



Sony Group Statement on U.K. Modern Slavery Act

We make this Statement pursuant to Section 54 of the United Kingdom (UK) **Modern Slavery Act 2015** (the “**Act**”) to identify actions we have taken on a Sony Group-wide and global basis during the financial year ending March 31, 2022 to prevent slavery and human trafficking from occurring in our business operations and supply chains. This Statement covers all Sony companies operating in the United Kingdom who are required by the Act to publish a statement, including but not limited to, Sony Europe B.V., Sony Interactive Entertainment Europe Ltd., Sony Music Entertainment UK Ltd., Columbia Pictures Corporation Limited, Sony DADC UK Limited and other subsidiaries of Sony Group Corporation (sometimes collectively referred to as “**Sony reporting entities,**” “**we,**” “**our,**” or “**us**”). The list of Sony reporting entities covered by this Statement as of March 31, 2022 is available in the Annex.

This Statement discusses actions we have taken at a global level as all Sony companies are required to comply with applicable Sony policies.

Our Human Rights Commitment

Slavery and human trafficking can occur in many forms, such as forced labor, child labor, domestic servitude, sex trafficking, and related forms of workplace abuse. In this Statement, we use the terms “slavery and human trafficking” to include all forms of slavery, servitude and forced or compulsory labor, and human trafficking.

Sony is committed to maintaining and improving systems and processes to help identify and address risks of human rights violations related to our business operations and supply chains throughout the world. At a global level, we invested significant resources and collaborated with stakeholders, suppliers and industry associations to develop and implement programs designed to prevent slavery and human trafficking in our business operations and supply chains, using a risk-based approach that focuses on areas of highest risk as more fully described in Section 2 of this Statement.

Sony Group Code of Conduct. Our commitment to human rights is embedded in the Sony Group Code of Conduct (the “**Code of Conduct**”). The Code of Conduct applies to all Sony directors, officers, employees and relevant third-party staff. The Code of Conduct has been communicated to all Sony personnel, is available at <https://www.sony.net/code/> and has been translated into 23 languages.

The Code of Conduct reflects ethical principles set out in various global guidelines including

the following:

- Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises
- The United Nations Global Compact
- The United Nations Universal Declaration of Human Rights
- The Guiding Principles on Business and Human Rights
- Sustainable Development Goals (SDGs)

The Code of Conduct prohibits any form of forced, involuntary or child labor in our operations. It requires all Sony companies to adopt sound labor and employment practices and treat their employees in accordance with applicable laws. Each Sony company must take appropriate steps to assure compliance with the Code of Conduct, including establishing appropriate disciplinary procedures for violations, which may include termination of employment.

All Sony suppliers and contractors are expected to adhere to Sony's ethical values and comply with Sony policies concerning compliance with laws, respect for human rights, and fair labor and employment practices.

1. Description of Our Operations and Supply Chains

Our Operations. Sony is engaged in the development, design, manufacture, and sale of various kinds of electronic equipment, instruments and components for consumer, professional and industrial markets such as network services, game hardware and software, televisions, audio and video recorders and players, still and video cameras, mobile phones, and image sensors (collectively, our "electronics products"). There are 12 Sony-operated manufacturing sites for our electronics products. They are located in Japan, China, South Korea, Thailand, Malaysia, and UK. Sony also contracts with third parties to manufacture certain electronics products on our behalf.

In addition to electronics products, Sony is engaged in the development, production, manufacture, and distribution of recorded music and the management and licensing of the words and music of songs as well as the production and distribution of animation titles, including game applications based on animation titles. Sony is also engaged in the production, acquisition and distribution of motion pictures and television programming and the operation of television and digital networks. Further, Sony is also engaged in various financial services businesses, including life and non-life insurance operations through its Japanese insurance subsidiaries and banking operations through a Japanese internet-based banking subsidiary.

Supply Chains. Sony has global supply chains for its various lines of business.

As described in Section 2 below, we determined that our highest risk supply chain is our electronics products supply chain. Sony procures materials and component parts for Sony’s electronics products from suppliers located throughout the world including China, Japan, Asia-Pacific (India, South Korea, Oceania), Europe (UK, France, Germany, Russia, Spain, Sweden), and other areas (US, Middle East, Brazil, Mexico and Canada.)

*See Responsible Supply Chain Section in our Sustainability Report 2022 for more details available at https://www.sony.com/en/SonyInfo/csr_report/.

