

SONY

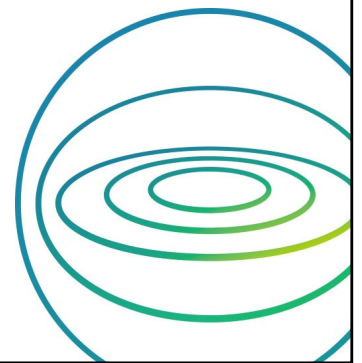
Sustainability Meeting 2023

September 14, 2023



The Social Significance of “Kando”

Chairman and CEO, Sony Group Corporation
Kenichiro Yoshida



➤ Hello everyone. This is Kenichiro Yoshida.

SONY

Purpose

存在意義

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

クリエイティビティとテクノロジーの力で、
世界を感動で満たす。

- At Sony, we strive to create “Kando” or “emotion” and deliver it to the world, based on our Purpose to “fill the world with emotion, through the power of creativity and technology.”



- People have always desired entertainment.
- Kando content such as games, music, pictures, anime, and sports enrich people's lives and play an important role in society.
- Furthermore, entertainment has the power to bring people together, rather than divide them.



- Sony Pictures' animated film series, "Spider-Verse", is connecting many creators and users.



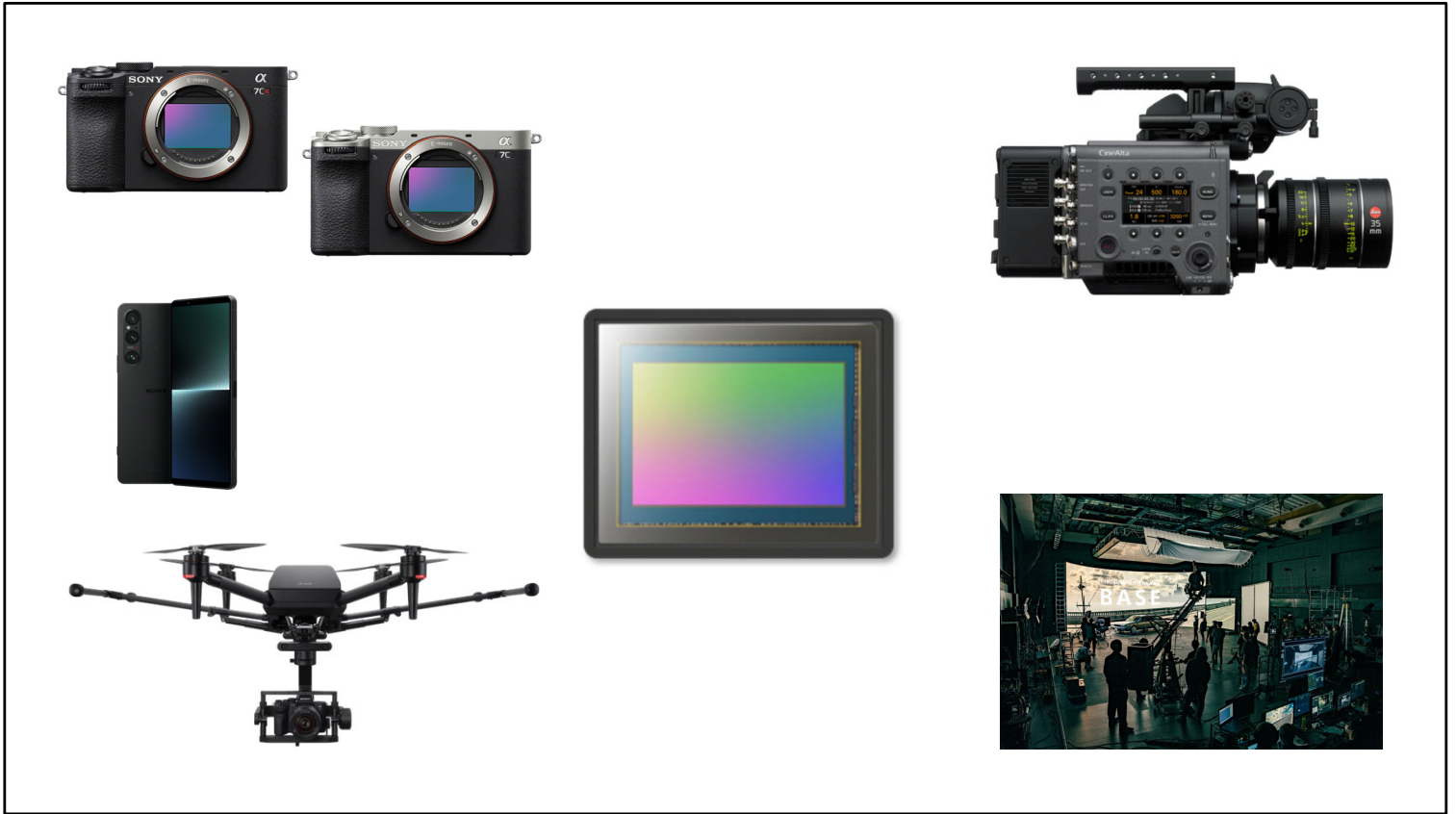
- The series is based on the concept that "anyone can wear the mask."
- It is a story that expresses the importance of diversity, by showing how [everyone has the power to step up and be a hero], regardless of race or gender.



- A song created by music unit YOASOBI with Midories, a children's group centered around SDGs, is another creative example that has brought people together. Their song "The Swallow" is based on a story selected from works submitted by young people who will lead our future, and is focused on the theme of "living together."



- There is no limit to the creativity that generates such Kando.



