#### SONY

# Sony Group's Human Rights Initiatives

Sony Group Corporation

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### **Agenda**

Sony Group Summary

Development of Human Rights Initiatives at Sony

Human Rights Commitment and Policy

**Human Rights Initiatives** 

- Human rights impact assessment Identifying the priority areas of focus for Sony Group
- Efforts to prevent and mitigate potential negative impacts on human rights
- Access to Remedy
- Stakeholder Engagement

June, 2022

### **Development of Human Rights Initiatives at Sony**

**2018** Sony Group Code of Conduct revised/

Sony Group AI Ethical Guidelines established

2016 Sony Supply Chain Code of Conduct established

June, 2022

2021 Working Group on Human rights

Due diligence established

2020 Human rights impact assessment conducted

2019 Sony Group AI Ethics Committee established

2018 Human rights impact assessment updated

**2005** Sony Supplier Code of Conduct established

2003 Sony Group Code of Conduct established

2012 Human rights impact assessment conducted

2011 Human Rights Committee changed name to Diversity Committee

2000 Philosophy and basic approach to human rights established

1998 Counseling services on human rights and equal opportunities for employees initiated

1995 Sony Group Human Rights Committee established

1991 Human rights lectures for employees launched

1987 Human Rights Office established

### **Human Rights Commitment and Policy**

### Sony Group Code of Conduct



**SONY GROUP** CODE OF CONDUCT

Sony believes that all human beings should be treated with dignity and respect.

Sony is committed to uphold internationally recognized human rights of all people.

We will all use reasonable efforts to avoid causing or contributing to adverse human rights impacts that may arise from our operations, products, services and/or business relationships and will act diligently to help remediate any impacts that may occur.

Under the Code, Sony maintains a policy/guideline in each respective area related to human rights topics and operates them.

- Sony Supply Chain Code of Conduct: Provides codes regarding the manufacturing process for the products in ET&S, G&NS, I&SS and other business at manufacturing sites and suppliers.
- Sony Group AI Ethics guideline: Guidelines when Sony officers and employees utilize AI and/or conduct Al-related R&D.

### **Human Rights Initiatives**

Conduct human rights impact assessment

The most recent assessment conducted in 2020 with BSR.

Identify the priority areas of focus for Sony Group

Supply chain, AI, Diversity, equity and inclusion etc. Plan and prioritize and, take actions in respective areas of focus
Enhancing the current structure and operations etc.

Access to remedy

Maintains global based hotlines etc.

Dialogue with stakeholders

NGO, investors, communication with the business alliances

### Sony Supply Chain Code of Conduct

Sony Supply Chain Code of Conduct

3.1 Edition

Sony Group Corporation



Version 7.0 (2021)

#### RESPONSIBLE BUSINESS ALLIANCE CODE OF CONDUCT

The Responsible Business Alliance (RBA), formerly the Electronic Industry Citizenship Coalition (EICC), Code of Conduct establishes standards to ensure that working conditions in the electronics industry, or industries in which electronics are a key component, and its supply chains are safe, that workers are treated with respect and dignity, and that business operations are environmentally responsible and conducted ethically.

Considered as part of the electronics industry for purposes of this Code are all organizations that may design, market, manufacture, or provide goods and services that are used to produce electronic goods. The Code may be voluntarily adopted by any business in the electronics sector and subsequently applied by that business to its supply chain and subcontractors, including providers of contract labor.

To adopt the Code and become a participant ("Participant"), a business shall declare its support for the Code and actively pursue conformance to the Code and its standards in accordance with a management system as berein

Participants must regard the Code as a total supply chain initiative. At a minimum, Participants shall also require its next tier suppliers to acknowledge and implement the Code.

Fundamental to adopting the Code is the understanding that a business, in all of its activities, must operate in full compliance with the laws, rules, and regulations of the countries in which it operates.¹ The Code also encourages Participants to go beyond legal compliance, drawing upon internationally recognized standards, in order to advance social and environmental responsibility and business ethics. In no case can complying with the Code violate local laws. If, however, there are differing standards between the RBA Code and local law, the RBA defines conformance as meeting the strictest requirements. In alignment with the UN Guiding Principles on Business and Human Rights, the provisions in this Code are derived from and respect internationally recognized standards including the ILO Declaration on Fundamental Principles and Rights at Work and the UN Universal Declaration of Human Rights.

The RBA is committed to obtaining regular input from stakeholders in the continued development and implementation of the Code of Conduct.

