Ethics and Compliance

Materiality Rationale
Integrity and Sincerity is part of Sony's key Values to enhance its Purpose. Sony's ethics and compliance program supports Sony's value creation. It helps to ensure that Sony Group personnel throughout Sony's diverse business portfolio work together to deliver emotional experiences to Sony customers in an ethically responsible manner generating trust for the Sony brand.

Basic Approach
Sony's ethics and compliance program is designed to comply with laws, manage key group-wide risks and create a culture of integrity to ensure ethical and responsible business conduct. The program is continuously improved based on both best practices and global regulatory expectations.

The Sony Group Code of Conduct (“Code”) is the cornerstone of the program. The Code identifies Sony's high standards for ethical and responsible business conduct and is aligned with Sony’s ethical values. It supports Sony’s commitment to diversity and its commitment to the creation of social value. Sony has also adopted in-depth group-wide policies, procedures and controls for key risk areas such as antitrust, anti-corruption, and privacy and personal information management. Senior management evidences its commitment to ethical business conduct by repeatedly communicating the importance of staying true to the Code and leading by example.

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.

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.

Milestones
2001: Established the Compliance Division in Sony Corporation (Current “Compliance & Privacy Department, Sony Group Corporation”)
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.
2008: Established the Compliance Monitoring Team
2009: Established the Compliance Leadership Team
2018: Revision of Sony Group Code of Conduct

Ethisphere Institute recognized Sony as one of the World’s Most Ethical Companies® for the fourth consecutive year.

* “World’s Most Ethical Companies” and “Ethisphere” names and marks are registered trademarks of Ethisphere LLC.

Fiscal Year 2021 Results

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The Sony Group Code of Conduct

The Code is the cornerstone of Sony’s ethics and compliance program and underlines a shared obligation to foster Sony’s culture of integrity and protect Sony’s reputation. The Code applies to all Sony board members, officers and employees (“Sony Group personnel”).

Sony’s Core Ethical Values

Sony Group Code of Conduct

The Code confirms Sony’s commitment to following its core ethical values in every aspect of its business operations and includes guidance on key risk areas:
- Accurate recordkeeping
- Anti-corruption / bribery
- Antitrust / fair competition
- Avoiding conflicts of interest
- Diversity / anti-discrimination / equal employment opportunity / fair labor and employment practice / proper workplace conduct
- Fair dealing (fair business practices)
- Privacy (e.g., data privacy of employees, customers, consumers) and cyber security
- Respect for human rights
- Financial integrity and anti-fraud
- Speaking up / no retaliation
- Tax compliance
- Workplace health and safety

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:

- Sony’s Core Ethical Values
  - Fairness
  - Integrity
  - Honesty
  - Respect
  - Responsibility

Sony’s purpose & values

Sony is committed to enhancing its Purpose & Values through ethical and responsible business conduct. Sony’s culture of integrity is built upon accountability to the core ethical values of Fairness, Integrity, Honesty, Respect and Responsibility which guide how Sony Group personnel work with colleagues, business partners and the communities in which Sony does business.

Code Implementation

The Code was approved by the Sony Group Corporation Board of Directors and adopted by the decision-making bodies of every Sony Group company (“Sony Group” or “Sony Group companies”) as their respective code of conduct. Sony Group managers, at all levels are responsible for promoting the Code as part of their ongoing commitment to creating a culture of integrity and ensuring ethical and responsible business conduct.

The Code, which is available on Sony’s website and on each Sony Group company’s intranet, has been translated into 23 languages to help ensure that it is clearly understood by the employees and relevant third parties working for Sony. Sony provides additional translations as necessitated by changing workforce demographics.

All Sony Group employees and selected third party staff are required to complete comprehensive Code of Conduct training. Training must be completed within 90 days of commencement service. Refresher Code of Conduct training must also be completed at least every four years. In addition, Sony provides in-depth training on key risk areas at least once per year. To ensure awareness of all employees and relevant third parties working for Sony, frequent messaging about Code topics and key risk areas are also provided.
Sony’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.

Policies and Procedures

Sony’s global policies provide necessary rules and procedures to help ensure ethical and responsible business conduct and compliance with applicable laws and regulations. For example, Sony maintains global policies in each of the following risk areas.
- Sony Group Anti-Bribery Policy
- Sony Group Record Retention Policy
- Sony Group Economic Sanctions Compliance Policy
- Sony Group Customer Due Diligence Policy
- Sony Group Global Policy on Antitrust / Competition Law Compliance
- Global Insider Trading Prevention Policy

These policies are regularly communicated to all Sony Group personnel and relevant third parties. The Sony Group Anti-Bribery, Economics Sanctions and Customer Due Diligence policies provide screening for applicable transactions to help ensure compliance with anti-corruption, sanctions and anti-money laundering laws.

