

**SONY**

# Sustainability Report **2021**

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## About the Sustainability Report

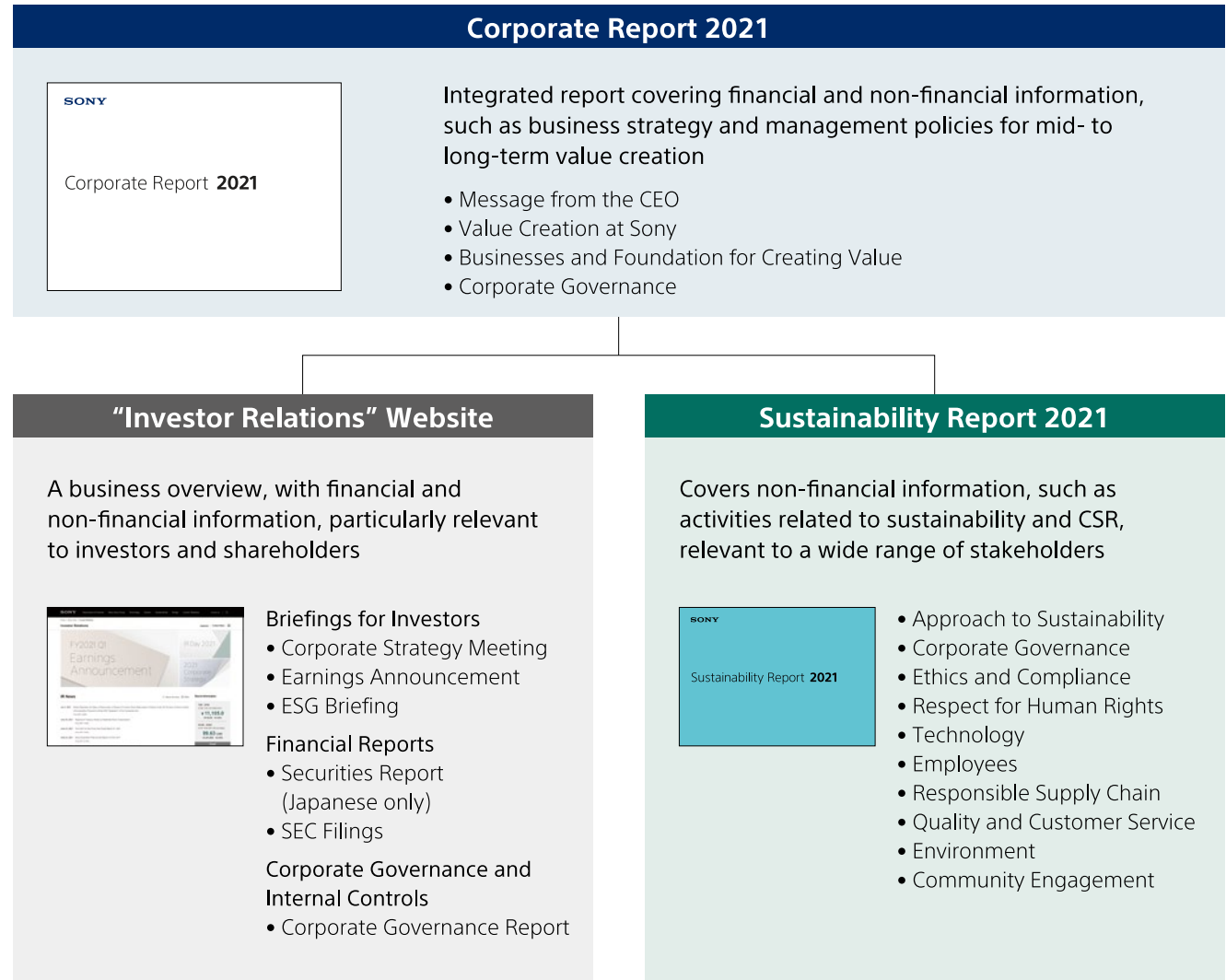
### Disclosure and Communication of Financial and Non-Financial Information

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 issued the Sustainability Report 2021 to provide a comprehensive and detailed report on non-financial information for a wide range of stakeholders. This report is organized by the material topics which form the foundation for Sony's long-term value creation, and it focuses on activities in fiscal 2020.

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

### Disclosure of Financial and Non-Financial Information



## ■ Editorial Policy

Sony first issued its environmental report in 1994, then enhanced the information related to corporate social responsibility (CSR) and changed the name of the report to “CSR report” in 2003. In order to keep the information disclosed up to date as Sony’s scope of business and circumstances change, Sony has been disclosing its CSR activities mainly on the web since 2014. In 2018, the report was renamed the “Sustainability Report.”

In 2020, Sony compiled and issued this report mainly in PDF format to improve readability. For more information on Sony’s sustainability efforts, please refer to this report. In addition, the Sustainability section on the Sony Group Portal Website includes sections on the Environment, Social Contribution, Diversity & Inclusion and Accessibility. This report is issued with the approval of the corporate executive officer in charge of sustainability.

 [Sustainability](#)

- **Scope:** Sony Group Corporation, consolidated subsidiaries and other companies within the scope of consolidation
- **Period Covered:** Fiscal 2020 (April 1, 2020 - March 31, 2021)  
Please note, however, that reporting on material activities, such as major organizational changes, includes information up through August 17, 2021.  
In the main text of the report, “Sony” refers to the entire Sony Group, not just Sony Group Corporation or Sony Corporation. “Headquarter” refers to Sony Group Corporation.  
The Sony Group is Sony Group Corporation — the parent company that operates in Japan — and all consolidated subsidiaries in which Sony Group Corporation holds a capital stake of more than 50%. For consolidated subsidiaries, please see Affiliated Companies (Consolidated Subsidiaries) at the Sony Group Portal Website.

 [Affiliated Companies](#)

### ● 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. For the comparative tables with the GRI Standards, please use the link below.

[✂ Global Reporting Initiative \(GRI\) Standards and its Content Index](#)

### ● Reporting Principles of Materiality:

Sony has conducted a materiality assessment that incorporates stakeholder perspectives to identify material issues, which is the foundation for the creation of long-term value through its businesses. Please use the link below to learn more.

[✂ Sony Group’s Materiality](#)

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

[✂ Independent Assurance Statement](#)

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- **Date of Issue:** August 2021  
(Previous report issued: August 2020; issued annually)



## Approach to Sustainability

Sony's management approach is "getting closer to people," and its purpose is to "fill the world with emotion, through the power of creativity and technology." For people to be connected through emotion, it is necessary for people, society, and the planet to be healthy. 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." Sony also gives due consideration to the impacts of its business activities on the interests of its stakeholders—shareholders, customers, employees, suppliers, business partners, local communities, other organizations—and the global environment. Sony also engages in dialogue with stakeholders to build trust and get input. Based on these principles, Sony will create sustainable social and economic value from a long-term perspective by delivering emotional experiences to people and continuing to work with its stakeholders to pursue sustainability in such areas as the environment and human rights, implementing these initiatives across all of its businesses.

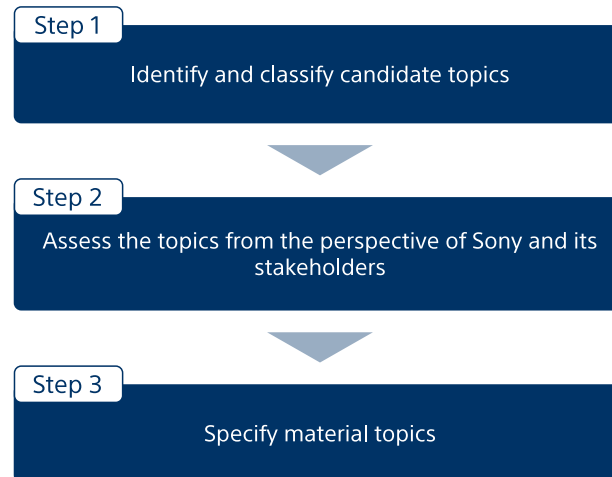


## Sony Group's Materiality

### Overview and Purpose of Materiality Analysis

The Sony Group is a global organization with a broad range of businesses around the world—electronic equipment, devices, game consoles, digital networks, motion pictures, music, and financial and insurance services. Sony recognizes that stakeholders expect Sony 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. Therefore, in 2019, Sony reviewed its "CSR material topics," conducting an analysis incorporating the perspectives of stakeholders. The aim was to identify topics that are material to Sony's efforts to create long-term value through its businesses. The process for materiality analysis consisted of (1) identifying and classifying candidate topics, (2) assessing the topics from the perspective of Sony and its stakeholders, and (3) specifying material topics.

### Materiality Assessment Steps



### Step 1: Identify and classify candidate topics

Based on internal and external information and documents, Sony selected candidate 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 UN Sustainable Development Goals (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 candidate topics identified and classified in the Step 1 were assessed from the perspectives of Sony and its stakeholders with reference to following:

- Assessment by executive officers responsible for each topic from the viewpoints of mid-to-long-term social and technological changes, and the need to further enhance measures to achieve Sony's ideal state
- Assessment of the importance of each topic from the perspective of stakeholders based on information published by NGOs, investors, ESG rating agencies, the mass media and others
- Assessment from the perspective of stakeholders through an exchange of views with investors and external CSR experts

### Step 3: Specify material topics

Based on the assessment conducted in Step 2, the material topics were specified with the final approval of senior management.

## ■ Analysis Results and Material Topics

As a result of the aforementioned multi-faceted assessment process, “Technology” and “Employees,” which are the common elements underlying Sony’s diverse business portfolio, were specified as the most important material topics for supporting Sony’s long-term value creation. The Sustainability Report 2021 reports on Sony’s material topics within nine categories — Corporate Governance, Ethics and Compliance, Respect for Human Rights, Technology, Employees, Responsible Supply Chain, Quality and Customer Service, Environment, and Community Engagement — as shown in the table below. Going forward, Sony will strengthen its efforts to address these material topics in order to create long-term value.

### Material Topics of the Sony Group

Materiality analysis result	Material topics	Sustainability Report coverage
Most important	Technology	➤ <a href="#">Technology</a>
	Employees	➤ <a href="#">Employees</a>
Important	Corporate governance	➤ <a href="#">Corporate Governance</a>
	Risk management	
	Information security	
	Tax strategy	
	Ethics and compliance	➤ <a href="#">Ethics and Compliance</a>
	Privacy	
	Anti-corruption	
	Respect for human rights	➤ <a href="#">Respect for Human Rights</a>
	Responsible supply chain	➤ <a href="#">Responsible Supply Chain</a>
	Product quality	➤ <a href="#">Quality and Customer Service</a>
	HCD and Accessibility	
	Customer service	
	Resource conservation	➤ <a href="#">Environment</a>
	Climate change	
	Chemical substances	
Biodiversity		
Social contribution initiatives	➤ <a href="#">Community Engagement</a>	

## Fiscal 2020 Summary of the Sony Group's Progress on Material Topics

Area of focus and material topic			Basic policy	Achievement in fiscal 2020 *1	Future initiative	Coverage
Importance	Area of focus	Material topic				
Most important	Technology	Technology	<ul style="list-style-type: none"> <li>Connect entire Group with technology to support the evolution of each business</li> <li>Promote cooperation, collaboration, and growth of engineers across different businesses</li> <li>Take in shifting external conditions and pursue external collaboration</li> </ul>	<ul style="list-style-type: none"> <li>Established and strengthened R&amp;D centers globally, for instance in India and China.</li> <li>Developed the VISION-S prototype vehicle to contribute to the evolution of next-generation mobility. Commenced road testing for technical evaluation and conducted driving tests on a test course that supports 5G networks.</li> <li>Commercial launch of Intelligent vision sensor "IMX500/501" equipped with AI processing functionality realizing low power consumption and addressing privacy concern</li> <li>Successfully achieved a bidirectional communication link between the International Space Station and an optical ground station using the Small Optical Link for International Space Station (SOLISS), looking to contribute to the construction of the next generation space communication infrastructure</li> <li>Established SynecO, Inc. as the inaugural project of the Sony Innovation Fund: Environment, a corporate venture capital fund. SynecO was established to promote businesses specializing in technologies related to augmented ecosystems</li> <li>Advancing activities for putting the Sony Group AI Ethics Guidelines into practice including developing AI ethics assessment frameworks and system.</li> </ul>	<ul style="list-style-type: none"> <li>Continue to pursue R&amp;D in line with management strategy, by getting closer to users and creators to fully understand their motivations, and create new value by leveraging technology to drive diverse businesses</li> </ul>	<ul style="list-style-type: none"> <li><a href="#">WEB Corporate Report 2021: p18</a></li> <li><a href="#">Sustainability Report</a></li> <li><a href="#">Technology</a></li> <li><a href="#">Sony Group Portal Website</a></li> <li><a href="#">WEB Technology</a></li> <li><a href="#">WEB Investor Relations</a></li> <li><a href="#">&gt; Sony ESG/Technology Briefing</a></li> <li><a href="#">WEB Brand &gt; CES 2021</a></li> </ul>
		Employees	<ul style="list-style-type: none"> <li>Respect and support each employee's ambition to grow and take on new challenges, and provide a range of experiences and opportunities for each employee to make the most of their diverse individual strengths, skills, abilities and creativity</li> </ul>	<ul style="list-style-type: none"> <li>Selected as one of the 13 Iconic Business leaders among The Valuable 500 companies</li> <li>Percentage of management positions held by women: 10.2% (fiscal 2020 target in Sony Group companies in Japan: 10%)</li> <li>Percentage of employees with disabilities: 2.82% (Sony Corporation as of the end of Mar 2021)</li> <li>Promoted online use (events, seminars, voluntary community initiatives) of PORT venue for developing new talent, and opened PORT Minato Mirai</li> <li>Employee engagement survey Response rate: 91%, engagement index*2: 88%</li> <li>Implemented OHS initiatives targeting zero injury and zero illness</li> <li>Injury frequency rate for accidents causing absence from work (Japan/East Asia region*3): 0.10 (45% decrease year-on-year)</li> <li>Injury frequency rate for accidents causing absence from work (Outside Japan/East Asia region): 0.55 (3% increase year-on-year)</li> <li>Worked on obtaining ISO 45001 certification (12 manufacturing sites obtained the certification around the world)</li> </ul>	<ul style="list-style-type: none"> <li>Provide a system and environment for sustainable growth for individuals and businesses based on the concept of "getting closer to people"</li> <li>Strengthen efforts to ensure safety and physical and mental health to ensure zero injury and zero illness</li> <li>Implement measures to reduce health risks</li> </ul>	<ul style="list-style-type: none"> <li><a href="#">WEB Corporate Report 2021: p20</a></li> <li><a href="#">Sustainability Report</a></li> <li><a href="#">Employees</a></li> <li><a href="#">Sony Group Portal Website</a></li> <li><a href="#">WEB Diversity and Inclusion</a></li> <li><a href="#">WEB Investor Relations</a></li> <li><a href="#">&gt; ESG Briefing/Technology Briefing</a></li> </ul>

\*1 Certain subsequent information up to June 2021 is also included.

\*2 Percentage of employees who did not give an unfavorable response to four questions regarding employee engagement

\*3 Japan, Korea and Taiwan region

Area of focus and material topic			Basic policy	Achievement in fiscal 2020	Future initiative	Coverage
Importance	Area of focus	Material topic				
Important	Corporate governance	Corporate governance	<ul style="list-style-type: none"> <li>Continuously strive to strengthen the corporate governance system in a way that is suitable for Sony and increases corporate value over the mid- to long-term</li> </ul>	<ul style="list-style-type: none"> <li>Continued periodic reports to Board on ESG-related matters</li> <li>Focused on information security continuously through Directors in charge of Information Security</li> <li>Held additional executive sessions</li> <li>Disclosed the table showing experiences/expertise of non-executive Directors, including outside directors</li> <li>Expanded disclosure regarding compensation of Directors and Senior Executives</li> <li>Continuously conducted visiting audits by Audit Committee members at Sony's business sites</li> </ul>	<ul style="list-style-type: none"> <li>Continuously strive to strengthen the corporate governance system                             <ul style="list-style-type: none"> <li>Maintain diversity of the Board of Directors</li> <li>Implement measures based on the results of the effectiveness evaluation</li> <li>Build, disclose and improve compensation system for management team based on long-term management approach</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li><a href="#">Corporate Report 2021: p58</a></li> <li>Sustainability Report</li> <li><a href="#">Corporate Governance</a></li> <li>Securities Report</li> <li>Corporate Governance Report</li> <li>Sony Group Portal Website</li> <li><a href="#">Investor Relations &gt; ESG Briefing / Technology Briefing</a></li> </ul>
		Risk management	<ul style="list-style-type: none"> <li>Manage risks that may cause losses to the Sony Group</li> <li>Strengthen risk management throughout the supply chain to mitigate risk of business disruptions due to emergencies such as accidents and natural disasters</li> </ul>	<ul style="list-style-type: none"> <li>Implemented measures to secure employee safety and minimize business impacts under Sony Group crisis management framework, in response to COVID-19 pandemic</li> <li>Conducted reviews of basic action manuals and implemented drills, to maintain and strengthen the functions of the crisis management framework</li> <li>Verified that manufacturing sites in and outside of Japan were compliant with Sony Group guidelines for reducing fire risks</li> </ul>	<ul style="list-style-type: none"> <li>Strengthen cooperation with group companies in business continuity planning (BCP), conduct and continuously improve practical drills, thereby enhancing effectiveness of crisis management and BCP</li> <li>Manage impact to global operations due to trade restrictions and economic sanctions imposed by certain countries</li> <li>Reduce the risk of buildings by optimizing facility renewal and repair plans</li> <li>Reduce fire risk at manufacturing sites, in accordance with Sony Group guidelines</li> </ul>	
		Information security	<ul style="list-style-type: none"> <li>Maintain the trust of customers, employees and business partners by protecting the information entrusted to Sony through improving information security management practices, and enhancing security controls</li> </ul>	<ul style="list-style-type: none"> <li>Continuously strengthened information security programs</li> <li>Provided information security training to all employees</li> <li>Monitored and responded to security threats on a 24/7 basis by the global security operations center</li> <li>Addressed and strengthened information security during COVID-19 pandemic</li> </ul>	<ul style="list-style-type: none"> <li>Periodically validate and revise information security standards based on industry best practices, review security risks, and drive improvement initiatives, thereby continuously strengthening security governance</li> <li>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</li> <li>Continuously secure and develop high-level security professionals</li> </ul>	
		Tax strategy	<ul style="list-style-type: none"> <li>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</li> </ul>	<ul style="list-style-type: none"> <li>Update our knowledge of all applicable tax laws and obligations in the Jurisdictions in which we do business, as well as regular reporting and communications with the CFO and other senior management about key tax issues and tax risk.</li> </ul>	<ul style="list-style-type: none"> <li>Continue efforts to ensure compliance with the applicable tax laws and regulations</li> </ul>	

Area of focus and material topic			Basic policy	Achievement in fiscal 2020	Future initiative	Coverage
Importance	Area of focus	Material topic				
Important	Ethics and compliance	Ethics and compliance	<p>Support Sony's ethical and responsible business practices by taking the following initiatives:</p> <ul style="list-style-type: none"> <li>Foster an ethical culture based on Sony's Values and the Sony Group Code of Conduct</li> <li>Ensure implementation of the compliance program</li> <li>Continuously assess compliance risks in relation to Sony's business activities and review the compliance program based on the results of the assessment</li> </ul>	<ul style="list-style-type: none"> <li>Provided trainings and messages on ethics and compliance via Global Ethics &amp; Compliance Network</li> <li>Compliance monitoring: Followed up on action plans created based on compliance assessment results</li> <li>Operated Sony Group Ethics &amp; Compliance Hotline (Number of reports in fiscal 2020: approx. 370)</li> </ul>	<ul style="list-style-type: none"> <li>Continuously work to foster ethical culture by senior management leadership by example and well-developed training</li> <li>Ensure implementation of the compliance program through Global Ethics &amp; Compliance Network</li> <li>Continuously assess compliance risks in relation to Sony's business activities and review the compliance program based on the results of the assessment</li> </ul>	<ul style="list-style-type: none"> <li>Sustainability Report</li> <li>➤ Ethics and Compliance</li> </ul>
		Anti-corruption	<ul style="list-style-type: none"> <li>Prevent any forms of corruption practices, including bribery</li> </ul>	<ul style="list-style-type: none"> <li>Maintained and implemented anti-corruption program based on the Sony Group Anti-Bribery Policy</li> <li>Continued to provide employee training with content and frequency tailored to the risks of each operation</li> </ul>	<ul style="list-style-type: none"> <li>Maintain and implement the anti-corruption program</li> </ul>	
		Privacy	<ul style="list-style-type: none"> <li>Continuously address changes in the privacy environment and technological development, and earn the trust of customers, employees and other stakeholders by protecting their personal information</li> </ul>	<ul style="list-style-type: none"> <li>Continued to strengthen the privacy program</li> <li>Improved efficiency of privacy processes through implementation of privacy management software</li> <li>Ran global compliance projects to address key changes in privacy environment during this fiscal year</li> <li>Enhanced global coverage for privacy related incident management support</li> <li>Provided privacy training to all employees</li> </ul>	<ul style="list-style-type: none"> <li>Continue to monitor and respond quickly to changes in the external environment</li> <li>Further improve efficiency in operation, by way of technology and process improvements</li> <li>Ensure privacy compliance monitoring and training activities</li> </ul>	
	Respect for human rights	Respect for human rights	<ul style="list-style-type: none"> <li>Continue to make reasonable efforts to ensure that Sony's operations, products, services and/or business relationships do not cause adverse human rights impacts</li> </ul>	<ul style="list-style-type: none"> <li>Continued activities such as respecting human rights of workers in the electronics business supply chain and responding to human rights risk related to new technologies such as AI</li> <li>Identified potential human rights risks through the human rights impact assessment. Discussed necessary actions and continued monitoring for the identified risks</li> <li>Continued human rights training reflecting recent trends in each region</li> <li>Supported social justice and human rights initiatives through Global Social Justice Fund</li> </ul>	<ul style="list-style-type: none"> <li>Continue to analyze and monitor human rights risks in business activities across the Sony Group and its supply chain</li> </ul>	<ul style="list-style-type: none"> <li>Sustainability Report</li> <li>➤ Respect for Human Rights</li> </ul>

Area of focus and material topic			Basic policy	Achievement in fiscal 2020	Future initiative	Coverage				
Importance	Area of focus	Material topic								
Important	Quality and Customer service	Responsible supply chain	<ul style="list-style-type: none"> <li>Address risks to human rights, labor conditions, health and safety, and the environment throughout the electronics product supply chain</li> </ul>	<ul style="list-style-type: none"> <li>Conducted CSR assessment at 13 Sony manufacturing sites and 564 suppliers' plants</li> <li>Conducted interviews of on-site contractors at a number of Sony manufacturing sites in Japan, covering their hiring process for technical intern trainees and the labor conditions of trainees</li> <li>Enhanced periodic assessments at existing suppliers</li> <li>Conducted on-site visits to supplier manufacturing sites in Japan with the aim of improving labor, health and safety, including the hiring process for technical intern trainees and the labor conditions of trainees</li> <li>Encouraged cobalt refineries in supply chain to join the audit program, and donated funds to the foundation that covers the cost for refineries to undergo assessments</li> </ul>	<ul style="list-style-type: none"> <li>Continue to improve the operation of the Sony Supply Chain Code of Conduct and the Sony Group Policy for Responsible Supply Chain of Minerals</li> </ul>	<ul style="list-style-type: none"> <li>Sustainability Report</li> <li><a href="#">Responsible supply chain</a></li> </ul>				
		Product quality					<ul style="list-style-type: none"> <li>Exceed customer expectations of product quality and service, pursue product safety, and improve usability and accessibility, thereby remaining a highly trusted partner to all customers</li> </ul>	<ul style="list-style-type: none"> <li>Maintaining the quality management system and continue to improve quality of products</li> <li>Moved forward with initiatives to ensure safety, long-term reliability, and security of products</li> <li>Incorporating AI ethics requirements into the commercialization process in the electronics business</li> </ul>	<ul style="list-style-type: none"> <li>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</li> </ul>	<ul style="list-style-type: none"> <li>Sustainability Report</li> <li><a href="#">Quality and Customer Service</a></li> <li>Sony Group Portal Website</li> <li><a href="#">Human-Centered Design (HCD)</a></li> <li><a href="#">Accessibility</a></li> </ul>
		HCD and accessibility								
Customer service	<ul style="list-style-type: none"> <li>Continued with efforts to improve customer satisfaction by improving customer information centers and other customer services</li> <li>Continuously enhanced the repair service network and strengthened the feedback mechanism for product quality based on repair information</li> <li>Established unified achievement standards and framework for improving accessibility, and implemented them throughout the Sony Group</li> </ul>	<ul style="list-style-type: none"> <li>Work to maintain customer loyalty</li> <li>Strengthen the feedback mechanism to improve product quality</li> <li>Pursue customer service innovation by leveraging latest technologies</li> </ul>								

Area of focus and material topic			Basic policy	Achievement in fiscal 2020	Future initiative	Coverage
Importance	Area of focus	Material topic				
Important	Environment	Climate change	<ul style="list-style-type: none"> <li>Strive to achieve a zero environmental footprint throughout the lifecycle of Sony's products and business activities in order to realize a sustainable society</li> </ul>	<ul style="list-style-type: none"> <li>Annual energy consumption of AC powered devices (average reduction rate): 54% reduction (fiscal 2020 target: 30% reduction)</li> <li>Absolute Greenhouse gas emissions at Sony sites: 11% reduction (fiscal 2020 target: 5% reduction)</li> <li>CO<sub>2</sub> emissions reduced by using renewable energy: 456,000 tons (fiscal 2020 target: 300,000 tons)</li> <li>Absolute CO<sub>2</sub> emissions related to logistics between nations and within regions: 39% reduction (fiscal 2020 target: 10% reduction)</li> </ul>	<ul style="list-style-type: none"> <li>Step up efforts to achieve a zero environmental footprint by 2050 by taking the following initiatives:                             <ul style="list-style-type: none"> <li>Develop and leverage technologies that contribute to global environmental conservation</li> <li>Enhance supply chain engagement</li> <li>Strengthen environmental awareness-raising activities in the entertainment and other businesses</li> <li>Expand the adoption of renewable electricity by installing solar panels at Sony sites to achieve the target of sourcing 100% renewable electricity for worldwide operations by 2040</li> <li>Further strengthen initiatives to achieve climate change targets by fiscal 2035, which were approved as 1.5°C science-based targets (SBTs)</li> <li>Reduce plastic packaging materials used for products and the use of virgin oil-based plastics</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Sustainability Report</li> <li>Environment</li> <li>Sony Group Portal Website</li> <li>Environment</li> <li>Investor Relations</li> <li>&gt; ESG Briefing / Technology Briefing</li> </ul>
		Resource conservation		<ul style="list-style-type: none"> <li>Amount of virgin oil-based plastics per product unit (average reduction rate): 30% increase (fiscal 2020 target: 10% reduction)</li> <li>Absolute waste generated at Sony sites: 15% reduction (fiscal 2020 target: 5% reduction)</li> <li>Rolled out the One Blue Ocean project worldwide to reduce single use plastics at Sony sites</li> </ul>		
		Chemical substances		<ul style="list-style-type: none"> <li>Facilitated the use of alternative substances for PVC and BFR based on Sony standards for management of chemical substances</li> <li>Amount of VOC released to the air from Sony sites: Approx. 65% reduction (fiscal 2020 target: 50% reduction)</li> </ul>		
		Biodiversity		<ul style="list-style-type: none"> <li>Implemented education and awareness-raising initiatives on biodiversity conservation at all Sony sites as part of community engagement</li> <li>Rolled out the One Blue Ocean project worldwide and held community clean ups for plastic waste</li> </ul>		
	Community engagement	Social contribution initiatives		<ul style="list-style-type: none"> <li>Under the slogan "For the Next Generation," contribute to the resolution of a wide range of global social issues everywhere Sony does business around the world by making the most of Sony products, content, and technologies</li> </ul>		

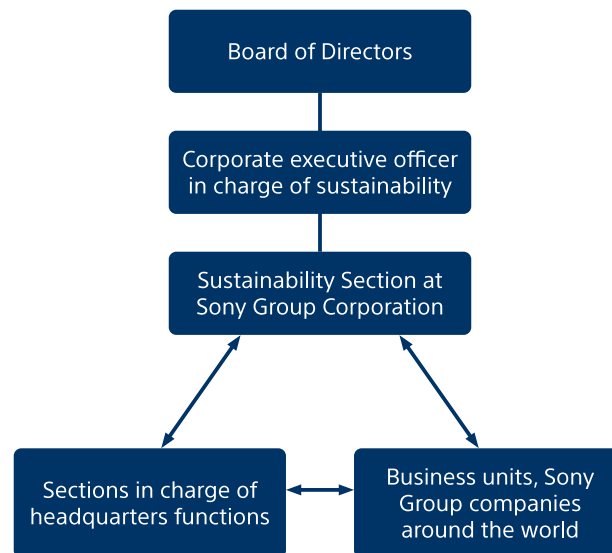


## Organizational Structure and Awareness-Raising Activities

### Organizational Structure

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 corporate executive officer in charge of sustainability, who is appointed by the Board of Directors. The Sustainability Section plans and sets objectives for sustainability-related initiatives, makes these initiatives known throughout the Sony Group, monitors the progress of activities, and provides relevant information to the public via various reports including the Sustainability Report. In addition to disclosure, the Sustainability Section promotes dialogue with stakeholders, reports on various external inputs to the corporate executive officer 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 affairs, compliance, corporate communication, environment, product quality, procurement, investor relations, employees, 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 Sony's policies and initiatives are conveyed to group companies around the world. Once a year, in principle, the Sustainability Section 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.

### Organizational Structure for Sustainability Initiatives



### Raising Awareness

Sony recognizes that effective sustainability initiatives require keen employee awareness and offers a variety of educational programs.

Sony Group Corporation and many of its group companies offer e-learning training programs for all employees focused on instilling know-how and introducing Sony's sustainability program as well as enhancing general understanding of sustainability.

Sony also publishes a monthly newsletter to help employees of the Sony Group better understand sustainability issues. It details Sony's principal sustainability initiatives and reports on related awards received from third parties and sustainability trends.

In addition, Sony holds a Sustainability Forum for the employees of the Sony Group in Japan. This event features lectures by invited experts, film screenings, workshops where employees can develop new ideas, and other activities, and addresses a variety of themes, including emergency relief, the environment, human rights, poverty, international understanding, employment opportunities for persons with disabilities, work-life balance, diversity, social innovation, the Sustainable Development Goals (SDGs), and AI ethics.

#### [Volunteer Systems for Employees](#)



## Stakeholder Engagement

**"We will all give due consideration to the impact of our business activities on the interests of our stakeholders including shareholders, customers, employees, suppliers, business partners, local communities and other organizations."**  
(Sony Group Code of Conduct)

### 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 to achieving 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"> <li>Provide products that deliver satisfaction, safety and peace of mind from the customer's perspective</li> <li>Provide customer service that further enhances customer satisfaction</li> <li>Enhance usability and accessibility</li> </ul>	<ul style="list-style-type: none"> <li>Customer Center (handles enquiries from customers)</li> <li>Important notices regarding products and services</li> <li>Purchaser's questionnaire</li> <li>Participation in trade shows and exhibitions</li> <li>Seminars</li> <li>"Accessibility" website</li> <li>Various social media sites</li> </ul>
Shareholders	<ul style="list-style-type: none"> <li>Ensure swift and appropriate disclosure</li> <li>Achieve continued growth in corporate value</li> </ul>	<ul style="list-style-type: none"> <li>General meetings of shareholders and presentations on financial results</li> <li>IR Day and meetings for individual investors</li> <li>ESG briefings/technology briefings</li> <li>Websites disclosing information for investors</li> <li>Corporate Report (integrated report)</li> </ul>
Business partners	<ul style="list-style-type: none"> <li>Ensure appropriate, transparent and fair procurement practices, in line with the Sony Group Code of Conduct and Sony Supply Chain Code of Conduct</li> <li>Ensure that procurement practices are in harmony with the environment and society (including labor issues, human rights and conflict minerals)</li> </ul>	<ul style="list-style-type: none"> <li>Explanatory meetings for suppliers</li> <li>Audits and surveys related to CSR procurement</li> <li>Dedicated website for business partners and a department established for handling their enquiries</li> <li>Periodically held conferences for business partners</li> <li>Sony Group Policy for Responsible Supply Chain of Minerals Hotline</li> </ul>

Stakeholders	Principal Goals	Main Communication Methods
Employees	<ul style="list-style-type: none"> <li>Support employees with diverse backgrounds</li> <li>Promote diversity in hiring</li> <li>Foster global business leaders and engineers who will drive growth in the future</li> <li>Support individual career-building efforts</li> <li>Promote dialogue through employee surveys and town hall meetings</li> </ul>	<ul style="list-style-type: none"> <li>Town hall meetings</li> <li>Career counseling</li> <li>Employee surveys</li> <li>Sony Ethics &amp; Compliance Hotline</li> <li>Labor-management negotiations</li> <li>Occupational Health &amp; Safety Committee</li> <li>In-house newsletters and intranet</li> </ul>
Local communities	<ul style="list-style-type: none"> <li>Promote initiatives that contribute to communities in fields where Sony is best able to do so</li> <li>Provide emergency relief</li> <li>Work with NGOs and NPOs to help resolve issues facing society</li> </ul>	<ul style="list-style-type: none"> <li>Local volunteer activities</li> <li>Participation in events held by local organizations and governments</li> <li>Social contribution activities</li> </ul>
Global environment	<ul style="list-style-type: none"> <li>Reduce the environmental footprint of Sony's business activities and products throughout their lifecycle to zero</li> <li>Reduce greenhouse gas emissions of Sony's business activities and products throughout their lifecycle to zero</li> <li>Reduce the volume of virgin resources used and maximize the use of recycled resources; conserve water resources; and promote the collection and recycling of end-of-life products</li> <li>Prevent pollution by reducing the volume of chemical substances used</li> <li>Promote the conservation and restoration of biodiversity and the sustained use of ecosystem services</li> </ul>	<ul style="list-style-type: none"> <li>Activities for contributing to the community and reducing the environmental burden at each worksite</li> <li>Measures for considering the environment over the lifecycle of products and services</li> <li>Environmental information provided through communication with various stakeholders</li> <li>Information provided on the website</li> </ul>
NGOs, NPOs and other organizations	<ul style="list-style-type: none"> <li>Collaborate with NGOs and NPOs to help address social challenges</li> <li>Participate in global frameworks</li> <li>Participate in CSR-related organizations and projects</li> </ul>	<ul style="list-style-type: none"> <li>Activities held in collaboration with NGOs and NPOs</li> </ul>

## ■ 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.

### Partnering with an Environmental NGO

In July 2006, Sony joined the Climate Savers Programme, which is a partnership between the World Wide Fund for Nature (WWF), a leading environmental conservation NGO, and various companies in the drive to reduce greenhouse gas emissions. Through the Climate Savers Programme, leading corporations partner with the WWF to establish science-based targets for reducing emissions of CO<sub>2</sub> and other greenhouse gases. Progress toward these targets is monitored by an independent body. As of April 2021, 13 corporations worldwide had signed on as Climate Savers Programme partners.

As a member of the Programme, Sony is expanding the scope of substances subject to greenhouse gas emission reduction requirements in a step-by-step manner and has incorporated them into its environmental targets. WWF conducted annual reviews of Sony's progress in achieving the fiscal 2016–2020 targets for greenhouse gas emissions, which were outlined in the Green Management 2020 medium-term environmental targets. These targets sought to reduce the absolute amount of greenhouse gas emissions from all group business sites, reduce the electricity consumption of

products, and monitor the progress of targets concerning contract manufacturers' operations, suppliers, and logistics. Sony is currently implementing its Green Management 2025 environmental targets covering fiscal 2021–2025. Sony and WWF agreed to adopt these revised targets for the Climate Savers Programme in July 2021. In April 2021, Sony and WWF Japan entered into a three-year Corporate Partnership Agreement to further strengthen the collaboration between the two organizations. In particular, Sony and WWF Japan will step up their collaborative efforts to realize a sustainable global environment in the areas of climate change and biodiversity conservation through forest conservation. These actions will accelerate Sony's initiatives to achieve its long-term environmental plan, Road to Zero, aiming to increase the reach and effectiveness of its initiatives.



[Climate Savers](#)

[Green Management 2020 Medium-Term Environmental Targets](#)

[Green Management 2025 Medium-Term Environmental Targets](#)

## Partnership with an NGO in Support of Children

Sony and Save the Children launched the Restart Japan Project\*<sup>1</sup> in 2011 to assist recovery from the Great East Japan Earthquake, and subsequently established the Emergency Disaster and Recovery Fund for Children\*<sup>2</sup> in 2016 to provide immediate support to children upon the sudden onset of natural disasters in and outside Japan. In March 2021, Sony further strengthened its partnership with Save the Children by signing an agreement to work together to increase community resilience to disasters. Under the partnership, in addition to providing emergency assistance for disasters and assisting with recovery efforts, Sony and Save the Children will enhance the disaster preparedness of communities and schools to increase community resilience so that children are kept safe and secured during and after disasters. To achieve this goal, Sony will donate 45 million yen to Save the Children during a three-year timeframe through 2023.



\*<sup>1</sup> The Restart Japan Project operated from 2011 to 2016, during which it implemented various programs focusing on protection and care for children from areas affected by the Great East Japan Earthquake, with an emphasis on educational and creative activities.

\*<sup>2</sup> The Emergency Disaster and Recovery Fund for Children has disbursed approximately 100 million yen to Save the Children's emergency responses in and outside of Japan since 2016. Save the Children's responses included the provision of relief supplies and support initiatives such as the creation of Child Friendly Spaces.

[Disaster Relief and Humanitarian Aid](#)

[Save the Children](#)

## Collaboration Agreement Signed to Pursue Innovation with UNOPS

In February 2020, Sony became the first company to sign a collaboration agreement with the United Nations Office for Project Services (UNOPS) in the area of innovation. The first of the collaborations under the new agreement is Sony's involvement in the S3i Innovation Challenge (former Global Innovation Challenge) in April 2020. The S3i Innovation Challenge is a program hosted by UNOPS to support startups and companies providing solutions to help achieve the Sustainable Development Goals (SDGs). UNOPS and Sony have jointly developed the theme of "Advancing resilient infrastructure with technology in the face of climate change," calling upon organizations to submit business ideas around this theme. Startups and companies selected through this process are able to move into the S3i Innovation Centre in Japan. They also have access to the S3i Innovation Accelerator Programme (Former UNOPS Global Innovation Program), which includes participation in the Sony Startup Acceleration Program (SSAP) and other programs designed to offer various forms of support to realize their ideas. In their collaboration, Sony and UNOPS make the most of their respective assets, knowledge, and expertise to support the launch and business operation of startups that can create new value for the world, while continuing to work on solutions to the various issues targeted by the SDGs, thereby helping to build a sustainable future.

### Related Links

- [WEB Sony and UNOPS Collaboration Agreement \(only in Japanese\)](#)
- [WEB S3i Innovation Challenge \(UNOPS\)](#)
- [WEB Sony Startup Acceleration Program \(only in Japanese\)](#)

## Participation in CSR-Related Organizations and Projects

Sony is a member of numerous global CSR organizations, including the Business for Social Responsibility (BSR) and the Council for Better Corporate Citizenship (CBCC). BSR is a global non-profit organization with experts in CSR that was established in 1992. BSR develops sustainable business strategies and solutions. Sony is a member of the Human Rights Working Group and Sustainability Strategy Working Group of BSR.



[WEB BSR](#)

The CBCC was originally established in 1989\*1 under an initiative of Nippon Keidanren (Japan Business Federation), with the purpose of promoting good relations between Japan-affiliated companies and various stakeholders, including local communities and employees, by encouraging good corporate citizenship. Sony's founder, Akio Morita, served as the organization's first chairman. Sony intends to continue its active involvement in the CBCC going forward.



\*1 The organization was founded as the Council for Better Investment in 1989, and its name was changed to CBCC in June 2010.

[WEB CBCC](#)

Sony is a member of the Responsible Business Alliance, which is dedicated to supply chain responsibility encompassing human rights, labor conditions, safety and health, and the environment.



[WEB Responsible Business Alliance](#)

### Related Link

[WEB Responsible Supply Chain](#)

## Sustainable Development Goals and Sony's Contributions

The Sustainable Development Goals (SDGs), which have a target year of 2030, were adopted by the United Nations General Assembly in 2015. They were formulated based on the outcome of the Millennium Development Goals, which had been established in 2000 with the intention of realizing a better international community. The SDGs are comprised of 169 targets organized under 17 goals related to issues such as poverty, inequality, education, and the environment. The initiative is not only intended for developing nations, but applies to all countries, including developed countries. The purpose of the entire Sony Group is to "fill the world with emotion, through the power of creativity and technology." The essence of Sony's responsibility to society is to strive for innovation through products, services and content that deliver emotional experiences to customers, while conducting business in a sound manner. At the same time, based on an awareness that Sony's business is only possible in a global environment and a society where people can live in peace and security, Sony conducts ongoing environmental and human rights initiatives throughout the supply chain. Accordingly, Sony believes that its diverse business portfolio, including education, healthcare and startup support, is very

relevant to the 17 SDGs, and Sony will help to achieve the SDGs in the course of its business activities. Sony also conducts ongoing assessments of the various impacts and risks that its business activities have on the global environment and society, and manages them while carrying out appropriate disclosure of information. In addition, Sony aims to contribute to the SDGs through its technologies, products, services and content, as well as various partnerships.

### Related Information

[WEB](#) [Sony's Purpose & Values](#)

### Sustainability Initiatives and SDGs

All of the SDGs are interrelated with one another. Sony is engaged in a broad range of businesses and sees it as an important challenge to use the power of creativity and technology to directly and indirectly contribute to achieving the various targets set forth in the SDGs.

### 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 both 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).

### Related Information

[➤ Responsible Supply Chain](#)

### Responsibilities toward 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.

For example, to address Goal13 (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 by 2050. 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 2040. 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).

### Related Information

[➤ Environment](#)



## Human Rights and Diversity

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

The Sony Group Code of Conduct, which guides the conduct of all employees of the Sony Group, stipulates that respect for human rights is one of Sony's core principles. By ensuring that all employees are aware of the code of conduct, Sony is working to eliminate discrimination as addressed by Goal 10 (reduced inequities), as well as to secure equal opportunities by encouraging appropriate behavior and correcting inequalities in outcomes. Sony is also implementing various initiatives to promote diversity, tackle social justice, and protect human rights through the Global Social Justice Fund that was established in June 2020, which also contributes to achieving Goal 10.

### Related Information

🔗 [Respect for Human Rights](#)

## Diversity, Equity and Inclusion

Sony leverages its diverse businesses and workforce as strengths in its business strategy. The Sony Group Diversity Statement was established to further promote diversity as a key management strategy. In addition to promoting diversity in business and geography and hiring diverse human resources, Sony organizes and implements Diversity Week, an event to encourage deep thinking about diversity, whether it be in terms of race, nationality, disabilities, gender, sexual orientation, values, or work styles. Sony also involves other companies and external organizations in Diversity Week. 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.

### Related Information

🔗 [Diversity, Equity and Inclusion](#)

## 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, employing technology to solve social issues, and using entertainment as a source of public awareness. As one of its core initiatives to support education, Sony implements the KANDO Experience Program addressing the educational inequality in Japan by providing workshops in after-school care centers and at elementary schools in rural districts and remote islands. The workshops, which cover a range of subject matter, utilize Sony Group's products, content, and technologies. Sony partners with external organizations such as non-profits and NGOs to conduct the workshops, which provide children with KANDO (emotionally moving) experiences to develop their curiosity and creativity. Since 2017, Sony has joined the Boys & Girls Club of San Marcos in opening the Best Buy Teen Tech Center, a dedicated space offering teens from underserved communities free afterschool programs focused on creative technology. Students use Sony technology to explore art, music, animation, scientific simulations, robotics, film, and 3D modeling. 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).

### Related Information

🔗 [Community Engagement](#)

## External Evaluation and Recognition

\* Organization names appear as they were at the time of award receipt.

### 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\*1 evaluation institutions, and it is chosen for inclusion in various ESG indexes.

\*1 ESG stands for environment, social, and governance. Investors consider ESG performance when making investment decisions, based on a company's pursuit of long-term growth emphasizing ESG performance, rather than only financial indicators.

#### ESG External Evaluations

##### -CDP

Following a rating review in December 2020, Sony Corporation was included in the highest A List rating in the water security category by CDP. Sony was also rated A- in the climate change category.

\* The UK-based non-profit CDP was launched in 2000 and receives funding support from investors and other organizations worldwide. CDP surveys and grades the climate change and water resource management performance of private sector companies based on a five-rank scale (A, A-, B, B-, C, C-, D, D-, F) and publicly reports its findings. In fiscal 2020, more than 515 institutional investors with 106 trillion USD in assets requested disclosure on 9,600 companies worldwide. Sony was included in CDP's Supplier Engagement Leaderboard in recognition of its climate change initiatives in cooperation with the supply chain.



##### -World's Most Ethical Companies

In February 2021, Sony Corporation was chosen as one of the 2021 World's Most Ethical Companies\*2 for the third consecutive year by Ethisphere Institute, a US-based organization dedicated to the study and advancement of ethical business practices.

\*2 The World's Most Ethical Companies list honors companies that demonstrate an outstanding commitment to transparency, honesty, ethics, and compliance. Companies are scored in the following five categories: ethics and compliance program, environmental and social impact, culture of ethics, governance, and leadership and reputation. In 2021, 135 companies from 22 countries and 47 industries around the world were selected as outstanding companies.



##### -MSCI

Based on a rating review in December 2020, Sony Corporation was awarded the highest AAA rating for the second consecutive year.



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##### Inclusion in Indexes

**-FTSE4Good Index Series, FTSE Blossom Japan Index**  
Based on a rating review in June 2021, Sony Corporation was chosen for inclusion in the FTSE4Good Index Series and FTSE Blossom Japan Index.



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 FTSE4Good criteria, and has satisfied the requirements to become a constituent of the FTSE4Good Index Series. Created by the global index provider FTSE Russell, the FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. The FTSE4Good indices are used by a wide variety of market participants to create and assess responsible investment funds and other products.

##### -MSCI ESG Leaders Indexes

Based on a rating review in December 2020, Sony Corporation was chosen for inclusion in the MSCI Japan ESG Select Leaders Index and MSCI ESG Leaders Index.



2021 CONSTITUENT MSCI JAPAN ESG SELECT LEADERS INDEX

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##### Related Information

➤ [External Evaluation \(Employees\)](#)



## ■ Major External Awards Received for Sustainability Initiatives (Fiscal 2020)

\* 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 2020 (in order received)

Name of Award	Recipient	Awarded By	Date
Sustainable Materials Management Electronics Challenge Awards	Sony Electronics' responsible recycling of electronic waste through certified recyclers	Environmental Protection Agency (United States)	March, 2021
2021 World's Most Ethical Companies	Sony Corporation	Ethisphere Institute (United States)	February, 2021
The Game Awards (TGA) 2020 "Innovation in Accessibility Award"	The Last of Us Part II for PlayStation®4	The Game Awards	December, 2020
IAUD International Design Award 2020 Bronze Award in the category of Product Design	Wireless Handy TV Speaker [SRS-LSR200]	International Association for Universal Design	December, 2020
Best Video Presentation Award of 2020 Winter HCD Research Meeting	Toy Platform toio™	Human Centered Design Organization	November, 2020
Excellence Award in the Accessibility Award category at the 8th Web Grand Prix	Sony Life Insurance Co., Ltd. Official Website	Web Advertising Bureau, Japan Advertisers Association Inc.	November, 2020
Gold Rating in the 2020 PRIDE Index	17 Sony Group companies in Japan including Sony Corporation, Sony Semiconductor Solutions Corporation	Work with Pride (Japan)	October, 2020
GLP Award (Good Labour Practice)	Sony Device Technology (Thailand) Co., Ltd.	Ministry of Labour (Thailand)	September, 2020
Environmental Award "Umweltblatt Salzburg 2020"	Sony DADC Europe GmbH	umwelt service salzburg (Austria)	September, 2020
Zero Accident Award 2020	Sony Technology (Thailand) Co., Ltd.	Ministry of Labour (Thailand)	August, 2020
2020 Best of the Best Corporation for Inclusion	Sony Pictures Entertainment Inc.	National Business Inclusion Consortium and National LGBT Chamber of Commerce (United States)	April, 2020

[WEB External Awards Received for Sustainability Initiatives \(since fiscal 2000\)](#)

## Highlight COVID-19 Pandemic and Sony's Response

The worldwide spread of COVID-19 starting in 2020 triggered sudden social changes and restricted people's activities, and significantly impacted the way people live and how business is done. As the world continues to struggle with COVID-19, Sony is changing and evolving by taking new approaches and accommodating new work styles, while always striving to create new value.

### COVID-19 Response

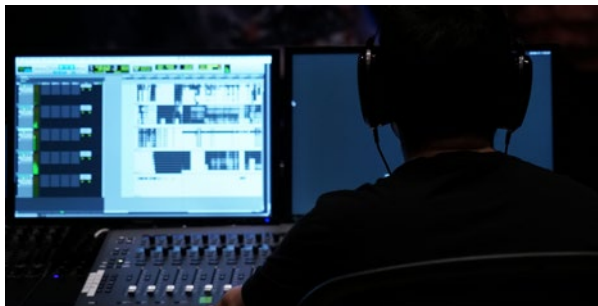
In responding to the COVID-19 pandemic, Sony is primarily focused on ensuring the safety of its employees and their families, as well as its customers and other stakeholders.

In fiscal 2020, the pandemic resulted in many constraints such as the closure of Sony's offices in many countries and regions, and the shutdown of some Sony and supplier manufacturing sites in China and Malaysia. Additionally, film production and distribution as well as music events were either postponed or canceled. Despite the many constraints, Sony Group companies found ways to continue operating in the respective business segments of games, music, film, and electronics.

In February 2020, Sony established a group crisis management system. To facilitate rapid decision-making based on reliable information and navigate the unprecedented situation, the headquarters organization includes the CEO and other senior management at Sony headquarters as well as senior management of business units. Through this framework, Sony rapidly gathered pandemic data from around the world and collaborated with and supported group companies in each country. Sony is also committed to responding fully to the requirement of society and its customers, while quickly taking necessary action to minimize the impact on its businesses. In April 2020, Sony established the Global Relief Fund for COVID-19 to support people around the world who have been affected by the COVID-19 pandemic. Sony will continue to fulfill its social responsibilities as a global company with these and other measures.

#### ■ Response in Content Creation

Movie theaters that had been closed and television productions that were suspended due to COVID-19 have gradually re-opened with preventive measures in place. Meanwhile, Sony is focused on remote technology solutions for film and television production and has integrated 360 Virtual Mixing Environment (360 VME), which uses Sony's long-developed virtual sound technology and 3D audio spatial technology, into its production workflow.



#### ■ Response at Manufacturing Sites

Sony's manufacturing sites were significantly impacted by intermittent disruptions in the supply chains for parts and components. In addition to implementing COVID-19 measures such as installing partitions, modifying floor plans, and staggering working hours to prevent infections, Sony implemented a group-wide parts and components procurement strategy to secure the continuity of operations.



#### ■ COVID-19 Measures and Accommodating New work Styles

Sony is focused primarily on ensuring the safety of its employees and their families, as well as customers and other stakeholders, and has taken various measures to prevent the spread of infection. With telecommuting as the mainstay at many Sony sites around the world, Sony has begun to establish new work styles and environments designed to allow every employee to fully demonstrate their individual skills and abilities during the pandemic and even after it comes to an end.

To learn more, see the "COVID-19 Measures and Accommodating New Work Styles" section of this report.

[🔗 COVID-19 Measures and Accommodating New Work Styles](#)  
[🌐 How Sony is responding to COVID-19](#)



## Social Initiatives

### ■ Sony Global Relief Fund for COVID-19

On April 2, 2020, Sony established the Sony Global Relief Fund for COVID-19, a 100 million USD fund (equivalent to approx. 10.8 billion yen) to support persons around the world who have been affected by COVID-19. The fund focuses on the medical and education fields, and the creative community.

To learn more, see the "Sony Global Relief Fund for COVID-19" section of this report.

🔗 [Sony Global Relief Fund for COVID-19](#)  [Sony Global Relief Fund for COVID-19](#)

#### Medical



- Donations, contributions and technology-driven support to external organizations

#### Education



- Support for children with limited learning opportunities

#### Creative Community



- Support for creators, artists, and entertainment industry support staff

### ■ Manufacturing Ventilators

As part of its social initiatives, Sony Global Manufacturing & Operations (SGMO) accepted a request from the Japanese government to manufacture ventilators that were designed and developed two decades ago by ACOMA Medical Industry Co., Ltd. With the cooperation of many individuals, SGMO overcame many issues including parts availability and compliance with current medical laws and regulations. SGMO successfully manufactured some 500 ventilators by September 2020, leveraging its extensive experience and track record in electronics manufacturing to achieve high-grade production.



### ■ Support Focusing on Music

Sony Music Foundation launched the COVID-19 Special Support Project in 2020 to provide emergency support focusing on music, which is essential to nurture children's sensibilities. Through the project, Sony Music Foundation has extended a total of 50 million yen to organizations that seek to educate through music and whose activities have been curtailed by the impact of COVID-19, as well as young performers who have been financially impacted as a result of losing venues to perform. The project continues to operate in fiscal 2021.



 [Sony Music Foundation's COVID-19 Special Support Project \(only in Japanese\)](#)

# Highlight Social Justice and Diversity, Equity & Inclusion Initiatives

Sony is committed to respecting human rights, advancing social justice, and fostering diversity, equity and inclusion (DE&I). One of Sony's most important codes of conduct is to treat all people with respect and dignity, and we have built a corporate culture which finds strengths in the diversity of our businesses and our employees. Sony's core principle of respecting human rights is made explicit in the Sony Group Code of Conduct, which guides the actions of each director, officer, and employee, as follows:

"Sony believes that all human beings should be treated with dignity and respect. Sony is committed to uphold internationally recognized human rights of all people. We will all use reasonable efforts to avoid causing or contributing to adverse human rights impacts that may arise from our operations, products, services, and/or business relationships and will act diligently to help remediate any impacts that may occur."

In the year 2020, mass protests against racism in the United States and elsewhere highlighted, more than ever, the need for change. Sony is taking action to help advance social justice, as described below.

## ■ Establishment of Global Social Justice Fund



In June 2020, Sony Group established a \$100 million Global Social Justice Fund. Through this fund, we support initiatives that promote social justice and , anti-racist initiatives to foster DE&I around the world.

As of June 2021, approximately 70% of the \$100 million fund has been earmarked (Expenditures in fiscal 2020 were approximately 1.6 billion yen) . We continue to implement initiatives through the fund over a four to five-year timeframe.

[Global Social Justice Fund website](#)

### Charitable partnership with external organizations and initiatives

The Sony Group makes charitable donations and conducts joint activities with meaningful organizations/initiatives that are working to protect human rights, correct racial discrimination, promote DE&I, educate and develop underrepresented talent.

