SHARP

2026 Sustainability Report

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Editorial Policy / Disclosure System

Editorial Policy / Disclosure System

Policy on Information Disclosure

The Sharp Sustainability Report 2026 discloses information on initiatives that contribute to realization of a sustainable society as a tool for disclosing non-financial information (ESG information).

Non-Financial Information (ESG Information Sustainability)

Sustainability

Sustainability Report (this report)

- Sustainability Report
- Green Procurement
- CSR Procurement
- For Suppliers
- Recycling Related Information
- Environmental Information on Products

etc.

> Sustainability

ESG information (excerpt)

Financial/Non-Financial Information Investor Relations

Investor Relations

Annual Report (Integrated Report)

- Annual Report (Integrated Report)
- Consolidated Financial Results
- Fact Book
- Corporate Governance

etc.

> Investor Relations

Period Covered

Fiscal 2025 (April 2025 to March 2026)

However, some actual facts prior to and after this period, as well as subsequent policies, objectives, and plans, are also included.

Coverage

Sharp Corporation, along with its domestic and overseas subsidiaries and affiliates.

Referenced Guidelines

GRI Sustainability Reporting Standards (GRI Standards), Global Reporting Initiative (GRI)

Environmental Reporting Guidelines 2018, Ministry of the Environment, Japan

Content indexes between this report and the following guidelines and principles are disclosed on Sharp's official website together with related information.

> GRI Standards Content Index
> SASB Standards Index
> United Nations Global Compact Content Index
> ISO2600 Content Index

Environmental and Social Activities Performance Data

We share detailed environmental data on greenhouse gases, waste, and water and social activities data on percentage of female managers, OHS-related data, and more on the Sharp Corporation website.

> Environmental and Social Activities Performance Data

Scheduled Publication Date for Next Report

September 2027 (published annually since 1999)

Inquiries

ESG Promotion Department, Management Planning Division, Sharp Corporation

ssr-info@sharp.co.jp

Company Information

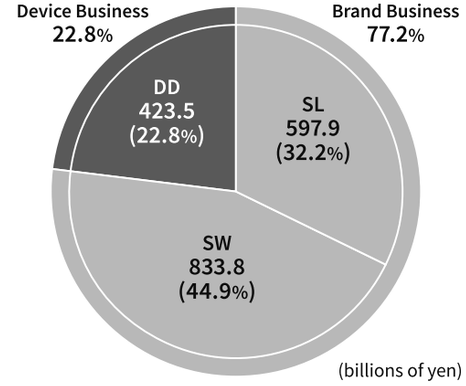
Company Information

Company name	Sharp Corporation
Head office	2-1-25, Kyutaromachi, Chuo-ku, Osaka City, Osaka 541-8522, Japan
Tel	+81-6-6271-1912
Management representatives	Po-Hsuan Wu, Executive Deputy Chairman Tetsuji Kawamura, President Chief Executive Officer
Business activities	Mainly manufacturing and sales of telecommunications equipment, electric and electronic equipment, and electronic components
Founding	September 15, 1912
Origin of company name	Founder Tokuji Hayakawa continued to research and improve the techniques for making metal writing instruments, and in 1915, he invented a mechanical pencil that, after further improvements, would take the world by storm. In 1916, Mr. Hayakawa's mechanical pencil was named the "Ever-Ready Sharp Pencil." The present name of the company and its trademark are derived from that product.
Incorporation	In May 1935, the structure of the company was modified to become a joint-stock corporation under the name Hayakawa Metal Works Institute Co. (capitalization: 300,000 yen)
Capital Stock	Capital Stock: 5.05 billion yen (as of March 31, 2026)
Sales	1,892,811 million yen (consolidated) 49,692 million yen (non-consolidated) (the year ended March 31, 2026)
Employees	Consolidated: 34,549 Japan: 14,657 (Sharp Corporation 5,553; affiliated companies 9,104) Overseas: 19,892 (consolidated) (as of March 31, 2026)