2. Risks of Slavery and Human Trafficking in our Operations and Supply Chains

We have undertaken group-wide human rights impact assessments since 2012 in partnership with BSR, an independent, non-profit, global organization devoted to building a just and sustainable world, to evaluate risks of slavery and human trafficking in our business operations and supply chains.

Sony’s risks of slavery and human trafficking in our own business operations have been mitigated by rigorous hiring procedures, robust employment policies and other controls.

Utilizing information from the BSR risk assessment in 2020, and information from our processes and controls, and information from NGO reports, we determined that our electronics products manufacturing supply chain is at higher risk for potential human rights abuses than Sony company business operations or the supply chains of our non-electronics products business segments.

Using a risk-based approach, we prioritized our group-wide efforts to mitigate human rights risks in our electronics products manufacturing supply chains as discussed in more detail in this Statement.

3. Actions taken to assess and address slavery and human trafficking risks for electronics products manufacturing, including due diligence and remediation processes

(i) Identifying and assessing actual and potential human rights impacts

(a) Sony Owned Manufacturing Sites and Audits

Sony owned manufacturing sites are required to comply with the standards of the Code of Conduct and the Sony Supply Chain Code of Conduct (the “**Supply Chain Code**”). Sony

internal procedures require implementation of an improvement plan in the event of any areas of non-compliance. Assessments and audits to confirm compliance with these standards are an integral part of our processes.

Self-assessments. All Sony owned electronics products manufacturing sites conduct an annual self-assessment utilizing the Responsible Business Alliance (“**RBA**”) Self-Assessment Questionnaire (“**RBA Questionnaire**”) to monitor adherence to the Code of Conduct and the Supply Chain Code. The RBA Questionnaire was successfully completed by all Sony manufacturing sites for fiscal year 2021. The RBA Questionnaire results were reviewed and analyzed internally. All Sony owned manufacturing sites were deemed to be low risk. There were no high-risk sites identified, and no areas of serious concern were identified.

Audits. Selected Sony owned manufacturing sites regularly conduct RBA Validated Assessment Program (VAP) or equivalent audits.

Special Assessments regarding Labor Conditions for Foreign Workers in Japan.

In light of increased concerns regarding labor conditions of foreign migrant workers in Japan, Sony affiliates operating in Japan conduct annual assessments designed to determine which manufacturing sites have the highest risk of directly or indirectly engaging foreign workers. We identified several Sony on-site subcontractors at our Sony owned manufacturing sites in Japan that employed foreign workers, technical intern trainees in particular. Sony asked these on-site subcontractors to complete a survey of technical intern trainees to enable Sony to confirm that appropriate hiring processes were used to engage these workers and to confirm that they have been provided with proper working conditions. In fiscal year 2021, Sony reissued these assessments to these on-site subcontractors to confirm continued compliance with the standards of the Code of Conduct and the Supply Chain Code.

(b) Supply Chain Assessments and Audits

All new and existing suppliers are required to comply with the Supply Chain Code as described in the “Contract Terms” section below. Assessments and audits are also an integral part of our supply chain management process.

New Suppliers : Sony conducts initial assessments of all direct suppliers and their manufacturing facilities to determine the suppliers’ risk level. Risk level is based on where the supplier is located, amount of spend, and industry as well as media, government and NGO reports.

Higher risk suppliers are subject to additional assessments utilizing a questionnaire developed by RBA to ensure compliance with the Supply Chain Code. This questionnaire

evaluates compliance with the Supply Chain Code, in particular issues related to forced labor among foreign, migrant and immigrant workers, which has become a serious issue worldwide. Questionnaires returned by suppliers are analyzed to identify potential risks for individual manufacturing plants.

Existing Suppliers: Major OEM and ODM suppliers that do sizable business with Sony are subject to annual assessments using the RBA questionnaire. If any assessment indicates a high risk, the OEM or ODM supplier is subject to an on-site audit, which may be conducted by an independent third-party auditor.

Furthermore, with growing stakeholder interest in the issue of forced labor in the electronics industry supply chain overall, Sony has been strengthening activities related to periodic assessment of existing suppliers for compliance with the Supply Chain Code since 2020.

Just as for new suppliers, existing suppliers and their plants are categorized by risk level, based on such factors as the country and region in which they are located, size of business, industry, and type of business to determine if they fit criteria for assessment. Assessment using labor issues-specific questionnaire is conducted for applicable existing suppliers, and supplier response is analyzed to identify potential risks for individual manufacturing plants.

