

## Sony Group Overview

### **Corporate Data**

Headquarters 7-1, Konan 1-chome, Minato-ku, Tokyo 108-0075, Japan

Established May 7, 1946

Employees 167,900 (As of March 31, 2010)

Sales and operating revenue ¥7,214 billion (For the fiscal year that began on April 1, 2009 and ended on March 31, 2010)

#### **Business at a Glance**

#### Consumer Products & Devices

#### **Business Areas**

Products such as televisions, digital imaging, audio and video, semiconductors, and components

#### **Networked Products & Services**

#### **Business Areas**

Game business as well as PC and other networked businesses

#### B2B & Disc Manufacturing

#### **Business Areas**

B2B business, including broadcast- and professional-use products, as well as Blu-ray Disc™, DVD and CD manufacturing

#### **Pictures**

#### **Business Areas**

Motion picture, television programming and distribution, and other related businesses

Note: As of March 31, 2010

#### Music

#### **Business Areas**

Recorded music, music publishing and other related businesses

#### Financial Services

#### **Business Areas**

Life insurance, non-life insurance, banking, leasing and credit financing business

### Sony Ericsson

#### Business Areas

Mobile phone business

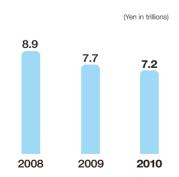
#### All Other

#### **Business Areas**

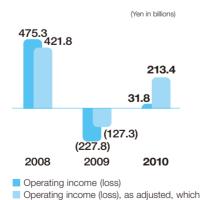
Other online services, production and marketing of animation products, advertising agency, and other businesses

#### Financial Highlights

Sales and operating revenue



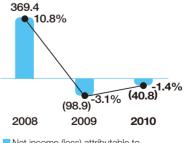
#### Operating income (loss)



excludes equity in net income (loss) of affiliated companies and restructuring charges

### Net income (loss) attributable to Sony Corporation's stockholders

(Terriri Dillions)



 Net income (loss) attributable to Sony Corporation's stockholders
 Return on equity (ROE)

Note: Fiscal year 2009 operating income, as adjusted, also excludes a non-cash charge related to LCD television asset impairment.

## **About CSR Report**

Sony published its first environmental report in 1994. In 2003, Sony broadened the scope of the report to include more comprehensive information on corporate social responsibility (CSR) and renamed it the "CSR Report".

This year, Sony has issued this abridged printed report as an executive summary highlighting Sony's key CSR activities, while comprehensive information related to its CSR activities and topics of interest to stakeholders are available at Sony's CSR website (http://www.sony.net/csr). The website also contains an electronic version of this executive summary report and a more detailed report.

#### Report Scope and Composition

This printed report highlights key worldwide CSR activities of the Sony Group during fiscal year 2009 (April 1, 2009 through March 31, 2010). It also includes reporting on some material activities up to the end of August 2010.

In this report, the "Sony Group" refers to Sony Corporation—the parent company that operates in Japan—and all consolidated subsidiaries in which Sony Corporation holds a capital stake of more than 50%. "Sony" and "the Company" refer to the Sony Group.

The scope of environmental data in this report is Sony Group sites certified under ISO 14001 as of March 31, 2009. All Sony Group manufacturing sites as well as non-manufacturing sites with 100 or more employees are required to obtain ISO 14001 certification.

- Sony discloses its operating and financial results in the Annual Report.
- This report is published in English and Japanese.
- Guidelines referenced in the preparation of this report are as follows: 2006 Sustainability Reporting Guidelines, published by the Global Reporting Initiative in October 2006, and Environmental Reporting Guidelines (Fiscal 2007 Version), published by Japan's Ministry of the Environment. To view the comparative tables covered in the 2006 Sustainability Reporting Guidelines, please refer to our website.
- · Sony has obtained third-party verification of reported environmental data.

#### About the cover:

"make.believe" is the Sony Group brand message that symbolizes the spirit of the Sony Group.

"SONY" and "make.believe" are trademarks of Sony Corporation.

"For the Next Generation" is the descriptive phrase used for Sony's CSR activities, which aim to help create a sustainable society.

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Welcome to the Sony Corporate Social Responsibility Report 2010.

Recently, Sony has implemented a wide range of initiatives aimed at fundamentally transforming our operating structure, leveraging our global scope and talent, and creating new business opportunities. Our commitment to corporate social responsibility is integral to the success of each of these initiatives, whether it relates to streamlining our supply chain, developing innovative environmental technologies, helping to support the growth of emerging markets or creating professional development opportunities for our employees. Sony is keenly aware of the need for leadership from the global business community in such areas as the environment, ethics, education, and product and service quality, and we are striving to set a positive example in each of these areas. Doing so is an increasingly important part of being a

responsible corporate citizen as well as enhancing corporate performance. As we continue our transformation efforts and accelerate the pace of innovation and growth, we are guided by our focus on sustainability for the next generation—for both our businesses and society.

In April 2010, we launched the "Road to Zero", a global environmental plan that sets forth a long-term goal of achieving a zero environmental footprint throughout the life cycle of our products and business activities, as well as specific mid-term targets in line with that goal. We aim to meet these mid-term targets through an innovative approach to both our products and our processes. For example, by embracing digital cinema, we have been able to reduce CO<sub>2</sub> emissions generated from the packaging, distribution, projection and disposal by approximately 40% compared to conventional film. We are also innovating in environmental and energy-related fields through the continued development

of new technologies such as dye-sensitized solar cells and bio batteries, both of which have the potential to generate new business opportunities.

This past year, we had the pleasure of participating in the 2010 FIFA World Cup™ as an Official FIFA Partner. Taking full advantage of the global attention drawn to Africa by the World Cup, we launched "Dream Goal 2010", a social contribution program designed to combine our financial, technological and human resources with the power of soccer to address various social challenges. Through this program, we teamed with the United Nations Development Programme (UNDP), the Japan International Cooperation Agency (JICA) and a number of nongovernmental organizations (NGOs) to implement a variety of projects aimed at building a better future for Africa and its children.

These projects included the staging of public viewing events in Cameroon and Ghana that enabled people who do not have access to television to experience the joy, tears and excitement of live World Cup matches on large screens; at each showing, HIV/AIDS education, counseling and testing were made available to the participants. In Ghana, we tested a new, portable open energy system capable of capturing, storing and distributing electricity from renewable energy sources, which powered a number of the public viewing screens. I am personally very excited about this system, which—if successful—has the potential to contribute to major improvements in people's lives in terms of health, education, economic well-being and overall way of life.

We also developed highly durable and environmentally conscious soccer balls that were donated to children in rural parts of Africa and established a ticket fund that allowed 15,000 South African children to attend World Cup matches—a project supported by donations from Sony employees in cooperation with a local NGO. Evocative of our "make.believe" brand message, all of these initiatives are firmly rooted in Sony's founding spirit of creativity and the

ability to turn ideas into reality.

With a similar goal of aiding those in need, we responded to the devastating earthquakes that affected the lives of millions in Haiti, Chile and China this year. I am particularly proud of how our employees around the world came together in support of these communities through charitable donations to global relief agencies, special benefit concerts and CDs, volunteer activities and more.

Through these initiatives and many more, Sony is also doing its part to help achieve the Millennium Development Goals (MDGs) shared by the global community. Looking forward, we will continue to maximize the power of our unique technologies, employees and global network—both on our own and together with business partners, international organizations, NGOs and others—in an effort to fulfill our responsibilities as a corporate citizen and to promote social innovation that contributes to a healthy and sustainable future for our company and the planet.

I hope that you find this report and our CSR website informative, and that they provide you with a greater understanding of both the philosophy behind our CSR program and the full range of our related activities.