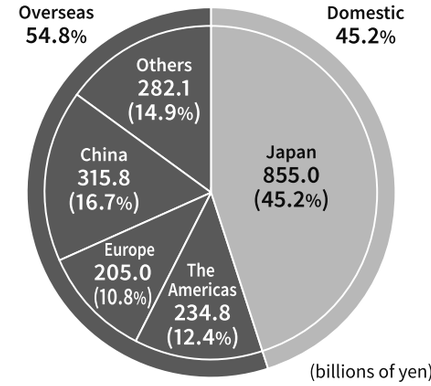
Main Products/Services (As of March 31, 2026)

Segment		Main Products/Services
Brand Business	Smart Life (SL)	Refrigerators, superheated steam ovens, microwave ovens, small cooking appliances, air conditioners, washing machines, vacuum cleaners, air purifiers, fans, dehumidifiers, electric heating equipment, Plasmacluster ion generators, beauty equipment, LED lighting, calculators, telephones, network control units, solar cells, storage batteries, masks, sensor modules, optical sensors, optoelectronic devices, CMOS image sensors, etc.
	Smart Workplace (SW)	Multifunction printers, information displays, business projectors, POS system equipment, FA equipment, various options/consumables, office solutions, mobile phones, smartphones, tablet devices, routers, in-vehicle wireless devices, various software, personal computers, etc.
Device Business	Display Device (DD)	Display modules, in-vehicle cameras, etc.

FY2025 Sales by Segment



FY2025 Sales by Region



Related Information: > Sharp at Glance

Company Information

Main Consolidated Subsidiaries (as of March 31, 2026)

Japan

Sharp Energy Solutions Corporation
Sharp Marketing Japan Corporation
Sharp Display Manufacturing Corporation
Sharp Support & Service Corporation
Sharp One Stop Service Corporation
Dynabook Inc.
Sharp Semiconductor Innovation Corporation
Sharp Display Technology Corporation
Sharp Display Color Filter Corporation
Synapse Innovation Inc.

Main Overseas Production Bases

Asia

SMTL Nakornpathom, Thailand
Main product: MFPs

SATL Chachoengsao, Thailand
Main product: Home appliances

SPC Manila, Philippines
Main product: Home appliances

SEID Karawang, Indonesia
Main product: Home appliances, TVs

SMV Ho Chi Minh City, Vietnam
Main product: Air purifiers, electronic components

China

NSEC Nanjing, China
Main product: TVs

WSEC Wuxi, China
Main product: Electronic components

SOCC Changshu, China
Main product: MFPs

SSEC Shanghai, China
Main product: Home appliances

DBH Hangzhou, China
Main product: PCs

Europe

SCEP Torun, Poland
Main product: TVs

SUKM *1 Wrexham, U.K
Main product: Microwave ovens

Americas

SMCA *2 Memphis, U.S.
Main product: Microwave ovens

*1 SUKM is a business unit of Sharp Electronics (Europe) Limited (SEE), which oversees Sharp business in Europe.
*2 SMCA is the consumer products division of Sharp Electronics Corporation (SEC), Sharp's U.S. sales subsidiary.

Philosophy, Policy and Management

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Business Philosophy and Business Creed

We will continue to fulfill our social responsibility through our business activities

Business Philosophy

We do not seek merely to expand our business volume. Rather, we are dedicated to the use of our unique, innovative technology to contribute to the culture, benefits and welfare of people throughout the world.

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.

Our future prosperity is directly linked to the prosperity of our customers, dealers and shareholders ...indeed, the entire Sharp family.

Business Creed

Sharp Corporation is dedicated to two principal ideals:

"Sincerity and Creativity"

By committing ourselves to these ideals, we can derive genuine satisfaction from our work, while making a meaningful contribution to society.

Sincerity is a virtue fundamental to humanity ... always be sincere.

Harmony brings strength ... trust each other and work together.

Politeness is a merit ... always be courteous and respectful.

Creativity promotes progress ... remain constantly aware of the need to innovate and improve.

Courage is the basis of a rewarding life ... accept every challenge with a positive attitude.