If Sony does not deal directly with the manufacturing facility, the assessments are conducted through the trading company or manufacturer that is the primary supplier. If a manufacturer is suspected to be in violation of the Supply Chain Code, instructions for improvement are issued, an on-site assessment is conducted, and employees and managers are interviewed in person to verify the suspected violation. If the suspected violation is confirmed, we issue guidance as to how to remedy the violation. We continue to monitor and evaluate to ensure the violation has been remedied. Sony's policy is to review its business relationship with a supplier if a serious violation (such as forced labor, child labor, inhumane working conditions, unlawful discrimination, lack of an emergency and disaster action plan, presence of risks that cause a serious life-threatening accident to a worker, significant environmental pollution issues) of the Supply Chain Code were to occur or if a supplier fails to cooperate fully in an investigation or audit.

For higher risk suppliers in Japan, Sony personnel conduct site visits and conduct in-person interviews and remote assessments to confirm compliance with the Supply Chain Code. During employee interviews, Sony confirms working hours, proper payment of overtime, proper workplace conduct, viability of internal reporting systems, and health and safety conditions. For foreign technical intern trainees in particular, we confirm payment of employment-related fees, working environment, and the habitability of dormitory facilities, including room size.

For higher risk suppliers outside of Japan, we use a third-party auditing company to confirm compliance with the Supply Chain Code. Employee interviews are also included as part of this audit. Employees are required to directly verify whether or not they are responsible for employment fees, the site's health and safety conditions, and other relevant issues. Similar to the RBA VAP audits, the audits also include verification of relevant documents related to employment contracts, working hour data, policies and procedures and local health and safety conditions.

Assessment Results for new and existing suppliers: In fiscal year 2021, we conducted a total of 796 document-based assessments using the RBA questionnaire for new and existing supplier plants. We also conducted remote/on-site assessments and interviews at 39 plants. The results of these assessments are as follows:

- The 796 document-based assessments identified 94 plants with minor concerns such as excessive working hours. Sony issued instructions to these suppliers and is monitoring their remedial actions.
- We conducted remote or on-site assessments at 19 supplier plants suspected to be in violation, pointing out issues and issuing instructions for improvement. In either case, suppliers are asked to make a plan for improvement, manage progress and show evidence-based results. In addition, remote or on-site assessments and interviews regarding labor, health and safety, environment and ethics were conducted at 20 supplier plants in Japan. Through interviews, we checked the working and living environments for plants employing technical intern trainees. While no issues were indicated, we were able to confirm instances of workers paying brokerage fees to agencies in their home countries, and we are working with suppliers to proceed with improvements. Interviews with foreign workers known as technical intern trainees participated in Japan's Technical Intern Training Program specifically confirmed the following points, and in cases where violations of employment cost sharing were identified, the company was instructed to make improvements so that employment costs would be borne by the company.
 - Employment fees (brokerage fees, etc.) are not paid by workers ;
 - Workers' passport and identification documents are not confiscated;
 - No presence of harassment or bullying;
 - Safety training is properly provided;
 - Working conditions agreed upon when the employees travel to Japan and are the conditions of employment in line with the agreed upon conditions; and
 - Habitability of dormitories facilities and room size.

- There was no definitive evidence of forced labor identified at any of the Japanese domestic or overseas suppliers assessed in 2021. However, we did identify areas of noncompliance with the Supply Chain Code, such as payment of employment commissions by workers and employees working in excess of 60 hours per week. Sony contacted the relevant suppliers and required them to develop a corrective action plan for each violation and to submit the plan to Sony.

See also page 96 in our Sustainability Report 2022 available at https://www.sony.com/en/SonyInfo/csr_report/.

(c) Media and NGO reports. If a report indicates possible violations of the Supply Chain Code, Sony works with the identified supplier and may request a third-party RBA audit of the supplier's manufacturing site to confirm the accuracy of the report and necessary corrective action.

(ii) Integrating our findings across the group and taking appropriate action to address impacts

(a) Supplier Compliance Procedures and Adherence to Our Values

Supply Chain Codes. Sony is committed to working with its suppliers and other stakeholders to better understand potential areas of risk and increase transparency. Sony also seeks to use its influence to help mitigate any negative impacts identified.

