



## **Sony Group Statement on UK Modern Slavery Act**

We make this Statement pursuant to Section 54 of the United Kingdom (UK) **Modern Slavery Act 2015** (“Act”) to identify actions we have taken on a Sony Group-wide and global basis during the financial year ending March 31, 2023 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 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, 2023 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 invest significant resources and collaborate 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. We use a risk-based approach that prioritizes 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 (“**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 22 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 located in Japan, China, South Korea, Thailand, Malaysia, and the 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 certain 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 Japan, Asia-Pacific, Europe, and other areas.

See Responsible Supply Chain Section in our Sustainability Report 2023 for more details about our supply chains. This report is available at:

[https://www.sony.com/en/SonyInfo/csr\\_report/](https://www.sony.com/en/SonyInfo/csr_report/).

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

Sony has worked with Business for Social Responsibility (“**BSR**”) since 2012 to conduct group-wide human rights impact assessments to evaluate risks of slavery and human trafficking in our diverse businesses and supply chains. BSR is an independent, non-profit, global organization devoted to building a just and sustainable world.

Using information from the BSR risk assessments, our processes and controls, and from NGO reports, we determined that Sony’s electronics products manufacturing business and its supply chain has a higher risk for potential human rights abuses than other Sony’s business segments or their supply chains.

Sony’s risks of slavery and human trafficking in our own business operations, including our electronics products manufacturing business, have been mitigated by robust employment policies, training, and other controls.

We utilize a risk-based approach and prioritize our group-wide efforts to mitigate our areas of highest risk which is our electronics products manufacturing business and supply chain. These efforts are described 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***

Sony-owned manufacturing sites are operated by Sony employees, service suppliers and on-site contractors. These sites are required to comply with the standards of the Code of Conduct and the Sony Supply Chain Code of Conduct (“**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 2022. The RBA Questionnaire results were reviewed and analyzed internally. All Sony-owned manufacturing sites were deemed to be low risk.

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

***Enhanced Assessments to Determine Labor Conditions for Foreign Workers in Japan.***

In recent years there have been reports that foreign and immigrant workers are at risk of forced labor conditions throughout the world, including in Japan. To mitigate this risk, Sony conducts an assessment of all Sony manufacturing sites located in Japan to determine if the site directly or indirectly employs foreign or immigrant workers. If they do, Sony conducts a survey to determine the actual terms of employment and working conditions for these workers. Since 2020, Sony has also conducted document assessments of on-site subcontractors at a number of manufacturing sites to verify their hiring processes for technical intern trainees in Japan and the countries in which they were hired, as well as the labor conditions of trainees. The results of these surveys and additional document assessments for technical intern trainees show that manufacturing sites in Japan are taking necessary steps to ensure compliance with the labor standards set out in the Supply Chain Code.

***(b) Our Supply Chain***

All new and existing electronics products production suppliers are required to comply with the Supply Chain Code which is described in Section (ii) (a) below. As explained below, assessments and audits to ensure compliance with the Supply Chain Code are an integral part of our supply chain management.

***New Suppliers:*** Sony conducts an initial assessment of all new OEM/ODM suppliers, all new raw materials/parts suppliers, and their manufacturing facilities to determine the suppliers’ risk level. Risk level is based on such factors as the country and region in which they are located, size of business, industry, and type of business.

Higher risk suppliers are subject to additional more comprehensive assessments utilizing a questionnaire developed by RBA. This questionnaire evaluates compliance with the Supply Chain Code, including issues related to forced labor among foreign, migrant and immigrant workers, which has become a serious issue worldwide. Completed questionnaires are analyzed to identify potential risks.

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

Considering growing stakeholder interest in the issue of forced labor in the electronics industry supply chain, Sony strengthened its activities for existing raw materials/parts suppliers. Existing raw materials/parts suppliers, and their manufacturing facilities 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. Higher risk raw materials/parts suppliers must complete an assessment focusing on labor issues. Their responses are analyzed to identify any potential risks.