Sharp's business philosophy and creed, established in 1973, reflect founder Tokuji Hayakawa's vision of contributing to society and earning its trust. In his vision, the company achieves this through innovative technologies and manufacturing, being the first to create products that meet the needs of a new era. This spirit has been carried forward for over a century, passed down through every generation since Sharp's founding.
The business philosophy represents the image that Sharp aims to present. As stated in the words "contributing to the culture, benefits and welfare of people throughout the world," we have always strived for mutual prosperity with society and stakeholders, ever since our founding. This philosophy is the foundation of corporate sustainability today.

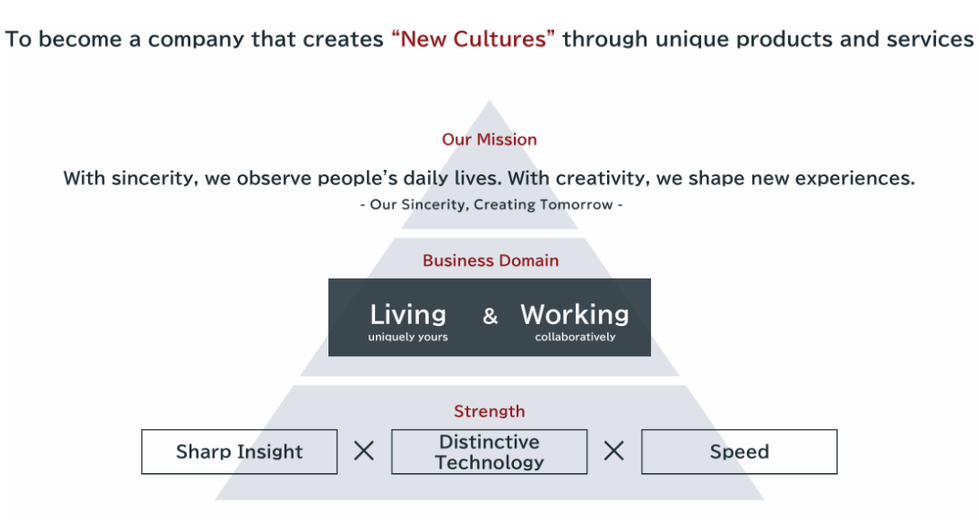
The business creed represents the beliefs and attitudes that all employees must hold fast to in order to realize the business philosophy. We are dedicated to the two principal ideals of "Sincerity and Creativity." These ideals, which form the foundation of Sharp, involve thoroughly maintaining a customer's perspective and bringing forth inventive products.
We will remain committed to fulfilling our social responsibility and to being a company that is known and trusted throughout society through business activities that abide by our business philosophy and business creed.

Corporate Slogan

Striving to create value unique to Sharp and that is true to Sharp's founding spirit

Sharp's corporate slogan, "In step with your future." expresses the value unique to Sharp that we deliver to all stakeholders in line with the direction we aim to pursue as a company.

Our Direction



Specifically, this slogan embodies our desire to sincerely engage with people's daily lives, to stay "in step" with their everyday difficulties and challenges, and then to apply our creativity to remain half a step ahead of people in anticipating their needs in order to deliver them new experiences that bring surprise and joy. The phrase "in step with" also captures our approach as a company to find just the right distance—not too far, not too close—at which to support people. We have also created a statement that formalizes the thinking underlying this slogan.
Under this slogan, we at Sharp aim to be a company that not only brings innovation to people's lives and work but also creates new culture through the products and services we are continuously creating.

corporate slogan and statement

SHARP

In step with your future.

It's not the big occasions that Sharp focuses on,
but rather the ordinary days.
Why? Because it's the ordinary days that shape our lives.
In those nameless days,
lie our most honest feelings, our long-held hopes,
the quiet dreams held deep in our hearts.

We anticipate and exceed–
beyond your expectations yet in harmony with your desires.
You might say we strive to stay in step with you.
As we move forward together,
we are close enough to truly listen,
to understand and fulfill your future needs.

From the moment you wake in the morning,
until the time you go to bed at night,
you'll find Sharp right there by your side.
That's why we aspire to play an integral role in all aspects of daily life,
both at home and at work, in step with you,
leading onward to the future.
Leaving no one behind.

Message from the President & CEO

My name is Tetsuji Kawamura, and I was appointed president & chief executive officer of Sharp Corporation on April 1, 2026.