The Code is made up of five sections. Sections A, B, and C outline standards for Labor, Health and Safety, and the Environment, respectively. Section D adds standards relating to business ethics. Section E outlines the elements of an acceptable system to manage conformity to this

Responsible Business Alliance Code of Conduct v7.0

2004 Joined Responsible Business
Alliance "RBA"(formally known as
EICC) as a founder

2005 Established Sony Supplier Code of Conduct

2016 Established Sony Supply Chain Code of Conduct

#### <u>Items provided under</u> <u>Sony Supply Chain Code of Conduct</u>

- Labor
- Health and Safety
- Environment
- Ethics
- Management System

June, 2022

<sup>&</sup>lt;sup>1</sup> The Code is not intended to create new and additional third-party rights, including for workers.

### Responsible Business Alliance (RBA)

Business alliance for responsible procurement, including consideration of human rights, labor environment, health and safety, and environmental protection in the supply chain

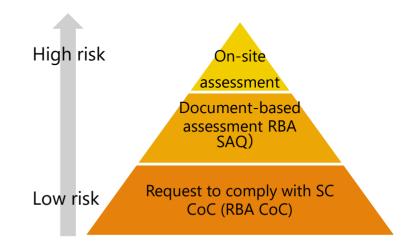
- Founded in 2004
- Purpose: Development of a framework to efficiently mitigate
   CSR-related risks (cost and man-hours) throughout the global supply chain
- Member companies: Over 200 (comprised of companies in various industry such as electronics, IT, automotive, retails)
  Sony has been a member company since its foundation.
- **Activities:** Jointly develop industry standards and operations, such as code of conduct, assessment tools, audit system, web system



### **Responsible Supply Chain Efforts**

# Implementation of Sony Supply Chain Code of Conduct (SC CoC), monitoring its status and education

- Communication with new primary suppliers regarding SC CoC and obtaining a written confirmation of compliance from suppliers
- Supplier assessments: Conduct both document-based/on-site assessment including remote meeting, periodic assessment of primary suppliers
- Information sharing via the Portal site for suppliers, conduct trainings for internal procurement related personnel



Request assessment Request assessment Request new suppliers to comply with SC CoC Maintain the Portal site for suppliers Secondary suppliers and Primary suppliers the beyond and including trading Sony contracted manufacturer companies Submit the result of assessment and a +periodic Submit the result of assessment written confirmation of compliance of SC assessment CoC (new supplier)

## Responsible development and use of technologies - AT Fthics Efforts

#### Al Engagement within Sony Group

Through the utilization of artificial intelligence (AI), Sony aims to contribute to the development of a peaceful and sustainable society while delivering kando - a sense of excitement, wonder or emotion - to the world. Starting from the electronics business, Sony has continued to expand its business area and has become a diverse global company that offers entertainment such as music and movies, as well as financial services. To operate these business areas based on Sony's Purpose to "Fill the world with emotion, through the power of creativity and technology.", Sony Group AI Ethics Guidelines are hereby set forth below to ensure and promote a dialogue with various stakeholders and the proper utilization and research and development (hereafter "R&D") of AI within Sony Group.

- Sony is the first Japanese company to participate in the Partnership on AI (2017)
- Established Sony Group AI Ethics Guideline (2018)
  - 1. Supporting Creative Life Styles and Building a Better Society
  - 2. Stakeholder Engagement
  - 3. Provision of Trusted Products and Services
  - 4. Privacy Protection
  - 5. Respect for Fairness
  - 6. Pursuit of Transparency
  - 7. The Evolution of AI and Ongoing Education
- Established Sony Group AI Ethics Committee (2019)

#### Sony Group AI Ethics Guidelines

#### Al Engagement within Sony Group

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#### Scope of the Guidelines

The "Sony Group AI Ethics Guidelines" (Guidelines) set forth the guidelines that must be followed by all officers and employees of Sony when utilizing AI and/or conducting AI-related R&D.

"Utilization of AI" within Sony means the following:

The provision of products and services by Sony, including entertainment content and financial services, which utilize AI; and The usage of AI for various purposes by Sony in its business activities such as R&D, product manufacturing, service provision, and other operational activities.

#### Definitions in the Guidelines

"AI" means any functionality or its enabling technology that performs information processing for various purposes that people perceive as intelligent, and that is embodied by machine learning based on data, or by rules or knowledge extracted in some methods.

"Sony" means Sony Group Corporation and any company where more than 50% of voting rights are directly or indirectly owned by Sony Group Corporation.

#### Revision of the Guidelines

Sony will review and evolve the Guidelines as needed based on national and regional AI-related guidelines, changes in people's lifestyles and environments, accumulation of practices in the relevant industry, and information exchanged with its various stakeholders.

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