Howard Stringer

Chairman, CEO and President

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Representative Corporate Executive Officer

Sony Corporation

#### Corporate Governance

Sony is committed to strong corporate governance. As a part of this effort, in 2003, Sony adopted the "Company with Committees" corporate governance system under the Companies Act of Japan. In addition to complying with the requirements of applicable governance laws and regulations, Sony has introduced its own requirements to help improve the soundness and transparency of its governance by strengthening the separation of the Directors' function from that of management and advancing the proper functioning of the statutory committees. Under Sony's system, the Board of Directors defines the respective areas for which each of the Corporate Executive Officers is responsible and delegates to them decision-making authority to manage the business, thereby promoting the prompt and efficient management of the Sony Group.

#### Governance Structure

Sony Corporation is governed by its Board of Directors, which is appointed by resolution at the shareholders' meeting. The Board has three committees (the Nominating Committee, Audit Committee and Compensation Committee), consisting of Directors named by the Board of Directors. Corporate Executive Officers are appointed by resolution of the Board of Directors. In addition to these statutory bodies and positions, Sony has Corporate Executives who carry out business operations within designated areas.

#### Sony Initiatives

To strengthen its governance structure beyond legal requirements, Sony Corporation includes several provisions in its Charter of the Board of Directors to ensure the separation of the Board of Directors from the execution of business, and to advance the proper functioning of the statutory committees.

The main provisions are as follows:

- separating the roles of the Board chairperson/vice chairperson and Representative Corporate Executive Officers;
- limiting the number of terms of outside Directors;
- appointing chairs of statutory committees from the ranks of outside Directors:
- setting forth qualifications for Directors for the purpose of eliminating conflicts of interest and ensuring independence;
- raising the minimum number of Nominating Committee members (five or more) and requiring that at least two Directors of the Committee be Corporate Executive Officers;
- suggesting that, as a general rule, at least one Director of the Compensation Committee be a Corporate Executive Officer;
- prohibiting the appointment of the CEO or COO of the Sony Group (or persons in any equivalent position) to serve on the Compensation Committee; and
- discouraging the concurrent appointment of Audit Committee members to other committees.

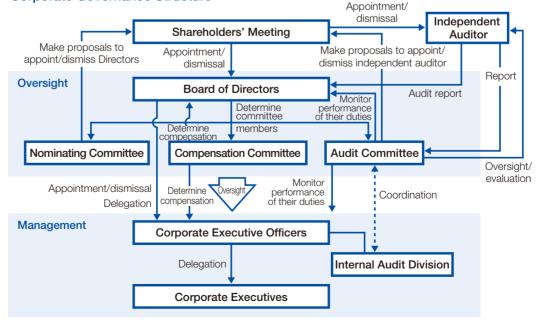
#### Risk Management System

Each Sony Group business unit, subsidiary or affiliated company, and corporate division is expected to review and assess business risks on a regular basis, and to detect, communicate, evaluate and respond to risk in their particular business areas.

In addition, Sony Corporation's Corporate Executive Officers have the authority and responsibility to establish and maintain systems for identifying and controlling risks with the potential to cause losses or reputational damage to the Sony Group in the areas for which they are responsible.

The Corporate Executive Officer in charge of Compliance is tasked with promoting and managing the establishment and maintenance of such risk management systems through the coordinated activities of the Group Risk, Compliance, Internal Audit and other relevant groups.

#### **Corporate Governance Structure**



#### Compliance

Ethical business conduct and compliance with applicable laws and regulations are fundamental aspects of Sony's corporate culture. To this end, Sony has established a Global Compliance Network, adopted and implemented the Sony Group Code of Conduct, and set up global Compliance Hotline systems—all in order to reinforce the Company's worldwide commitment to integrity and help assure resources are available for employees to raise concerns or seek guidance about legal and ethical matters.

#### Strengthening the Compliance System

In July 2001, Sony Corporation established the Compliance Division, charged with exercising overall control over compliance activities across the Sony Group, to emphasize the importance of business ethics and compliance with applicable laws, regulations and internal policies. The Compliance Division establishes compliance policies and structures for the Sony Group and performs crisis management functions.

In July 2003, Sony established a regional compliance network comprised of offices in the Americas, Europe, Japan, East Asia and Pan-Asia (coverage area: Southeast Asia, Middle East, Africa and Oceania), which are charged with assisting the Compliance Division at Sony Corporation and exercising regional control over compliance activities to strengthen the compliance system throughout the Sony Group.

#### Sony Group Code of Conduct

In May 2003, Sony adopted the Sony Group Code of Conduct, which sets the basic internal standards to be observed by all directors, officers and employees of the Sony Group in order to emphasize and further strengthen corporate governance, business ethics and compliance systems throughout the Sony Group. This Code of Conduct sets out, in addition to legal and compliance

standards, the Sony Group's basic policies concerning ethical business practices and activities on such topics as respect for human rights, safety of products and services, environmental conservation and information disclosure. It has been adopted and implemented by each Sony Group company globally as its own internal code of conduct and is the subject of frequent "tone from the top" messaging and other training.

For more information >> Sony Group Code of Conduct: http://www.sony.net/code/

#### Internal Hotline System

With the adoption of the Sony Group Code of Conduct, Sony also established the Sony Group Compliance Hotline system as a resource for employees to report concerns or seek guidance about possible violations of laws or internal policies, and to allow the Sony Group to respond swiftly to potential risks of such possible violations. The Sony Group Compliance Hotline system is available worldwide. Callers who report issues in good faith will be protected from any possibility of retaliation.

The Sony Group Compliance Hotline system is directly linked to the Corporate Executive Officer in charge of Compliance and is operated independently from the ordinary line of command. Summaries of hotline calls, results of investigations, and updates on the operation of the system are reported to senior management and the Audit Committee. The framework for monitoring the compliance program consists of reports received through the internal hotline system, as well as those received from Regional Compliance Officers. Internal Audit and Compliance Audit programs supplement as warranted.



Board of Directors, Sony Corporation (as of June 18, 2010)

In 2010, South Africa hosted the 2010 FIFA World Cup<sup>TM</sup>, the first ever on the African continent. As an Official FIFA Partner, Sony capitalized on the opportunity afforded by the World Cup—which focused global attention on Africa—to launch "Dream Goal 2010", a social contribution program in Africa designed to combine Sony's unique technological and human resources with the power of soccer to effect positive social change.



Through this program and related activities, Sony has sought to contribute to the achievement of the United Nations Millennium Development Goals (MDGs), the global community's goals for responding to the world's primary development challenges, in Africa. Specifically, Sony has continued to leverage its outstanding technologies, employee talent and global network, in partnership with a number of global development organizations and NGOs in an effort to fulfill its responsibilities as a global corporate citizen.

In implementing Dream Goal 2010, Sony collaborated with the United Nations Development Programme (UNDP), the Japan International Cooperation Agency (JICA), FIFA and a number of NGOs from Africa and elsewhere that seek to use soccer as a tool for social development.

For more information, please visit: http://www.sony.net/dreamgoal/

#### **Public Viewing in Africa**

## Broadcasting FIFA World Cup™ matches live on giant screens

Although soccer is hugely popular in Africa, many people are unable to watch the sport on television, let alone go to a stadium to experience a match live. To bring the FIFA World Cup™ to a wider local audience, Sony partnered with UNDP and JICA to organize 26 public viewings in Cameroon and Ghana. Both countries' teams had qualified for the tournament, but the low percentage of television ownership in both countries meant it would have been difficult for many people to support their team. To overcome this challenge, Sony and its partners set up

giant 200-inch screens, projectors and other equipment in public places, including village squares and schools, to stage live-broadcast public viewing events, primarily of matches involving African teams. Sony also used this opportunity to pilot a new, portable open energy system—a combined solar power and lithium-ion storage battery system developed jointly by Sony Computer Science Laboratories and Sony Energy Devices Corporation, which powered public viewing screens in Ghana. The system, if successful, has the potential to generate energy for numerous purposes.