### Diversity, Equity and Inclusion

The Sony Group fosters DE&I both inside and outside of the company with initiatives such as establishing internal task forces, holding roundtable discussions among employees, providing opportunities for minorities within the industry, and establishing a scholarship program, providing mentoring and internships to nurture underrepresented talent for career pathways.

## ■ Social Justice and Diversity, Equity & Inclusion Initiatives of Sony Group Companies



### Sony Music Group

Sony Music Group has supported a broad range of meaningful organizations and initiatives in the areas of civic engagement, criminal justice reform and education.

- [ Initiative Highlights ]**
- Supported over 300 organizations across Africa, Australia, Canada, the Latin America region, New Zealand, the United Kingdom, and the United States  
[WEB Learn more](#)
  - Partnership with National Museum of African American Music  
Established a certificate program to introduce students to the music industry through the lens of African American history and culture.  
[WEB Learn more](#)
  - Establishment of 3T Course  
Designed by Sony Music Entertainment UK, the 3T course was established to provide a broad set of technical skills to Black women aspiring to work in the touring industry.  
[WEB Learn more](#)
  - Appointed an Executive Vice President in charge of Philanthropy and Social Impact and established an internal task force comprised of over 400 members from each operating company across the globe.
  - Established the Sony Music Group Office of Diversity, Equity and Inclusion and hired Executive Vice President/Chief Diversity and Inclusion Officer to spearhead efforts.
  - Conducted over 100 employee dialog meetings and workshops highlighting various experts in the social justice space.
  - Expanded our diverse supplier and vendor program to further Sony Music Group's support of diverse and/or under-resourced business partners.



### Sony Pictures Entertainment

Sony Pictures Entertainment has established Sony Pictures Action, its strategy for promoting social justice, DE&I focusing on the film and television industries. The strategy is anchored on the four pillars of People, Content, Partners, and Community.

[WEB Learn more about Sony Pictures Action](#)   [WEB See what Sony Pictures Entertainment have accomplished in the first year](#)

- [ Initiative Highlights ]**
- Expansion of Diverse Writers & Directors Programs  
Provides access and exposure for highly qualified candidates from diverse backgrounds to television episodic directing.  
[WEB Learn more](#)
  - Creative Diversity Fund in the UK  
Supports international production companies to identify, develop and champion talent – in particular writers, producers and directors – from underrepresented backgrounds.
  - Partnership for first access to productions of American Black Film Festival  
Provides opportunities to produce studio films for new scriptwriters and directors, aimed at bridging racial inequalities.  
[WEB Learn more](#)
  - Unconscious Bias Training  
Global employee trainings to break bias when making critical decisions in partnership with the NeuroLeadership Institute.



### Sony Interactive Entertainment

Sony Interactive Entertainment promotes DE&I in the gaming industry and technology fields through meaningful partnerships that support opportunities for preparing the next generation of underrepresented talent for a career in the gaming industry.

**[ Initiative Highlights ]**

- Established scholarship programs in partnership with universities and NGOs (U.S. and Europe).
- Partnership with Black Girls CODE (US)  
Empowers girls of color ages 7 to 17 to become involved in STEM fields, addressing racial and gender inequalities.
- Partnership with The Hidden Genius Project (US)  
Trains and mentors African American male youth to pursue professional careers in technology fields.  
[WEB](#) [Learn more](#)
- Communicating with employees about the corporate commitment to DE&I.



### Sony Electronics

Sony Electronics donates funds to external organization and initiatives, provides support by utilizing technology and marketing know-how, and provides training and educational opportunities in STEM fields

**[ Initiative Highlights ]**

- Create Action Program  
Sony-developed program to support underserved communities through grants and product donations, focusing on grassroots organizations that align with the Social Justice Fund guidelines.  
[WEB](#) [Learn more](#)
- Partnership with National Society of Black Engineers  
Supports educational opportunities to encourage more African Americans to become engineers.
- Documented best practices for promoting an inclusive environment at Sony Electronics.



### Sony Corporation of America

Sony Corporation of America makes donations and partners with a broad range of meaningful organizations and initiatives that promote social justice and protect human rights.

**[ Initiative Highlights ]**

- Product donations to International African American Museum  
Donated Crystal LED displays and other Sony products for use in exhibitions on themes such as the spread of African American culture and influence, and movements for justice and equality.  
[WEB](#) [Learn more](#)
- Supporting the launch of Black Information Network (with support from Sony Group companies in the U.S.)  
Supporting the launch of a news audio service for the African American community.
- Financial contributions to human rights organizations that are working to address hate crimes against Asian-Americans (with support from Sony Group companies in the U.S.)  
[WEB](#) [Learn more](#)
- Financial contribution to the Doe Fund to support the nonprofit's commitment to ending mass incarceration while supporting skilled trade job training programs and to Youth About Business to support a three-year internship, scholarship, and pipeline program for underserved and diverse students.

# Highlight **Tackling Climate Change**

Sony's operations as a corporation are only possible with the good health of the earth's environment, the foundation for the existence of all life. Now that the threat of global climate change is evident and intensifying, the shift to a decarbonized society is a pressing issue. Road to Zero, an environmental plan established by Sony in 2010, sets the goal of reducing our environmental footprint to zero by 2050. To address climate change, it also aims to produce zero greenhouse gas (GHG) emissions in both business operations and products throughout their life cycles.

## ■ Achieving a Zero Environmental Footprint by 2050

To achieve the goals of the plan by 2050, it is necessary to reduce GHG emissions from electricity use in our operations to zero by 2040 at the latest. To that end, Sony joined the RE100\*1 in 2018, and set the goal of increasing the percentage that renewable energy comprises of the total electricity used in our operations to 100% by 2040. To achieve the Road to Zero goals in climate change, resources, chemical substances and biodiversity, Sony sets medium-term environmental targets every five years, working backwards from the final goals of the plan for 2050. Sony was the first Japanese company to have its climate change targets, set out in its Green Management 2020 targets in 2015, approved by the Science Based Targets (SBT) initiative as targets in line with the 2°C target for average temperature

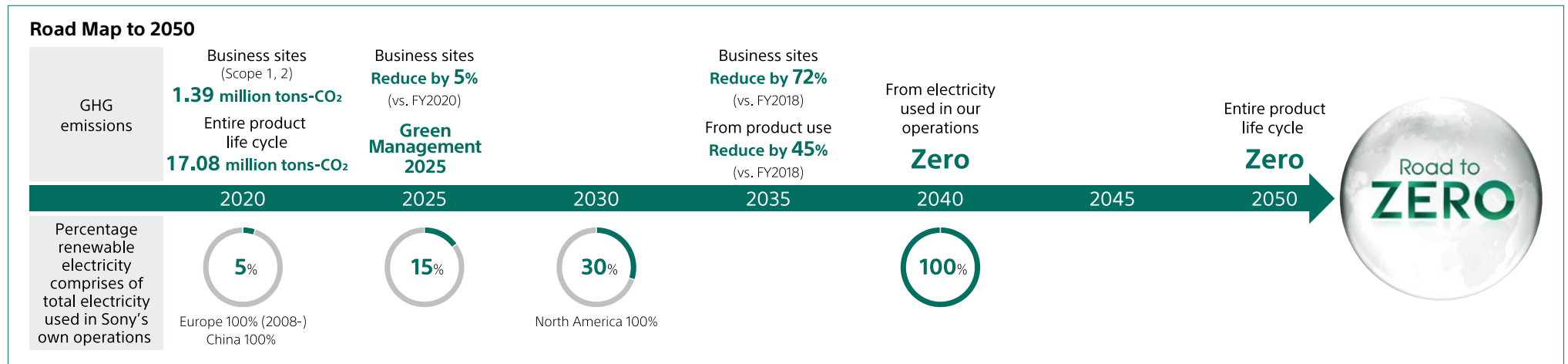
increase outlined in the Paris Agreement. In setting the Green Management 2025 targets to be achieved by fiscal 2025, Sony adopted a longer-term perspective and also set climate change targets to be achieved for fiscal 2035, which were also approved as SBTs in line with the 1.5°C target.

\*1 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.

## ■ Recognition of Issues and Directions for Initiatives

To establish these goals and draw a road map for achieving them, it is necessary to address many internal and external issues. Japan, with many production sites for the Imaging & Sensing Solutions segment, accounts for 92% of the GHG emissions from Sony business sites worldwide. While it

is essential to both conserve energy and introduce more renewable energy at Sony business sites, promotion of renewable energy should be an industry-wide effort, as the introductory cost of renewable energy in Japan is high, making it difficult for consumers to procure it at low cost. Meanwhile, across the entire life cycle of Sony products, GHG emissions are highest among products that consume electricity, with TVs and game consoles accounting for roughly 93% of total emissions from product use. In the past few years, Sony has been incorporating substantial power-reduction technologies into the design of TVs and game consoles, and will continue technological innovation into the future. As GHG emissions are presumably inevitable in the product life cycles of certain segments, new initiatives like CO<sub>2</sub> recovery may be necessary, along with technological progress and infrastructure improvement for society as a whole.





Since April 2021, Sony has been working to achieve the goals it has set under the Green Management 2025 medium-term environmental targets (fiscal 2021 - 2025). Sony continues to accelerate its environmental activities in order to move even closer to a zero environmental footprint. For climate change, Sony set targets for each stage of the product lifecycle and took action accordingly, and when formulating Green Management 2025, Sony took a longer-term perspective and set its climate change targets to be achieved by fiscal 2035. In addition, 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.



## ■ Efforts to Address Climate Change Driven by Corporate Responsibility

Sony is tackling climate change via its corporate responsibility initiatives throughout the value chain. At business sites, Sony is striving to accelerate the adoption of renewable energy with a focus on introduction of solar power generators in its offices and plants, purchasing of renewable energy directly from entities such as power companies, and purchasing environmental value through renewable energy certificates and the like. Solar power generators are operating at Sony business sites around the world, generating roughly 9.9 megawatts\*2 in total. In the Imaging & Sensing Solutions business, the site in Kumamoto Prefecture has introduced a solar power generator, and sites outside Japan are working to achieve the target of sourcing 100% renewable electricity by the end of fiscal 2021. In Japan, Sony is promoting an intracompany electricity transfer service to utilize renewable electricity between Sony sites and/or from outside Group properties. Sony installed solar power systems on cattle barn roofs in Aichi Prefecture in fiscal 2020, and began supplying the electricity generated by these systems via power company lines to another site in April 2021.



Sony engages in ongoing technology development to improve energy efficiency, while continually studying products for potential improvements and implementing diverse measures to reduce energy consumption. For example, in the TV category, Sony achieved both high picture quality and low power consumption by installing a technology that automatically adjusts the screen brightness according to the surrounding environment and a unique function that controls the brightness on the screen according to the video scene.



Sony will also enhance information disclosure in accordance with the TCFD recommendations\*3 and promote dialogue with stakeholders.

\*2 As of March 31, 2021

\*3 Final report published by the Task Force on Climate-Related Financial Disclosure (TCFD)

## ■ Efforts to Address Climate Change Driven by Social Contribution

Concerning social contribution, Sony plans to support innovations in industry and society by making the most of its management resources, developing exemplary applications of advanced technologies, and evolving its technologies, as well as offering various public recommendations for action. For example, Sony's intelligent vision sensor, equipped with edge AI processing capabilities, is expected to reduce data transmission volumes and energy consumption. Sony Computer Science Laboratories, Inc. is conducting research on Open Energy Systems, an entirely new type of bottom-up, distributed electric power system, which mainly uses natural energy sources. This system allows electricity generated from renewable energy sources to be shared and optimally utilized within a community. In September 2020, Sony established the corporate venture capital Sony Innovation Fund: Environment. The fund began by investing one billion yen in startups around the world focused on developing new technology to solve environmental issues and is providing investment capital and support for commercialization. Sony considers the reduction of its environmental footprint to be an important investment for a better future. By stepping up new efforts from the standpoint of corporate responsibility and social contribution, we will help drive our industry and the business community forward.

### Rerated Link

[Sony's Global Environmental Plan](#)

[Green Management 2025](#)

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



# Corporate Governance

## Milestones

- 1961:** Issued American Depositary 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

## ■ 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- to 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.

### Main Achievements in Fiscal 2020

Here are the main results of fiscal 2020 initiatives:

- Continuously made periodic reports to the Board on ESG (Environment, Social and Governance) related matters
- Focused on information security continuously through maintaining and increasing the number of Directors in charge of Information Security
- Held additional executive sessions
- Disclosed the table showing experiences and expertise of non-executive Directors, including outside Directors
- Expanded disclosure regarding compensation of Directors and Senior Executives
- Continuously conducted visiting audits by Audit Committee members at Sony's business sites



## 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:

- [WEB About Sony](#)
- [WEB Corporate Strategy](#)
- [WEB Sony IR Day](#)
- [WEB Vision of Sony's Founder and Sony's basic policy for CSR](#)
- [WEB The Founding Prospectus](#)

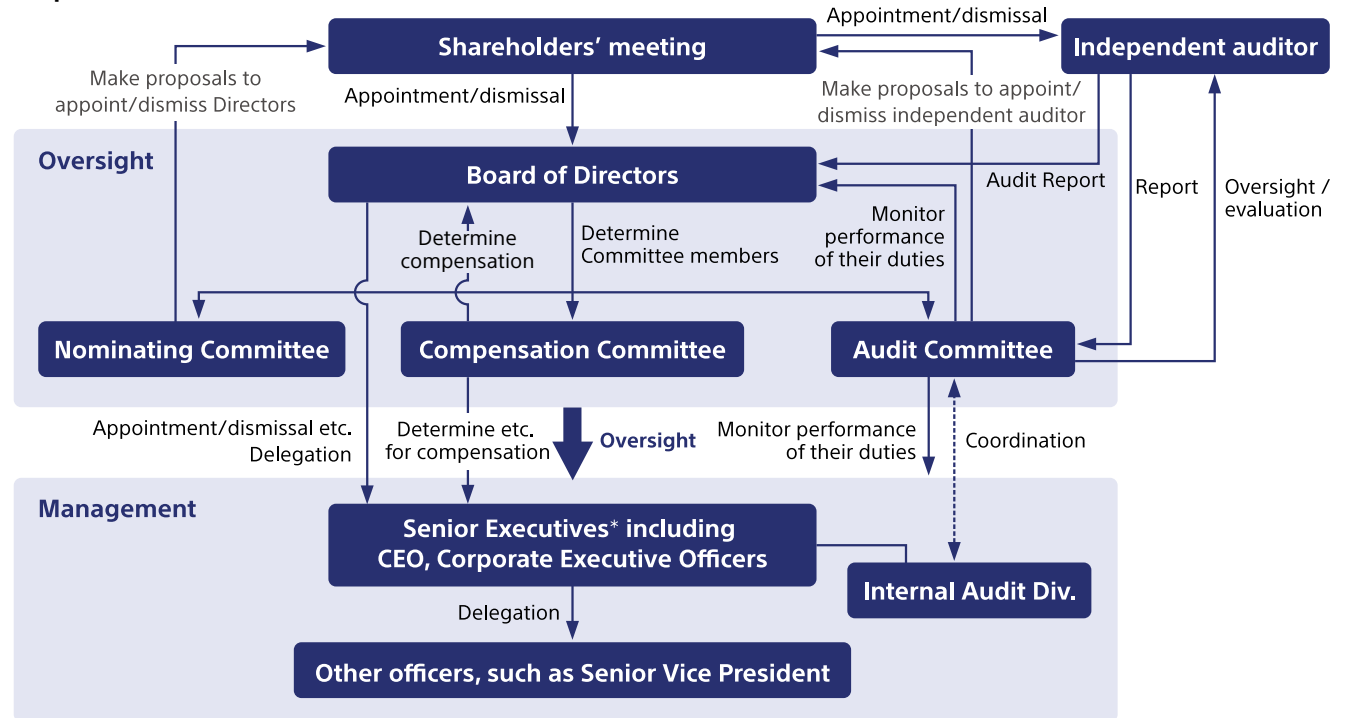
For details on sustainability or diversity, please refer to the pages below.

- [Environment](#)
- [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.

### Corporate Governance Structure



\* Senior Executives: Corporate Executive Officers and certain other senior officers that assume important roles for management of Sony

## ■ Directors and Senior Executives who were elected in June, 2021

### Directors

- **Chairman of the Board: Shuzo Sumi\*1**  
Senior Executive Advisor,  
Tokio Marine & Nichido Fire Insurance Co., Ltd.  
Former Chairman of the Board, Tokio Marine Holdings, Inc.
- **Kenichiro Yoshida**  
Representative Corporate Executive Officer,  
Chairman, President and CEO, Sony Group Corporation
- **Hiroki Totoki**  
Representative Corporate Executive Officer,  
Executive Deputy President and CFO,  
Sony Group Corporation
- **Tim Schaaff**  
Chief Product Officer, Intertrust Technologies Corporation  
Former President,  
Sony Network Entertainment International LLC
- **Toshiko Oka\*1**  
CEO, Oka & Company Ltd.  
Professor, Graduate School of Global Business,  
Meiji University
- **Sakie Akiyama\*1**  
Founder, Saki Corporation
- **Wendy Becker\*1**  
Chairperson of the Board, Logitech International SA  
Non-Executive Director, Great Portland Estates plc
- **Yoshihiko Hatanaka\*1**  
Representative Director, Chairman of the Board,  
Astellas Pharma Inc.

- **Adam Crozier\*1 \*2**  
Chairman of the Board, Whitbread plc  
Former CEO, ITV plc  
Former CEO, Royal Mail Group Ltd
- **Keiko Kishigami\*1**  
Certified Public Accountant in Japan  
Board Member, WWF Japan  
Former Partner, Ernst & Young ShinNihon LLC
- **Joseph A. Kraft Jr.\*1**  
CEO, Rorschach Advisory Inc.  
Former Deputy Branch Manager & Managing Director,  
Bank of America Merrill Lynch Japan  
Former Managing Director, Morgan Stanley Inc.

### [Composition of Committees]

- **Nominating Committee**  
Shuzo Sumi\*1 (Chair)  
Yoshihiko Hatanaka\*1  
Adam Crozier\*1 \*2
- **Audit Committee**  
Toshiko Oka \*1 (Chair)  
Keiko Kishigami\*1  
Joseph A. Kraft Jr.\*1
- **Compensation Committee**  
Wendy Becker\*1 (Chair)  
Sakie Akiyama\*1  
Yoshihiko Hatanaka\*1

\*1 An Outside Director who satisfies the requirements under item 15, Article 2 of the Companies Act.

\*2 On August 17, 2021, Sony Group Corporation announced the retirement of Adam Crozier to be effective as of December 31, 2021.

### 🔗 Meeting records

### Senior Executives

- **Kenichiro Yoshida**  
Chairman, President and CEO  
Representative Corporate Executive Officer
- **Hiroki Totoki**  
Executive Deputy President and CFO  
Representative Corporate Executive Officer
- **Shigeki Ishizuka**  
Vice Chairman  
Representative Corporate Executive Officer  
Support for Electronics Domain  
Officer in charge of Disc Manufacturing Business  
Officer in charge of Storage Media Business Representative  
Officer in charge of Quality Management
- **Toru Katsumoto**  
Executive Deputy President and CTO  
Corporate Executive Officer  
Officer in charge of R&D  
Support for Medical business  
President, R&D Center
- **Terushi Shimizu**  
Senior Executive Vice President  
Officer in charge of Imaging & Sensing Solutions Business  
Representative Director, President and CEO,  
Sony Semiconductor Solutions Corporation  
Representative Director and President,  
Sony Semiconductor Manufacturing Corporation  
Representative Director and President, Sony LSI Design Inc.

● **Rob Stringer**

Senior Executive Vice President  
Officer in charge of Music Business (Global)  
Chairman, Sony Music Group  
CEO, Sony Music Entertainment

● **Anthony Vinciguerra**

Senior Executive Vice President  
Officer in charge of Pictures Business  
Chairman and CEO, Sony Pictures Entertainment Inc.

● **Jim Ryan**

Senior Executive Vice President  
Officer in charge of Game & Network Service Business  
President and CEO, Sony Interactive Entertainment LLC  
Representative Director and President,  
Sony Interactive Entertainment Inc.

● **Shunsuke Muramatsu**

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

● **Jon Platt**

Senior Executive Vice President  
Officer in charge of Music Publishing Business (Global)  
Chairman and CEO, Sony Music Publishing

● **Masashi Oka**

Senior Executive Vice President  
President and CEO, Representative Director,  
Sony Financial Holdings, Inc.

● **Kimio Maki**

Senior Executive Vice President  
Representative Director, President and CEO,  
Sony Corporation

● **Shiro Kambe**

Senior Executive Vice President  
Corporate Executive Officer  
Officer in charge of Legal, Compliance, Privacy, Corporate  
Communications, Brand Strategy, Sustainability and  
External Relations

\* Mr. Kambe has been in charge of Brand Strategy since July 1, 2021.

● **Kazushi Ambe**

Senior Executive Vice President  
Corporate Executive Officer  
Officer in charge of Human Resources and General Affairs

● **Tsuyoshi Kodera**

Executive Vice President  
CDO (Chief Digital Officer)  
Officer in charge of Digital Transformation Strategy,  
Information Systems, and Information Security

● **Toshimoto Mitomo**

Executive Vice President  
Officer in charge of Intellectual Property and Business  
Incubation Platform  
Sony Group China Representative  
Senior General Manager, Startup Acceleration Division

● **Hiroaki Kitano**

Executive Vice President  
Officer in charge of AI Collaboration  
President and CEO, Sony Computer Science Laboratories,  
Inc.  
Representative Director and CEO, Sony AI Inc.

● **Natsuko Takei**

Executive Vice President  
Officer in charge of Legal, Compliance, and Privacy  
Senior General Manager, Legal Department

● **Izumi Kawanishi**

Executive Vice President  
Officer in charge of AI Robotics Business  
Senior General Manager, AI Robotics Business Group

(Name and positions as of June 22, 2021)

## ■ The Board of Directors

**Members: 11 Directors including 8 outside Directors  
(as of June 22, 2021)**

Name	Position
Kenichiro Yoshida	Director
Hiroki Totoki	Director
Shuzo Sumi	Chairman of the Board Outside Director
Tim Schaaff	Non-Executive Director
Toshiko Oka	Outside Director
Sakie Akiyama	Outside Director
Wendy Becker	Outside Director
Yoshihiko Hatanaka	Outside Director
Adam Crozier	Outside Director
Keiko Kishigami	Outside Director
Joseph A. Kraft Jr.	Outside Director

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.

## 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.

[WEB 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 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 22, 2021, 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.

## Board Experience and Expertise (Outside and Non-Executive Directors)

(As of July 31, 2021)

Name	Experience and Expertise						
	CEO or Equivalent Position of Business Enterprise	Global Business	Diversity (Gender/Nationality)	Engineering/IT/Technology	Relevant Industry/Operations	Finance/Accounting	Risk Management/Government Relations
Shuzo Sumi	●	●		●	● (Financials)	●	●
Tim Schaaff		●	●	●	● (IT/Software)		●
Toshiko Oka		●	●			●	●
Sakie Akiyama	●	●	●	●	● (IT/Device)		
Wendy Becker	●	●	●		● (Telecommunication Service/Consumer Goods)		●
Yoshihiko Hatanaka	●	●			● (Health Care)	●	●
Adam Crozier	●	●	●		● (Media/Entertainment)		●
Keiko Kishigami		●	●			●	●
Joseph A. Kraft Jr.		●	●		● (Financials)	●	●

### –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 five times, and thereafter by resolution of the Nominating Committee and by consent of all of the Directors. Even with 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 22, 2021, the Board has 11 Directors, eight 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 Appointment 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, a majority of which is comprised of independent outside Directors, 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 Officers 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 determines and 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.

### ■ Nominating Committee

#### Members: 3 outside Directors (as of June 22, 2021)

Name	Position
Shuzo Sumi	Chair of the Nominating Committee (Outside Director)
Yoshihiko Hatanaka	Nominating Committee Member (Outside Director)
Adam Crozier	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 22, 2021, the Nominating Committee is comprised of three outside Directors.

## Management Succession Plans

The Nominating Committee evaluates the succession plans for the CEO and other executives designated by the Nominating Committee and the implementation of such plans, and reports its evaluation results to the Board, as appropriate.

For such evaluations, the CEO periodically reports the draft succession plans to the Nominating Committee and the Nominating Committee reviews such plans. As a part of such review, the Nominating Committee considers the development or promotion of the next generation's management and evaluates whether such plan is prepared in a reasonable manner in light of Sony's purpose to create sustainable social value and to enhance the corporate value over the mid- to long-term.

## ■ Audit Committee

### Members: 3 outside Directors (as of June 22, 2021)

Name	Position
Toshiko Oka	Chair of the Audit Committee (Outside Director)
Keiko Kishigami	Audit Committee Member (Outside Director)
Joseph A. Kraft Jr.	Audit 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: (a) 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 (b) 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 22, 2021, 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](#)

## ■ Compensation Committee

### Members: 3 outside Directors (as of June 22, 2021)

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 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 22, 2021, 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:

### –(a) Basic policy regarding Director remuneration (for fiscal year ended March 31, 2021)

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"> <li>• 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.</li> </ul>
Remuneration linked to stock price (restricted stock)	<ul style="list-style-type: none"> <li>• Granted to further promote shared values between Directors and shareholders and incentivize Directors to develop and maintain a sound and transparent management system.</li> <li>• 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.</li> </ul>
Phantom restricted stock plan	<ul style="list-style-type: none"> <li>• 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.</li> </ul> <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 during the fiscal year ended March 31, 2021.</p>

### –(b) Basic policy regarding Senior Executive remuneration (for fiscal year ended March 31, 2021)

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"> <li>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.</li> </ul>
Remuneration linked to business results	<ul style="list-style-type: none"> <li>Structured appropriately and based on appropriate metrics to ensure that such remuneration effectively incentivizes Senior Executives to achieve financial targets for the mid- to long-term and financial targets for the fiscal year for which compensation will be paid.</li> <li>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.               <ol style="list-style-type: none"> <li>Certain key performance indicators linked to the consolidated or individual business results of Sony during the fiscal year, such as return on equity (“ROE”), net income attributable to Sony Group Corporation’s stockholders and operating cash flow (“financial performance KPIs”), indicators which are selected based on the areas for which each Senior Executive is responsible.</li> <li>Individual performance in the area(s) for which each Senior Executive is responsible.</li> </ol> </li> <li>Included in the individual performance portion will be an evaluation of the Senior Executive’s efforts to accelerate collaboration among the businesses of Sony to achieve value creation through One Sony and his or her efforts to implement sustainability initiatives from the perspective of social value creation and ESG (environment, social and governance).</li> <li>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.</li> </ul>
Remuneration linked to stock price (Stock acquisition rights and restricted stock)	<ul style="list-style-type: none"> <li>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.)</li> <li>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.</li> <li>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.”)</li> <li>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.</li> </ul>

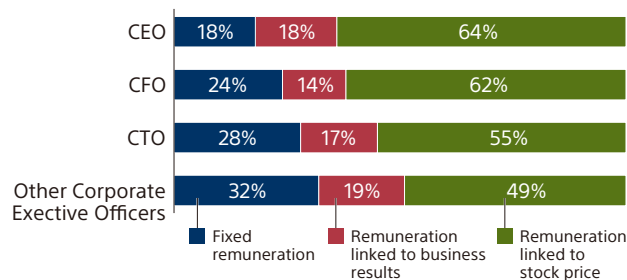
### (Reference: Restricted Stock)

Sony Group Corporation has introduced a restricted stock plan starting from the fiscal year ended March 31, 2018, pursuant to which shares of restricted stock are allotted to Sony Group Corporation’s Corporate Executive Officers and other executives, as well as non-executive Directors of Sony Group Corporation (“Non-Executive Directors”). The purpose of the plan for Corporate Executive Officers and other executives is to further reinforce management’s alignment with shareholder value, and to incentivize management to improve mid- to long-term performance and increase shareholder value. The purpose of the plan for Non-Executive Directors is to incentivize these Directors to develop and maintain a sound and transparent management structure by further promoting shared values between the shareholders and the Non-Executive Directors. Grantees are not able to sell or transfer granted shares during the restricted period, and, under certain circumstances, Sony Group Corporation can acquire the granted shares from a grantee without any financial compensation to, or consent of, that grantee. The Compensation Committee determines the details of the plan, such as the length of the restricted period, vesting conditions, eligibility and the number of grants.

### (Reference: Executive Compensation Package Design to Focus on Long-Term Management (FY2020) )

The bar chart next page shows the components of remuneration for Corporate Executive Officers for the fiscal year ended March 31, 2021. 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, 2021. Accordingly, the proportion of each component based on the amount actually paid will differ from the chart below.





### 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, 2021 according to the procedure described above.

#### - Corporate Executive Officer remuneration linked to business results for the fiscal year ended March 31, 2021

For the fiscal year ended March 31, 2021, 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, 2021 were as follows:

$$\begin{array}{|c|} \hline \text{The amount of} \\ \text{the remuneration} \\ \text{linked to business} \\ \text{results to be paid} \\ \text{to Corporate} \\ \text{Executive Officers} \\ \hline \end{array}
 =
 \begin{array}{|c|} \hline \text{Standard} \\ \text{payment} \\ \text{amount}^{*1} \\ \hline \end{array}
 \times
 \begin{array}{|c|} \hline \text{Payment rate of} \\ \text{remuneration} \\ \text{linked to business} \\ \text{results}^{*2} \\ \text{(0 to 200\%)} \\ \hline \end{array}$$

\*1 Standard payment amount was determined to be between 60 to 100% of the amount of fixed remuneration of each Corporate Executive Officer.

\*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.

Consolidated operating cash flow excluding the Financial Services Segment ("operating CF") was given the highest weighting because operating CF was determined to be the most important financial performance metric under the

third mid-range plan of Sony. ROE was also selected due to it being one of the financial targets of the third mid-range plan. Net income attributable to Sony Group Corporation's stockholders was selected to incentivize management to achieve the financial target for the current fiscal year.

The Compensation Committee determined a target for operating CF for the fiscal year ended March 31, 2021 that was meant to incentivize management to achieve the 2.2 trillion yen or more cumulative operating cash flow target for the three-year period ended March 31, 2021. The target for net income attributable to Sony Group Corporation's stockholders was set at 510 billion yen, which was the amount announced in May 2020 as the forecasted amount for the fiscal year ended March 31, 2021. The target for ROE was set at 11.4% for the fiscal year ended March 31, 2021. The results for the financial performance KPIs for the fiscal year ended March 31, 2021 were as follows: operating CF of 1 trillion 122.2 billion yen, net income attributable to Sony Group Corporation's stockholders of 1 trillion 171.8 billion yen and ROE of 24.2%. Each exceeded the targeted amount. In addition, the cumulative amount of operating CF during the three-year period ended March 31, 2021 was 2 trillion 638.5 billion yen, which exceeded the targeted amount under Sony's third mid-range plan.

As outlined above under "Basic policy regarding Director and Senior Executive remuneration," remuneration linked to business results for Senior Executives for the fiscal year ended March 31, 2021 was determined based on the level of achievement of the financial performance KPIs and the individual performance for which those Senior Executives 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, 2021 varied from 166.9% to 175.1% of the standard payment amount.

KPI	Weight	Target to be achieved for the fiscal year ended March 31, 2021 (Consolidated)	Result for the fiscal year ended March 31, 2021 (Consolidated)
Operating CF	50%	Amount determined in order to achieve the operating CF (defined below) target of 2.2 trillion yen or more for the cumulative three fiscal years ended March 31, 2021	1 trillion 122.2 billion yen
Net Income	40%	510 billion yen	1 trillion 171.8 billion yen
ROE	10%	11.4%	24.2%

## ■ 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, site visits by outside Directors 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 brief 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.

### ● 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 in connection regarding their expected roles and responsibilities, including 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 April 2021, 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, 2021 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 previous Evaluation were taken, and discussed and confirmed the proposed procedures for the Evaluation for the fiscal year ended March 31 2021. 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, newly-appointed Directors, a Director who is concurrently in the position of Corporate Executive Officers, and certain additional Directors 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 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 April 2021.

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 continuously studying the feasibility of having special committees or additional missions for existing committees according to the business environment, further progress of the relationship between the Audit Committee and the internal audit department, and development of new methods to hold Board meetings more effectively via online meetings.

### Actions in response to the Results of 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 2020, 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 (environment, social and governance) related matters;
- Focused on information security continuously through the Director in charge of Information Security;
- Held additional executive sessions;
- Disclosed the table showing experiences and expertise of non-executive Directors, including outside Directors;
- Expanded disclosure regarding compensation of Directors and Senior Executives; 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: 19 (including 6 Corporate Executive Officers) (as of June 22, 2021)

[Governance Framework TOP - Senior Executives](#)

#### – Purpose/Authority

- Determines and executes Sony's business activities in accordance with their roles and responsibilities assigned by the Board

#### – 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: 7 (as of June 22, 2021)

#### - Purpose/Authority

- Carries out business operations their assignments within designated areas, such as business units, headquarters functions and/or research and development, in accordance

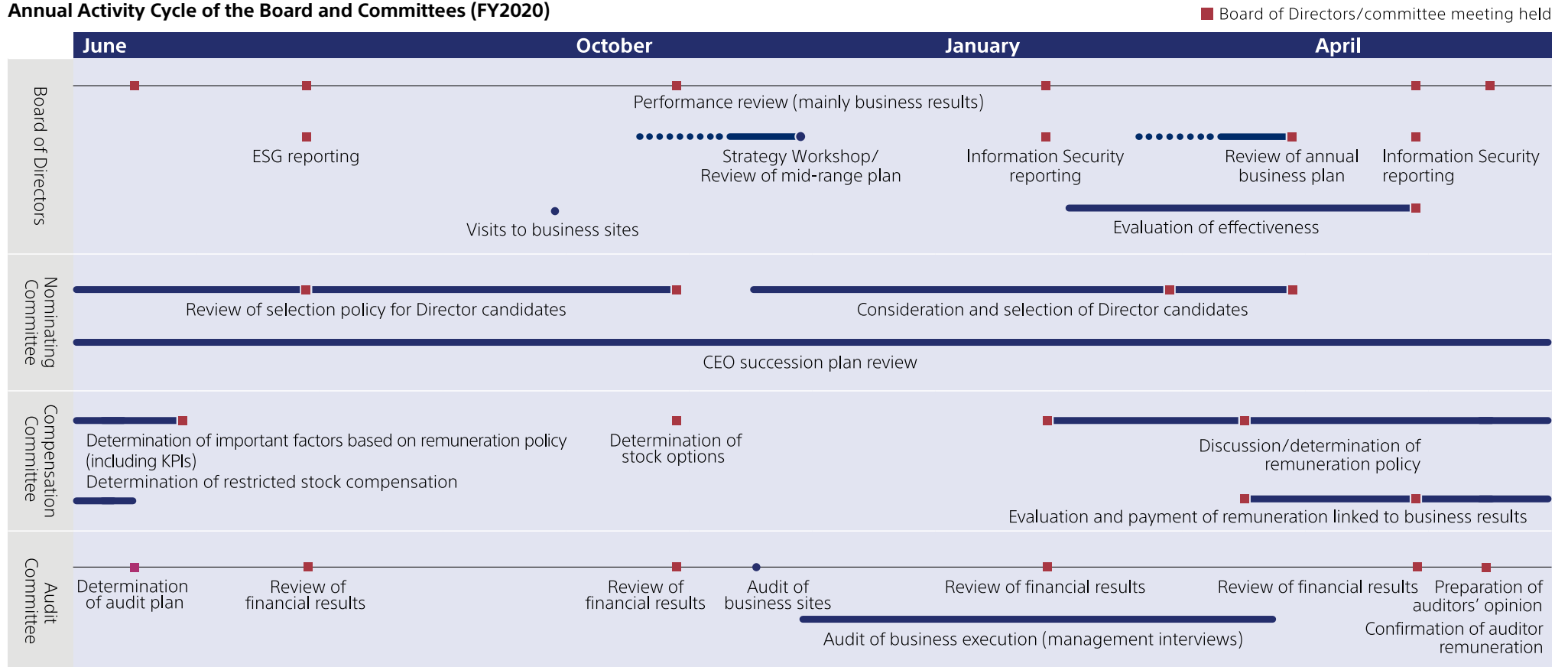
with the fundamental policies determined by the Board and Senior Executives.

### Meeting Record and Attendance Record of Outside Directors

During the fiscal year ended March 31, 2021, the Board convened eight times. The Nominating Committee met

five times, the Audit Committee met six times and the Compensation Committee met five times. All thirteen outside Directors, including Koichi Miyata, John V. Roos, Eriko Sakurai and Kunihito Minakawa who retired in June 2020, participated in all meetings of the Board held during their tenure period in the fiscal year ended March 31, 2021. 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, 2021.

### Annual Activity Cycle of the Board and Committees (FY2020)



## 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 written resolution of the Board dated as of May 10, 2021, 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 written resolution of the Board dated as of May 10, 2021, please refer to the page below.

[WEB 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 generally accepted accounting principles in the United States of America. 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, 2021.

### 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 in place disclosure controls and procedures in support of 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 Control 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 relevant headquarters function departments. 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.

## ■ 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 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. 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. Sony also conducts management training designed to enhance the effectiveness of this framework. In response to the COVID-19 pandemic that began in 2019 and has had a significant global impact, Sony has put a group crisis management system in place, 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 group companies in Japan, Southeast Asia, Europe, and the United States. 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. In fiscal year ended on March 31, 2021, Sony completed the implementation of safety measures with high-priority.

### – Countermeasures against Fire

Sony prescribes global guidelines to facilitate early fire detection and protection against spread of fire in buildings and equipment, exceeding regulatory requirements. Under the guidelines, Sony’s manufacturing sites in the world implement annual self-checks and are regularly audited on-site by the HQ Facility Management Office to verify compliance with the Guidelines. 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

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 incorporate a seismic isolation structure, with the completion of its expansion building in 2021. 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\*1 compliant high-sensitivity smoke detection system, non-flammable exterior walls and exhaust ducts, and fire barrier walls between distribution transformers, for early fire detection and protection against spread of fire.

\*1 The National Fire Protection Association (NFPA) is a US-based organization that develops standards for fire prevention.



Hybrid seismic isolation structure

### – 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.

## 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. As much of the Sony workforce shifted to working at home in response to the COVID-19 pandemic, we have implemented necessary measures in order to maintain appropriate levels of security.

## 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, 2021), 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. 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 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 Internal Audit Departments of major subsidiaries are required to provide the Risk & Control Department with a report on the material items and a copy of the issued audit report, and the Risk & Control Department makes periodic presentations on such report 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\*, Takaaki Ino\* and Kenichi Shishido\*

The team at PricewaterhouseCoopers Aarata LLC that conducted Sony's accounting audit is composed of 82 certified public accountants, 81 assistant certified public accountants and 262 other staff members.

\* The number of years of continuous audit-related work is not stated because it is within 7 years.

## 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 the laws and regulations that apply to their businesses.

### Governance Structure

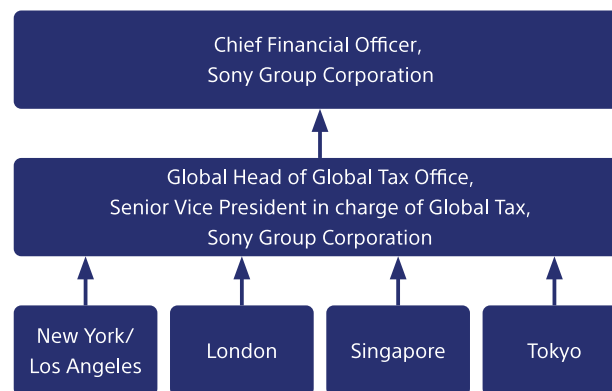
Based on the above global tax policy, each Sony group company has the responsibility to understand and comply with tax laws and regulations applicable to its businesses, with support from Sony's Global Tax Office (the GTO), which

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.

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.

### GTO Report line



### 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.

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.

## 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. Personnel 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 like "IR Day." 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 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 shareholders meeting date on the screen of the

meeting hall during the voting in order to operate the shareholders meeting in a transparent manner. In addition, Sony Group Corporation has collected and received opinions and questions in advance from shareholders via internet since 2020, and then, in 2021, Sony Group Corporation provided streaming live video of the general Shareholders meeting.

### 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 to consider the agenda and posts it at its website. Sony Group Corporation also uses an electronic voting platform to allow electronic voting through the internet (via PC, smartphone or mobile phone).

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.

## ■ 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](#)
- ❖ [Specifying Material Topics](#)
- ❖ [Environmental Policies and Targets](#)
- ❖ [Diversity Principle and engagements](#)
- ❖ [Gender, Sexual Orientation, Disabilities: Promoting Greater Opportunities for Women](#)

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 further 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 yearly 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- to 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 22, 2021, 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, 2021. 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. 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.

## Related-Party Transactions

As a part of the Sony Group Code of Conduct established by the Board, Sony Group Corporation's officers and personnel 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 the Pension Plan appoints 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, the asset management guidelines are issued to the managing trustee, and the compliance status pursuant to the said guidelines are periodically reviewed and evaluated.





# Ethics and Compliance

## Milestones

- 2001:** Established the Compliance Division in Sony Corporation (Current "Compliance & Privacy Department")
- 2003:** Adopted the Sony Group Code of Conduct Refresher training on the Sony Group Code of Conduct Establishment of the Compliance Hotline (Current "Sony Ethics & Compliance Hotline") was delivered to all employees. Establishment of the Global Compliance Network which consists of regional offices of Global Entertainment & Americas, Europe, Japan, East-Asia and Pan-Asia
- 2008:** Established the Compliance Monitoring Team
- 2009:** Established the Compliance Leadership Team
- 2018:** Revision of Sony Group Code of Conduct

## Fiscal 2020 Highlights

**Refresher training on the Sony Group Code of Conduct was delivered to all employees.**

## ■ Management Approach

### Materiality Rationale

Integrity and Sincerity is part of Sony's key Values to achieve 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 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, 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.

## Structure

Sony instituted a global and regional network and structure to ensure effective oversight and implementation of our ethics and compliance program by all Sony Group companies.

### Main Achievements in Fiscal 2020

- Refresher training on the Sony Group Code of Conduct was delivered to all employees.
- Ethisphere Institute recognized Sony as one of the World's Most Ethical Companies for the third consecutive year.



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

## Looking to the Future

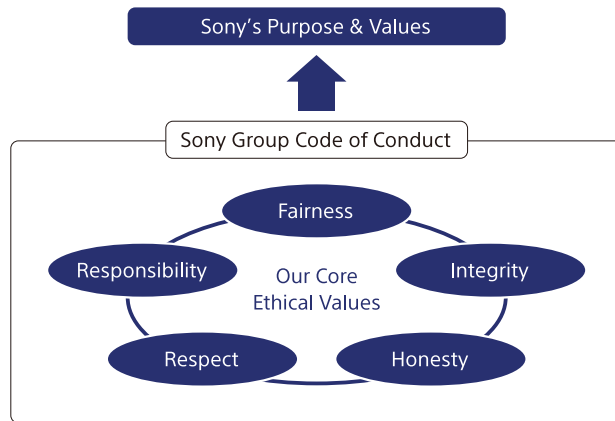
Sony continuously assesses its risks and engages in ongoing reviews and program improvements to maintain and elevate a culture of integrity. Senior managements continue to allocate necessary resources to achieve Sony's goal of ethical and responsible business conduct and compliance with laws and regulations by all Sony Group personnel.

## The Sony Group Code of Conduct

The Sony Group Code of Conduct (“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 fulfilling 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
- Protection of 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 Universal Declaration of Human Rights
- The Guiding Principles on Business and Human Rights and Sustainable Development Goals (SDGs)

Sony also active 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 periodically thereafter. 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.

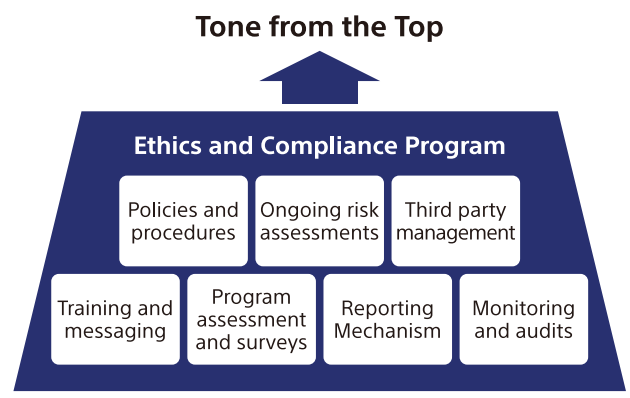
[WEB Sony Group Code of Conduct \[PDF:2.63MB\]](#)



## 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.

### 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 employees 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:

- Anti-Bribery
- Antitrust and Fair Competition
- Financial Laws and Regulations
- Fraud / Conflicts of interest
- Environmental
- Supply Chain Risks (e.g., conflict minerals)
- Infringement of Third Party Intellectual Property or Confidential Information
- Protection of Sony Intellectual Property (e.g., trademarks, patents, copyrighted content, etc.) and Confidential Information
- Trade Compliance
- Labor and Employment Laws (including Subcontract Act, wage and hour laws, etc.)
- Product Safety / Product Compliance
- Anti-Money Laundering / Customer Due Diligence
- Privacy, Personal Information Management / Info Security Laws
- Economic Sanctions

### 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.

➤ [Third-Party Management](#)

### 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.

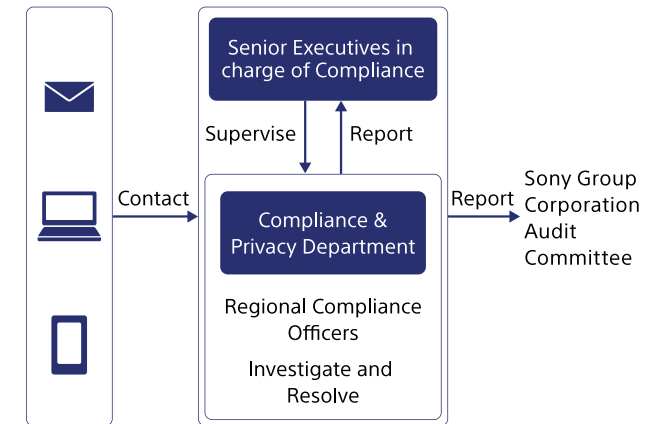
### Multiple Reporting Channels

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 FY2020, the Hotline received approximately 370 concerns. Among them, approximately 76% raised matters related to employees, diversity and workplace. 20% was related to business integrity. The remaining concerns comprised environmental and other matters.

In FY2020, 110 concerns were substantiated and remediated as appropriate. For example, an allegation involving substantiated workplace misconduct resulted in disciplinary action taken against the employee who engaged in the inappropriate behavior.

### 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 Sony Group Code of Conduct 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. Sony vigorously enforces and promotes its policy against retaliation.

## Global Ethics & Compliance Network

### Overview:

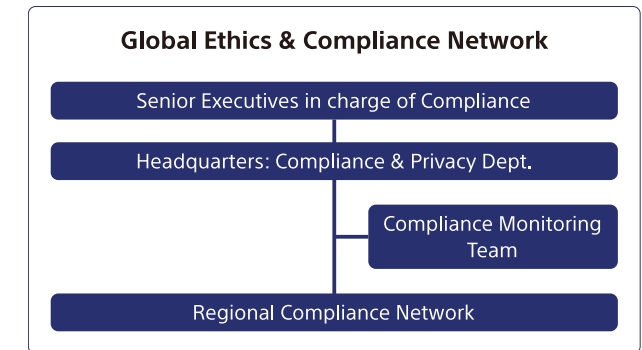
Sony's global ethics and compliance program is designed to support ethical and responsible business conduct. It is a shared endeavor and is successful through a team effort of directors, management and employees at all levels, with each person taking ownership and responsibility for ethical business conduct and compliance with the law and in every interaction.

Sony established a group-wide ethics and compliance network of experienced compliance personnel ("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 & 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. It further established a Compliance Monitoring function, which measures the effectiveness and maturity of Sony's global ethics and compliance program by conducting periodic and global-based assessments on program design and implementation, risk-based compliance audits and validations of controls.
- **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.

- **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.





## Third Party Management — For Ethical and Responsible Business Conduct —

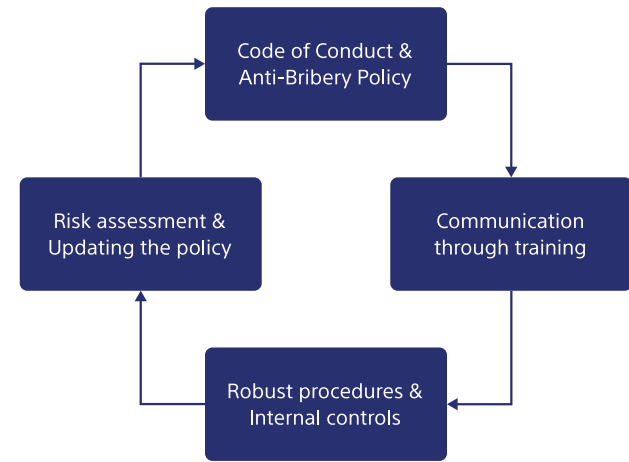
Sony is firmly committed to complying with all applicable laws and regulations as well as conducting ethical and responsible business. As part of its Sony's commitment to ethical and responsible conduct, Sony only does business with reputable third parties. Sony established internal rules and procedures for complying with applicable laws and regulations related to potential third party risks, which include: anti-corruption, anti-money laundering, economic sanctions, trade controls, and tax and financial crimes laws. Sony also identifies types of transactions that are considered to pose higher risks based on regulatory landscape as well as Sony's business; and performs due diligence procedure and takes all reasonable measures to prevent illegal/sanctionable transactions. 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. Sony also provides periodic training to ensure its employees are well aware of relevant "red flags" that Sony specifically identifies in its policies as well as the need to conduct third party due diligence and ongoing monitoring to detect and prevent illegal conduct by third parties (including intermediaries such as distributors) with whom it does business. Any concerns are promptly investigated via the Global Network and 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 our Code is the need to give due consideration to the impact of our business activities on the interest of our stakeholders. The Code 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

- The Code 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 2021 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.

**For 100% of Sony employees:** Receive training on anti-bribery and corruption expectations as part of the Sony Group Code of Conduct training upon hire and refresher training 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 requirements upon hire in addition to the Sony Group Code of Conduct training and at least once every two years thereafter and more frequently based on risk assessments.

**Personnel in Sony's control functions, legal, finance, other control personnel:** Receive live training on necessary basis in addition to the above.

## 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 successful practices across its system.\*

### ■ 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. To that extent, 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.\*

### ■ Economic Sanctions, Trade Controls, Anti-Money Laundering and Other Business Partner Due Diligence

Sony adopted and maintains up-to-date group-wide policies 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 types of transactions that are considered to 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 order to comply 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.

\* Sony's material legal and regulatory proceedings in FY2020 are disclosed in our Form 20-F: "Item 8. Financial Information A. Consolidated Statements and Other Financial Information. Legal Proceedings," p. 90.

## 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.



# Respect for 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

## Fiscal 2020 Highlights

**Identified potential human rights risks through the human rights impact assessment**

**Continuously conducted trainings on human rights**

## ■ Management Approach

### Materiality Rationale

Sony recognizes the potential impact of its global business operations on human rights. It respects the human rights of all stakeholders involved in its business operations, including its employees and 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 Corporate Executive Officer in charge of sustainability. It assesses and monitors human rights impact throughout Sony Group's business activities and supply chains. Employee rights are addressed by a diversity promotion committee at each Sony Group company in Japan. These committees conduct workshops on human rights and diversity. Sony has also established mechanisms for employees seeking guidance on human rights issues and risks in order to ensure a quick response when problems arise.

## Main Achievements in Fiscal 2020

In fiscal year 2020 the following initiatives were implemented:

- Continued employee training about respect and protection of human rights, featuring hot topics
- Continued management and mitigation of human rights risks in the supply chain of its electronics products
- Advancing activities for putting the Sony Group AI Ethics Guidelines into practice including developing AI ethics assessment frameworks and system.
- Supported initiatives that promote social justice and anti-racist initiatives to foster diversity, equity and inclusion around the world through the Global Social Justice Fund
- Identified potential human rights risks through the human rights impact assessment  
Discussed necessary actions and continued monitoring for the identified risks

## Looking to the Future

Sony is committed to making reasonable efforts to avoid causing or contributing to adverse human rights impacts that may arise from its operations, products, services and/or business relationships.

## Related Documents

- [WEB Sony Group Code of Conduct \[PDF:2.6MB\]](#)
- [WEB Sony Group AI Ethics Guidelines \[PDF:60KB\]](#)
- [WEB Sony Group Statement on Modern Slavery Act](#)

## Human Rights Initiatives

In 2011, the United Nations Human Rights Council issued its Guiding Principles on Business and Human Rights (“UNGP”) in response to the growing concern regarding the impact of increasing globalization on human rights. The UNGP identifies steps that global companies can take to prevent and mitigate any potential adverse human rights impact in their business operations and supply chains. In accordance with the UNGP, Sony respects the human rights of all stakeholders in its business operations and supply chains, and strives to ensure good labor practices in all of its business activities to prevent and mitigate potential adverse human rights impact.

### Human Rights Policy

Sony’s overall commitment to ensuring the protection of human rights in its operations, supply chains and products is set forth in the Sony Group Code of Conduct. The Sony Group Code of Conduct is applicable to all directors, officers, and employees of Sony Group and provides: “Sony believes that all human beings should be treated with dignity and respect. Sony is committed to uphold internationally recognized human rights of all people. We will make all reasonable efforts to avoid causing or contributing to adverse human rights impacts that may arise from our operations, products, services and/or business relationships and will act diligently to help remediate any impacts that may occur.”

[WEB Sony Group Code of Conduct \[PDF:2.6MB\]](#)

### Framework for Respecting Human Rights

The Sony Group Code of Conduct was established with the approval of the Sony Group Corporation Board of Directors and sets forth Sony’s basic commitment to human rights. The Sustainability Section at Sony headquarters in Tokyo is responsible for assessing and monitoring human rights risks throughout Sony Group’s business activities and supply chains. The Sustainability Section reports to the Corporate Executive Officer in Charge of Sustainability and works with relevant functions (such as procurement, legal, compliance, and human resources) to effectively manage potential human rights issues related to Sony’s business activities and supply chains. The Board of Directors receives regular reports on sustainability initiatives encompassing Sony’s human rights initiatives.

### Assessing and Monitoring Human Rights Risks

Sony’s Sustainability Section leads Sony’s efforts to assess and monitor human rights risks throughout Sony’s operations and supply chains. As part of its continuous improvement approach to address human rights issues, in 2012, Sony engaged BSR, an independent, non-profit organization with a global presence devoted to building a just and sustainable world, to conduct an initial assessment of potential human rights risks across Sony’s various business operations and supply chains, which include the electronics, entertainment and finance business segments. The salient human rights issues vary depending on the business segment. The initial BSR assessment identified potential human rights considerations in the electronics business supply chain, including materials procurement as Sony’s areas of highest potential risk. In order to address these key risks, we joined industry-wide efforts to protect and empower workers in the global electronics supply chain

and were a founding member of the Responsible Business Alliance (RBA). Manufacturing sites of Sony’s electronics business and their suppliers were required to comply with the Sony Supply Chain Code of Conduct, which incorporates the provisions of the RBA Code of Conduct. The Sony Supply Chain Code of Conduct is also consistent with the human rights commitment expressed in the Sony Group Code of Conduct. Sony’s electronics suppliers are also subject to ongoing assessments and monitoring for human rights risks. In 2018, Sony engaged BSR to review and update its human rights risk assessment to reflect the current state of global affairs, stakeholder concerns, evolving human rights laws, and changes in Sony’s business activities.