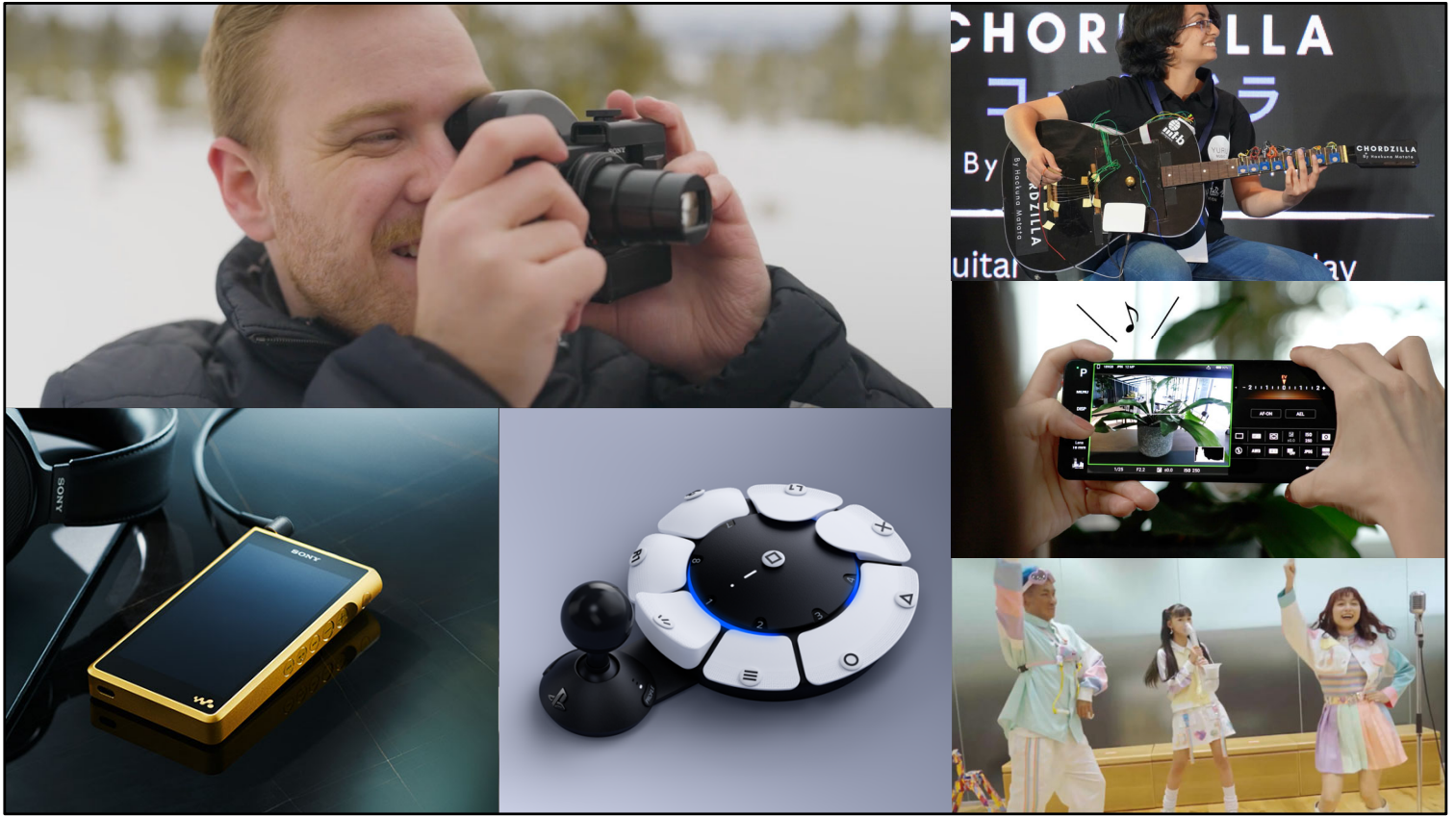
- Technology empowers creators to exert their creativity, leading to the further evolution of entertainment.



- Through initiatives such as developing products that expand the creative possibilities for people with visual impairments,



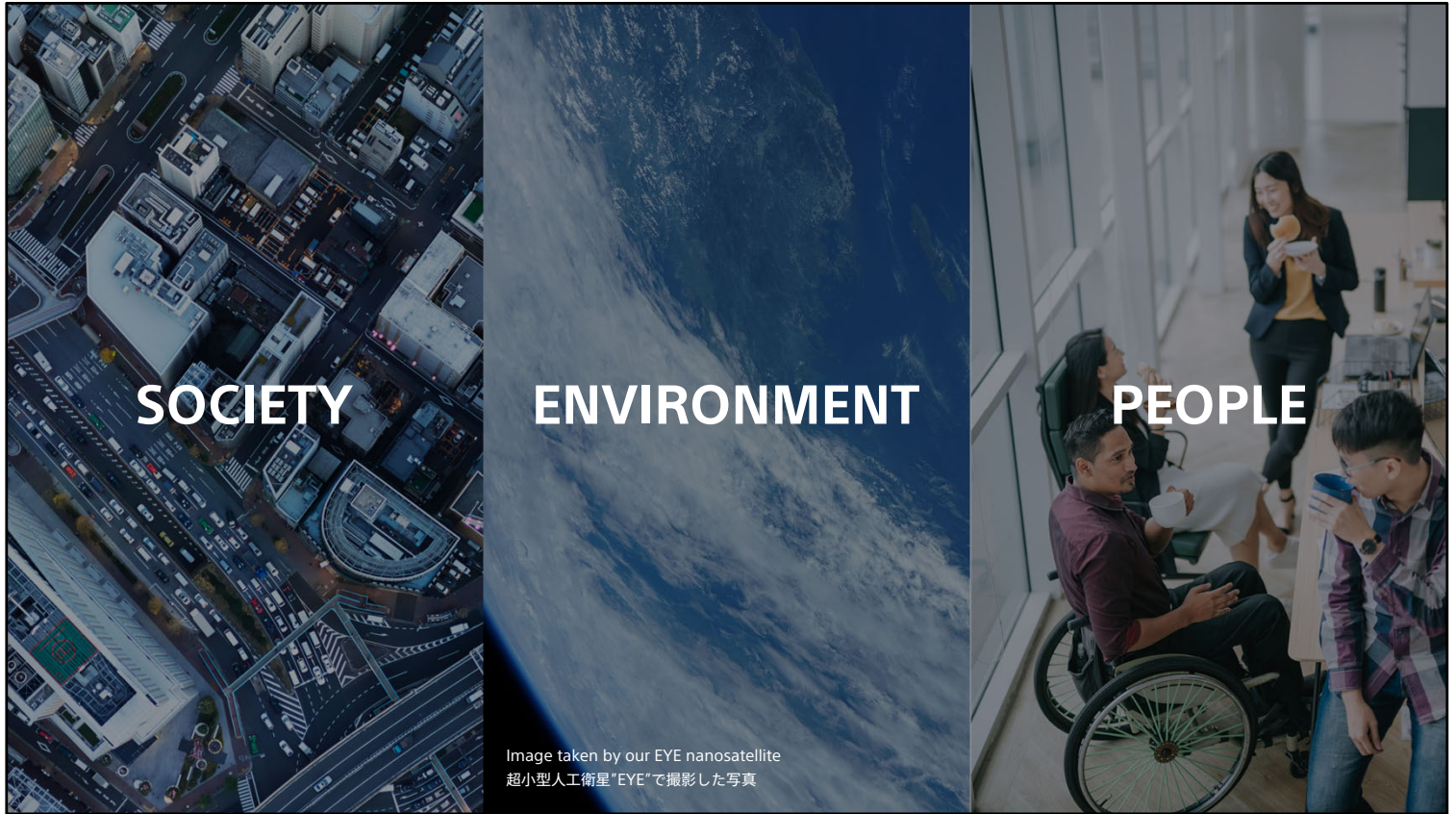
➤ and enhancing accessibility on the front lines of video production,