# Tapping into the power of soccer to help prevent the spread of HIV/AIDS

One reason the public viewing project attracted attention was that it was not limited to airing soccer matches, but also incorporated collaboration between the public and private sectors aimed at contributing to the achievement of the MDGs. Sony worked with UNDP in Cameroon and JICA in Ghana to promote HIV/AIDS education and offer HIV testing before and after matches, as well as at

halftime. The spread of HIV/AIDS, particularly among young people, is a major problem in Africa. Linking HIV/AIDS education with soccer, which is exceedingly popular among children and youths, offers tremendous potential for increasing HIV/AIDS awareness. Of a cumulative total of 24,000 viewers, approximately 4,800 individuals were tested for HIV over the course of the public viewing programs, surpassing the initial target of 1,800 by a wide margin.



### Takuya Numata Sony Corporation

Participating in the public viewings in Ghana as director of product planning for projectors was a particularly valuable experience for me. Working in the field in Africa, I really felt that I was making a contribution in my own small way.

For the children who attended the public viewings, I hope it was an experience that helps to shape their dreams for the future—whether they dream about becoming a soccer star, or developing products that inspire people, or something else entirely. That would really make me happy. Being there on the ground, worlds away from my everyday work environment, I was able to see, hear and feel—and thus to truly appreciate—local concerns. I look forward to incorporating what I learned into future product planning.



Dr. E. Mayer Magdalene Keja UNDP

The public viewing project with Sony was fantastic. At the time, I was responsible for efforts to help prevent the spread of HIV/AIDS. So many people came out, particularly young people—and that was so satisfying. I

don't think people really believed that they would see such a remarkable screen. Some days, we had more than 1,000 young people come out and more than 500 children and youths take HIV tests. We were amazed at these numbers.

This project enabled us to use sports to make a deeply meaningful contribution to the achievement of the MDGs. Sony employees and UNDP staff worked enthusiastically as a team to promote project initiatives—I think that is why the program was so successful. I really appreciated the energy and team spirit.





#### "Join the Team!" Original Soccer Ball

## Using Sony technologies to develop a highly durable soccer ball

To help the children of Africa to continue hoping and dreaming even after the 2010 FIFA World  $Cup^{TM}$  ended, Sony launched a project to develop an original soccer ball—dubbed "Join the Team!"—that it could donate to local schools and NGOs.

From the outset, Sony's focus was on durability. Because the majority of public soccer pitches in much of Africa tend not to be very well maintained, soccer balls do not last very long. To address this challenge, Sony conducted comparative tests on materials used in the bodies of Sony products, to find a material well-suited for the surface of a soccer ball. Based on the results of these tests, Sony selected polyether block amide (PEBA), a bioplastic that is 1.6 times more durable than materials conventionally used to make soccer balls. In addition to laboratory tests, Sony verified the durability of this material by giving prototype balls to soccer teams for use in practice and to children in Ghana to play with. These efforts helped Sony to refine its original soccer ball in preparation for production.

To expand the scope of this endeavor, Sony concurrently launched Earth F.C., a program to secure support for donating soccer balls to children in Africa that encompassed an online one-click monetary contribution initiative and a cause-related marketing initiative tied to purchases of Sony memory media devices. Thanks to these and other efforts, Sony expects to donate 3,372 original soccer balls to children throughout Africa.



## Inviting 15,000 children to attend 2010 FIFA World Cup™ matches

In South Africa, the gap between rich and poor is considerable. Despite the fact that their country hosted the 2010 FIFA World Cup™, for many people, actually going to a stadium to see a match was next to impossible. Teaming up with local NGO Grassroot Soccer, Sony sent 15,000 local children to attend live World Cup matches. As a precondition, children were required to participate in an HIV/AIDS awareness program. Accordingly, this initiative sought not only to enable children to see a World Cup match, but also to help prevent the spread of a devastating disease that is prevalent among young people in Africa.

To support this project, Sony also conducted a fundraising drive among Sony Group employees around the world. Group companies in Japan, the Asia-Pacific region, Europe, and North and Central America took part, raising a total of approximately 4 million yen.







#### Siyakhona "We can do it" Project

#### Giving hope to children around the world

Football for Hope, created by FIFA in cooperation with NGO streetfootballworld, is a movement that seeks to address social challenges through the medium of soccer. Under the Football for Hope banner, Sony, an Official FIFA Partner, collaborated with FIFA and streetfootballworld to launch the Siyakhona Project.

"Siyakhona" means "we can do it" in the local Zulu and Xhosa languages, and through this project, Sony gave children the opportunity to create visual records of their surrounding environment and lives by donating equipment to NGOs and helping participants acquire the necessary skills to share their work with a global audience. Sony began by presenting Siyakhona Kits, containing Cyber-shot™ digital cameras, VAIO™ PCs and other Sony products to 32 delegations encompassing a total of 47 NGOs that use soccer as a tool for social development. Local Sony Group companies worked with the NGOs in their regions to provide training and guidance on equipment operation and editing for participating children, some of whom had never used a digital camera or PC before.

## Sharing children's perspectives with the world: "We can do it"

In addition to being shown at an Internet gallery, works by children participating in the Siyakhona Project were exhibited as part of the Football for Hope Festival, held concurrently with the 2010 FIFA World Cup™, where visitors were also able to vote on their favorites. Outstanding works thus selected are scheduled for exhibition at Photokina, a global photographic and imaging trade fair. As part of the Siyakhona Project, Sony is also providing advanced technical instruction to young South Africans aspiring to become citizen journalists covering major social issues, including HIV/AIDS. Works by participants who have undergone such advanced training have already been picked up for use by South African media.





Phakama Pyoos Makhaza, Khayelitsha Township, Cape Town, South Africa

Siyakhona has made an important impact on my life. Before Siyakhona, I was involved in the performing arts in the township, including poetry,

music and acting, and I attended workshops on women's leadership. On stage, I can connect with an audience, but with video I can go much further and reach more people.

Siyakhona has given me the chance and skills to tell the untold stories of Khayelitsha and to reach both people who are affected by things like poverty and people who think that Khayelitsha is a dangerous community. The skills I have learned here have changed the way I see the world and have shown me the power of telling stories with a camera.

With the new skills, I have learned that I want to fight for women's rights, bring cinema to the township and become a loud voice for my community and my people.

#### **Dream Goal 2010: Major Outcomes**

Dream Goal 2010 enabled Sony to contribute to efforts to achieve the MDGs, as well as to provide support for local communities and NGOs. The project proposed creative, uniquely Sony approaches that leveraged Sony's technologies to maximize the impact of its social development initiatives. These approaches, which capitalized on the opportunity afforded by the 2010 FIFA World Cup™, offer potential for use in other regions and with other organizations. Dream Goal 2010 has also had considerable positive ramifications for Sony from a business perspective. These include technological and product innovations, the development of new marketing approaches, experience gained by participating employees, collaboration among various Sony companies and regions, and the establishment and expansion of valuable partnerships with other organizations, including those in the public sector.

## For the Sustainable Environment

Sony recognizes the importance of preserving the natural environment for future generations, thereby ensuring a healthy and sustainable society now and in the future. Accordingly, Sony is striving to reduce its environmental footprint to zero.

Sony recognizes that environmental issues present both risks to business continuity as well as business opportunities. Accordingly, Sony aims to conduct its business in a sustainable manner and provide environmentally conscious products and services that enrich its customers' lives, as well as to establish itself as an environmental leader through innovation and collaboration with a wide range of stakeholders.