In particular, Sony referenced the Universal Declaration of Human Rights and international treaties on human rights to identify issues that are relevant to its business activities, and reviewed media and NGO reports to identify the human rights risks for these issues. This information was compared to Sony’s areas of business to identify underlying risks of greatest relevance to Sony. This updated analysis identified human rights risks related to workers in the electronics industry supply chain, which has long been a key focus of Sony’s efforts, as well as risks related to new technologies such as AI.

In 2020, Sony engaged BSR to update its human rights impact assessment across its value chain. Based on its findings, in addition to the potential risks identified above, BSR recommended that Sony enhance its efforts to include potential risks that customers with whom Sony has direct or indirect business relationships may contribute to human rights abuse.

Sony continues to monitor and take necessary measures to mitigate identified potential human rights risks. Sony will continue to seek an even more comprehensive approach to human rights risks corresponding with the UNGP, OECD Guidelines for Multinational Enterprises and stakeholder expectations.


## ■ Human Rights Education and Training

Sony Group provides training to all of its employees, globally, in order to familiarize them with the Sony Group Code of Conduct, as well as to encourage ethical business conduct, including respect for human rights. Relevant organizations within Sony Group conduct additional specialized training for pertinent personnel to help detect and address human rights risks.

- ✦ [Sony's Ethics and Compliance Program](#)
- ✦ [Human Rights in the Workplace](#)

## ■ Reporting Mechanisms

Sony provides multiple channels, including the Ethics & Compliance Hotline, for 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. Additionally, Sony operates a supplier hotline for its business partners, and a Responsible Supply Chain of Minerals Hotline for reporting violations of the Sony Group Policy for Responsible Supply Chain of Minerals and other applicable policies. These channels of communication enable Sony to rapidly address human rights concerns.

- ✦ [Sony Ethics & Compliance Hotline](#)
- ✦ [Human Rights in the Workplace](#)
-  [Sony Group Policy for Responsible Supply Chain of Minerals Hotline](#)

## ■ Global Social Justice Fund

Sony is committed to respecting human rights, advancing social justice, and promoting diversity, equity and inclusion (DE&I). One of Sony's most important codes of conduct is to treat all people with respect and dignity, and we have built a corporate culture which finds strengths in the diversity of our businesses and our employees.

To further these efforts, in June 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.

- ✦ [Highlight: Social Justice and Diversity, Equity & Inclusion Initiatives](#)
- ✦ [Establishment of Two Global Funds](#)
-  [Global Social Justice Fund](#)



## Human Rights in Products and Services

The Sony Group Code of Conduct states: “We will all use reasonable efforts to avoid causing or contributing to adverse human rights impacts that may arise from our operations, products, services and/or business relationships, and will act diligently to help remediate any impacts that may occur.”

### ■ Safety and Accessibility of Products and Services

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. Sony continuously strives to comply with, or exceed, legally mandated standards in all business activities to ensure the safety of its products and services. Accessibility concerns are also incorporated into the planning and design of Sony products and services in order to serve all kinds of people regardless of age or disability.

- 🔗 [Improving the Quality, Safety and Long-Term Reliability of Products](#)
- 🔗 [Accessibility](#)

### ■ Information Security and Privacy

Sony is continuously improving its information management and security systems as well as initiatives to help ensure the privacy and security of information received from customers, employees, business partners, and other stakeholders.

- 🔗 [Information Security](#)
- 🔗 [Privacy and Personal Information Management](#)

### ■ Responsible AI Initiatives

Sony promotes responsible use of AI. 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. Sony will ensure transparency and accountability to stakeholders so that it can retain stakeholder trust.

- 🔗 [Responsible AI](#)
- 📄 [Sony Group AI Ethics Guidelines \[PDF:60KB\]](#)

### ■ Advertising Creativity and Content Services

As a company that conducts business in various regions and countries across the globe, Sony recognizes that conduct that 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 Inc. 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 implemented various Diversity, Equity & Inclusion initiatives that impact every area of its business, including its content. For example, SPE’s Motion Picture Group collaborated with the Geena Davis Institute on Gender in Media, a non-profit organization, to identify ways to increase positive and diverse gender images onscreen. Sony Pictures Animation was also recognized for its work in creating content featuring diverse characters

in such films as the Academy Award-winning Spider-Man: Into the Spider-Verse, which presented “Miles Morales,” an African-American/ Latinx Spider-man in the lead role.

- 🔗 [Human Rights in the Workplace](#)
- 🔗 [Accessibility](#)

## Human Rights in the Workplace

Sony is committed to creating a workplace where human rights are respected and equal employment opportunities that allow all individuals to make the most of their capabilities are provided. Sony also helps to ensure that workers' rights are protected 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."

Human rights issues that corporations must face today are increasingly complex and wide-ranging. Sony believes that a crucial first step in addressing these issues is to raise awareness and build a common understanding among employees.

[WEB Sony Group Code of Conduct \[PDF:2.6MB\]](#)

## Sony's Organization for Ensuring Respect for Human Rights

Sony Group Corporation has established the Diversity Promotion Council in charge of Group-wide activities, chaired by the Corporate Executive in Charge of Human Resources and General Affairs and including members from the Corporate Communications Department, Sustainability Department, HQ General Affairs Department, and Group Human Resources Division. All Sony Group companies in Japan have formed their own diversity promotion committees, which conduct workshops on human rights, diversity, and related matters. 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. Sony group companies outside of Japan have similar programs in place to ensure respect for human rights in the workplace.

### Diversity Promotion Organization Chart (Sony Group in Japan)



## Employee Counseling Resources

In addition to the Ethics & Compliance Hotline and other reporting mechanisms, each Sony group company in Japan maintains an Equal Employment Opportunity ("EEO") counseling hotline to enable it to take immediate action on potential human rights issues and risks, including harassment. Sony has also established the Sony Group EEO hotline to provide counseling throughout the Group on a wide range of equal opportunity-related issues concerning all types of harassment (sexual harassment, power harassment, maternity harassment, etc.) , work-life balance, parenting, caregiving, LGBTQ+ issues in the workplace, and other issues. Sony also facilitates coordination among relevant departments in the response, as needed. In addition, Sony has established an external hotline specializing in matters of harassment to provide employees with counseling on matters that are difficult to address through an internal hotline. These counseling services equip Sony to respond quickly and appropriately, while giving full consideration to personal privacy. Sony strictly enforces confidentiality and ensures that employees are not subject to reprisal for reporting or using these services. In fiscal 2020, 60% of hotline reports dealt with harassment, while the remaining 40% had to do with other issues including work-life balance and LGBTQ+ issues in the workplace.

## ■ Education and Training

Sony provides Code of Conduct training to all newly hired Sony Group employees. The Code of Conduct course emphasizes the value of respecting human rights and covers proper workplace conduct. In Japan, all newly hired employees are also provided training on the importance of protecting human rights and the value of diversity. Specific training programs concerning the protection of human rights are also regularly offered to 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 2020, 90% of eligible employees took the e-learning course. Sony also worked to raise awareness of the importance of protecting human rights with a lecture on eliminating majority-based bias at Sony's annual Diversity Forum, which was attended by approximately 170 people.

## ■ Sharing of Activities

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 promote diversity. In addition, Sony has established a communication practices study group composed of Sony personnel working in advertising and communication practice in Japan. This study group meets regularly to share information about communication practices related to human rights.



# Technology

## Fiscal 2020 Highlights

**Commercial launch of Intelligent vision sensor “IMX500/501”**

**Advancing activities for putting the Sony Group AI Ethics Guidelines into practice**

## ■ Management Approach

### Basic Approach

As a creative entertainment company with a solid foundation of technology, Sony promotes R&D based on its mission to “fill the world with emotion through the power of technology.” Sony also believes that it is essential to align itself with the motivations of both creators and users in order to achieve its corporate direction of “getting closer to people.” People are at the core of the Sony Group’s wide-ranging business portfolio, which is centered around the goals of “moving people’s hearts,” “connecting people to people” and “supporting people.” Sony aims to contribute to solving the challenges that people, society and the planet face through its technology as the societal significance of its businesses grows.

### Structure

Through Corporate R&D (Sony’s R&D organization), Sony is realizing contributions to the entire Sony Group, setting the direction for robust technological development over the mid- to long-term, and enhancing open innovation. While supporting R&D activities in each business, Sony is accelerating technological evolution through the Sony Group’s diverse business portfolio and creating group synergies. Although Corporate R&D activities are mainly focused on the next three to ten years, Sony allocates up to 5% of R&D expenses toward discovering the seeds of new technologies for the long-term, so that it can flexibly respond to changes in trends over the mid- to long-term. Sony carries out Corporate R&D activities in collaboration with multiple R&D centers in Japan, China, Europe and the United States, utilizing the different characteristics and strengths of each area.

In an effort to further strengthen its R&D presence overseas, Sony established two new R&D centers in Bengaluru and Mumbai, India, and one in Shenzhen, China, in July 2020 and September 2020, respectively. While striving to attract skilled research personnel locally, Sony will promote further

collaboration between the various businesses within the Sony Group. Additionally, Sony continues to strive to enhance ease of movement for management and personnel between each R&D center and strengthen its R&D from more diverse perspectives. For cross-sectional projects such as those in the Entertainment and Financial Services areas, Sony assembles teams with members from various organizations to promote R&D activities through the flexible and efficient collection of knowledge.

Sony 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.

### –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 and society. Respecting the free will of researchers, Sony CSL pursues R&D that is truly bold, creative, and original.

From its initial forays into next-generation computer systems, Sony CSL has expanded into diverse domains including systems biology, econophysics, and interaction. Sony CSL is presently working to address social issues such as ecosystem, urban planning, and energy issues while exploring augmentation of human abilities, including creativity, and pursuing AI and data analysis. In 2020, Sony CSL opened a branch office in Kyoto, Japan, making it the third location after Tokyo and Paris in the pursuit of further value creation.

 [Technology > About](#)  
 [Sony CSL](#)



**–Sony AI Inc.**

Sony AI was established with the mission to “unleash human imagination and creativity with AI.” Sony AI aims to accelerate the R&D of AI and combine this 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 envisions to solve global-scale issues beyond Sony’s business domains. Recognizing the power and influence of AI technologies, Sony AI will contribute to society by developing AI that is responsible, fair and transparent.

# Sony AI

 [Sony AI](#)

**–Sony Startup Acceleration Program (SSAP)**

Sony launched the Sony Startup Acceleration Program (SSAP) in 2014 to support the launch of startups and their business operations within Sony. SSAP provides seamless support from ideation, incubation and marketing to business 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, non-profits (NPOs), local governments, educational institutions, and research institutes. In February 2020, Sony signed a collaboration agreement with the United Nations Office for Project Services (UNOPS) in the area of innovation.




**–Sony Innovation Fund**

Sony Innovation Fund was created in July 2016 as a corporate venture capital fund to invest in startups. With offices in Japan, North America, Europe, and India, Sony Innovation Fund invests in a broad range of business domains from AI and robotics to mobility, IoT, healthcare, fintech, and entertainment.

As a part of this initiative, in September 2020, Sony Innovation Fund: Environment (SIF: E), which focuses on creating new environmental technologies, was established. In June 2021, the fund adopted an ESG assessment process for companies it invests in and launched a program to support ESG initiatives by companies. Sony Innovation Fund is supporting technologies that help to solve social issues as well as startups that use and offer these technologies, to help create a more sustainable world and better society.

# Sony Innovation Fund

 [Sony Innovation Fund](#)

 [News Release: Sony Innovation Fund Launches ESG Initiative Support Program for Portfolio Companies](#)

**Main Achievements in Fiscal 2020**

- Established and strengthened R&D centers globally, for instance in India and China
- Developed the VISION-S prototype vehicle to contribute to the evolution of next-generation mobility. Commenced road testing for technical evaluation and conducted driving tests on a test course that supports 5G networks
- Commercial launch of Intelligent vision sensor “IMX500/501”, equipped with AI processing functionality realizing low power consumption and addressing privacy concern
- Successfully achieved a bidirectional communication link between the International Space Station and an optical ground station using the Small Optical Link for International Space Station (SOLISS), looking to contribute to the construction of the next generation space communication infrastructure
- Established SynecO, Inc. as the inaugural project of the Sony Innovation Fund: Environment, a corporate venture capital fund. SynecO was established to promote businesses specializing in technologies related to augmented ecosystems
- Advancing activities for putting the Sony Group AI Ethics Guidelines into practice including developing AI ethics assessment frameworks and system

**Looking to the Future**

Sony will continue to pursue R&D in keeping with its management strategy — getting closer to both creators and end users, and better understanding what motivates them — seeking to leverage advanced technologies across its diverse business portfolio to create new value.

**Related Links**

 [Environmental Technologies](#)

 [Technology](#)

 [Corporate Report 2021](#)

## Sustainability for the Next Generation

### VISION-S: Contributing to the Evolution of Mobility

In January 2020, Sony unveiled VISION-S, a new initiative that aims to leverage the combined strengths of Sony technologies to contribute to the evolution of mobility, and lifted the curtain on the VISION-S prototype vehicle. VISION-S is an example of an initiative that symbolically integrates Sony's purpose, social megatrends, and sustainability concerns. From a sustainability perspective, the initiative will reduce environmental impacts by promoting electrification and optimizing mobility. Sensing that supports safety is fundamental to the future of autonomous driving, and the vehicle will employ Sony's CMOS imaging sensors. By carefully monitoring conditions in and outside the vehicle and feeding back the sensed information to the driver in real-time, VISION-S will provide a sense of safety and a comfortable mobility experience while fostering eco-friendly driving. Using communications and cloud technologies, the vehicle will also adapt to its environment. Finally, by providing continuing services, Sony will leverage its accumulated experience by drawing on its diverse product segments and services. Development of the VISION-S prototype vehicle has reached the next stage, and public road testing commenced in Austria in December 2020 for technical evaluation. In April 2021, Sony commenced driving tests on a test course in Germany using a network that supports 5G next-generation mobile communication technology. With these tests, Sony aims to accelerate the verification of the technologies and functions onboard the vehicle. Sony will leverage the power of creativity and technology to contribute to the further evolution of mobility, contributing to a safer, more prosperous society.



VISION-S prototype vehicle

[VISION-S website](#)

[News release: Sony Commences VISION-S Public Road Testing](#)

[News release: Sony Group and Vodafone Germany start 5G driving test of VISION-S Prototype](#)

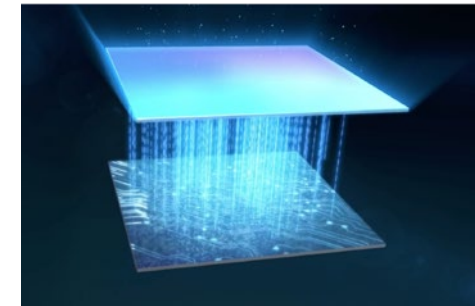
### Intelligent Vision Sensors "IMX500/501": Edge Solutions That Help Solve Social Issues

In May 2020, Sony announced the commercial release of intelligent vision sensors "IMX500/501", the first image sensors in the world to be equipped with AI processing functionality. The sensors feature a stacked configuration consisting of a pixel chip and logic chip, which are key technologies of Sony's image sensors. The logic chip is equipped with Sony's original DSP (Digital Signal Processor) dedicated to AI signal processing, and embedded memory for the AI model.

The spread of IoT is making cloud computing systems commonplace. However there is a concern that this will lead to increased CO<sub>2</sub> emissions as IP traffic and data center electricity consumption rise due to higher data volumes from a growing number of IoT devices. Edge computing addresses these problems by employing IoT devices that process and analyze data.

The intelligent vision sensors "IMX500/501" developed

by Sony are image sensors equipped with AI processing functionality, to enable the output of desired metadata (semantic information belonging to image data). 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. Intelligent vision sensors are expected to be deployed in a wide variety of next-generation solutions. The municipality of Rome in Italy faces issues such as gridlock and pollution from those cruising to find a parking space, overloaded buses, and frequent traffic accidents due to pedestrians failing to obey traffic lights. In June 2021, the city of Rome started trials using a smart camera equipped with intelligent vision sensors "IMX500", aiming to solve these social issues, with local application development partners. Sony will continue to leverage imaging and sensing technologies to help solve various social issues.



Intelligent Vision Sensors

[News release: Sony to Release World's First Intelligent Vision Sensors with AI Processing Functionality](#)

[News release: Sony cooperates in smart city trial project in Rome using intelligent vision sensors to reduce traffic, optimise public transportation and support pedestrian safety](#)



## ■ SOLISS: Helping to Build Space Communication Infrastructure

Sony CSL and the Japan Aerospace Exploration Agency (JAXA) have jointly developed the Small Optical Link for International Space Station (SOLISS), which employs optical disc technology, trying to introduce a broad-bandwidth, real-time data transmission for future inter-satellite communications and communications with ground stations.

There are two issues with establishing link for communication between satellites and between satellites and nodes on the Earth. One is that radio waves are becoming no longer usable by everyone and radio frequencies are limited just like on the ground. The second is that satellites need to be downsized from a launch cost perspective. As such, Sony attempted to create a small, energy-saving transmission device using a concentrated laser beam that would not degrade over distance like radio waves.

To build the space optical communication terminal, Sony drew on optical disc technology that it has developed and cultivated since the 1970s. The data on an optical disc is read by a laser within a distance of less than one millimeter, but in this case, the goal is to exchange data over thousands of kilometers in space. It was a major challenge to demonstrate such an unproven system in space. The space demonstration was jointly carried out by JAXA and Japan's National Institute of Information and Communications Technology (NICT), and in March 2020 they successfully achieved a bidirectional communication link between the International Space Station (ISS) and an optical ground station of NICT in Tokyo. This marked the first time in the world that bidirectional Ethernet links were established using laser communication system designed for small satellites.



High definition image transmitted by optical communication from SOLISS

Detailed analysis and evaluation of the experimental results are currently being conducted, together with ongoing experimental operation from ISS designed to improve communication stability.

[WEB Why is Sony's technology heading to space? - SOLISS - \(only in Japanese\)](#)

## ■ Synecoculture: Contributing to Rich and Useful Ecosystems

Synecoculture is a method for producing useful plants by leveraging the multifaceted and comprehensive self-organizing capabilities inherently found in the planet's ecosystems. Sony CSL launched the Synecoculture project in 2010 and has been testing the method in and outside of Japan, with many positive outcomes. Synecoculture takes 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. Also involved is the ecology of countless plants and insects, which must be studied, and the combinations of vast numbers of plants and the subsequent succession of vegetation, which must be verified. Big data analysis and AI are effective in helping to understand and manage complex ecosystems that are difficult for the human

mind alone to decipher. In addition to monitoring the environment and diverse living creatures, various sensors can be used to measure and obtain highly granular and effective data regarding the current status of ecosystems, complementing human observation. This data can be processed to enable the management of ecosystems that increases diversity.

The project is currently working to supply new value via augmented ecosystems, which expands the applications for Synecoculture beyond food production to the creation of ecosystems with diverse functions. Among other things, we aim to design the new green infrastructure of urban and living spaces, and create participatory learning experiences to enhance understanding of natural environments. Building on this project, Sony founded SynecO Inc. in order to venture on creating sustainable environments and industries based on renewable assets rooted in both human society and various ecosystems.



A wide variety of useful plants harvested through Synecoculture

[Environmental Technologies](#)

[WEB Synecoculture™](#)

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

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

## Responsible AI

### Framework for AI Ethics Initiatives and Implementation

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 still unknown and a topic of much discussion. 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 fits within 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, including creating job positions held by experts in AI ethics. Specifically, 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, Sony issued internal documents that set forth requirements that must be met under the Sony Group AI Ethics Guidelines. 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.

For example, 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 “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,\*<sup>1</sup> 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 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 begun 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.

\*1 ML is an abbreviation of machine learning.

### Trusted R&D for AI

Sony pursues R&D for AI that is trusted and backed by solid technologies. As a solution for securing FTA, Sony equipped its AI development tool Neural Network Console with eXplainable AI, 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 also equipped Neural Network Console with Grad-CAM, which provides visual explanations for image classifying, LIME and SHAP, which offer the same functionality, and SGD Influence, which identifies the influence of a data set on deep neural networks. As part of its commitment to Responsible AI, Sony makes some of its code available on the GitHub repository for software development, to support the open developer community. Additionally, Sony equipped its Prediction One predictive analysis tool with the ability to visualize the predictive reasoning.

[\[WEB\] Sony Group AI Ethics Guidelines \[PDF:60KB\]](#)

[\[WEB\] Corporate Info: Responsible AI](#)



# Employees

## 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:** Diversity Committee established
- 2015:** Flexible career leave and free agent programs introduced
- 2017:** Workstyle reform project started at Sony Group companies in the electronics business in Japan
- 2018:** PORT, a venue for developing new talent, established at the head office

## Fiscal 2020 Highlights

### Redefined Sony's People Philosophy and human resources strategy

### Selected as one of the Iconic Leaders of The Valuable 500

## 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 asset. 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.

### Main Achievements in Fiscal 2020

Here are the main results of fiscal 2020 initiatives:

- **Diversity, Equity & Inclusion**
  - Selected from among the 500 signatories to 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, as one of 13 Iconic Leaders that are a driving force in their respective countries, regions, and industries

- **Talent Development**

- Shifted many PORT activities online. As a venue for developing talent, PORT offers opportunities for growth and connection transcending geographical location. A total of over 15,000 employees of the Sony group in different countries and regions took part in these self-organized continuing education activities.
- Established PORT Minato Mirai to provide a content production environment that supports self-organized employee efforts in continuing education.

- **Employee Engagement**

- Promoted the Symphony Plan, a work-life balance support system designed to create an environment in which employees can balance life events and work, continuing to demonstrate and leverage all their abilities, at each stage of their careers

- **Occupational Health and Safety**

- Enhanced global governance by setting globally shared Medium-Term Occupational Health and Safety Targets for fiscal 2019 to fiscal 2021, including acquiring external ISO45001 certification and reducing employees' health risks, etc.
- Continued to conduct audits and risk assessments related to OHS

## 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 — all 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.

## Sony's People Philosophy and Structure

### ■ Sony's People Philosophy: Special You, Diverse Sony

In 2021, the 75th anniversary of Sony's founding, Sony Group Corporation (SGC) was established, and a new group architecture has started. Following these organizational changes, Sony redefined its People Philosophy, which, along with Sony's Purpose, unites the Group's 110,000 employees, seeking to maximize the value that Sony's diverse talent can create. The new philosophy is "Special You, Diverse Sony." 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.

Following the redefinition of Sony's People Philosophy, the group-wide HR strategy framework has been organized around the themes of "Attract talented individuals," "Develop talented individuals," and "Engage talented individuals." 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, SGC leads and supports the evolution of each Sony business, while focusing on common themes that will drive sustainable growth for the entire group.

 Employees

### ■ Structure

Until fiscal 2020, important matters related to employees of the Sony Group were discussed and deliberated by the Human Resources Committee, which mainly comprised senior management from the group's electronics business. With the new organizational structure put in place in fiscal 2021, this now takes place at group-level meetings attended by senior management from SGC and major group businesses, as well as HR committees for each business segment meeting at the group company level. These committees discuss and deliberate upon HR strategies that will drive growth for the group and each of its businesses. The SGC officer in charge of human resources and HR managers from the six Sony business segments also meet regularly to enhance mutual understanding and cooperation across HR. In addition to discussions of group-wide HR strategies, these meetings include direct dialogue sessions with Sony Group Corporation's CEO, CFO, and CTO to promote dynamic discussions incorporating opinions beyond the HR perspective.

Sony has established the Diversity Committee, which reports directly to the CEO, to ensure that diversity, equity & inclusion is addressed as a high-priority issue. Sony also operates reporting hotlines and other avenues for employees to get consultation on a broad range of issues including human rights, work-life balance, parenting, nursing care, and LGBTQ+ concerns.

When it comes to occupational health and safety (OHS), Sony implements OHS Management System activities based on ISO 45001\*1 and promotes the acquisition of external certifications at manufacturing sites, distribution bases and other units.

\*1 ISO45001: International standard for OHS management systems

## COVID-19 Measures and Accommodating New Work Styles

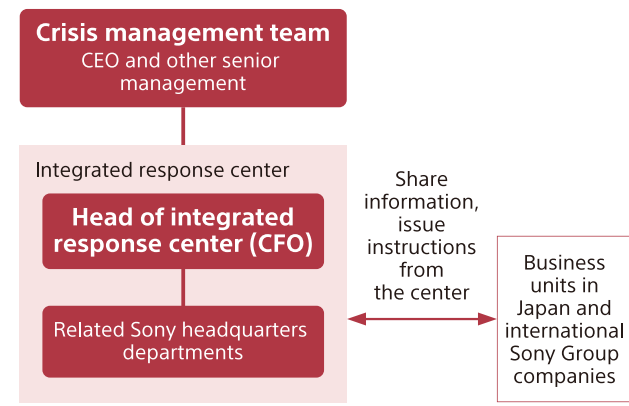
In responding to the COVID-19 pandemic, Sony is focused primarily on ensuring the safety of its employees and their families, as well as customers and other stakeholders, and has taken various measures to prevent the spread of infection. With telecommuting as the mainstay at many Sony sites around the world, Sony has begun to establish new work styles and environments designed to allow every employee to fully demonstrate their individual skills and abilities during the pandemic and even after it comes to an end.

### Initial Response to COVID-19 Crisis and Framework for Action

To navigate the unprecedented situation of dealing with an unknown and novel coronavirus, Sony quickly established a group crisis management system in February 2020, headed by the CFO, in accordance with the group-wide policies for crisis management and business continuity planning set out as part of the group's measures to address various risks of business interruption. To facilitate a rapid understanding of the pandemic situation around the world and information on affected businesses, as well as rapid on-the-spot decision-making regarding pandemic measures to be taken, in order to navigate the ever-changing situation, the crisis management team includes the CEO and other senior management of Sony headquarters as well as senior management of business units. In Japan, a cross-departmental team comprising employees from human resources, general affairs, and occupational health departments was assembled to study infection prevention measures for employees and workplaces, referring to advice from occupational health physicians. The team promptly took action, expanding provisions for working from home, adopting flexible working hours, and implementing infection prevention measures such as temperature checks and

disinfection at business offices. Under the system, Sony Group companies around the world are coordinating their efforts and helping each other to deliver a suitable COVID-19 response.

### Group Crisis Management System



### Prioritizing Health and Safety of Employees and Their Families

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 overall number of employees allowed to report for in-person work based on attendance plans at each company and unit. As a result of these efforts, in-person attendance at business sites was down 80% for Sony Group Corporation, down 70% for Sony Group companies in Japan (in the electronics, entertainment, and financial services segments), and down 40% for Sony Group companies with manufacturing sites in Japan, as of the third week in May 2021. Recognizing the importance of mental health for every employee working in this ongoing telecommuting environment, Sony conducted a survey on employee health while working from home,

covering employees of 43 group companies. The survey results provided a rapid indication that many employees working primarily from home were facing physical and mental health issues, including not getting enough exercise or feeling anxious or isolated. Based on the survey results, Sony promptly expanded and enhanced its employee health program. In addition, Sony enlisted medical professionals to provide tips and suggestions for staying healthy while working from home, as well as ideas for looking after the health of subordinates. Sony also implemented workshops on mindfulness and worksite improvements to help employees better cope with anxiety and isolation and to improve workplace communication. Sony Group companies in Japan sends out monthly well-being information and have set up a counseling desk for in-house medical professionals to share advice on topics such as reducing stress and improving working conditions and lifestyle habits while self-isolating working from home.

### Main Initiatives in Japan

- Prohibited international and domestic business travel
- Expanded the provisions for working from home
- Eliminated core hours in 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

## ■ Embracing the Challenge of New Work Styles at the Sony Group in Japan

### Online Recruitment

Starting in February 2020, the COVID-19 pandemic led to a wave of cancellations of recruiting events organized by universities and job information sites. The Sony Group Career Forum 2021, a joint recruiting event by Sony Group companies that was expected to draw more than 5,000 job seekers, was also canceled. Under such circumstance, Sony held the online recruiting events with the aim of appealing Sony as a workplace by giving job seekers a sense of Sony's corporate culture and its employees. In the events, business introduction and employee roundtable discussions were streamed in multiple languages, and chat opportunities were offered to allow job seekers and employees to communicate in real time. Sony also migrated its recruiting information sessions and conducted all interviews online. In July 2020, Sony held an online social gathering for the 450 or so new recruits of the Sony Group in and outside of Japan and conducted its summer internship program remotely. Interviews and internships for mid-career recruitment and recruitment of global human resources were already being conducted remotely.

Sony will seek to capitalize on the advantages of remote interviews, rather than using them merely as an alternative to in-person interviews, looking to pursue new methods of recruitment that are unique to Sony.

### Capitalizing on the Advantages of Online Education to Increase Reach and Encourage Growth

As employees transitioned to working from home, Sony migrated its in-person group training to e-learning courses and live-streamed content, increasing the opportunities for learning and growth and transcending physical limitations.

Every year, Sony offers more than 300 training courses for engineers and other personnel. In fiscal 2020, Sony migrated to online learning so that 80% of its courses were conducted online, attended by some 83,000 employees. In the process, Sony improved the course content to enhance learning outcomes. Rather than simply replicating the courses online, Sony revised the content and course advancement to leverage the training format. For example, when changing from in-person training to e-learning, teaching units were reduced in size to better facilitate remote learning. In live-streamed lectures, group work was adjusted to suit the remote environment. In all these ways and more, Sony capitalized on software tools to enhance the delivery quality of the courses.

### Migrating the PORT Venue for Mutual Learning Online and Enhancing Content Creation and Distribution

Sony launched the PORT venue for mutual learning in 2018 to organically connect employees of diverse backgrounds, values, business segments, and regions. PORT has hosted numerous events including talks and workshops organized by employees at their own initiative. In fiscal 2020, Sony rapidly migrated PORT online and conducted more than 100 workshops involving over 15,000 employees. Sony launched PORT Minato Mirai in March 2021 to support education and PORT activities. PORT Minato Mirai includes a studio for Sony employees to create and distribute high-quality, effective educational content and PORT activities at their own initiative.

In the face of continued social change and evolving working patterns, Sony will continue to provide a growth-conducive environment so that all of its employees can continue to pursue the challenges that inspire them, while always taking steps to ensure their safety and security. This will foster individual growth and the continued evolution of Sony value creation.



## Online Initiatives to Increase Employee Engagement

One of the challenges of working from home is the difficulty of directly communicating with other employees, making it even more important to take steps to facilitate employee engagement. Sony is pursuing new forms of employee engagement by shifting to online initiatives and leveraging their benefits.

Over 60 years ago, Sony co-founder Masaru Ibuka launched the school bag presentation ceremony for children of Sony Group employees who are entering elementary school. The children are presented with special school bags and stationery at ceremonies held at Sony Group companies in Japan. Due to COVID-19, the presentation ceremonies were conducted online in 2020.

Every summer, Sony organizes Family Day, inviting Sony personnel to bring their family members in to visit their workplace. In 2020, the event was held online, drawing some 20,000 visits from employees of 66 Sony Group companies in Japan and their family members. The event offered contents reflecting the diverse business portfolio of the Sony Group, including films, animation, and AI technologies.

- ✦ [Highlight: COVID-19 Pandemic and Sony's Response](#)
- ✦ [Framework on Business Continuity Planning](#)



Family Day



School Bag Presentation Ceremony

## ■ Embracing the Challenge of New Work Styles at Sony Group Companies outside Japan

As in Japan, the Sony Group outside Japan is taking measures to limit the spread of COVID-19, including promoting telecommuting and providing information on how employees can take care of their physical and mental health. The Group is also taking on the challenge of creating new ways of working.

Many regions are switching to online training, internal events and recruitment, while others are taking unique initiatives such as covering the costs of telecommuting, or holding online events on special days such as Father's Day and Mother's Day to give employees gifts.



Physical distance measures at DADC distribution center

	Main Initiatives by the Sony Group outside Japan
Sony Music Entertainment	<ul style="list-style-type: none"> <li>• Remotely implemented recruitment interviews: Conducted over 2,500 interviews via video and provided career advice to over 1,000 individuals on getting a job in the music industry (North America, South America, Europe, Asia).</li> <li>• Implemented flexible work schedules such as Summer Friday (allowing employees to take Friday afternoons off work during summer season) and Refresh Friday (meeting-free Friday afternoons where employees can catch up on emails or other work projects) in various countries</li> <li>• Implemented online training on how to anticipate and optimize the "new normal" professional life (France)</li> <li>• Held online events/conferences for employees and their families</li> <li>• Offered weekly online meditation program and regularly distributed tips on health (Mexico)</li> </ul>
Sony North America	<ul style="list-style-type: none"> <li>• Provided virtual management training programs and online learning</li> <li>• Created opportunities for online dialogue between top management and employees through performance management</li> <li>• Enhanced safety protocols for field teams and in-office employees, including distributing masks and disinfectant to employees, conducting health screenings of individuals entering the building, implementing physical distancing and safety protocols in the building and training employees on safety procedures</li> <li>• Implemented virtual recruitment and interview process.</li> <li>• Implemented flexible work schedules (Free Friday/Flex Friday/Summer Hours) to balance work/life</li> </ul>
Sony EMCS (Malaysia) Sdn. Bhd. (SOEM)	<ul style="list-style-type: none"> <li>• Distributed masks and disinfectant to employees, took their temperature when they enter the workplace and ensured physical distance during operations</li> <li>• Implemented online internal events</li> <li>• Expanded e-learning</li> </ul>
Sony DADC	<ul style="list-style-type: none"> <li>• Implemented infection control measures at disc manufacturing sites and shift work for production line employees and telecommuting for administrative staff to ensure physical distancing</li> <li>• Introduced a telephone help line for employees and technical data recorders to record the distance between each employee (Sony DADC Austria)</li> <li>• Distributed masks to employees and organized a mask design contest (DADC Bolingbrook, USA)</li> </ul>



Mask Contest (DADC Bolingbrook)

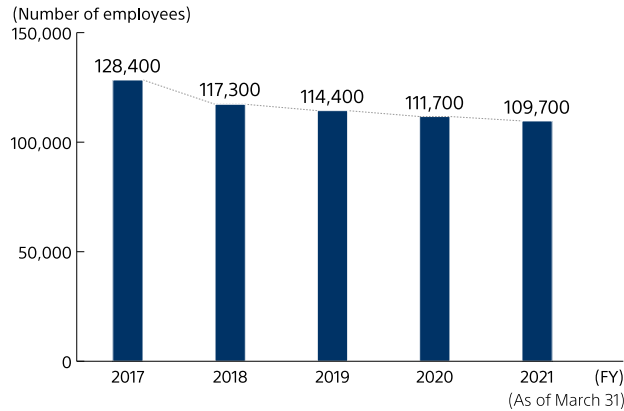


Temperature Check at the site entrance with a kept physical distance(SOEM)

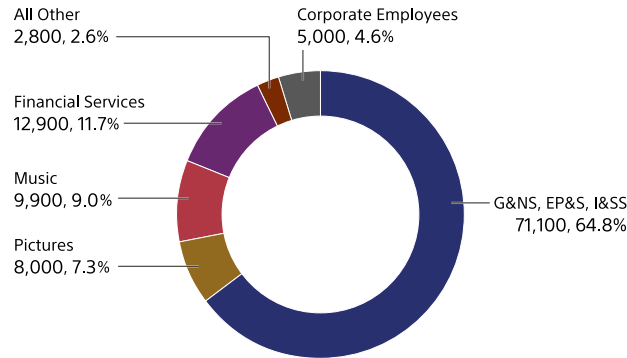
## Employee Data

As of March 31, 2021, Sony had approximately 109,700 employees, a decrease of approximately 2,000 employees from March 31, 2020. This was due to the fact that despite an increase of employees in the Imaging & Sensing Solutions and Financial Services segments, the number of employees in the Electronics Products & Solutions, Pictures, and All Other segments decreased. The decrease in the number of employees in the Electronics Products & Solutions segment was mainly due to the closure of sites in Malaysia and Brazil. The number of employees at Sony Group Corporation was approximately 3,000 as of March 31, 2021.

### Total Number of Employees (Sony Group)



### Personnel by Business Segment

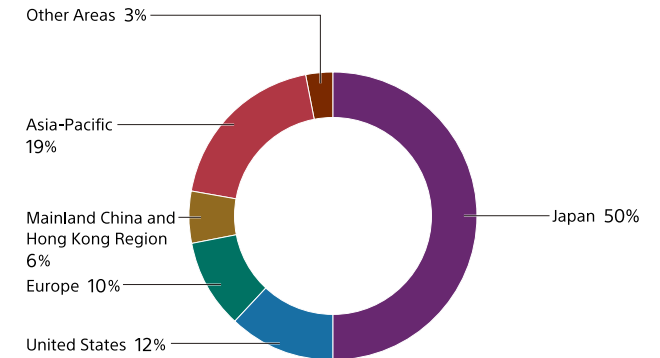


Total 109,700 (As of March 31, 2021)

- Game & Network Services, Electronics Products & Solutions, Imaging & Sensing Solutions (G&NS, EP&S, I&SS)
- Pictures
- Music
- Financial Services
- All Other
- Corporate Employees

Breaking down employee numbers by business segment, the numbers as of March 31, 2021 stood at roughly 71,100 in total in the Game & Network Services, Electronics Products & Solutions, and Imaging & Sensing Solutions segments (about 65% of all group employees), 12,900 in the Financial Services segment, 9,900 in the Music segment, and 8,000 in the Pictures segment.

### Personnel by Geographic Segment



Total 109,700 (As of March 31, 2021)

- Japan
  - United States
  - Europe
  - Mainland China and Hong Kong Region
  - Asia-Pacific
  - Other Areas
- Asia-Pacific: Southeast Asia, India, Oceania, Taiwan Region and South Korea  
Other Areas: Middle East, Latin America, Africa and Canada

Breaking down employee numbers by geographical area, Japan accounted for roughly 50% of all group employees as of March 31, 2021, while locations outside Japan accounted for the other 50%. The Asia-Pacific region accounted for 19%, followed by the US (12%), Europe (10%), the Mainland China and Hong Kong Region (6%), and other areas (3%).

### Composition of Sony Group Corporation's Executives (As of June 22, 2021)

	Total	Women	Non-Japanese Nationals
Directors	11	4 (36.4%)	4 (36.4%)
Chairman, Vice Chairman, President, Executive Deputy Presidents, Senior Executive Vice Presidents, Executive Vice Presidents, and Senior Vice Presidents	26 (2) *1	3 (11.5%)	6 (23.1%)

\*1 Number in parentheses refers to the number of people who concurrently serve as director.

For further information on the Board of Directors, see the Board of Directors page.

[The Board of Directors](#)

Below shows employee data as of March 31, 2021. Figures in parenthesis in the Japan column represent figures for Sony Group Corporation employees.

### Number of Employees

	Group companies in Japan	Group companies outside Japan	Total
Overall	54,600 (2,973)	55,100	109,700
Employees	54,600 (2,973)	55,100	109,700
(Contract employees)	6,600 (97)	7,800	14,400
Men	40,700 (2,226)	30,000*2	70,700*2
Women	13,900 (747)	25,000*2	38,900*2
Percentage of women in the workforce	25.5% (25.1%)	45.4%	35.4%
Percentage of management positions held by women	10.2% (15.2%)	37.4%	28.4%

\*2 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.

### Average Years of Service

	Group companies in Japan	Group companies outside Japan	Total
Overall	15.3 (16.5)	8.7	12.0
Men	15.3 (16.3)	8.8	12.6
Women	15.1 (16.8)	8.6	10.7

### Number of Newly Hired Employees

	Group companies in Japan	Group companies outside Japan	Total
Number of newly hired employees*3	4,292 (709)	8,185	12,477
Men	2,758 (588)	4,774	7,532
Women	1,534 (121)	3,411	4,945
Number of applicants per new graduate hire*4			
All positions, men	- (13.4)	-	-
All positions, women	- (19.0)	-	-
Non-engineer positions, men	- (42.6)	-	-
Non-engineer positions, women	- (36.8)	-	-
Engineer positions, men	- (10.2)	-	-
Engineer positions, women	- (9.4)	-	-

\*3 Figures for Sony Group Corporation include people hired by Sony Group Corporation as well as those seconded to other Sony group companies after hiring

\*4 Figures include only general employment contracts (regular employees) of Sony Group Corporation.

### Turnover Rate\*5

	Group companies in Japan	Group companies outside Japan	Total
Overall	2.9% (1.7%)	12.3%	7.2%
Men	2.7% (2.0%)	13.1%	6.6%
Women	3.7% (0.7%)	11.3%	8.6%

\*5 Only voluntary turnover of regular employees

### Percentage of Employees with Disabilities\*6

	Group companies in Japan
Percentage of Employees with Disabilities	2.48% (2.83%)

\*6 Only companies with 101 or more employees, including special-purpose subsidiaries. Figures as of March, 2021.

### Annual Paid Leave

	Sony Group in Japan
Average days of annual paid leave taken by employees	11.8 (11.9)
Percentage of granted annual paid leave taken by employees	54.8% (52.6%)

### Child Care Programs\*7

		Group companies in Japan
Employees who took child care leave (leave of absence)		25.3% (12.1%)
	Men	6.6% (2.5%)
	Women	98.9% (96.3%)
Employees who took child care paid leave		45.1% (45.5%)
	Men	47.8% (59.0%)
	Women	34.8% (0.0%)
Employees using reduced working hours for child care		8.3% (7.9%)
	Men	0.3% (0.0%)
	Women	38.2% (34.8%)
Employees who returned to work after childcare leave*8		97.0% (97.4%)
	Men	96.4% (90.9%)
	Women	97.3% (98.5%)

\*7 Percentage of employees who used the programs in fiscal 2020 among employees with newborns in fiscal 2019.

\*8 Percentage of employees who returned to work, among employees who completed their leave of absence by the end of fiscal 2020.

### Age Composition (Group companies in Japan)

		Men	Women
Overall		74.8% (74.9%)	25.2% (25.1%)
	Under 30	8.8% (10.0%)	4.7% (3.7%)
	30 - 39	16.5% (19.0%)	5.4% (6.9%)
	40 - 49	24.3% (25.1%)	8.3% (8.3%)
	50 - 59	21.7% (18.8%)	5.9% (6.0%)
	60 and over	3.4% (1.9%)	0.8% (0.3%)

### Management Positions (Sony Group Corporation)

		Men	Women	Overall	Percentage of women
Overall		2,265	752	3,017	24.9%
	Board of Directors*9	6	4	10	40.0%
	Inhouse directors	2	0	2	0.0%
	Senior Vice Presidents or higher*10	37	3	40	7.5%
	General Managers or higher	144	26	170	15.3%
	Senior Managers or higher	227	44	271	16.2%
	Assistant Managers or higher	683	115	798	14.4%
	Others	1,166	560	1,726	32.4%
	Of which, people in management positions	408	73	481	15.2%
	Of which, people newly appointed in management positions	30	4	34	11.8%

\*9 Please refer to the "Composition of Sony Group Corporation's Executives (As of June 22, 2021)" above for the latest figures.

\*10 Excluding people who serve on the Board of Directors

### Management Roles Pay Ratio of Women to Men\*11 (Sony Group Corporation)

	Men	Women
Men-Women ratio Basic Salary	100	100
Men-Women ratio Total Remuneration	100	100

\*11 Comparison of average compensation for managers excluding executives.

## Diversity, Equity and Inclusion

### Principle

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 Purpose. Accordingly, Sony values the perspective of equity and strive to ensure true inclusion. Sony regards DE & I 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 & Inclusion](#)

### Diversity Week

During Sony Diversity Week, many events are held at Sony Group companies around the world to raise awareness and promote action for change by enhancing recognition and understanding of the significance of diversity. These events

are designed to encourage employees to think deeply about diversity in its many forms — from race, nationality, disabilities, and gender, to sexual orientation, viewpoints, and workstyles — as well as to facilitate new perspectives and active communication. These events also engage the wider community by involving other companies and outside organizations.

### 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 development of products, services and content, and marketing. In fiscal 2020, a total of 2,100 employees of the Sony Group 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, 2021, approximately 980 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 100 employees dispatched from group companies outside of Japan, working in various businesses around the world, 43% of whom are in upper management positions. The Sony Group operates job transfer policies to efficiently facilitate international transfers. The policies are routinely updated with input from experts in human resources worldwide to support different types of international assignments. In fiscal 2020, the global COVID-19 pandemic was 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. 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.

#### Talent Acquisition

As a company with manufacturing, design, sales, service and R&D bases in many different countries and regions around the world, Sony promotes the localization of these operations by securing local talent that can meet national, regional and local needs. 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.



## Gender, Sexual Orientation, Disabilities

### Promoting Greater Opportunities for Women

Sony embraces diversity and the working contributions of women, who accounted for 35.4% of the workforce and held 28.4% of management positions as of the end of fiscal 2020. In Japan, Sony set a target for the end of fiscal 2020 for women to hold 10% of management positions in the Sony Group and 15% of management positions at Sony Corporation (currently Sony Group Corporation), and pursued initiatives to actively hire, develop, and promote women. As a result of these efforts, by the target date women held 10.2% of management positions at the Sony Group in Japan, and 15.2% of management positions at Sony Corporation (currently Sony Group Corporation), meeting both targets. Sony Group Corporation has set a target for women to hold over 20% of management positions by fiscal 2025, and another target for the 100% of employees with newborns to take child care leave (legal childcare leave of absence and/or Sony's paid child care leave), with men among those taking an average of more than 10 days of child care leave. Other group companies set their own targets and actively implement initiatives to achieve the 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."

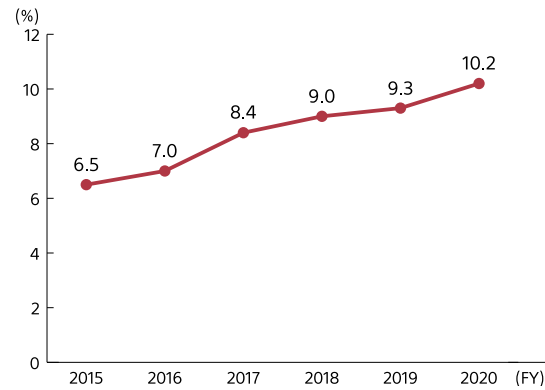
Both in and outside Japan, Sony operates a leadership program to develop leadership skills and mindsets among women and support their networking, by providing opportunities for career development and assisting the professional growth of women.

In celebration of International Women's Day in March 2021, Sony organized an online talk by a woman serving as deputy general manager at the R&D center. The speaker

talked about her diverse career and personal approach to leadership, hoping to provide listeners with insights on career development.

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

### Women in Management Positions at Sony Group in Japan



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

	Target for Women in Management Positions by End of Fiscal 2025
Sony Group Corporation	20%
Sony Corporation	7%
Sony Semiconductor Solutions Corporation	4.7%*1
Sony Interactive Entertainment Inc.	15%*2
Sony Music Entertainment (Japan) Inc.	28%
Sony Financial Group	15%*3

\*1 Percentage calculated from the numerical target for women in management positions by end of fiscal 2025, prescribed according to the number at end of fiscal 2020.  
 \*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.

### Percentage of women in the workforce and management positions held by women

		(FY)						
			2015	2016	2017	2018	2019	2020
Sony Group*1*2	Women in the workforce	%	29.5	29.3	33.6	34.3	35.6	35.4
	Management positions held by women	%	22.2	23.9	25.3	27.3	28.3	28.4
Japan*1*2	Women in the workforce	%	21.3	21.0	22.1	22.7	23.3	25.5
	Management positions held by women	%	6.5	7.0	8.4	9.0	9.3	10.2
United States	Women in the workforce	%	37.5	38.1	38.7	37.8	36.8	38.2
	Management positions held by women	%	33.0	35.5	37.4	40.0	40.0	40.7
Mainland China and Hong Kong Region	Women in the workforce	%	43.8	55.5	56.6	48.9	54.7	53.8
	Management positions held by women	%	31.6	40.1	40.1	32.2	34.9	38.8
Asia-Pacific*3	Women in the workforce	%	43.8	37.2	49.4	46.2	57.6	53.4
	Management positions held by women	%	33.7	34.5	29.1	32.8	31.8	29.4
Europe	Women in the workforce	%	34.5	36.9	35.9	37.2	37.0	36.3
	Management positions held by women	%	33.6	34.9	37.5	35.3	36.7	37.7
Other Areas*4	Women in the workforce	%	41.4	41.5	38.5	36.4	38.1	37.8
	Management positions held by women	%	28.1	37.4	37.9	34.2	36.6	37.4

\*1 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.  
 \*2 Women in management positions at Sony Corporation (currently Sony Group Corporation, excluding outside directors) as of March 31, 2021: 15.2%  
 \*3 Southeast Asia, Oceania, India, South Korea and Taiwan Region  
 \*4 Middle East, Latin America, Africa, and Canada

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

Electronics Business (Japan)	Celebrated International Women's Day with an interactive online talk by a woman serving as deputy general manager of the R&D center at Sony Group Corporation (formerly Sony Corporation). The speaker talked about her career, including her leadership emphasis, as well as the difficulties she faced and how she overcame them. Following her remarks, she fielded many questions from the online participants.
Sony Group (North America)	Sony Music Entertainment subsidiary The Orchard, which specializes in music distribution, and non-profits Black Girls CODE and Built by Girls, which both seek to empower girls of color to become involved in STEM* fields, collaborated to offer regular programming workshops that expose young women of color to STEM fields.
Sony Group (China)	Sony Group (China) publicly released a series of articles and videos featuring interviews with more than 10 women in leadership. The interviews explored topics such as leadership, strengths and challenges, and work-life balance, in an ongoing effort to portray diverse leaders.

\* STEM stands for science, technology, engineering, and mathematics.

### 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 creating an environment that makes it possible for individuals with disabilities to manufacture products that exceed those manufactured by individuals without disabilities." 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.

At the Sony Group in Japan, a dedicated department within the Human Resources Division of Sony headquarters compiles employment know-how and experience gained in the past, particularly at the special-purpose subsidiaries Sony Taiyo Corporation,\*<sup>1</sup> which was established in 1978 prior to the legal institution in Japan of this type of subsidiary, and Sony Kibou/Hikari Corporation, which specializes in providing employment opportunities for individuals with intellectual and mental disabilities. Based on the information obtained, the department also shares examples of reasonable accommodation and works to improve the employment environment. In addition, leveraging the advantages of its status as a corporate group, Sony has carried out joint hiring for individuals with disabilities for more than a decade, focusing on approaches at the group level. In March 2019, Sony Life Insurance Co., Ltd. established Sony Life Business Partners Co., Ltd. which became the Group's third special-purpose subsidiary. Sony Group companies in Japan work to build inclusive environments that enable each person to work in their own way and actively employ persons with disabilities. Sony provides guidance to help workplaces better integrate persons with disabilities and educate their co-workers. To increase workplace knowledge about disability employment, Sony holds awareness-raising and other training programs that are designed by individuals with disabilities at the special-purpose subsidiaries. Sony prepared group-wide guidelines on reasonable accommodations, prior to legislation changes introduced

in Japan in 2016. These guidelines ensure that sufficient discussions take place with individual employees who have a disability, to incorporate workplace considerations. 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 Sony co-founder Masaru Ibuka both locally and globally.

As a community influence initiative, Sony organized and implemented online events for students with disabilities, whose social interaction was reduced by the COVID-19 pandemic. These events were designed to increase awareness of employment opportunities and career development among disabled students. Sony Taiyo Corporation conducted an online inclusion workshop for elementary and junior high school students, for students of various types of ability to have fun with science together. Sony Kibou/Hikari Corporation is contracted by Sony Group companies to perform software and development work. By capitalizing on individual skills and the nature of their disabilities, the company can employ a broader range of personnel while extending its reach to employ persons with mental and intellectual disabilities. In this way, Sony supports people with disabilities in their efforts to play an active role in society across the group, making accommodations in its working environments and raising awareness of diversity, equity and inclusion, beyond the requirements of legal compliance. In December 2019, Sony became a signatory to The Valuable 500, an initiative of the World Economic Forum that focuses on the inclusion of persons with disabilities.

In May 2021, Sony was selected as one of the 13 Iconic Leaders among the 500 signatories to the initiative. 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 2.83% of Sony Group Corporation's workforce as of March 31, 2021, while the average for the Sony Group in Japan (companies with over 101 employees, consolidated basis) was 2.48% as of March 2020, both above the 2.3% mandated by Japanese law for companies over a certain size.

\*1 Sony Taiyo, Sony's first special-purpose subsidiary, has implemented concepts such as universal design and inclusive design — a comprehensive workplace design concept that emphasizes usability, environment and education to meet the needs of all people — to create a work environment in which anyone can work with and without disabilities.

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

Sony Group (Global)	Sony was selected from among the 500 signatories to 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, as one of the Iconic Leaders that are a driving force in their respective countries, regions, and industries
Sony Group (United States)	Sony supports the activities of Disability:IN, a global organization devoted to inclusion and equity for persons with disabilities in business. The CEO of Sony Interactive Entertainment Inc. in the US has signed the CEO Letter on Disability Inclusion. Sony Corporation of America will make optimal use of the Disability Equality Index (DEI), a comprehensive benchmark tool for disability inclusion that was created under the joint initiative of Disability:IN and the American Association of People with Disabilities as a standard for US businesses.
Electronics Business (Asia)	Sony Digital Products (Wuxi) Co. Ltd. has been recognized by the Chinese government for its efforts to employ persons with disabilities and was cited as an example for other companies at the national meeting of the China Disabled Persons' Federation. In addition to advancing group-wide initiatives for employing persons with disabilities, the company is a member of the Global Business and Disability Network (GBDN), which operates under the International Labour Organization (ILO), on behalf of Sony Group companies in China in promoting employment of persons with disabilities.
Sony Group (Japan)	The Sony Group in Japan is moving forward with group-wide initiatives for employing persons with disabilities including an annual job fair for these persons. In fiscal 2020, the job fair was held online with the participation of 12 group companies, serving as an interactive platform for job seekers to engage with employers. The online job fair enabled broader participation of persons with disabilities and provided engagement with Sony Group companies.

### 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 amid 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 and has made job application forms more gender inclusive.

\*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.

### LGBTQ+ Initiatives by the Sony Group around the World

Sony Group (Japan)	Sony organizes online talks for employees who are members of the LGBTQ+ community, making it easier for employees from other business sites to participate, creating broader opportunities for employees of the Sony Group in Japan to learn about LGBTQ+ issues. Sony sponsored and was involved in Rainbow Crossing 2020, a forum organized by non-profit 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 raise LGBTQ+ recognition.
Sony Group (United States)	In the United States, Sony Pictures Entertainment Inc., Sony Corporation of America, Sony Interactive Entertainment Inc. and Sony North America Inc., 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. Additionally, managers and employees participate in LGBTQ+ pride parades to raise awareness.
Sony Group (Europe)	Managers and employees participate in LGBTQ+ pride parades to raise awareness.

