Sustainability Briefing

September 15, 2022
Diverse Learning and Sustainability

Chairman, President and CEO
Sony Group Corporation

Kenichiro Yoshida

September 15, 2022
• Hello everyone. This is Kenichiro Yoshida.
• At Sony Group, we are driving diverse businesses, based on our Purpose to “fill the world with emotion, through the power of creativity and technology.”
• I would like to make the Sony Group, which is made up of approximately 110,000 employees, a company that continues to learn. This is because learning leads to the growth of our employees. And it directly relates to today’s theme of sustainability.
• First, I would like to touch on getting closer to the creators who create *Kando*, or emotion, as well as users who are the subject of *Kando*, and what we learn from them.
• Sony collaborates with various partners to “fill the world with emotion.”
• At the same time, we are also delivering our own DTC services based around “Communities of Interest,” that is, communities of people who share Kando experiences and interests. The reason we directly deliver Kando to users in specific areas is because we are able to learn from them.
• One example is live game services, which we are engaging in as a growth area. Instead of games being produced by creators alone, we use what we learn from user feedback to generate endless game worlds.
Community of Interest

- By connecting directly with the community in this way, we learn about their enthusiasm or their frustration, and use this to create *Kando*. 
• In the filming of this year’s blockbuster hit “Top Gun: Maverick,” six VENICE digital cinema cameras and extension systems were used for shooting to capture stunning images from inside an F-18 fighter cockpit.
• Sony provides many products and services that are used to create *Kando* content. These emerge from the accumulation of our learning from creators.
• CMOS image sensors are key components that support the creation of *kando* by creators.
• Sony has invested approximately 1 trillion yen in CMOS image sensors over the past four years.
• Our CMOS image sensors that capture the real world can be said to be “technology that learns” from reality.
• This technology is also being used in our new business initiative that delivers the Earth to people in the form of “Kando content.”
• The nano-satellites of the STAR SPHERE project incorporate Sony cameras, allowing creators and users themselves to capture the Earth and stars. I would like to provide opportunities for people to learn more about our planet and heighten awareness of our environment through creations that utilize this perspective from outer space.
• In addition to these perspectives from space, “watching over” our planet extends to sensing the Earth’s surface. We are proceeding with an R&D initiative that combines sensing of elements such as soil moisture, ultra-wide communication networks, and predictive analysis based on the captured data.
Earth MIMAMORI Platform

- “Watching over” the Earth enhances our ability to “protect” it. This project is an R&D initiative that aims to function as a platform to watch over the Earth and contribute to prevention of natural disasters and the resolution of environmental issues.
• AI is integral to this type of predictive analysis based on data.
• I consider AI as technology that learns from reality, just like CMOS image sensors.
Intelligent Vision Sensor
IMX 500

- Our intelligent vision sensor “IMX500” combines CMOS image sensor technology with AI.
• The IMX500, which can be considered IoT technology that learns, can help advance the productivity of society, for instance through the realization of smart cities. In addition, this technology enables power consumption to be reduced by performing data processing within the image sensor and minimizing the amount of data flowing to the cloud. Going forward, we aim to extend its availability around the world as a solution that creates social value.
• Sensing and AI are also indispensable for the evolution of mobility such as ADAS.
• We also believe that the evolution of mobility will connect to a healthy global environment.
Diverse Learning and Sustainability

- Today, I explained how diverse “learning” is leading to the growth of Sony and the sustainability of our planet.
• Sony’s management is constantly learning from our diverse employees that hail from various backgrounds. In fact, the Purpose that I mentioned at the beginning was born from the observations and awareness of our employees.
• In order to make the “world,” which is the place where we pursue our Purpose, sustainable, I would like to continue to value “learning” alongside our employees so that Sony can contribute to people, society, and the planet from a long-term perspective.
• Thank you.
Cautionary Statement

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

(i) Sony’s ability to continue to design and develop and win acceptance of, as well as achieve sufficient cost reductions for, its products and services, including image sensors, game and network platforms, smartphones and televisions, which are offered in highly competitive markets characterized by severe price competition and continual new product and service introductions, rapid development in technology and subjective and changing customer preferences;

(ii) Sony’s ability to continue to design and develop and win acceptance of, as well as achieve sufficient cost reductions for, its products and services, including image sensors, game and network platforms, smartphones and televisions, which are offered in highly competitive markets characterized by severe price competition and continual new product and service introductions, rapid development in technology and subjective and changing customer preferences;

(iii) Sony’s ability to continue to design and develop and win acceptance of, as well as achieve sufficient cost reductions for, its products and services, including image sensors, game and network platforms, smartphones and televisions, which are offered in highly competitive markets characterized by severe price competition and continual new product and service introductions, rapid development in technology and subjective and changing customer preferences;

(iv) Sony’s ability to implement successful hardware, software, and content integration strategies, and to develop and implement successful sales and distribution strategies in light of new technologies and distribution platforms;

(v) the effectiveness of Sony’s strategies and their execution, including but not limited to the success of Sony’s acquisitions, joint ventures, investments, capital expenditures, restructurings and other strategic initiatives;

(vi) changes in laws, regulations and government policies in the markets in which Sony and its third-party suppliers, service providers and business partners operate, including those related to taxation, as well as growing consumer focus on corporate social responsibility;

(vii) Sony’s ability to continue to design and develop and win acceptance of, as well as achieve sufficient cost reductions for, its products and services, including image sensors, game and network platforms, smartphones and televisions, which are offered in highly competitive markets characterized by severe price competition and continual new product and service introductions, rapid development in technology and subjective and changing customer preferences;

(viii) Sony’s ability to maintain product quality and customer satisfaction with its products and services;

(ix) Sony’s ability to plan, design, develop and implement successful sales and distribution strategies in light of new technologies and distribution platforms;

(x) Sony’s ability to forecast demands, manage timely procurement and control inventories;

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(xiv) the impact of changes in interest rates and unfavorable conditions or developments (including market fluctuations or volatility) in the Japanese equity markets on the revenue and operating income of the Financial Services segment;

(xv) changes in laws, regulations and government policies in the markets in which Sony and its third-party suppliers, service providers and business partners operate, including those related to taxation, as well as growing consumer focus on corporate social responsibility;

(xvi) Sony’s ability to conduct successful asset liability management in the Financial Services segment;

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(xx) risks related to catastrophic disasters, geopolitical conflicts, pandemic disease or similar events;

(XXI) the ability of Sony, its third-party service providers or business partners to anticipate and manage cybersecurity risk, including the risk of unauthorized access to Sony’s business information and the personally identifiable information of its employees and customers, potential business disruptions or financial losses, and

(xxii) the outcome of pending and/or future legal and/or regulatory proceedings.

Risks and uncertainties also include the impact of any future events with material adverse impact. The continued impact of COVID-19 and developments relating to the situation in Ukraine and Russia could heighten many of the risks and uncertainties noted above. Important information regarding risks and uncertainties is also set forth in Sony’s most recent Form 20-F, which is on file with the U.S. Securities and Exchange Commission.