#### "Road to Zero": Sony's Global Environmental Plan

Building on previous environmental efforts, in April 2010, Sony launched its "Road to Zero" global environmental plan. This plan sets forth a long-term goal of achieving a zero environmental footprint—that is, reducing the environmental footprint of its corporate activities and of Sony products throughout their life cycle to zero—by 2050. To this end, Sony also established specific mid-term targets through 2015, in line with that goal, by determining desirable levels for 2015 and analyzing the differences between these figures and actual forecasts. These targets focus on the impact of the entire product life cycle in four key perspectives—climate change, resource conservation, chemicals management and biodiversity.

Sony's targets for its products and sites in the area of climate change are reviewed by the World Wide Fund for Nature (WWF), an environmental NGO. Sony joined the WWF's Climate Savers Programme in 2006 and, based on the results of WWF reviews conducted in fiscal year 2009, has agreed to revised targets under this initiative.



Using backcasting to set targets for 2015



#### Targets for 2015\* in the Area of Climate Change (Excerpt)

Research and development	Conduct R&D on products that can generate and store energy independently
Product planning and design	Reduce annual energy consumption per product by 30% from the fiscal year 2008 level
Procurement	Establish a mechanism for determining suppliers' greenhouse gas emissions
Operations	Reduce greenhouse gas emissions by an absolute value of 30% from the fiscal year 2000 level
Logistics	Reduce CO <sub>2</sub> emissions from logistics by 14% from the fiscal year 2008 level

<sup>\*</sup> For more details regarding our targets for 2015, please visit our website at http://www.sony.net/Sonylnfo/csr/eco/RoadToZero/ (Sony's global environmental plan)

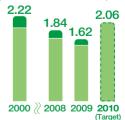
To achieve these targets, Sony will leverage its comprehensive global environmental management system, which integrates the Company's corporate headquarters with its business divisions and sites worldwide. In addition, the entire Sony Group has obtained integrated certification under ISO 14001, the international standard for environmental management systems, and is working to achieve continuous improvements and share best practices across operating companies and geographic regions.

#### **Environmental Initiatives at Sites**

#### Reducing Greenhouse Gas Emissions

gas emissions (calculated in terms of CO<sub>2</sub>) from Sony Group sites worldwide amounted to 1.62 million tons, an absolute reduction of approximately 27% from the fiscal year 2000 level. In striving to lower its greenhouse gas emissions, the Sony Group places a high priority on improving

In fiscal year 2009, greenhouse Greenhouse Gas Emissions gas emissions (calculated in (Millions of tons of CO<sub>2</sub>)



■ Greenhouse gas emissions from energy consumption
■ Emissions of PFCs and other greenhouse gases (calculated in terms of CO₂)

site energy efficiency. Sony's energy conservation experts conduct ongoing energy conservation assessments, focusing on manufacturing sites in Japan and China where site emissions are relatively high. The results of these assessments are incorporated into plans for new energy-saving equipment

and for improved facility administration. In the United States, for example, Sony Electronics' new headquarters building in San Diego, California, completed in the summer of 2009. was awarded Leadership in Energy and Environmental Design (LEED) Gold Certification from the U.S. Green Building Council Institute. Thanks to the installation of solar panels and the use of natural light, annual energy consumption by the facility is approximately 18% lower than the standard prescribed by the



High-efficiency turbo chiller installed at Kisarazu TEC



Sony Electronics Inc.'s new headquarters building in San Diego, California

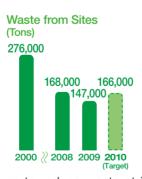
state of California. In September 2010, Sony Pictures Entertainment also earned LEED Gold Certification for a significant office construction project on its studio lot.

Sony is also actively promoting the introduction of renewable energy. In fiscal year 2009, Sony reduced its greenhouse gas emissions worldwide by approximately 128,000 tons under measures such as the Green Power Certification System. Renewable energy accounted for approximately 10 percent of all the electrical power purchased by Sony worldwide.

Furthermore, Sony is taking steps to reduce emissions of perfluorocarbons (PFCs), which are used in the manufacture of semiconductors and liquid crystals. These measures include the installation of gas abatement equipment.

#### Reducing Waste

In fiscal year 2009, waste from Sony sites totaled approximately 147,000 tons, 47% below the fiscal year 2000 level. The waste reuse/recycle ratio at Sony's manufacturing sites was 99.4% for sites in Japan and 89.6% for sites outside Japan. Sony is

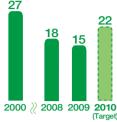


implementing a variety of measures to reduce waste at its sites, including recycling waste for use in Sony products and in product packaging. As an example, the Sony Group site in Malaysia is recycling cardboard waste generated during production into pulp mold materials for use in cardboard cartons for packaging BRAVIA™ LCD televisions and Blu-ray Disc<sup>™</sup> players. In fiscal year 2009, approximately 4,300 tons of cardboard waste were thus recycled into packaging materials.

#### Reducing Water Consumption

In fiscal year 2009, Sony Group sites used approximately 15.2 million m<sup>3</sup> of water, a reduction of approximately 43% from the fiscal year 2000 level. In 2009, Sony Chemicals (Suzhou) Co., Ltd., in China, introduced a wastewater recycling system that

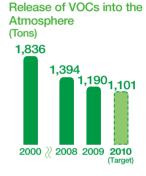




enables it to recycle approximately 35% of the wastewater it produces for reuse in production processes.

#### Managing Use of Chemical Substances

Sony has developed a common Release of VOCs into the global approach to the management, emission and transport volume of chemicals used at its sites. In fiscal year 2009, volatile organic chemicals (VOCs) released into the atmosphere from Sony Group sites amounted to 1,190 tons,



approximately 35% less than in fiscal year 2000. Sony has also set forth Group-wide standards designed to help prevent environmental accidents and ensure a swift response in the event of an emergency.

### **Promoting Biodiversity**

Sony is taking steps to protect biodiversity—the foundation of ecosystem services—through ongoing site greening activities and active environmental initiatives in the community. For example, since 1998, Sony EMCS Corporation Tokai TEC



Tree planting by employees of

Koda site has maintained a natural forest on its factory grounds, dubbed "Sony Forest", which is open to the public. In October 2009, Sony Poland planted 5,600 lime, pine and other trees near Warsaw in cooperation with Poland's Department of Forestry.

Since 2003, Sony Semiconductor Kyushu Corporation Kumamoto Technology Center (Kumamoto TEC) has been working on "groundwater recharge" with the local community, whereby water from a nearby river penetrates into the soil of rice fields, left fallow for the season, ultimately returning to the aquifer, from which it is used for semiconductor production.

## Environmental Initiatives at All Stages of the Product Life Cycle

Sony is striving to reduce its environmental footprint at every stage of the product life cycle and throughout its business activities. The following are some examples of Sony's initiatives.

## **Research and Development**



Sony has developed a technology for dye-sensitized solar cells that allows for the production of solar cells at a lower cost, and with fewer materials and less energy, than conventional silicon-based cells. Dye-sensitized solar cells also have

an advantage in that they enable excellent power generation, especially in low-light situations. In addition, they have the potential to be used in a variety of applications and come in a variety of colors and designs. In August 2010, the photovoltaic conversion efficiency of a prototype dye-sensitized module was measured at 9.5%, the highest in the world\*1. With a view toward eventual commercialization, Sony continues to conduct R&D in the area of dye-sensitized solar cells aimed at developing manufacturing processes and ensuring reliability.

\*1 As of August 2010, based on Sony research



Demonstration of a prototype dye-sensitized solar cell/lithium ion battery hybrid charger being used to power a Walkman digital music player (December 2009)

## **Product Planning and Design**



## Reducing the Power Consumption of Products

Sony continues to take steps to reduce the operating power consumption of its electronics products to ensure that it remains a market leader in this respect.