- we aim to support creators in many ways through technology, and contribute to the realization of an inclusive society.



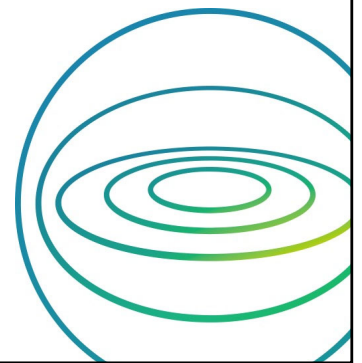
➤ Kando is created and experienced by people.



- Today we will be presenting the progress of our global funds, which were established to support diverse people, our contributions to an inclusive society, and initiatives addressing environmental issues.
- Together with our approximately 110,000 employees, we aim to continue to create social value in addition to the sustainable growth of the Sony Group, so that we can further extend the social significance of “Kando” throughout the world.

Senior Executive Vice President
Sony Group Corporation

Shiro Kambe

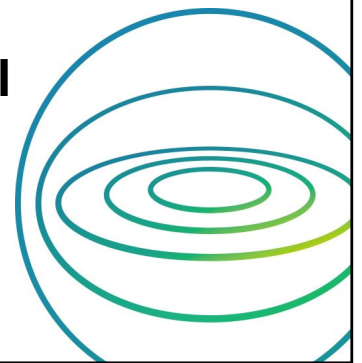


- Hello everyone. My name is Shiro Kambe.
- This year marks the sixth meeting on sustainability since the first one was held in 2018, when Mr. Yoshida took office as CEO.
- As mentioned in Mr. Yoshida's speech, Sony strives to create “Kando” and deliver it to the world, based on its Purpose to “fill the world with emotion, through the power of creativity and technology.” At the same time, in order for Sony to “fill the world with emotion,” it is necessary to create a society in which everyone can live with peace of mind in a healthy global environment.

1. Initiatives Addressing Global Social Issues

2. Contribution to an Inclusive Society (Focus on Accessibility)

3. Initiatives Addressing Environmental Issues



- Our sustainability initiatives cover a wide range of areas, but today I will focus my presentation on the initiatives addressing global social issues, our efforts to contribute to an inclusive society, such as in the area of accessibility and initiatives addressing environmental issues.

The Two Global Funds

Sony Global Relief Fund for COVID-19

Established in April 2020
100 Million US dollars

Global Social Justice Fund

Established in June 2020
100 Million US dollars

- The environment around us is constantly changing, but especially in the last few years, there have been successive events that have brought major changes to society and the global environment. These include increasingly severe natural disasters due to climate change, growing human rights risks, the COVID-19 pandemic and its normalization, as well as social divisions.
- In response to these global social issues, in 2020 Sony established the US\$100 million “Sony Global Relief Fund for COVID-19” and the US\$100 million “Global Social Justice Fund” to provide various forms of support.

Sony Global Relief Fund for COVID-19

Supported 5,600+ organizations and
2,500+ creators and artists



- Through the “Sony Global Relief Fund for COVID-19,” Sony has provided support to those affected by COVID-19 in three areas – specifically, “medical,” “education” and “the creative community” – by utilizing Sony’s businesses, technologies and content in addition to partnerships with external organizations.
- We have donated face shields to medical institutions, made donations, including of the robot programming kit “KOOV®,” to educational organizations in Japan, China and the US, and supported over 2,500 individual creators and artists. Through these initiatives and activities, we have supported more than 5,600 organizations globally, and approximately 80% of the fund has been pledged or earmarked.
- It has been about three and a half years since the COVID-19 outbreak, and although many countries and regions have recovered from the state of pandemic, various social issues have become more serious or more apparent during this period.

New Partnerships Signed



Support for educational assistance, vocational training and improved mental health initiatives for children and youth around the world



Support for forcibly displaced persons to recover from the devastating effects of the COVID-19 pandemic with a focus on improving access to health generally and thus preparing for and preventing future pandemics



Save the Children

Provide cash assistance for children in Japan and support activities such as protecting and improving the resilience of children and youth overseas

- To support efforts to address these global social issues, we announced today that we have entered into partnerships with three international organizations, UNICEF, UNHCR and Save the Children, and will contribute approximately US\$15 million.
- Specifically, through these partnerships we will provide support for educational assistance, vocational training and improved mental health initiatives for children and youth around the world, as well as support for forcibly displaced persons to recover from the devastating effects of the COVID-19 pandemic with a focus on improving access to health generally and thus preparing for and preventing future pandemics. Additionally, we will provide cash assistance for children in Japan and support activities such as protecting and improving the resilience of children and youth overseas over the next three years.

