



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, 2021 to prevent slavery and human trafficking from occurring in our business operations and supply chains. Not all Sony Group¹ companies (“**Sony**”) are subject to the Act. However, all Sony companies throughout the world are required to comply with applicable Sony policies, so we discuss the actions we have taken group-wide at a global level in this Statement. 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 (collectively referred to as “**Sony reporting entities**”, “**we**” or “**us**”). The list of Sony reporting entities covered by this Statement as of March 31, 2021 is available in the Annex.

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 have invested significant resources and have 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, particularly in our electronics manufacturing supply chain, which, as noted below, is an area at higher risk of slavery and human trafficking.

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

¹ For this purpose, a Sony Group company is any company where 50% or more of the voting rights are directly or indirectly controlled by Sony Group Corporation.

Our Code of Conduct reflects ethical principles set out in various global guidelines including the following guidelines:

- 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, requires all Sony companies to adopt sound labor and employment practices and requires all Sony companies to 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 of the Code of Conduct which may include termination of employment.

In addition, in accordance with the Code of Conduct, 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. Our Operations and Supply Chains

Operations. Sony is engaged in the development, design, manufacture, and sale of various kinds of electronic equipment, instruments and devices 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 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, 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 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 https://www.sony.com/en/SonyInfo/csr_report/sourcing/ and our Sustainability Report 2021 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

Sony employs rigorous hiring procedures and has implemented robust employment policies and other controls to mitigate the risk of slavery and human trafficking in our own business operations.

We engaged 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 related supply chains. From that risk assessment, and from information derived from our processes and controls, we understand that our electronics 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 business segments. Using a risk-based approach, we have prioritized our group-wide efforts to mitigate human rights risks in our electronics manufacturing supply chains as discussed in more detail in this Statement.

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

i. Identifying and assessing actual and potential human rights impacts.

Self-assessments. Assessments and audits are an integral part of our overall supply chain management process. Each year, all of Sony’s own electronics manufacturing sites conduct a self-assessment utilizing the Responsible Business Alliance (“RBA”) Self-Assessment Questionnaire (“**RBA Questionnaire**”) to monitor adherence to the Code of Conduct and the Sony Supply Chain Code of Conduct (the “**Supply Chain Code**”). Sony internal procedures require adherence to the standards of these Codes and implementation of an improvement plan in the event of any areas of non-compliance. The RBA Questionnaire was completed by all Sony manufacturing sites for fiscal year 2020. The results of the RBA Questionnaire are reviewed and analyzed internally by Sony, and all Sony manufacturing sites were deemed to be low risk based on the results of this assessment. There were no high risk sites identified, and no areas of serious concern were identified.

Assessment of Labor Conditions for Foreign Workers Employed at Manufacturing Sites.

In response to increasing concerns over labor conditions of migrant workers, Sony affiliates operating in Japan conduct annual assessments to determine which manufacturing sites have the highest risk of directly or indirectly engaging foreign workers. These assessments identified several manufacturing sites in Japan where our on-site business partners employ foreign workers. Sony asked these business partners to survey their technical intern trainees in particular among foreign workers, to confirm that appropriate hiring processes were used to engage such workers at these sites. In fiscal year 2020, Sony continued to conduct document assessments to determine higher risk sites and interviewed on-site subcontractors at these sites to verify the propriety of their hiring processes and confirm that technical intern trainees were provided proper working conditions in accordance with the labor standards set out in the Supply Chain Code.

Supply Chain Assessments and Audits.

As set out below (“***Contract Terms***”), all new and existing suppliers are required to comply with the Supply Chain Code. Assessments and audits are also an integral part of our overall supply chain management process.

New suppliers: Sony conducts an evaluation of all new suppliers and their manufacturing facilities to determine their risk level based on factors such as the country and region in which they are located, size of business, industry, and type of business. If Sony does not deal directly with the manufacturing facility, the evaluations are conducted through the trading company or the manufacturer that Sony does business with. Suppliers and their plants in certain countries and regions and/or meeting certain criterion are required to conduct a CSR self-assessment using questionnaires from the RBA. CSR self-assessments evaluate compliance with the Supply Chain Code, in particular, items related to forced labor among foreign, migrant and immigrant workers, which has become a serious issue worldwide. If a supplier is suspected to be in violation of the Supply Chain Code, an on-site visit is conducted and employees and managers are interviewed in person to verify the actual management situation. Sony issues improvement instructions if needed, verifies the improvement results, and assesses to start business dealings.

Existing suppliers: In fiscal year 2020, Sony conducted document-based assessments of existing supplier plants located in areas other than Japan, focusing on labor issues. Assessments and interviews regarding labor, health and safety, and supply chain management were also conducted during on-site visits at supplier plants in Japan.

