand tons-CO ₂	9,570	11,403	10,725
End-of-life treatment of sold products	Sony Group	Thousand tons-CO ₂	137	117	94
Downstream leased assets	Sony Group	Thousand tons-CO ₂	(N/A)	(N/A)	(N/A)
Franchises	Sony Group	Thousand tons-CO ₂	(N/A)	(N/A)	(N/A)
Investments	Sony Group	Thousand tons-CO ₂	24	16	16
Energy consumption by sites	Sony Group	Thousand TJ	24	24	26

Item	Scope	Unit	2019	2020	2021
Greenhouse gas emissions from sites	Sony Group	Thousand tons-CO ₂	1,376	1,102	1,195
		t-CO ₂ / million yen ^{*1}	0.167	0.123	0.120
Generation of renewable energy	Sony Group	%	-	6.6	14.6
CO ₂ emissions from product transport	Sony Group	Thousand tons-CO ₂	154	249	191
Total volume of resources used in products	Electronics products	Tons	425,555	448,990	435,599
Reduction in use of virgin oil-based plastic per product	Electronics products	%	-	-	3.1
Reduction in use of plastic packaging per product	Electronics products	%	-	-	15.2
Amount of recycled plastic used in products ^{*2}	Electronics products	Tons	15,243	17,571	21,301
Amount of waste generated at sites	Sony Group	Tons	48,186	51,362	51,615
Of which, amount of plastic waste generated	Sony Group	Tons	-	6,947	7,194
Waste improvement per unit at sites	Sony Group	%	-	-	7.6% reduction
Amount of waste recycled at sites	Sony Group	Tons	47,198	50,359	50,558
Amount of waste landfilled at sites ^{*3}	Sony Group	%	0.7	0.5	0.5
Take-back of end-of-life products record ^{*4}	Electronics products ^{*5}	Tons	76,260	64,287	69,674
Water consumption at sites ^{*6}	Sony Group	Million m ³	15.3	18.7	19.5
Water consumption improvement per unit at sites	Sony Group	%	-	-	1.7% reduction
Amount of wastewater from sites	Sony Group	Million m ³	15.18	15.84	16.85
Amount of BOD in wastewater from sites	Sony Group	Tons	418	401	363
Amount of COD in wastewater from sites	Sony Group	Tons	105	79	127
NOx emissions from sites	Sony Group	Tons	92	80	79
SOx emissions from sites	Sony Group	Tons	3	4	3
Amount of chemical substances handled at sites	Sony Group				
Class 1 substances		Tons	0.62	0.59	0.22
Class 2 substances		Tons	2,854	3,152	3,370
Class 3 substances		Tons	31,345	38,274	38,353
Class 4 substances		Tons	147,287	274,860	305,500
Number of environmental accidents at sites	Sony Group	Accidents	0	0	0
Sites with ISO14001 certification	Sony Group	Sites	97	94	91

*1 Tons per unit of consolidated sales

*2 Gross amount including virgin plastic and additives that are mixed with recycled materials

*3 Excludes amount unavoidably landfilled due to the laws and administrative guidance of individual regions

*4 The figure for fiscal year 2021 is as of July 2022. The figure for fiscal year 2020 was corrected from that of previous year's report

*5 End-of-life products collected and counted may vary by region

*6 Figures for fiscal year 2019 are total volume minus amount for water conservation (water recharging). Figures from fiscal year 2020 are before subtraction.

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Employees

Item	Scope ^{*1}	Unit	(FY)			
			2019	2020	2021	
Number of employees	Sony Group ^{*2}	Total	Persons	111,700	109,700	108,900
		(Contract employees)	Persons	13,800	14,400	13,100
		Men	Persons	71,900	70,700 ^{*3}	70,500 ^{*3}
		Women	Persons	39,800	38,900 ^{*3}	38,100 ^{*3}
	Sony Group Corporation	Total	Persons	2,726	2,973	2,839
		(Contract employees)	Persons	78	97	93
		Men	Persons	2,113	2,226	2,140
		Women	Persons	613	747	699
	Japan ^{*2}	Total	Persons	53,700	54,600	55,100
		(Contract employees)	Persons	6,200	6,600	6,700
		Men	Persons	41,200	40,700	41,100
		Women	Persons	12,500	13,900	14,000
	Outside Japan ^{*2}	Total	Persons	58,000	55,100	53,800
		(Contract employees)	Persons	7,600	7,800	6,400
		Men	Persons	30,700	30,000 ^{*3}	29,400 ^{*3}
		Women	Persons	27,300	25,000 ^{*3}	24,100 ^{*3}
Number of employees by business segment ^{*2}	Total	Persons	111,700	109,700	108,900	
	Game & Network Services	Persons	9,500	9,600	10,200	
	Music	Persons	9,900	9,900	10,800	
	Pictures	Persons	8,400	8,000	8,100	
	Entertainment, Technology & Services	Persons	46,800	43,700	40,200	
	Imaging & Sensing Solutions	Persons	15,800	16,800	18,100	
	Financial Services	Persons	12,300	12,900	13,200	
	All Other	Persons	3,200	2,800	2,300	
	Corporate employees	Persons	5,800	6,000	6,000	