Sony is a founding member of the RBA, a non-profit coalition comprising electronics, retail, automotive and toy companies committed to supporting the rights and well-being of workers and communities affected by the global electronics supply chain and has adopted the Supply Chain Code for Sony's electronics products suppliers. The Supply Chain Code, which incorporates the RBA Code of Conduct, establishes standards designed to, among other things, ensure that human rights of workers are upheld and that workers are treated with respect and dignity by suppliers. In particular, the Supply Chain Code prohibits forced, bonded or indentured labor, involuntary prison labor, slavery and human trafficking. The Supply Chain Code is available at

https://www.sony.com/en/SonyInfo/csr_report/sourcing/Sony_Supply_Chain_CoC_E.pdf

The Supply Chain Code is aligned with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the UN Declaration of Human Rights.

Although we have assessed the risk of slavery and human trafficking in our recorded music, motion pictures and television vision businesses as low, in order to evidence and support their ongoing commitment to promote human rights, ethical business practices and

protection of our environment, Sony Pictures Entertainment Inc. adopted The Code of Conduct for Suppliers to Sony Pictures Entertainment Inc. in March 2020, available at <https://supplier.sonypictures.com/codeofconduct.php>.

This Code is based on principles similar to those of the Supply Chain Code.

Responsible Sourcing of Minerals: As part of its commitment to avoid contributing to environmental concerns, conflict, or human rights abuses through its sourcing practices, Sony identified certain minerals sourced from high-risk areas (“High-Risk Minerals”) that are essential to the manufacture of electronics products. In addition to the Supply Chain Code, Sony established the Sony Group Policy for Responsible Supply Chain of Minerals. In this Policy, Sony pledges to avoid contributing to conflicts or serious human rights abuses through its sourcing practices, and pledges to refrain from knowingly purchasing any products, components or materials that contain High-Risk Minerals that contribute to conflicts or serious human rights abuses. Sony is also working with its suppliers to address issues related to human rights, labor conditions, health and safety, and environmental protection at High-Risk Mineral production sites and in its procurement of these High-Risk Minerals.

See more details in page 98 in our Sustainability Report 2022 available at https://www.sony.com/en/SonyInfo/csr_report/.

Contract Terms for Electronics Product Suppliers: Compliance with the Supply Chain Code is included in contracts signed when Sony begins doing business with electronics product suppliers. All electronics products suppliers are provided with the Supply Chain Code upon signing a new contract, and are kept informed of changes through updated documents. Further, Sony regularly reminds suppliers of their responsibilities and obtains a compliance consent from them. Upon the revision of the Supply Chain Code in 2021, the code was distributed again with a further reminder, and a compliance consent was obtained.

As a part of the requirements under the Supply Chain Code, suppliers are required to comply with the Green Partner Environmental Quality Approval Program and the Sony Group Policy for Responsible Supply Chain of Minerals. Suppliers are also requested to distribute and comply with the Supply Chain Code within their own supply chain.

When starting new business dealings with suppliers, Sony requests compliance with the Supply Chain Code not only from the primary supplier, but also from plants supplying materials and parts. Furthermore, if a primary supplier is a trading company, Sony acquires a compliance consent from the parts manufacturer and manufacturing sites through the trading company and confirms that compliance is implemented.

Sony also distributes the Supply Chain Code to our own supply chain, requesting

compliance through our direct suppliers

(b) *Internal Leadership*

Sony's Sustainability Section in cooperation with Compliance Section at the head office take the lead in promoting efforts toward a responsible supply chain in cooperation with procurement and other relevant functions at corporate head office and within the various business units.

The Sustainability Section is led by the Senior Executive in charge of Sustainability. The Sustainability Section also assesses external trends and communicates with stakeholders, drawing on both to formulate basic company-wide supply chain management policy.

The Senior Executive in charge of Sustainability appoints the management responsible in each relevant business unit. They are then responsible for overall operational compliance for the area in their charge, including compliance with the Supply Chain Code, as well as risk assessment, regular monitoring and remedial measures. Administrative offices are responsible for overall implementation for suppliers.

The Sustainability Section provides an annual report to the Sony Group Corporation's Board of Directors on all key aspects of Sony's sustainability initiatives including forced labor and measures adopted to address climate change and other environmental issues. It also provides the Board with quarterly updates on relevant topics. Senior executives and department heads may also provide regular reports to the Board for review, as necessary.

(iii) *Tracking our performance by checking the impact we are making*

Sony issues improvement instructions to any supplier that it suspects to be in violation of the Supply Chain Code and then verifies whether those improvement instructions have been completed as requested. If deficiencies are discovered through third-party audits of a supplier's manufacturing site, Sony requires the supplier to develop an improvement plan and monitors the supplier's performance by conducting follow-up audits.