Global Social Justice Fund

Continuing our commitment to social justice and DE&I
from a long-term perspective

4 pillars

- Civic and Community Engagement
- Criminal Justice Reform
- Education
- Diversity through Impact

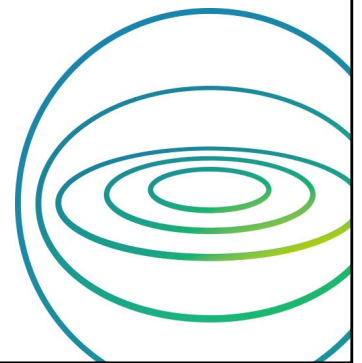
70+ countries
and
9 regions

500+
organizations

- Meanwhile, through the “Global Social Justice Fund” we have been supporting organizations that work for social justice and human rights protection as well as promote Diversity, Equity and Inclusion (DE&I) around the world. Through a collaborative effort with the Sony Group entertainment companies, the Fund has provided support for more than 500 organizations across nine regions and more than 70 countries over the past three years in the form of direct investments toward four pillars of work including “civic and community engagement,” “criminal justice reform,” “education,” and “diversity through impact.”
- Please watch this video summarizing the Global Social Justice Fund's three years of activities.
- Treating all people with dignity and respect is one of Sony's most important codes of conduct. As you see, through the Global Social Justice Fund, various activities related to social justice and DE&I have been launched both inside and outside the company.
- Of the US\$100 million initially set aside for this fund, approximately 95% has already been allocated. As a company that has evolved and grown based on the diversity of its business and employees, we plan to continue our support activities in this area with a long-term perspective, as we have also announced today.
- From here, Mitsu Shippee will talk about initiatives that contribute to an inclusive society, with a focus on accessibility.

Senior General Manager, Sustainability Dept.
Sony Group Corporation

Mitsu Shippee



- Hello everyone. My name is Mitsu Shippee.
- I would now like to introduce our efforts to contribute to an inclusive society, including efforts to improve accessibility to meet the needs of diverse users and creators, and our support for creating a society where diverse people can play an active role.

Accessibility

Delivering innovation for an accessible future



- First, let me explain our accessibility initiatives.
- Accessibility is the ability to use products, services and content regardless of age, disability or other personal characteristics, ability, or environment. It is said that approximately 1.3 billion people, or one in six people around the world live with some kind of limitations due to disability, age or other factors. With the theme of “Delivering innovation for an accessible future,” Sony is promoting accessibility across the entire Group.

Inclusive Design

Implement inclusive design into our commercialization process by fiscal 2025



- Sony believes that in pursuing accessibility, it is necessary to understand and consider the needs of such diverse users. By working together with these individuals, we intend to implement inclusive design that incorporates their perspectives into our product commercialization processes by fiscal 2025.
- In addition to users, diverse employees are involved in a program for inclusive design and provide feedback about products and services in the development stage. Employees with various disabilities also participate in this internal monitor program and help improve accessibility.

The Valuable 500 Iconic Leader

Promoting disability inclusion as the only Iconic Leader in Japan



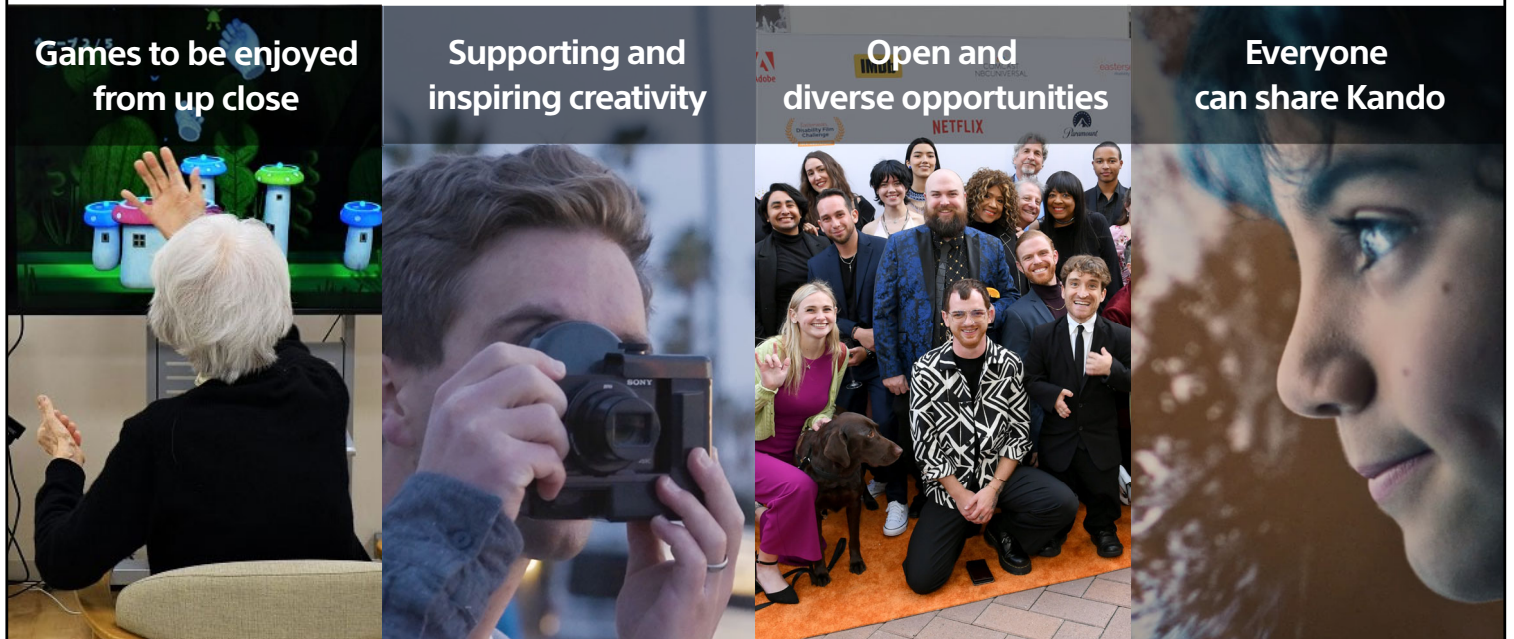
- Sony is also a signatory of “The Valuable 500,” a World Economic Forum initiative focused on the inclusion of people with disabilities. Sony’s approach to emphasizing diversity is aligned with the goals of this initiative, and we have been selected as the only Iconic Leader in Japan from among the 500 signatory companies. Through this initiative, we are working together with other organizations and companies to promote disability inclusion.
- Here is a seven-minute video summarizing the accessibility initiatives in the Entertainment Technology & Services (ET&S) segment, as well as a message from Caroline Casey, founder of “The Valuable 500.”
- The products introduced in the video, including the Alpha and a retinal projection camera kit, are on display here at the meeting venue, so I encourage everyone in attendance to try them.