Training and Messaging

Sony adopted a “Compliance Education Protocol” to ensure that minimum ethics and compliance training and communications in critical risk areas are provided to all employees and relevant third parties working for Sony. For example, all Sony personnel and relevant third parties working for Sony are required to complete the Code of Conduct and Proper Workplace Conduct training within 90 days of first providing services to Sony. Additional compliance training is mandated based upon risk assessments and employee and third party roles and responsibilities.

Key Compliance Training (assigned based upon risk assessments and roles and responsibilities) includes:
- Anti-Bribery
- Economic Sanctions Compliance
- Customer Due Diligence
- Antitrust and Fair Competition
- Import / Export Trade Compliance
- Information Security and Privacy
- Manager Training

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.

Risk Assessment Areas under Ethics and Compliance Program

Sony conducts ongoing risk assessments to help assure that Sony’s ethics and compliance program activities effectively mitigates and manages top risks. Key legal and compliance risk areas assessed include:
- Antitrust
- Bribery
- Conflict of Interest
- Economic Sanctions Laws
- Environmental Laws
- Financial Laws
- Fraud
- Information Security Laws
- Infringement of Intellectual Property
- Insider Trading
- Labor and Employment Laws
- Money Laundering
- Privacy / Personal Information Protection Laws
- Product Safety / Product Compliance
- Securities Laws
- Supply Chain Laws
- Trade Compliance
- Other Laws

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.
**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.

In FY2021, 112 concerns were substantiated and remediated as appropriate, and 166 cases were unsubstantiated. The remainder includes cases under investigation, among others.

**FY2021 Reported Concerns by category**

- Misuse, Misappropriation of Corporate Assets: 6% of the total
- Environment, Occupational Health & Safety: 26.6%
- Business Integrity: 15%
- HR, Diversity and Workplace Respect: 76%

Notes: The figures in percentages are rounded to the nearest whole number wherefore the total does not sum up to one hundred percent.

Among the Environment, Occupational Health & Safety related concerns, the concerns were primarily related to COVID-19, such as pressure to return to the office and, inadequate COVID-19 measures at work. Others were related to occupational health and safety.

In FY2021, 407 concerns were substantiated and remediated as appropriate, and 166 cases were unsubstantiated. The remainder includes cases under investigation, among others.

Compliance & Privacy Department, which provides a report to the Sony Group Corporation Audit Committee.
The table below are examples of issues raised through our Hotline, including information about how these issues were addressed.

<table>
<thead>
<tr>
<th>FY2021 Hotline Cases</th>
<th>Issue(s) Raised</th>
<th>Guidance</th>
<th>Action(s) Taken</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>A manager engaged in harassing behavior (ranting at subordinates and kicking things) when the manager is frustrated.</td>
<td>Sony will not tolerate any form of discrimination, or harassment including, bullying or other behaviors that create a hostile work environment under the Sony Group Code of Conduct.</td>
<td>The allegation was substantiated. The manager had caused similar problems in the past. The manager was disciplined.</td>
</tr>
<tr>
<td></td>
<td>An employee downloaded a third party’s intellectual property without the third party’s consent.</td>
<td>Sony Group Code of Conduct prohibits this behavior. Employees must protect the intellectual property of others and shall not knowingly misuse intellectual property.</td>
<td>The allegation was substantiated. The downloaded third-party content was removed. The employee was disciplined and specifically instructed not to use unauthorized third-party content.</td>
</tr>
<tr>
<td></td>
<td>An employee was selling customer promotional giveaways to a third party.</td>
<td>Sony’s assets may only be used for legitimate business purposes. The Sony Group Code of Conduct prohibits employees from using Sony’s assets for their personal benefit.</td>
<td>The allegation was substantiated. The employee admitted the theft, paid the sales proceeds from the stolen giveaways to the company, and resigned.</td>
</tr>
</tbody>
</table>

No Retaliation

Sony does not tolerate retaliation against anyone who cooperates in an investigation or raises a concern in good faith. The Code and other internal rules explicitly provide that Sony does not tolerate any form of retaliation against anyone for making a good faith report or for cooperating in an investigation of a report. Sony keeps information provided to the Hotline confidential to the extent possible. Sony promotes its retaliation policy against retaliation in trainings and communications to employees and imposes appropriate consequences in the event any employee is found to have engaged in retaliatory behavior.