LCD televisions in the BRAVIA™ EX700 series feature a high light transmissive LCD panel and LED modules with superior luminous efficiency, thus realizing superb contrast while reducing operating power consumption by approximately 50% compared with the BRAVIA™ V1 series\*¹. The Presence Sensor—which automatically turns off the picture when no one is in the vicinity of the television—cuts power consumption by approximately 80% when the picture is off\*².

Sony has brought the televisions it sells in the United States into compliance with Energy Star®. As of May 1, 2010, all models\*3 sold in the United States were in compliance with the new Energy Star® standards (version 4.1). Between January 2009 and April 2010, Sony also obtained the EU Ecolabel—a flower logo awarded by the European Commission to environmentally conscious products—for 79 models, representing more than 96% of the models sold in Europe.

- \*1 Launched in 2008
- \*2 For 52-inch television in dynamic mode (74% for 46-inch, 70% for 40-inch and 68% for 32-inch)
- \*3 Models launched before July 31, 2010



BRAVIA™ EX700 series LCD television

## **Collection and Recycling**



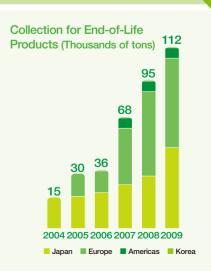
Sony is committed to designing products that are easy to recycle. In addition, its collection and recycling of end-of-life products meets or exceeds the legislative requirements of different countries and regions. In 2007, Sony Electronics Inc.

(SEL) introduced the Sony Take Back Recycling Program, a nationwide undertaking that offers free and responsible collection. With the cooperation of retailers, in fiscal year 2009 SEL inaugurated the "GreenFills" program, whereby it collects small electronics equipment from any manufacturer free of charge at participating retail locations for recycling.

Sony also takes care to ensure the proper recycling of end-of-life products in countries and regions where related legislation does not exist. In December 2009, Sony Chile cooperated with local waste collection firms to organize Chile's first-ever television trade-in event, which was staged in three separate locations.



Poster for television trade-in event, Sony Chile



#### **Resource Conservation**

To conserve resources, Sony promotes environmentally conscious product design and works actively to reduce product weight and maximize the use of reused and recycled materials. For example, Sony uses waste plastic from discarded DVDs and CDs in the manufacture of digital still camera components.

Another example is the VAIO<sup>TM</sup> W series Eco Edition of which  $80\%^{*1}$  of the parts used are made of plastic recycled from waste CDs. Sony's efforts to conserve resources also extend to the use of simplified packaging, as each Eco Edition PC and its peripherals are packed in a PC case and transported in a very simple carton. In these and other ways, in fiscal year 2009, the Sony Group made use of more than 15,000 tons of recycled waste plastics. Also, Sony has been actively promoting the use of vegetable-based plastics since fiscal year 2007. Vegetable-based plastics, which are derived from natural sources, are proactively used where possible—including in the body of cameras in the  $\alpha$  series of digital single-lens reflex (DSLR) cameras.

Additionally, Sony Music Entertainment, Sony DADC and Sony Pictures Entertainment are taking steps in markets around the world to reduce the weight of DVD, CD and Blu-ray  $\mathsf{Disc}^{\mathsf{TM}}$  packages and to introduce paper disc sleeves.

 $^{\star_1}\,$  Plastics with a recycled material content of approximately 20%







CD packages made with recycled materials used by Sony Music Entertainment

#### **Procurement**



Sony's standards for managing certain chemical substances in products and components are in compliance with related legislation worldwide and reflect the opinions and concerns of its stakeholders. At the same time, Sony continues to implement its Green Partner Environmental

Quality Approval Program, and to purchase parts only from suppliers who have passed audits and earned certification under the program. Sony also collects comprehensive data on certain chemical substances in parts and materials purchased from suppliers and has set up necessary procedures to comply with the EU's Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) regulation requirements.

Since fiscal year 2008, Sony has participated in the Supply Chain Program of the Carbon Disclosure Project (CDP)\*1, and has been collecting greenhouse gas emissions data from major OEM/ODM\*2 suppliers.

- \*1 The CDP is an independent nonprofit organization that promotes corporate disclosure of greenhouse gas emissions.
- \*2 OEM: Original Equipment Manufacturing ODM: Original Design Manufacturing

## **Operations**



Sony has formulated consistent global targets for the absolute reduction of greenhouse gas emissions and waste generation and is taking steps to minimize the impact of operations at factories, offices and other sites. In addition, Sony is

promoting environmental initiatives that contribute to local communities.

For details on operations-related environmental initiatives, see pages 10 and 11.

## **Logistics**



Sony is working to cut shipping volumes by reducing the weight of its products and, at the same time, is striving to optimize logistics efficiency and shift modes of transport with the aim of reducing greenhouse gas emissions. Focusing on televisions and other large items, Sony is revamping the layout of

accessories that are packaged together with main units through reduced packaging to improve transport efficiency. For packaging, Sony is shifting to recycled materials—including materials made from recycled plastics and paper—and materials for which well-established recycling systems exist.



Efforts to reduce the volume of packaging materials for BRAVIATM LCD televisions have increased the efficiency of logistics

Sony is committed to meeting and exceeding its customers' expectations. The Company strives to deliver "high-quality, reliable products that its customers can use with confidence" and "heartfelt customer service with a personal touch".

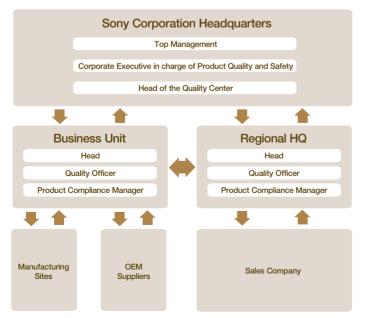
In recent years, stakeholders increasingly place value not only on the quality of a company's finished products, but also on how responsibly it manages its supply chain. This includes production and procurement, responsiveness to quality issues and customer concerns, and the working conditions and occupational health and safety it provides to those who make the products. Sony is committed to effective quality and supply chain management, both on its own and in cooperation with its suppliers.

#### **Quality Management**

Reflecting its commitment to quality and service, Sony continually strives to reinforce its quality management system by enhancing the system's framework, reviewing the role and responsibilities of personnel and Sony guidelines, and incorporating quality improvement measures into all processes, from development to sales and service activities.

Quality Strategy Meetings—which are attended by top management from each business group—are held regularly to discuss and set policies, strategies and key measures relating to product and service quality, and they function as the ultimate decision-making forum for related matters. In addition, Quality Officers appointed within each business group are ultimately responsible for product and service quality, and for spearheading initiatives in their respective business areas. They also meet regularly to evaluate the progress of quality improvement plans,

Sony's Quality Management System

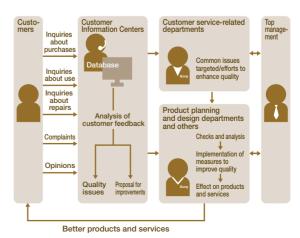


expedite efforts to achieve targets, share information pertaining to quality issues, and propose initiatives and responses to common challenges. Quality Officers from each region meet to formulate and promote global-level initiatives. To fortify its ability to identify quality issues in each market and to accelerate its response to problems that may arise, in May 2009, Sony created a committee to monitor quality issues in each market at its headquarters in Tokyo. The committee enables Sony to gather information swiftly from a wide range of sources, both in Japan and overseas, in the event of a product quality issue. The headquarters' quality management and technology experts meet with the monitoring committee on a weekly basis to share information concerning quality issues.

To improve the safety of its products, Sony has established an in-house committee to address product safety from a health perspective, and has prepared related internal standards, which it updates and modifies as necessary to reflect increased understanding of human health. When developing products that employ new technologies, Sony seeks advice on product safety from a health perspective from medical experts outside the Company during the product development and design process. In 2009, Sony established a centralized laboratory that specializes in quality and reliability to further improve its products.