Collaboration with the Technology and Creator Communities



- The Sony Entertainment Technology Showcase Los Angeles, an event for entertainment and technology employees and creators that was held in August, in the U.S., and one of the themes was “Technology for Accessibility.” By promoting global collaboration with internal and external creative communities as well as tech communities, we are aiming to further contribute to accessibility.
- Now, here is a video summarizing the accessibility efforts in the Game & Network Services (G&NS) segment from three perspectives: console platform, games, and accessories.

Contribution to an Inclusive Society



- As you can see, the passion of our employees is the driving force behind the accessibility of our products, which embodies the Sony Group's corporate direction of "getting closer to people."
- Through addressing the diverse needs of creators and users in pursuit of accessibility, we can create products, services and content that can be used regardless of individual characteristics, abilities or environment, such as age or disability.
- Also, we believe that our accessibility initiatives can not only benefit these groups, but also make things easier to use for many people, providing new value and contributing to building an inclusive society.



“ Innovation comes out of collision between the ordinary and extraordinary. ”

Co-Founder Masaru Ibuka

- Next, I will explain our efforts to support the creation of an inclusive society.
- Masaru Ibuka, one of the founders of Sony, touted the importance of diversity, saying “Innovation comes out of collision between the ordinary and extraordinary.” We are aiming to realize an inclusive workplace and society where people with diverse values and backgrounds can play an active role. In addition to evolving the diversity of our internal human resources, we are promoting initiatives according to business and regional characteristics.

Initiatives According to Business and Regional characteristics



GLOBAL SCHOLARS PROGRAM
SONY MUSIC GROUP



CAREER PATHWAYS



奈良女子大学
Nara Women's University



- For example, in our North American-based entertainment business, we are actively creating opportunities to help students from all backgrounds enter the film, music and video game industries.
- As one of its new initiatives, Sony Music Group launched the Sony Music Group Global Scholars Program last year, which aims to nurture the next generation of leaders in the music industry, and announced support for 50 student scholarships globally. Sony Interactive Entertainment established the PlayStation Career Pathways program in 2021, providing scholarships, mentoring and career-readiness support to Black and indigenous college students seeking career opportunities in the gaming industry. Sony Pictures Entertainment's Diverse Directors Program, which aims to support emerging creators aspiring to become television and film directors, is now in its 9th year. Through these activities, we are working to contribute to society and strengthen the pipeline for ensuring diversity in each industry in the future.
- These initiatives also utilize the Global Social Justice Fund introduced earlier.
- In Japan, where the gender gap is a social issue, we are working to contribute to society through university-enterprise partnership with the aim of supporting the development and growth of female engineers from an early stage with a mid- to long-term perspective. Last year, we began a partnership with Nara Women's University Faculty of Engineering, and in connection with this partnership, we held workshops on AI and programming in August as part of our female engineer training program for junior high school through university students.

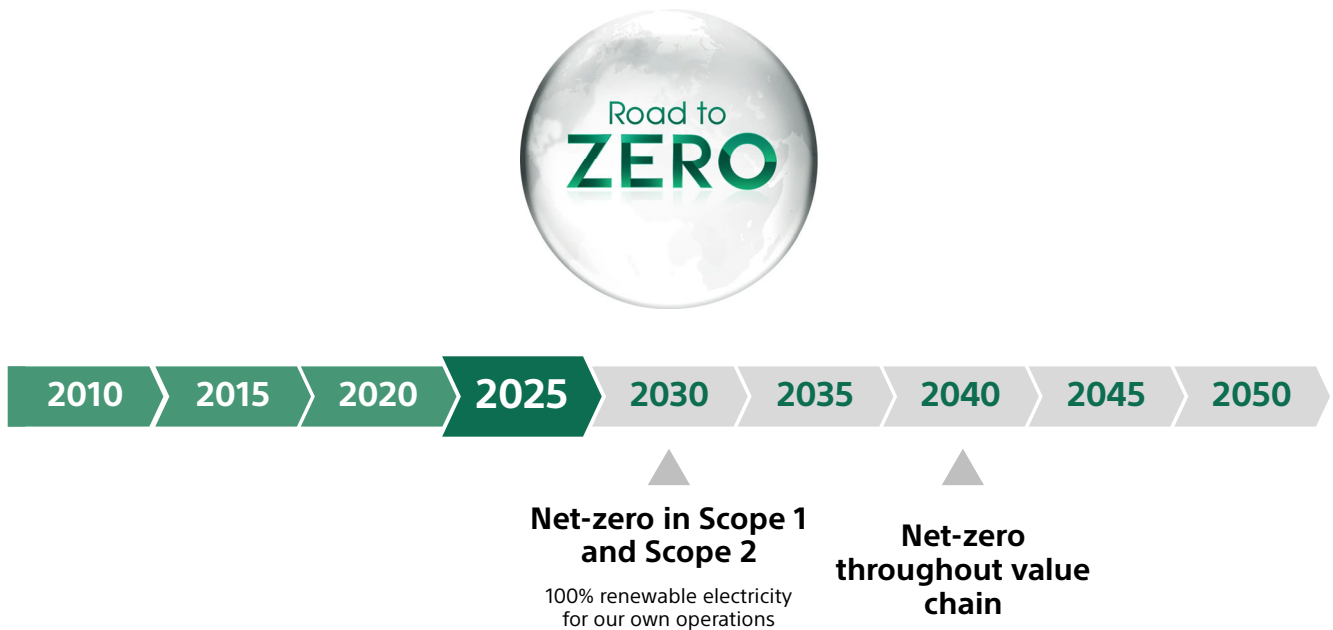
Creating an Inclusive Work Environment

Building careers regardless of disabilities



- In parallel with such initiatives, the Sony Group endeavors to create a work environment that enables employees to build their careers regardless of any disabilities they may have. Employees with various disabilities are playing an active role in making the most of their individuality and skills at Sony/Taiyo Corporation, which engages in high-quality manufacturing such as of high-end headphones and microphones that have received good reviews from artists, and Sony Kibou/Hikari Corporation, which works closely with Sony's operating companies to develop AI functions. We are leveraging these initiatives in the employment of persons with disabilities at the entire Group to enhance accessibility within its facilities and foster an inclusive work environment.
- We will continue to respect diverse values and contribute to an inclusive society.