How Sony Promotes Speak-Up Resources

Sony continuously promotes both the need to raise concerns and promotes the various resources available for employees to raise their concerns. The Code clearly states that every employee is responsible for speaking up to protect their colleagues and Sony. Code of Conduct training and ongoing messages also promote the importance of reporting concerns and advise employees that their concerns can be directed to either their manager, human resources personnel, legal and compliance personnel, or the Sony Ethics & Compliance Hotline. Since Sony understands that employees may prefer to raise concerns with their manager in the first instance, training is also provided to all managers on how to create an environment where employees feel comfortable speaking up when they observe unethical behavior. This training instructs managers on how to handle concerns and prevent any appearance of retaliation.
Global Ethics & Compliance Network

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

Sony established a group-wide ethics and compliance network of experienced compliance personnel (the “Global Network”) to strengthen effective implementation of the ethics and compliance program throughout Sony Group. The Global Network (i) establishes a centralized risk management framework in line with best practices; (ii) provides necessary support and guidance to compliance personnel embedded in the business; and (iii) monitors compliance with the risk management framework to provide effective oversight, address gaps, and drive consistency and continuous program improvement across all Sony Group companies.

Roles:
- The Senior Executives in charge of Compliance: Provide top-level leadership for the Global Network and oversee Sony’s global ethics and compliance program.
- The Sony Group Corporation Compliance & Privacy Department: Designs and oversees the Global Network and Sony’s group-wide ethics and compliance program with support of the Compliance Leadership Team. It also works with the Compliance Leadership Team members, local business unit leaders and compliance members to conduct comprehensive risk assessments and implement compliance policies, procedures, and internal controls to prevent and detect unethical behavior. It provides oversight of investigations related to potential legal or policy violations.
- The Compliance Leadership Team: Assists in identifying, developing, and implementing best practices in compliance strategies and compliance-related measures. The team is comprised of the Senior Executive in charge of Compliance, all of the Regional Compliance Officers, the Head of Compliance Monitoring, and subject matter experts.
- The Compliance Monitoring Team: Helps to measure the effectiveness and maturity of Sony’s global ethics and compliance program by conducting periodic and global-based assessments on program implementation and by undertaking risk-based compliance audits and validations of controls.
- Each Regional Compliance Officer: Is appointed by the Senior Executive in charge of Compliance and is responsible for implementing and overseeing the ethics and compliance program at all Sony Group companies in his or her region to promote ethical and responsible business conduct and prevent and detect violations of laws, regulations and company policies. Each Regional Compliance Officer must also ensure that each Sony Group company in his or her region has designated appropriate personnel and resources to ensure effective implementation of Sony’s global ethics and compliance program.
Sony's commitment to ethical and responsible conduct. Sony only conducts business with reputable third parties. Sony established internal rules and procedures to help ensure compliance with applicable laws and regulations related to potential third party risks, which include: anti-corruption, anti-money laundering, economic sanctions, trade controls, tax laws and restrictions on other financial crimes. Sony identifies transactions that may pose higher risks. Sony performs pre-contract due diligence, and ongoing monitoring, for these higher risk transactions to protect Sony Group companies from being involved in transactions concerning the proceeds of criminal conduct and/or with entities or individuals who are designated on an economic sanctions list and/or trade control list. Depending on the risk profile of the transaction, additional protections, such as contractual warranties may also be required. Sony provides periodic training to ensure its employees are well aware of policy requirements, as well as relevant "red flags" identifying potential transaction risks. Sony identifies transactions that may pose higher risks. Sony performs pre-contract due diligence, and ongoing monitoring, for these higher risk transactions to protect Sony Group companies from being involved in transactions concerning the proceeds of criminal conduct and/or with entities or individuals who are designated on an economic sanctions list and/or trade control list. Depending on the risk profile of the transaction, additional protections, such as contractual warranties may also be required. Sony provides periodic training to ensure its employees are well aware of policy requirements, as well as relevant "red flags" identifying potential transaction risks.