## Talent Development

### Employee Development and Vitality Drives Sony's Dynamic Growth

Sony recognizes that its people are its most important management asset and sees the growth of its people as a crucial aspect of its management foundation. 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 bringing 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. Given the important role that management plays in the growth of the company and its employees, the Sony Group in Japan conducts programs to equip management with practical people management skills so that they can maximize the potential of organizations. Sony is also strengthening its overall management using leadership development and

coaching strategies in the electronics business (North America, South America, Europe, and Asia regions) and in the entertainment business encompassing music and film. In addition to mandatory training, Sony supports employee-driven development by offering seminars, courses at outside institutions, and a growing range of online courses to fit the needs of employees. Sony Corporation of America piloted LinkedIn Learning, which allows employees to utilize online courses covering a wide range of topics. Sony Music Entertainment operates the My Learning portal as a global learning management system with diverse and personalized learning content.

Information on training sessions conducted in fiscal 2020 is shown below.

### Learning and Development

	Japan	Outside Japan	Global total
Number of programs	1,300	8,700	10,000
Number of times offered	3,200	16,000	19,200
Cumulative total participants	105,500	210,200	315,700
Cumulative total training hours	499,400	762,600	1,262,000

### 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 first in the Japanese industry to launch an internal job posting program, which has now been in place for 55 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 7,500 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. Sony also expanded its Global Job Posting program for employees around the world in fiscal 2011.

In fiscal 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 holds its Career Month, an initiative to foster employee growth that offers employees the opportunity to attend seminars on career and professional development and to receive career counseling, as well as to meet directly with their supervisors to discuss development plans regarding their careers and growth. This initiative facilitates carefully tailored support for career building. Moreover, seeking to support employees' growth through work experience, in fiscal 2016, the New Performance Management Program used at Sony Group Corporation (formerly Sony Corporation) and its group companies in the electronics business was revised. The program fosters year-round communication between personnel and their superiors, enabling employees to set individual goals and track their progress while incorporating feedback on everyday conduct to better reflect individual observations and foster growth.

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.

### PORT— An Ideal Venue to Develop New Talent

In order to sustainably create value and fulfill Sony's Purpose, 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. The concept is for employees of the Sony Group to gather, connect, and create synergies, in order to grow as individuals and foster human resources who can navigate Sony into the future.

PORT embodies this concept by providing a venue for a large number of spontaneous employee-led lectures, study sessions, workshops, and brainstorming sessions. In fiscal 2020, more than 100 online workshops were held, bringing in a total of 15,000 participants over the year. The workshops ranged widely from seminars on utilizing online meeting tools and video creation tools to support telework and AI-related workshops to lectures on career development and discussions of topical books. PORT continually explores new subject matter and learning styles with forays into post-event online Q&A sessions with guest speakers and providing logistics for building communities of learning. Sony employees in different countries and regions are able to stay connected despite geographical limitations and share opportunities for growth. PORT Shinagawa and PORT Minato Mirai have established environments geared to online PORT activities. With the support of dedicated staff and access to Sony cameras and equipment, employees are now able to 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 connect with each other and continue to create voluntary learning opportunities.



PORT Minato Mirai supports voluntary activities for employees to learn in remote and in-person situations



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

### Career support for Senior Employees

In today's era of extended longevity, work and life planning are not the same, and each individual has different needs and values. Sony has deployed the Career Canvass 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.

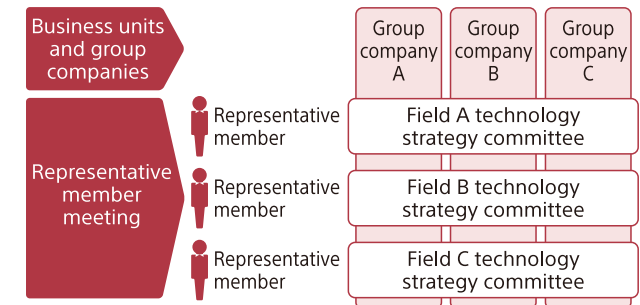
## Engineering Talent

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. Sony continues creating new technologies so that its engineers can develop products that provide functional value while appealing to people's sensibilities and inspiring them.

### 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 2015, and they involve approximately 1,300 employees.

#### Field-Specific Technology Strategy Committees





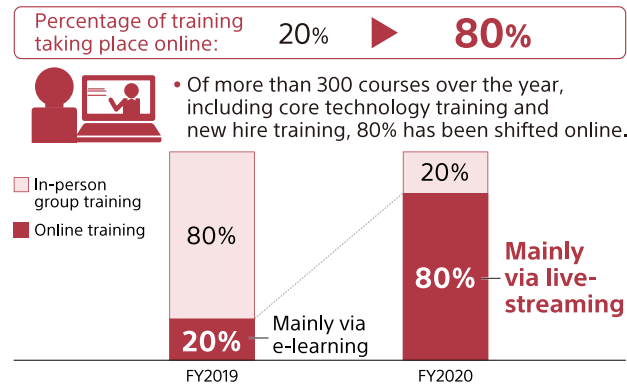
A technology strategy committee is established for each field. Each one consists of specialists who are selected from across Sony Group companies. These committees work to achieve technical innovation and roll out organization-specific technologies across the group. Technology is developed by people, 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.

### 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. 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. In fiscal 2020, Sony boosted online programs to 80% of all training and worked to enhance AI-related educational content. As a result of these efforts, a total of 23,000 employees took part in these courses. Participant feedback has not changed significantly since fiscal 2019, and Sony continues to provide opportunities for professional development for engineers.

### Technology training course implementation in fiscal 2020



### 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 of "fill the world with emotion, through the power of creativity and technology," 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 Distinguished Engineer (DE) program 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. As the face of Sony technology, the DE program highlights the importance of Sony's role as a leader in formulating technology strategies and supporting talent development. By publicizing this program group-wide, Sony enables its Distinguished Engineers to serve as role models for younger engineers.

#### 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 Distinguished Engineers (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. In fiscal 2020, although held online for the first time due to the COVID-19 pandemic, over 12,000 employees from Sony Group companies in Japan and around the world participated in the event in fiscal 2020. Adding "remote" to the values of "reality" and "real-time" that Sony provides as customer value, STEF focused on the theme of 3R Technology. Sony engineers gave presentations on and demonstrations of their respective topics in an online format, generating the same lively discussions as in previous in-person. Sony is committed to innovation that contributes solutions to the challenges that individuals, societies, and the planet face. Sony achieves this by positioning technology as the driver of its broad portfolio of people-centric businesses, encouraging employee interaction across product, service and organizational boundaries, and promoting integration of technologies.

## 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.

## Leadership and Future Leaders

Sony is developing talented core people who can excel globally. Sony University was established in 2000 with the mission of developing the people who will shape and lead Sony's management vision and strategy, perpetuating the Sony Spirit, and building strong personal networks that facilitate 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 skills. Managers from Sony group companies in Japan who show promise as potential business leaders are selected to participate in a half-year program focusing on management literacy and interpersonal skills. These

courses encourage personal interaction and mutual learning to facilitate the development of business leaders. In fiscal 2020, some courses were moved online due to the COVID-19 pandemic. Despite this, Sony continued to provide many opportunities for participants to build personal networks, with the introduction of a new triangular mentoring system in which intra-course teams comprising members from the general manager, senior manager, and young leader programs.

Sony formulates succession plans across the group and conducts periodic talent reviews to ensure that future leaders and managers are always being developed. Sony is training talented people to become future global leaders by offering comprehensive job rotations across different business segments and geographic regions.

### Main Initiatives to Develop Future Leaders at the Sony Group around the World

Electronics Business (Japan)	Sony Global Manufacturing & Operations Corporation established the Monozukuri Sogo Daigaku (Manufacturing University; an in-house HR development organization) in 2018 to enable employees to actively learn, accumulate expertise, and enhance their personal and professional skills as they strive to become true professionals. In fiscal 2020, Sony introduced a certification system for employees with outstanding techniques and skills and provided a wide range of in-house monozukuri-related programs designed to strengthen technological capacity over the medium-term and pass techniques on to younger generations of employees. Approximately 1,060 employees took advantage of these programs in fiscal 2020. Sony is also focused on the development of women leaders, key personnel, and global human resources and provides opportunities to learn from greater perspectives and viewpoints.
Electronics Business (North America)	Sony North America's mission, vision and values, including the organization's entrepreneurial spirit and willingness to take risks, are epitomized by its talent strategy. LEAD provides leadership programs tailored to the individual and includes management skills based on Sony's Purpose and how to influence others. The Development Studio program combines leadership training with research projects addressing business issues, and the Emerge program is designed to develop the business acumen and leadership skills that can lead employees into new positions. These programs help those employees who are expected to move up in the company deepen their understanding of the importance of engagement and diversity, learn more about the businesses in which they are engaged, and practice the conduct expected of them as employees of Sony.
Music Business	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 Business	To support the development of top talent, Sony Pictures Entertainment Inc. facilitated three programs intended to build leadership and industry acumen at key stages in an employee's career. The Take the Lead program aims to equip people managers to effectively lead their teams and drive engagement. The Take the Lead program provides each manager with a certified coach to help them develop skills and work on their individual challenges. 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.

## Employee Engagement

Sony's original Founding Prospectus set forth a management commitment to enable each individual to fully exercise his or her abilities and skills. Sony co-founder Akio Morita once said to the company's newest recruits, "If you ever find yourself regretting that you joined Sony, quit right away. You only live once. Once you truly commit to working at Sony, there is a mutual responsibility. I hope you won't arrive at the end of your life with regrets about having worked at Sony." To fulfill these founding principles, Sony is constantly working to enhance working conditions and keep employees motivated by offering a mutually stimulating environment in which diverse individuals can enjoy work-life balance, have confidence in the company and management team, and share a commitment to creating value in Sony's businesses. Sony implements diverse structural, environmental, and cultural initiatives, so that ambitious and self-motivated employees can grow with Sony and continue 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 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. Since 2017, Sony group companies in Japan have been implementing a work-style reform project that is furthering existing initiatives by raising awareness of schemes such as a day for leaving work at the prescribed time and ensuring employees take advantage of these schemes, as well as encouraging employees to take their paid leave. Meanwhile, the Sony Group worldwide is moving forward with work-style reforms by recognizing creative efforts in individual workplaces such as business process improvements and techniques for making meetings effective and then sharing and adopting these good practices. In Japan, Sony has introduced a flex-time system, a discretionary working system, and an advanced professional system which enable employees to work with versatile options. In the past, Sony employees have used a high percentage of their allotted annual paid days off each year. Last year, however, Sony Group Corporation employees used an average 11.9 days of paid leave, while employees of the Sony Group in Japan used an average 11.8 days, which is on par with the general average. The previous year's decline can be primarily attributed to the decrease in long vacations involving travel during the COVID-19 pandemic. Sony is working on ways to improve this situation, including frequently sending out information to actively encourage employees to utilize their paid days off.

\* "Average for other companies in Japan" is based on figures for the category of companies with 1,000 or more employees in Fiscal 2020 General Survey on Working Conditions, Ministry of Health, Labour and Welfare of Japan.

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

<b>Game &amp; Network Services Business (all sites)</b>	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.
<b>Music Business (Europe)</b>	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.
<b>Movie Business (North America)</b>	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.
<b>Electronics Business (Japan)</b>	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 (formerly Sony Corporation) has a flexible career leave program, which has been in place since 2015, enabling employees to take up to five years off to pursue studies or work on upgrading their language or communication skills, when accompanying a spouse who has been assigned abroad or embarks on international studies or 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.

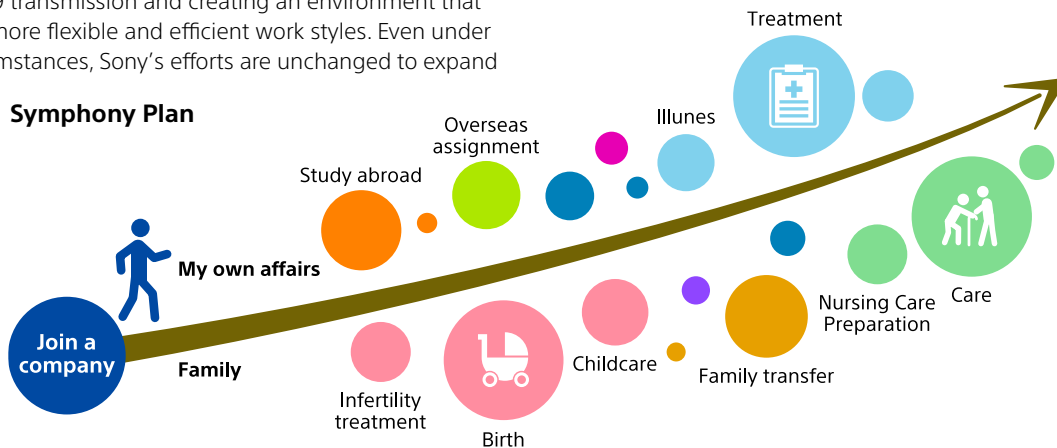
## Supporting Employees Balancing Work with Child Care, Nursing Care, and/or Medical Treatment

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 child care paid leave (up to 20 days), which can be used in conjunction with child care leave or a childcare and nursing care leave grant, which enables employees to take leave without having to worry

about finances, or accumulated leave, which can be used for pregnancy, childbirth, child rearing, fertility treatment, nursing care, and medical treatment purposes. These programs are widely used by employees.

For employees who have child care 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 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.

### Symphony Plan



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

## Percentage of Employees Using Child Care Programs at Sony Group Corporation (Formerly Sony Corporation) and Sony Group in Japan in Fiscal 2020\*1 \*2

		Sony Group in Japan
Employees who took child care leave (leave of absence)		25.3% (12.1%)
	Men	6.6% (2.5%)
	Women	98.9% (96.3%)
Employees who took child care paid leave		45.1% (45.5%)
	Men	47.8% (59.0%)
	Women	34.8% (0.0%)
Employees using reduced working hours for child care		8.3% (7.9%)
	Men	0.3% (0.0%)
	Women	38.2% (34.8%)
Employees who returned to work after child care leave*3		97.0% (97.4%)
	Men	96.4% (90.9%)
	Women	97.3% (98.5%)

\*1 Figures in parenthesis represent figures for Sony Group Corporation (formerly Sony Corporation) employees.

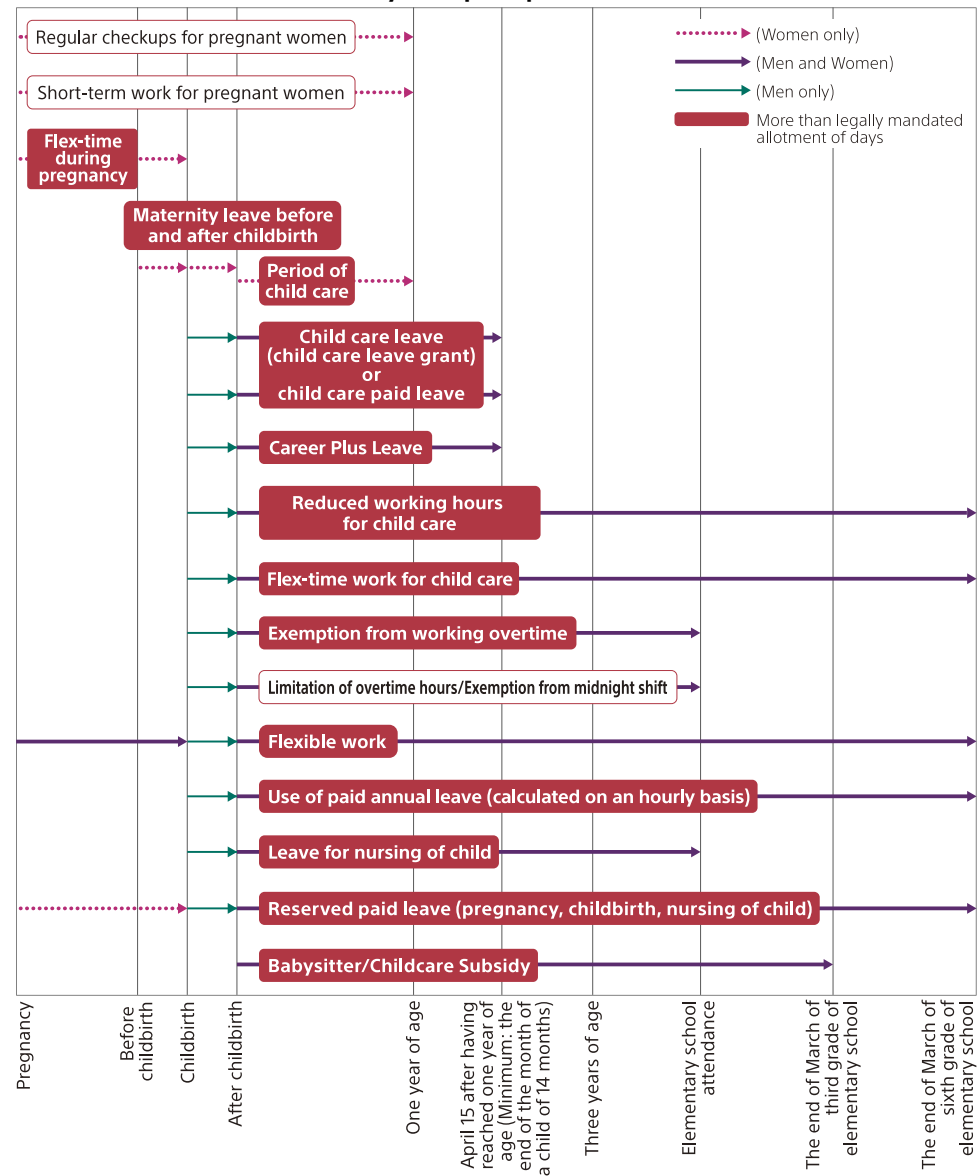
\*2 Percentage of employees who used the programs in fiscal 2019 and 2020 among employees who with newborns in fiscal 2019.

\*3 Percentage of employees who returned to work, among employees who completed their leave of absence by the end of fiscal 2020.

### Work-Life Balance Policies at Sony Group Corporation

Policies	Introduced (FY)	Description
Child care leave	1990	<ul style="list-style-type: none"> <li>Up through April 15 of the year following the date on which the child reaches 1 year of age</li> <li>Can be used in combination with child care paid leave when child reaches 8 weeks of age (for men)</li> </ul>
Reduced working hours for child care	1995	<ul style="list-style-type: none"> <li>Until the child is sixth grade of elementary school</li> <li>Flex-time system can also be used during period of reduced working hours for child care</li> </ul>
Child care leave grant	2007	<ul style="list-style-type: none"> <li>Grant of 50,000 yen/month during period of child care leave</li> </ul>
Child care paid leave	2007	<ul style="list-style-type: none"> <li>Provides for 20 days' paid leave</li> <li>Can be used in combination with child care leave when child reaches 8 weeks of age</li> </ul>
Flexible work (formerly called telework)	2008	<ul style="list-style-type: none"> <li>All employees eligible to work from home, a satellite office or elsewhere remotely</li> <li>Up to 10 full telecommuting days, no restrictions on number of partial telecommuting days*</li> </ul> <p>* For fiscal 2020, the limit on number of telecommuting days was eliminated to prevent the spread of COVID-19.</p>
Use of paid annual leave	2008	<ul style="list-style-type: none"> <li>Can be used on an hourly basis, for child rearing or providing nursing care for a family member</li> </ul>
Flex-time work for child care	2013	<ul style="list-style-type: none"> <li>Can be used until the child has graduated from elementary school</li> </ul>
Babysitter / child care subsidy	2015	<ul style="list-style-type: none"> <li>Until the child is third grade of elementary school</li> <li>Babysitter / child care fee subsidy</li> <li>Number of times eligible and amount of subsidy increased in 2017</li> </ul>
Career Plus Leave	2017	<ul style="list-style-type: none"> <li>Support continued career development by employees during child care leave, nursing care leave or flexible career leave (to accompany spouse)</li> <li>Allow some work from home while on leave</li> <li>Offer subsidies for education expenses while on leave</li> </ul>
Fertility treatment support	2020	<ul style="list-style-type: none"> <li>Child planning leave</li> <li>Reduced working hours for child planning</li> <li>Child planning flex-time</li> <li>Work-life balance leave</li> <li>Child planning subsidy</li> </ul>
Nursing care leave grant	2020	<ul style="list-style-type: none"> <li>Grant of 50% of standard monthly remuneration, up to 200,000 yen per month, during period of nursing care leave</li> </ul>
Support for designated medical treatments	2020	<ul style="list-style-type: none"> <li>Reduced working hours for designated medical treatment</li> <li>Flex-time for designated medical treatment</li> <li>Work-life balance leave</li> <li>Paid annual leave can be used on hourly basis</li> </ul>

### Child Care Leave Policies at Sony Group Corporation



## 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 child care (or nursing care) and work can build careers. Sony conducts seminars for employees who will be taking maternity leave. At these seminars, employees gain knowledge and information that will be useful during 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\*1 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.

\*1 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 and wait lists for daycare facilities, so that parents can work. The provisions enable corporations to organize the establishment and operation of daycare facilities.

 [Diversity Week](#)  
 [External Evaluation](#)

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

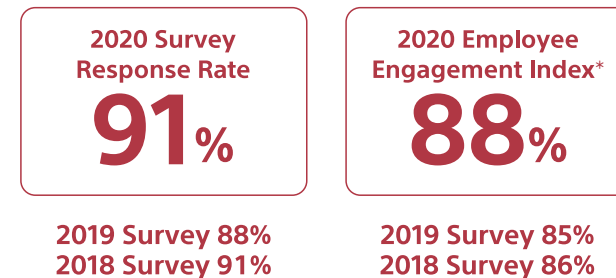
### Employee Engagement Survey

Sony implements a single employee engagement survey across all of its electronics and other businesses worldwide to collect information that is used to increase the engagement of each employee and energize the organizations. The survey gather and analyze 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 and growth. The survey results are used to identify areas for further improvement and effective action.

The 2020 survey, implemented in the midst of major changes in the external environment and work styles due to the global COVID-19 pandemic, indicated an overall improvement in employee engagement. Although the increase in trust in the company was particularly notable, employee satisfaction with work-life balance showed only a slight increase. 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



\* 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 electronics 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. There are roughly 1,000 of these employee-driven communities active worldwide. 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 10% of the overall workforce is unionized.

## Workplace

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

## Fostering Sony's Corporate Culture

Sony endeavors to create appealing workplaces that foster a corporate culture that will lead the company into the future. At the Sony City headquarters building, Sony's corporate culture is enhanced through user experience such as employee collaboration and 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 and corporate cultures that add to Sony's diversity.



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

## Making It Possible for People to Work in Diverse Ways

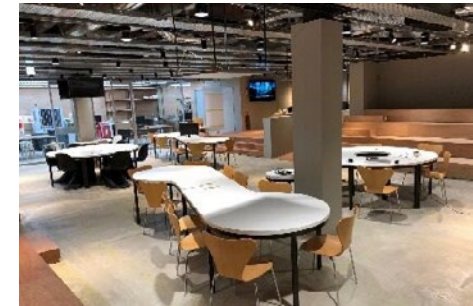
Sony's offices utilize open floor plans that encourage collaboration and foster the creativity and productivity of employees. Sony embraces an activity-based work-style concept to create functional workplaces that flexibly adapt to different styles of working and environments according to the work objectives 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.



Comi-chika creative collaboration space at the Atsugi Technology Center

## Increasing Employee Engagement

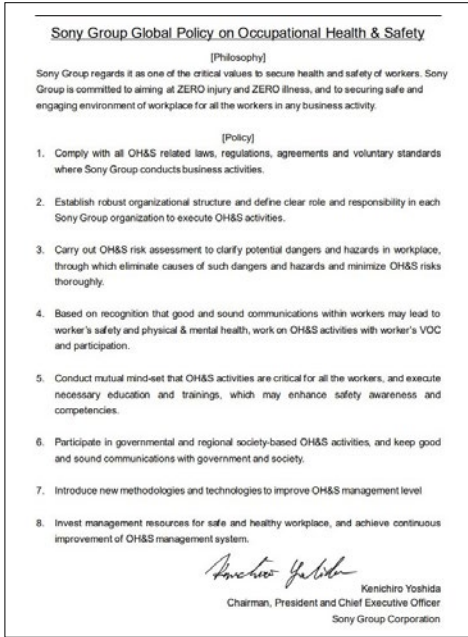
Sony is increasing employee engagement by creating appealing workplaces. Although the COVID-19 pandemic has given employees fewer opportunities to communicate with each other over a meal, the employee cafeteria still provides a safe space for employees to talk while practicing physical distancing and taking other measures to prevent the spread of infection.

[COVID-19 Measures and Accommodating New Work Styles](#)



## Occupational Health & Safety (OHS)

Sony has articulated a philosophy for Sony Group companies worldwide that states, "The Sony Group regards it as one of the critical values to secure the health and safety of workers. The Sony Group is committed to aiming at ZERO injury and ZERO illness, and to securing a safe and engaging environment in the workplace for all workers in any business activity." To fulfill this commitment, Sony works hard to build safe, healthy working environments for everyone working at Sony.



## Global OHS Initiative

### Sony Group OHS Vision

Sony has 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**

**The Sony Group regards it as one of the critical values to secure the health and safety of workers. The Sony Group is committed to aiming at 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.**



## 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. Sony set five action items under the OHS Medium-Term Plan for fiscal 2019-2021, and has since revised one of these targets with the completion of its transition to the ISO 45001 standard.

### [All Sites]

- Further improvement of OHS management system based on ISO 45001 standard
- Reduction of accidents caused by unsafe behavior
- Reduction of health risks

### [Manufacturing Sites]

- Better management of chemical substances
- Reduction of accidents caused by machinery

## -Further Improvement of OHS Management System Based on ISO 45001 Standard

Since fiscal 2019, Sony has operated an OHS management system based on the ISO 45001 international standard. In addition, since fiscal 2020, Sony has been working steadily to obtain ISO 45001 external certification beginning with manufacturing and logistics sites around the world and proceeding to other sites from there. One site in Japan/East Asia, one organization and three sites in China, six sites in Pan Asia, and one site in Europe have already obtained ISO 45001 external certification.

**–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 Hit by Object, slips, trips and falls due to unsafe behavior as a global priority due to the especially high number of such incidents. The target is to reduce the number of such incidents by 2021 to half the number of 2018.

**–Measures to Reduce Health Risks**

If employees are to work with a sound body and mind, perform at peak capacity, and innovate, the company must provide them with dynamic and appealing work environments. To achieve this, Sony is carrying out assessments of harmful workplace risk factors, and these assessments cover mental health issues. Sony then implements health risk reduction measures and health promotion activities based on the results of these assessments. The goal is to increase employee engagement, thereby enabling people to work and grow in good health and spirit. Further, the outbreak of the COVID-19 pandemic is seen as a new health risk, and Sony is implementing measures to prevent its spread at all of its sites.

[COVID-19 Measures and Accommodating New Work Styles](#)

**–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.

**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\*1 and comprising six Regional Safety Offices\*2 (Japan/East Asia,\*3 China,\*4 the Pan Asia,\*5 Latin America, North America, and Europe Region\*6) that are responsible for implementing cross-regional programs, as well as Regional Safety Officers\*7 appointed in each region. 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.

\*1 Top management is responsible for establishing Sony Group OHS policy and targets, establishing the organization for administering the OHS management system, and for appointing, dismissing, and directing Sony Group Regional Safety Officers.  
 \*2 Regional Safety Offices serve as staff for/are staffed by Regional Safety Officers and do the practical work to ensure that Sony Group companies comply with the laws and regulations related to health and safety in their regions and to ensure that the Sony Group achieves its health and safety goals.  
 \*3 The Japan/East Asia Regional Safety Office oversees the Japan, South Korea, and Taiwan region.  
 \*4 The China Regional Safety Office oversees the mainland China and Hong Kong region.  
 \*5 The Pan Asia Regional Safety Office oversees Mongolia, Asian countries other than the above, the Middle East, Oceania, and Africa.  
 \*6 The Europe Regional Safety Office oversees Europe, Turkey, Israel, Russia, and the former Soviet republics.  
 \*7 Each Regional Safety Officers establishes and directs a Regional Safety Office, sets and implements regional OHS-related targets and plans, directs compliance with OHS-related legislation and Group regulations, and orders remedial action when violations occur.

**Global OHS Organization**



- Establish Sony Group OHS policies and targets
- Establish and oversee an organization for administering the OHS management system
- Appoint, dismiss and direct Sony Group Safety Officers and Regional Safety Officers
- Sony Group's OHS-related headquarters functions
- Ensure legal compliance, set Sony Group targets, and conduct operations needed to meet the targets
- 〈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 order corrective action when violations occur
- 〈Regional Safety Offices〉
  - Regional Safety Officers' staff units
  - Carry out operations in their respective regions that are needed to ensure compliance by Sony Group companies with OHS-related legislation and meet Sony Group targets

## Activities of the Sony Headquarters OHS Office

### –Monitoring

To achieve the Vision Zero goals, the HQ OHS Office regularly collects information on the occurrence of occupational accidents and illnesses at Sony Group companies and sites, and information on the OHS activities carried out there. To collect information, Sony holds regular meetings with regional safety officers to share examples of good practices and events in the region, and this information is used in problem solving. Regional conferences are hosted by safety officers and attended by representatives from sites in the region to gather opinions from individual workplaces and share about any issues. In addition to regularly including information on good practices collected by the HQ OHS Office in in-house newsletters, each time a significant incident occurs or information on an accident comes to light, the office also instructs that actions be taken to prevent a recurrence.

### –Global Audit System

At Sony's sites, internal audits, corporate audits and external audits are employed to examine the effectiveness of OHS management systems. Internal audits are conducted for sites to examine the effectiveness of their own OHS management system in order to continuously improve the system and ensure that occupational accidents are prevented. The HQ and Regional Safety Offices carry out corporate audits to examine compliance with corporate rules. External audits are conducted to provide confirmation of the effectiveness of the OHS management system by a third-party certification body. These three types of audits combine to determine the effectiveness of the Sony Group OHS management system as a whole.

The HQ OHS Office is responsible for training corporate auditors and examining the effectiveness of audits carried out at the regional level. The Office, having established an

in-house auditor system and determined auditor qualification requirements, conducts periodic auditor training to enhance auditing skills.

### –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 feedbacked 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. In North America, the North America Regional Safety Office conducted an ISO 45001 training course for internal auditors in fiscal 2020. In order to prevent the spread of COVID-19, all OHS trainings organized by the HQ OHS Office, the Japan/East Asia Regional Safety Office and the North America Regional Safety Office in fiscal 2020 were conducted online.

### Fiscal 2020 HQ OHS Office OHS Training

Training program	Target group	No. of trainees
Global Auditors Training	Regional safety officers and managers	32

### Fiscal 2020 Japan/East Asia Regional Safety Office OHS Training

Training program	Target group	No. of trainees
OHS Managers Basic Training	Newly appointed site OHS managers	46
Accident Prevention Managers Basic Training	Newly appointed site accident prevention managers	26
Workers Comp Basic Training	Site OHS managers	28
Laser Safety Management Training	Site employees responsible for handling equipment	122
Chemical Substance Handling and Risk Assessment Training	Site chemical substance managers	21
Machinery/Equipment Handling and Risk Assessment Training	Site employees responsible for handling machinery and equipment	20
Internal Auditors Training	Site OHS managers	20

### Fiscal 2020 North America Regional Safety Office OHS Training

Training program	Target group	No. of trainees
Internal Auditors ISO 45001 Training	Newly appointed Site OHS managers	18

## ■ Occupational Health and Safety Initiatives by Region/Business

### Occupational Health and Safety Initiatives in Japan/East Asia

In the Japan/East Asia region, Sony occupational health and safety initiatives have been based on the Sony Group Global OHS Mid-Term Plan since fiscal 2019.

In the Japan/East Asia Region, Sony switched to an OHS management system based on ISO 45001 in fiscal 2019, and has been working to acquire ISO 45001 certification focusing on its manufacturing sites since fiscal 2020.

To achieve the Sony Group Vision Zero objectives, Sony has set a medium-term goal in the region of reducing accidents caused by unsafe behavior, aiming to reduce the number of accidents causing absence from work to 50% of fiscal 2018 levels by fiscal 2021. Although the number of accidents causing absence from work among Sony employees decreased in fiscal 2020, accidents causing absence from work increased among external contractors' employees working at Sony sites. This increase can be attributed to accidents during non-routine work, as well as similar accidents recurring due to a lack of across-the-board application of measures to prevent recurrence. To improve this situation, Sony is redoubling efforts to reduce the number of accidents causing absence from work by strengthening on-site safety inspection at sites, requesting that external contractors cooperate in ongoing safety activities, and developing measures to prevent the recurrence of accidents.

To reduce employee health risks, Sony strives to maintain and promote mental health. Sony is working to increase the percentage of sites that use the results of stress tests to implement workplace improvements. Sony is also sharing information on good practices throughout the group, as well as implementing "No Overtime Days" and taking steps to ensure employees do not work excessive hours. In addition, Sony provides support for non-smoking activities, working toward the goal of keeping workplaces free of second-hand smoke.

In fiscal 2020, Sony recognized 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.

➤ [COVID-19 Measures and Accommodating New Work Styles](#)

### Occupational Health and Safety Initiatives in China

In the China region, Sony completed its transition to ISO 45001 certification in fiscal 2020, with comprehensive ISO 45001 certification for the China Regional Safety Office and three manufacturing sites in China.

Since fiscal 2015, Sony business sites in China have continued to implement various accident reduction initiatives to achieve a goal of zero occupational accidents, including raising awareness of near-miss accidents, safety slogan, safety simulations for electric motorbikes, and production of safety videos. In fiscal 2020, Sony conducted new driving risk assessments using AI technology to evaluate vehicle traffic safety, analyzing a cumulative total of over 15,200 points of driving data. Sony provided traffic safety education based on the results of this analysis, which heightened driver awareness of the issue. As a result of these activities,



China Region comprehensive ISO 45001 certification

Sony halved the number of risky driving behaviors, such as sudden acceleration or sudden braking in the region.

### Occupational Health and Safety Initiatives in North America

Sony operations in North America consist of a diverse group of companies across many fields. Our 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.

#### -Emergency Preparedness

The SEL HR department and Security teams hosted the first live virtual Emergency Preparedness Fair in 2020. Over 120 employees participated in interactive discussions regarding Sony security procedures, disaster relief resources, active shooter responses, and related topics. The second such event in 2021 had even greater outreach across SEL including Canada.



Emergency Preparedness Fairs at Sony Electronics Inc. (SEL)



## 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 drill

They are basically three training of medical brigades (first aid), health campaigns for COVID-19 issues and security brigade handling fire extinguishers.



Emergency drill

## 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.

### –Sony Europe

#### – Mental Health Platform for workplaces –

Sony Europe installed a mental health platform for workplaces which enables a proactive and preventative approach to mental health. It is a space where employees can learn tools and techniques to manage stress, improve their sleep, performance, focus and much more.

#### –Stuttgart Technology Center (R&D) – Health Day –

A two-day event included multiple lectures on stress, resilience, and overall mental health topics. In addition, cardio tests were performed to those interested, and private doctor consultations were available for anyone who wanted to partake.

## Occupational Health and Safety Initiatives in Pan Asia

All manufacturing, logistics and R&D sites have implemented OHS Management system based on ISO45001.

For the purpose of preventing and reducing occupational injuries and illnesses of employees and external contractors, we provide training, education, promotion campaign and initiatives for raising safety awareness.

In FY2020, five manufacturing sites and one distribution center/logistics site have obtained ISO45001 external certification.

### –OHS award recognition

In FY 2020, the Chonburi Factory of Sony Technology (Thailand) Co., Ltd. (STT-C) and Sony Device Technology (Thailand) Co., Ltd. (SDT) in the Pan Asia Region were recognized with government OHS awards. These awards provide further motivation to ensure that operations continue to comply with the safety criteria of each award and that our employees and other stakeholders can work safely at Sony.



Zero Accident Campaign Award 2020 in Thailand (STT-C)



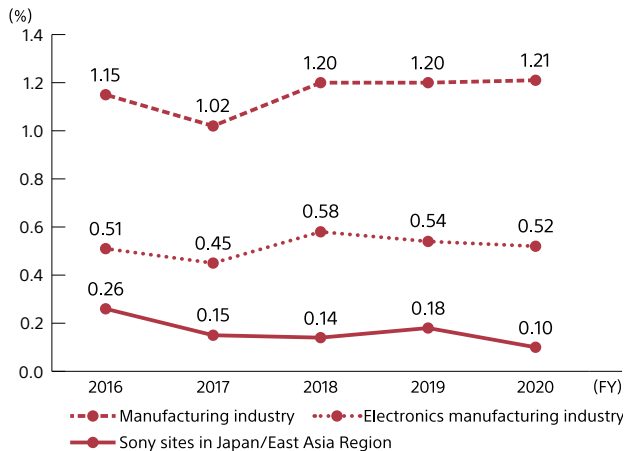
Good Labor Practice Award 2020 in Thailand (SDT)

## Global Workplace Injury Statistics

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.

### Workplace Accident Frequency Rates\*1



\*1 Figures for Sony refer to the frequency rate of accidents causing one or more days of absence from work, including for external contractors, at the manufacturing, non-manufacturing, logistics and R&D sites in Japan/East Asia. Figures for the manufacturing industry and the electronics manufacturing industry are collected from each year's Survey on Industrial Accidents published by the Ministry of Health, Labour and Welfare of Japan.

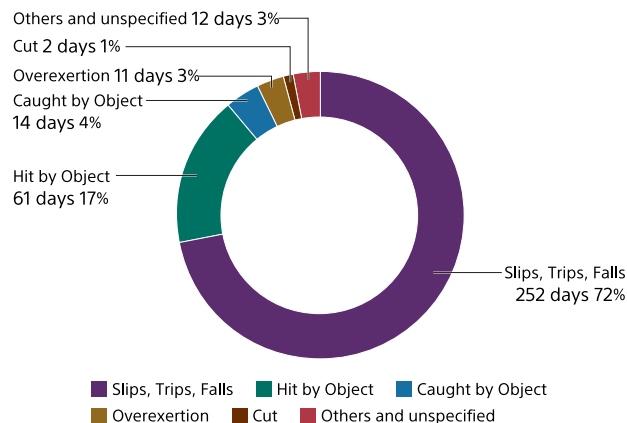
(FY)	2016	2017	2018	2019	2020
Manufacturing Industry	1.15	1.02	1.20	1.20	1.21
Electronics Manufacturing Industry	0.51	0.45	0.58	0.54	0.52
Sony sites in Japan/East Asia Region	0.26	0.15	0.14	0.18	0.10

### Workplace Accident Statistics in Japan/East Asia Region\*1 \*2

(FY)	2016	2017	2018	2019	2020
Number of accidents causing absence from work (external contractors)	16 (-)	17 (-)	16 (6)	20 (2)	12 (4)
Number of lost workdays (external contractors)	191 (-)	446 (-)	360 (100)	695 (88)	352 (245)
Frequency rate	0.26	0.15	0.14	0.18	0.10
Severity rate	0.0025	0.0038	0.0033	0.0061	0.0031
Number of deaths	0	0	0	0	0

\*1 Japan, Korea, and Taiwan Region  
 \*2 Totals include external contractors. Figures in parentheses indicate accident data for external contractors. This data was not collected before fiscal 2018.  
 Notes: 1. Scope of data for fiscal 2020: 62 sites (manufacturing and logistics sites, non-manufacturing sites including sales companies)  
 2. Comparative Statistics for Fiscal 2020 (Reference)  
 Average frequency rate in Japan: 1.95 for all industries, 1.21 for all manufacturing industries, 0.52 for the electronics manufacturing industry  
 Average severity rate in Japan: 0.09 for all industries, 0.07 for all manufacturing industries, 0.05 for the electronics manufacturing industry  
 Source: Fiscal 2020 Survey on Workplace Accident Trends (Ministry of Health, Labour and Welfare of Japan)

### Accidents Causing Absence from Work by Type (In Japan/East Asia Region · Includes External Contractors)

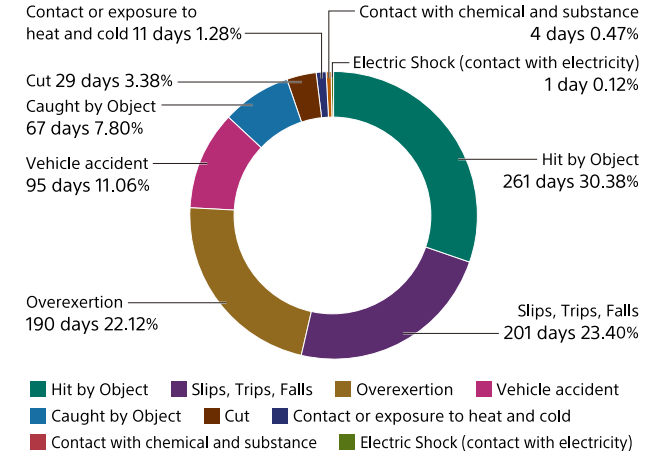


### Workplace Accident Statistics outside Japan/East Asia Region\*3

(FY)	2016	2017	2018	2019	2020
Number of accidents causing absence from work (Non-Sony employees)	79 (-)	96 (-)	89 (24)	54 (9)	59 (14)
Number of lost workdays (Non-Sony employees)	1,496 (-)	1,166 (-)	1,649 (200)	831 (49)	859 (218)
Frequency rate	0.67	0.88	0.71	0.53	0.54
Severity rate	0.0127	0.0107	0.0132	0.0081	0.0079
Number of deaths	0	0	0	0	0

\*3 Totals include non-Sony employees. Figures in parenthesis indicate accident data for non-Sony employees. This data was not collected before fiscal 2018.  
 Notes: 1. Scope of data for fiscal 2020: 124 sites (manufacturing and logistics sites, non-manufacturing sites including sales companies)  
 2. Formulas:  
 Frequency rate = Number of accidents causing one or more days of absence from work ÷ total number of man-hours worked × 1,000,000  
 Severity rate = Number of lost workdays ÷ total number of man-hours worked × 1,000

### Accidents Causing Absence from Work by Type (Outside Japan/East Asia Region · Includes External Contractors)





## ■ 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 early detection and prevention 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 to raises 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.

Support for individual employees is also important. Sony has established health-counseling services, offering access to counseling with clinical psychologists, occupational

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

For employees who receive treatment for cancer or other illnesses 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. Also, to ensure that employees are able to choose flexibly among a diverse array of working styles, Sony's managers, Human Resources Department, and Occupational Health Department work together to provide the most appropriate job support. Sony actively seeks to provide support that will enable employees to strike a proper balance between treatment and work, and to live with fulfillment and motivation. In fiscal 2020, Sony introduced the Symphony Plan, a program to help employees strike this particular balance. Sony works to enhance the program by incorporating expert perspectives, increasing the involvement of medical professionals and coordinating between internal and external stakeholders on working conditions tailored for individual treatment plans. Sony is also expanding its efforts to support cancer prevention and early detection by conducting cancer education for employees and incorporating cervical cancer testing for younger employees.

### Health Management for Employees Who Work Long Hours

As part of the comprehensive efforts to help employees stay healthy and prevent health problems, Sony employees who work long hours are seen by occupational physicians and occupational health nurses. Sony provides education and training for line managers on the health impact of working long hours to help these managers increase their understanding of and boost their skills in managing the work hours and health of the employees they manage. Working long hours for an excessive period of time not only cause physical and mental health issues, but also reduce job satisfaction of employees and risk 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 place an excessive burden on certain employees and a focus on workplace culture in which employees feel comfortable consulting with their superiors.

### 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 knowledge and 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 outside 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 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 occupational 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 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 health and exercise information through various channels and conducting sleep improvement 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. With Japan government's amended Health Promotion Act, which calls for the elimination of unwanted passive smoking, going into effect in April 2020, Sony is doing more than simply eliminating cigarettes and smoking areas from working environments by moving smoking areas outdoors. Sony hopes to make its working environments completely smoke-free by motivating smokers to quit, striving to ensure that they correctly understand the health risks to themselves and, through second-hand smoke, to those around them. Toward this end, Sony occupational physicians and occupational health nurses work closely with employees who are smokers to provide one-on-one

counseling and support. 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 Sony Group Corporation which is now below 10%.

## 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 of certain ages who were never vaccinated through public rubella vaccination programs with access to rubella antibody tests when they receive their regular health checkups.

### –COVID-19 Infections Disease Measures

Sony is making every effort to keep employees informed about infection prevention measures and help employees deal with stress and anxiety, placing highest priority on the safety and health of its employees and their families. The occupational health department has established a contact point where employees can receive personal advice via e-mail or telephone. In-house medical professionals provide

individual support and work precautions for employees with pre-existing conditions such as diabetes, cardiac failure, and respiratory disease, who are at a higher risk of suffering from COVID-19 seriously, as well as pregnant women.

[➤ COVID-19 Measures and Accommodating New Work Styles](#)

## 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 transferred overseas or traveling on business can work in safety and good health. Before departing for an overseas post, in addition to receiving healthcare information, medical checkups, and vaccination opportunities, 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 COVID-19 pandemic, Sony is providing extensive information to employees on topics such as adjusting to working from home and dealing with stress. Employees working abroad including those who are unable to return to their home countries are provided with access to medical checkups through local health service providers. Sony offers employees who 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 occupational physicians tracking the situation at sites and medical facilities overseas to provide the support that employees working overseas need in order to feel secure.

## External Evaluation

The Sony Group's initiatives have earned high marks from various global institutions.

### Sony Group in Japan

- Sony Group Corporation (formerly Sony Corporation) has received a gold rating in the Pride Index for its LGBTQ initiatives for five consecutive years since 2016. Sony Group companies have been rated by the index, as well, and are expanding their LGBTQ+ initiatives. Sony's rating highlighted its equal treatment policy for same-sex partners and heterosexual spouses in its employee benefit and welfare policy\*1 and for its activities that have an impact outside of the company.

\*1 The employee benefit and welfare policy includes recognition of transfers to new posts away from family and separation allowances, congratulatory and condolence payments, congratulatory and condolence leave, school bag presentation ceremonies, Sony Family Day (family visits to the workplace), babysitter/child care subsidies, childcare leave, reduced working hours for childcare, care receiver conditions under the nursing care-related policy, and eligibility for Sony Family Cards.

### Sony Group Corporation (Formerly Sony Corporation)

- In 2017, won the Grand Prix of Ikumen Award from Japan's Ministry of Health, Labour and Welfare
- In 2016, awarded the highest level of "Eruboshi" certification by Japan's Minister of Health, Labour and Welfare in recognition of its outstanding performance in promoting women's interests. This recognition was granted because Sony was found to satisfy all five criteria set out in the Act on Promotion of Women's Participation and Advancement in the Workplace: (1) hiring; (2) continuous employment; (3) work hours and other

working conditions; (4) women's share of management positions; and (5) diversity in career path options.

- In 2007, 2010, 2013, and 2015, certified by the Tokyo Labor Bureau as a company that actively supports parenting initiatives in line with the Law for Measures to Support the Development of the Next Generation.

### Sony Group Companies Outside Japan

- Sony Pictures Entertainment, Sony Corporation of America, Sony Interactive Entertainment and Sony North America all received a 100% rating in the Corporate Equality Index (Rating Workplaces on LGBTQ Equality) operated by Human Rights Campaign.
- Sony Pictures Entertainment Inc. has been recognized by the National Business Inclusion Consortium and the National LGBT Chamber of Commerce as a Best of the Best Corporation for Inclusion for two consecutive years since 2019.

Moving forward, Sony will continue working in line with its Diversity Policy to build a work environment where employees will all be able to fully demonstrate their individuality and abilities, and diverse employees can play major, meaningful roles.

- ✧ Key Activities to Promote Women's Career Development at the Sony Group around the World
- ✧ Key Activities to Promote Career Development of Individuals with Disabilities at the Sony Group around the World
- ✧ LGBTQ+ Initiatives by the Sony Group around the World
- ✧ Main Work-Life Balance Initiatives at the Sony Group around the World



Received the highest 100% rating in the Corporate Equality Index (Sony Corporation of America, Sony Interactive Entertainment, Sony North America and Sony Pictures Entertainment)



Awarded Best of the Best Corporation for Inclusion (Sony Pictures Entertainment)



Received a 100% rating, the highest possible score, in the Disability Equality Index (Sony Corporation of America)



Received a gold rating in the Pride Index (17 Sony Group companies)



Awarded the Ikumen Award Grand Prix



Awarded the highest level "Eruboshi" certification by Japan's Minister of Health, Labour and Welfare



Certified as a Support the Development of the Next Generation company (Kurumin mark)



# Responsible Supply Chain

## 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 3.0 edition

## Fiscal 2020 Highlights

**Cobalt: Continued Supply Chain survey and donated to supporting activities at mining sites**

Supplier plants conducting CSR assessment: **564**

## ■ 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

The foundation of Sony's efforts to build a responsible supply chain is the compliance of each and every director, executive, and employee with the Sony Group Code of Conduct and 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.

## Main Achievements in Fiscal 2020

Here are the main results of fiscal 2020 initiatives:

- Conducted CSR self-assessment surveys at 13 Sony manufacturing sites in Japan, China, Korea, Thailand, Malaysia, the UK, and Brazil
- Conducted interviews of on-site contractors at a number of Sony manufacturing sites in Japan, covering their hiring process for technical intern trainees and the labor conditions of trainees
- Conducted CSR assessments at 564 Sony suppliers plants
- Enhanced periodic assessments at existing suppliers
- Conducted on-site visits to supplier manufacturing sites in Japan with the aim of improving labor, health and safety, including the hiring process for technical intern trainees and the labor conditions of trainees
- Encouraged cobalt refineries in supply chain to join the audit program, and donated funds to the foundation that covers the cost for refineries to undergo assessments

## 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.

- [\[WEB\] Sony Supply Chain Code of Conduct \[PDF:282KB\]](#)
- [\[WEB\] Sony Group Policy for Responsible Supply Chain of Minerals \[PDF:283KB\]](#)
- [\[WEB\] Sony Group Policy for Responsible Supply Chain of Minerals Hotline](#)

## Supply Chain Management

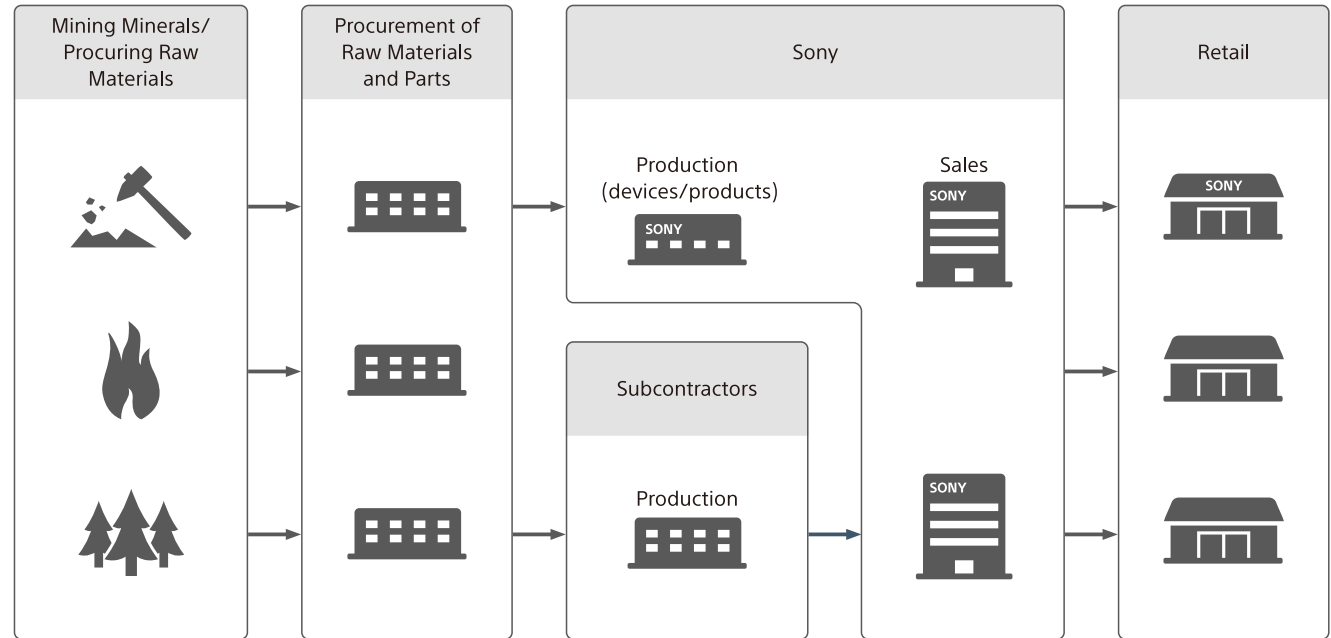
Sony supply chain management focuses not only on its own production sites, but also on those of suppliers and subcontractors.

### Establishing and Promoting the Sony Supply Chain Code of Conduct

#### Basic Approach

Sony recognizes the increasing importance of global companies' responsibility to manage their supply chains responsibly as diligent members of society and is taking a variety of steps to structure a responsible supply chain. Sony works with its suppliers to address issues such as human rights, labor conditions, health and safety, and environmental protection throughout its supply chain.

### Basic Structure of the Supply Chain



## Sony Supply Chain

The Sony supply chain stretches across the entire globe. As of June 2021, the Group has its own electronics manufacturing sites in Japan, China, South Korea, Thailand, Malaysia, and the UK.

In fiscal 2020, the value of transactions with parts suppliers and OEM/ODM suppliers by geographic area was as follows: Mainland China and Hong Kong Region (47.3%), Japan (20.5%), Asia-Pacific (15.4%), Europe (8.5%), and other areas (7.8%).

### Electronics manufacturing sites at Sony (as of June 2021)

**[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.

**[South Korea]**

- Sony Electronics of Korea Corp.

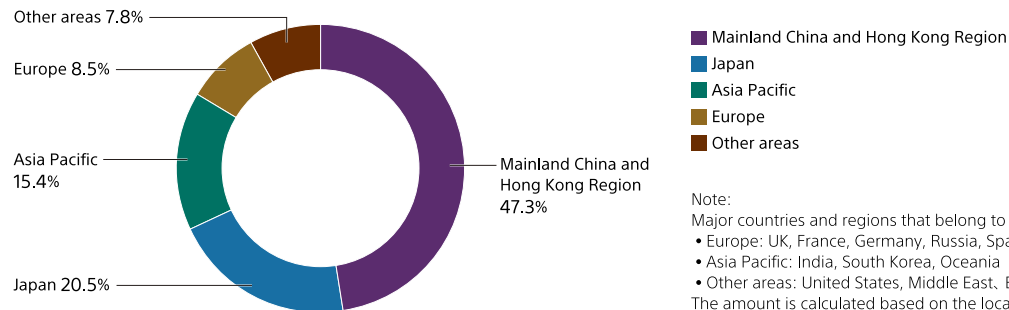
**[Malaysia]**

- Sony EMCS (Malaysia) Sdn. Bhd.