Sony Group's Environmental Initiatives



- Next, I will talk about the progress of our environmental initiatives.
- Sony promotes environmental initiatives along two axes: “responsibility” and “contribution.” The long-term environmental plan “Road to Zero,” announced in 2010, can be said to symbolize “responsibility.” With Road to Zero, we have been promoting these initiatives from four perspectives – “climate change,” “resources,” “chemical substances” and “biodiversity” – to achieve a zero environmental footprint by 2050, and we backcast from the target year for achievement and set medium-term goals every five years to work on reducing our environmental impact.
- Given that responding to climate change has become a particularly urgent issue among the four perspectives, last year we announced that we would bring forward our goal of achieving net-zero greenhouse gas (GHG) emissions by 10 years to 2040.

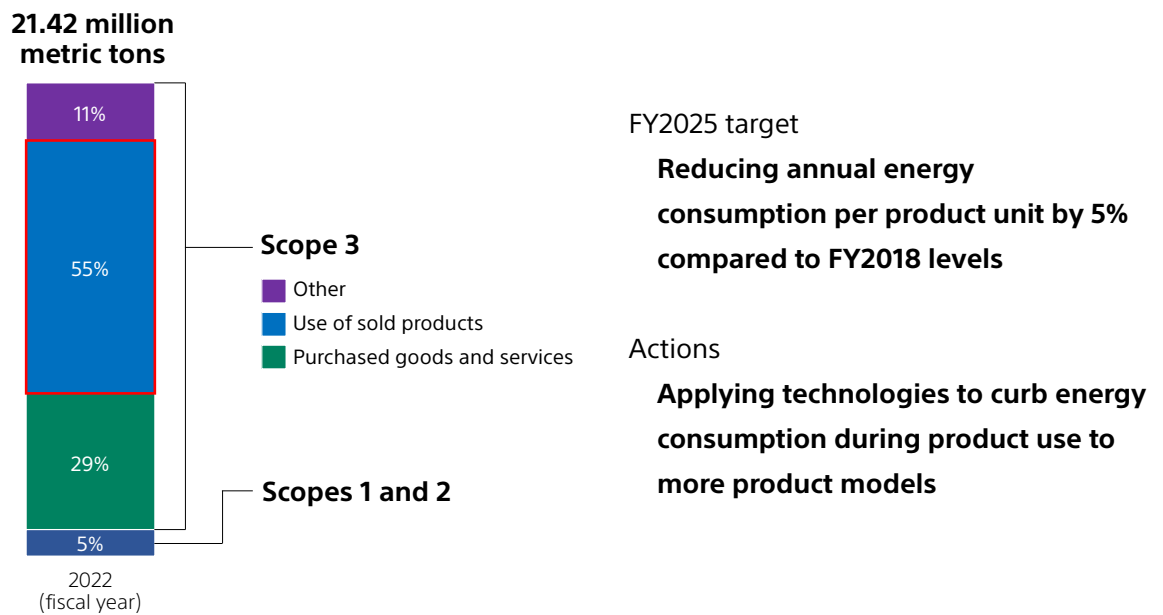
Progress of Green Management 2025

FY2025 Targets (GM2025)			FY22 ACT	Progress*		
Products	AC devices: annual energy consumption per unit		-5% (vs. FY18)	+3.9%	●	
	Virgin plastic per unit		-10% (vs. FY18)	-3.4%	●	
	Plastic packaging per unit		-10% (vs. FY18)	-22.2%	●	
	Plastic packaging for small products		Eliminate for newly-designed models	Realized zero plastic in individual packaging of multiple products	●	
Site	Climate Change	Greenhouse gas emissions		-5% (vs. FY20)	-12.5%	●
		Renewable electricity rate		35%	29.7%	●
	Waste	Waste generation intensity value		Improve 5% (vs. FY20)	Worsened by 31.6%	●
		Landfilled waste rate		Under 1%	2.5%	●
	Water	Sites with high water usage: water usage intensity value		Improve 5% (vs. FY20)	Worsened by 11.7%	●
		Sites located in water risk area: implement risk reduction activities			Conducted activities according to risk, such as reducing the risk of wastewater pollution	●
	Chemicals	VOCs emissions to air	Under FY10 emission (vs. FY10)	-57.3%	●	
	Biodiversity	Continually promote biodiversity conservation activities respecting the needs of local communities, etc.		Activities implemented	●	
Logistics	CO2 emissions from product transport		-10% (vs. FY18)	-10.0%	●	

* ● : Progressing as planned ● : Lagging from plan ● : Lagging significantly from plan