Item	Scope ^{*1}	Unit	(FY)	
			2020	2021
Employee ratio by age group	Sony Group Corporation	Total	Men %	74.9 75.4
		Women %	25.1 24.6	
		Under 30 Men %	10.0 9.9	
		Women %	3.7 3.8	
		30 - 39 Men %	19.0 18.6	
		Women %	6.9 6.6	
		40 - 49 Men %	25.1 25.5	
		Women %	8.3 6.9	
		50 - 59 Men %	18.8 19.2	
		Women %	6.0 6.9	
		60 and over Men %	1.9 2.1	
		Women %	0.3 0.4	
Japan	Japan	Total Men %	74.8 74.8	
		Women %	25.2 25.2	
		Under 30 Men %	8.8 9.2	
		Women %	4.7 4.6	
		30 - 39 Men %	16.5 16.4	
		Women %	5.4 5.4	
		40 - 49 Men %	24.3 23.4	
		Women %	8.3 7.7	
		50 - 59 Men %	21.7 22.0	
		Women %	5.9 6.5	
		60 and over Men %	3.4 3.9	
		Women %	0.8 1.0	

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Item	Scope*¹		Unit	(FY)		
				2019	2020	2021
Management Positions	Sony Group Corporation	Total	Total	Persons	2,726	3,017
			Men	Persons	2,113	2,265
			Women	Persons	613	752
			Percentage of women	%	22.5	24.9
		Board of Directors*⁴	Total	Persons	11	10
			Men	Persons	7	6
			Women	Persons	4	4
			Percentage of women	%	36.4	40.0
		In-house directors	Total	Persons	2	2
			Men	Persons	2	2
			Women	Persons	0	0
			Percentage of women	%	0.0	0.0
		Senior Vice Presidents or higher*⁵	Total	Persons	39	40
			Men	Persons	36	37
			Women	Persons	3	3
			Percentage of women	%	7.7	7.5
		General Managers or higher	Total	Persons	152	170
			Men	Persons	128	144
			Women	Persons	24	26
			Percentage of women	%	15.8	15.3
		Senior Managers or higher	Total	Persons	231	271
			Men	Persons	194	227
			Women	Persons	37	44
			Percentage of women	%	16.0	16.2
		Assistant Managers or higher	Total	Persons	712	798
			Men	Persons	632	683
			Women	Persons	80	115
			Percentage of women	%	11.2	14.4
		All Other	Total	Persons	1,579	1,726
			Men	Persons	1,114	1,166
			Women	Persons	465	560
			Percentage of women	%	29.4	32.4
		Of which, people in management positions	Total	Persons	422	481
			Men	Persons	358	408
			Women	Persons	64	73
			Percentage of women	%	15.2	15.2
		Of which, people newly appointed in management positions	Total	Persons	33	34
			Men	Persons	28	30
			Women	Persons	5	4
			Percentage of women	%	15.2	11.8

Item	Scope*¹		Unit	(FY)		
				2019	2020	2021
Women in the workforce	Sony Group		%	35.6	35.4	35.0
	Sony Group Corporation		%	22.5	25.1	24.6
	Japan		%	23.3	25.5	25.4
	Outside Japan		%	47.1	45.4	44.8
	United States		%	36.8	38.2	38.9
	Mainland China and Hong Kong Region		%	54.7	53.8	51.8
	Asia-Pacific*⁷		%	57.6	53.4	54.2
	Europe		%	37.0	36.3	35.6
Management positions held by women*⁶	Other Areas*⁸		%	38.1	37.8	38.2
	Sony Group		%	28.3	28.4	30.1
	Sony Group Corporation		%	15.2	15.2	15.1
	Japan		%	9.3	10.2	10.5
	Outside Japan		%	36.9	37.4	39.3
	United States		%	40.0	40.7	41.6
	Mainland China and Hong Kong Region		%	34.9	38.8	37.9
	Asia-Pacific*⁷		%	31.8	29.4	37.8
Average years of service	Europe		%	36.7	37.7	37.7
	Other Areas*⁸		%	36.6	37.4	38.1
	Sony Group	Total	Years	11.6	12.0	11.9
		Men	Years	12.3	12.6	12.5*³
		Women	Years	10.2	10.7	10.7*³
	Sony Group Corporation	Total	Years	16.6	16.5	16.7
		Men	Years	16.4	16.3	16.6
		Women	Years	17.2	16.8	16.9
	Japan	Total	Years	15.3	15.3	15.2
		Men	Years	15.3	15.3	15.3
		Women	Years	15.3	15.1	15.1
	Outside Japan	Total	Years	8.2	8.7	8.7
		Men	Years	8.2	8.8	8.8*³
		Women	Years	8.1	8.6	8.6*³

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Item	Scope ^{*1}	Unit	2019	2020	2021
Number of newly hired employees	Sony Group	Total	Persons	13,764	12,477
		Men	Persons	8,323	7,532
		Women	Persons	5,441	4,945
	Sony Group Corporation ^{*9}	Total	Persons	840	709
		Men	Persons	694	588
		Women	Persons	146	121
	Japan	Total	Persons	3,934	4,292
		Men	Persons	2,546	2,758
		Women	Persons	1,388	1,534
	Outside Japan	Total	Persons	9,830	8,185
		Men	Persons	5,777	4,774
		Women	Persons	4,053	3,411
Number of applicants per new graduate hire ^{*9 *10}	Sony Group Corporation	All positions, men	Times	11.9	13.4
		All positions, women	Times	18.0	19.0
		Non-engineer positions, men	Times	31.2	42.6
		Non-engineer positions, women	Times	31.9	36.8
		Engineer positions, men	Times	9.1	10.2
		Engineer positions, women	Times	8.7	9.4
	Sony Group	Total	%	10.6	7.2
		Men	%	10.2	6.6
		Women	%	11.6	8.6
		Total	%	2.8	1.7
		Men	%	2.9	2.0
		Women	%	2.5	0.7
Turnover rate ^{*11}	Japan	Total	%	3.8	2.9
		Men	%	3.7	2.7
		Women	%	4.2	3.7
	Outside Japan	Total	%	18.3	12.3
		Men	%	21.0	13.1
		Women	%	15.2	11.3

