

Sustainability



See the following for more information on sustainability.
<https://global.sharp/corporate/eco/management>

Basic Approach to Sustainability

As stated in our business philosophy, the founding spirit of Sharp aims to contribute to the culture, benefits, and welfare of people throughout the world and expects mutual prosperity with all who cooperate with Sharp. Based on this spirit, our basic approach to Sustainability is to answer the expectations of society and our stakeholders, aiming for the sustainable development of both Sharp and society.

To embody this business philosophy and business creed*¹, we established the Sharp Group Charter of Corporate Behavior as a code of conduct for group companies and the Sharp Code of Conduct*² for all directors, executives, and employees. We work to ensure each officer and employee is thoroughly informed of these policies.

*1 See below for more about our business philosophy and business creed.
<https://global.sharp/corporate/info/philosophy/>

*2 See below for more about the Sharp Group Charter of Corporate Behavior and Sharp Code of Conduct.
<https://global.sharp/corporate/info/charter/>

Sustainability Strategy and Promotion Structure

Sharp takes initiative to achieve the Sustainable Development Goals (SDGs). We set our medium- to long-term vision as contributing to the achievement of these goals based on our basic approach to sustainability. The SDGs were adopted by the United Nations in September 2015 and set high expectations for companies.

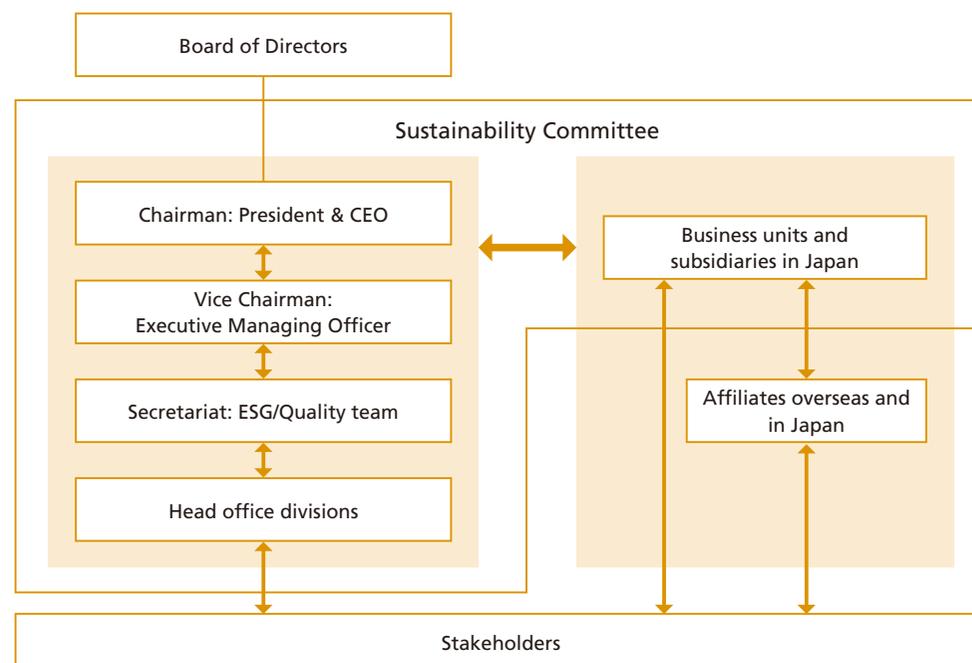
In fiscal 2018, we accelerated our efforts to realize this medium- to long-term vision by aiming to contribute to the achievement of the SDGs through both “solving social issues through business and technological innovation” and “reducing the burden on society and the environment through sustainable business activities” as our basic strategy for sustainable management.



To reduce these strategies to actionable measures managed via the PDCA cycle, Sharp launched the Sustainability Committee. The committee is chaired by the Representative President and CEO, and consists of senior executives, headquarters functional divisions (e.g., environment/HR/procurement), business units, and subsidiaries. This committee deliberates and pursues various measures, implements policies and vision, and conducts activities that include communicating the latest trends related to social issues. In addition, the committee reports important policies and decisions to the Board of directors.

