# **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 for each of our suppliers' plants on a regular basis in accordance with the RBA Self-Assessment Questionnaire. We also provide feedback on assessment results and ask suppliers with plants that scored low in any area to submit improvement plans. In this way, we work to enhance CSR initiatives. In fiscal 2022, we conducted CSR/green procurement surveys at 409 bases of 93 companies in Japan\*.

We will continue to strengthen our CSR efforts throughout the supply chain, aiming to build a globally responsible supply chain.

\* Information pertaining to the evaluation distribution status of CSR/green procurement surveys can be found on the following website. https://global.sharp/corporate/eco/social/procurement/#anc02

## Human Rights Due Diligence Initiatives for the Supply Chain

In recent years, expectations and demands related to supply chain due diligence initiatives have been increasing in light of the emergence of human rights and environmental risks in the global supply chain, as well as the strengthening of related laws, regulations, and import/export restrictions in various countries.

Sharp joined the RBA officially in December 2021. We are now strengthening related initiatives while utilizing RBA tools and mechanisms. One such initiative is our use of the RBA e-learning Academy. The academy has been providing employees with a deeper understanding of international CSR standards since February 2022.

We also assess the risk of human rights violations through the aforementioned CSR/green procurement surveys. 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 a problem such as a human rights violation is identified, we will immediately take the necessary corrective and relief measures in consultation with our suppliers based on our agreement. If no improvement is expected, we will take strict measures including suspending transactions.

Sharp is also working to strengthen our grievance-handling mechanism. We established the Crystal Hotline, our whistleblowing contact desk, on our external website to receive reports from suppliers and other stakeholders. In October 2022, we joined the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER) to establish a mechanism that enables a wide range of stakeholders in the global supply chain to file human rights grievances in both Japanese and English.

**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.

See the following for more information on CSR procurement.

https://global.sharp/corporate/eco/social/procurement/ See the following for more information on quality.

https://global.sharp/corporate/eco/social/customer\_satisfaction/

Under this basic policy, we established an investigation system at each of our major business units and manufacturing subsidiaries. Through our membership in industry associations such as the Responsible Minerals Initiative (RMI) and Japan Electronics and Information Technology Industries Association (JEITA), we monitor the latest global trends and pursue relevant measures based on the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

Furthermore, the Sustainability Committee\*, chaired by the Representative President and CEO, designates responsible mineral procurement as a key theme for initiatives and monitors the progress of related measures.

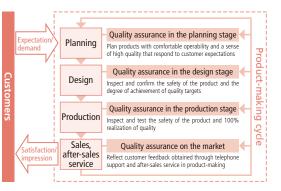
\* Please refer to P.9.

## **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.

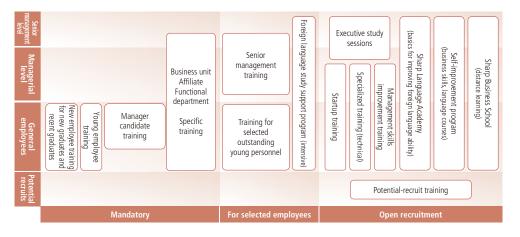


# Social Initiatives

## **Human Resource Development**

Sharp conducts a variety of human resources development programs aimed to improve quality and expand the breadth of the abilities of each employee. Through these programs, we nurture young employees, develop the next generation of leaders, raise the skill level of each employee, and implement other measures for improvement.

We provide various training programs for employees in accordance with their stage of growth, such as training by job level, to equip them with the knowledge, skills, and mindset necessary for each milestone. Other training includes management training to develop management personnel who will lead the future company. In fiscal 2022, Sharp began offering courses for young talented managers to develop our next-generation leaders. These courses hone in on the qualities necessary to become management executives. We also held new business proposal meetings to foster the mindset of creating new businesses.



We strive to cultivate an environment in which employees can pursue independent learning whenever and wherever they are, in order to build up the basic business knowledge and expertise that they need as professionals. For example, we offer various types of study content, such as management skills training for employees to acquire basic business knowledge and skills that all employees should know. Contents also include technology seminars to teach the basics of technology, mainly aimed at young engineers.

In addition to group training, Sharp provides an e-learning environment for management skills improvement training and study sessions to actively support employee self-development and growth.

Through these initiatives, Sharp aims to create a climate of mutual teaching and learning through sustained personnel, education, and training systems, transforming into a strong company.



See the following for more on human resources development, diversity management, work-life balance, and other related information and indicators. https://global.sharp/corporate/eco/social/

#### **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.

The Sharp Code of Conduct states, "In any corporate activities, including employment practices such as hiring, payment, promotion, opportunities for training and the like, we do not take any action that constitutes discrimination based on nationality, race, ethnic group, color, sex, physical health, pregnancy, sexual orientation, age, marital status, religion, creed, social status, birth, property, bodily feature, physical or mental disability, political opinion, and the like," and that, "We will actively take part in efforts to enhance the work environment where employees with diverse characteristics can fully demonstrate their abilities." This is what Sharp is actively working towards, giving individual consideration based on need.

#### Number of Female Managers

#### Employment Rate of the Disabled in Japan



### **Work-Life Balance Initiatives**

Creating a workplace that fosters job satisfaction is a foundation for promoting diversity. As such, we expand and encourage the use of systems that help employees balance work with childcare, nursing care, and medical treatment to provide them with a good work-life balance. We offer childcare support and encourage employees' continuous participation in childcare. Many Sharp employees, both male and female, use leave, vacation, and other systems for childcare.

Sharp also implements No Overtime Days and encourages employees to plan for and use annual paid leave to establish an efficient and balanced work style for all employees.