Item	Scope ^{*1}	Unit	2019	2020	2021
Training participation across Sony Group	Sony Group Corporation	Per capita HR development investment ^{*12}	Sony Group Corporation	Yen	196,000
		Number of programs		-	10,000
		Number of times offered		-	19,200
		Participants		-	315,700
		Cumulative total training time		-	1,262,000
		Number of programs		391	1,300
	Japan ^{*13}	Number of times offered		927	3,200
		Participants		74,642	105,500
		Cumulative total training time		215,803	499,400
		Number of programs		-	8,700
		Number of times offered		-	16,000
		Participants		-	210,200
Average days of annual paid leave taken by employees	Outside Japan	Cumulative total training time		-	762,600
		Number of programs		-	18,496
		Number of times offered		-	35,686
		Participants		-	203,067
		Cumulative total training time		-	904,312
	Sony Group Corporation	Percentage of employees with disabilities ^{*14}	Sony Group Corporation	%	2.81
			Japan	%	2.41
					2.48
					2.50
		Average days of annual paid leave taken by employees	Sony Group Corporation	Days	17.8
			Japan	Days	15.5
Percentage of granted annual paid leave taken by employees	Japan				11.9
					14.8
					13.2
					13.2
					13.2
					13.2
	Sony Group Corporation	Percentage of granted annual paid leave taken by employees	Sony Group Corporation	%	79.5
			Japan	%	72.8
					52.6
					65.6
					62.1
		Percentage of group companies with flexible work policy ^{*15}	Japan	%	77
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Item	Scope ^{*1}	Unit	2019	2020	2021
Employees who took child care leave (leave of absence)* ¹⁶	Sony Group Corporation	Total	%	17.0	12.1
		Men	%	3.9	2.5
		Women	%	100	96.3
	Japan	Total	%	25.0	25.3
		Men	%	8.5	6.6
		Women	%	98.9	98.9
Employees who took child care paid leave* ¹⁶	Sony Group Corporation	Total	%	61.4	45.5
		Men	%	71.1	59.0
		Women	%	0	0
	Japan	Total	%	58.3	45.1
		Men	%	66.8	47.8
		Women	%	20.2	34.8
Employees using reduced working hours for child care* ¹⁶	Sony Group Corporation	Total	%	3.4	7.9
		Men	%	0	0
		Women	%	25.0	34.8
	Japan	Total	%	9.4	8.3
		Men	%	4.1	0.3
		Women	%	33.0	38.2
Employees who returned to work after child care leave* ¹⁷	Sony Group Corporation	Total	%	100	97.4
		Men	%	100	90.9
		Women	%	100	98.5
	Japan	Total	%	95.9	97.0
		Men	%	98.7	96.4
		Women	%	95.1	97.3
Retention of employees after childcare leave	Sony Group Corporation	Total	%	-	-
		Men	%	-	-
		Women	%	-	-
Employee engagement survey response rate	Sony Group	%	88	91	91
Employee engagement index* ¹⁸	Sony Group	%	85	88	89

Item	Scope ^{*1}	Unit	2019	2020	2021
Workplace accident statistics* ¹⁹ * ²⁰	Global	Number of accidents causing absence from work	Reports	74 (11)	71 (18)
		Number of lost workdays	Days	1,526 (137)	1,211 (463)
		Frequency rate	Points	0.34	0.32
		Severity rate	Points	0.0058	0.0044
		Number of deaths	Persons	0	0
		Number of sites with ISO 45001 certification* ²¹	Manufacturing sites	Sites	10
					12
					27

*1 Japan: Total of Sony Group companies including Sony Group Corporation

*2 Numbers rounded to the nearest hundred employees

*3 Employees included in these data are those for whom gender has been applied. Therefore, the sum of women and men employees is not equal to the total number of employees.

*4 Refer to the "Composition of Sony Group Corporation's Board of Directors" datasheet for the latest figures.

*5 Excluding people who serve on the Board of Directors.

*6 Totals are based on data provided by Sony Group companies as of the end of each fiscal year (March 31). The definition of "manager" varies in different countries, regions and companies.

*7 Southeast Asia, Oceania, India, South Korea and Taiwan Region

*8 Middle East, Latin America, Africa, and Canada

*9 Figures for fiscal year 2019 and 2020 include employees hired by Sony Group Corporation and dispatched to Group companies after hire. Fiscal year 2021 figures exclude employees dispatched to Group companies as of the date of hire.

*10 Figures include only general employment contracts (regular employees)

*11 Only voluntary turnover of regular employees.

*12 Employees included in these data are those who work for Sony Group Corporation

*13 Figures for fiscal year 2019 represent group-wide trainings only. These figures do not include separate trainings conducted by individual Group companies.

*14 Only companies with 101 or more employees, including special-purpose subsidiaries. Figures as of March, 2022

*15 A collective term for telework, remote work, working from home, etc.