**[China]**

- Sony Precision Devices (Huizhou) Co., Ltd.
- Shanghai Suoguang Visual Products Co., Ltd.
- Sony Digital Products (Wuxi) Co., Ltd.

### Value of transactions with parts suppliers and OEM/ODM suppliers by geographic area (as of March 2021)



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



## Sony Supply Chain Code of Conduct

In recent years, stakeholders have become increasingly concerned about manufacturers’ responsibilities in relation to the product supply chain, including issues related to human rights, labor conditions, health and safety, and environmental protection, not only at their own production sites, but also at the production sites of subcontractors and parts suppliers. Conduct at Sony production sites is guided by the code issued by the Responsible Business Alliance (RBA\*), which Sony joined when the alliance was established in 2004. All Sony electronics manufacturing sites are involved in ongoing efforts to ensure compliance with the RBA Code of Conduct, which represents industry best practices. Recognizing that parts suppliers, subcontractors in design and production, and other partner firms are all involved in the production of Sony products, and seeing the need to address these issues within a framework that meets Sony’s standards, in 2005 Sony established the Sony Supplier Code of Conduct, based on the RBA Code of Conduct. To enhance its CSR management in the supply chain, in 2016 Sony replaced the Sony Supplier Code of Conduct with the

Sony Supply Chain Code of Conduct. The new code adopts the RBA Code of Conduct to govern all manufacturing processes at both Sony’s own electronics manufacturing sites and those of its suppliers. The RBA Code of Conduct has been translated into 26 languages including English, Chinese, Japanese, Thai, and Malay, and was updated to Version 7.0 effective January 1, 2021. Accordingly, the Sony Supply Chain Code of Conduct was updated to Version 3.0 to adhere to the changes in the RBA Code of Conduct. Compliance with the Sony Supply Chain Code of Conduct is included in the contract signed when Sony begins doing business with a supplier. As a part of the customer requirements under this Code of Conduct, Sony requests compliance with the Green Partner Environmental Quality Approval Program and the Sony Group Policy for Responsible Supply Chain of Minerals.

\*1 The Electronic Industry Citizenship Coalition (EICC) changed its name to the Responsible Business Alliance (RBA) in October 2017.

[WEB Sony Supply Chain Code of Conduct \[PDF:282KB\]](#)  
[WEB RBA Code of Conduct](#)

## Sony’s Structure for Promoting Supply Chain Management

At Sony, Sustainability Section and compliance groups at the head office take the lead in promoting responsible sourcing activities in cooperation with other related divisions in Sony Corporation, business groups and relevant functions at manufacturing sites. Under the supervision of the Senior Executive Officer 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 Officer in charge of Manufacturing and Procurement and the Senior Executive Officers in charge of each business unit appoint managers responsible for implementing the Rules in relevant areas and set up administrative offices.

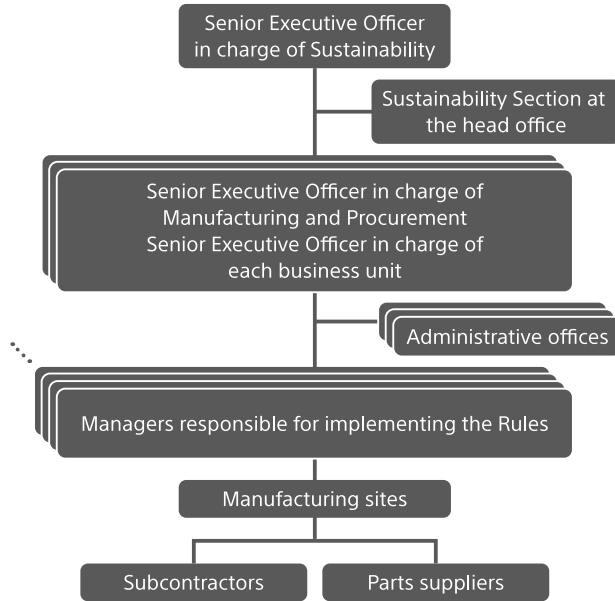
The administrative offices are responsible for the general execution of the Operational Rules for the Sony Supply Chain Code of Conduct, which includes ensuring compliance with the Code at electronics manufacturing sites both at Sony, its subcontractors and parts suppliers, conducting risk assessments and regular monitoring, and implementing necessary improvements. The offices are also working to provide training to improve awareness and boost the relevant skills of procurement personnel.

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 immediately reported to the relevant manufacturing site or the Senior Executive Officer in charge of the business unit engaged with that supplier.

### Issues Covered in the Sony Supply Chain Code of Conduct

A. Labor	B. Health and Safety	C. Environmental	D. Ethics	E. Management Systems
1) Freely Chosen Employment	1) Occupational Safety	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

### 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 CSR self-assessment survey at all of its electronics manufacturing sites in and outside of Japan to evaluate compliance in five categories designated by the RBA Code of Conduct: 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 2020, 13 manufacturing sites in Japan, China, Korea, Thailand, Malaysia, the UK, and Brazil completed self-assessment surveys. The results showed that risk of non-compliance was low at all manufacturing sites. In recent years, forced labor among foreign and immigrant workers at factories manufacturing electronic products and components has become an issue around the world. In Japan, many foreign workers including technical intern trainees are employed in manufacturing, as well as various other industries, including agriculture, forestry, fisheries, construction, and as caregivers. With the increase in media coverage, allegations of foreign worker exploitation have been recognized as an important social issue in Japan. Since fiscal 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 2020, Sony continued to conduct document assessments and interviews 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 being taken to ensure compliance with the labor standards set out in the Sony Supply Chain Code of Conduct. In cases where any possibility of a violation of the Sony Supply Chain Code of Conduct is reported by external sources, such as NGOs or media reports, the manufacturing site in question determines the facts of the case. If this determination confirms the reported violations, Sony ensures that corrective action is immediately taken, including an RBA audit conducted by a third-party auditor.

#### Education to Raise the Awareness of Procurement Personnel

In fiscal 2019, Sony conducted group training on the requirements of the Sony Supply Chain Code of Conduct for all procurement personnel in Japan, in an effort to ensure socially responsible supply chains. In fiscal 2020, this training was provided to new employees and mid-career 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 socially responsible procurement and how it relates to their work while also assessing their general understanding. Sony will continue to work to raise awareness of socially responsible procurement.

## ■ Sony's Approach to Supplier Relations

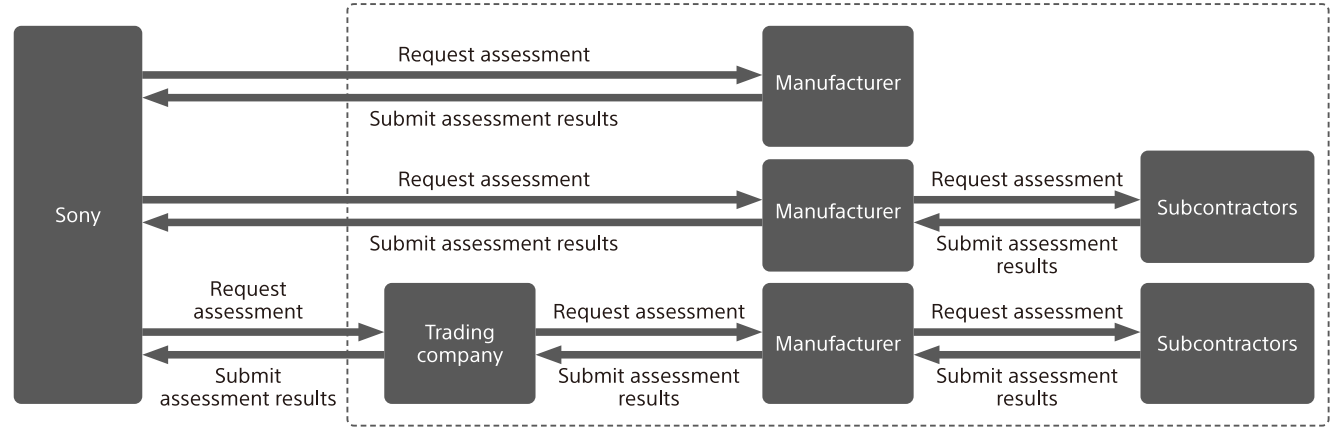
### Monitoring Activities and Follow-Up Measures to Ensure Compliance with the Sony Supply Chain Code of Conduct

The Sony Supply Chain Code of Conduct outlines Sony's expectations of its suppliers. Compliance with the Sony Supply Chain Code of Conduct is included in contracts signed when Sony begins doing business with a supplier. Suppliers are kept informed of changes to the Code of Conduct and receive updated documents. To further ensure that suppliers are taking action to comply with the Code of Conduct, Sony regularly reminds suppliers of their responsibilities and obtains a written confirmation of compliance from suppliers. In fiscal 2019, Sony reminded all suppliers of their requirements under the Sony Supply Chain Code of Conduct, which include observing the rights of workers to choose employment freely, to receive humane treatment, and not to face discrimination. Sony also requested all suppliers to further tighten their supply chain management to prevent forced labor.

As part of its efforts to ascertain supplier compliance with the Sony Supply Chain Code of Conduct, Sony conducts assessments based on the supplier's risk level, for all new 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 Sony does business with.

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 a CSR self-assessment using questionnaires from the Responsible Business Alliance (RBA). Assessments evaluate compliance with the Sony Supply Chain Code of Conduct specifically in items related to forced labor among foreign, migrant and immigrant workers, which

### Scope of Supplier Assessment



has become a serious issue worldwide. In recent years, forced labor and other social issues have become more and more serious around the world. In 2020, Sony expanded the scope of the document assessments in order to address these supply chain risks. Questionnaires returned by suppliers are analyzed to identify potential risks. The results for individual plants are evaluated to determine whether suppliers are in compliance with the Sony Supply Chain Code of Conduct.

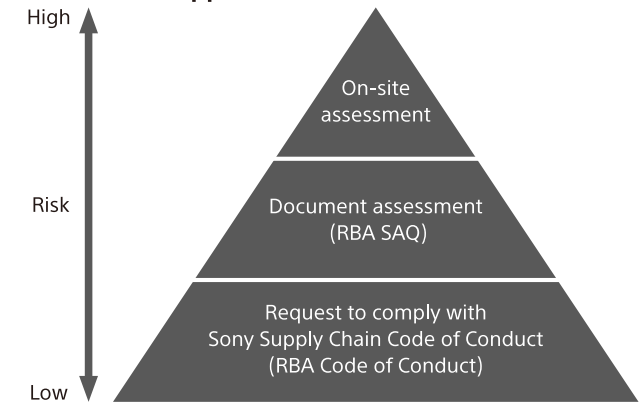
If a manufacturer is suspected to be in violation of the Sony Supply Chain Code of Conduct, an on-site visit is conducted and employees and managers are interviewed in person to verify the actual management situation. Sony issues improvement instructions if needed, verifies the improvement results, and assesses to start business dealings.

If an assessment indicates any serious violations of the Sony Supply Chain Code of Conduct at a supplier's plants, the supplier is removed from consideration for new business dealings with Sony.

The following are examples of serious violations:

- 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 issue

### Risk-Based Supplier Assessment



Major OEM and ODM suppliers that do sizable business with Sony continue to conduct annual self-assessments using RBA Online even after starting business dealings. If a self-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.

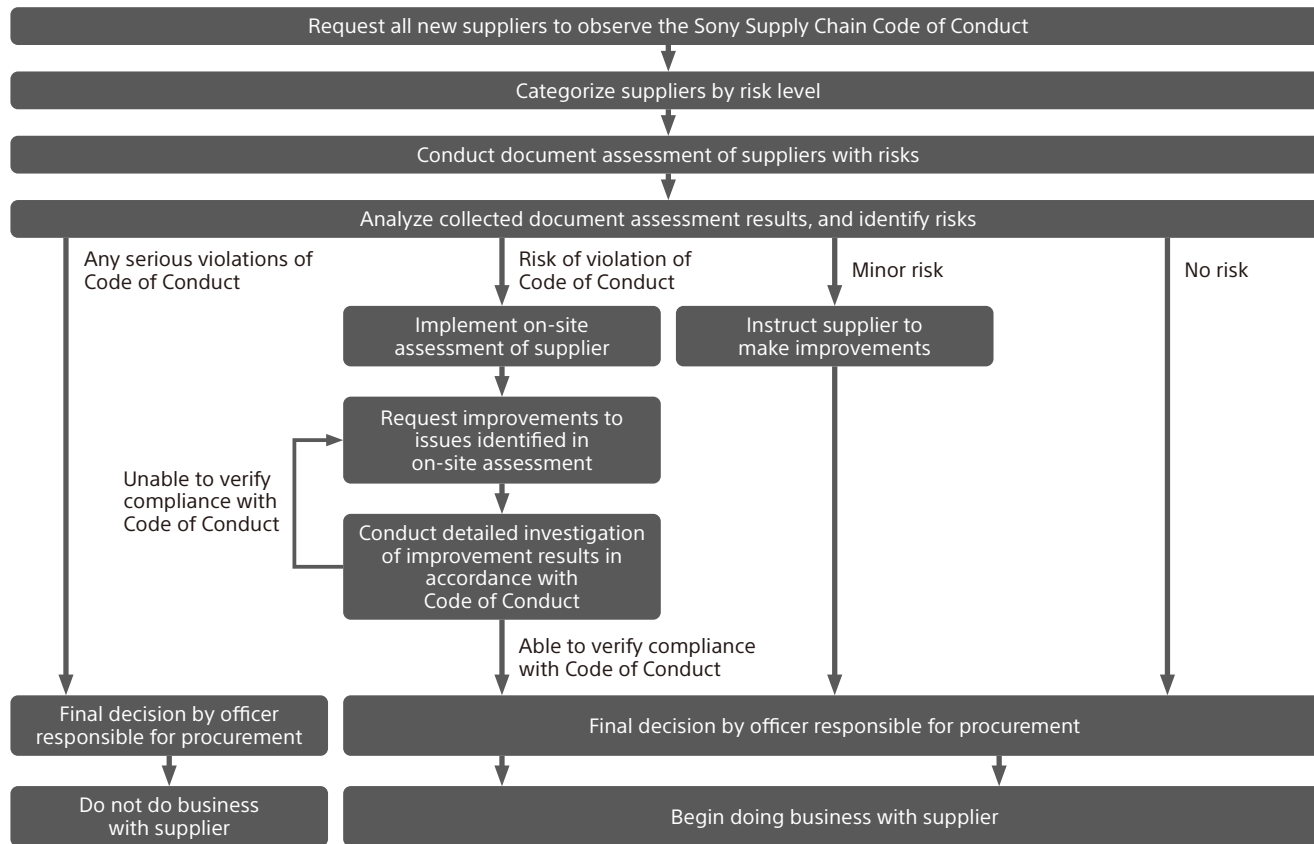
**-Periodic Assessment of Suppliers**

In fiscal 2020, with growing stakeholder interest in the issue of forced labor in the electronics industry supply chain overall, Sony strengthened activities related to periodic assessment of existing overseas suppliers for compliance with the Sony Supply Chain Code of Conduct. Sony has conducted document assessments regarding labor issues specifically and, as of March 2021, has completed

assessments at approximately 500 supplier plants. The assessments found no serious violations at any plant and have identified minor violations, such as excessive working hours, at 15% of the plants. Sony has issued instructions for improvement to suppliers with minor violations and is confirming implemented improvements based on evidence submitted.

In addition, assessments and interviews regarding labor, health and safety, and supply chain management were also conducted during on-site visits at three supplier plants in Japan. The results show that these plants are in compliance with the standards set out in the Sony Supply Chain Code of Conduct. Going forward, Sony will continue issuing instructions for improvement to specific suppliers and other activities as part of its efforts to build a responsible supply chain.

**Assessment Flowchart for Starting Business Dealings with Suppliers**



**Assessment Results for Fiscal 2020**

In fiscal 2020, Sony requested that all suppliers including existing suppliers comply with the Sony Supply Chain Code of Conduct, and conducted document assessments for 564 supplier plants. Based on the results, Sony identified 86 plants that were determined to be at risk of violating the Code of Conduct and provided improvement instructions to them. On-site assessments were conducted at six plants. Sony conducted assessments of approximately 819 plants over a three-year period.

**Assessment Results**

(Number of supplier plants)

	2018	2019	2020	Total
Total	150	105	564	819
Of which, provided the followings;				
Improvement instructions	9	5	86	100
Improvement instructions and On-site assessment	15	8	6	29

**–Examples of Instructions for Improvement Based on Observations from On-Site Assessments**

• **Working hours**

**Observation:** Excessive working hours at a supplier in China (over 60 hours per week)

**Improvement instructions:** Requested systematic improvement of working hours (to bring them below 60 hours per week) , and regular monitoring until improvements are completed

• **Employment of foreign workers**

**Observation:** Passports belonging to foreign workers were being held by a supplier in Malaysia

**Improvement instructions:** Requested that workers be allowed to keep passports themselves or that passports be held but available to workers at any time. The improvements were confirmed to have been implemented.

• **Young workers and student workers**

**Observation:** Young workers and student workers were working long hours or at night shifts at a supplier in China

**Improvement instructions:** Made the supplier prepare an improvement plan to eliminate long working hours and night shifts. The improvements were confirmed to have been implemented.

• **Employment-related fees**

**Observation:** Workers at suppliers in China were paying for medical checkups out of pocket

**Improvement instructions:** Made suppliers refund checkup fees and produce verified refund records

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, Sony cooperates with the supplier in question to confirm the facts of the case expeditiously and objectively. Specifically, Sony may request that the supplier's plants undergo a third-party RBA audit. In the event that any deficiencies are discovered, the supplier is required to develop an improvement plan, and Sony monitors the

supplier's performance in the form of follow-up audits to ensure the progress of initiatives. 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. Moreover, Sony 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.

**Initiatives for Secondary and Further Suppliers**

When starting new business dealings with suppliers, Sony requires compliance with the Sony Supply Chain Code of Conduct not only from the primary supplier, but also from plants supplying parts. For example, if a primary supplier is a trading company, Sony requests that the manufacturers and manufacturing sites supplying the trading company also observe the Sony Supply Chain Code of Conduct. In order to ensure that these requests are accepted Sony obtains written confirmation of compliance through the primary supplier from the manufacturers supplying parts and their plants. Sony also requests through primary suppliers that the Sony Supply Chain Code of Conduct is observed by secondary and further suppliers. Primary suppliers conduct self-assessments to verify their understanding of the Sony Supply Chain Code of Conduct and to ensure that it has been communicated internally and is being complied with. Additionally, primary suppliers communicate the Sony Supply Chain Code of Conduct to their own supply chains and require compliance.

**Communicating with and Supporting Suppliers**

Sony has appointed CSR specialists to communicate directly with suppliers to provide education and training opportunities to improve their capabilities. These CSR specialists strive to ensure that suppliers make continuous efforts to improve management systems and other

organizational structures, by communicating with them and providing direct guidance on ways to improve.

Personnel who are involved in parts procurement receive training on socially responsible procurement and the Sony Supply Chain Code of Conduct. Compliance with the Sony Supply Chain Code of Conduct is factored in when choosing suppliers, who are assessed and selected based on their human rights, ethical, environmental, and health and safety initiatives, one of the key criteria used by Sony in supplier selection.

In fiscal 2019, Sony took steps to further tighten supply chain management to prevent forced labor. Through its supplier portal site, Sony posted information on recent legislative and regulatory trends concerning human rights and provided industry examples of human rights issues. Sony also posted the Code of Conduct and provided assessment tools on the portal. With increased interest from stakeholders, Sony took an even more proactive approach to communicating with suppliers in fiscal 2020, including strengthening periodic assessments at existing suppliers.

Sony will continue to educate and support suppliers with their CSR initiatives encompassing labor, health, safety, and the environment, employing various methods including meeting with them.

**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 \(only in Japanese\)](#)

## ■ Working with Industry Groups

### 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.



**Responsible Business Alliance**

Advancing Sustainability Globally

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 2021, the RBA consisted of more than 170 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.

 [Responsible Business Alliance](#)

 [RBA Board of Directors](#)

### ■ Sony Pictures Entertainment’s Supplier Code of Conduct

Sony Pictures Entertainment (SPE) is committed to enhancing Sony Group’s responsible supply chain activities in the entertainment industry. In March 2021, it 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 Supplier Code of Conduct](#)



## 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. Sony has pledged its strong commitment to ethical business conduct and respect for human rights in the Sony Group Code of Conduct, which sets forth such core values and establishes basic policies including the prohibitions of using any form of forced labor, and specifically, child labor. To ensure compliance with the same standards throughout the electronics supply chain, including its own manufacturing sites, Sony has established the Sony Supply Chain Code of Conduct. All suppliers are requested to fully comprehend and comply with the Code in supplier contracts. 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. 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. At the same time, in implementing the policy, Sony makes sure that it is still able to source responsibly from those areas and avoid a de facto embargo. Sony currently identifies tantalum, tin, gold, tungsten and cobalt as High-Risk Minerals.

To obtain full compliance with this policy, Sony requires its suppliers to source from smelters that comply with the Responsible Minerals Assurance Process (RMAP)\*<sup>1</sup> program of the Responsible Minerals Initiative (RMI), which was established by the Responsible Business Alliance (RBA), or from smelters certified as being free from involvement in any armed conflicts or any serious human rights abuses, based on other trusted traceability projects such as the Good Delivery List compiled by the London Bullion Market Association (LBMA).

Sony has designed an internal due diligence framework to determine the country of origin and chain of custody for any High-Risk Minerals in its supply chain. This due diligence framework is designed to conform to the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (OECD Guidance).

\*1 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.

[WEB](#) [Sony Group Policy for Responsible Supply Chain of Minerals \[PDF:283KB\]](#)

### 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 28, 2021, Sony submitted its eighth report to the U.S. Securities and Exchange Commission (SEC) based on its review of its supply chain activities for the 2020 calendar year.

[WEB](#) [Sony’s report to the SEC \(Form SD & Conflict Minerals Report\) \[PDF:620KB\]](#)

### 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.

In investigating the origin of the four minerals used by the Sony Group overall, Sony first checks its operations to see where the four minerals are used in its products, and then identifies relevant products that are manufactured or outsourced for manufacturing by Sony in the survey year concerned. The survey is then conducted targeting electronic products requiring any of the four minerals either for product functionality or manufacture, including game consoles, in order to identify the smelters or countries of origin for the procured minerals concerned. 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. The smelters indicated in the survey responses are then carefully compared to the RMI smelters list.

In 2020, while the results of Sony’s due diligence for the 2020 report to the SEC did not reveal that any of the tin, tantalum, tungsten or gold in Sony’s electronics products was sourced from the DRC or adjacent countries, Sony concluded that it lacked sufficient information at this time to definitively determine the country of origin of 100% of these minerals in its electronics products. In the 2020 survey, Sony identified a total of 305 smelters and refiners as potential sources of the four minerals and, of those, 252 smelters and refiners were compliant with RMAP or were certified by LBMA\*<sup>2</sup>; 75 of these smelters and refiners\*<sup>3</sup> in the supply chain were reported to procure materials from the DRC and its adjacent countries.

\*<sup>2</sup> Includes smelters under RMAP assessment  
 \*<sup>3</sup> 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.

### Expectations for Sony Suppliers of the Four Minerals

If it is determined that any of the four minerals is 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 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 2020, 45 suppliers specified in their CMRT that they source from smelters that were not listed as conformant and that were unwilling to undergo an RMAP assessment. As a result of an improvement request by Sony, 26 suppliers conducted investigations and responded that the non-compliant smelters were not in fact in their supply chains, while nine replied that improvement measures would be taken.

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.

[WEB 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. Sony recognizes the human rights risks that exist at cobalt mining sites. In fiscal 2016, all Sony suppliers of lithium-ion

batteries and their parts we evaluated for compliance with the Sony Supply Chain Code of Conduct, and the chains of custody in the cobalt supply chain were examined. As a result, it was discovered that some battery parts procured by Sony contained cobalt produced in the DRC. Sony has since required that all its surveyed suppliers, as well as upstream suppliers, be fully compliant with the Sony Supply Chain Code of Conduct. Based on these results, 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 2020, Sony conducted another survey the using CRT of nine lithium-ion battery suppliers and identified 21 cobalt refineries in the supply chain. Of these refineries, 18 were confirmed as RMAP compliant or had RMAP-based third-party audits in progress.\*<sup>4</sup> In addition to directly making requests to the remaining three refineries to undergo third-party RMAP audits, Sony also asked the two battery suppliers with these three refineries in their supply chains to encourage the refineries to undergo third-party audits. In addition, Sony was a regular donor to Initial Audit Fund of RMI from fiscal 2016 to fiscal 2019. The fund helps cover the costs for cobalt refineries to undergo third-party RMAP audits. Moreover, in fiscal 2020, Sony donated to the RMI-Pact Partnership for Supporting Alternative Livelihoods Through a Vocational Training Program, an agreement between RMI and the NGO Pact to provide support to young people in DRC cobalt mining areas. Sony was also a donor to the Better Mining Project, an RMI project in partnership with the RCS Global Group which aims to improve the health and safety of mines in areas of the DRC where Artisanal and Small-scale Mining takes place.

\*<sup>4</sup> As of March 2021

## ■ 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

Sony actively participates in and supports industry groups and alliances that seek to identify and prevent or mitigate the adverse impact associated with mineral extraction in high-risk areas.

The Electronic Industry Citizenship Coalition (EICC, currently RBA) was founded with the objective of addressing social and environmental issues in the electronics supply chain. In 2011, the EICC launched the Conflict-Free Smelter Program (CFSP, currently RMAP), to provide leadership to the industry in this area. With the aim of promoting collaboration with other industries and multiple stakeholders, in August 2013 the EICC/GeSI launched the Conflict Free Sourcing Initiative (CFSI, currently RMI), Sony is a founding member of the initiative. Sony utilizes the frameworks developed by the industry groups and alliances as part of its efforts to ensure responsible sourcing of raw materials. From fiscal 2016 to fiscal 2019, Sony took steps to help all smelters in its supply chain to acquire RMAP validation by donating funds to help support the Initial Audit Fund. The fund is currently operated by the RMI and serves as an initiative encourage smelter participation in RMAP by covering the expenses involved for smelters undergoing the initial audit for RMAP validation inspection.

Sony also participates in the Public-Private Alliance for Responsible Minerals Trade (PPA), a joint effort of government, industry and civil society organizations led by the U.S. government to support responsible mineral

trade from the Great Lakes region of Central Africa. Since its establishment, the PPA has supported the creation of a pilot supply chain management system that includes certifying conflict-free mines, that is, mines that engage in responsible trade practices. The PPA also provides a platform for coordination among government, industry and civil society actors seeking to support conflict-free sourcing and self-sustaining trade from the DRC and the Great Lakes Region, and its website serves as a resource for companies seeking information regarding how to source responsibly. Moreover, as part of its overall effort to achieve conflict-free supply chains, Sony promotes active, ongoing dialogue with civil society organizations, industry groups and other external stakeholders for further improvement of conflict-free sourcing practices. For example, RMI holds workshops for discussions with NGOs, socially responsible investors, local government representatives and other stakeholders, in which Sony participates. Sony also works to support the industry initiatives of the Japan Electronics and Information Technology Industries Association (JEITA).



[!\[\]\(870f5d5e9c0d57485634be3ecf52f3ca\_img.jpg\) Responsible Minerals Initiative](#)

[!\[\]\(4fe57c3593bf1b21d272ae7ac8dfaf77\_img.jpg\) Sony Participates in Public-Private Alliance for Responsible Minerals Trade \(PPA\), a Joint Effort Led by the U.S. Government](#)



# Quality and Customer Service

## 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, services, or websites
- 2017:** Sony Product Security Incident Response Team (PSIRT) launched and external initiatives enhanced

## Fiscal 2020 Highlights

**Strengthened recruitment and training of personnel with HCD skills**

**Incorporated requirements for AI ethics into electronics business commercialization process**

## ■ 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.

### Main Achievements in Fiscal 2020

Here are the main results of fiscal 2020 initiatives:

- Delivered product quality and customer service that exceeds customers' expectations by adhering to a wide range of internal standards
- Gathered regulatory information as regulators in countries/regions move to establish laws and regulations concerning IoT security, and continued to operate internal frameworks to secure regulatory compliance
- Developed startup guides with a focus on connecting and setting up products, using basic functions
- Customer support staff attended regular training and seminars on new technologies and shared information on problem-solving to ensure truly useful service and information for customers.
- Analyzed customer feedback (including on social media) to improve product and service quality
- Posted convenient instruction manuals online to enhance searchability and improved online support

- Recruited personnel with HCD skills and expanded internal training to promote HCD skill acquisition
- Held lectures and events featuring internal and external experts to enhance employee understanding of HCD and accessibility
- Accessible wireless handy TV speaker won the bronze award at the IAUD International Design Award 2020, for two consecutive years
- The official website of Sony Life Insurance Co., Ltd. won the Accessibility Award at the 8th Website Grand Prix
- PlayStation®4 software title "The Last of Us Part II" won the Innovation in Accessibility Award at The Game Awards 2020
- Staged online exhibits for accessibility-related events worldwide such as the CSUN Assistive Technology Conference and TechShare Pro
- Evaluated BRAVIA® and other products with testing and hands-on experience by people with disabilities.
- In accordance with the Sony Group AI Ethics Guidelines, established an internal document stipulating requirements to be complied with in the commercialization process of Sony product in the electronics business
- Established unified achievement standards and systems to improve accessibility, and operated across the Sony Group

### 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. Sony will continue leveraging its worldwide network to collect and analyze information which can then be reflected in the next releases of products and services.

## Philosophy and Policy for Product Quality and Customer Service

Sony is committed to improving product and service quality from its customers' viewpoints and works hard to maintain and enhance their satisfaction, confidence and trust. This effort is driven by Sony's most important goal: to remain a highly trusted partner to its 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.



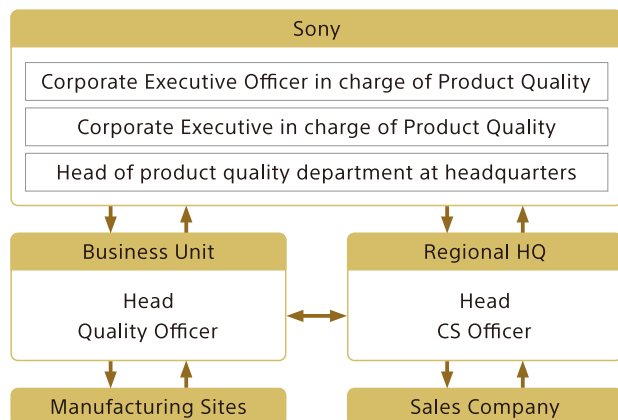
## Product Quality and Quality Management

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.

#### Framework of Sony’s Quality Management System



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. Sony has:

- Appointed the Corporate Executive in charge of Product Quality and has tasked this person with coordinating efforts to improve product and customer service quality and ensure timely responses to problems;
- Appointed Quality Officers within each business unit and has 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 Corporate Executive in charge of Product Quality and the head of the relevant business unit;
- 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 Corporate Executive in charge of Product Quality and the individual in charge of the relevant regional headquarters;
- Created a framework for promoting business unit- and region-specific initiatives to ensure Sony’s products comply with pertinent laws and regulations;
- Obtained certification under ISO 9001 for all sites manufacturing electronics products;
- Formulated mid-term plan and fiscal year targets for the quality of and customer service related to Sony products, 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 devised their own fiscal year quality and customer service targets and business plans, in line with which they continue to promote quality improvement initiatives;
- Held meetings of top managers of the electronics business to deliberate and decide on key strategies related to product quality and customer service;

- Held regular meetings of Quality Officers from business units 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;
- Held meetings of business unit Quality Officers and regional CS Officers 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;
- Formulated and administers Sony quality standards applicable to Sony’s electronics products and related customer service, which focus on such criteria as product safety and performance, labeling and customer service (these standards are updated continuously to reflect technological advances, changes in applicable legal and regulatory requirements, and social changes, aiming to ensure Sony’s ability to deliver quality and services that exceed the expectations of customers); and
- Strengthened rules worldwide to ensure prompt reporting to the Corporate Executive in charge of Product Quality 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.)

➤ [Responsible AI](#)



## ■ 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 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 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

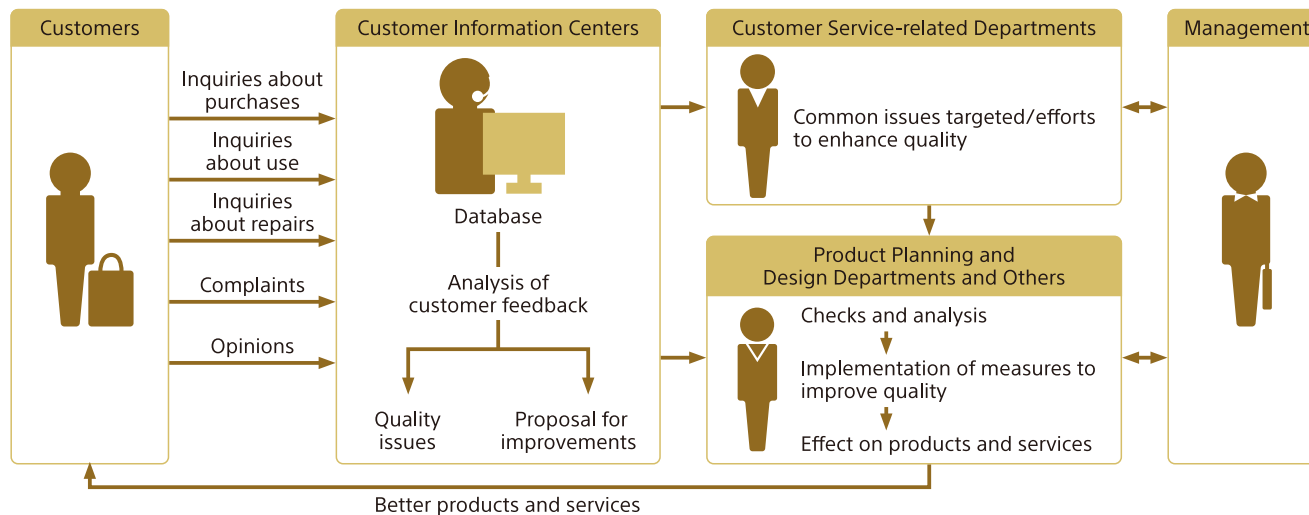
and overseas and reported weekly to headquarters quality management and technical specialists. Based on the reported information, Sony ascertains whether or not issues in the marketplace have been addressed appropriately. In addition to ensuring that such issues are thoroughly addressed, Sony is accelerating 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.

### Utilizing customer feedback



[WEB Important notices regarding products and services](#)

## 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.

#### Manufacturing-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 site and implementing Plan-Do-Check-Act (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 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.

In addition, Sony strives to ensure that the safety-related explanations and information it provides to customers are accurate, easy to understand, and clearly presented. 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 tasked with enhancing the long-term reliability of its products, 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 the aged 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 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.

## ■ 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 Corporate Executive in charge of Product Quality, 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 3,862 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 2020)

Region	Number of Repair Service Locations
Japan	464
United States/Canada	781
Europe	923
Mainland China and Hong Kong Region	556
Asia-Pacific *1	580
Others *2	558

\*1 Southeast Asia, Oceania, India, South Korea and Taiwan Region

\*2 Middle East, Latin America and Africa

## Human-Centered Design (HCD) Initiatives

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.

### ■ Structure

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 multifunctional 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.

### ■ 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. 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

Sony provides internal training so that not only those specialized in HCD, 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 for mastering HCD.

## | 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).

### ■ Structure

Under the Corporate Executive Officer in charge of Quality Management, a team that promotes accessibility and inclusive design\*1 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.

\*1 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 an international initiative, The Valuable 500,\*2 to help promote the active participation

of people with disabilities in society. In 2021, Sony was also named to the Valuable 500’s “Iconic Leaders,” which consists of companies that will lead the inclusion of people with disabilities. As part of this, 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](#)

\*2 The Valuable 500 was launched in January 2019 at the World Economic Forum’s Annual Summit in Davos to call on business leaders to make changes so that persons with disabilities can engage in business, social, and economic value creation.

### Employee Education

Sony Group holds forums and seminars led by experts to increase employee understanding of accessibility. In October 2020, an accessibility lecture was provided by an expert, along with a panel discussion including people with disabilities. The event served as an opportunity for employees to consider the importance of accessibility and inclusive design. Every year on Global Accessibility Awareness Day,\*3 Sony shares its accessibility activities with all employees via the corporate intranet. Each site in Japan, the United States, and Europe plays a key role in holding accessibility-related events on this day. In 2021, a roundtable discussion was held in which a panel of Sony Group engineers and personnel, including an employee with a hearing impairment, discussed the Group’s accessibility initiatives relating to products and services.

\*3 Global Accessibility Awareness Day is held to give people from around the world a chance to talk, think, and learn about accessibility for persons with various disabilities

## Inclusive Design Initiative

To enhance accessibility and enable more people, including persons 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 hand-on experience and provide feedback on how to improve product design. In developing the system software for PlayStation®5 and PlayStation®4, Sony employs iterative cycles of user testing to improve the accuracy of accessibility functions. Employees with disabilities evaluate products so that their perspectives can be incorporated into the development of products such as the Walkman® and apps for Sony audio equipment. Sony received a Bronze Award in the category of Product Design under the IAUD International Design Award 2020, repeating the 2019 recognition, for a wireless handy TV speaker that can be easily used by various people.

## Movie and Anime Initiatives

Sony Pictures Entertainment (Japan) and Aniplex Inc. are creating barrier-free audio descriptions and captions\*4 for the visually and hearing impaired. The barrier-free 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. Barrier-free captions are primarily for people with hearing disabilities. They show the names of the people speaking and their lines as well as meaningful information on the on-screen audio, such as music, sound effects, and ambient noises. Barrier-free audio description system and barrier-free captions enable more people to enjoy movies and videos.

\*4 Barrier-free audio descriptions and captions are only available in Japan.

## Independent Employee Initiatives

Groups of employees (Employee Resource Group) 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.

## 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 2019. During CSUN’s online exhibition in March 2021, Sony’s accessible products such as BRAVIA®, PlayStation®5, and Walkman® were on display. At the TechShare Pro conference gathering for accessibility experts held in November 2020, Sony 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 is proactively involved in standardization\*5 activities aimed at driving improvements in accessibility throughout the industry.

\*5 IEC 62731 Text-to-speech for television; IEC 62944 Digital Television Accessibility; IEC TC 100/TA16 (active assisted living (AAL), accessibility, and user interface).

## Working to Enhance Sony Website Accessibility

The Sony Group 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.

For example, Sony Life Insurance Co., Ltd. revamped its public website in November 2019 with the aim of making it even more convenient for all visitors, while enhancing content appeal. The new website meets 24 accessibility items including high-contrast page design for ease of reading, and access to Sign Language/Conversation-in-Writing Service. The website was recognized with the Excellence Award in the Accessibility Award category at the 8th Web Grand Prix sponsored by the Web Advertising Bureau, Japan Advertisers Association Inc., in November 2020.

Sony has 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) aims 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. The U.S. system has operated for more than 20 years and won top marks from the public, not only for indicating age categories but also for being the first to add 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.

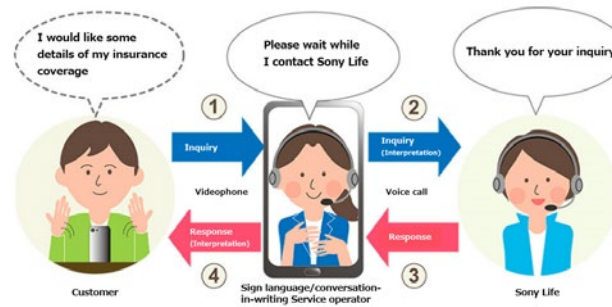
SIE has added a parental control function to its game consoles including PlayStation®5. This enables parents to ensure that their children can only use the console to enjoy games that are suitable for their particular age group, offering added safety and peace of mind. The feature also allows a parent to limit screen time and block the ability to chat with other remote users.



PlayStation®5

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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



# Environment

## 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 European sites
- 2010:** Road to Zero environmental plan announced
- 2015:** Approved as Science Based Targets (SBT) (the “2.0°C target”)
- 2018:** Sony joined RE100, a global initiative whose members commit to sourcing 100% renewable electricity for the worldwide operations
- 2020:** Reapproved as SBT (the “1.5°C target”)

## Fiscal 2020 Highlights

**Annual energy consumption of products:** **Down 54%**  
(compared with fiscal 2013)

**Greenhouse gas emissions at Sony sites:** **Down 11%**  
(compared with fiscal 2015)

**Raised awareness and inspired action by reaching an audience of over 2.3 billion through events and social media.**

## 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.

### Basic Approach

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. Working toward a zero environmental footprint by 2050, 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.

### Main Achievements in Fiscal 2020

Under the Green Management 2020 (GM2020) medium-term environmental targets, Sony put forward specific goals for each stage of the product lifecycle. Here are the main results of GM2020 initiatives:

- Annual energy consumption of products: Down 54% (compared with fiscal 2013)
- CO<sub>2</sub> emissions reduced by using renewable energy: 456 thousand tons-CO<sub>2</sub> (Cumulative total since fiscal 2016)

- Greenhouse gas emissions at Sony sites: Down 11% (compared with fiscal 2015)
- Waste generated at Sony sites: Down 15% (compared with fiscal 2015)
- Conducted biodiversity protection and education activities at all Sony sites
- CO<sub>2</sub> emissions from logistics: Down 39% (compared with fiscal 2013)
- Raised awareness and inspired action by reaching an audience of over 2.3 billion through events and social media.
- Promoted the One Blue Ocean Project worldwide, encouraged reduction of single use plastic use at Sony sites, and performed plastic waste cleanup activities in communities.

### Looking to the Future

Acting on the basis of Green Management 2025, which sets medium-term environmental targets for fiscal 2021-2025, Sony seeks to strengthen its own internal initiatives, encourages business partners, consumers, and other stakeholders to take action and works together to build a sustainable society. Sony will also focus on achieving climate change targets for products and businesses site with SBT certification by 2035 and its goal of sourcing 100% renewable electricity for all business sites by 2040. Aware of the risk of growing environmental impact as certain products get bigger and production increases, Sony is adopting even stronger measures to achieve its goal of “zero environmental footprint” by 2050.

### Related Links

- [Environmental Data](#)
- [Sony’s Global Environmental Plan](#)
- [Green Management 2020](#)
- [Green Management 2025](#)
- [Sony Group Portal Website “Environment”](#)

## 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.**

### Principles

Sony reduces our environmental footprint and prevents environmental pollution throughout the lifecycle of our



Sony focuses on four environmental perspectives

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\*1 generated throughout the lifecycle of our products, service and business activities.

#### –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.

\*1 Gases that raise the temperature of the earth’s surface by absorbing infrared radiation from reflected sunlight. Seven typical examples are carbon dioxide (CO<sub>2</sub>), methane, nitrous oxides, hydrofluorocarbons (HFC), perfluorocarbons (PFC), sulfur hexafluoride (SF<sub>6</sub>), and nitrogen trifluoride (NF<sub>3</sub>)

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.

[WEB Sony’s Global Environmental Plan](#)



## 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. To achieve this, Sony needs 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 will also investigate ways to offset any greenhouse gas emissions that might remain.

### –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. 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. 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 dismantle for recycling, in order to indirectly reduce resource consumption. Sony has identified certain key resources\*<sup>1</sup> 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. The aim is to reduce the use

of virgin materials covered by the identified key resources to zero.

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.

\*1 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.

[\[WEB\] Sony Group Paper / Printed Material Purchasing Policy \[PDF:398KB\]](#)

#### –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.

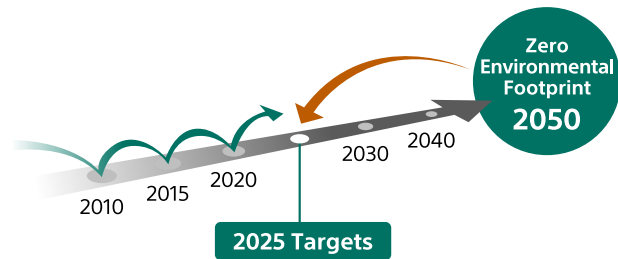
### –Focus on Biodiversity

Recognizing the importance of natural capital\*<sup>2</sup>, as the very foundation of human life, and the ecosystem services\*<sup>3</sup> it supplies, Sony endeavors to maintain and recover biodiversity, both in its business activities and through community initiatives. For example, Sony focuses on protecting biodiversity in business activities that can directly affect the local environment and biodiversity, such as the procurement of raw materials and components, water intake and discharge, disposal, logistics, and the purchase of paper, timber, and food. In addition, Sony promotes further reduction of the environmental impact from its business activities, including reduced greenhouse gas emissions, resource saving, reduced consumption of single-use plastic, and comprehensive management of chemical substances. By achieving these environmental targets, Sony promotes both the sustainable use of natural capital and conservation of biodiversity. Further, Sony strives to conserve natural capital and biodiversity through community initiatives such as greening projects at business sites and nature restoration projects in the surrounding areas in response to local needs.

\*2 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.  
 \*3 Services produced by natural capital and received by humans from nature include groundwater, lumber, and climate regulation.

## ■ Medium-Term Environmental Targets

Sony is working toward its goal of having a “zero environmental footprint” by 2050, setting medium-term (5-year) environmental targets progressively backcasted from 2050, and adjusting fiscal year 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 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 2016–2020). Sony is currently implementing initiatives to achieve the goals it has set under the Green Management 2025 medium-term environmental targets (fiscal 2021–2025).



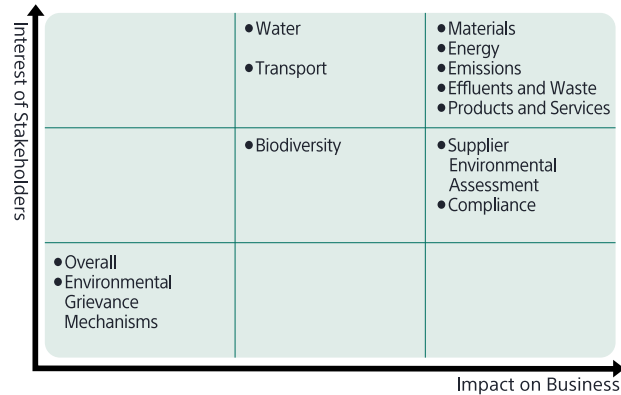
## ■ Green Management 2020

Sony is working to reduce its environmental footprint to zero by 2050, and has set a series of medium-term environmental targets to get there. Between fiscal 2016 and 2020, Sony introduced and implemented measures to achieve the Green Management 2020 medium-term environmental targets.

## Philosophy of Green Management 2020

When formulating Green Management 2020, Sony examined its past environmental activities and conducted a materiality analysis\*1 in order to incorporate the viewpoints of stakeholders outside the Sony Group. Based on these results, Sony specified raw materials, energy, atmospheric emissions, effluents and waste, and products and services as priority areas to tackle by 2020. It then designated water, biodiversity, and environmental assessments of suppliers as important issues requiring action. Sony has been addressing all of these issues for many years and designated them priorities under Green Management 2020.

### Sony Environmental Materiality Analysis

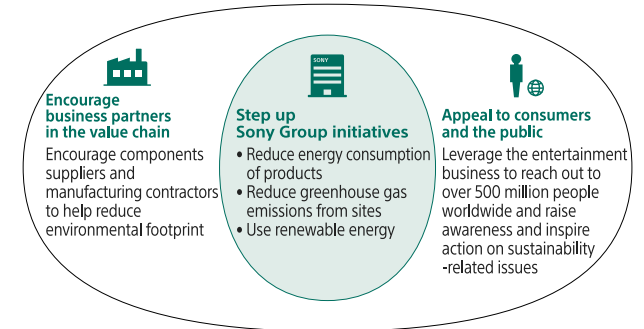


Note:  
 - The headings on the axes of the graph are environmental categories defined in the G4 Sustainability Reporting Guidelines from GRI.

Under the Green Management 2020, while strengthening its internal initiatives to reduce power consumption in products and decrease greenhouse gas emissions from sites, Sony is expanding the reach of its environmental initiatives to outside the company. These wide-ranging efforts include reaching more than 500 million people worldwide

through its entertainment business with campaigns to raise awareness of sustainability issues, and encouraging consumers and other social groups to take action; and working with its component suppliers and manufacturing contractors to reduce their environmental footprint. For details on Green Management 2020 targets and results, see the following page.

## Expanding Sony’s Environmental Activities under Green Management 2020



Sony has been recognized by stakeholders for setting goals and taking action under the Green Management 2020 targets. Sony’s climate change targets have been approved by the Science Based Targets initiative. This, in turn, led to Sony’s involvement in the “Take Action” climate change initiative of We Mean Business, an international coalition of businesses and investors, as well as Sony’s participation in the We Mean Business coalition’s “Improve Water Security” initiative to reduce water risks from 2017.

\*1 A materiality analysis is a method for identifying and specifying important issues for a company and its stakeholders.





## ■ Green Management 2020 Results

Under the Green Management 2020 medium-term environmental targets, which spanned from fiscal 2016 through fiscal 2020, Sony set targets for each stage of the product lifecycle and took action accordingly. With Green Management 2020 activities coming to a close at the end of March 2021, Sony achieved nearly all of its set goals. The targets and results of activities for each stage are outlined below.

### Product/Service Planning and Design

Sony delivered products and services with low environmental impact in all of its businesses. Although it has used a cumulative total of approximately 113 thousand tons of recycled plastic from fiscal 2014 through fiscal 2020 to meet its target of reducing the amount of virgin oil-based plastics used per product unit, Sony fell short of this target due to the expansion of the average TV screen size, among other factors. In fiscal 2021 and beyond, Sony will expand its use of recycled plastic and promote initiatives to reduce the amount of plastic packaging per product unit by 10% and eliminate plastic packaging from newly-designed small products. In motion pictures, music, and other areas of its entertainment business, Sony also made the most of the content it creates to develop and implement environmental campaigns.

	Targets (base year: 2013)	Results
Overall	Employ environmental features in products	Created environmentally conscious products in major product categories.
	Promote environmentally conscious design throughout the life cycle (during production, in use, at disposal, etc.)	
	Raise awareness and inspire action on issues of sustainability from over 500 million people in the world through the entertainment business	
Climate Change	AC powered devices*1: Reduce annual energy consumption by 30% (average reduction rate)	Approx. 54% reduction
	Mobile phones and tablets: Power consumption at no load condition and in battery maintenance mode: No more than 0.03W	All smart phones launched in fiscal 2019 less than 0.03W in no load condition
	DC powered devices*2: Improve energy efficiency and charging efficiency	Improved energy savings and charging efficiency in many models.

	Targets (base year: 2013)	Results
Resources	Reduce amount of virgin oil-based plastics per product unit by 10% (average reduction rate).	Approx. 30% increase
	Reduce and substitute key resources other than oil-based resources	Reduced certain key mineral resources.
	Aim to minimize resource inputs	Approx. 33% decrease relative to fiscal 2013 levels as a result of continuous efforts to reduce the size and weight of products and packaging in wide range of product categories, as well as a decrease in number of units sold.
	Promote design for recycling	Promoted designs with recyclability based on Sony Group Environmental Design Standards. Regularly held training sessions on recycling for designers.
Chemical Substances	Eliminate high-risk applications of "Controlled Substances" *3 that are of high concern (polyvinyl chloride, brominated flame retardants, etc.) and use alternative substances*4	Promoted use of alternative substances based on Sony standards for management of chemical substances. <ul style="list-style-type: none"> <li>• For more information on alternatives for polyvinyl chloride (PVC) and brominated flame retardants (BFR) , please see below.                             <ul style="list-style-type: none"> <li>🔗 <a href="#">Polyvinyl Chloride (PVC)</a></li> <li>🔗 <a href="#">Brominated Flame Retardants (BFRs)</a></li> </ul> </li> </ul>
Biodiversity	Promote the use of recycled paper and certified paper	Promoted use of recycled and certified paper based on purchasing policy for paper and printed materials.

\*1 AC powered devices refers to energy-using products which operate the intended main function with energy input from the main electricity grid  
 \*2 DC powered devices refers to energy-using products which operate the intended main function only with energy input from the battery  
 \*3 "Controlled Substances" is an abbreviation for "Environment-related Substances to be Controlled," and it refers to substances contained in parts and devices that Sony considers to have significant environmental impact on both humans and the global environment  
 \*4 Sony Mobile Critical Substances list (the use of which is to be controlled, including polyvinyl chloride, bromine/chlorine compounds, and phthalic ester) applies to all products in the smartphone category.



## Operations

Sony has adopted renewable energy at worksites throughout the Sony Group as part of its focus on reducing its environmental impact. In consideration of its impact on local water sources, Sony has taken steps to reduce water usage at worksites in and outside of Japan. Due primarily to increased semiconductor device production, however, Sony fell short of its target reduction for water consumption. In fiscal 2021 and beyond, Sony will promote initiatives to improve water usage intensity value at high-usage business sites and lower the water risk in watersheds at business sites in high-risk areas. Sony has established targets for manufacturing outsourcing contractors and reinforced its efforts to reduce environmental footprint. Sony also worked actively to develop environmental activities that meet local needs.

### Sony sites

	Targets (base year: 2015)	Results
Climate Change	Reduce absolute GHG *1 emissions from Sony's sites by 5%	Approx. 11% reduction
	Use renewable energy equivalent to 300,000 CO <sub>2</sub> -tons	Approx. 456,000 tons
Resources	Reduce absolute waste generated by 5%	Approx. 15% reduction
	Landfilled waste rate under 1% (excluding waste that Sony cannot control)	Approx. 0.5%
	Reduce absolute usage of water by 5%	Approx. 26% increase
Chemical Substances	<p>Take actions for classes 1-4. Detailed groups of chemical substances are defined separately.</p> <ul style="list-style-type: none"> <li>Class 1 substances: Prohibit use</li> <li>Class 2 substances: Prohibit use (Exemptions granted for certain applications)</li> <li>Class 3 substances: Reduce the amounts released and transferred</li> <li>&gt;Reduce the amount of VOCs*2 released to the air by 50% from FY 2000 level</li> <li>Class 4 substances: Comply with the relevant laws and regulations and use under appropriate control</li> </ul>	<ul style="list-style-type: none"> <li>Class 1 substances: No use of prohibited substances</li> <li>Class 2 substances: No use of prohibited substances</li> <li>Class 3 substances: Continued to reduce amounts released and transferred</li> <li>&gt;Emissions of VOC into the air: Approx. 65% reduction</li> <li>Class 4 substances: Compliance with relevant laws and regulations and use under appropriate control</li> </ul>
Biodiversity	Implement environmental contribution activities (including conservation activities at Sony's sites) respecting the needs of local communities	Implemented activities to preserve, educate, and raise awareness of biodiversity at all sites, respecting the needs of local communities, as part of local contribution activities.

