Management Approach

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

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

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

Sony also established the Diversity Promotion Council, chaired by the senior executive in charge of human resources and general affairs, with members drawn from related departments at headquarters. The Council provides support for group-wide initiatives to raise awareness of human rights and promote diversity. The Board of Directors receives regular reports on sustainability initiatives encompassing Sony’s human rights initiatives.

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

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

Respect for Human Rights

Set priority areas and promoted initiatives
1. Responsible supply chain
2. Respect for Diversity, Equity and Inclusion
3. Responsible development and use of technologies
Dialogue with Stakeholders on DE&I and Social Justice

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

One example is the utilization of technology to enhance the accessibility of Sony’s products and services. Sony conducts interviews with employees and users with disabilities during the product planning and development process. With the feedback we receive from this user research and usability testing, we improve our products and services, thereby incorporating the needs of diverse customers. Sony is also devoted to creating an inclusive work environment where employees can pursue their careers regardless of any disabilities they may have. Treating all people with respect and dignity is one of Sony’s most important principles. We have built a corporate culture which finds strength in the diversity of our businesses and employees. In 2020, Sony established the 100 million USD Global Social Justice Fund. Through this fund, Sony Group companies will support initiatives that promote social justice and anti-racist initiatives to foster DE&I around the world.

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

Human Rights Due Diligence

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

Human Rights Impact Assessments

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

Prevention or Mitigation of Potential Negative Impact on Human Rights

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

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

Key Human Rights Initiatives in Diverse Business Operations

1. Responsible Supply Chain

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

Sony Manufacturing Sites

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

Supply Chain

In fiscal year 2021, Sony requested new and existing suppliers to comply with the Sony Supply Chain Code of Conduct, and conducted assessments using questionnaire for 746 plants, written improvement instructions for 94 plants, and remote/on-site assessment for 39 plants to provide instructions for improvement.

2. Respect for Diversity, Equity and Inclusion

Sony is committed to creating a workplace that respects human rights and provides equal employment opportunities that allow all individuals to contribute their unique talents and skills so as to provide the best products and services to our customers, and Sony is committed to recruiting, hiring, training, promoting and otherwise treating applicants and employees without discrimination based on factors that are unrelated to Sony’s legitimate business interests.

Boosting Awareness of Human Rights Is a Cornerstone of Diversity

Human rights issues that corporations face today are increasingly complex and wide-ranging. Sony considers it essential to boost awareness of human rights, an awareness that underpins respect for diversity. The importance of this concept is emphasized in training courses and other actions taken by Sony to enhance employees’ understanding of human rights and diversity.

Global Social Justice Fund

Sony is committed to respecting human rights, advancing social justice, and promoting DE&I. One of Sony’s core principles is to treat all people with respect and dignity. Sony has built a corporate culture which finds strengths in diversity. To further these efforts, in 2020, Sony Group established a US$100 million Global Social Justice Fund (“Fund”). Through this Fund, we support initiatives that promote social justice and anti-racist initiatives to foster DE&I around the world.

Responsible Supply Chain

Sony’s Two Global Funds

Accessibility

Sony Group strives to fulfill our Purpose to “fill the world with emotion, through the power of creativity and technology.” For a future where everyone shares the moment, Sony gives careful attention when designing and planning our products and services to help ensure accessibility. To ensure that its products and services can be used by as many people as possible.
and established the AI Ethics Office as the office responsible for the quality management system for electronic products and services, established in 2019, examines AI use cases to ensure compliance with stakeholder engagement. The Sony Group AI Ethics Committee, using the Ethics Guidelines to ensure that AI development and usage would be compliant with the needs of society. In 2018, Sony was one of the first companies to establish AI ethics guidelines.

Sony aims to use AI technology in its products and services in a manner that will enrich people’s lives and contribute to the advancement of society. In 2018, Sony was one of the first companies to establish AI Ethics Guidelines to ensure that AI development and usage would be aligned with our values, including fairness, transparency, privacy, and stakeholder engagement. The Sony Group AI Ethics Committee, established in 2019, examines AI use cases to ensure compliance with these guidelines. In 2021, Sony added AI ethics assessments to the quality management system for electronic products and services, and established the AI Ethics Office as the office responsible for implementing the assessments. The AI Ethics Office serves as a centralized body to provide subject matter expertise to all Sony Group businesses. Sony strives for ethics by design, meaning that ethical considerations are evaluated at every stage of the AI development process, from planning, to design, to development and deployment. In 2021, Sony also launched the AI ethics research flagship within Sony AI, with the goal of conducting cutting-edge AI research that will enable our AI products and services to be at the forefront of ethical technologies.

### Hotlines

Sony has established the following hotlines for employees and stakeholders to report and seek advice concerning any potential violation of laws, regulations, the Sony Group Code of Conduct, the Sony Supply Chain Code of Conduct or other internal rules. These hotlines equip Sony to respond quickly and appropriately, while giving full consideration to personal privacy. Sony strictly enforces confidentiality and ensures that reporters are not subject to retribution for reporting or using these services.

**Sony Ethics & Compliance Hotline**

Sony established the Sony Ethics & Compliance Hotline as a mechanism for all Sony Group employees to raise concerns and to seek guidance about possible violations of laws or internal policies, including violations of the Sony Group Code of Conduct.

**Sony’s Ethics and Compliance Program**

### Responsible AI Initiatives

**EEO (Equal Employee Opportunity) Hotlines**

Sony Group companies in Japan have established a hotline for equal opportunity. The hotline is available for all Sony Group employees in Japan to discuss a wide range of equal opportunity-related issues, such as harassment and support for work-life balance. In addition, Sony Group companies in Japan have also established a hotline specializing in EEO-related issues.

**Supplier Hotline**

Sony has established a Supplier Hotline as a mechanism for suppliers to report misconduct by a Sony Group company executive or employee that violates laws, regulations, the Sony Group Code of Conduct, the Sony Supply Chain Code of Conduct or the company’s agreements with suppliers.

**Supplier Hotline (in Japanese)**

**Hotline Regarding the Sony Group Policy for Responsible Supply Chain of Minerals**

Sony has established a hotline for stakeholders to report misconduct that violates the Sony Group Policy for Responsible Supply Chain of Minerals.

**Sony Group Policy for Responsible Supply Chain of Minerals Hotline**

### Education and Training

**Employee Training**

All employees receive training on respecting human rights and preventing harassment in the workplace as part of the Sony Group Code of Conduct training upon hire and refresher training at least every four years thereafter. In Japan, we regularly implement various programs, such as focusing on domestic issues for all employees and using more practical content for newly appointed managers. In addition, an e-learning course focusing on the protection of human rights is provided to all employees of Sony Group Corporation as well as many Sony Group companies. In fiscal year 2021, 94% of eligible employees took the e-learning course.

**Raising Employee Awareness of Human Rights**

Sony Group companies in Japan have formed their diversity promotion committees, which conduct workshops on human rights, diversity, and related matters. Based on the information obtained from these initiatives, they collaborate laterally via a Diversity Liaison to share best practices and study the latest information. Serious cases of harassment and communication issues related to human rights are discussed within the overall system and appropriate responses considered.

Additionally, Sony works with the Industrial Federation for Human Rights, Tokyo to compile information on various aspects of the subject and improve human rights literacy in Japan. Each December, in support of Human Rights Week, an awards ceremony is held in Japan for all Sony Group companies to recognize departments that have been successful in their efforts to protect human rights and promote diversity.

Sony Group companies outside of Japan have similar programs in place to ensure respect for human rights in the workplace.