*16 Percentage of employees who used the programs during the previous and current fiscal year among employees with newborns during the previous year

*17 Percentage of employees who returned to work, among employees who completed their leave of absence by the end of fiscal year 2021

*18 Percentage of employees who did not give an unfavorable response to four questions regarding employee engagement

*19 Scope of data for fiscal year 2020: 61 sites in Japan and 121 sites outside of Japan

*20 Totals include external contractors. Figures in parenthesis indicate accident data for non-Sony employees

*21 Number of sites subject to ISO 45001 certification: functional organizations at headquarters, manufacturing sites, logistics sites, and R&D sites; total of 50

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Human Rights

Item	Scope	Unit	2019	2020	2021
Percentage of employees participating in human rights-related e-learning course	Sony Group Corporation and Group companies in Japan	%	90	90	94

Responsible Supply Chain

Item	Scope	Unit	2019	2020	2021	
Number of CSR self-assessments at own electronics manufacturing sites	Own electronics manufacturing sites	Companies	14 (100%)	13 (100%)	12 (100%)	
Number of supplier CSR assessments of implemented	Electronics products supply chain	Assessment using questionnaire	Plants	105	564	
		Written improvement instructions	Plants	5	86	
		Remote assessment / on-site assessment	Plants	8	6	
Addressing the issue of conflict minerals	Sony Group	Number of smelters and refiners identified		326	305	
		Number of identified smelters and refiners RMAP-compliant or under assessment		270	252	
339						
255						

Quality and Customer Service

Item	Scope	Unit	2019	2020	2021
Consumer AV product service locations (global)	Electronics	Total	Sites	3,900	3,862
		Japan	Sites	463	464
		United States/ Canada	Sites	742	781
		Europe	Sites	949	923
		Mainland China and Hong Kong Region	Sites	555	556
		Asia-Pacific*1	Sites	618	580
		Others*2	Sites	573	558
					479

*1 Southeast Asia, Oceania, India, South Korea and Taiwan Region

*2 Middle East, Latin America and Africa

Community Engagement

Item	Scope	Unit	2019	2020	2021
Community engagement expenditures*1	Sony Group	billion yen	Approx. 2.6	Approx. 2.0	Approx. 3.5
Sony Global Relief Fund for COVID-19	Sony Group	billion yen	-	Approx. 5.3	Approx. 1.6
Global Social Justice Fund	Sony Group	billion yen	-	Approx. 1.6	Approx. 2.7
Education programs offered workshops to children	Sony Group	Total no. of people	Persons	Approx. 4,400	Approx. 6,100
					Approx. 290,000*2

*1 In addition to donations, sponsorships and independent program expenses (including facility operation expenses), this amount includes the market value of products donated

*2 Number of participants from education programs implemented by the Sony Group globally since fiscal year 2021

Ethics and Compliance

Item	Scope	Unit	2019	2020	2021
Number of reports to Sony Ethics & Compliance Hotline	Sony Group	Reports	Approx. 440	Approx. 370	Approx. 407

Corporate Governance

Item	Scope	Unit	2020	2021	2022
Composition of Sony Group Corporation's Board of Directors*1	Sony Group Corporation	Total	Persons	12	11
		Outside Director	Persons	9	8
		Women	Persons	4 (33.3%)	4 (36.4%)
		Non-Japanese Nationals	Persons	4 (33.3%)	4 (36.4%)
Composition of Sony Group Corporation executives*1 *2	Sony Group Corporation	Total	Persons	42 (2) *3	26 (2) *3
		Women	Persons	3 (7.1%)	3 (11.5%)
		Non-Japanese Nationals	Persons	6 (14.3%)	6 (23.1%)
				6	6

*1 As of end of August for each year

*2 Chairman, Vice Chairman, President, Executive Deputy Presidents, Senior Executive Vice Presidents, Executive Vice Presidents, and Senior Vice Presidents.

*3 Number in parentheses refers to the number of people who concurrently serve as director

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Environmental Data Collection Methods and Rationale

Scope, Collection Period, and Accuracy of Compiled Data

Collection Period: Thursday, April 1, 2021-Thursday, March 31, 2022

In principle, data for results was compiled in the period stated above. Estimates have been used, however, at some sites where the impact on overall results is deemed to be extremely minor.

Scope of Data Collection

■ Site data

All ISO 14001-certified sites as of March 31, 2022. Among Sony Group consolidated sites, all manufacturing sites, distribution sites with 100 or more employees, and non-manufacturing sites with 1,000 or more employees are, in principle, expected to obtain ISO 14001 certification.

■ Product data

Data covers all products manufactured by the Sony Group and sold outside the Group. Accessories, semi-manufactured products and components are included. Weight data includes the weight of packaging materials.

Data Accuracy

■ Site data

Chemical substance data and environmental cost data collected from certain sites may be slightly less accurate than other data.

■ Product Data

Data for some semi-manufactured products, components, and some products produced and sold overseas may be slightly less accurate than other data.

Greenhouse Gas Related Data Collection Methods and Rationale

Greenhouse Gas Emissions from Sites

Calculated based on energy-related emissions (power, heat, and fuel usage) and non energy-related emissions (used for manufacturing processes, facilities) from sites.