## Outsourcing contractors

	Targets	Results
Climate Change	Request manufacturing outsourcing contractors with large business transactions to monitor GHG*1 emissions and reduce GHG*1 intensity by 1% per year	Requested relevant manufacturing outsourcing contractors to reduce and track emissions intensity and surveyed progress. Get answers from all applicable contractors.
	Request contractors with large business transactions to continually use renewable energy	Requested relevant contractors take steps to use renewable energy and surveyed these contractors on the status of their implementation.
	Prioritize the use of energy efficient data center	Promoted priority use of energy efficient data center based on internal guidelines.
Resources	Request manufacturing outsourcing contractors with large business transactions to monitor volume of water use and reduce water use intensity by 1% per year	Requested relevant manufacturing outsourcing contractors to reduce and track water use intensity and surveyed progress. Get answers from all applicable contractors.
	Request manufacturing outsourcing contractors with large business transactions to monitor and reduce volume of waste generation	
Chemical Substances	Request manufacturing outsourcing contractors to respond to Sony's unified standard that takes into account laws around the world restricting and banning chemical substances used, for products and partially-finished products supplied to Sony	Requested response based on Sony standards for the management of chemical substances.
	Request manufacturing outsourcing contractors to ban from manufacturing processes the use of substances restricted at an international framework that Sony has specified	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	Encourage manufacturing outsourcing contractors the environmental contribution activities (including conservation activities at Sony's sites) respecting the needs of local communities	Requested major manufacturing outsourcing contractors take biodiversity into consideration and surveyed these contractors on activities undertaken.

\*1 GHG stands for Greenhouse Gas.

\*2 VOC stands for Volatile Organic Compounds.

## Raw Materials and Components Procurement

Sony urged its raw materials and component suppliers to strengthen efforts to reduce their environmental impact and achieve concrete results in order to meet targets across the entire product lifecycle.

	Targets	Results
Climate Change	Request suppliers dealing in component categories that create high environmental impact and/or suppliers involved in large business transactions to monitor GHG*1 emissions, establish their own targets and implement reduction measures	Requested relevant suppliers to calculate actual emissions, set voluntary targets and implement reduction measures. Surveyed supplier progress. Valid response rate: approx. 80% (transaction amount basis)
Resources	Request suppliers dealing in component categories that create high environmental impact and/or suppliers involved in large business transactions to monitor water consumption, establish their own targets and implement reduction measures	Requested relevant suppliers to calculate actual emissions, set voluntary targets and implement reduction measures. Surveyed supplier progress. Valid response rate: approx. 80% (transaction amount basis)
Chemical Substances	Request suppliers to respond to Sony's unified standard that takes into account laws around the world restricting and banning chemical substances used, for raw materials, components and products supplied to Sony	Requested response based on Sony standards for the management of chemical substances.
	Request suppliers to ban from manufacturing processes the use of substances restricted in an international framework that Sony has specified	Requested suppliers ban use of substances specified by Sony in the manufacturing processes. Surveyed supplier use of banned substances.
Biodiversity	Request that consideration be given to biodiversity	Requested major suppliers take biodiversity into consideration. Surveyed supplier biodiversity activities.

\*1 GHG stands for Greenhouse Gas.

## Logistics

Sony took steps to reduce shipping weight by making products lighter and smaller and pursued alternative shipping methods (modal shift, etc.) by identifying and employing methods that are most efficient and have less impact on the environment. As a result, Sony reduced CO<sub>2</sub> emissions associated with distributing products.

	Targets (base year: 2013)	Results
Climate Change	Reduce absolute CO <sub>2</sub> emissions related to logistics between nations and within regions by 10%	Approx. 39% reduction

## Take Back and Recycling

Sony has focused on recycling-oriented product design and promoted take-back and recycling processing for used products. Meanwhile, Sony sought to ensure that even items which the company itself is unable to recycle at the present time are recycled, and has collaborated with recyclers to clarify the extent to which key resources are being recycled.

	Targets	Results
Resources	Establish recycling schemes suitable for the needs of local communities, and move ahead with efficient operations	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.
	Aim at the high-level return of waste to a form in which it can be used as a resource by acquiring a clear grasp of recycling key resources	Worked with a Sony Group recycling plant to technically verify recycling of key resources that had not previously been fully recycled.

## Innovation

Sony has focused on developing environmental technologies and has established technologies that reduce environmental impact related to climate change and resources.

	Targets	Results
Climate Change, Resources, Chemical Substances, Biodiversity	Promote the development of environmental technologies, and contribute to the establishment of technologies that result in reducing the environmental impact	Promoted technological developments such as Synecoculture™, open energy systems, and IoT technology to realize sustainable society.
	Promote the development of business models that contribute to reducing the environmental impact of the products and services provided in all fields	Promoted the new businesses such as external sales of the recycled plastic SORPLAS™, licensing of Triporous™, and supported for environment-related business using drones.

## ■ 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 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.

### 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 especially 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 2040. Sony will further accelerate efforts to achieve this goal by expanding the use of renewable electricity to at least 15% of the total amount of electricity used at all Sony sites around the world.

#### 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.

#### Science-Based Targets (the “1.5°C target”)

When formulating Green Management 2025, Sony took a longer-term perspective and set its climate change targets to be achieved by fiscal 2035. These targets are listed below and have been approved by the Science-Based Target (SBT) initiative as consistent with a 1.5°C goal.

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

### Specific Green Management 2025 Targets

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

[Green Management 2025](#)

## ■ 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\*<sup>1</sup> 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 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 2005. As of March 31, 2021, integrated ISO 14001 certification had been obtained by 94 of the Sony Group's business units and sites around the world.\*<sup>2</sup>

\*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.

### 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,\*<sup>1</sup> Japan/East Asia environmental office,\*<sup>2</sup> China environmental office,\*<sup>3</sup> and Pan Asia environmental office.\*<sup>4</sup>

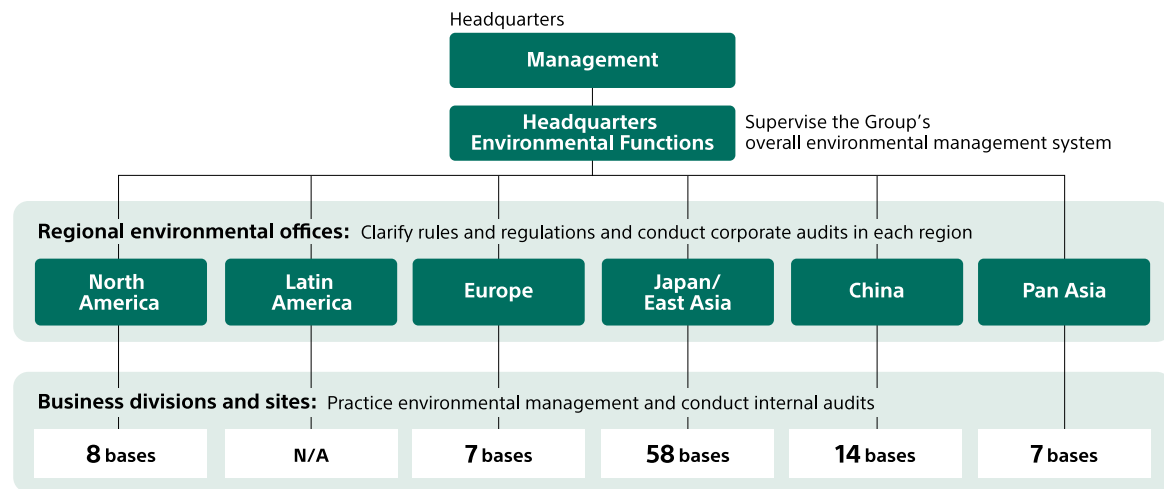
\*1 The Europe environmental office supervises divisions/sites in the nations of Europe, Israel, Turkey, Russia, and former Soviet Union (except for Tajikistan, Turkmenistan, and Uzbekistan).

\*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.

### The Sony Group Global Environmental Management System (As of March 31, 2021)



Integrated ISO 14001 certification for **94** Sony Group sites worldwide

## 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. 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.

### The Sony Group Environmental Management System PDCA Cycle

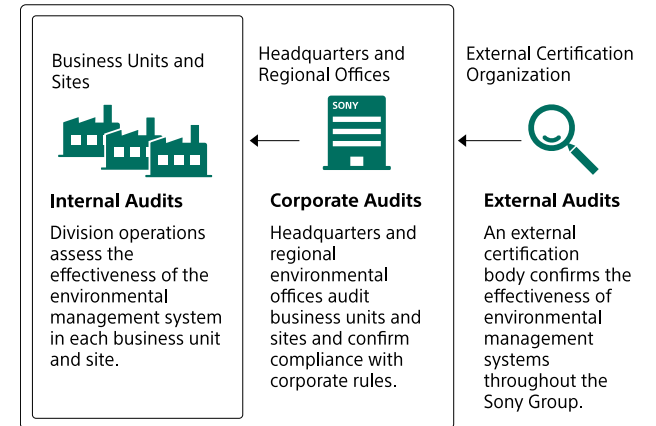


### Environmental Audits

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



## ■ Overview of Sony's Environmental Impact

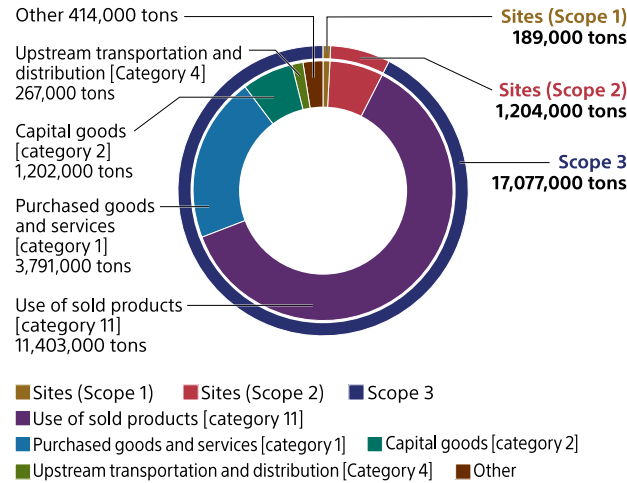
### Assessing Greenhouse Gas Emissions over the Entire Value Chain

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 2020 is estimated to be approximately 18.47 million tons. The largest volume of emissions, approximately 11.4 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 3.79 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



Please refer to "Environmental data" for details.

[WEB Environmental Data](#)

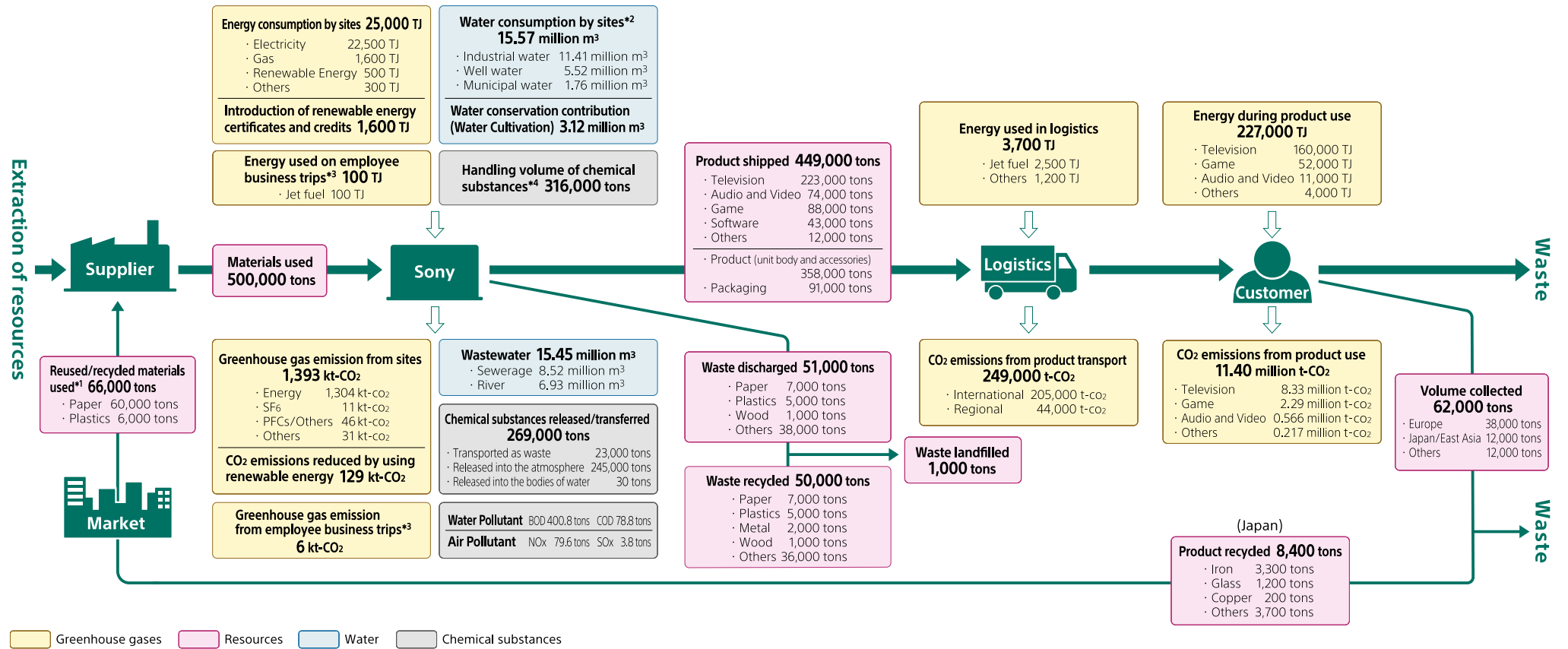


## Overview of Environmental Impact

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 2020 for items that Sony can recognize and manage directly.

[WEB](#) Environmental Data Collection Methods and Rationale

### Overview of Sony's Environmental Impact



<sup>\*1</sup> Total volume of reused/recycled materials used in products <sup>\*2</sup> Contribution from groundwater recharge is subtracted from this figure  
<sup>\*3</sup> Relevant primarily to Sony Group companies in Japan, Europe and North America <sup>\*4</sup> 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.

## ■ Tackling Ocean Plastic Pollution

Sony takes seriously the issue of plastic pollution in the oceans, which has become a worldwide crisis in recent years. In 2019, Sony launched 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.

In its Green Management 2025 medium-term environmental targets, which covers the period from fiscal 2021 to fiscal 2025, Sony set new goals that include reducing the amount of plastic packaging used with Sony products, eliminating plastic packaging for newly-designed small products, curbing the amount of single-use plastic used in Sony offices, and conducting community cleanup activities. These new goals are part of Sony’s heightened response to the problem of ocean plastic pollution.



Logo of the One Blue Ocean Project

### One Blue Ocean Project Activities and Fiscal 2020 Results

Sony is promoting this project based on the following four initiatives. The main achievements of fiscal 2020 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 2020 Results]

For the fiscal 2020 results, please refer to “Reducing Use of Virgin Plastics” on page 141 and “Reducing Plastic Packaging” on page 142.

#### (2) Reducing plastic usage in production activities

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

[Fiscal 2020 Results]

Due in part to increased production, the amount of plastic waste generated from Sony production sites in fiscal 2020 increased by 346 tons over fiscal 2019. However, it represents a 1,110-ton reduction over plastic waste generated in fiscal 2018.

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

By fiscal 2020, 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 reduce 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 2020 Results]

By the end of fiscal 2020, single-use plastics such as plastic bottles were no longer being provided in conference rooms at 43 sites. In FY2021, we will continue our activities aiming to discontinue the provision of single-use-plastics at all sites. Plastic bags are no longer provided at shops and convenience stores located in 62 sites, while straws have been eliminated from cafes in 49 sites.

#### (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 2020 Results]

In fiscal 2020, a total of approximately 2,280 Sony Group employees and their family members participated in cleanup activities, and collected about 400 45-liter bags of waste, and about 5.7 tons of waste.

Through the One Blue Ocean Project, Sony will continue to accelerate activities toward the goal of reducing its environmental footprint to zero by 2050, as outlined in the Road to Zero environmental plan.

[One Blue Ocean Project](#)

[Steady Progress in the “One Blue Ocean Project,” a Year into the Initiative](#)

## ■ 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 environmental mid-term targets. The main initiatives implemented by Sony business sites are reducing energy consumption and greenhouse gas emissions, improving energy usage efficiency, switching to energy sources that are lower in greenhouse gas emissions, and using renewable energy. In addition to the efforts of its business sites, Sony develops and supplies energy efficient, environmentally

conscious products and services, and also works with manufacturing subcontractors and suppliers of components and raw materials in an effort to reduce greenhouse gas emissions both directly and indirectly.

- [Sony Group Environmental Vision: Principles](#)
- [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. This is because environmental activities including climate change are the activities for the entire Sony. The Senior Executive in charge of environment matters, who is appointed by the Board, then established the Sony Group Environmental Management Structure, which consist of internal regulations that stipulate the basic framework for global environmental management at Sony. The same Senior Executive 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 “Strategies” on the next page.) 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 CEO, and to determine or oversee the amount of individual compensation paid to Senior Executives. 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.

- [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. For instance, Sony manufactures image sensors that deliver high performance and low power consumption, which could lead to broader applications such as for automotive use.

\*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).

### – Scenario Analysis

#### • Analysis Methodology and Assumptions

In accordance with the requirements of the TCFD Recommendations and advice from external experts, Sony Group Corporation conducted scenario analyses of climate change impacts on the entire Sony (excluding the financial business; the same applies to the “Scenario Analysis” part) from September 2019 to July 2020. To assess the impact of

climate change on the entire Sony, 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, 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 2018 through fiscal 2030. The International Energy Agency’s (IEA’s) scenarios for a 2°C temperature rise (Sustainable Development Scenario, 2°C Scenario, and Beyond 2°C Scenario) and a 4°C temperature rise (Stated Policies Scenario, New Policies Scenario, Current Policies Scenario, and Reference Technology Scenario) were used.

#### • Analysis Results and Countermeasures

Sony Group Corporation identified the following respective risks based on the analysis results using the 2°C and 4°C scenarios. The 2°C scenarios would see national governments introduce tougher regulations driven by decarbonizing policies, which would bring about transition risks as well as the possibility that carbon pricing adoption will raise crude oil and fossil fuel electricity costs. For example, carbon pricing in Japan is projected to be around 100USD per ton of CO<sub>2</sub> in 2030. (Source: IEA World Energy Outlook 2019) Under both the 2°C and 4°C scenarios, progressive temperature rise will cause abnormal weather

events to increase both in severity and frequency, which could inflict damage on Sony’s manufacturing sites and suppliers, or reduce demand from B2B customers due to the disruption of supply chains. Moreover, although there is also an increased risk of droughts, which would impact essential water supplies for semiconductor manufacturing, the drought risk was assessed as having a limited impact. Sony Group Corporation is implementing the following initiatives to address the identified risks. As a member of the RE100\*1 initiative, Sony Group Corporation is working toward using 100% renewable electricity throughout its operations, including in the I&SS segment, by fiscal 2040. Specifically, Sony Group Corporation is examining measures such as directly purchasing renewable electricity from Japanese power utilities and purchasing renewable electricity certificates at manufacturing sites outside of Japan. Sony Group Corporation will expand the use of renewable energy, closely watching renewable energy trends.

\*1 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.

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 main 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.

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

## 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. As mentioned on the previous page, from September 2019 to July 2020, Sony Group Corporation conducted scenario analyses as per the TCFD Recommendations to assess and analyze climate-related risks.

## Metrics and Targets

In accordance with the Sony Group Code of Conduct, Sony recognizes the importance of reducing the global environmental footprint of the business activities of companies in Sony, including addressing climate change. In 2010, Sony formulated the Road to Zero global environmental plan, which aims to reduce its environmental footprint to zero by 2050. From a climate change perspective, 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.

Under the Green Management 2020 medium-term environmental targets for fiscal year ended on March 31, 2017 to fiscal year ended on March 31, 2021, the life cycle of products has been divided into six stages: product and service planning and design, operations, raw materials and components procurement, logistics, takeback and recycling, and innovation. For 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. Of these, the climate change target was officially approved by the Science-Based Targets (SBT)\*1 initiative, a feat which Sony was the first Japanese company to achieve. Sony Group Corporation joined the global RE100 initiative in September 2018, making a commitment to the goal of procuring 100% renewable electricity for the worldwide operations of Sony by 2040. Sony achieved an average 30% reduction in the annual energy consumption of Sony products (compared to fiscal 2013) and a 300,000-ton reduction of CO<sub>2</sub> emissions at Sony business sites by shifting to renewable energy, both of which are climate change targets set out in Green Management 2020. 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. Green Management 2025 sets climate change targets that include a 5% reduction in annual energy consumption per Sony product (compared to fiscal 2018) and the use of at least 15% electricity derived from renewable energy sources at Sony's business sites. In addition, the Science Based Target initiative renewed its validation of Sony's climate change target of 1.5°C by 2035 in September 2020.

\*1 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 pre-industrial levels.

- [🔗 Green Management 2020 Results](#)
- [🔗 Green Management 2025 Targets](#)



## Environmental Technologies

### Developing the Environmental Technologies of the Future

#### IoT for a Sustainable Society

In order to realize a sustainable society, it is necessary to continue the conservation of 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 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. To address these needs, Sony has developed a system that combines ultra-low power edge AI devices that offer advanced sensing in a battery-powered device such as SPRESENSE™, with Sony's expertise in edge AI technology for embedded devices led by Neural Network Console software, and ELTRES™ IoT network service that enables low power and low bitrate data transmission with a range over 100 km. The system enables sensing all kinds of global activity, beyond human activity, and uses AI processing to provide human society with essential information. Sony calls the concept "Mimamori." Sony is currently undertaking demonstration Mimamori projects in various parts of the world. 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 project, a proposed global sensing solution to detect anomalies and take preventative action

- [SPRESENSE](#)
- [Neural Network Console](#)
- [ELTRES IoT network service](#)

#### 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 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 realizing

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 providing values on the basic infrastructure of urban and living spaces. As part of 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](#)
- [Renewing agriculture to rebuild a broken environment with Synecoculture \(Movie\)](#)
- [News Release: New Company Founding: SynecO, Inc.](#)



A synecoculture farm, where a diverse blend of useful plants is growing together

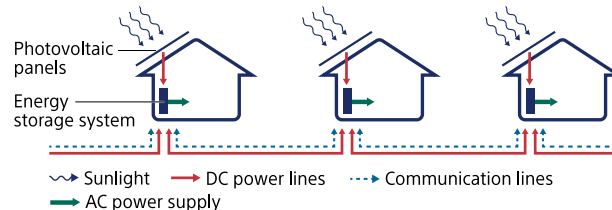


## Open Energy System™

Although renewable energy sources such as solar and wind power generation have been attracting much attention in recent years, there are significant challenges to overcome before widely distributed renewable energy can be utilized effectively. Sony Computer Science Laboratories, Inc. (Sony CSL) is conducting research on Open Energy System (OES), an entirely new type of bottom-up, distributed electric power system, which mainly uses renewable energy sources. OES is a system for the shared use of electricity from renewable energy by the homes in a community. The OES project was conducted through joint research between Sony CSL and the Okinawa Institute of Science and Technology Graduate University (OIST) supported by Okinawa Prefecture as a subtropical and island energy infrastructure technology research subsidy program from fiscal 2013 to 2016, and as an energy infrastructure research program using advanced technology from fiscal 2017 to 2019. Under the project, Sony CSL has installed photovoltaic panels and energy storage systems at 19 faculty housing units on the OIST campus, and built a DC-based OES (DCOES) to interconnect the housing with DC power lines. The installation has been used to test automatic power exchange between the housing units from fiscal 2014 to 2020. In fiscal 2020, the autonomous power interchange system (APIS) that was developed through the research and provides power interchange control for the core module was open-sourced and the software made freely available. The OES Project is directly related to seven out of the 17 SDGs, and is registered as a good corporate practice with the Japan SDGs Action Platform promoted by the Ministry of Foreign Affairs of Japan.

- [WEB Open Energy System \(OES\) Project](#)
- [WEB More information about Open Energy System](#)
- [WEB OES Going Open Source Autonomous Power Interchange System \(APIS\)](#)

## DCOES Powering 19 Residences in the OIST Faculty Housing Area



The electric power interchange system automatically compensates for imbalances between power generation and electricity consumption across residences, which are interconnected by DC power lines and communication lines

## Sony Innovation Fund: Environment

In 2016, Sony established the corporate venture capital fund, Sony Innovation Fund, which has invested in a number of startups tackling to create socially useful businesses and technologies. As part of this initiative, Sony created Sony Innovation Fund: Environment (SIF: E) in 2020 to support startups specializing in new environmental technology. SIF: E began by investing one billion yen and supporting companies that are developing technologies to address global environmental issues such as climate change, resources, chemical substances, and biodiversity. Sony is promoting a variety of activities to achieve a “zero environmental footprint” by 2050, and through SIF: E, supports the development of next-generation technology and businesses while contributing to solutions to global environmental issues. As its first funding project, SIF: E invested in Syneco Inc., which specializes in Synecoculture and other environmental technologies related to augmented ecosystems, and continues to provide support to this venture.

- [WEB Sony Innovation Fund](#)
- [WEB News Release: Sony Establishes “Sony Innovation Fund: Environment” to Nurture Ventures Specializing in Environmental Technology](#)

## Products and Services

### Reducing Greenhouse Gas Emissions

#### Reducing CO<sub>2</sub> Emissions from Product Usage

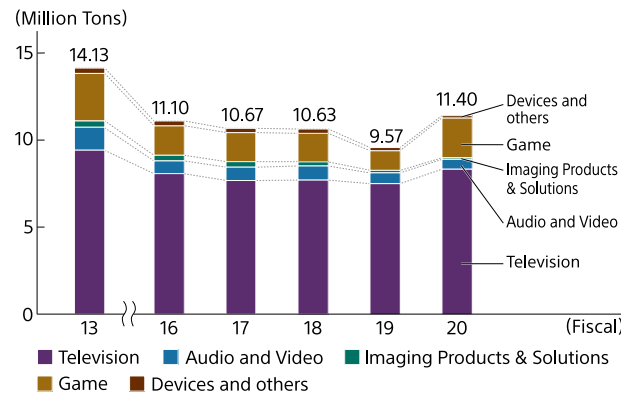
Sony products consume electrical power while used by their owners, resulting in indirect emissions of CO<sub>2</sub>. Sony has adopted the target of reducing annual energy consumption per product\*<sup>1</sup> from product use by 30% by fiscal 2020 compared to the fiscal 2013 level. Sony sets specific fiscal year targets to reduce product energy consumption in every product category. To achieve these targets, Sony engages in ongoing technology development to improve energy efficiency, while continually studying products for potential improvements and implementing diverse measures to reduce energy consumption. In addition, regulations governing energy efficiency of products, such as the Energy-related Products Directive (ErP) enacted in the European Union in 2010, are enforced in countries around the world, and Sony products are ready for compliance in every country before these regulations go into effect. In fiscal 2020, annual energy consumption per product was 54% lower than in fiscal 2013. For example, in the TV category, Sony achieved both high picture quality and low power consumption by installing a technology that automatically adjusts the screen brightness according to the surrounding environment and a unique function that controls the brightness on the screen according to the video scene. As a result of these power consumption measures, the annual energy consumption was 58% lower than in fiscal 2013, even in the TV category, which emits a large amount of CO<sub>2</sub> emissions in product use among Sony products.

Total CO<sub>2</sub> emissions in product use over the lifetime of all products sold in fiscal 2020 were approximately 11.4 million tons, which was 19% higher than in fiscal 2019.\*<sup>2</sup> This is because an increase in the sales ratio of models with high power consumption due to the increase in average screen size in the TV category, and strong sales of the newly released PlayStation®5.

\*<sup>1</sup> Energy-using products which operate the intended main function with energy input from a commercial power supply  
\*<sup>2</sup> 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 CO<sub>2</sub> emissions during use.

- [Reducing the Power Consumption of BRAVIA™](#)
- [Reducing the Power Consumption of PlayStation®](#)
- [Reducing the Power Consumption of Data Projectors](#)

#### CO<sub>2</sub> Emissions from Products Use



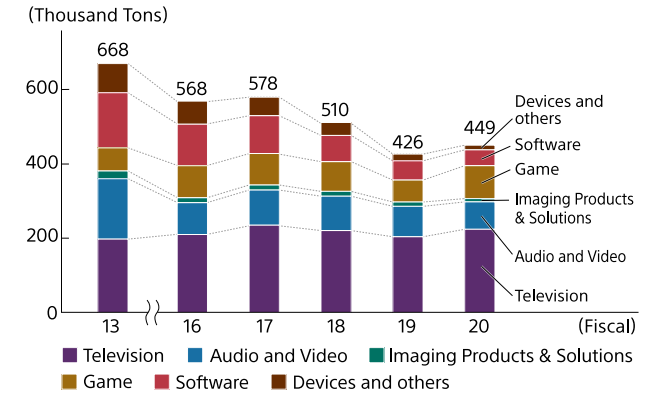
### Conserving Resources

#### Reducing Resources Used in Products

Under its targets for minimizing resource inputs, Sony worked to reduce the average mass of products. In fiscal 2020, the total volume of resources used in products was approximately 449 thousand tons.\*<sup>1</sup> This was an approximate 6% increase compared with fiscal 2019, primarily due to the expansion of the average TV screen size and the launch of PlayStation®5. As a result, however, of continuous efforts to reduce the size and weight of products and packaging in a wide range of product categories, as well as a decrease in the number of units sold, the fiscal 2020 total volume of resources used in products represents an approximate 33% decrease relative to fiscal 2013 levels.

\*<sup>1</sup> 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.

[Reducing the use of resources in the body of PlayStation®](#)

[Reducing the use of resources in the body for soundbars and home theater systems](#)

[Reducing the use of resources in the packages for soundbars and home theater systems](#)

[Reducing the use of resources in the camera lenses](#)

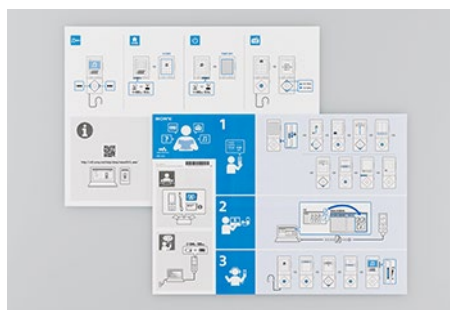
## Digitization of Product Manuals

Sony is conserving resources by making documentation digitally available for downloading, while working to keep documents readily understandable as documentation volume grows in support more multi-functional products. As a result, customers can more readily view documentation on a variety of devices including PCs, tablets, and smartphones, while the amount of paper used to print documentation is being reduced. Fewer printed pages also mean less carbon emissions from printing and having to ship documentation with products.

## Textless Quick Start Guides

In fiscal 2015, as part of initiatives to conserve resources in documentation, Sony started to adopt textless quick start guides for Sony Walkman®, headphones, wireless speakers, and high power audio systems sold in markets outside of Japan that require instructions in multiple languages. These universal quick start guides, included with each product, use illustrations to guide consumers through setup and basic operation, replacing conventional multilingual documentation that used to be written in as many as nine languages. With textless quick start guides, consumers can

directly comprehend the instructions without text, thereby reducing the waste generated by unneeded language documents. Sony introduced the textless quick start guide for Sony Walkman and for headphones in fiscal 2015, for wireless speakers in fiscal 2017, and for high power audio systems in fiscal 2018. By adopting these textless guides, Sony has reduced the use of paper by approximately 1,094 tons. Textless quick start guides also help to reduce the bulk and weight of product packaging. Sony received a Good Design Award 2015 in recognition of its fresh approach to using textless documentation.



Textless quick start guide for Sony Walkman overseas model

## Sony Financial Group—Going Paperless

The Sony Financial Group has been reducing the use of paper for contracts and transactions, both to conserve paper resources and reduce mailing, which produces carbon emissions. Sony Life Insurance Co., Ltd. significantly reduced its paper consumption and lowered its CO<sub>2</sub> emissions from mailing paperwork, by enabling customers to view product information online and handle the entire insurance process electronically from applying for new insurance policies to dealing with insurance procedures, claims and benefits. Furthermore, sales personnel can now meet customers and make policy arrangements remotely, which effectively

reduces CO<sub>2</sub> emissions from traveling to meet customers in person. Internally, the company has deployed digital workflow software so that documents can be viewed and approved electronically and has also stopped storing physical documents to reduce paper consumption. Sony Assurance Inc. enables customers to apply for automobile, medical, fire, and overseas travel insurance online, eliminating the printing and mailing of application forms. Customers who apply for automobile and fire insurance online can also opt out of receiving a printed copy of their insurance policies, receiving up to a 500-yen discount off the price of their insurance for going paperless. Sony Bank Inc. is also working to go paperless, providing transaction slips, product explanation materials, and transaction documents for customers only on websites or via electronic delivery as a general rule.



Paperless application at Sony Life Insurance Co., Ltd.

[More information about paperless initiatives at Sony Life Insurance \(only in Japanese\)](#)

[More information about paperless initiatives at Sony Assurance \(only in Japanese\)](#)

[More information about paperless initiatives at Sony Bank \(only in Japanese\)](#)

## ■ Reducing Use of Virgin Plastics

### Virgin Plastic Used Per Product

With the target of reducing virgin plastic used per product by 10% from the fiscal 2013 level, by fiscal 2020, Sony worked to expand its use of recycled plastics and make its product chassis more lightweight and compact while also minimizing plastic packaging materials. In fiscal 2020, virgin plastic used per product was up 30% from the fiscal 2013 level. Although it has used a cumulative total of approximately 113 thousand tons\*<sup>1</sup> of recycled plastic from fiscal 2014 through fiscal 2020 to meet its target of reducing the amount of virgin plastic used per product, Sony fell short of this target due to the expansion of the average TV screen size, among other factors. In fiscal 2021 and beyond, Sony will expand its use of recycled plastic.

\*1 Consumption of recycled plastic is based on the gross value including virgin plastic and additives that are mixed with recycled materials.

### 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 certain BRAVIA™ televisions sold in 2021. The rear cover is one of the largest plastic components of televisions and using SORPLAS achieves a high quality finish to the rear cover while reducing overall virgin plastic use by approximately 50%\*<sup>1</sup> from the level found in 2018 models. In the audio product category, Sony has developed a recycled plastic that actually improves sound quality while retaining a high percentage of recycled content. Since 2016, this recycled plastic has been used in some models of soundbars and home theater systems.

In fiscal 2020, the Sony Group used some 18 thousand tons\*<sup>2</sup> of recycled plastic in its products. This amount consisted of approximately 55% recycled plastic content from scraps and other waste materials generated from manufacturing by the Sony Group and other companies, and approximately 45% post-consumer recycled plastic content from used products, containers, and other sources.

\*1 Including packaging. Maximum reduction when SORPLAS is used. The ratio may vary by model and area.

\*2 Consumption of recycled plastic is based on the gross value including virgin plastic and additives that are mixed with recycled materials.

[WEB BRAVIA Environmental Initiatives](#)

[WEB More information about recycled plastic for high quality sound](#)

[WEB New, recycled packaging for aibo](#)

[WEB Using recycled plastic in soundbars and home theater systems](#)

[WEB Packaging made with post-consumer recycled PET bottles](#)

### 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-

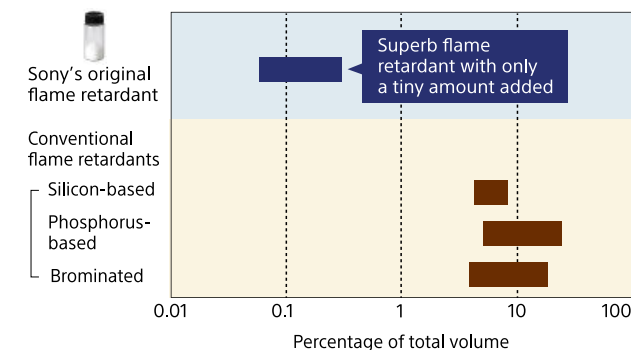
retardant plastics in terms of durability, flame-retardancy and recyclability, but also achieves an outstanding utilization rate of up to 99% waste plastics. The effective utilization of SORPLAS has been shown to reduce CO<sub>2</sub> emissions in product manufacturing by up to 80%.\*<sup>1</sup> Moreover, 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. Then, in 2014, Sony commenced external sales. Sony will continue to make SORPLAS widely available also outside the group, promote resource recycling, and contribute to a society with a reduced environmental impact.

\*1 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](#)

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

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



## ■ Reducing Plastic Packaging

As part of its efforts to respond to the growing global problem of marine pollution caused by plastic waste, Sony is actively working to reduce the amount of single-use plastic packaging used in a range of product categories.

In its Green Management 2025 medium-term environmental targets which spanned from fiscal 2021 through fiscal 2025, Sony added two new targets: reduce the amount of plastic packaging per product unit by 10% and eliminate plastic packaging from newly-designed small products. Measures are currently underway to meet these two new targets.

### Reducing Plastic inside Individual Packaging

By minimizing packaging materials using packaging drop simulation technology and accumulated expertise, Sony reduced the amount of plastic packaging used for the 4K OLED TV XR-55A80J, launched in 2021, by approximately 14%\*1. PlayStation® 5 (PS5™) packaging replaces plastic trays with paper pulp cushion trays and plastic cable ties with paper cable ties, as well as eliminating plastic protection bags used for instruction manuals and other components where feasible. These and other measures resulted in a 1-7% plastic usage rate for PS5 console and peripheral packaging (by weight, varies by product). In addition, Sony has been working to replace plastic trays in the main unit box with molded pulp for certain Xperia™ models.

\*1 Compared to 2018 model (XBR-55A8F)

[WEB BRAVIA™ Environmental Initiatives](#)  
[WEB Improved PlayStation® 5 Packaging](#)



Molded pulp tray used for Xperia

### Switching to Paper Product Boxes

Sony is switching to paper product boxes for a wide range of product categories. In fiscal 2020, Sony switched to paper product boxes for eight headphone models sold in countries and regions around the world. By using paper boxes for the MDR-EX15AP (sold in Japan), for example, Sony reduced the amount of plastic used in packaging materials from approximately 96% to approximately 3%. Sony has also switched to paper boxes for more than 100 digital still and video camera accessories, as well as for packaging for Xperia™ covers.

[WEB Reducing plastic packaging for headphones](#)



Camera accessory packaged in paper box

## ■ Management of 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 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.)

 [Controlled Substances -SS-00259 for General Use-](#)

### 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 IEC62474.\*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.

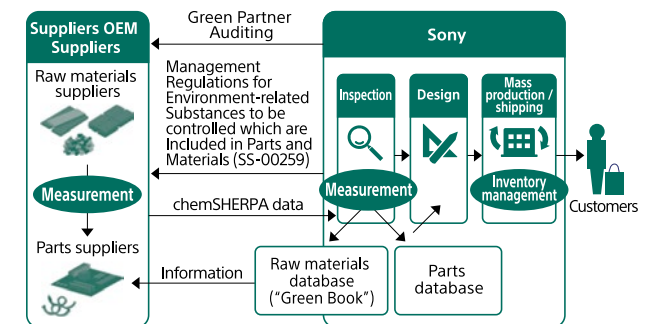
#### -Management in Quality Control/ Quality Assurance processes

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, noncompliant 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.

### System for Managing Chemical Substances in Products



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



## 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.

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

## Management of Chemical Substances in Packaging Materials

Sony also 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.

## 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 "Controlled Substances -SS-00259 for General Use-") 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.

[WEB Controlled Substances -SS-00259 for General Use-](#)

### 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 2021, Sony has replaced PVCs in new products and new models in the following products with alternative substances.

PVC-Free Product Categories*1
Xperia™ Smartphone
MP3 players WALKMAN®
IC recorder / Portable Radio Recorder / Sound Monitoring Receiver
Video Camera Handycam®
Video Camera Action Cam
Digital Still Camera Cyber-shot™
Interchangeable lens digital camera α™
Memory Stick™
SxS™ memory card

\*1 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.

[WEB 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 2021, Sony has replaced BFRs in new products and new models in the following products with alternative substances.

BFR-Free Product Categories*1
Xperia™ Smartphone
MP3 players WALKMAN®
IC recorder / Memory Card Recorder / Portable Radio Recorder / Linear PCM Recorder / Sound Monitoring Receiver
Video Camera Handycam®
Video Camera Action Cam
Digital Still Camera Cyber-shot™
Interchangeable lens digital camera α™
Memory Stick™
SxS™ memory card

\*1 Parts in which BFRs are 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) .

## ■ Creating Environmentally Conscious Products

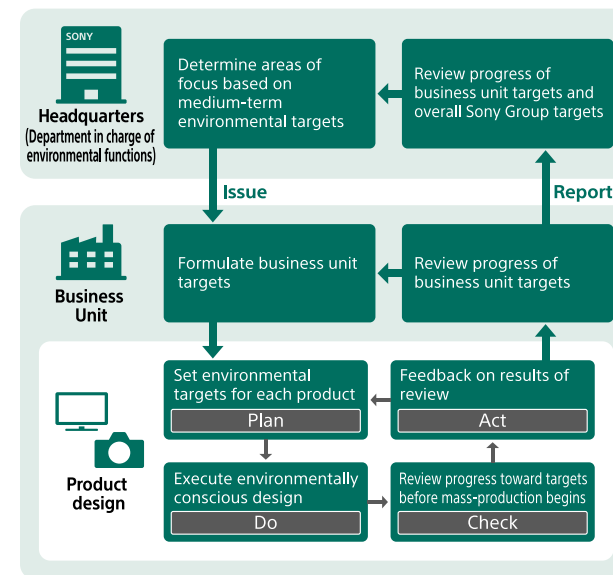
### Promoting Environmentally Conscious Design

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.

### Management Structure for Environmentally Conscious Product Development



### Designing environmentally conscious products: Key considerations

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

### Designing Recyclability and Repairability into Products

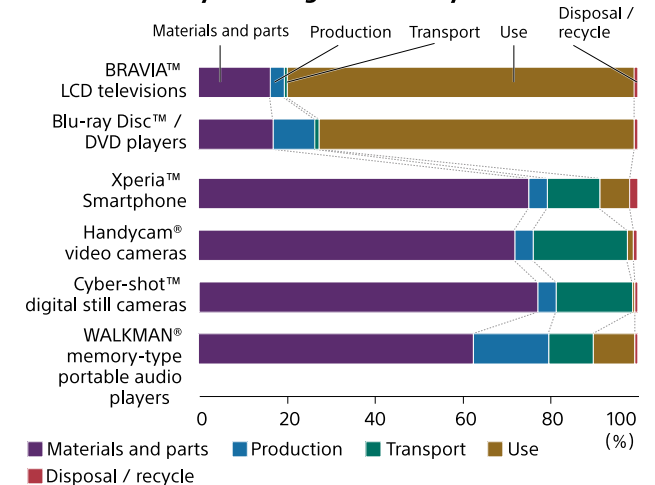
One initiative Sony is taking to ensure that its products are environmentally conscious involves designing them with recyclability and repairability in mind. This means, for example, labeling the material type of plastic used in parts to make it easier to extract resources from used products during recycling, 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, a Sony Group company 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.

### 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 chart titled “Breakdown of CO<sub>2</sub> 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 CO<sub>2</sub> 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 digital video cameras, a large portion of CO<sub>2</sub> emissions occur at the manufacturing stage and 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 CO<sub>2</sub> emissions. LCA results are reflected in medium-term environmental targets and utilized in product design for the environment.

### Breakdown of CO<sub>2</sub> 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 : Walkman® Memory Type portable audio players : 5years : Cyber-shot™ compact digital camera :2.7 years : Handycam® digital camcorder : 6,4 years : Xperia™ Smartphone : 4years : Blue-ray Disc™ / DVD players : 7years : BRAVIA™ LCD television : 10years

Notes

- This chart shows the proportion of CO<sub>2</sub> 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 CO<sub>2</sub> emissions differ among products.

\* The `Blu-ray Disc™` word mark is a trademark of the Blu-ray Disc Association

### 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.”

[WEB](#) Sony Group Portal Website “Environment”

## Environmentally and Socially Beneficial Products and Services

### Digital Cinema Systems

Sony developed the HDW-F900, the world's first digital video camera for cinema production, back in the year 2000. Then, in 2007, Sony released 4K digital cinema projection systems featuring Sony SXRD projectors. These products helped usher in the era of energy- and resource-saving digital cinema, replacing traditional film, which uses water and chemicals for film manufacturing and processing. While remaining compact and lightweight, the Venice Digital Cinema Camera released in 2018 is capable of 6K recording.

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



VENICE CineAlta 4K Digital Cinema Camera

### 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. Made from rice husks, Triporous has a unique microstructure that enables easy adsorption of substances with large molecular weights, which conventional activated carbon does not easily adsorb. These substances include toxic organic matter that cause water pollution, as well as allergens, viruses, and bacteria. The properties of Triporous can be leveraged to develop high-performance environmental cleaning filters that remove pollutants in water and air, and it is expected to have applications for plant wastewater treatment facilities and water purification systems in developing countries. There are also potential applications for apparel with deodorizing fibers, for example, and for the healthcare field with cleaning agents. Japan alone generates around two million tons of rice husks per year, and this surplus biomass is part of approximately 150 million tons generated annually worldwide. By promoting Triporous globally as an innovative way to utilize rice husks, Sony is helping to realize a more environmentally conscious, recycling-oriented society.

[Triporous official website](#)

[More information about the environmental performance of Triporous](#)

[News Release: Sony Begins Licensing of New Material Triporous](#)



Triporous a new material made from rice husks

### 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, smartphones, computers, lighting fixtures, and office supplies.

[More information about SORPLAS](#)

[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](#)



Sony's proprietary flame retardant (in vial) and two types of SORPLAS recycled plastic pellets

## Supporting Environmental Projects Using Drones

The Sony Group company, Aerosense Inc., supplies industrial solutions integrating drone technology with cloud services. High-precision drone surveying saves labor at civil engineering sites nationwide, and in recent years Aerosense has also supported a wide range of environmental projects and operations carried out by companies and local governments. In March 2016, the company worked with Minamisoma-shi in Fukushima Prefecture, which was carrying out decontamination work following the Fukushima Daiichi Nuclear Power Plant disaster. For three years, Aerosense drones regularly monitored the upper surface of a sheet covering contaminated materials in a temporary storage facility. Since September 2016, Aerosense has also been involved in a project tackling pine wilt disease in protected coastal forests, which is a serious problem across Japan. The Aerosense drones use their cameras to precisely identify damaged trees. This technology is helping to establish new methods of maintaining and managing protected coastal forests. In 2018, Aerosense participated in a CO<sub>2</sub> emissions reduction project sponsored by the Ministry of Land, Infrastructure, Transport and Tourism to promote the feasibility of delivery using unmanned aircraft in sparsely populated areas. It conducted an experiment for drone delivery beyond the visual line of sight to Genkai Island in Fukuoka Prefecture.



Aerosense drone

## 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.

## Suppliers and Outsourcing Contractors

### ■ Reducing Environmental Impact at Suppliers and Outsourcing Contractors

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

As part of its efforts to reduce environmental impact across the supply chain, Sony has been working with key material and component suppliers and outsourcing contractors since fiscal 2016 to reduce their environmental footprint. For example, Sony has asked its outsourcing contractors to reduce their greenhouse gas emissions and reduce water use intensity by 1% per year, while asking material and component suppliers to set voluntary reduction targets. Sony also collects data on greenhouse gas emissions and water consumption relating to the manufacturing and shipping of products and components delivered to Sony. In fiscal 2020, Sony obtained answers to the questionnaire about these data from component suppliers which account for approximately 80% of the total transaction value and from outsourcing contractors which account for approximately 90% of the total transaction value. With regard to chemical substances, Sony requires its materials and components suppliers and outsourcing contractors to comply with laws and regulations in each country restricting or banning the use of chemical substances in raw 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.

[WEB](#) [List of Chemical Substances Prohibited in the Manufacturing Process and Requiring Proper Management \(for Sony Materials and Components Suppliers and Outsourcing Contractors\) \[PDF:42KB\]](#)

#### Prioritizing Energy-Efficient Data Centers

Sony offers a wide variety of network services including gaming, Internet, and streaming services for movies and music. These services rely on data centers with facilities and components for transmitting large volumes of data to ensure seamless services for users. The amount of electricity consumed by data center equipment and facilities is increasing with the growth of network businesses. Sony's environmental mid-term targets include the target of prioritizing the use of energy-efficient data centers. Sony has been working on this by developing guidelines in fiscal 2016 that have been put into effect since fiscal 2017.

#### 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.



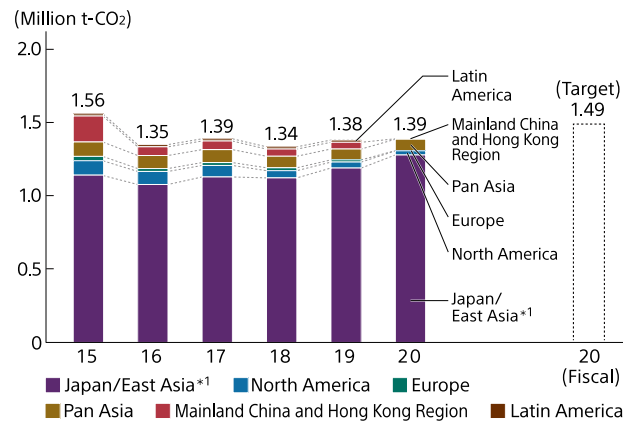
## Sites

### Reducing Greenhouse Gas Emissions

#### Greenhouse Gas Emissions at Sony Sites

With the target of reducing absolute greenhouse gas emissions from Sony sites by 5% relative to fiscal 2015 levels by fiscal 2020, Sony has endeavored to reduce greenhouse gases such as CO<sub>2</sub> related to energy consumption and cutting emissions of perfluorocarbons (PFCs) and other gases. In fiscal 2020, Sony's site emissions of greenhouse gases totaled approximately 1.39 million tons, which was up by approximately 1% from fiscal 2019 but down approximately 11% from the fiscal 2015 level. Although emissions increased relative to fiscal 2019 levels due primarily to increased production of semiconductor devices, the decline from fiscal 2015 levels was the result of a series of past measures to reduce greenhouse gas emissions, including promoting energy saving and expanding the use of renewable energy at Sony sites.

#### Greenhouse Gas Emissions from Sites



\*1 Japan, South Korea and Taiwan Region

#### CO<sub>2</sub> Emissions from Energy Use at Sites

In fiscal 2020, emissions of CO<sub>2</sub> from energy use at Sony sites\*<sup>1</sup> accounted for approximately 1.30 million out of the approximately 1.39 million tons of total greenhouse gas emissions at Sony, up by approximately 11,000 tons from fiscal 2019 and down by approximately 121,000 tons from fiscal 2015. The above CO<sub>2</sub> emissions resulting from energy use at Sony sites include emissions from fuel used by Sony-owned business vehicles. In fiscal 2020, CO<sub>2</sub> emissions resulting from fuel used in vehicles amounted to approximately 6,000 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.

\*<sup>1</sup> Emissions of CO<sub>2</sub> from energy use at Sony sites include CO<sub>2</sub> emissions from fuel use of business vehicles owned by Sony.

#### 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 2020 (calculated in terms of CO<sub>2</sub>) totaled approximately 90,000 tons, up about 5,000 tons from fiscal 2019 and 50,000 tons from fiscal 2015. 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. Sony is taking further steps to reduce emissions.

#### Promoting Efficient Energy Use

To achieve its fiscal 2020 reduction targets, Sony is working on various energy conservation activities at its sites around the world. A sample of these initiatives follows.

#### -Energy-Efficient Air Conditioning System

Sony Device Technology (Thailand) Co.,Ltd. (SDT) has installed an energy-efficient air conditioning system in the reconstruction of its clean room for semiconductor manufacturing. The system requires less airflow than conventional air-conditioning systems to keep the work area clean, enabling SDT to reduce its annual CO<sub>2</sub> emissions by approximately 2,700 tons, a 67% reduction compared to the previous system.

Sony Technology (Thailand) Chonburi Plant (STT-C) has started a project to reduce greenhouse gas emissions from its cooling system by receiving efficient chilled water supply from Kansai Energy Solutions (Thailand) (K-EST) over the next 17 years. STT-C and K-EST will collaborate on the entire process from system design to installation, operation, and management of a chiller system\*<sup>1</sup> in the plant, which will reduce CO<sub>2</sub> emissions by approximately 1,700 tons per year. The project has been selected under the Ministry of the Environment of Japan's Financing Program for Joint Crediting Mechanism Model Projects in fiscal 2020 for its use of outstanding low-carbon technologies.

\*<sup>1</sup> 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

**–Reduction of greenhouse gas emissions by improving specifications of plasma abatement equipment**

Sony Semiconductor Manufacturing Corporation’s Nagasaki Technology Center (Nagasaki TEC) has improved the specifications of its plasma abatement equipment that treats PFC gases emitted by semiconductor manufacturing, thereby reducing its greenhouse gas emissions. Previously, Nagasaki TEC’s plasma abatement system was designed with two units that ran continually in order to have a backup ready in case one unit malfunctioned. Working with the equipment manufacturer, Nagasaki TEC modified the system so that only one unit runs continuously while the other stands by with an instant startup function, enabling it to immediately kick in should the first unit malfunction. As a result, Nagasaki TEC reduced its annual CO<sub>2</sub> emissions by approximately 3,000 tons thanks to a significant reduction in power consumption. In addition, this measure is now being implemented at other semiconductor manufacturing sites in the Sony Group.



Two-unit plasma abatement system (front unit is on standby; back unit is operating)

**–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 CSL 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.

[WEB](#) **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 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 KL Technology Center of Sony EMCS (Malaysia)

## ■ Use of Renewable Energy

### Efforts to Reduce CO<sub>2</sub> Emissions by Using Renewable Energy

With the target of reducing cumulative CO<sub>2</sub> emissions by 300,000 tons by using renewable energy\*<sup>1</sup> for the period from fiscal 2016 to fiscal 2020, Sony has worked 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. As of the end of fiscal 2020, Sony has reduced 456,000 tons of CO<sub>2</sub> emissions by using renewable energy over the past five years. This is a result of the shift to 100% renewable energy in Sony operations in Europe and China, as well as expanded installation of renewable energy equipment in other regions. In fiscal 2020, the total amount of CO<sub>2</sub> emissions reduced by using renewable energy at Sony worldwide was approximately 129,000 tons. By region, renewable energy input breaks down to 54,000 tons in Japan and East Asia, 43,000 tons in China, 22,000 tons in North America, 9,000

tons in Europe, and 1,000 tons in Pan Asia. Of the electricity used at Sony worldwide, electricity generated by renewable energy accounted for approximately 7%.

In the climate change targets of Green Management 2025 medium-term environmental targets which spanned from fiscal 2021 through fiscal 2025, Sony is endeavoring to meet the new climate change target of utilizing renewable energy (renewable electricity rate) for 15% or more of the electricity used in operations at business sites by fiscal 2025.

In 2018, Sony became a member of RE100\*<sup>2</sup>. Sony's goal is to source 100% renewable electricity for its worldwide operations by 2040. Since joining the RE100 initiative, Sony has installed approximately 4.3 MW worth of new solar power equipment at various sites. It now operates a total of about 9.92 MW of solar power equipment, including systems already installed before joining RE100.

\*<sup>1</sup> Renewable energy includes solar, wind, water, geothermal, and biomass. This is energy that comes from sustainable sources.  
\*<sup>2</sup> 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.