(iv) *Publicly communicating what we are doing*

Sony publicizes what it is doing to address human rights impacts through its Responsible Supply Chain section in our Sustainability Report 2022 at https://www.sony.com/en/SonyInfo/csr_report/.

(v) Remediation

Grievance Mechanism. Sony employees are encouraged to raise any concerns and have multiple channels to do so, including the Sony Ethics & Compliance Hotline that is available in the local language and staffed by independent third-party operators. Sony protects reporters from retaliation. Sony also operates a hotline for external stakeholders to report violations of the Supply Chain Code.

Sony investigates allegations expeditiously and objectively. If a violation by a supplier is confirmed, Sony requires the supplier to take corrective action. If a supplier refuses to cooperate with the investigation or fails to take requested corrective action, Sony will reconsider the business relationship. If the violation involves an indirect supplier, the relevant Sony affiliate will work with its direct supplier to obtain corrective action from such indirect supplier.

In addition, examples of remedial guidance for violations identified during on-site audits can be found in page 96 in our Sustainability Report 2022 available at https://www.sony.com/en/SonyInfo/csr_report/.

(vi) Training

All Sony employees are required to receive initial and periodic refresher training on the Code of Conduct to help ensure that they understand our internal policies. Our electronics manufacturing operations procurement staff receives additional training on the Supply Chain Code standards, how to identify risks of slavery and human trafficking, and how to conduct an effective supplier assessment.

During on-site supplier assessments, Sony's staff also provide training to the suppliers on the Supply Chain Code and share Sony's experience on how socially responsible practices benefit business operations, citing for example, increased productivity and lower staff turnover.

In financial year 2021, a video was distributed to all suppliers to improve awareness of Sony's sustainability activities overall, including conduct for a responsible supply chain. The video explains what is required according to the Code of Conduct and the Supply Chain Code, and requests the establishment of management systems for compliance with the Supply Chain Code upstream of the supply chain. The video was also shared with internal procurement personnel, to aid in communication with suppliers. See more details in Communicating with Suppliers at page 91 in our Sustainability Report 2022 at https://www.sony.com/en/SonyInfo/csr_report/.

4. How Sony assesses the effectiveness of its actions to assess and address modern slavery risks

Sony conducts assessments and audits of its electronics suppliers as described above. Sony tracks overall supplier performance with the Supply Chain Code by comparing the year over year results of the number of assessments using questionnaires, improvements requested, and remote/on-site visits.

The Sustainability Department also assesses external trends and communicates with stakeholders to help gauge the effectiveness of actions taken.

5. Approval of Statement

Pursuant to the delegation of authority approved by the Sony Group Corporation's Board of Directors, this Statement has been approved by Shiro Kambe, Senior Executive Vice President and Corporate Executive Officer in charge of Legal, Compliance and Sustainability.



Shiro Kambe
Senior Executive Vice President
Corporate Executive Officer
Officer in charge of Legal, Compliance and Sustainability
September 2022

Annex

- Bad Wolf LTD
- BAD Wolf (HDM3) Limited
- Black Butter Limited
- Bleeding Fingers Inc.
- Broccoli Content Limited
- Columbia Pictures Corporation Limited
- CP Film Productions Limited
- Ellation, LLC
- K.P.M. Music Limited
- Essential Music & Marketing Limited (t/a The Orchard)
- Extreme Music Library Limited
- Funimation Global Group, LLC
- Hawk-Eye Innovations Limited
- Kontraband Limited
- LBPTV2 Limited
- LBP The Crown 5 Limited
- LBP Outlander 6 and 7 Limited
- Left Bank Pictures (Television) Limited
- Ministry Of Sound Recordings Limited
- MSM Asia Limited
- Now That's What I Call Music LLP
- Promised Land Recordings Limited
- Pulse Innovations Limited
- Raymond Gubbay Limited
- Robots and Humans Music Ltd
- Senbla Limited
- Sony Music Publishing (UK) Limited
- Sony DADC UK Limited
- Sony Europe B.V.
- Sony Interactive Entertainment Europe Ltd.
- Sony Interactive Entertainment Network Europe Limited
- Sony Interactive Entertainment UK Limited
- Sony Mobile Communications AB
- Sony Music Entertainment UK Ltd.
- Sony Music Entertainment Ireland Limited
- Sony Music International Limited
- The Orchard, EU Limited
- Whisper Films Limited