■ CO₂ emissions from energy consumption (energy-related)

CO₂ emissions from energy consumption are calculated by multiplying the quantity of electrical power, heat and fuel (including fuel for motor vehicles, etc.) used at sites by the CO₂ conversion rate. For energy consumption using renewable energy including certificates, the CO₂ conversion rate is zero.

■ Emissions of PFCs and other greenhouse gases (non energy-related)

Emissions of PFCs and other greenhouse gases are converted to CO₂ by multiplying greenhouse gas emissions from each site by global warming potentials.

Global warming potentials are based on the Sixth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC).

■ CO₂ conversion rates

[Electricity]

Japan: Latest rate published each year by contracted power companies. Outside Japan: Latest rate published each year by contracted power companies or that for the relevant country/region.

[Fuel and Heat]

Worldwide: Rates based on Japan's Law concerning the Promotion of the Measures to cope with Global Warming

Renewable Electricity Rate

Renewable energy includes using electrical power generated from renewable energy sources, purchasing electrical power produced from renewable energy sources, and purchasing renewable energy certificates and other carbon offset credits. Renewable electricity rates are calculated by the following equation.

Renewable electricity rate = renewable electricity consumption ÷ total consumption of sites × 100

Total CO₂ Emissions from Product Use

CO₂ emissions from product use are calculated by multiplying the quantity of estimated electrical power consumed throughout the lifetime of products sold in the current fiscal year by the CO₂ conversion rates. (In other words, it is not the actual quantity of CO₂ emitted in the current fiscal year.) CO₂ emissions from product use are calculated by the following equation.

$$\text{Sales} \times \left(\frac{\text{Operating power consumption} \times \text{hours of operation per year}}{\text{Power consumption during standby} \times \text{standby time per year}} \right) \times \text{Years of use} \times \text{CO}_2 \text{ conversion rates}$$

In theory, CO₂ emissions during product use in the current fiscal year should be calculated from the total quantity of electrical power consumed by previously sold Sony products that are still in use by consumers in the current fiscal year. However, given the difficulty of determining how many previously sold Sony products are still in use by consumers of the total number of Sony products sold to date, Sony uses the estimated total quantity of electrical power consumed while in use over the lifetime of Sony products sold in the current fiscal year to calculate CO₂ emissions during use.

The hours of operation per year, standby time per year, and years of product use are calculated based on data obtained by various surveys. In Japan, Sony uses the latest CO₂ conversion rate provided by the Electric Power Council for a Low Carbon Society. Outside of Japan, it uses country or region-specific CO₂ conversion rates provided by the International Energy Agency (IEA).



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CO₂ Emissions from Logistics

Total CO₂ emissions from logistics include emissions arising from international logistics and logistics within regions such as Japan, the United States, Europe, and Asia associated with Sony Group's electronics products. For logistics within Japan, CO₂ emissions from parts logistics are partially included.

CO₂ emissions from logistics are primarily calculated by multiplying ton-kilometers transported (weight of goods transported x distance traveled) by the CO₂ conversion rate. In certain instances, CO₂ emissions arising from transport by truck are calculated by multiplying the amount of fuel used (fuel consumption per kilometer x number of kilometers traveled) by the CO₂ conversion rate. For international transport by ship, the calculation uses the weight of goods transported including the weight of shipping containers. For international transport, the CO₂ conversion rate used to calculate CO₂ emissions is based on the emissions intensity supplied by the GHG Protocol. For regional transport, priority is given to using the rate supplied by the region or country. For Japanese domestic transport by truck, CO₂ emissions calculations multiply the weight of freight transported by two factors: the amount of fuel used per unit of freight transported, as defined in the Law concerning the Rational Use of Energy, and the emissions factor of fuel type used, as defined by the Law concerning the Promotion of Measures to Cope with Global Warming. For transport in the United States, Sony uses the emissions rate supplied by the SmartWay Transport Partnership, which is administered by the U.S. Environmental Protection Agency (EPA).

CO₂ Emissions from Employee Business Trips

Emissions are calculated for business trips undertaken by employees in central departments, which account for the largest share of business trips taken by employees of Sony Group Corporation and Sony Group Electronics Business companies in Japan, Europe and North America and for business trips taken by employees from some electronics-related companies in Asia (In the case of Japan and North America, some music-related companies are included). CO₂ emissions are calculated by multiplying the distance traveled by the number of employees traveling using the basic unit of output by class type proposed by the GHG Protocol.

CO₂ Emissions from Capital Goods

The total CO₂ emissions associated with the production of capital goods invested in by the Sony Group. This is calculated by multiplying the amount invested in facilities, etc., by emissions per price of capital goods supplied by the Ministry of the Environment (Japan).