Organization for Sustainability Management

(As of August, 2023)



Materialities

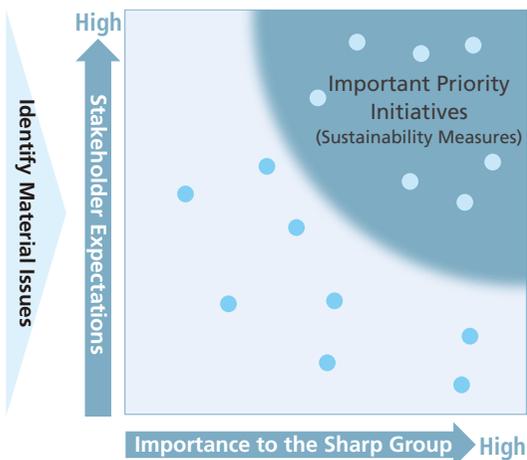
There are successive announcements of international medium- to long-term goals aimed at resolving global social issues, such as the SDGs and the Paris Agreement*. Amid growing concern about human rights issues, such as forced labor in global supply chains, expectations for corporate sustainability initiatives are further increasing.

Against this background, we identify and make efforts in materialities to promote sustainable management from both the perspectives of contributing to the resolution of global social issues and achieving medium- to long-term growth for the Sharp Group.

In identifying materiality, we take into account international guidelines and principles, such as the UN Global Compact, SDGs, and RBA vision and mission, in addition to our management policies and business strategies. We also consider opinions and expectations from various stakeholders, the impact of our business activities on stakeholders, and evaluation results from ESG rating and rating agencies.

Process for Identifying Material Issues

- Management Policy and Business Strategy**
 - Business Philosophy and Business Creed
 - Be Original. • ESG-focused management policies
 - Business vision • Medium-term management plan, etc.
- International Guidelines and Principles**
 - United Nations Global Compact • SDGs • ISO26000
 - United Nations Universal Declaration of Human Rights
 - United Nations Guidance Principles on Business and Human Rights
 - RBA Vision & Mission
 - Other industry codes of conduct, etc.
- Stakeholder Opinions and Expectations**
 - Feedback and opinions from stakeholders through dialogue
 - Assessing the impact of business activities on stakeholders
 - Survey results from various ESG institutions, etc.



Identified materialities are mapped based on the level of stakeholder expectations and level of importance to the Sharp Group. Topics that are prioritized at the company-wide level are then determined to be sustainability measures.

Each business unit and subsidiary sets targets, goals, KPIs, and action plans for each measure. We review the performance and status of these initiatives at the Sustainability Committee, which meets semiannually.

FY2023 Company-Wide Sustainability Measures

Sustainability measures	Related SDGs
Pursue energy-saving products	7 AFFORDABLE AND CLEAN ENERGY, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION, 13 CLIMATE ACTION
Reduce the use of virgin plastic in products and packaging materials	8 DECENT WORK AND ECONOMIC GROWTH, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION, 14 LIFE BELOW WATER
Create sustainable products	7 AFFORDABLE AND CLEAN ENERGY, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION, 13 CLIMATE ACTION
Reduce greenhouse gas emissions from business activities	7 AFFORDABLE AND CLEAN ENERGY, 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE, 13 CLIMATE ACTION
Reduce waste emissions from business activities	6 CLEAN WATER AND SANITATION, 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Reduce ESG risks at company-owned factories in Japan and overseas	1 NO POVERTY, 3 GOOD HEALTH AND WELL-BEING, 5 GENDER EQUALITY, 6 CLEAN WATER AND SANITATION, 7 AFFORDABLE AND CLEAN ENERGY
Reduce ESG risks in the supply chain	8 DECENT WORK AND ECONOMIC GROWTH, 10 REDUCED INEQUALITIES, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION, 13 CLIMATE ACTION, 16 PEACE, JUSTICE AND STRONG INSTITUTIONS

* Multilateral international consensus agreement on climate change control adopted at the 21st Conference of the Parties to the United Nations Framework Convention on Climate Change (COP21) in Paris in 2015. States that efforts will be pursued to keep the increase in global average temperature well below 2°C above pre-industrial revolution levels as well as to limit the increase to 1.5°C.