Customer feedback also helps Sony improve its products and services. Opinions and reports of malfunctions received from customers by Sony Customer Information Centers are shared with related departments so that prompt improvements in product quality can be made. Internally, the Quality Hotline and a dedicated quality website serve as important mechanisms through which

#### **Utilizing Customer Feedback**



employees can submit comments and queries about product and service quality.

In recent years, the proliferation of digital consumer electronics has increased the risk of personal information leaks. As a consequence, ensuring the security of such products has become a critical issue. Sony has established internal guidelines for product security and continues to conduct employee education programs. Additionally, in 2009, Sony reinforced its product security framework by beginning to introduce a mechanism that detects software vulnerabilities during the security inspections conducted prior to product shipment.

#### Responsiveness and Customer Service

Sony is continuously considering the customer's viewpoint and is working hard to improve customer satisfaction around the world.

Sony's Customer Information Centers, first established in 1963 in Japan to respond to customer inquiries, are available worldwide. With the aim of delivering the best possible service to customers throughout the world, Sony provides training for employees and staff of service partners involved in customer response activities worldwide to promote common solutions. Sony also uses the Internet to communicate with customers, providing prompt information about products and services, including support services.

Currently, there are more than 6,200 Sony service locations worldwide, allowing the Company to respond promptly to customer requests. Sony is working to shorten distribution and repair times and reviewing repair fees in regions around the world with the goal of enhancing overall customer satisfaction.

#### Supply Chain Management

In addition to rising stakeholder interest in environmental issues, human rights, and labor conditions in factories, the impact on business arising from changes in the labor situation due to fluctuations in the operating environment is an increasing cause for concern. As a consequence, protecting human rights, ensuring appropriate labor conditions and addressing environmental issues throughout the supply chain have taken on greater importance. Sony views appropriate standards in human rights, labor conditions and the environment as a vital issue in relation to its CSR activities.

Supply chains overlap considerably in the electronics industry, with multiple manufacturers of finished products sharing the same subcontractors and parts suppliers. Sony is a founding member of the Electronic Industry Citizenship

Coalition (EICC), a CSR alliance established in 2004 to improve approaches to issues related to human rights, labor conditions and the environment at all stages of the supply chain of the electronics industry, including secondary suppliers. Also in 2004, EICC members formulated a basic code of conduct based on industry best practices. As of June

2010, the EICC consisted of 48 participating companies from Europe, the Americas and Asia, with members including both manufacturers and OEM companies.



In 2005, Sony established the Sony Supplier Code of Conduct, based on industry best practices as highlighted in the EICC code of conduct, to ensure that suppliers understand Sony's expectations in more detail and that the code is observed by suppliers of products and materials around the world. Sony is firmly committed to CSR in the supply chain. It holds sessions with suppliers worldwide, assessing supplier compliance with the Sony Supplier Code of Conduct and following up with additional inquiries as needed with regard to compliance results. For certain suppliers, Sony also conducts shared audits based on the EICC's code of conduct. Through these and other efforts, Sony will continue to work with suppliers to improve practices and ensure compliance with the Sony Supplier Code of Conduct.

The EICC also keeps a watchful eye on common supply chain issues facing the electronics industry. In response to heightened stakeholder interest, the EICC investigates such issues as environmental degradation, the human rights of laborers, and conflicts related to the extraction of rare metals essential in the manufacture of electronics products. At the end of 2009, the EICC completed a study of the use of metals in the electronics industry as a whole and of the potential for efficient industry-wide action, through which it identified the rare metals commonly used in electronics products. Looking ahead, Sony will continue to participate in industry-wide efforts to trace the routes of these metals. Sony also provided support for a traceability project for tin launched in March 2010 by the ITRI, a tin industry organization.

As a leading global company, Sony works to develop its employees' talents and strives to create a diverse and dynamic workplace conducive to job satisfaction.

Sony believes that its employees are among its most important assets, and that its ongoing efforts to offer dazzling products, services and content that enhance consumers' lives depend on its ability to attract and retain talented employees. Accordingly, Sony actively pursues diversity—individuals with a wide range of values and personalities, irrespective of nationality, culture, race, gender or disability—and has worked to create a global framework that enables talented employees to bring their capabilities into full play.

#### **Communication with Employees**

Sony values communication between management and employees. Top management encourages employees to voice their opinions, which allows for a meaningful exchange of information and ideas on a variety of topics. Sony also conducts employee surveys by region, the results of which are reflected in actions aimed at enhancing the workplace and corporate culture.

Sony implemented structural reforms in recent years with the aim of bolstering its operating strength and enhancing profitability. Throughout this process, Sony took care to communicate closely with employees and labor unions to explain the need for such

measures and to gain their understanding. At the same time, Sony was mindful to ensure compliance with the laws and regulations and respect for cultures and attitudes in the various countries and regions in which it operates.



Total Number of Employees: 167,900 (As of March 31, 2010)

#### **Personnel Development**

Sony conducts numerous programs designed to enhance the specialized abilities and skills of individual employees, foster next-generation business leaders and improve management skills relevant to specific business needs.

The Company employs a variety of approaches to cultivate business leaders with a global perspective on different cultures and environments. In fiscal year 2008, Sony instituted an international job rotation project and appointed a talent director for each region in which it operates. As of March 31, 2010, 73

individuals were involved in this project, moving through a schedule of job assignments designed to give them exposure to a variety of businesses and regions. Sony University, established in 2000, offers a variety of programs for future leaders around the world, including an Advanced Global Leadership Program. Sony has also introduced the Sony MVP Award for engineers worldwide and the special designation of Distinguished Engineer (DE) to acknowledge individual engineers who have played an instrumental role in the development of Sony's core technologies.

Employee training often is tailored to regional needs. For example, in Europe, Sony's development program for future leaders allows promising managers to become social entrepreneurs—to work on projects designed to address social issues relating to areas such as education and the environment. Sony Group companies in the Asia Pacific region have introduced a job rotation project for leadership candidates and have begun offering a variety of tailored training programs. In China, Sony has created an in-house web portal and provides career-oriented training for employees at all levels. To foster key future business leaders worldwide, Sony Music Entertainment (SME) has

established a framework designed to instill the temperament and qualifications necessary for future SME leaders. Through this framework, SME has developed leadership training programs for executives.



Training for future leaders at Sony University

#### **Equality and Diversity**

Sony is committed to maintaining a dynamic workplace where human rights are respected and equal employment opportunities allow individuals to make the most of their capabilities. The Sony Group Code of Conduct, enacted in May 2003, reaffirms fundamental principles pertaining to respect for human rights and equality and has been adopted throughout the Sony Group.

Diversity makes it possible for Sony to respond to constant changes in the market and to continue to innovate successfully. Accordingly, Sony is pursuing a variety of initiatives aimed at creating a workforce that attracts and retains employees from different backgrounds, each of whom brings new ideas and perspectives to the Company. For example, in Japan, Sony

Corporation established the Diversity Development Department, focusing on diversity for employees with the aim of fostering greater employment of women by holding workshops and mentoring programs for female employees and by building employee networks. In the United States, Sony Electronics Inc. established eight employee network groups focusing on minorities, gender and diversity. This initiative has provided a forum for more than 1,100 employees to review case studies related to diversity and to exchange opinions and present proposals for promoting diversity. Through the activities of these groups, participants have sought to provide support for diversity in hiring and crossbusiness employee education opportunities, and to introduce a new mentoring program.

In Japan, Sony strives to provide opportunities for individuals with disabilities so that they can make a full contribution and transcend their perceived limitations. Sony Taiyo Corporation, established in 1978 as Sony's first special purpose subsidiary, has devised a platform for sharing its knowledge and experience in employing disabled individuals with other Group companies. Through this platform, Sony Taiyo promotes understanding through the use of case studies and training and provides support for recruitment efforts by Sony Group companies.

