

Social Initiatives

Promoting CSR Across the Entire Supply Chain

The Sharp Group Charter of Corporate Behavior stipulates that Sharp does not sanction any form of forced labor, including child labor, and supports its effective abolition. Based on this policy, we have formulated and published the SHARP Supply-Chain CSR Deployment Guidebook in accordance with the RBA Code of Conduct, and, in our basic agreements for ongoing transactions, have established mandatory compliance with Guidebook-based CSR initiatives for our suppliers.

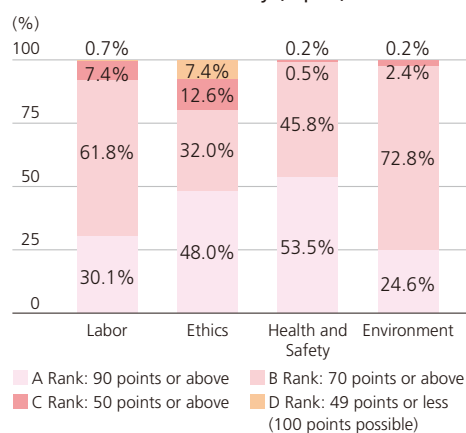
In order to identify, assess, and appropriately address CSR risks such as forced labor in the supply chain, we conduct CSR/green procurement surveys on a regular basis using a survey form compliant with the RBA Self-Assessment Questionnaire. We also provide feedback on assessment results for each of our suppliers' plants, and for plants with low assessment scores, we ask suppliers to submit improvement plans, working to enhance CSR initiatives.

In fiscal 2020, we conducted risk assessments for approximately 650 plants at our business units and manufacturing subsidiaries in Japan. We have also introduced a supplier management system at our manufacturing and procurement bases in China and the ASEAN region, and are continuously assessing risks in a similar fashion.

As a result of these efforts, we have not identified any serious problems such as forced labor or child labor in our supply chain. However, in the unlikely event that such a problem is identified, we will immediately call on the relevant supplier to take the necessary corrective measures based on our agreement, and if no improvement is expected, we will take strict measures including suspending transactions.

We will continue to proactively promote CSR initiatives throughout the supply chain on a global basis.

Assessment Distribution of CSR/
Green Procurement Survey (Japan)



Initiatives for Responsible Mineral Procurement

In recent years, in addition to legal frameworks such as the U.S.'s Dodd-Frank Wall Street Reform and Consumer Protection Act and the EU's Conflict Minerals Convention, the scope of responsible mineral procurement has been expanding in terms of minerals, regions, and risks. Society demands that companies practice responsible mineral procurement from CSR perspectives against the backdrop of child labor and environmental destruction at mineral mining sites. Sharp's basic policy is to take appropriate

measures to ensure that we are neither complicit in human rights abuses or environmental destruction nor interfering with sound and legitimate local business activities in our supply chain for procuring minerals mined in conflict-affected and high-risk areas.

Based on this basic policy, the Global SER Committee*, chaired by the President, has set responsible mineral procurement as a priority initiative topic, and we have confirmed that a system is in place for investigating the progress of related measures at each major business unit and manufacturing subsidiary based on the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

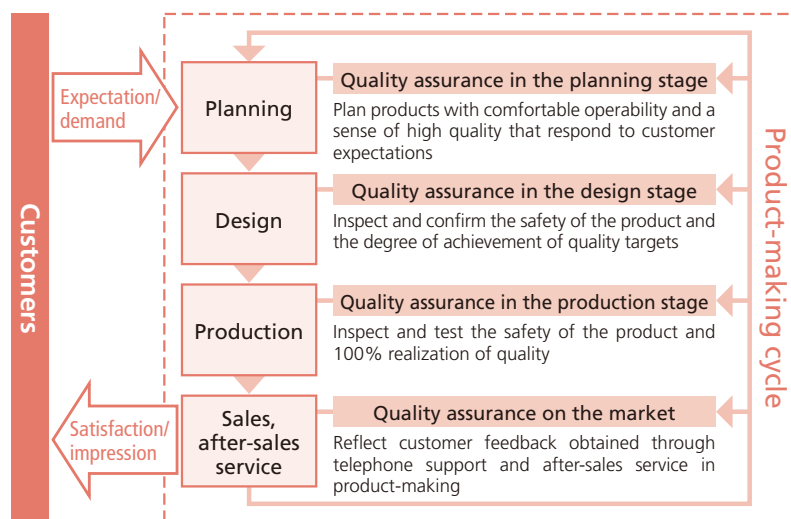
* Please refer to Sustainability, P.8.