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 of violating the Supply Chain Code, a remote or on-site assessment is conducted, and employees and managers are interviewed to verify the suspected violation. If the suspected violation is confirmed, we issue guidance as to how to remedy the violation. We then continue to monitor and evaluate the situation to ensure the violation has been remedied as instructed. Sony's policy is to review its business relationship with a supplier if a serious violation of the Supply Chain Code (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) 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, we also 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 they are responsible for employment fees, the site's health and safety conditions, and other relevant issues. Like 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 2022, we conducted a total of 406 document-based assessments using the RBA questionnaire for new and existing supplier plants. We also conducted remote/on-site assessments and interviews at 64 plants. The results of these assessments are as follows:

- The 406 document-based assessments identified 75 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 64 supplier plants suspected to be in violation, pointing out issues and issuing instructions for improvement. In either case, suppliers are asked to 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 19 supplier plants in Japan. We interviewed technical intern trainees to check both working and living conditions, as well as for the payment of brokerage fees to agencies in their home countries.
- There was no definitive evidence of forced labor identified at any of the Japanese domestic or overseas suppliers assessed in 2022. However, we did identify areas of noncompliance with the Supply Chain Code, such as confiscation of passports belonging to foreign workers and employees working more than 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 112 in our Sustainability Report 2023 available at:

[https://www.sony.com/en/SonyInfo/csr\\_report/](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](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 businesses as low, Sony is committed to enhancing Sony Group's responsible supply chain activities in the entertainment industry and has been working to strengthen its supplier program standards for human rights, ethical business practices, safety and environment in our recorded music, motion pictures and television businesses.

Sony Pictures Entertainment established the Code of Conduct for Suppliers to Sony Pictures Entertainment Inc. and Sony Music Entertainment established its Supplier Code of Conduct. These supplier codes of conduct are based on principles similar to those of the Supply Chain Code. We are working to raise awareness of these codes in our entertainment supply chains.

The Code of Conduct for Suppliers to Sony Pictures Entertainment Inc. is available at:

<https://supplier.sonypictures.com/codeofconduct.php>.

The Sony Music Entertainment Supplier Code of Conduct is available at:

<https://supplier.sonymusic.com/>.

***Responsible Sourcing of Minerals:*** As part of its commitment to avoid contributing to environmental concerns, conflicts, 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 115 in our Sustainability Report 2023 available at:  
[https://www.sony.com/en/SonyInfo/csr\\_report/](https://www.sony.com/en/SonyInfo/csr_report/).

***Contract Terms for Electronics Products Suppliers:*** Compliance with the Supply Chain Code is included in contracts signed when Sony begins doing business with electronics products 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 declaration of compliance from them.

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.

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 to Sony through the primary supplier. 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 by indirect suppliers through our direct suppliers.

**(b) *Internal Leadership***

Sony’s Sustainability Department in cooperation with Compliance Section at the head



office takes the lead in promoting efforts toward a responsible supply chain in cooperation with procurement and other relevant functions at the corporate head office and within the various business units.

The Sustainability Department is led by the Senior Executive in charge of Sustainability. The Sustainability Department 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 management in each relevant business unit responsible for overall operational compliance within the business unit, including compliance with the Supply Chain Code, risk assessments, regular monitoring and remedial measures. The Administrative office is responsible for overall compliance for suppliers.

The Sustainability Department 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 of being 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 its work to address human rights impacts through its Responsible Supply Chain section in our Sustainability Report 2023 at:

[https://www.sony.com/en/SonyInfo/csr\\_report/](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 which is

available in different local languages 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 112 in our Sustainability Report 2023 available at:

[https://www.sony.com/en/SonyInfo/csr\\_report/](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 Sony's commitment to its core ethical values and 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.

In fiscal year 2022, we conducted training for all raw material/parts procurement personnel to enable for them to better understand Sony Group initiatives aimed at achieving a responsible supply chain. This training included explanations on the requirements of the Supply Chain Code and Sony's procurement initiatives. We also implemented training and other cross collaboration initiatives designed to improve procurement personnel knowledge and awareness and promote internal communications and discussions between procurement personnel within Sony regarding sustainable procurement.

#### **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.

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

Shiro Kambe  
Senior Executive Vice President  
Corporate Executive Officer  
Officer in charge of Legal, Compliance and Sustainability  
September 2023

## Annex

- AWAL Digital Limited
- Bad Wolf LTD
- Black Butter Limited
- Bleeding Fingers Inc.
- Broccoli Content Limited
- Columbia Pictures Corporation Limited
- Crunchyroll, LLC
- CP Film Productions Limited
- Eleven Film Ltd
- Essential Music & Marketing Limited (t/a The Orchard)
- Extreme Music Library Limited
- FIRESPRITE LIMITED
- Hawk-Eye Innovations Limited
- Kontraband Limited
- K.P.M. Music Limited
- LBP TV Limited
- LBPTV2 Limited
- LBP The Crown 6 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
- 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 DIRECT EUROPE LIMITED
- 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
- Starco TV 4 Ltd
- The Orchard, EU Limited
- Whisper Films Limited
- Whoniverse Limited