The Sony Group has two other special subsidiaries: Sony

Hikari Corporation, established in 2002, and Sony Kibo Corporation, established in 2003. Through these companies, Sony strives to expand areas of opportunity suited to the capabilities of disabled employees.



"Custom Cell" work areas at Sony Taiyo Corporation designed to accommodate each individual's disability

#### Work-Life Balance

Seeking to maintain work environments that cater to different lifestyles and enable employees to fully express their abilities, Sony has introduced a variety of support systems and versatile working styles.

In Japan, Sony Corporation has introduced a flex-time work system that enables many employees to work with a variety of flexible options. Sony also offers flexible working styles and supports the efforts of employees who are struggling to balance the demands of work and caring for children or nursing ill family members. These programs include child care leave, working at home and a holiday leave system that enables employees to take paid holiday time by the hour.

In addition, Sony promotes measures aimed at assisting employees striving to balance family responsibilities with the advancement of their careers by creating a supportive workplace culture. These include holding forums and seminars for employees featuring supportive messages from top management regarding work—life balance initiatives. A notable example is Sony Corporation's "Working Mother Meeting", during which women with experience in combining work and child rearing share their personal experiences. In another example, Sony Latin America has been actively involved in a number of events aimed at promoting work—life balance since fiscal year 2008, including company tours for employees' families. Sony Pictures Entertainment

(SPE) also offers work-life balance workshops as part of its Energy Project, which was launched in 2007. More than 3,000 SPE employees have attended the workshops to date.



Company tour for employees' families at Sony Latin America

#### Occupational Health and Safety

Sony strives to maintain a healthy and safe environment for employees through a global program that also takes into account country- and region-specific issues.

Sony's Global Policy on Occupational Health and Safety (OH&S), enacted in 1998, outlines requirements for compliance with laws and regulations concerning occupational health and safety in various countries and regions. The policy also sets forth additional activities to be undertaken through its proprietary health and safety management structure with the aim of encouraging independent initiatives. As part of this implementation policy, Sony has established an OH&S system and sets targets at each of its sites, thereby reducing the occurrence of industrial accidents. Sony's comprehensive approach to OH&S includes the formulation of site-specific safety and security plans, as well as business continuity plans to ensure the prompt restoration of operations in the event of an epidemic, fire or other business interruption. In response to the global outbreak of the H1N1 influenza virus in 2009, these plans ensured that Sony Group companies were able to secure hygienic facemasks, disinfectant and other necessary items, as well as to implement prompt measures to prevent infection among their employees.

## For the Sustainable Society

Sony strives to address the needs of local communities by leveraging the Company's innovative products and technologies and the strengths of Sony Group employees, individually and in partnership with our stakeholders.



Ibuka

In Sony's Founding Prospectus, one of its founders, Masaru Ibuka, set "the promotion of education in science among the general public" as a primary goal. He was convinced that enhancing scientific literacy would be critical for the recovery of post-war Japan and that science education for children was

the key. Accordingly, in 1959 the Sony Fund for the Promotion of Science Education was established to support elementary schools in the pursuit of science education excellence. Since that time, and in keeping with the Company's evolution, Sony has broadened the scope of its activities to include support for arts education.

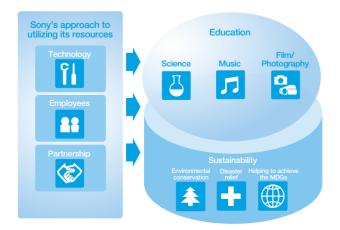
#### For the Next Generation

"For the Next Generation" is a phrase adopted by Sony to describe its CSR activities. Sony continues to pursue a wide range of initiatives based on its social contribution policy, which is to "undertake activities in fields where Sony is best able to do so, to help address the needs of communities".

Sony strives to fulfill its responsibilities as a global corporate citizen by participating in efforts that support the Millennium Development Goals (MDGs)\*1, which confront such key global development challenges as environmental conservation and poverty, and by providing assistance to those in need in the aftermath of major disasters.

In addition to Sony's global social contribution program, which is spearheaded by its headquarters in Tokyo, Sony Group companies worldwide, as well as six Sony foundations, promote initiatives tailored to local needs, working with nongovernmental organizations (NGOs),

Sony's Social Contribution Activities



international agencies and others. In addition to science education, Sony makes use of its entertainment resources in support of arts education in such fields as music, film and photography.

Beyond monetary donations, Sony capitalizes on its unique capabilities in support of social contribution activities, through initiatives that take advantage of its technologies, products and entertainment resources, as well as the participation of Sony Group employees. Sony promotes employee participation in such activities as its "SomeOne Needs You" volunteer program, as well as various "matching gift" programs, whereby Sony matches charitable donations made by employees up to established limits. Involvement of employees in these initiatives, among others, serves to enhance employee awareness of social issues while instilling a sense of pride in the Company and the work.

Sony recognizes the value of public-private partnerships and collaborates with NGOs, international agencies and government organizations. These entities bring networks and specialized local expertise to Sony that help to produce more effective results. As a large multinational corporation with a global reach, Sony is particularly aware that emerging economies face significant development

challenges and is exploring new business approaches to address them. Efforts to date include inviting experts from outside the Company to hold seminars for pertinent employees with Visiting a clinic in rural India regard to promoting BOP\*2 business.



Additionally, Sony conducted a study in conjunction with Japan's Ministry of Economy, Trade and Industry (METI) to assess the practicality of compact decentralized power generation and storage systems in rural India in January 2010. The research sought to identify local needs and available fuel supplies, among other objectives.

In fiscal year 2009, the Sony Group spent approximately 3.6 billion yen\*3 on social contribution activities, while approximately 100,000 Sony Group employees\*4 participated in a variety of volunteer initiatives.

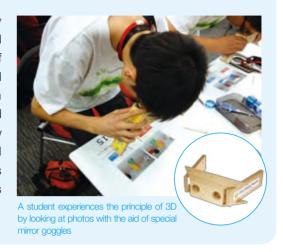
- \*1 The Millennium Development Goals (MDGs) are international development goals drawn from the actions and targets contained in the Millennium Declaration, which was adopted by 189 United Nations member states at the UN Millennium Summit in September 2000. Member states have agreed to achieve these targets by 2015.
- \*2 BOP stands for "Base of the Pyramid" and refers to the largest, but poorest, socioeconomic class. Approximately 4 billion people fall in this category.
- \*3 In addition to donations, sponsorships and independent program expenses (facility operation expenses), this amount includes the market prices of products donated.
- \*4 Includes participants in fundraising efforts and blood drives

## Social Contribution Highlights

As a global company, Sony is keenly aware of the importance of the MDGs and works in partnership with international organizations and NGOs to implement a diverse array of activities around the world, not only where it operates but also elsewhere, aimed at contributing to the achievement of these goals.

#### **Education**—Science

In commemoration of 50 years of social contribution activities, in 2009, Sony established the Sony Science Program, a series of workshops planned and conducted by Sony engineers that aim to teach children about the principles of science through first-hand experience, as well as to encourage curiosity and broaden their imaginations. In fiscal year 2009, the program centered on workshops held at Sony ExploraScience in Tokyo's Odaiba district, and welcomed more than 5,000 participants. In fiscal year 2010, Sony is adding new workshops focusing on the scientific principles behind 3D technology and consumer education in the area of 3D equipment. Utilizing the Sony museums in Tokyo, Beijing and New York, Sony aims to continue to provide opportunities for children all over the world.