Third Party Management

Sony is committed to ethical and responsible conduct in compliance with all applicable laws and regulations. As part of Sony’s commitment to ethical and responsible conduct, Sony only conducts business with reputable third parties. Sony established internal rules and procedures to help ensure compliance with applicable laws and regulations related to potential third party risks, which include: anti-corruption, anti-money laundering, economic sanctions, trade controls, tax laws and restrictions on other financial crimes. Sony identifies transactions that may pose higher risks. Sony performs pre-contract due diligence, and ongoing monitoring, for these higher risk transactions to protect Sony Group companies from being involved in transactions concerning the proceeds of criminal conduct and/or with entities or individuals who are designated on an economic sanctions list and/or trade control list. Depending on the risk profile of the transaction, additional protections, such as contractual warranties may also be required. Sony provides periodic training to ensure its employees are well aware of policy requirements, as well as relevant "red flags" identifying potential transaction risks.

Anti-Bribery and Corruption

Sony believes that corruption negatively impacts the communities and economies where we do business and that it must be eliminated to realize a sustainable, inclusive and transparent society. One of the core principles set forth in Sony Group Code of Conduct is the need to give due consideration to the impact of our business activities on the interest of our stakeholders. Sony Group Code of Conduct prohibits all types of corrupt practices. Sony has also adopted a global anti-bribery policy that contains rules and procedures designed to prevent corruption involving government officials ("Sony Group Anti-Bribery Policy"). All Sony Group personnel are required to read, understand and follow the Sony Group Anti-Bribery Policy and the Sony Group Code of Conduct.

Sony closely monitors global anti-corruption law enactment and enforcement trends to ensure that Sony’s global ethics and compliance program and internal controls properly address these evolving risks.

Sony’s Anti-Bribery and Corruption Program

- Code of Conduct & Anti-Bribery Policy
- Risk assessment & Updating the policy
- Communication through training
- Robust procedures & internal controls

Policies

- Sony Group Code of Conduct prohibits improper payments in every transaction, whether with a government official or with a private party.
- The Sony Group Anti-Bribery Policy was established and most recently revised in 2022 under the policy above. It identifies types of transactions that are considered to pose higher risks based on regulatory landscape and Sony’s business and provides conditions and procedures that all Sony Group personnel must adhere to when interacting with officials of various governments around the world. This includes strict limitation on the type of expenditures that are permitted, due diligence and pre-approval requirements.

Communication through Training

- Sony provides extensive training and support to assist local management with policy compliance. Tailored training is provided to management and employees depending on their respective roles as explained below.
  - All Sony employees receive training on anti-bribery and corruption expectations as part of the Code of Conduct training upon hire. Refresher training is also provided at least every four years thereafter.
  - Employees who are at a higher risk for interactions with government officials (i.e., senior management, finance, legal, marketing, sales, real estate, corporate development, tax, audit, anyone involved in procurement and any other employees identified as dealing with government officials) receive more focused anti-corruption training, which includes training on Sony’s specific policy pre-approval and due diligence requirement. This training is provided to those employees, in addition to the Code of Conduct training upon hire and at least once every two years thereafter, as well as more frequently based on risk assessments.
  - Personnel in Sony’s control functions, legal, finance, other control personnel receive live training in addition to the above, as necessary.
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 anti-trust and competition laws and does its part to promote a fair and competitive marketplace. Sony has implemented the Sony Group Policy on AntiTrust / Competition Law Compliance, which explains the purposes of competition laws and guides employees on compliance with such laws. Sony has also developed robust, customized training courses to raise awareness regarding competition laws and to enforce 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 maintains up-to-date group-wide policies covering compliance with economic sanctions, trade control laws such as the Sony Group Economic Sanctions Compliance Policy, group-wide policies on trade controls and the Sony Group Customer Due Diligence Policy. These policies identify transactions that may pose higher risks based on the regulatory landscape and Sony’s business, provide necessary due diligence and pre-approval requirements, and specify training requirements in compliance with applicable laws and regulations. In accordance with the due diligence procedures specified based on risk levels including but not limited to whether the transaction involves any red flags or high-risk territories that Sony specifically identifies in its policies, types of transactions, and whether the transaction involves any intermediaries such as distributors and sub-agents, Sony complies with anti-corruption laws and regulations and Sony’s anti-bribery policy.

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 relevant senior managements and the legal department of each subsidiary. Appropriate action for the case such as disciplinary, remedial and/or corrective action is considered and implemented. Such remediation activities are monitored until completed.