Assessment Results for new and existing suppliers: Collectively, in fiscal year 2020, we

conducted a total of 564 document-based assessments for new and existing supplier plants, and also conducted on-site assessments and interviews at 6 plants. The results of these assessments were as follows:

- The document-based assessments found no serious concerns at any plant.
- The document-based assessments identified 86 plants with minor concerns such as excessive working hours. Sony issued instructions to suppliers that have concerns and monitors their remedial actions.
- Subsequent on-site interviews and assessments showed that these plants are now in compliance with the standards set out in the Supply Chain Code. See more details of the examples in page 106 in our Sustainability Report 2021 available at https://www.sony.com/en/SonyInfo/csr_report/.

Media and NGO reports. In addition to information derived from our assessments and internal controls, Sony reviews media and NGO reports to help determine Sony's highest-risk suppliers. If the reports indicate possible violations of the Supply Chain Code, Sony cooperates with the supplier in question to confirm the facts of the case expeditiously and objectively. Specifically, Sony may request a third-party RBA audit of the supplier's manufacturing site.

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 Code. Sony is committed to working with its suppliers and other stakeholders to better understand potential areas of risk and increase transparency. Sony 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/.

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.

In fiscal year 2020, as one of responsible supply chain activities in respective business area, Sony Pictures Entertainment Inc. adopted The Code of Conduct for Suppliers to Sony Pictures Entertainment Inc available at <https://supplier.sonypictures.com/codeofconduct.php>. This code is based on principles similar to those of the Supply Chain Code, and is designed to strengthen Sony Pictures' supplier programs related human rights, ethical business practices, safety and environment.

Contract Terms. Compliance with the Supply Chain Code is included in contracts with direct suppliers signed when Sony begins doing business with the supplier. Suppliers are kept informed of changes to the Supply Chain Code and receive updated documents. To further ensure that suppliers are taking action to comply with the Supply Chain Code, Sony regularly reminds suppliers of their responsibilities and obtains a written confirmation of compliance from suppliers.

In addition to direct suppliers, Sony requires compliance with the Supply Chain Code by manufacturers and manufacturing sites supplying parts to such direct suppliers. For example, if a direct supplier is a trading company, Sony requests that the manufacturers and manufacturing sites supplying the trading company provide written confirmation that they will observe the Supply Chain Code.

(b) Ongoing Monitoring and Assessment of Electronics Manufacturing Operations and Supply Chain

Internal Leadership. Sony's CSR, procurement and production groups at the head office take the lead in promoting Sony's responsible sourcing practices, including practices designed to prevent slavery and human trafficking. Our head office's CSR group communicates with external stakeholders to monitor trends and best practices while our procurement and production groups are responsible for overall policy implementation for Sony's electronics manufacturing operations.

Assessment of Labor Conditions for Foreign Workers Employed at Manufacturing Sites. Where necessary, Sony asked its business partners to improve compliance with the Supply Chain Code. Sony also continues to monitor labor conditions at these manufacturing sites.

iii. Tracking our performance by checking the impact we are making.

To check whether impacts are being addressed, Sony issues improvement instructions to any supplier that it suspects to be in violation of the Supply Chain Code and then verifies that 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 webpage at https://www.sony.com/en/SonyInfo/csr_report/sourcing/.

v. Remediation.

Grievance Mechanism. Sony employees are encouraged to raise any concerns and have multiple channels to do so, including an ethics 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.

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 procurement staff for our electronics manufacturing operations 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 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.

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

Sony conducts assessments of its electronics suppliers. Sony has tracked overall supplier performance with the Supply Chain Code by comparing year over year results of the annual number of document assessments, improvements requested, and on-site visits.

*See https://www.sony.com/en/SonyInfo/csr_report/sourcing/ and our Sustainability Report 2021 for more details available at https://www.sony.com/en/SonyInfo/csr_report/.

Under the supervision of the Senior Executive Vice President in charge of Sustainability, the CSR group at Sony's head office assesses external trends and communicates with stakeholders.

5. Approval of Statement

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

A handwritten signature in black ink, appearing to read 'Shiro Kambe', is written over a horizontal line.

Shiro Kambe

Senior Executive Vice President

Corporate Executive Officer in charge of Legal, Compliance and Sustainability

September 2021

Annex

- Black Butter Limited
- Bleeding Fingers Inc.
- Broccoli Content Limited
- Columbia Pictures Corporation Limited
- CP Film Productions Limited
- Ellation, LLC
- EMI Production Music
- Essential Music & Marketing Limited (t/a The Orchard)
- Extreme Music Library Limited
- Funimation Global Group, LLC
- Hawk-Eye Innovations Limited
- Kontraband 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
- Roseline Productions Limited
- Senbla Limited
- Sony/ATV Music Publishing UK
- 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
- SP Film Productions Limited
- Syco Entertainment Limited
- The Orchard, EU Limited
- Three Six Zero Recordings Limited