### **Education**—Photography

Since 2006, Sony has cooperated with the United Nations Children's Fund (UNICEF) on the EYE SEE Project—a digital photography initiative that encourages children in developing countries who face significant development challenges to express themselves and detail their day-to-day lives through photography, thereby facilitating better understanding by the outside world. The project also aims to inspire children to take an interest in helping to resolve problems facing their communities. In 2009, EYE SEE was held in South Africa under the theme of "climate change". In the fall of 2010, the winners of the first Youth Award given in the Sony World Photography Awards held in Europe will be invited to participate in EYE SEE workshops.



©UNICEF/NYHQ2009-1205/Pirozzi A young girl participates in an EYE SEE workshop in South Africa

## **Sustainability**—Disaster Relief

As a global corporate citizen, Sony provides disaster relief and humanitarian aid in the aftermath of major disasters. Following the earthquake that struck the Republic of Haiti in 2010, Sony made a monetary donation. In addition, Sony employees in the United States, Canada, Japan, Europe, Singapore and Hong Kong participated in fundraising drives. Sony matched the amount raised by employees, and these efforts resulted in a total donation of approximately 67 million yen to international aid organizations, including Save the Children, the Red Cross and UNICEF for use in related relief efforts. Sony also provided support for victims of the recent earthquakes in Chile and China.

As part of its effort to provide medium- to long-term support for victims of the 2008 Sichuan Earthquake, Sony donated funds to assist in the construction of two primary schools through the China Children's Fund. Children of Sony employees in Japan also sent messages of encouragement to pupils of the new schools.



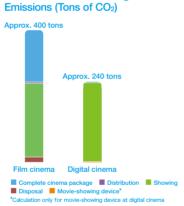
Children of Sony employees in Japan sent Senbazuru (a thousand folded paper cranes) as a gesture of support to pupils of newly constructed schools in Sichuan Province

True to its DNA, Sony strives to achieve breakthrough innovations through creative technologies, products and services that not only enhance people's lives, but also contribute positively to society.

## Digital Cinema Systems: Reducing the Environmental **Footprint of Movie Production**

In 2009, Sony released the SRW-9000, the first high-definition digital camcorder in the HDCAM-SR series, which delivers both superb image quality and outstanding performance. Approximately 60% the size and weight of an independent camera and recorder combined, the SRW-9000 also uses approximately half the electricity.\*1 Moreover, because digital data is delivered to digital cinema-compatible movie theaters on a hard disk drive (HDD), there is no need for film itself, and consequently, no need for the water and chemicals used during the developing process. Furthermore, whereas a single two-hour movie on film requires six reels of positive film, the same movie in the digital format needs only one HDD, increasing the efficiency

of shipping. Digital cinema thus Comparison of CO2 facilitates a considerable reduction in the environmental footprint of movie-making. Total emissions of CO<sub>2</sub> associated with a movie made using digital cinema—from the production of a complete cinema package through to distribution, showing and disposal—are estimated to be approximately 40% lower than those associated with a movie made using film.\*2



**Emissions at Each Stage** 

- \*1 Calculations based on Sony F23 and SRW-1 combined
- \*2 Comparison is for a single two-hour movie distributed to 300 movie theaters in Japan.

### Development of Lithium-Ion Secondary Batteries Made with Olivine-Type Lithium Iron Phosphate

In June 2010, Sony announced the development of an energy storage module using lithium-ion secondary batteries made with an olivine-type lithium iron phosphate as the cathode



Energy storage module using olivine-type lithium iron phosphate cell

material, giving the module high power output, long life, and excellent thermal stability. Sample shipments of the module for use in stationary backup power supplies for data servers, among other uses, began in June.

Multiple units of the newly developed module can be connected either in a series or in a parallel formation to expand voltage capacity. In addition to excellent thermal stability, the olivine-type lithium iron phosphate cell also has outstanding storage capacity. Energy loss is also considerably less compared with lead batteries—favored by conventional stationary power suppliers. Furthermore, these batteries use less energy and last more than 10 years longer\*1, thus enabling users to reduce their environmental footprint. Additionally, the cathode material used is lithium iron phosphate, a resource thought to be in plentiful supply. The batteries thus do not contain rare metals, supplies of which are extremely limited, and the depletion and extraction of which have become issues of increasing concern from a social perspective.

\*1 Calculation assumes charge and discharge once daily.

## Open Energy Networks: Research and Experimental **Deployment of System**

Sony Computer Science Laboratories, Inc., in collaboration with Sony Energy Devices Corporation, has developed a prototype open energy system capable of capturing, storing and distributing electricity from diverse energy sources. This system has the potential to help solve energy problems in places where energy infrastructure is weak or nonexistent



structure of the energy serve

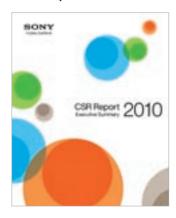


Solar panels and base sheet

and where building new infrastructure is not economically possible, such as remote villages in developing countries. The companies successfully tested this prototype in five remote, non-electrified villages in northern Ghana with the aim of harnessing solar energy to power AV equipment used in public viewings of 2010 FIFA World Cup™ matches. With the exception of a few specific devices, equipment used in the public viewings was driven by direct current (DC). Electrical equipment usually runs on alternating current (AC) electricity transmitted through conventional power grids. In contrast, power from solar cells and storage cells is direct current, meaning that no AC-DC conversion loss will occur—an essential technology for the realization of open energy networks in the future.

While further, large-scale R&D and testing are needed, Sony sees great promise in this system and in its ability to help improve the health, education, economy and way of life of people in many areas.

#### **CSR Report Executive Summary**



#### **Annual Report**



For Sony's latest Annual Report, please visit the following websites:

Japanese http://www.sony.co.jp/IR/
English http://www.sony.net/IR/

### About the CSR Websites

Information pertaining to Sony's CSR activities is comprehensively disclosed on Sony's websites. An electronic version of the printed report is also available. Please access the following websites for additional information about Sony's CSR and environmental activities in various regions around the world.

## Sony's Websites Pertaining to CSR & Environmental Activities Global Sites

http://www.sony.co.jp/csr (Japanese) http://www.sony.net/csr (English)

#### **Americas**

http://www.sony.com/SCA/philanthropy.shtml

http://www.sony.com/green

http://www.sonypictures.com/green

#### East Asia

http://www.sony.com.cn/csr/ (Chinese)

#### Europe

http://www.sony.eu/eco

#### Pan-Asia

http://www.sony-asia.com/section/csr

#### For inquiries regarding this report or Sony's CSR activities:

#### Sony Corporation

Corporate Social Responsibility Dept. 7-1, Konan 1-chome, Minato-ku, Tokyo 108-0075, Japan

Phone: 81-3-6748-2111 Fax: 81-3-5448-2244

http://www.sony.co.jp/SonyInfo/Support

#### **Museums and Exhibition Spaces**

Sony organizes exhibitions of various kinds, including exhibitions at educational museums that are designed to stimulate interest in media, science, technology and the arts.

#### Sony ExploraScience (Tokyo and Beijing)

In these science museums produced by Sony, visitors can actually see, touch and enjoy the principles and laws of science in action and the progress and fascination of digital technology.

http://www.sonyexplorascience.jp/english/ http://www.sony.com.cn/ses/ (Chinese)

#### Sony Wonder Technology Lab (New York)

This interactive museum brings technology and creativity together to make learning experiential, entertaining and fun. The Lab's exhibits showcase the positive impact technology can have on virtually any discipline, from medicine to movie-making. http://www.sonywondertechlab.com

#### Sony Archives (Tokyo)

The Sony Archives building showcases the pioneering products that Sony has given the world as well as a variety of significant documents and materials related to Sony's history. http://www.sony.co.jp/museum/





## For the Next Generation

Corporate Social Responsibility Report Executive Summary
Year Ended March 31, 2010

Sony Corporation