Risk Assessment & Updating Policy

- Sony conducts periodic anti-corruption assessments and audits of its business to raise overall awareness, detect potential misconduct, and monitor compliance with anti-corruption laws and policy. Sony continues to leverage opportunities to share both knowledges and best practices across its system. *

* Sony’s material legal and regulatory proceedings in FY2021 are disclosed in our Form 20-F: “Item B. Financial Information A. Consolidated Statements and Other Financial Information. Legal Proceedings,” p. 81.
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 these 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.
**Responsible AI**

**Framework for AI Ethics Initiatives**

Through the utilization of artificial intelligence (AI), Sony aims to contribute to the development of a peaceful and sustainable society while delivering kando—a sense of excitement, wonder or emotion—to the world. At the same time, Sony understands that the influence of AI on society is multi-faceted and can have unintentional consequences. Sony established the Sony Group AI Ethics Guidelines in September 2018 to guide all Sony officers and employees to utilize AI and/or conduct AI-related R&D in a manner that conforms with our values and emerging social norms. The guidelines were subsequently revised to align with Sony’s Purpose established in January 2019 to “fill the world with emotion, through the power of creativity and technology.” In December 2019, Sony established the Sony Group AI Ethics Committee and since that time has been strengthening its initiatives and framework for AI ethics. In 2021, the AI Ethics Office was established to provide subject matter expertise on AI ethics to all Sony business units. In addition, Sony has established a notification system for AI utilization in products, services, and internal operations in Sony business units. In addition, Sony has established a notification system for AI utilization in products, services, and internal operations in Sony business units. In addition, Sony has established a notification system for AI utilization in products, services, and internal operations in Sony business units.

**Stakeholder Dialogue and External Collaboration**

Sony actively pursues dialogue with relevant companies, organizations, and the academic community on ethical issues surrounding AI utilization, while considering the interests of diverse stakeholders, including customers and creators. In May 2017, Sony became the first Japanese company to join the Partnership on AI to Benefit People and Society (PAI), a non-profit organization created to contribute to solutions for some of humanity’s challenging problems, including advancing the understanding of AI and addressing ethics surrounding AI technology. One of the most common issues in AI ethics is that of fairness, transparency, and accountability, abbreviated as “FTA.” Sony utilizes knowledge it has gained from its AI and robotics related research, development, and business ventures and contributes to a number of working groups addressing this issue. Sony chaired the Social and Societal Influences of AI Working Group, which focuses on the social impacts of AI, and currently serves as an expert advisor for PAI’s strategic planning. Sony also serves on the steering committee for ABOUT ML*, an initiative to improve the transparency of machine learning. Sony also serves as an expert advisor to the Explainability Research Project and Diversity and Inclusion Research Project. Sony’s Global Head of AI Ethics is also one of the General Chairs of the 2022 ACM Conference on Fairness, Accountability, and Transparency (FAccT), the premier conference on sociotechnical algorithmic systems. Sony is also involved with Japanese initiatives to establish principles and guidelines that promote the utilization of AI for social good. These initiatives include the AI Utilization Strategy published by Kodenkan (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 and framework for AI ethics. In 2021, the AI Ethics Office was established to provide subject matter expertise on AI ethics to all Sony business units. In addition, Sony has established a notification system for AI utilization in products, services, and internal operations in Sony business units. In addition, Sony has established a notification system for AI utilization in products, services, and internal operations in Sony business units.

**TRusted R&D for AI**

Sony pursues R&D for AI that is trusted and backed by solid technologies, and is engaged in technical initiatives related to AI ethics. As a solution for securing FTA, Sony equipped its AI development tool Neural Network Console with eXplainable AI (XAI) to make it easy to use. XAI is a technology that enables people to understand the logic behind AI decision-making, an area often called the “black box” since it is not always immediately apparent. Sony has also released its machine learning fairness library and Responsible AI XAI source code as open source software. Additionally, Sony provided its Prediction One predictive analysis tool with the ability to visualize the predictive reasoning. In 2021, Sony also launched the AI ethics flagship within Sony AI with projects to conduct cutting-edge research on the challenges faced in the development of AI products and services, including ethical data collection and algorithmic fairness. Taking advantage of its position as a company that extends across a wide range of industries, Sony will put fair and transparent AI into practice, leveraging its global and diverse perspective.

*ABOUT ML stands for “Annotation and Benchmarking on Understanding and Transparency of Machine Learning Lifestyles.”

**Sony Group AI Ethics Guidelines**

**Sony Group’s Initiatives for Responsible AI**

**Editorial Policy**

**Corporate Governance**

**Responsible Supply Chain**

**Community Engagement**

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