Since our founding, guided by the words of our founder, Tokuji Hayakawa—"Make products that others want to imitate"—Sharp has anticipated changes in the way people live and work and has created new value. Through my many years of involvement in overseas and B2B businesses, I have learned the importance of understanding diverse values and connecting technology with business. My mission as president is to lead Sharp to the next stage and maximize corporate value. To that end, I will move quickly to turn new business ideas into reality, expand the Sharp brand globally, and actively communicate our business direction.

In 2025, we introduced a new corporate slogan: "In step with your future." It embodies our commitment to being people-oriented and anticipating and fulfilling needs that people have yet to put into words. Looking ahead, technologies such as AI, next-generation communications, robotics, mobility, and energy will significantly transform the way we live and work. At Sharp, we will integrate AI into all areas of how people live and work—making life more convenient, secure, and comfortable for each person.

Human capital is the most critical foundation supporting our renewed growth. I believe that building an organization where a diverse workforce can maximize its potential will lead to continuous growth in corporate value. In its medium-term management plan, Sharp has committed to expanding investment in people and is working to develop and recruit AI- and digital-savvy talent, global talent, and next-generation leaders. Going forward, through reskilling, job-level-specific training, selective leadership development programs, and new business proposal initiatives, we will foster an environment where every employee can take the initiative to learn, take on challenges, and grow.

Sustainability is the foundation for achieving both business growth and the creation of social value; it is the very bedrock of our management. In addition to addressing environmental issues such as climate change and resource circulation, we are advancing initiatives on key themes including respect for human rights, the establishment of responsible supply chains, and thorough compliance.

On the environmental front in particular, we will accelerate the reduction of environmental impacts associated with our business activities while making further environmental contributions through our products and services, with the aim of realizing our long-term environmental vision, Sharp Eco Vision 2050.

Regarding non-financial disclosure, with a view to complying with the SSBJ (Sustainability Standards Board of Japan) standards, we will establish a framework for appropriately disclosing information on sustainability-related risks and opportunities, governance, strategies, risk management, and metrics and targets. We will also respond appropriately to international disclosure requirements, including the European CSRD (Corporate Sustainability Reporting Directive), and strive to provide highly transparent and reliable information.

In advancing this sustainability-oriented management, we regard respecting international norms and principles and putting them into practice as a fundamental part of our corporate philosophy. We support the 10 principles on human rights, labor, the environment, and anti-corruption set forth by the United Nations Global Compact and strive to uphold them throughout all business activities.

While carrying on our founding spirit and guided by our new slogan of "In step with your future." we will deliver new products and services to customers around the world. In doing so, we aim to grow continuously together with society.

September 2026

President & CEO
Tetsuji Kawamura

Management: Sustainability Management

Sharp's Sustainability Policy

Basic Philosophy on Sustainability

It has been our business philosophy since our founding to "contribute to the culture, benefits and welfare of people throughout the world," "to grow hand-in-hand with our employees, encouraging and aiding them to reach their full potential and improve their standard of living," and to understand that "our future prosperity is directly linked to the prosperity of our customers, dealers and shareholders." Based on this business philosophy, we have continued to meet the expectations and requirements of society and our stakeholders, and these aspirations for sustained mutual growth of the company and society are maintained as our basic philosophy on sustainability.

Related information: > Business Philosophy and Business Creed

Sharp Group Charter of Corporate Behavior and the Sharp Code of Conduct

To concretize our business philosophy and business creed, we have set out the Sharp Group Charter of Corporate Behavior to serve as the principles of behavior for Sharp Group companies, and the Sharp Code of Conduct to serve as a standard for all directors and employees. We work to ensure that these guidelines permeate the Group as fundamental sustainability policies, and that the Group takes appropriate and sincere action in all of its business endeavors with a high ethical standard and full compliance with the law.

Resolutions regarding the adoption of the Sharp Group Charter of Corporate Behavior and the Sharp Code of Conduct are issued by the boards of directors of Sharp Corporation and its main subsidiaries and affiliate companies in Japan and overseas. At overseas subsidiaries and affiliates, these documents are translated into local languages so that employees can fully understand and comply with them.