Overview of Calculation for Scope 3 Emissions

Category		Overview of Calculation
Category 1	Purchased goods and services	Emissions associated with raw materials and parts for use in electronics products sold by and the goods purchased by the Sony Group, from the extraction of resources through to production, as well as emissions related to certain data center use.
Category 2	Capital goods	Emissions associated with the production of capital goods invested in by the Sony Group.
Category 3	Fuel- and energy-related activities (not included in scope 1 or scope 2)	Emissions associated with procurement of fuels and energy consumed by Sony Group sites.
Category 4	Upstream transportation and distribution	Emissions associated with the transportation and storage of electronics products sold by the Sony Group and purchased parts.
Category 5	Waste generated in operations	Emissions associated with the treatment and disposal of waste generated by Sony Group sites.
Category 6	Business travel	Emissions associated with travel (by air) for business purposes by Sony Group electronics group companies employees, mainly in Japan, Europe, and North America.
Category 7	Employee commuting	Emissions associated with employees' commutes from their homes to their workplace.
Category 8	Upstream leased assets	Not applicable (accounted for in other categories)
Category 9	Downstream transportation and distribution	Emissions associated with the distribution of electronics products sold by the Sony Group from retailers to consumers.
Category 10	Processing of sold products	Emissions associated with the assumed post-sale third-party processing of electronics products sold by the Sony Group.
Category 11	Use of sold products	Emissions associated with the assumed post-sale third-party processing of electronics products sold by the Sony Group.
Category 12	End-of-life treatment of sold products	Emissions associated with the assumed end-of-life recycling or disposal of electronics products sold by the Sony Group.
Category 13	Downstream leased assets	Not applicable
Category 14	Franchises	Not applicable
Category 15	Investments	Emissions associated with the business activities of companies in which the Sony Group has invested.

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Resource Related Data Collection Methods and Rationale

Volume of Waste Generated at Sites

Total volume of industrial waste and non-industrial waste.

Amount of Waste Landfilled

Total amount of landfilled waste generated at sites.

Volume of Water Consumption/Intake/Discharged

■ Volume of Water Consumption

The total volume of water used at sites (municipal water, industrial water, well water); for municipal water and industrial water, purchase volume is substituted for the purpose of calculation.

■ Volume of Water Intake

The volume of water generated outside the company and rainwater, in addition to water consumed.

■ Volume of Water Discharged

The sum of discharged water to rivers and sewerage. For Sony sites where it is not possible to accurately grasp actual discharge volume, a calculation based on the volume of water used x average per-site rate for volume of water discharged is substituted.

Product Resource Input

Total volume of resources used in products, accessories, manuals and packaging materials. Total weight of products shipped is used as a substitute.

Volume of Resource Recovery from End-of-Life Products

Volume of products collected from recycling multiplied by the reused/recycled ratio. Volume of products collected from recycling is the weight of recycled products in Japan/East Asia, Europe, North America, Pan Asia, and Latin America. Some amounts calculated based on the recycling expenses are included. The reused/recycled ratio is the volume reused/recycled compared with the total volume collected. The amount of collected end-of-life products is substituted under the current situation.

Other Data Collection Methods and Rationale

Volume of Chemical Substances Handled/Emitted

Class 3 and Class 4 chemical substances for which the amount handled annually is 100kg (Class3) /1,000kg (Class4) or more are subject to reporting.

■ Volume of Chemical Substances Handled

The volume of chemical substances used at sites; purchase volume is substituted when exact volume of usage cannot be determined.

■ Volume of Chemical Substances Emitted

Volume of chemical substances released from sites in relation to their operation; calculations are based on purchase volume x distribution coefficient.

Emissions of Water Pollutants (BOD, COD)

Concentrations in water emitted x volume of water emitted. Sites that are requested by law and/or by other demands such as contracts are subjected to this data collection.

Emissions of Air Pollutants (NOx, SOx)

Volume calculated by multiplying emission volume by emission concentration. Sites that are requested by law and/or by other demands such as contracts are subjected to this data collection.

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Purpose and Scope of Assurance

Sony has obtained third-party verification since fiscal year 2001 to ensure the credibility of data reported and facilitate the ongoing improvement of its environmental management. Since fiscal year 2003, Sony has sought independent verification from the Bureau Veritas (BV) Group, the external auditing organization for the Sony Group's global environmental management system. In fiscal year 2021, Sony asked the BV Group to undertake independent verification of the reliability of data collection and reporting processes, as well as the accuracy and the appropriateness of conclusions drawn from such data, at production sites, non-manufacturing sites, design sites and Sony's headquarters. Furthermore, amount of greenhouse gas emissions is verified in accordance with ISO14064-3 since fiscal year 2011.

Independent Assurance Statement

[Independent Assurance Statement \(full text\) \[PDF:159KB\]](#)

INDEPENDENT ASSURANCE STATEMENT

To: Sony Group Corporation



Bureau Veritas Japan Co., Ltd. (Bureau Veritas) has been engaged by Sony Group Corporation (Sony) to provide limited assurance over sustainability information selected by Sony. This Assurance Statement applies to the related information included within the scope of work described below.

Selected information

The scope of our assurance work was limited to assurance over the following information included within Sony's Sustainability Report 2022 (the 'Report') or reported internally to Sony Group only for the purpose of internal management for the period of April 1, 2021 through March 31, 2022 (the 'Selected Information'):

- 1) The following environmental performance data through business operations of all ISO 14001-certified sites as of March 31, 2022 in Sony Group
 - Greenhouse gas emissions (Scope 1 and Scope 2): Energy related emissions and Non-energy related emissions
 - Energy consumption (including fuel for motor vehicles)
 - The use rate of electricity derived from renewable energy
 - Water consumption and discharge
 - Water pollutant (BOD/COD) emissions
- 2) Categories 4, 6 and 11 of Scope 3 GHG emissions accounted within the boundaries defined by Sony for each category
 - Category 4: CO₂ emissions from logistics (*1)
 - Category 6: CO₂ emissions from employee business trips (*2)
 - Category 11: CO₂ emissions from the electricity consumption during product use

(*1) Total CO₂ emissions arising from international transportation and from logistics within regions such as Japan, the United States, Europe and Asia associated with Sony Group's electronics products. CO₂ emissions from logistics within Japan also include those from components transportation.

