| Sustainability

I Environmental

Initiatives

| Social Initiatives

| Message from

Outside Director

| Corporate | Risk Factors

Governance

Sustainability Management

| Members of the Board,

Executives and Chairman

See the following for more information on sustainability.

22

| Sustainability

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, such as our customers, dealers and shareholders. Guided by this spirit, our basic approach to sustainability is to aim for a sustainable development of both Sharp and society, meeting the expectations of society and our stakeholders.

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 sets our medium- to long-term vision as contributing to the achievement of Sustainable Development Goals (SDGs) 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 FY2018, we defined our basic strategy of sustainable management as aiming to contribute to the achievement of the SDGs through "Solving social issues through business and technological innovation" and "Mitigating impacts on society and the environment through sustainable business activities" and have been accelerating our efforts to achieve the medium- to long-term vision.



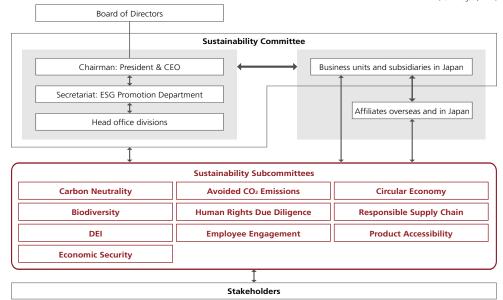
https://global.sharp/corporate/eco/management

To break down these strategies to actionable measures and to manage the progress via the PDCA cycle, Sharp launched the Sustainability Committee. The committee is chaired by the president & CEO, and consists of senior executives, head office divisions (e.g., environment/HR/procurement), business units, and subsidiaries. This committee deliberates and pursues various measures, implements vision and policies, 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.

We established Sustainability Subcommittees on key topics in FY2024, accelerating our efforts.

Organization for Sustainability Management

(As of August, 2025)



Major FY2024 Sustainability Committee Agenda (Held Twice)

- · Company-wide ESG initiative guidelines
- Annual priority measures guidelines and reports on KPI and performance
- Establishment and activity report of the Sustainability Subcommittee
- · Status of carbon neutrality
- Status of circular economy
- Status of DEI
- Status of product accessibility
- Status of employee engagement survey implementation, etc.

| Sustainability

I Environmental

Initiatives

| Social Initiatives

| Message from

Outside Director

| Corporate I Risk Factors

Sustainability Management

Members of the Board,

Executives and Chairman

23

Materiality Issues

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*1. 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 the materiality issues and make efforts 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, and non-financial disclosure standards, such as the UN Global Compact, SDGs, and the RBA vision and mission, in addition to our business philosophy, business creed, and medium-term management policy. We also consider opinions and expectations from various stakeholders, and evaluation results from ESG rating and rating agencies.

Process for Identifying Material Issues

Management Policy and Business Strategy

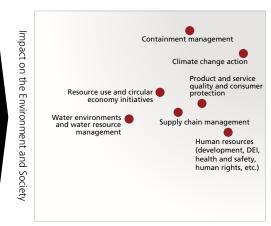
- Business Philosophy and Business Creed • Medium-term Management Policy, etc.

International Guidelines and Principles

- The 10 Principles of the UN Global Compact
- SDGs ISO26000
- ISSB, ESRS, and other disclosure standards
- GRI, SASB, and other disclosure guidelines
- United Nations Universal Declaration of Human Rights
- United Nations Guidance Principles on Business and Human Rights
- RBA Vision & Mission
- Other government guidelines and industry codes of conduct, etc.

Stakeholder Opinions and Expectations

- Feedback and opinions from stakeholders through
- · Survey results from various ESG institutions, etc.



Impact on Corporate Finance

We determine identified materialities as topics to be prioritized at a company-wide level from the perspectives: 1) Impact on the environment and society and 2) Impact on corporate finance.

For priority matters identified, we set targets, goals, KPIs, and action plans for each measure*2. We review the performance and status of these initiatives at the semiannual Sustainability Committee, Sustainability Subcommittees, and other company-wide meetings.

Participation in Initiatives

Sharp conducts corporate management while respecting international guidelines and norms as a member of the global community.

United Nations Global Compact

WE SUPPORT



JaCER (Japan Center for Engagement and Remedy on Business and Human Rights)



RBA (Responsible Business Alliance)

Sharp joined the RBA that pursues social responsibility across the global supply chain, and endorse the RBA vision and

(Responsible Minerals Initiatives)













TNFD (Taskforce on Nature-related Financial Disclosures) Forum



GX League



30by30 Alliance for Biodiversity



RF100



Other Major Initiatives

Keidanren (Japan Business Federation)

JEMA (Japan Electrical Manufacturers' Association)

JEITA (Japan Electronics and Information Technology Industries Association)

JBMIA (Japan Business Machine and Information System Industries Association)

JMC (Japan Machinery Center for Trade and Investment)

JPEA (Japan Photovoltaic Energy Association)

^{*1} 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.

^{*2} See the following for more information on priority initiatives and KPIs, etc. https://global.sharp/corporate/eco/management