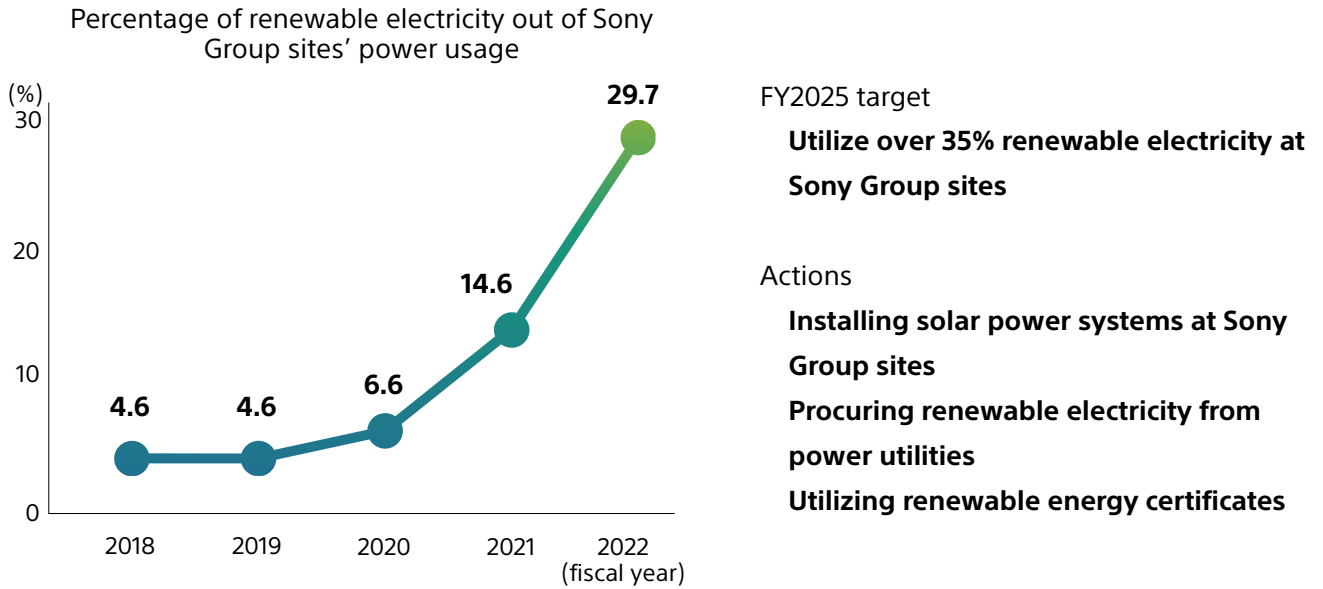
- As of the end of fiscal 2022, the current medium-term environmental targets “Green Management 2025” (GM2025) are on track for approximately 60% of the items.

Climate Change: Promoting Product Energy Savings



- The Sony Group's total GHG emissions for Scope 1 through 3 last fiscal year were approximately 21.42 million tons, the largest portion of which, accounting for 55%, was due to energy consumption of Sony products in Scope 3. We are continuously striving to reduce product energy consumption. For example, in 4K LCD televisions, by fiscal 2022 we had reduced annual energy consumption per product unit by approximately 55% as compared to fiscal 2013 levels.
- For the annual energy consumption per product unit, GM2025 sets the goal of “reducing a further 5% compared to fiscal 2018.” The increasing size, higher-performance, and multi-functionality of our products have led to an approximate 3.9% increase in the previous fiscal year. Going forward, we will aim to achieve our target by applying technologies to curb energy consumption during product use to even more product models.

Climate Change: Implementing Renewable Energy at Sony Group Sites



- A key to reducing Scope 2 emissions is the implementation of renewable energy at Sony Group sites. We have set a goal to “make renewable electricity account for over 35% of the power by fiscal 2025.” We are working to install solar power systems, purchase renewable electricity from power utilities and utilize renewable energy certificates.
- Last year, the rate of renewable electricity at the Sony Group doubled to 29.7%, from 14.6% in fiscal 2021. We are making steady progress toward the goal of 100% renewable energy by 2030.

Climate Change: Implementing Renewable Energy at Sony Group Sites

Expanding the installation of solar panels



Accelerating renewable energy procurement by Virtual PPA (Power Purchase Agreement)

- “Electricity” and “environmental value” of the renewable electricity generated by power systems are separated
- “Electricity” is sold to the market; only “environmental value” is traded

- Especially in the Imaging & Sensing Solutions segment, which uses a lot of energy, we are planning to expand the installation of solar panels at our site in Thailand. Furthermore, in Japan, continuing from the previous fiscal year, a new virtual PPA was signed in August.

Climate Change: Supply Chain Initiatives

A photograph of three people in a warehouse setting. A man in the center is wearing a blue cap and an orange safety vest over a blue shirt. He is holding a laptop. To his left, a woman in a blue shirt and grey vest is looking at the laptop. To his right, another woman in a blue shirt is also looking at the laptop. They appear to be in a collaborative discussion. The background shows blue metal shelving units and stacks of cardboard boxes.

**Aiming to achieve net-zero Scope 2 emissions
by 2030 for major suppliers**

- GHG emissions in the supply chain fall under Scope 3, and understanding and reducing these emissions remains a major challenge for many global companies. We recognize that, to achieve our net-zero target in 2040, it is essential to reduce suppliers' emissions to achieve our goal and are addressing this issue with a long-term perspective. We are first aiming to realize net-zero Scope 2 emissions, which arise from use of purchased power at supplier sites, by 2030 for our major suppliers.

Climate Change: Supply Chain Initiatives

Supplier Support Measures

- Support suppliers to monitor GHG emissions levels, set medium- and long-term targets for emissions reduction and perform progress management
- Further expansion of the Partner Eco Challenge Program
- Encourage renewable electricity utilization and support on renewable electricity procurement
- Provide lectures on climate change-related topics

- To achieve this target, we have started to request that suppliers set medium- and long-term targets for understanding and reducing GHG emissions. To encourage this, we offer assistance in setting the targets, as well as managing progress towards those targets.
- Through our “Partner Eco Challenge Program” which we started in the last fiscal year, Sony personnel who are well-versed in Sony’s environmental initiatives and energy management at our factories visit suppliers to share expertise of Sony’s energy saving activities. We plan to further promote this program in the future, including in China.
- In addition, we encourage the use of renewable energy and provide support for setting and obtaining approval for goals equivalent to Science Based Targets, as well as for the procurement of renewable energy.
- We plan to provide support such as educational courses on climate change.

Resource Conservation: Eliminating Plastic Packaging for Newly-Designed Small Products



WH-1000XM5 Headphones



Xperia 1 IV and 5 IV Smartphones

The scope of elimination of plastic packaging: the individual product box and packaging on and inside the box. Coating and adhesive materials and tamper resistant hologram security seals are excluded.

- Given the importance of the circular economy, Sony is also promoting resource recycling initiatives. One such initiative is reducing single-use plastic packaging.
- The individual cartons for the products shown here are made with “Original Blended Material,” a recycled material developed by Sony.
- In the ET&S and G&NS segments, in the last fiscal year, we eliminated plastic packaging materials for 36 new product models. Taking this initiative further, in the ET&S segment, we expect to achieve complete elimination of plastic packaging materials for newly-designed small products within this fiscal year.