[WEB](#) News Releases: [Sony Joins the Global Initiative RE100 in Pursuit of Operating with 100% Renewable Electricity](#)

### China: Achieving 100% Renewable Energy

In China, Sony switched in fiscal 2020 to 100% renewable energy for the electricity consumed in its business activities using renewable energy certificates (I-REC). Following full adoption of renewable electricity by Sony sites across Europe, this achievement in China will lead to significant progress in adoption of renewable energy across Sony Group as a whole. While Sony Group companies in China have been actively promoting energy-saving measures and had reduced greenhouse gas emissions by 1,346 tons in fiscal 2020, this move to 100% renewable energy is equivalent to a 42,540-ton reduction in greenhouse gas emissions.

### Japan: Increasing the Utilization of Renewable Energy

#### –Utilizing Various Forms of Renewable Energy

In fiscal 2020, in Japan, Sony used Green Power Certificates\*<sup>1</sup> that amounted to 300 MWh of green electricity and 267,422 GJ of green heat, equivalent to approximately 15,393 tons of CO<sub>2</sub> emissions. Sony also used other renewable energy credits in addition to Green Power Certificates, which were equivalent to approximately 32,764 tons of CO<sub>2</sub> emissions. Moreover, since fiscal 2017, Sony has been seeking power company contracts to directly purchase electricity derived from renewable energy sources. In fiscal 2020, through contracts across Japan, Sony introduced renewable energy amounting to the equivalent of 3,634 tons of CO<sub>2</sub> emissions. Sony is also promoting the installation of solar power equipment at its sites. 1MW+ solar power systems have been installed at Sony Semiconductor Manufacturing Corporation's Kumamoto Technology Center and Sony Music Solutions' JARED Oigawa Center. The systems at these sites generated about 3,662 MWh of electricity in fiscal 2020.

\*<sup>1</sup> The Green Power Certification System was jointly developed in 2001 by Sony and power utilities. The scheme issues green certificates representing the environmental value of electricity, heat and other renewable energy generated by power plants across Japan. Entities can purchase and trade these green power and green heat certificates. They are considered equivalent to purchasing renewable energy, even if generated at a distant location.

### Major Sony sites that have installed solar power equipment



### –Expanding Intracompany Electricity Transfers

Sony is actively promoting intracompany transfers of surplus power generated by the solar power system installed at one site to supply power to another Sony site. In fiscal 2019, the transfer of electricity from the solar power system installed on the roof of the Sony Music Solutions (SMS) JARED Oigawa Center to other SMS manufacturing sites reduced CO<sub>2</sub> emissions by approximately 1,000 tons per year. In addition, Sony installed a solar power system on cattle barn roofs in Tokai City in Aichi Prefecture in fiscal 2020, and from April 2021, the generated power has been transmitted via power company lines to the Koda Site of Sony Global Manufacturing & Operations Corporation located in Nukada, Aichi Prefecture some 30km away. This is the first time a group site has been supplied with power from an external solar power system. These efforts are expected to reduce Sony CO<sub>2</sub> emissions by about 192 tons per year.

[WEB](#) [More information about the intracompany electricity transfer service at SMS](#)

[WEB](#) [More information about the intracompany electricity transfer service at the Kohda site](#)



Solar panels installed on cattle barn roofs

### Europe: Continuously using 100% Renewable Electricity

In Europe, Sony has been using renewable electricity since 2002. From fiscal 2008 onward, 100% renewable electricity usage had been achieved by Sony sites\*<sup>1</sup> in Europe through the onsite photovoltaic power generation, through the direct purchase of electricity generated from renewable sources, and through the purchase of Renewable Electricity Certificates if direct purchase or onsite generation of renewable electricity is not possible. In fiscal 2020, Sony used a total of approximately 36,862 MWh of renewable electricity in Europe.

The Sony UK Technology Centre (UK TEC) and the Thalgau Plant of Sony DADC Europe in Austria are examples of Sony sites that have installed large-scale solar power systems to generate their own power. UK TEC generated about 234 MWh of electricity in fiscal 2020 with 897 solar panels installed on the company's building. The Thalgau Plant installed 2,700 solar panels (about 0.84 MW) in August 2019, and produced 768 MWh of electricity by the end of 2020. Its remaining electrical needs are being met through the purchase of renewable energy certificates, thereby realizing 100% renewable energy usage.

\*<sup>1</sup> Sony sites in Europe that have obtained ISO 14001 certification



Solar panels on the roof of the Thalgau Plant

### North America: Promoting the Use of Renewable Energy by Various Regional Group Companies

Beginning April 2008, four of Sony's sites in the United States—the Pitman (at the time) and Terre Haute plants of Sony DADC U.S. Inc., the New York office of Sony Corporation of America (SCA) and the San Diego office of Sony Electronics Inc. (SEL)—signed Renewable Energy Certificate contracts. Subsequently, the scope of purchases were expanded to cover additional sites, and in fiscal 2020 Green Power Certification purchased by the Sony Group covered more than 37,400 MWh of electricity in the United States at the following sites: Sony DADC's Terre Haute plant; Sony DADC's Bolingbrook distribution center; the New York office of SCA; Sony Pictures Entertainment Inc. (SPE), and major facilities of SEL. This is enough green power to meet an estimated 51% of these entities' electricity use in the United States. In addition, the SPE headquarters has a 1.83 MW solar power system onsite, which provides about 10% of the electricity used by all the SPE film studios. In fiscal 2020, approximately 2,055 MWh of electricity was provided by the company's own solar power equipment.



New solar panels installed on the roof of the head office building of SPE



## Pan Asia: Solar Energy System Deployed in Thailand

In the Pan Asia region, the Chonburi Factory of Sony Technology (Thailand) Co., Ltd. (STT-C) began operating a large 1.8 MW solar energy system on its factory roof in 2019. This system generated about 2,255 MWh in fiscal 2020. STT-C is also pursuing energy-saving measures throughout the plant in order to reduce energy use.

In fiscal 2020, Sony Device Technology (Thailand) Co., Ltd. (SDT) in Bangkadi Industrial Park also installed a large 1.95 MW solar system on Building 3 factory roof which generates electricity since March 2021. In addition, we plan to implement Renewable Energy Certificates (I-REC) to achieve 100% Renewable Energy Ratio for electricity in the semiconductor site in Pan Asia region in fiscal 2021.

[WEB | Sony Corporate Blog: Thailand's Image Sensor Production Center on Track to Run on 100% Renewable Energy](#)



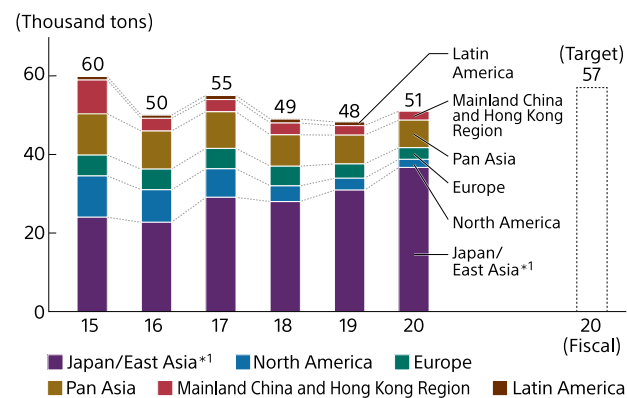
Solar panels on the roof of SDT

## Reducing Waste Generation

### Absolute Waste Amount at Sony Sites

With the target of reducing absolute waste amounts from Sony sites by 5% relative to fiscal 2015 levels by fiscal 2020, Sony has implemented a variety of measures to reduce waste and use resources more effectively. In fiscal 2020, Sony business sites generated approximately 51,000 tons of waste, which was up by approximately 7% from fiscal 2019 but down approximately 15% from the fiscal 2015 level. The year-on-year increase was mainly due to production increases for semiconductor devices. However, the volume of waste generated was reduced in real terms compared with the fiscal 2015 level through continuous process improvement at production facilities, reuse of packaging materials from parts transportation, and strict waste separation that enables some separated waste to be sold as valuable resources. Sony business sites will continue to reduce, reuse, and recycle while implementing initiatives to use resources more efficiently.

### Waste at Sites



\*1 Japan, South Korea and Taiwan Region

## Landfilled Waste Rate for Sony Sites

In fiscal 2020, 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 1.2% 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. For example, Sony Semiconductor Manufacturing Corporation changed the flocculant used in the treatment of wastewater generated from production machinery, switching to a bio-based polymer flocculant that offers improved setting and flocculating performance. This led to a reduction of primary flocculant (inorganic flocculant) and the sludge it generates. Furthermore, by processing excess sludge in a dehydrator, the company reduced approximately 1,200 tons of sludge annually.

## 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.

### Results for Environmental Impact Reduction in Logistics



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

## Reducing Water Consumption

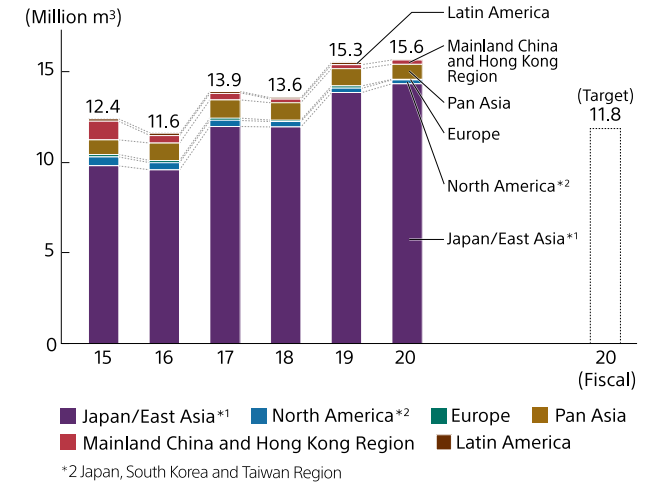
### Water Consumption at Sony Sites

With the target of reducing absolute amounts of water consumption from Sony sites by 5% relative to fiscal 2015 levels by fiscal 2020, Sony has worked to reduce the consumption of water at its sites. In fiscal 2020, Sony sites used approximately 15.6 million m<sup>3</sup> of water, which was up by approximately 2% and 26% from fiscal 2019 and 2015 levels, respectively. The primary cause was attributable to an increase in semiconductor device production volumes. Water is a circulating and unevenly distributed resource and since water-related issues are region specific, in the water targets of Green Management 2025 medium-term environmental targets which spanned from fiscal 2021 through fiscal 2025, Sony to improve the water usage intensity value at high-usage business sites and lower the water risk in watersheds at business sites in high-risk areas. 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 than is required. For example, the introduction of sophisticated water treatment facilities has enabled it to reduce BOD and COD levels\*1 in wastewater.

\*1 Biochemical oxygen demand (BOD) and chemical oxygen demand (COD) levels are common measures of water pollution.

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

### Water Consumption at Sites



### Proper Water Management to Protect the Local Environment

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. Sites that use large quantities of water are working to reduce their water use and make it more effective, while minimizing the impact of wastewater discharge on the surrounding environment.



## 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 consumption.

### – 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 fallow fields with river water that slowly permeates into the water table. In fiscal 2020, approximately 3.12 million m<sup>3</sup> water usage was recharged.



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

### – Reducing Water Usage in Various Ways

Green Cycle Corporation, a Sony Group company that engages in the recycling of waste home appliances and other products, began harvesting rainwater in fiscal 2014 in an effort to reduce its water use. Rainwater was initially tested to confirm that it would not affect the recycling processes and now it is used in the recycling processes that involve crushing machines, etc., as well as the water for flushing in toilet. In 2018, when the company renovated its plant No. 2, it also redesigned the entire 2,500 m<sup>2</sup> rooftop to serve as rainwater collection area, replacing the existing 80 m<sup>3</sup> underground rainwater storage tank. As a result, 1,338 m<sup>3</sup> of rainwater was collected in fiscal 2020, and rainwater made up about 40% of the plant's total water consumption. The company also installed photovoltaic panels on the rooftop where the rainwater collection area is located, which generate electricity that is used for the plant operations. In addition, 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 m<sup>3</sup> per year.



Rainwater collection system on roof of Green Cycle Corporation's plant No. 2

### – Wastewater Recycling

Sony Technology (Thailand) Chonburi Plant (STT-C) implements wastewater recycling to reduce tap water consumption. STT-C installed an on-site wastewater treatment plant that filters and raises the water quality to supply water to air-conditioning cooling towers, which use large amounts of tap water. By using recycled water for the cooling towers, STT-C reduced its tap water consumption in fiscal 2020 by approximately 25% compared with the fiscal 2015 level.



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

[WEB](#) [List of Chemical Substances Registered as Class 1 \(Prohibition of Use\) in Site Operation by the Sony Group. \[PDF:82KB\]](#)

#### **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**

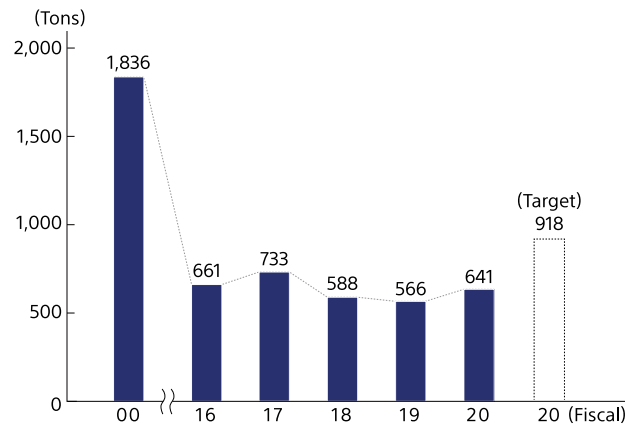
- The substances not classified as Class 1, 2, or 3.
  - Note that water and air are not required to be managed as chemical substances.

## Efforts to Reduce Atmospheric Emissions of VOCs

With the target of reducing the amount of volatile organic compounds (VOCs) released into the air by 50% from the fiscal 2000 level, Sony has worked to reduce the amount of VOC released into the air. VOC emissions into the air were approximately 641 tons in fiscal 2020, approximately 13% higher than fiscal 2019 levels and down approximately 65% from fiscal 2000. Although emissions increased over fiscal 2019 due primarily to increased production of semiconductor devices, the decline from fiscal 2000 levels was the result of a series of measures that include replacing VOCs with alternative substances and reducing VOC use in manufacturing processes. Going forward, Sony will continue to implement these measures, as well as steadily develop and install compact VOC treatment systems.

In the chemical substances targets of Green Management 2025 medium-term environmental targets which spanned from fiscal 2021 through fiscal 2025, Sony is currently endeavoring to meet the new target for chemical substances emitted: reducing the total amount of VOC released into the air to the fiscal 2010 level or lower.

### Release of VOCs into the Air



## 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 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 2020.

## 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.

## Progress of Soil and Groundwater Remediation (as of August 2021)

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 Nagasaki Technology Center completed the treatment of contaminated soil in a 613.3m<sup>2</sup> area that had been designated as an area requiring notification of character change to land, and the designation was lifted on June 25, 2021.

Site	Date Contamination Confirmed	Substance(s) Detected	Cause	Response / Current Status
Sony Global Manufacturing & Operations Corporation's Inazawa Site (Japan)	June 2001 (Result of voluntary assessment)	Fluorine	Leak from crack in drainage pipe	The site has discontinued use of the equipment that caused the contamination and is remediating and monitoring groundwater. Analysis conducted in fiscal 2020 found a groundwater concentration of 1.28 mg per liter.

 [Click here for the latest information on site status.](#)

## ■ Guiding Principles for Biodiversity Conservation Initiatives and Case Examples

### Guiding Principles for Conservation Initiatives

Sony has established a Basic Policy on Biodiversity Conservation, pledging its commitment to help achieve the twenty Aichi Biodiversity Targets by conserving natural capital and biodiversity through the entire product life cycle. Sony business sites are intricately connected with the natural environment and ecosystems that surround them. In light of this, Sony is focused on helping to achieve the Aichi Biodiversity Targets by promoting activities to protect biodiversity in these regions and further afield. Sony categorizes biodiversity considerations and initiatives as outlined below. Sony communicates with employees the importance of pursuing initiatives as a way to help achieve the Aichi Biodiversity Targets, working to build a shared recognition of the significance of these initiatives that will encourage action.

With regard to the Green Management 2020 biodiversity-related target of implementing environmental contribution activities (including conservation activities at Sony's sites), all Sony business sites have conducted biodiversity conservation activities throughout the period covered by GM2020 according to the needs of the region in which they are located.

🔗 [Focus on Biodiversity](#)

[WEB](#) [Aichi Biodiversity Targets at the Convention on Biological Diversity website](#)

### Biodiversity Considerations / Initiatives and Associated Aichi Biodiversity Targets

	Measures	Main Associated Aichi Targets
Education and awareness	<ul style="list-style-type: none"> <li>● Conduct education, seminars, and lectures concerning biodiversity</li> <li>● Conduct nature observation programs</li> </ul>	Target 1 Awareness increased: Focus on raising awareness of the value of biodiversity and protective measures
Improve ecosystems	<ul style="list-style-type: none"> <li>● Improvement of environment for living things</li> <li>● Give consideration to ecological network and green corridor</li> <li>● Give consideration to three-dimensional vegetation</li> <li>● Adoption of local species</li> </ul>	Target 5 Habitat loss halved or reduced: Cut the loss of natural habitats, including forests, to at least half; significantly reduce degradation and fragmentation  Target 10 Pressures on vulnerable ecosystems reduced: Protect coral reefs and other ecosystems that are particularly susceptible to environmental changes
Measures against negative impact	<ul style="list-style-type: none"> <li>● Measures against alien species</li> <li>● Give consideration to bad effects on ecosystems caused by emissions</li> </ul>	Target 8 Pollution reduced: Control contamination from chemical substances, fertilizers and pesticides to within parameters that are not harmful  Target 9 Invasive alien species prevented and controlled: Control or eradicate invasive alien species  Target 12 Extinction prevented: Prevent the extinction of known threatened species
Protection and conservation of ecosystem services	<ul style="list-style-type: none"> <li>● Grasp and conserve endangered species</li> <li>● Conserve a wildlife sanctuary</li> <li>● Groundwater recharge</li> </ul>	Target 11 Protected areas increased and improved: Protect at least 17% of terrestrial areas and 10% of marine areas  Target 14 Ecosystems and essential services safeguarded: Restore and safeguard ecosystems that provide natural abundance
Management	<ul style="list-style-type: none"> <li>● Ensure the appropriate management and use of chemical substances</li> <li>● Ensure the effective use of organic resources</li> <li>● Promote procurement that leads to biodiversity</li> </ul>	Target 4 Sustainable consumption and production: Implement plans for sustainable production and consumption among all stakeholders
Cooperation with stakeholders	<ul style="list-style-type: none"> <li>● Cooperation with stakeholders</li> <li>● Support for organizations that engage in biodiversity conservation activities</li> </ul>	Associated targets depend on focus of activities
Investigation	<ul style="list-style-type: none"> <li>● Monitor living things</li> <li>● Give consideration to the ecological services related to site and business</li> <li>● Grasp status of land use</li> <li>● Give consideration to local biodiversity preservation plans</li> </ul>	Target 19 Knowledge improved, shared and applied: Improve related knowledge, science and technology



## Education and Awareness

Promoting initiatives for biodiversity conservation starts with getting people in diverse positions to better recognize and understand the value of biodiversity. With the understanding that awareness leads to conservation, Sony engages in a broad range of biodiversity education and awareness initiatives including organizing nature walks, biodiversity-themed photo contests, environmental education for students, and art competitions, as well as using social media to raise biodiversity awareness. These initiatives will enable Sony to help achieve Target 1 “Awareness increased” of the Aichi Biodiversity Targets.

### – Wow! Wow! Biodiversity Project

Together with the Nature Conservation Society of Japan, Sony launched the Wow! Wow! Biodiversity Project in fiscal 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 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 6,200 entries were submitted to the Chinese photo contests from 2016 to 2020, and they were shared through social media with approximately 330,000 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.

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



Public exhibition of winning entries for photo contest held in Japan

### – Live-streaming Activities to Raise Awareness of Biodiversity

In China, when the COVID-19 pandemic made it difficult to meet in person in fiscal 2020, Sony shifted its activities to raise awareness of biodiversity online. Sony Precision Devices (Huizhou) Co., Ltd. (SPDH) and nature guides live-streamed from the mangrove forest park in Huizhou, highlighting the various plants, animals, and organisms in the park’s habitat. In addition, Shanghai Suoguang Visual Products Co., Ltd. (SSVE) held an in-person biodiversity lecture for children, which was simultaneously live-streamed. Through these live-streams, which attracted a total of over 75,000 viewers, and other activities, Sony has been able to communicate the importance of biodiversity to an ever-wider audience.



Live-streaming an introduction to the mangrove forest park ecosystem

## Improve Ecosystems

Sony’s business sites endeavor to protect biodiversity through conservation of the environment that provides a habitat where local species can hide and lay their eggs. Business sites carry out various activities intended to preserve the environment in consideration of local ecosystems, from planting local varieties of trees and composting fallen leaves and trimmings to installing birdhouses and constructing ponds and waterways. These initiatives are enabling Sony to help achieve Targets 5 “Habitat loss halved or reduced” and 10 “Pressures on vulnerable ecosystems reduced” of the Aichi Biodiversity Targets.

### – Conservation Activities in Sony Forest to Promote a Richer Ecosystem

Since its inception in 1972, the Kohda Site of Sony Global Manufacturing & Operations Corporation in Japan has protected a natural woodland on its site, naming it “Sony Forest.” In 2008, Sony began creating an owl-friendly environment in the forest by building spaces for owls to fly and feed, and by installing nest boxes. 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.



Owl chick born in the Sony Forest



**- Other initiatives**

- [\[WEB\] Volunteering to Protect Nature Reserves in the UK](#)
- [\[WEB\] Old Growth Conservation Efforts in Kunisaki City, Oita Prefecture](#)
- [\[WEB\] Participation in Project to Plant 10,000 Trees at Kirishima City](#)
- [\[WEB\] Sony India supports "Trees for Life" – an agro forestry project](#)
- [\[WEB\] Promoting Forest Management Activity at So-net Forest \(only in Japanese\)](#)

**Measures Against Negative Impact**

The Sony Group has been taking measures to remove nonnative species that negatively affect local ecosystems. Furthermore, Sony Group’s sites limit the harmful effects on local ecosystems by using only appropriate amount of pesticides and chemical fertilizers at their green spaces in order to prevent soil pollution and the buildup of excessive nutrients in the soil. Since August 2019, Sony has also been addressing ocean pollution issue caused by plastic waste through the One Blue Ocean Project. The project focuses on reducing plastics, such as “reducing virgin plastic in products and product packaging and internally reducing single-use plastics (plastic shopping bags, straws, etc.) used by employees” and “addressing pollution by cleaning up rivers, beaches and communities near Sony business sites.” These initiatives are enabling Sony to achieve Targets 8, “pollution reduced,” 9, “invasive alien species prevented and controlled,” and 12, “extinction prevented,” of the Aichi Biodiversity Targets.

**- Removal of Invasive Species in Yamagata Prefecture**

Located in Tsuruoka City, Sony Semiconductor Manufacturing Corporation’s Yamagata Technology Center (Yamagata TEC) is participating in the removal of invasive species from the local Miyakozawa wetland. This wetland extends to the edge of Oyama Shimoike Pond, designated to be of international importance under the Ramsar Convention. It is a valuable ecosystem home to various native species. In recent years, however, invasive species such as the *Procambarus clarkii* and a *Solidago altissima* have become a problem. Therefore, each year under the guidance of the Tsuruoka city government and local organizations, Yamagata TEC employees participate in activities such as the removal of invasive plants and the targeted capture of crayfish, while protecting medaka, a native fish species in Japan.



Yamagata TEC employees catching invasive red swamp crayfish

**- Other initiatives**

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

**Protection and Conservation of Ecosystem Services**

Sony is working to conserve ecosystem services through activities such as groundwater recharging, identifying and protecting threatened species, and protecting wildlife and flora. These initiatives are enabling Sony to help achieve Targets 11, “Protected areas increased and improved,” and 14, “Ecosystems and essential services safeguarded,” of the Aichi Biodiversity Targets.

**- Biodiversity Conservation Activities in Austria**

The Sony DADC Thalgau plant in Austria is actively promoting activities to conserve biodiversity in the region. 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

### – Thai Mangrove Preservation Project

Sony Device Technology (Thailand) Co., Ltd. (SDT) has been working since 1999 to conserve the mangrove forests in the Gulf of Thailand, as well as participating in coastal and riverbank cleanup activities under Sony's One Blue Ocean Project since 2019. In fiscal 2020, SDT planted 800 mangrove trees and participated in the cleanup of the Klong Cone Canal, which flows into the Gulf of Thailand, collecting about 15kg of plastic waste and other rubbish.



Planting mangrove trees

### – Other initiatives

- [WEB Protecting Spawning Grounds of the Endangered Loggerhead Turtle in Japan \(Movie\)](#)
- [WEB Environmental protection activity in New York](#)
- [WEB Environmental improvement activities of "The Home of Firefly" \(only in Japanese\)](#)
- [WEB Coral conservation activity in Nagasaki Prefecture](#)

## Management

Sony works to ensure that chemical substances are properly managed; organic resources are effectively utilized, including composting fallen leaves; and the items it procures have been produced with biodiversity in mind. These initiatives will enable Sony to help achieve Target 4 "Sustainable consumption and production" of the Aichi Biodiversity Targets.

### – 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 2020, Sony used a total of approximately 204 tons of FSC-certified paper\*1 for such items as corporation publications, including company brochures and notices of general meetings of shareholders, product catalogs, calendars, business cards, and envelopes.

\*1 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

## Cooperation with Stakeholders

With a view to make its initiatives to protect biodiversity even more effective, the Sony Group seeks the opinions of related experts, NGOs, and other stakeholders while carrying out environmental conservation activities. For example, Sony works with research organizations when conducting studies and nature conservation groups when becoming involved in conservation activities. It also cooperates with governments and NGOs when maintaining the natural environment. In addition, Sony provides support and assistance to organizations involved in protecting biodiversity.

### – Initiatives

- [WEB Participating in the Forest Conservation Project in Sumatra](#)
- [WEB Participating in Panama's Biodiversity Event Festi Harpia 2019](#)

## Investigation

As part of their environmental conservation activities, various Sony sites survey the natural habitats located on their grounds and in the surrounding areas by monitoring and fixed-point observations. They then reflect the results of these studies in conservation plans, allowing them to carry out activities in consideration of the local ecosystem. The disclosure of the survey results will enable Sony to help achieve Target 19 "knowledge improved, shared and applied" of the Aichi Biodiversity Targets.

## Logistics

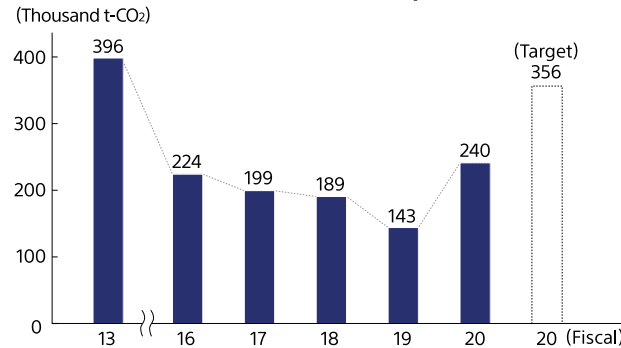
### Results for Environmental Impact Reduction in Logistics

#### CO<sub>2</sub> Emissions from Transport of Finished Products

With the target of reducing absolute CO<sub>2</sub> emissions related to logistics between nations and within regions by 10% (compared with fiscal 2013) by fiscal 2020, Sony has worked to reduce transport weight by making products smaller and lighter, while optimizing transportation efficiency and switching to transportation methods that have a low impact on the environment. Having reached the target year of fiscal 2020, Sony recorded approximately 240 thousand tons of CO<sub>2</sub> emissions from the transport of products (both international and intraregional transportation\*), up approximately 68% from fiscal 2019 due to unscheduled air transport. However, this was down approximately 39% compared with the fiscal 2013 level, due to changes in transport volumes, as well as continuing activities such as switching to modes of transport with lower CO<sub>2</sub> emissions, reducing transport distances through revised transport routes, and improving loading efficiency by reducing the size of product packaging and improving the packaging of parts and components.

\*1 Some countries and regions are excluded from "intraregional transportation."

#### CO<sub>2</sub> Emissions from Product Transportation



### 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

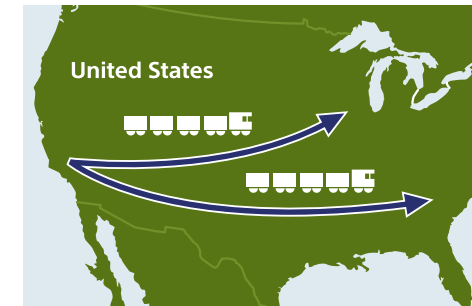
In fiscal 2020, Sony Storage Media Solutions Corporation switched from air to sea transport for storage tape media that is manufactured in Japan and destined for distribution centers in the US, Belgium, and Singapore. The modal shift led to a reduction of approximately 1,683 tons of CO<sub>2</sub> emissions in fiscal 2020.



Modal shift from air to sea transport

#### – Modal Shift in 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 CO<sub>2</sub> 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 to rail transport in the United States

### –Modal Shift in Japan

In Japan, Sony has promoted modal shift from truck to rail transport. For large-sized products in particular, such as BRAVIA™ LCD/OLED TVs, Sony proactively uses railroad, which accounts for more than 15% of all 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 LCD/OLED TVs have earned product certification. Sony also promotes domestic sea transport. In fiscal 2020, CO<sub>2</sub> emissions attributable to the transport of products in Japan were approximately 346 tons lower than would have been the case if products had been transported by truck.



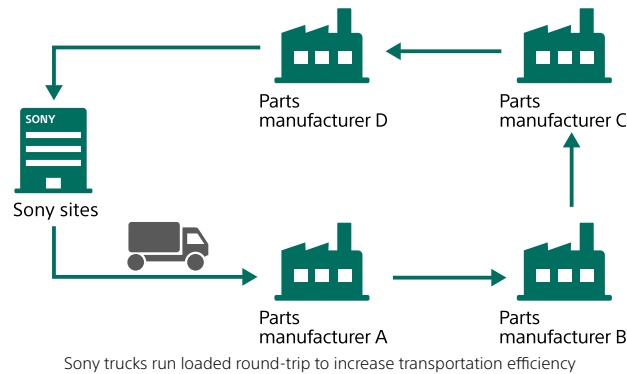
Logo indicating Eco Rail Mark certification for businesses

### Improving Transport Efficiency with Joint Delivery and Milk Runs

Efficient transport realized by maximizing loading volume per truck reduces environmental impact. Sony seeks to improve transport efficiency by utilizing joint delivery with other companies and milk runs.\*1 Sony has been using joint delivery by truck in some regions of Japan. In China, Sony has been improving transport efficiency, which helps to reduce CO<sub>2</sub> emissions, using a

combination of transport solutions such as milk runs\*1 and round trips.

\*1 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.



### Raising Transport Efficiency by Improving Shipping Boxes

At Sony DADC US Inc., warehousing, packaging, returns processing and distribution of assorted media had previously used regulation size boxes. Space inside the boxes was often left unused depending on the shipment size and number of orders. Cushioning material was also needed inside the empty spaces to protect the goods during transport, which resulted in additional expenditures for materials. In response to these circumstances, the Bolingbrook Distribution Center improved the boxes by redesigning them into a shape optimally suited for the size and amount of products to be shipped. Ultimately, the Distribution Center eliminated the wasted space in the boxes, increased the rate of products shipped, and substantially improved transport efficiency. The initiative also helped to reduce the amount of cushioning material used.



The shape of the shipping boxes was changed to optimally suit the products being shipped

### 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 packaging materials. This has contributed to the reduction of use and disposal of packaging materials such as stretch films.



A reusable band in use

## 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.

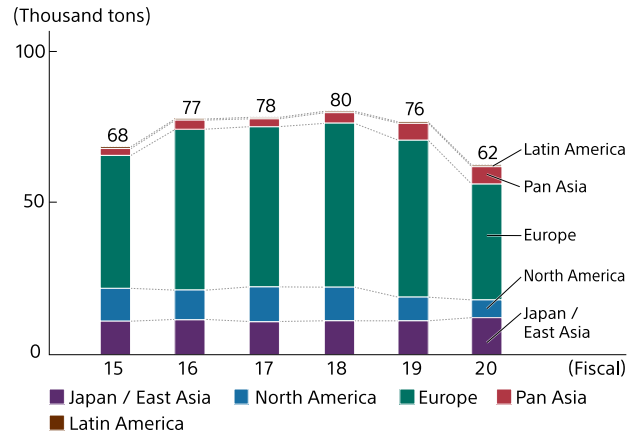
#### Product Recycling Initiatives

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 laws on electronic waste.

#### Sony's Recycling Record

In fiscal 2020, Sony collected approximately 62 thousand tons of end-of-life products (as of July 2021). The take-back volume increased in Europe in fiscal 2016, and since then the overall volume has been steady. However, in fiscal 2020, the take-back volume decreased mainly in Europe because of the COVID-19 lockdown.

#### Take-Back of End-of-Life Products Record



Notes:  
 - The figure for fiscal 2020 is as of July 2021.  
 - Japan / East Asia refers to the Japan, 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, a Sony Group company specializing

in the recycling business. Highly effective, practical measures incorporating these ideas and suggestions for making it easier to disassemble products and separate materials obtained in the process of recycling used electronic products 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 manufacturing.

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 2020, Green Cycle Corporation built a second recycling building and introduced a new process for processing flat-screen TVs based on Sony product information and other data. The new building has improved the efficiency of the disassembly process and significantly boosted processing capacity. Green Cycle Corporation also offers plant tours allowing ordinary customers to witness the significance of electronic product recycling. (As of August 2021, plant tours have been suspended due to the COVID-19 pandemic.)

[Information for Green Cycle plant tour \(only in Japanese\)](#)

[Results of Green Cycle plant tour](#)



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



## Holding Workshops on TV Recycling

Sony has been regularly holding workshops on TV recycling since 2006 at Green Cycle Corporation. Its product designers, mechanical designers and other employees in various positions participate. The workshops aim to reaffirm the importance of and need for considering recyclability in product designs, and to ensure those ideas are later applied when creating products. During the workshops, the participants first observe a television disassembly line onsite, and then try to take apart an LCD television themselves. Afterwards, line managers at Green Cycle Corporation explain current challenges and needs, and then exchange ideas with the participants in a discussion. Participants then apply what they have learned when designing products that will be sold worldwide, with a first-hand understanding of the difficult work of disassembling products and ways to make it easier, as well as an appreciation of the importance of reusing materials that have been separated from used products.



Employees disassemble an LCD television

## ■ 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\*1 (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. One of these plants is operated by Green Cycle Corporation, which manages a recycling business as a Sony Group company. 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. In fiscal 2020, Sony recycled approximately 153,000 CRT televisions and 400,000 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 2001. In fiscal 2020, the recycling rate for Sony-manufactured CRT televisions was 74%, while for Sony-manufactured flat-screen televisions it was 86%.

\*1 Sony-manufactured televisions include products bearing the Aiwa brand manufactured in and before 2005.

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

[WEB Historical data on recycling](#)



TV being dismantled at Green Cycle Corporation

## 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 industry-wide 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 2020, Sony collected and recycled a total of approximately 35,000 units, for a total weight of approximately 183.7 tons. From these items, about 130.6 tons of materials were reused, including metal, plastic, and glass parts.

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

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



## ■ 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. This is exemplified by our strong commitment to actively create a competitive market for professional recycling activities in Europe. As such, in 2002, Sony joined forces with Braun GmbH, AB Electrolux and Hewlett Packard Europe S.A., to form the European Recycling Platform (ERP). The aim of ERP was to establish efficient and cost-effective systems for the collection and recycling of end-of-life electrical and electronic products to enable member companies to fulfill their obligations as manufacturers. Sony continuously strives to find the best recycling partners across Europe.

\*1 Directive 2012/19/EU on waste electrical and electronic equipment (WEEE)  
 \*2 Directive 2006/66/EU 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 2020, Sony financed the costs of recycling approximately 37,944 tons\*1 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.

\*1 End-of-life products and packaging in 2020 does not include WEEE for Belgium, batteries for the Netherlands, or packaging for Belgium and the Netherlands.

## ■ 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.

### North America

#### - Promoting the Sony Take Back Recycling Program

In the United States, Sony Electronics Inc. (SEL) continues to operate its voluntary recycling sponsorship program and compliance programs in states with take back regulations. In fiscal 2007, the company introduced the Sony Take Back Recycling Program, which aims to further encourage consumers to recycle and dispose of electronics equipment in an environmentally sound manner. Developed in collaboration with waste administration and recycling companies in the United States, the program allows consumers to drop off Sony products at designated collection centers free of charge. In fiscal 2020, these collection centers and through compliance channels collected approximately 5,808 tons (12,778 thousand pounds) of used consumer electronics. SEL aims eventually to provide a collection center within 32km (20 miles) of the homes of 95% of the country's population. SEL in 2020 recycled 0.19kg (0.42 pounds) for every 1kg (2.20 pounds) sold which measures progress towards the goal of recycling the equivalent weight of recovered consumer electronics for every new product sold.



Sony Take Back Recycling Program collection activity (United States)

#### - Recycling Program Website

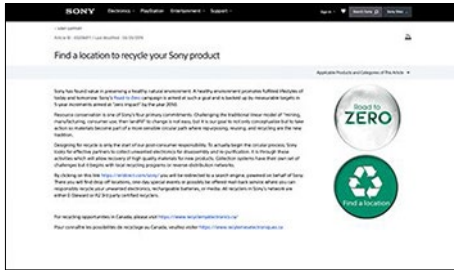
SEL provides a website through which consumers may search for the optimal method of returning and recycling used electronics products (including non-Sony products). The site enables consumers to learn about state specific recycling programs. It also includes various ways of bolstering the recycling rate, including a search function for the nearest take-back recycling center. For consumers whose closest center is more than 40km (25 miles) away, Sony products up to 11kg (25 pounds) are taken back by free-post and recycled free of charge.

SEL has continuously collected electronics equipment scrap, thereby contributing to reduced use of natural resources. In the future, through the site, SEL plans to promote higher rates of used electronics collection and conduct educational campaigns on appropriate recycling methods of used products. As a member of the Call2Recycle program\*1, SEL recycles rechargeable batteries free of charge in line with Call2Recycle's recycling scheme.

\*1 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](#)



Take back Recycling Program Website

## 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 program Electronics Challenge 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 electronics equipment.

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](#)

## 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 local legislation, Sony India has partnered with a leading third party company to provide collection and recycling services for e-waste. In fiscal 2020, Sony India collected approximately 2,927 tons of e-waste internally and through the third party partner. Additionally, Sony India has focused on creating a broad network of e-waste collection points, thereby making it easier for customers to turn in their e-waste. As of the end of March 2021, 33 collection points across the country had been established. Sony India continues to review the results and formulate future plans accordingly.

 [Electronic Waste \(“E-Waste”\) Management](#)

### Australia: Participating in the “National Television and Computer Recycling Scheme” (NCRS) 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 2020 through June 2021, approximately 2,959 tons of discarded home appliances 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.

[WEB](#) “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, Brazil, 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 2020, approximately 158 tons of scrap 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 13 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. In Chile, Sony is participating in the voluntary take back program called “Clean Production Agreement” for the Electrical and Electronic Equipment sector, which seeks to respond to the regulations that may be implemented in the future in accordance to the current recycling law.

## ■ 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. Popularly known as “China WEEE,” the regulations that mandate the recycling of five types of products: televisions, refrigerators, washing machines, air conditioners and PCs. As a manufacturer of televisions Sony is affected by these regulations, which oblige 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.

## Environmental Communication

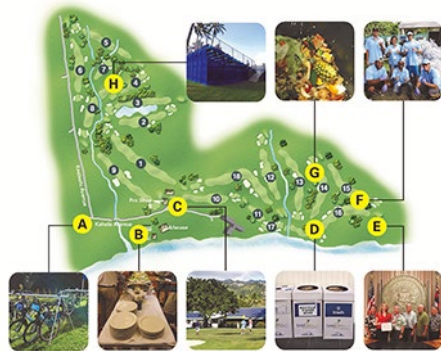
### Environmental Awareness-Raising Activities Worldwide

Through hosting special events, 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

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\*1 with an environmental focus. In 2021, the tournament was held without spectators, while it continued its Sustainability Initiative, reusing structural material, diverting waste through recycling, and reducing energy and water use. The 2021 Tournament also featured a

#### SUSTAINABILITY AT THE SONY OPEN



The sustainability map featured on the tournament's website  
The photos are from the pre-COVID-19 event.

sustainability map via the website, highlighting the location of various environmentally conscious initiatives throughout the course, as well as a "Sustainability with the Pros" article, with golf pro's commentary on how they participate sustainability in their professional careers.

\*1 PGA Tour is the US men's professional golf tour.

[WEB Sustainability Initiative at the Sony Open in Hawaii](#)

#### Environmental Awareness Initiatives for the Next Generation

Sony Creators Gate was launched to support the creation of environments that enable young people and next generation creators to unleash their creativity and expressiveness, through initiatives aimed at disseminating practical information relating to the environment. The "U24 CO-CHALLENGE", for example, is a competition and workshop program that fosters the ideas of the next generation of creators and includes online talks. In fiscal 2020, an online talk was given by Sony employees with experience launching businesses in the environmental field, where the speakers addressed the question "What Actions Change the World?" and introduced ways they have raised environmental awareness and taken action. The "trialog" project is an experimental platform structured with tripartite dialog to create the future and to discuss "What is the future we really want?" aimed at the next generation. For example, "trialog" project volume 11 featured a dialog on the topic of societal wellness between the Director of Environment and Technical Compliance responsible for environment and sustainability for PlayStation®, a research engineer involved in an open innovation project for energy systems, and the business development manager for Triporous™, a sustainable material made from surplus biomass rice husks. These dialog sessions serve as an avenue for conveying useful information to young people.



Announcement banner of "trialog" volume 11 held on February 27, 2021

#### Environmental Initiatives Leveraging Music, Artists, and Events

The Sony Music Group is actively working to protect the environment by encouraging Sony Music artists to help raise awareness of environmental issues through their music and also by taking environmental initiatives in its diverse events and promotional materials.

Since 2009, Sony Music artist Takanori Nishikawa has been organizing and performing at the Inazuma Rock Fest, which is the biggest annual music festival in Shiga Prefecture, Japan. The purpose of the festival is to promote the region and raise money for efforts to conserve the water quality of Lake Biwa. The 2020 edition of the festival was streamed online and featured many artists performing under the festival slogan of "Raise Your Voice for the Future of Water," reaching an estimated 13,000 viewers. Profits from the festival were donated to public organizations, in order to fund ecosystem and aquatic environmental conservation of Lake Biwa. Meanwhile, FreFlow®, Sony's wireless LED glow stick system for live events, was made more environmentally conscious, by reusing the LED lights from previous models, developing near-field communication tags to use in place of disposable tags, and making use of recycled materials in its outer components. In 2020, FreFlow® with the above environmental features was used mainly for online live events, providing bright lighting to enhance the performances at audience-free venues.





Sony Music artist Takanori Nishikawa organizes the Inazuma Rock Fest, which raises money for Lake Biwa conservation efforts

## 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 2020 Sony conducted an online seminar on the issue of ocean plastic for all employees in Japan. In China, Sony Digital Products (Wuxi) Co., Ltd. (SDPW) set up an EHS\*1 hands-on education facility in 2016 to provide visitors with an interactive environmental learning experience.

\*1 EHS is the combination word of the initial letters of Environment, Health and Safety.



Interactive environmental learning experience at EHS hands-on education facility in SDPW

## 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 in-plant. 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. Described here are three of the more notable examples of this approach.

### Collaboration with S3i Innovation Challenge

In 2020, Sony entered a collaboration agreement in the area of innovation with the United Nations Office for Projects Services (UNOPS) to collaborate through S3i Innovation Challenge (former Global Innovation Challenge), a program hosted by UNOPS to support startups and companies providing solutions to the United Nations Sustainable Development Goals (SDGs). Under the collaboration, UNOPS will provide the platform for sustained efforts to address issues within the SDGs, while Sony will support technology development and human resources development through the Sony Startup Acceleration Program, to contribute to the advancement of a sustainable society. In fiscal 2020, Sony issued a call for submissions on the theme of advancing resilient infrastructure with technology in the face of climate change, receiving 624 proposals from 98 countries and regions. Sony provided business support to realize the ideas of the selected startups and companies.

[News Release: UNOPS and Sony Launch Innovation Collaboration Program](#)

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

## Participating in the Playing for the Planet Alliance

Since 2019, Sony Interactive Entertainment (SIE) has participated in the Playing for the Planet Alliance, an international initiative launched by the United Nations Environment Programme (UNEP) to rally the game industry to combat climate change. SIE is steadily advancing initiatives aimed at achieving a cumulative reduction of approximately 30 million tons of CO<sub>2</sub> emissions from PlayStation®4 (PS4™) by 2030. PlayStation®5 incorporates energy efficient features to suspend and resume game play at just 0.5 watts, which if activated uses 72% less electricity in rest mode compared with PS4™. SIE is also collaborating with UNEP to raise awareness of the environment among gamers by using *Dreams* for PS4™ to create and distribute an immersive video that invites the viewer experience climate change. A partnership with New Zealand charity Sustainable Coastlines led to the development of the beach-clean game *"Pick Up Quick!"*

[WEB](#) [SIE.Blog. United Nations 'Playing for the Planet' Alliance Annual Impact Report 2020](#)



Playing for the Planet Alliance logo

## Sony Joins RE100 Global Initiative

In 2018, Sony joined RE100\*1 and itself is working toward sourcing 100% renewable electricity for the worldwide operations of the Sony Group by 2040. Sony has already switched to 100% renewable electricity in Europe and China and is increasing its renewable energy use in other regions using various strategies including deploying solar energy systems. To address its energy-intensive operations in Japan, Sony has installed solar power generation equipment at its main sites and is actively 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.

\*1 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.



RE100 logo

## Participation in WWF's Climate Savers Programme

In July 2006, Sony joined the Climate Savers Programme, established by the World Wide Fund for Nature (WWF), a leading international environmental NGO. Under the Climate Savers Programme, WWF partners with leading corporations to establish science-based targets for reducing absolute emissions of greenhouse gases. Progress toward the achievement of these goals is monitored by WWF, as well as by an independent body. Participation in the program has enabled Sony to set more ambitious targets, and monitoring by WWF and the independent body has enhanced the transparency of Sony's various environmental initiatives. Sony's participation in the Climate Savers Programme includes meeting the climate change targets set in its Green Management 2025 group medium-term environmental targets.

In addition to the Climate Savers Programme, in April 2021 Sony and WWF Japan entered into a three-year Corporate Partnership Agreement to further strengthen the collaboration between the two organizations. In particular, Sony and WWF Japan will step up their collaborative efforts to realize a sustainable global environment in the areas of climate change and biodiversity conservation through forest conservation.

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



Climate Savers logo





# Community Engagement

## Milestones

- 1959:** Founded Sony Fund for the Promotion of Science Education in Elementary Schools
- 1972:** Established Sony Foundation for Education (currently 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 Sony Global Relief Fund for COVID-19  
Launched CurioStep with Sony  
Established Global Social Justice Fund

## Fiscal 2020 Highlights

Established two **100 million USD** global funds

Educational programs offered workshops to approx. **6,100 children**

## Management Approach

### Materiality Rationale

In Sony's Founding Prospectus, Masaru Ibuka, one of the founders set "contributing to Japanese culture through technology" and "the promotion of education in science among the general public" as the primary goals for founding the company and also indicated a focus on science education for children, who will shape the next generation. These philosophies are inherited as the basis of Sony's CSR activities.

### Basic Approach

Under the slogan "For the Next Generation," which inherits the aspiration of Sony co-founder Masaru Ibuka, Sony aims to contribute to the resolution of a wide range of global social issues everywhere it does business around the world by making the most of its products, content, and technologies. Sony's areas of focus are: supporting education in various countries and regions; providing emergency relief and assistance in large-scale disasters; employing technology to solve social issues; and using entertainment as a source of public awareness.

### 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



Masaru Ibuka



Research presentation by schools assisted under the Sony Fund for the Promotion of Science Education

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.

### Main Achievements in Fiscal 2020

Here are the main results of fiscal 2020 initiatives:

- Community engagement expenditures were approx. 2 billion JPY.
- Education programs offered approx. 140 workshops to approx. 6,100 children.
- Disaster assistance was provided for affected areas and people in Japan, Vietnam, the Philippines, and Indonesia.
- Established Sony Global Relief Fund for COVID-19, a 100 million USD fund to provide support in mainly three areas "Medical" "Education" and the "Creative Community" (Expenditures of approximately 5.3 billion JPY in fiscal 2020)
- Established Global Social Justice Fund, a 100 million USD fund to support initiatives that promote social justice, anti-racism initiatives (Expenditures of approximately 1.6 billion JPY in fiscal 2020)

### 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.

### Related Links

- [Social Contribution](#)
- [History of Sony's social contribution activities](#)

## Policy, Framework and Main Scope of Community Engagement

### Policy of Community Engagement

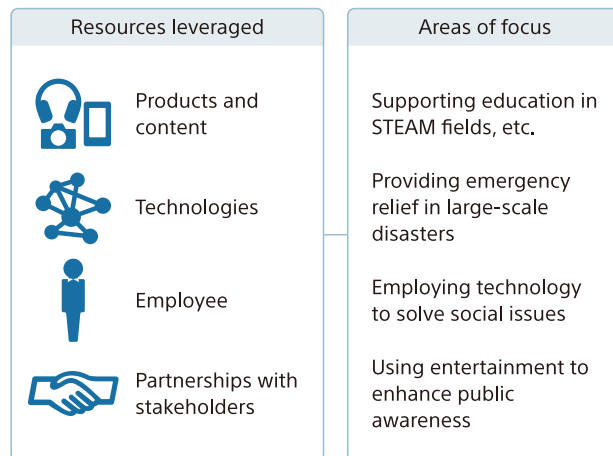
Under the slogan “For the Next Generation,” which inherits the aspiration of Sony co-founder Masaru Ibuka, Sony engages with communities everywhere it does business, by making the most of its products, content, technologies, the strengths of employees, and also by partnering with stakeholders. Taking into consideration the SDGs,<sup>\*1</sup> Sony strives to address diverse global issues by supporting education in STEAM<sup>\*2</sup> and other fields; providing emergency relief and assistance in large-scale disasters; employing technology to solve social issues; and using entertainment as a source of public awareness.

\*1 The Sustainable Development Goals adopted by the United Nations

\*2 An acronym that refers to the field of Science, Technology, Engineering, Arts and Mathematics

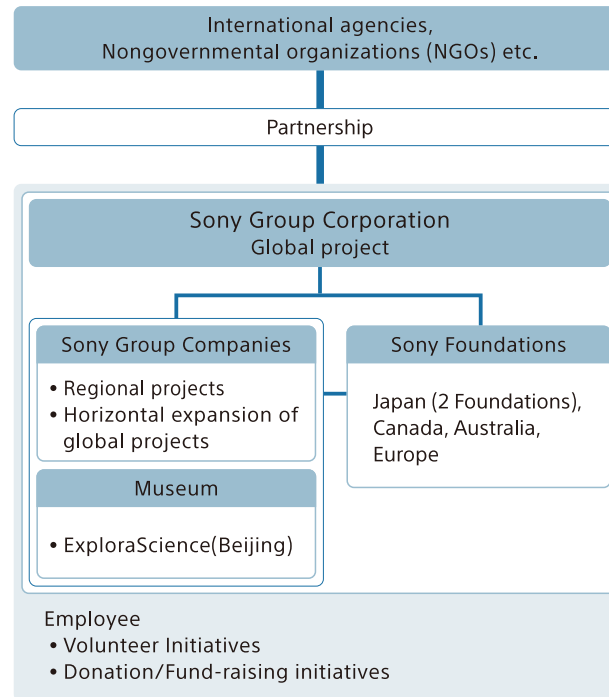
### For the Next Generation

Under the slogan “For the Next Generation,” Sony addresses diverse social issues



### Framework for Community Engagement

Sony’s global projects are spearheaded by Sony Group Corporation in Tokyo. In addition, each group company worldwide, along with its 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 including NGOs. Employees are also encouraged to play an active role in their communities by volunteering, taking part in fundraising, and in other programs.



### 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.

[WEB Sony ExploraScience \(Beijing\)](#)

#### Sony Foundations

- Sony Education Foundation (Japan)
- [WEB Sony Music Foundation \(Japan\)](#)
- [WEB Sony Foundation Australia Limited \(Australia\)](#)
- [WEB Sony Canada Charitable Foundation \(Canada\)](#)
- Stichting Sony Europa Foundation (Pan-Europe)

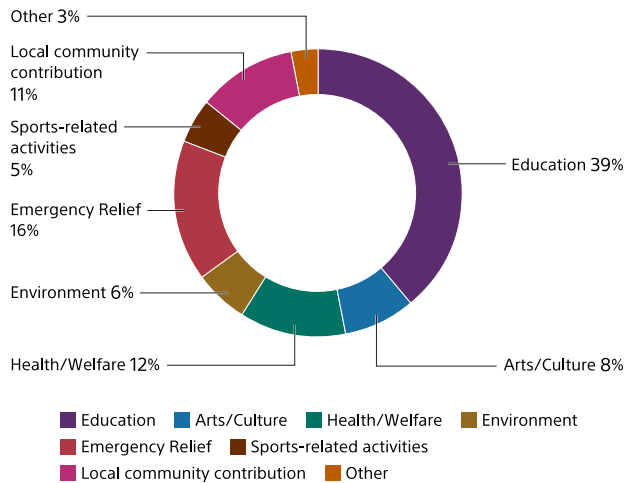
## Results of Community Engagement Initiatives

In fiscal 2020, the Sony Group contributed approximately 2 billion yen\*1 to community engagement initiatives. By category, approximately 40% of the expenditure went to supporting education. The next highest area of expenditure went to contributing to emergency disaster relief. By region, approximately 36% of the total expenditure was in the United

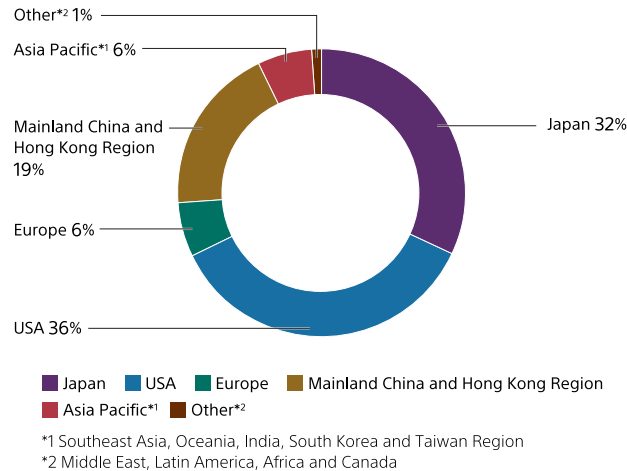
States, followed by 32% in Japan and 19% in Mainland China and the Hong Kong region.

\*1 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. Regarding expenditures from these funds, please see "Establishment of Two Global Funds."