(*2) Emissions are calculated for business trips undertaken by employees from central departments, which account for the largest share of business trips taken by employees of Sony and Sony Group Electronics Business companies in Japan, Europe, North America and China. (In the case of Japan and North America, trips taken by employees from some music-related companies are included.)

Reporting criteria

The Selected Information included within the Report needs to be read and understood together with the reporting criteria stated in the Report.

The Selected Information reported internally to Sony Group only for the purpose of internal management needs to be read and understood together with the internal reporting criteria defined by Sony.

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Sony's Sustainability reporting refers to international standards and guidelines related to Sustainability activity reporting. Below GRI Sustainability Reporting Standards Content Index includes related information available on Sony websites.

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102-18	Governance structure	Corporate Strategy, Business Strategy and Other Policies Governance Framework
102-19	Delegating authority	Corporate Governance
102-20	Executive-level responsibility for economic, environmental, and social topics	
102-21	Consulting stakeholders on economic, environmental, and social topics	
102-22	Composition of the highest governance body and its committees	Governance Framework
102-23	Chair of the highest governance body	Governance Framework
102-24	Nominating and selecting the highest governance body	Governance Framework
102-25	Conflicts of interest	Evaluation of the Board and the Committees' Effectiveness
102-26	Role of highest governance body in setting purpose, values, and strategy	Corporate Governance
102-27	Collective knowledge of highest governance body	Relationship with Shareholders and Other Stakeholders
102-28	Evaluating the highest governance body's performance	Evaluation of the Board and the Committees' Effectiveness
102-29	Identifying and managing economic, environmental, and social impacts	Corporate Governance
102-30	Effectiveness of risk management processes	Corporate Governance

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Index No.	Index name	Related page
102-31	Review of economic, environmental, and social topics	→ Corporate Governance
102-32	Highest governance body's role in sustainability reporting	→ Sony's Sustainability
102-33	Communicating critical concerns	→ Corporate Governance → Ethics and Compliance
102-34	Nature and total number of critical concerns	→ Sony Ethics & Compliance Hotline
102-35	Remuneration policies	→ Compensation Committee
102-36	Process for determining remuneration	→ Compensation Committee
102-37	Stakeholders' involvement in remuneration	→ Internal Control and Governance Framework → Relationship with Shareholders and Other Stakeholders
102-38	Annual total compensation ratio	The average annual compensation of our employees in 2021 is approximately 10.85 million yen, the total amount of cash compensation ^{*1} of the CEO is approximately 606 million yen, and the ratio of the average annual compensation of our employees to the total cash compensation of the CEO is 1:56. The ratio of total cash compensation plus the theoretical value of stock price-linked compensation ^{*2} is 1:173. *1 Base salary and performance-linked compensation *2 Stock options and restricted stock. Stock options value is calculated using fair market value per share as of the grant date in FY2021, restricted stock value is calculated using FY2021 issue price. For details, see page 63 of the 2021 SEC Filing Form 20-F. ☒ Form 20-F
102-39	Percentage increase in annual total compensation ratio	-
Stakeholder engagement		
102-40	List of stakeholder groups	→ Sony's Sustainability
102-41	Collective bargaining agreements	☒ Form 20-F

Index No.	Index name	Related page
102-42	Identifying and selecting stakeholders	→ Sony's Sustainability
102-43	Approach to stakeholder engagement	→ Sony's Sustainability
102-44	Key topics and concerns raised	→ Sony's Sustainability → Ethics and Compliance → Respect for Human Rights → Employees → Quality and Customer Service
Reporting practice		
102-45	Entities included in the consolidated financial statements	☒ Form 20-F
102-46	Defining report content and topic Boundaries	→ Editorial Policy
102-47	List of material topics	→ Sony's Sustainability
102-48	Restatements of information	-
102-49	Changes in reporting	→ Editorial Policy
102-50	Reporting period	→ Editorial Policy
102-51	Date of most recent report	
102-52	Reporting cycle	
102-53	Contact point for questions regarding the report	☒ CSR Contacts
102-54	Claims of reporting in accordance with the GRI Standards	→ Editorial Policy
102-55	GRI content index	→ This Content Index
102-56	External assurance	→ Independent Assurance Statement
GRI 103: Management Approach		
103-1	Explanation of the material topic and its Boundary	→ Sony's Sustainability
103-2	The management approach and its components	→ Sony's Sustainability → Environment → Employees → Respect for Human Rights → Responsible Supply Chain → Quality and Customer Service → Community Engagement → Ethics and Compliance → Corporate Governance
103-3	Evaluation of the management approach	

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GRI 201: ECONOMIC PERFORMANCE		
201-1	Direct economic value generated and distributed	Form 20-F
201-2	Financial implications and other risks and opportunities due to climate change	Form 20-F Disclosure of Climate-related Information in Accordance with the TCFD Recommendations
201-3	Defined benefit plan obligations and other retirement plans	Form 20-F
201-4	Financial assistance received from government	-
GRI 202: MARKET PRESENCE		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Talent Acquisition
202-2	Proportion of senior management hired from the local community	Talent Acquisition Employee Data
GRI 203: INDIRECT ECONOMIC IMPACTS		
203-1	Infrastructure investments and services supported	Community Engagement
203-2	Significant indirect economic impacts	Form 20-F
GRI 204: PROCUREMENT PRACTICES		
204-1	Proportion of spending on local suppliers	Responsible Supply Chain
GRI 205: ANTI-CORRUPTION		
205-1	Operations assessed for risks related to corruption	Ethics and Compliance
205-2	Communication and training about anti-corruption policies and procedures	
205-3	Confirmed incidents of corruption and actions taken	
GRI 206: ANTI-COMPETITIVE BEHAVIOR		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Ethics and Compliance