Ensuring Quality and Safety

To gain customer trust and improve satisfaction, Sharp responds to customer needs and demands, offering high-quality products and services that are safe, reliable, and environmentally conscious.

Quality Assurance System

Sharp specifies the quality levels we promise to customers, thereby ensuring all employees in every department involved in product planning, design, production, sales, and after-sales service continue to strive for improved quality.



Social Initiatives

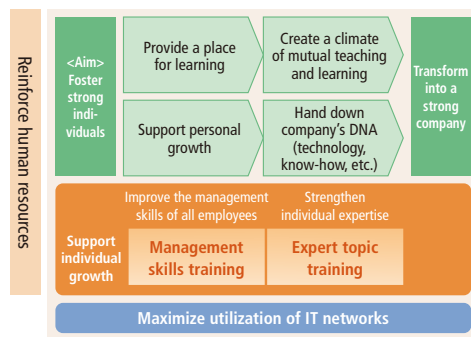
Human Resource Development

Sharp strives create a learning environment in which any individual has access to self-driven learning tools related to both basic and expert knowledge related to their work. In this way, we foster professionals who are well versed in their businesses.

To strengthen individual expertise (technical capabilities), we share technical expertise beyond the boundaries of business and products, passing on technical capabilities to and nurturing younger employees. In addition to technical workshops that focus on specific technical fields and that are practical and related directly to business, we also hold various workshops and seminars, including basic skills improvement seminars for young engineers and device seminars, to introduce advanced devices to employees involved in product development.

We continue to expand topics related to management skills training that teaches basic business knowledge and skills to employees.

We aim to transform into a strong company through human resource development and enhancement to foster strong individuals, creating a climate of mutual teaching and learning through sustained personnel, education, and training systems.



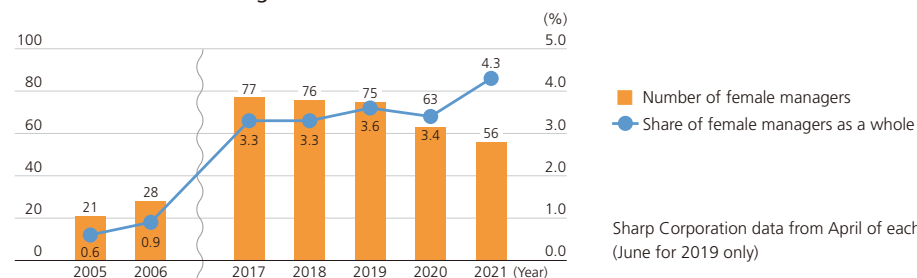
Diversity Management

Sharp's approach to diversity is clearly stated in its Business Philosophy: "It is the intention of our corporation to grow hand-in-hand with our employees, encouraging and aiding them to reach their full potential and improve their standard of living." Through mutual respect of individual employee personalities, we aim to create new value, leading to the proposal of services and development of new lifestyle products that we, alongside our customers, will use to build the stepping stones toward our future.

Diversity management is a human resources strategy for utilizing a diverse range of employees; it is also a business strategy.

For years, Sharp has striven to expand the roles of women in the workplace and promote female employees to managers. In April 2021, the share of women in manager positions was 4.3%, a nearly seven-fold increase compared to the 0.6% share in 2005, the year Sharp launched a program to promote more women to managerial positions.

Number of Female Managers



Ever since Sharp founder Tokuji Hayakawa established the *accumulation of community service* as one of the Five Accumulations of Competency*, Sharp has been actively involved in social service and welfare. As of June 1, 2021, the Sharp Group employed approximately 320 disabled persons. The percentage of disabled employees among all employees was 2.46%, well over the 2.3% rate mandated by law (as stated in the Act on Employment Promotion etc., of Persons with Disabilities).

* Accumulation of trust, accumulation of capital, accumulation of community service, accumulation of human resources, and accumulation of trading partners

Employment Rate of the Disabled in Japan