### Community Engagement Expenditures by Field (Fiscal Year 2020)



### Community Activity Expenditures by Region (Fiscal Year 2020)



\*1 Southeast Asia, Oceania, India, South Korea and Taiwan Region  
 \*2 Middle East, Latin America, Africa and Canada

## Establishment of Two Global Funds

On April 2, 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. In June 2020, Sony also established the Global Social Justice Fund, a 100 million USD fund to support initiatives that promote social justice and , anti-racist initiatives to foster diversity, equity and inclusion around the world.

- [COVID-19 Pandemic and Sony's Response](#)
- [Social Justice and Diversity, Equity & Inclusion Initiatives](#)

### Sony Global Relief Fund for COVID-19 100 million USD

Approximately 80% of the 100 million USD fund has been earmarked\*1 (Expenditures of approximately 5.3 billion yen in fiscal 2020\*2)

### Global Social Justice Fund 100 million USD

Approximately 70% of the 100 million USD fund has been earmarked\*1 (Expenditures of approximately 1.6 billion yen in fiscal 2020\*2)

\*1 As of June 30, 2021

\*2 The majority of initiatives supported by the Sony Global Relief Fund for COVID-19 are scheduled to be implemented by the end of fiscal 2021. The Global Social Justice Fund will implement initiatives over a four- to five-year timeframe.

## ■ Sony Global Relief Fund for COVID-19

On April 2, 2020, Sony established the Sony Global Relief Fund for COVID-19, a 100 million USD fund (equivalent to approx. 10.8 billion JPY) to support those around the world affected by COVID-19. Through this fund, we provide support in mainly three areas “Medical” “Education” and the “Creative Community” such as making contributions to external organizations and engaging in various initiatives utilizing businesses and technologies of the Sony Group.

[WEB](#) Sony Global Relief Fund for COVID-19

### Support to International Organizations

In April 2020, the fund extended a total of 10 million USD (equivalent to approx. 1.1 billion JPY) in emergency support to the COVID-19 Solidarity Response Fund for WHO, Médecins Sans Frontières (MSF), United Nations Children’s Fund (UNICEF), and The office of the United Nations High Commissioner for Refugees (UNHCR). Sony Music Group and Sony Pictures Entertainment has donated to organizations that assist creators involved in music, film, and television production who have been severely impacted by COVID-19. Sony Interactive Entertainment launched the Play at Home initiative, which included establishing a 10 million USD fund (equivalent to approx. 1.1 billion JPY) to help smaller independent game studios.

### Medical Initiatives

Sony launched a project to manufacture and donate medical face shields, the concept for which grew out of the idea of Sony employees. Under the project, the Medical Business Group of Sony Corporation worked to rapidly develop and manufacture medical face shields that incorporates frames repurposed from eye shields of medical 3D monitors. More than 100,000 medical face shield kits have been donated both in and outside of Japan.

In April 2020, Sony and M3, Inc. announced the start of a collaboration to support individuals engaged in medical efforts to treat COVID-19, and to assist patients. As part of the initiative, the two companies developed and assisted with the distribution of an artificial intelligence (AI) based image analysis solution for medical settings and an entertainment solution for patients that uses augmented reality (AR) and virtual reality (VR) technologies, conducting demonstration tests for the solutions. Additionally, the companies developed a system that enables hospitalized patients and facility residents to have virtual visits from family and friends, for use in medical settings and care facilities where visits are restricted. The companies supplied 1,000 of these systems at no cost for six months.

Sony donated 100 aibo\*1 autonomous entertainment robot to medical institutions across Japan in collaboration with M3, in order to alleviate the stress felt by hospitalized patients. Sony is also donating aibo to elderly care facilities in the U.S., for residents who experience loneliness and anxiety due to restrictions on receiving family and visitors.

\*1 aibo is an autonomous entertainment robot designed to form an emotional bond with members of the household while providing them with love, affection, and the joy of nurturing and raising a companion.



Face shields for medical workers manufactured by Sony

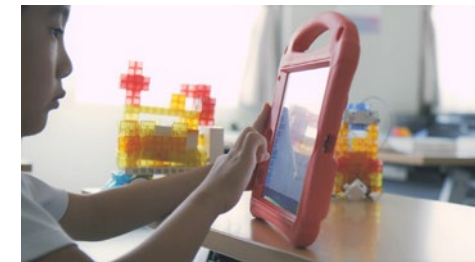
### Education Initiatives

Sony Global Education has implemented measures to support children, schools and education professionals who have been impacted by COVID-19. Specifically, the company donated KOOV®\*1 robot programming learning kits in cooperation with NPOs and boards of education in Japan, China, and the United States. Sony Global Education also organized online coding workshops and other events such as STEAM Week, a week-long series of talks related to STEAM given by Sony employees. Through these initiatives, Sony Global Education helped to increase study and exchange opportunities for approximately 4,500 children.

Sony Business Solutions (now Sony Marketing Inc.) donated 200 sets of MESH™ IoT blocks\*2 to The Nippon Foundation and Chance For All, which operates after-school care and other programs. In conjunction, Sony organizes online coding workshops that use MESH IoT blocks to support children’s learning.

\*1 KOOV® is an all-in-one coding, robotics and design kit that combines digital coding with physical building to foster the next generation of innovators.

\*2 MESH IoT blocks make it easy to turn ideas into reality. It lets you combine programmable sensors and switches with everyday objects for problem-solving and learning. Distributed by Sony Marketing Inc.



Using the KOOV® kit

## Initiatives for the Creative Community

Sony, in cooperation with the music portal Music.com, took part in the 500 Artists Wanted campaign in the U.S. to support the creation of music using the 360 Reality Audio, an immersive audio experience utilizing object-based spatial sound technologies. More than 500 artists answered the call for submissions of a song and a story about the song. Twenty-five songs were chosen from the submissions to be remixed in the 360 Reality Audio music format by a professional sound engineer, and the tracks were made available on Music.com. Additionally, one artist among them and twelve artists from the Jammcard creator community remotely collaborated to create two original songs using 360 Reality Audio. The campaign provided opportunities to write and release music for artists whose activities were restricted by the cancellation of live performances.

Sony Pictures Entertainment (Japan) launched the film project DIVOC-12, an omnibus of shorts created by 12 directors, to support the continued activities of creators in Japan. Some of the directors and casts were solicited through a call for submissions, providing opportunities for new forms of expression. 12 directors were split into three teams to create the short films. A portion of the proceeds from the project will be donated to the Japan Arts Council to support art and cultural activities in Japan. The completed film will be released in theaters in fiscal 2021.

[WEB 500 ARTISTS WANTED](#)

[WEB Jammcard×360 Reality Audio](#)

[WEB DIVOC-12 \(Only in Japanese\)](#)



Press conference to announce the film project DIVOC-12



## ■ Sony Group Community Initiatives

### Launch of the “CurioStep with Sony” Educational Program

In July 2020, Sony re-branded the more than decade-old Sony Science Program to launch the “CurioStep with Sony” educational program. The new program 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 include workshops and contests both in and outside of Japan that extend into STEAM education, in fields such as science education, programing, entertainment, and art. Sony launched new online workshops in fiscal 2020 in response to the COVID-19 pandemic. Under the program, children can borrow MESH™ IoT blocks and toio™ robotic kits\*1 to use at home for several weeks in conjunction with online programing workshops. By offering the online workshops, Sony can extend its reach and help overcome regional inequalities in education.

Sony launched the Kando Experience Program in 2018 to reduce educational inequalities in Japan. The program 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.

In fiscal 2020, Sony conducted approximately 140 workshops under various educational programs for children, reaching around 6,100 children.

\*1 toio is a robotics toy platform designed to nurture creativity in children. Using crafts and programing, children make and operate their own toys, unleashing their creativity as they play. Distributed by Sony Interactive Entertainment Inc.

[WEB](#) [CurioStep with Sony](#)

[WEB](#) [Kando Experience Program](#)



Online programming workshop for children



MESH programming workshops at after-school care centers

### aibo is Coming to Your High School Develop an aibo Linkable App (Sony Education Foundation)

The Sony Education Foundation provides a wide range of educational support, for instance by funding schools and kindergartens, with the aim of fostering a “scientific mindset” among children. As part of these activities, Sony organized an engineer experience program in which teams of high school students plan and develop their own app for Sony’s aibo, robotic puppy powered by AI. During the month-long program, 24 students from six high schools, selected from among applicants, participated in online meetings with aibo product planners and engineers, receiving their guidance. Each team developed an aibo application, doing all the processes from deciding on the specifications, to coding, to presenting the final product. The resulting applications reflected the unique ideas of the high school students, and two of them were chosen to be added to Sony’s official aibo website and are now being used by aibo owners.

[WEB](#) [aibo is Coming to Your High School Develop an aibo Linkable App \(Only in Japanese\)](#)



Some students who were part of the program



## Music and Gaming Charity Stream for Young Australians with Cancer (Sony Foundation Australia)

Sony Foundation Australia (SFA) hosted a special “Gaming4Life FIFA 21”<sup>\*1</sup> as part of its popular charity stream series. Held in December 2020, the event ran for two weeks on Twitch, asking FIFA gamers to stream and fundraise for SFA’s newly launched youth cancer accommodation program, “You Can Stay.” The program provides free accommodation for regional youth cancer patients that must travel to the city for life-saving cancer treatment. A total of nearly 24,000 AUD was raised during the event, which equals 240 nights of emergency accommodation for a cancer patient aged 15 – 25 years old and their family. SFA hopes this will reduce the financial and emotional burden faced by these patients. With the support of Sony Group companies in Australia and the valuable partnership with EA SPORTS,<sup>\*2</sup> Sony Music artists and popular EA SPORTS FIFA streamers took part in the event and asked fans to donate, with the added incentive of winning prizes including a PlayStation®5 and products from Sony.

\*1 FIFA 21 is a football simulation video game published by Electronic Arts as part of the FIFA series.  
 \*2 EA SPORTS is a division of Electronic Arts Inc. that develops and publishes sports video games.

### Sony Foundation Australia “Gaming4Life”



EA SPORTS FIFA streamers on Gaming4Life FIFA 21

## 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 Disaster Relief

In fiscal 2020, the Sony Group made monetary donations to assist areas and victims affected by natural disasters and humanitarian crises, as listed below.

Date disaster occurred	Incident	Recipient
	Amount of donation (yen, approx.)	
January 2021	Sulawesi earthquake in Indonesia	<ul style="list-style-type: none"> <li>Save the Children</li> </ul>
	1.0 million	
November 2020	Typhoon in Vietnam and Philippines	<ul style="list-style-type: none"> <li>Save the Children</li> </ul>
	8.0 million	
August 2020	The Heavy Rain Event in Japan of July 2020	<ul style="list-style-type: none"> <li>Save the Children</li> <li>Japanese Red Cross Society</li> </ul>
	40.3 million	

### Passing of 10 Years Since the Great East Japan Earthquake Sony Group's Relief Efforts

Save the Children and Sony jointly launched the Restart Japan Fund Project to assist reconstruction from the Great East Japan Earthquake of 2011. During a five-year timeframe through 2016, the project implemented various programs to assist children from affected areas, centering on educational and creative activities for children. For example, the 3/11 Kids Photo Journal Project showed the world what is happening in the affected areas, through the lens of children who lived through the disaster. The Achieve Your Dreams Project sought to assist schools and communities in resuming sports and cultural activities that were suspended due to the impact of the earthquake. These initiatives were carried out by leveraging the assets of the Sony Group companies and by donations and volunteering activities conducted by Sony group employees.

A Sony Group company located in Tagajo City, Miyagi Prefecture continues to produce Blu-ray Disc media made in collaboration with Save the Children. A portion of its profits is donated to support ongoing cash support for children from affected areas. Additionally, Sony Group employees continue to participate in volunteering initiatives in affected areas, which have been conducted approximately 50 times with the involvement of around 1,600 employees.



Blu-ray Disc media created in partnership with Save the Children Japan

### Partnership with Save the Children Japan

#### Emergency Disaster and Recovery Fund for Children

In 2016, Sony, in partnership with Save the Children, 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 create 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. Sony has extended approximately 100 million yen in financial aid for disasters around the world via the Emergency Disaster and Recovery Fund for Children. These funds are used by Save the Children to implement their assistance programs.

#### [Emergency Disaster and Recovery Fund for Children](#)



Sony provided emergency aid in response to Typhoon in the Philippines

## Development of Resilient Communities Against Disasters

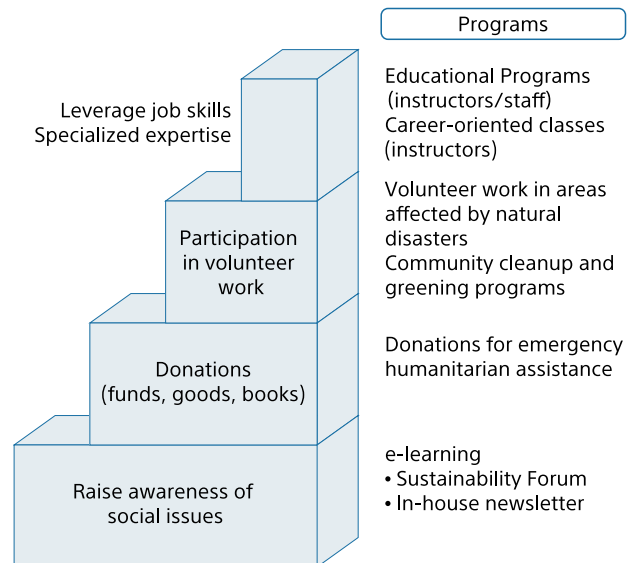
It has been a decade since the Great East Japan Earthquake occurred. With disasters occurring more frequently and striking with greater intensity around the world, it is becoming increasingly important to establish frameworks for comprehensive disaster preparedness. Given the circumstances, Sony and Save the Children in March 2021 announced a partnership that aims to increase community resilience to disasters. Under the partnership, Save the Children will strengthen its Safe Schools program, a comprehensive approach implemented in over forty countries that seeks to keep communities and school children safe from risks such as disasters. Specifically, Save the Children and Sony will support implementing a school safety program at elementary and junior high schools in India, to enhance the disaster resilience of students and teachers. The program will also enhance safety management at schools such as creation of school safety task force, prepare safe learning environments, and enhance collaboration with government and local communities. Save the Children and Sony will provide insights gained through the school safety program in India to further improve and strengthen its global framework, aiming to replicate them in other countries. Sony will donate 45 million yen to Save the Children during a three-year timeframe through 2023 to support the implementation of these initiatives. Sony is also considering dispatching employees to leverage Sony's technologies and human resources on the ground to help solve social issues.

## Volunteer Systems for Employees

### Employee Participation in Social Contribution Initiatives

Sony uses a three-step approach to engage its employees to participate in social contribution initiatives: raising awareness of social issues, encouraging volunteering, and leveraging job skills and specialized expertise. For each program, "raising awareness" includes e-learning, sustainability forums, and an in-house newsletter. "encouraging volunteering" includes donations for emergency humanitarian assistance, volunteer work in areas affected by natural disasters, and community cleanup and greening programs. In "leveraging job skills and specialized expertise", employees provide career-oriented classes as instructors and staff of educational programs.

#### Employee Participation in Social Contribution Initiatives



### Volunteer Work by Employees in Social Contribution Initiatives

Employees at Sony sites served as instructors and staff members for CurioStep with Sony workshops and also volunteered in the Kando Experience Program.

### 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.

### Charitable Donation Systems for Employees

Sony has introduced several measures to encourage employees to make contributions toward emergency relief and other worthy causes, including matching gift programs. In addition to disaster relief, Sony employees raise funds at events related to supporting refugees and solving environmental issues and provide support to non-profits and other organizations.

#### Related Links

[Organizational Structure and Awareness-Raising Activities](#)

## Datasheet

### Corporate Governance

(year)

Item	Scope	Unit	2019	2020	2021	
Composition of Sony Group Corporation's Board of Directors*1	Sony Group Corporation	Total	Persons	13	12	11
		Outside Directors	Persons	10	9	8
		Women	Persons	4 (30.7%)	4 (33.3%)	4 (36.4%)
		Non-Japanese Nationals	Persons	3 (23%)	4 (33.3%)	4 (36.4%)
Composition of Sony Group Corporation executives*1*2	Sony Group Corporation	Total	Persons	41 (2) *3	42 (2) *3	26 (2) *3
		Women	Persons	3 (7.3%)	3 (7.1%)	3 (11.5%)
		Non-Japanese Nationals	Persons	5 (12.2%)	6 (14.3%)	6 (23.1%)

\*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.

### Ethics and Compliance

(FY)

Item	Scope	Unit	2018	2019	2020
Number of reports to Sony Ethics & Compliance Hotline	Sony Group	Reports	Approx. 400	Approx. 440	Approx. 370

### Respect for Human Rights

(FY)

Item	Scope	Unit	2018	2019	2020
Percentage of employees participating in human rights-related e-learning course	Sony Group Corporation and Group companies in Japan	%	90	90	90

### Employees

(FY)

Item	Scope*1	Unit	2018	2019	2020	
Number of employees	Sony Group	Total	Persons	114,400	111,700	109,700
		Employees	Persons	114,400	111,700	109,700
		(Contract employees)	Persons	-	13,800	14,400
		Men	Persons	75,000	71,900	70,700*2
		Women	Persons	39,400	39,800	38,900*2

(FY)

Item	Scope*1	Unit	2018	2019	2020	
Number of employees	Sony Group Corporation	Total	Persons	2,473	2,726	2,973
		Employees	Persons	2,473	2,726	2,973
		(Contract employees)	Persons	-	78	97
		Men	Persons	1,888	2,113	2,226
		Women	Persons	585	613	747
	Japan	Total	Persons	50,100	53,700	54,600
		Employees	Persons	50,100	53,700	54,600
		(Contract employees)	Persons	-	6,200	6,600
		Men	Persons	38,700	41,200	40,700
		Women	Persons	11,400	12,500	13,900
	Outside Japan	Total	Persons	61,800	58,000	55,100
		Employees	Persons	61,800	58,000	55,100
(Contract employees)		Persons	-	7,600	7,800	
Men		Persons	34,400	30,700	30,000*2	
	Women	Persons	27,400	27,300	25,000*2	
Personnel by business segment	Total	Persons	114,400	111,700	109,700	
	Game & Network Services, Electronics Products & Solutions, Imaging & Sensing Solutions	Persons	75,600	73,000	71,100	
	Pictures	Persons	9,300	8,400	8,000	
	Music	Persons	8,500	9,900	9,900	
	Financial Services	Persons	11,800	12,300	12,900	
	All Other	Persons	4,000	3,200	2,800	
	Corporate employees	Persons	5,200	4,900	5,000	

**Datasheet** | Environmental Data Collection Methods and Rationale | Independent Assurance Statement

							(FY)
Item	Scope*1		Unit	2018	2019	2020	
Percentage of women in the workforce and management positions held by women	Sony Group*3	Women in the workforce	%	34.3	35.6	35.4	
		Management positions held by women	%	27.3	28.3	28.4	
	Sony Group Corporation	Women in the workforce	%	23.7	22.5	25.1	
		Management positions held by women	%	14.8	15.2	15.2	
	Japan*3	Women in the workforce	%	22.7	23.3	25.5	
		Management positions held by women	%	9.0	9.3	10.2	
	Outside Japan	Women in the workforce	%	44.3	47.1	45.4	
		Management positions held by women	%	36.3	36.9	37.4	
	United States	Women in the workforce	%	37.8	36.8	38.2	
		Management positions held by women	%	40.0	40.0	40.7	
	Mainland China and Hong Kong Region	Women in the workforce	%	48.9	54.7	53.8	
		Management positions held by women	%	32.2	34.9	38.8	
	Asia-Pacific*4	Women in the workforce	%	46.2	57.6	53.4	
		Management positions held by women	%	32.8	31.8	29.4	
	Europe	Women in the workforce	%	37.2	37.0	36.3	
		Management positions held by women	%	35.3	36.7	37.7	
	Other Areas*5	Women in the workforce	%	36.4	38.1	37.8	
		Management positions held by women	%	34.2	36.6	37.4	

							(FY)
Item	Scope*1		Unit	2018	2019	2020	
Average years of service	Sony Group	Total	Years	11.5	11.6	12.0	
		Men	Years	12.3	12.3	12.6	
		Women	Years	9.9	10.2	10.7	
	Sony Group Corporation	Total	Years	16.7	16.6	16.5	
		Men	Years	16.4	16.4	16.3	
		Women	Years	17.6	17.2	16.8	
	Japan	Total	Years	15.5	15.3	15.3	
		Men	Years	15.5	15.3	15.3	
		Women	Years	15.3	15.3	15.1	
	Outside Japan	Total	Years	7.9	8.2	8.7	
		Men	Years	8.2	8.2	8.8	
		Women	Years	7.6	8.1	8.6	
Number of newly hired employees*6	Sony Group	Total	Persons	16,763	13,764	12,477	
		Men	Persons	9,645	8,323	7,532	
		Women	Persons	7,129	5,441	4,945	
	Sony Group Corporation	Total	Persons	687	840	709	
		Men	Persons	599	694	588	
		Women	Persons	88	146	121	
	Japan	Total	Persons	2,857	3,934	4,292	
		Men	Persons	1,698	2,546	2,758	
		Women	Persons	1,159	1,388	1,534	
	Outside Japan	Total	Persons	13,219	9,830	8,185	
		Men	Persons	7,348	5,777	4,774	
		Women	Persons	5,882	4,053	3,411	
Number of applicants per new graduate hire*7	Sony Group Corporation	All positions, men	Persons	11.6	11.9	13.4	
		All positions, women	Persons	20.1	18.0	19.0	
		Non-engineer positions, men	Persons	22.2	31.2	42.6	
		Non-engineer positions, women	Persons	24.2	31.9	36.8	
		Engineer positions, men	Persons	9.4	9.1	10.2	
		Engineer positions, women	Persons	14.4	8.7	9.4	



**Datasheet** | Environmental Data Collection Methods and Rationale | Independent Assurance Statement

(FY)

Item	Scope*1		Unit	2018	2019	2020
Turnover rate*8	Sony Group	Total	%	13.4	10.6	7.2
		Men	%	12.8	10.2	6.6
		Women	%	14.8	11.6	8.6
	Sony Group Corporation	Total	%	3.1	2.8	1.7
		Men	%	3.1	2.9	2.0
		Women	%	3.0	2.5	0.7
	Japan	Total	%	4.3	3.8	2.9
		Men	%	4.2	3.7	2.7
		Women	%	4.9	4.2	3.7
	Outside Japan	Total	%	23.2	18.3	12.3
		Men	%	26.3	21.0	13.1
		Women	%	19.5	15.2	11.3
Per capita HR development investment*9	Sony Group Corporation		Yen	208,000	196,000	189,000
Training Participation across Sony Group	Sony Group	Number of programs		-	-	10,000
		Number of times offered	Times	-	-	19,200
		Participants	Persons	-	-	315,700
		Cumulative total training time	Hours	-	-	1,262,000
		Number of programs		361	391	1,300
	Japan*10	Number of times offered	Times	941	927	3,200
		Participants	Persons	71,084	74,642	105,500
		Cumulative total training time	Hours	200,122	215,803	499,400
		Number of programs		-	-	8,700
	Outside Japan	Number of times offered	Times	-	-	16,000
		Participants	Persons	-	-	210,200
		Cumulative total training time	Hours	-	-	762,600

(FY)

Item	Scope*1		Unit	2018	2019	2020	
Percentage of employees with disabilities*11	Sony Group Corporation		%	2.85	2.81	2.83	
	Japan		%	2.30	2.41	2.48	
Average days of annual paid leave taken by employees	Sony Group Corporation		Days	15.9	17.8	11.9	
	Japan		Days	15.1	15.5	11.8	
Percentage of granted annual paid leave taken by employees	Sony Group Corporation		%	69.8	79.5	52.6	
	Japan		%	67.7	72.8	54.8	
Percentage of group companies with flexible work policy*12	Japan		%	56	77	90	
Employees who took child care leave (leave of absence)*13	Sony Group Corporation	Total	%	18.6	17.0	12.1	
		Men	%	7.1	3.9	2.5	
		Women	%	100	100	96.3	
	Japan	Total	%	26.2	25.0	25.3	
		Men	%	5.8	8.5	6.6	
Employees who took child care paid leave*13	Sony Group Corporation	Total	%	39.2	61.4	45.5	
		Men	%	44.7	71.1	59.0	
		Women	%	-	0	0	
	Japan	Total	%	53.3	58.3	45.1	
		Men	%	71.0	66.8	47.8	
		Women	%	-	20.2	34.8	
	Employees using reduced working hours for child care*13	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			

(FY)

Item	Scope*1		Unit	2018	2019	2020	
Employees who returned to work after childcare leave*14	Sony Group Corporation	Total	%	100	100	97.4	
		Men	%	100	100	90.9	
		Women	%	100	100	98.5	
	Japan	Total	%	95.7	95.9	97.0	
		Men	%	100	98.7	96.4	
		Women	%	95.2	95.1	97.3	
Employee engagement survey response rate	Sony Group		%	91	88	91	
Employee engagement index*15	Sony Group		%	86	85	88	
Workplace accident statistics*16 *17	Japan/ East Asia Region*18	Number of accidents causing absence from work	Accidents	16 (6)	20 (2)	12 (4)	
		Number of lost workdays	Days	360 (100)	695 (88)	352 (245)	
		Frequency rate	Points	0.14	0.18	0.10	
		Severity rate	Points	0.0033	0.0061	0.0031	
		Number of deaths	Persons	0	0	0	
	Outside Japan*19	Number of accidents causing absence from work	Accidents	89 (24)	54 (9)	59 (14)	
		Number of lost workdays	Days	1,649 (200)	831 (49)	859 (218)	
		Frequency rate	Points	0.71	0.53	0.54	
		Severity rate	Points	0.0132	0.0081	0.0079	
		Number of deaths	persons	0	0	0	
	Number of sites with ISO 45001 certification*20	Manufacturing sites		Sites	-	10	12

- \*1 Japan: Figures for fiscal 2019 and 2020 are total of Sony Group companies including Sony Group Corporation.
- \*2 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.
- \*3 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.
- \*4 Southeast Asia, Oceania, India, South Korea and Taiwan Region
- \*5 Middle East, Latin America, Africa, and Canada
- \*6 Figures for Sony Group Corporation include people hired by Sony Group Corporation as well as those seconded to other Sony group companies after hiring
- \*7 Figures include only general employment contracts (regular employees)
- \*8 Only voluntary turnover of regular employees. Figures for Sony Group and Japan for fiscal 2019 were corrected from those published in previous year's report
- \*9 Employees included in these data are those who work for Sony Group Corporation
- \*10 Figures for fiscal 2018 and fiscal 2019 represent group-wide trainings only. These figures do not include separate trainings conducted by individual Group companies.
- \*11 Only companies with 101 or more employees, including special-purpose subsidiaries. Figures as of March, 2021
- \*12 A collective term for telework, remote work, working from home, etc. In the past, Sony has reported the number of companies with flexible work policy in place. From the current year, this will change to reporting the percentage of group companies with flexible work policy in place
- \*13 Figures for fiscal 2018: Percentage of employees who used the programs during the current fiscal year among employees with newborns during the previous year  
Figures for fiscal 2019 and fiscal 2020: Percentage of employees who used the programs during the previous and current fiscal year among employees with newborns during the previous year
- \*14 Percentage of employees who returned to work, among employees who completed their leave of absence by the end of fiscal 2020
- \*15 Percentage of employees who did not give an unfavorable response to four questions regarding employee engagement
- \*16 Scope of data for fiscal 2020: 62 sites in Japan and 124 sites outside of Japan
- \*17 Totals include non-Sony employees; figures in parenthesis indicate accident data for non-Sony employees
- \*18 Japan, South Korea and Taiwan Region
- \*19 Other than Japan/East Asia Region
- \*20 Number of sites subject to ISO 45001 certification: functional organizations at headquarters, manufacturing sites, logistics sites, and R&D sites; total of 51

### Responsible Supply Chain

(FY)

Item	Scope		Unit	2018	2019	2020
Number of CSR self-assessments at own electronics manufacturing sites	Own electronics manufacturing sites		Companies	16 (100%)	14 (100%)	13 (100%)
CSR assessment of suppliers	Electronics products supply chain	Total	plants	150	105	564
		Of which, provided the followings;				
		Improvement instructions	plants	9	5	86
		Improvement instructions and On-site assessment	plants	15	8	6
Addressing the issue of conflict minerals	Sony Group	Number of smelters and refiners identified		310	326	305
		Number of identified smelters and refiners RMAP-compliant or under assessment		257	270	252

### Quality and Customer Service

(FY)

Item	Scope		Unit	2018	2019	2020
Consumer AV product service locations (global)	Electronics	Total	Sites	3,812	3,900	3,862
		Japan	Sites	473	463	464
		United States/Canada	Sites	842	742	781
		Europe	Sites	894	949	923
		Mainland China and Hong Kong Region	Sites	560	555	556
		Asia-Pacific*1	Sites	627	618	580
		Others*2	Sites	416	573	558

\*1 Southeast Asia, Oceania, India, South Korea and Taiwan Region

\*2 Middle East, Latin America and Africa

### Environment

(FY)

Item	Scope		Unit	2018	2019	2020
Annual energy consumption reduction rate per product (compared to fiscal 2013)	Electronics products		%	(51)	(52)	(54)
Greenhouse gas emissions: Scope 1 (direct emissions)	Sony Group		Thousand tons-CO <sub>2</sub>	187	188	189
Greenhouse gas emissions: Scope 2 (indirect emissions)	Sony Group		Thousand tons-CO <sub>2</sub>	1,152	1,188	1,204
Greenhouse gas emissions: Scope 3 (Other emissions)	Sony Group		Thousand tons-CO <sub>2</sub>	16,403	14,870	17,077
Purchased goods and services	Sony Group		Thousand tons-CO <sub>2</sub>	4,233	3,316	3,791
Capital goods	Sony Group		Thousand tons-CO <sub>2</sub>	781	1,296	1,202
Fuel- and energy-related activities (not included in scope 1 or scope 2)	Sony Group		Thousand tons-CO <sub>2</sub>	94	95	173
Upstream transportation and distribution	Sony Group		Thousand tons-CO <sub>2</sub>	220	172	267
Waste generated in operations	Sony Group		Thousand tons-CO <sub>2</sub>	39	41	43
Business travel	Sony Group		Thousand tons-CO <sub>2</sub>	93	87	6
Employee commuting	Sony Group		Thousand tons-CO <sub>2</sub>	102	125	51
Upstream leased assets	Sony Group		Thousand tons-CO <sub>2</sub>	N/A	N/A	N/A
Downstream transportation and distribution	Sony Group		Thousand tons-CO <sub>2</sub>	3	3	3
Processing of sold products	Sony Group		Thousand tons-CO <sub>2</sub>	4	4	5
Use of sold products	Sony Group		Thousand tons-CO <sub>2</sub>	10,635	9,570	11,403
End-of-life treatment of sold products	Sony Group		Thousand tons-CO <sub>2</sub>	182	137	117
Downstream leased assets	Sony Group		Thousand tons-CO <sub>2</sub>	N/A	N/A	N/A

(FY)

Item	Scope	Unit	2018	2019	2020
Greenhouse gas emissions: Scope 3 (Other emissions)					
Franchises	Sony Group	Thousand tons-CO <sub>2</sub>	N/A	N/A	N/A
Investments	Sony Group	Thousand tons-CO <sub>2</sub>	17	24	16
Energy consumption by sites	Sony Group	Thousand TJ	23	24	24
Greenhouse gas emissions from sites	Sony Group	Thousand tons-CO <sub>2</sub>	1,339	1,376	1,393
		Tons per unit of consolidated sales	0.155	0.167	0.155
CO <sub>2</sub> emissions reduction amount by using renewable energy	Sony Group	Thousand tons-CO <sub>2</sub>	84	89	129
CO <sub>2</sub> emissions from product use	Sony Group	Thousand tons-CO <sub>2</sub>	10,635	9,570	11,403
CO <sub>2</sub> emissions from product transport	Sony Group	Thousand tons-CO <sub>2</sub>	189	154	249
Total volume of resources used in products	Sony Group	Tons	510,443	425,555	448,990
Reduction in use of virgin plastic per product	Sony Group	%	Increased 2.4%	Increased 10.3%	Increased 29.9%
Amount of recycled plastic used in products*1	Sony Group	Tons	11,160	15,243	17,571
Amount of waste generated at sites	Sony Group	Tons	48,799	48,186	51,362
Amount of waste recycled at sites	Sony Group	Tons	46,572	47,198	50,457
Amount of waste landfilled	Sony Group	Tons	1,761	977	604
Take-back of end-of-life products record*2	Electronics products*3	Tons	79,734	76,260	62,008
Water consumption at sites*4	Sony Group	Million m <sup>3</sup>	13.6	15.3	15.6
Amount of wastewater discharged from sites	Sony Group	Million m <sup>3</sup>	14.5	15.2	15.5

(FY)

Item	Scope	Unit	2018	2019	2020	
Amount of BOD in wastewater from sites	Sony Group	Tons	432	418	401	
Amount of COD in wastewater from sites	Sony Group	Tons	161	105	79	
NOx emissions from sites	Sony Group	Tons	89	92	80	
SOx emissions from sites	Sony Group	Tons	9	3	4	
Amount of chemical substances handled at sites	Sony Group	Class 1 substances	Tons	0.61	0.62	0.59
		Class 2 substances	Tons	2,077	2,854	3,152
		Class 3 substances	Tons	27,706	31,345	38,274
		Class 4 substances	Tons	64,006	147,287	274,860
Number of environmental accidents at sites	Sony Group	Accidents	0	0	0	
Sites with ISO14001 certification	Sony Group	Sites	97	97	94	

- \*1 Gross amount including virgin plastic and additives that are mixed with recycled materials
- \*2 Figures for fiscal 2019 were corrected from those published in previous year's report
- \*3 End-of-life products collected and counted may vary by region
- \*4 Total volume minus amount for water conservation (water recharging)

### Community Engagement

(FY)

Item	Scope	Unit	2018	2019	2020
Community engagement expenditures*1	Sony Group	billion yen	Approx. 2.5	Approx. 2.6	Approx. 2.0
Sony Global Relief Fund for COVID-19	Sony Group	billion yen	-	-	Approx. 5.3
Global Social Justice Fund	Sony Group	billion yen	-	-	Approx. 1.6
Education programs offered workshops to children	Sony Group	Total no. of people Persons	Approx. 3,900	Approx. 4,400	Approx. 6,100

- \*1 In addition to donations, sponsorships and independent program expenses (including facility operation expenses), this amount includes the market value of products donated

## Environmental Data Collection Methods and Rationale

### ■ Scope, Collection Period, and Accuracy of Compiled Data

#### Collection Period:

**April 1, 2020-March 31, 2021**

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, 2021  
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

Quantity of power, heat, and fuel usage and quantity of greenhouse gases used for manufacturing process, within facility and others are collected.

##### - CO<sub>2</sub> emissions from energy consumption (energy-related)

CO<sub>2</sub> 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 CO<sub>2</sub> conversion rate. For energy consumption using renewable energy including certificates, the CO<sub>2</sub> conversion rate is zero.

##### - Emissions of PFCs and other greenhouse gases (non energy-related)

Emissions of PFCs and other greenhouse gases are converted to CO<sub>2</sub> by multiplying greenhouse gas emissions from each site by global warming potentials. Global warming potentials are based on the Fifth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC) .

##### - CO<sub>2</sub> conversion rates

###### [Electricity]

**Japan:** Rates for fiscal 2014 provided by the Federation of Electric Power Companies in Japan

**Countries other than Japan:** Rates for 2013 provided by the International Energy Agency (IEA)

###### [Fuel and Heat]

**Worldwide:** Rates based on Japan's Law concerning the Promotion of the Measures to cope with Global Warming

[WEB](#) [Systems for Calculation, Reporting and Public Disclosure of Greenhouse Gas Emissions \(Only in Japanese\)](#)

[WEB](#) [International Energy Agency \(IEA\) website](#)

#### Total CO<sub>2</sub> Emissions from Product Use

CO<sub>2</sub> emissions from product use are calculated by multiplying the quantity of electrical power consumed throughout the lifetime of products sold in the current fiscal year by the CO<sub>2</sub> conversion rates. (In other words, it is not the actual quantity of CO<sub>2</sub> emitted in the current fiscal year.) CO<sub>2</sub> emissions from product use are calculated by the following equation.

Sales x (Operating power consumption x Hours of operation per year + Power consumption during standby time x Standby time per year) x Years of product use x CO<sub>2</sub> conversion rate

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 for CO<sub>2</sub> 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 2014 CO<sub>2</sub> conversion rate provided by the Federation of Electric Power Companies of Japan. Outside of Japan, it uses the 2013 country-specific CO<sub>2</sub> conversion rates provided by the International Energy Agency (IEA) .

## CO<sub>2</sub> Emissions from Logistics

Total CO<sub>2</sub> emissions from logistics include emissions arising from international logistics and logistics within over 40 countries and regions such as Japan, the United States, Europe, and Asia associated with Sony Group’s electronics products. For logistics within Japan, CO<sub>2</sub> emissions from parts logistics are partially included.

CO<sub>2</sub> emissions from logistics are primarily calculated by multiplying ton-kilometers transported (weight of goods transported x distance traveled) by the CO<sub>2</sub> conversion rate. In certain instances, CO<sub>2</sub> 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 CO<sub>2</sub> 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 CO<sub>2</sub> conversion rate used to calculate CO<sub>2</sub> 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, CO<sub>2</sub> 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) .

## CO<sub>2</sub> 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.) CO<sub>2</sub> 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.

## Reducing Greenhouse Gas Emissions by Using Renewable Energy

Sony’s efforts to reduce greenhouse gas emissions by using renewable energy include using electrical power produced from renewable energy sources, purchasing electrical power produced from renewable energy sources, and purchasing green energy certificates and other carbon offset credits. The greenhouse gas emissions reduction achieved by using renewable energy is calculated by multiplying the renewable energy used by the CO<sub>2</sub> conversion rate.

## Overview of Calculation for Scope 3 Emissions

Category		Overview of Calculation
Category 1	<b>Purchased goods and services</b>	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	<b>Capital goods</b>	Emissions associated with the production of capital goods invested in by the Sony Group.
Category 3	<b>Fuel- and energy-related activities (not included in scope 1 or scope 2)</b>	Emissions associated with procurement of fuels and energy consumed by Sony Group sites.
Category 4	<b>Upstream transportation and distribution</b>	Emissions associated with the transportation and storage of electronics products sold by the Sony Group and purchased parts.
Category 5	<b>Waste generated in operations</b>	Emissions associated with the treatment and disposal of waste generated by Sony Group sites.
Category 6	<b>Business travel</b>	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	<b>Employee commuting</b>	Emissions associated with employees’ commutes from their homes to their workplace.
Category 8	<b>Upstream leased assets</b>	Not applicable (accounted for in other categories)
Category 9	<b>Downstream transportation and distribution</b>	Emissions associated with the distribution of electronics products sold by the Sony Group from retailers to consumers.
Category 10	<b>Processing of sold products</b>	Emissions associated with the assumed post-sale third-party processing of electronics products sold by the Sony Group.
Category 11	<b>Use of sold products</b>	Emissions associated with the consumption of electricity over their lifetime by electronics products sold by the Sony Group.
Category 12	<b>End-of-life treatment of sold products</b>	Emissions associated with the assumed end-of-life recycling or disposal of electronics products sold by the Sony Group.
Category 13	<b>Downstream leased assets</b>	Not applicable
Category 14	<b>Franchises</b>	Not applicable
Category 15	<b>Investments</b>	Emissions associated with the business activities of companies in which the Sony Group has invested.



## ■ Resource Related Data Collection Methods and Rationale

### Volume of Waste Generated at Sites

Total volume of industrial waste and non-industrial waste.

### Volume of Water Consumption/Discharged

- The volume of water consumption represents 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.
- The volume of water discharged represents the sum of discharges of water to rivers and to 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 Reused/Recycled Materials

Total volume of reused/recycled materials and vegetable-based plastics used for products, accessories, manuals and packaging.

### 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.

- The volume of chemical substances handled represents the volume of chemical substances used at sites; purchase volume is substituted when exact volume of usage cannot be determined.
- 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.

## Independent Assurance Statement

### Purpose and Scope of Verification


Sony has obtained third-party verification since fiscal 2001 to ensure the credibility of data reported and facilitate the ongoing improvement of its environmental management. Since fiscal 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 2020, 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 2011.

### Independent Assurance Statement

[Click to enlarge \[PDF:228KB\]](#)

**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 and to conduct an external review 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 2021 (the 'Report') or reported internally to Sony Group only for the purpose of internal management for the period of April 1, 2020 through March 31, 2021 (the 'Selected Information'):

- 1) The following environmental performance data through business operations of all ISO 14001-certified sites as of March 31, 2021 in Sony Group
  - Greenhouse gas emissions (Scope 1 and Scope 2): Energy related CO<sub>2</sub> emissions and Non-energy related greenhouse gases including PFCs
  - Energy consumption (including fuel for motor vehicles)
  - 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: CO<sub>2</sub> emissions from logistics (\*1)
  - Category 6: CO<sub>2</sub> emissions from employee business trips (\*2)
  - Category 11: CO<sub>2</sub> emissions from the electricity consumption during product use


(\*1) Total CO<sub>2</sub> emissions from logistics include emissions arising from transportation of electronics products handled by the Sony Group over 40 countries around the world including Japan, the United States, Europe, and Asia, GHG 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.)

The scope of our review work was limited to review over the following information reported internally to Sony Group only for the purpose of internal management for the period of April 1, 2020 through March 31, 2021 (the 'Selected Information'):

- CO<sub>2</sub> emissions reduction achieved by using renewable energy

Note: The reporting boundaries and calculation methodologies were defined by Sony.



## Global Reporting Initiative (GRI) Standards and its Content Index

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.

Index No.	Index name	Related page
<b>GRI 102: GENERAL DISCLOSURES</b>		
<b>Organizational profile</b>		
102-1	Name of the organization	<a href="#">WEB Corporate Info</a> <a href="#">WEB Form 20-F Item4</a>
102-2	Activities, brands, products, and services	<a href="#">WEB Form 20-F Item4</a> <a href="#">Risk Management System Framework</a> <a href="#">Crisis Management System Framework</a> <a href="#">Sony's Approach to Supplier Relations</a> <a href="#">WEB Important Notice</a>
102-3	Location of headquarters	<a href="#">WEB Form 20-F Item4</a> <a href="#">Risk Management System Framework</a> <a href="#">Crisis Management System Framework</a> <a href="#">Sony's Approach to Supplier Relations</a>
102-4	Location of operations	
102-5	Ownership and legal form	
102-6	Markets served	
102-7	Scale of the organization	<a href="#">WEB Form 20-F Item6</a>
102-8	Information on employees and other workers	<a href="#">Employee Data</a>
102-9	Supply chain	<a href="#">WEB Form 20-F</a> <a href="#">Supply Chain Management</a>
102-10	Significant changes to the organization and its supply chain	<a href="#">WEB Form 20-F</a>
102-11	Precautionary Principle or approach	<a href="#">Corporate Governance</a> <a href="#">Environment</a>
102-12	External initiatives	<a href="#">Ethics and Compliance</a> <a href="#">Approach to Sustainability</a>
102-13	Membership of associations	<a href="#">Approach to Sustainability</a>
<b>Strategy</b>		
102-14	Statement from senior decision-maker	<a href="#">WEB Corporate Report</a>

Index No.	Index name	Related page
102-15	Key impacts, risks, and opportunities	<a href="#">WEB Form 20-F Item3</a>
<b>Ethics and integrity</b>		
102-16	Values, principles, standards, and norms of behavior	<a href="#">The Sony Group Code of Conduct</a>
102-17	Mechanisms for advice and concerns about ethics	<a href="#">Ethics and Compliance</a> <a href="#">Respect for Human Rights</a>
<b>Governance</b>		
102-18	Governance structure	<a href="#">Corporate Strategy, Business Strategy and Other Policies</a> <a href="#">Governance Framework</a>
102-19	Delegating authority	<a href="#">Corporate Governance</a>
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	<a href="#">Governance Framework</a>
102-23	Chair of the highest governance body	<a href="#">Governance Framework</a>
102-24	Nominating and selecting the highest governance body	<a href="#">Governance Framework</a>
102-25	Conflicts of interest	<a href="#">Evaluation of the Board and the Committees' Effectiveness</a>
102-26	Role of highest governance body in setting purpose, values, and strategy	<a href="#">Corporate Governance</a>
102-27	Collective knowledge of highest governance body	<a href="#">Relationship with Shareholders and Other Stakeholders</a>
102-28	Evaluating the highest governance body's performance	<a href="#">Evaluation of the Board and the Committees' Effectiveness</a>
102-29	Identifying and managing economic, environmental, and social impacts	<a href="#">Corporate Governance</a>
102-30	Effectiveness of risk management processes	<a href="#">Corporate Governance</a>
102-31	Review of economic, environmental, and social topics	<a href="#">Corporate Governance</a>





Index No.	Index name	Related page
102-32	Highest governance body's role in sustainability reporting	<a href="#">✦ Editorial Policy</a>
102-33	Communicating critical concerns	<a href="#">✦ Corporate Governance</a> <a href="#">✦ Ethics and Compliance</a> <a href="#">✦ Respect for Human Rights</a>
102-34	Nature and total number of critical concerns	<a href="#">✦ Sony Ethics &amp; Compliance Hotline</a> <a href="#">✦ Human Rights Initiatives</a>
102-35	Remuneration policies	<a href="#">✦ Compensation Committee</a>
102-36	Process for determining remuneration	
102-37	Stakeholders' involvement in remuneration	<a href="#">✦ Internal Control and Governance Framework</a> <a href="#">✦ Relationship with Shareholders and Other Stakeholders</a>
102-38	Annual total compensation ratio	<p>The average annual compensation of our employees in 2020 is approximately 10.44 million yen, the total amount of cash compensation*1 of the CEO is approximately 545 million yen, and the ratio of the average annual compensation of our employees to the total cash compensation of the CEO is 1:52. The ratio of total cash compensation plus stock price-linked compensation*2 is 1:119.</p> <p>*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 FY2020, restricted stock value is calculated using FY2020 issue price. For details, see page 73 of the 2020 SEC Filing Form 20-F.</p> <p><a href="#">WEB Securities Report of Sony Group Corporation</a></p>
102-39	Percentage increase in annual total compensation ratio	-
<b>Stakeholder engagement</b>		
102-40	List of stakeholder groups	<a href="#">✦ Approach to Sustainability</a>
102-41	Collective bargaining agreements	<a href="#">WEB Form 20-F</a>
102-42	Identifying and selecting stakeholders	<a href="#">✦ Approach to Sustainability</a>
102-43	Approach to stakeholder engagement	

Index No.	Index name	Related page
102-44	Key topics and concerns raised	<a href="#">✦ Approach to Sustainability</a> <a href="#">✦ Ethics and Compliance</a> <a href="#">✦ Respect for Human Rights</a> <a href="#">✦ Employees</a> <a href="#">✦ Quality and Customer Service</a>
<b>Reporting practice</b>		
102-45	Entities included in the consolidated financial statements	<a href="#">WEB Form 20-F</a>
102-46	Defining report content and topic Boundaries	<a href="#">✦ Approach to Sustainability</a>
102-47	List of material topics	<a href="#">✦ Approach to Sustainability</a>
102-48	Restatements of information	-
102-49	Changes in reporting	<a href="#">✦ Editorial Policy</a>
102-50	Reporting period	<a href="#">✦ Editorial Policy</a>
102-51	Date of most recent report	
102-52	Reporting cycle	
102-53	Contact point for questions regarding the report	<a href="#">WEB CSR Contacts</a>
102-54	Claims of reporting in accordance with the GRI Standards	<a href="#">✦ Editorial Policy</a>
102-55	GRI content index	<a href="#">✦ This Content Index</a>
102-56	External assurance	<a href="#">✦ Independent Assurance Statement</a>
<b>GRI 103: Management Approach</b>		
103-1	Explanation of the material topic and its Boundary	<a href="#">✦ Approach to Sustainability</a>
103-2	The management approach and its components	<a href="#">✦ Approach to Sustainability</a> <a href="#">✦ Corporate Governance</a> <a href="#">✦ Ethics and Compliance</a> <a href="#">✦ Respect for Human Rights</a> <a href="#">✦ Technology</a> <a href="#">✦ Employees</a> <a href="#">✦ Responsible Supply Chain</a> <a href="#">✦ Quality and Customer Service</a> <a href="#">✦ Environment</a> <a href="#">✦ Community Engagement</a>
103-3	Evaluation of the management approach	<a href="#">✦ Approach to Sustainability</a> <a href="#">✦ Corporate Governance</a> <a href="#">✦ Ethics and Compliance</a> <a href="#">✦ Respect for Human Rights</a> <a href="#">✦ Technology</a> <a href="#">✦ Employees</a> <a href="#">✦ Responsible Supply Chain</a> <a href="#">✦ Quality and Customer Service</a> <a href="#">✦ Environment</a> <a href="#">✦ Community Engagement</a>

Index No.	Index name	Related page
<b>ECONOMIC</b>		
<b>GRI 201: ECONOMIC PERFORMANCE</b>		
201-1	Direct economic value generated and distributed	<a href="#">Form 20-F</a>
201-2	Financial implications and other risks and opportunities due to climate change	<a href="#">Form 20-F</a> <a href="#">Disclosure of Climate-related Information in Accordance with the TCFD Recommendations</a>
201-3	Defined benefit plan obligations and other retirement plans	<a href="#">Form 20-F</a>
201-4	Financial assistance received from government	-
<b>GRI 202: MARKET PRESENCE</b>		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	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. <a href="#">Careers</a>
202-2	Proportion of senior management hired from the local community	<a href="#">Talent Acquisition</a> <a href="#">Employee Data</a>
<b>GRI 203: INDIRECT ECONOMIC IMPACTS</b>		
203-1	Infrastructure investments and services supported	<a href="#">Community Engagement</a>
203-2	Significant indirect economic impacts	<a href="#">Form 20-F</a>
<b>GRI 204: PROCUREMENT PRACTICES</b>		
204-1	Proportion of spending on local suppliers	<a href="#">Responsible Supply Chain</a>
<b>GRI 205: ANTI-CORRUPTION</b>		
205-1	Operations assessed for risks related to corruption	<a href="#">Ethics and Compliance</a>
205-2	Communication and training about anti-corruption policies and procedures	
205-3	Confirmed incidents of corruption and actions taken	

Index No.	Index name	Related page
<b>GRI 206: ANTI-COMPETITIVE BEHAVIOR</b>		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	<a href="#">Ethics and Compliance</a>
<b>GRI 207: Tax (2019)</b>		
207-1	Approach to tax	<a href="#">Policy and Governance Framework on Tax Strategy</a>
207-2	Tax governance, control, and risk management	<a href="#">Policy and Governance Framework on Tax Strategy</a>
207-3	Stakeholder engagement and management of concerns related to tax	<a href="#">Policy and Governance Framework on Tax Strategy</a>
207-4	Country-by-country reporting	<a href="#">Form 20-F</a>
<b>ENVIRONMENTAL</b>		
<b>GRI 301: MATERIALS</b>		
301-1	Materials used by weight or volume	<a href="#">Overview of Sony's Environmental Impact</a> <a href="#">Conserving Resources</a> <a href="#">Reducing Use of Virgin Plastics</a> <a href="#">Reducing Plastic Packaging</a>
301-2	Recycled input materials used	
301-3	Reclaimed products and their packaging materials	<a href="#">Reducing Use of Virgin Plastics</a> <a href="#">Reducing Plastic Packaging</a> <a href="#">Product Recycling Policy and Performance</a> <a href="#">Environmental Data</a>
<b>GRI 302: ENERGY</b>		
302-1	Energy consumption within the organization	<a href="#">Overview of Sony's Environmental Impact</a>
302-2	Energy consumption outside of the organization	<a href="#">Environmental Data</a>
302-3	Energy intensity	<a href="#">Reducing Greenhouse Gas Emissions</a> <a href="#">Overview of Sony's Environmental Impact</a>
302-4	Reduction of energy consumption	<a href="#">Reducing Greenhouse Gas Emissions</a> <a href="#">Overview of Sony's Environmental Impact</a>
302-5	Reductions in energy requirements of products and services	<a href="#">Reducing Greenhouse Gas Emissions</a> <a href="#">Environmental Data</a>

Index No.	Index name	Related page
<b>GRI 303: WATER AND EFFLUENTS (2018)</b>		
303-1	Interactions with water as a shared resource	➤ <a href="#">Reducing Water Consumption</a>
303-2	Management of water discharge-related impacts	➤ <a href="#">Reducing Water Consumption</a>
303-3	Water withdrawal	➤ <a href="#">Overview of Sony's Environmental Impact</a> ➤ <a href="#">Reducing Water Consumption</a>  <a href="#">Environmental Data</a>
303-4	Water discharge	➤ <a href="#">Overview of Sony's Environmental Impact</a>  <a href="#">Environmental Data</a>
303-5	Water consumption	-
<b>GRI 304: BIODIVERSITY</b>		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	➤ <a href="#">Guiding Principles for Biodiversity Conservation Initiatives and Case Examples</a>
304-2	Significant impacts of activities, products, and services on biodiversity	-
304-3	Habitats protected or restored	➤ <a href="#">Guiding Principles for Biodiversity Conservation Initiatives and Case Examples</a>
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	-
<b>GRI 305: EMISSIONS</b>		
305-1	Direct (Scope 1) GHG emissions	➤ <a href="#">Reducing Greenhouse Gas Emissions</a>  <a href="#">Environmental Data</a>
305-2	Energy indirect (Scope 2) GHG emissions	➤ <a href="#">Reducing Greenhouse Gas Emissions</a>  <a href="#">Environmental Data</a>
305-3	Other indirect (Scope 3) GHG emissions	➤ <a href="#">Overview of Sony's Environmental Impact</a> ➤ <a href="#">Reducing Greenhouse Gas Emissions</a>  <a href="#">Environmental Data</a>

Index No.	Index name	Related page
305-4	GHG emissions intensity	➤ <a href="#">Reducing Greenhouse Gas Emissions</a> ➤ <a href="#">Overview of Sony's Environmental Impact</a>
305-5	Reduction of GHG emissions	➤ <a href="#">Reducing Greenhouse Gas Emissions (Sites)</a> ➤ <a href="#">Reducing Greenhouse Gas Emissions (Products and Services)</a> ➤ <a href="#">Results for Environmental Impact Reduction in Logistics</a>
305-6	Emissions of ozone-depleting substances (ODS)	➤ <a href="#">Managing Chemical Substances</a>
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	➤ <a href="#">Managing Chemical Substances</a>  <a href="#">Environmental Data</a>
<b>GRI 306: EFFLUENTS AND WASTE</b>		
306-1	Water discharge by quality and destination	 <a href="#">Environmental Data</a>
306-2	Waste by type and disposal method	➤ <a href="#">Reducing Waste Generation</a>  <a href="#">Environmental Data</a>
306-3	Significant spills	➤ <a href="#">Managing Chemical Substances</a>
306-4	Transport of hazardous waste	-
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<b>GRI 307: ENVIRONMENTAL COMPLIANCE</b>		
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