Contribution to the Environment through Investment

Sony's corporate venture capital "Sony Innovation Fund: Environment" was established in 2020 to foster new environmental technologies.

SynecO

Augmented ecosystems consulting

waqua

Development of monitoring app for small distributed seawater desalination equipment and water-circular hand washing equipment

CRUZFOAM™

Development of biomass packaging material using crustacean waste

AmicaTerra

Development of plant-derived material modo-cell®

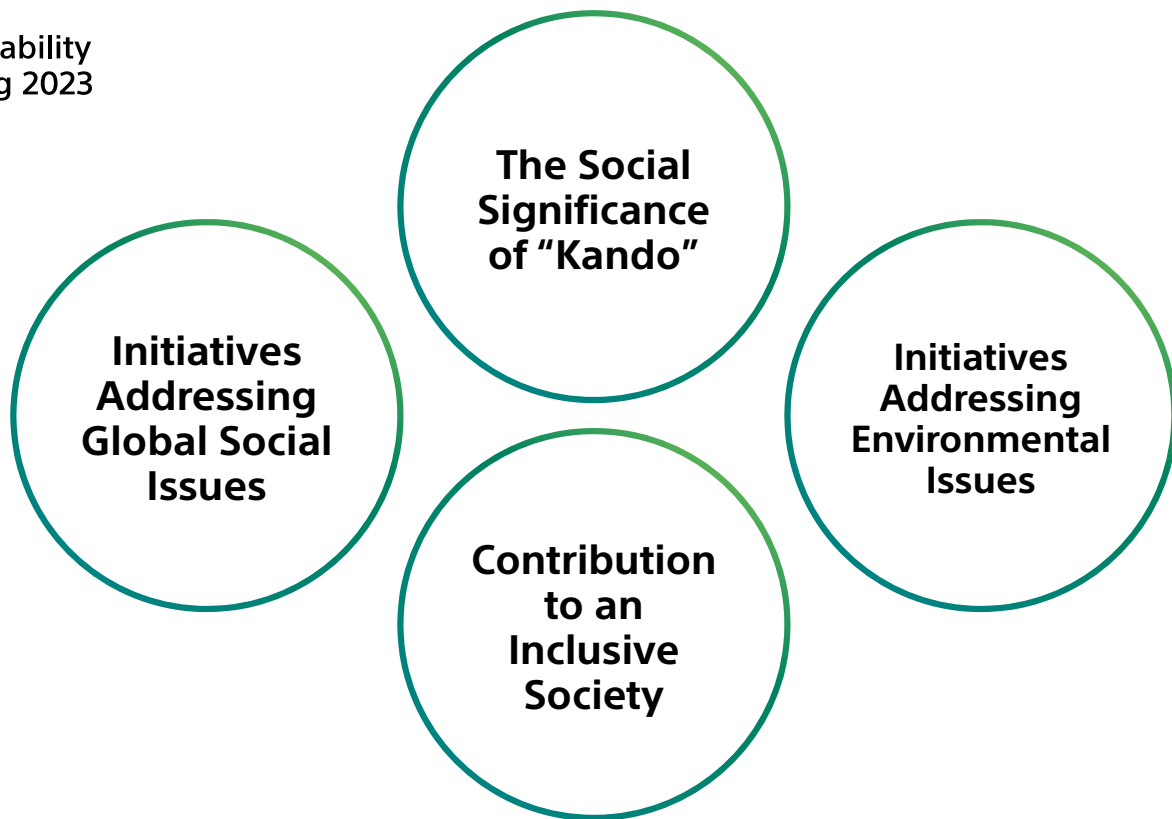
Helical Fusion

Development of helical fusion power generation technology

Asuene

GHG measurement SaaS
ESG measurement SaaS

- Lastly, I would like to introduce the progress of our corporate venture capital "Sony Innovation Fund Environment" (SIF:E) as an example of "contribution." It was established in 2020 to support venture initiatives that are employing new environmental technologies in addition to Sony's own technology development.
- The fund started at a 1 billion yen scale and has invested approximately 300 million yen in the companies shown here to date. These are start-up companies that are developing technologies that align with the four environmental perspectives that Sony is focusing on as part of its Road to Zero initiative, which include "biodiversity," "water resources," "biomass plastics," as well as "climate change and energy."
- For example, one of the investee companies, Cruz Foam, extracts chitin, a polymer from crustacean shell waste such as shrimp shells, and develops biomass packaging materials to replace polystyrene foam. We have started verification in the United States to determine if this packaging material can be used for Sony products.
- We will continue to discover, invest in and support startups from a long-term perspective, aiming to both contribute to the global environment and achieve a return on investment.



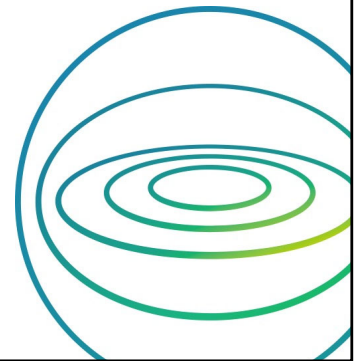
- Today we talked about the social significance of “Kando,” the initiatives addressing global social issues, our efforts to contribute to an inclusive society, such as in the area of accessibility, and initiatives addressing environmental issues.
- In these areas, new initiatives are being undertaken autonomously in each of our businesses. One of our focuses over the past few years has been to integrate sustainability into our business strategy, and in particular to infuse sustainability into the activities of each of our businesses. I hope that the examples and videos presented today have demonstrated that each business segment analyzes its own sustainability challenges and opportunities and implements initiatives that are tailored to the characteristics of each business.

■ Corporate Report 2023

<https://www.sony.com/ja/SonyInfo/IR/library/corporatereport/>

■ Sustainability Report 2023

https://www.sony.com/ja/SonyInfo/csr_report/



- There are many other topics that I have not been able to cover due to the time constraints. However, please refer to the “Corporate Report” and the “Sustainability Report” for more detailed information.
- Sony intends to continue strengthening its sustainability initiatives by emphasizing information disclosure and dialogue with its diverse stakeholders.
- Thank you.