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GRI 207: Tax (2019)		
207-1	Approach to tax	Policy and Governance Framework on Tax Strategy
207-2	Tax governance, control, and risk management	Policy and Governance Framework on Tax Strategy
207-3	Stakeholder engagement and management of concerns related to tax	Policy and Governance Framework on Tax Strategy
207-4	Country-by-country reporting	Form 20-F
ENVIRONMENTAL		
GRI 301: MATERIALS		
301-1	Materials used by weight or volume	Overview of Sony's Environmental Impact
301-2	Recycled input materials used	Conserving Resources Reducing Use of Virgin Plastics Reducing Plastic Packaging
301-3	Reclaimed products and their packaging materials	Reducing Use of Virgin Plastics Reducing Plastic Packaging Product Recycling Policy and Performance Environmental Data
GRI 302: ENERGY		
302-1	Energy consumption within the organization	Overview of Sony's Environmental Impact
302-2	Energy consumption outside of the organization	Environmental Data
302-3	Energy intensity	Reducing Greenhouse Gas Emissions Overview of Sony's Environmental Impact
302-4	Reduction of energy consumption	Reducing Greenhouse Gas Emissions Overview of Sony's Environmental Impact
302-5	Reductions in energy requirements of products and services	Reducing Greenhouse Gas Emissions Environmental Data

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303-2	Management of water discharge-related impacts	
303-3	Water withdrawal	→ Overview of Sony's Environmental Impact → Proper Water Management to Protect the Local Environment ☒ Environmental Data
303-4	Water discharge	→ Overview of Sony's Environmental Impact ☒ Environmental Data
303-5	Water consumption	-
GRI 304: BIODIVERSITY		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	→ Examples of Biodiversity Conservation Initiatives ☒ Environmental Data
304-2	Significant impacts of activities, products, and services on biodiversity	→ Examples of Biodiversity Conservation Initiatives ☒ Environmental Data
304-3	Habitats protected or restored	→ Examples of Biodiversity Conservation Initiatives ☒ Environmental Data
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	→ Examples of Biodiversity Conservation Initiatives ☒ Environmental Data
GRI 305: EMISSIONS		
305-1	Direct (Scope 1) GHG emissions	→ Reducing Greenhouse Gas Emissions ☒ Environmental Data
305-2	Energy indirect (Scope 2) GHG emissions	→ Reducing Greenhouse Gas Emissions ☒ Environmental Data
305-3	Other indirect (Scope 3) GHG emissions	→ Overview of Sony's Environmental Impact → Reducing Greenhouse Gas Emissions ☒ Environmental Data

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305-4	GHG emissions intensity	→ Overview of Sony's Environmental Impact → Reducing Greenhouse Gas Emissions
305-5	Reduction of GHG emissions	→ Reducing Greenhouse Gas Emissions → Reducing Greenhouse Gas Emissions → CO₂ Emissions from Transport of Finished Products
305-6	Emissions of ozone-depleting substances (ODS)	→ Managing Chemical Substances
305-7	Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	→ Managing Chemical Substances ☒ Environmental Data
GRI 306: WASTE (2020)		
306-1	Waste generation and significant waste-related impacts	→ Overview of Sony's Environmental Impact
306-2	Management of significant waste-related impacts	→ Reducing Waste Generation
306-3	Waste generated	→ Overview of Sony's Environmental Impact ☒ Environmental Data
306-4	Waste diverted from disposal	→ Overview of Sony's Environmental Impact
306-5	Waste directed to disposal	→ Overview of Sony's Environmental Impact
GRI 307: ENVIRONMENTAL COMPLIANCE		
307-1	Non-compliance with environmental laws and regulations	→ Managing Chemical Substances
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT		
308-1	New suppliers that were screened using environmental criteria	→ Responsible Supply Chain
308-2	Negative environmental impacts in the supply chain and actions taken	→ Responsible Supply Chain → Reducing Environmental Impact Across the Supply Chain
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GRI 401: EMPLOYMENT		
401-1	New employee hires and employee turnover	☒ Form 20-F → Data Section

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403-1	Occupational health and safety management system	→ Occupational Health & Safety
403-2	Hazard identification, risk assessment, and incident investigation	→ Occupational Health & Safety
403-3	Occupational health services	→ Occupational Health & Safety
403-4	Worker participation, consultation, and communication on occupational health and safety	→ Occupational Health & Safety
403-5	Worker training on occupational health and safety	→ Occupational Health & Safety
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GRI 406: NON-DISCRIMINATION		
406-1	Incidents of discrimination and corrective actions taken	→ Ethics and Compliance → Respect for Human Rights
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408-1	Operations and suppliers at significant risk for incidents of child labor	→ Supply Chain Management
GRI 409: FORCED OR COMPULSORY LABOR		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	→ Supply Chain Management
GRI 410: SECURITY PRACTICES		
410-1	Security personnel trained in human rights policies or procedures	-
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GRI 412: HUMAN RIGHTS ASSESSMENT		
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