The content of the Sharp Group Charter of Corporate Behavior and the Sharp Code of Conduct is reviewed each year to determine if revisions need to be made.

Related information: > Sharp Group Charter of Corporate Behavior
Sharp Code of Conduct

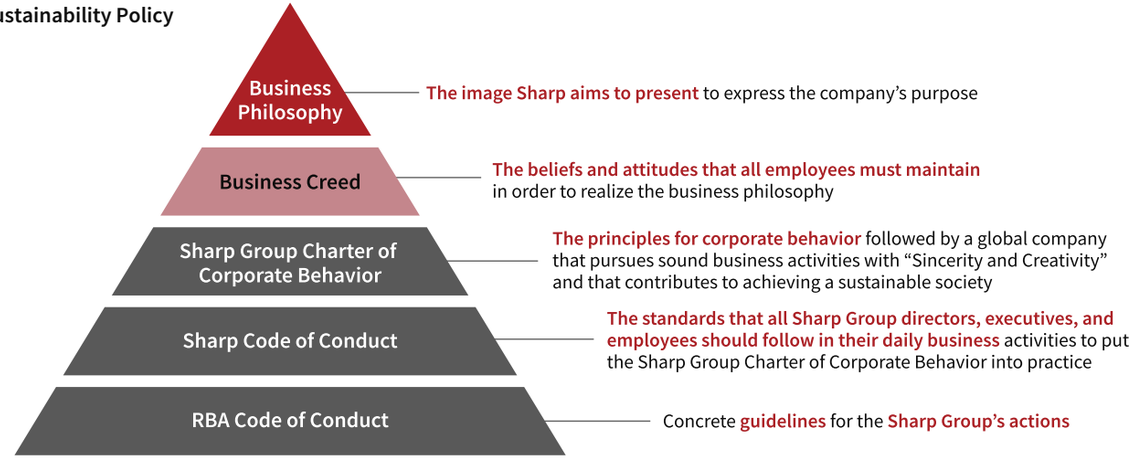
Participation in the RBA

In December 2021, we joined the Responsible Business Alliance (RBA) to further fulfill our social responsibility in our global supply chain in line with international standards.

The Sharp Group shares the RBA's vision and mission group-wide, and uses the RBA Code of Conduct, formulated by the RBA, as a concrete guideline for its own efforts to identify and address risks at its, and its suppliers', factories.

Related information: > Responsible Business Alliance RBA Code of Conduct

System for Sustainability Policy



I. Practice of fair and open management II. Enhancement of customer satisfaction
III. Disclosure of relevant information, protection and security of information
IV. Contribution to conservation of the global environment
V. Sound, equitable economic activities
VI. Respect for human rights VII. Creating a safe, fair, motivating work environment
VIII. Harmony with the community IX. Implementation of the Sharp Code of Conduct

Management: Sustainability Management

Sharp's Sustainability Policy

Ensuring Adherence to the Sharp Code of Conduct

To deepen understanding of the Sharp Code of Conduct and ensure that all executives and employees act in accordance with it, compliance-related e-learning based on the Sharp Code of Conduct is held every year in Japan.

In fiscal 2025, this training was open to 16,751 employees, including those at Sharp Corporation, subsidiaries in Japan, and the labor union, with 16,482 taking part (98.4% participation rate). The training covered a range of areas: conducting business activities in line with the Sharp Code of Conduct, raising awareness of the whistleblowing system, business and human rights, compliance, information security, customer satisfaction, and product safety. We also spread knowledge about the Sharp Code of Conduct at overseas bases. This included distributing e-learning materials as part of efforts to ensure understanding globally at Sharp.

The compliance training will continue to be held and expanded in content with the goal of ensuring that employees have a better understanding of compliance and fostering awareness for potential problems and ways to prevent them. The training is held as an in-house measure based on the Basic Policy for Internal Control. Training results are reported to the Internal Control Committee, which is chaired by the president & CEO, and to the Board of Directors.

Education on Sustainability for Employees

We provide annual e-learning courses on ESG for all employees of group companies in Japan. The aim is to ensure that each and every employee understands sustainability as their own responsibility and incorporates it into their daily work.

In fiscal 2025, we expanded the program to include topics such as carbon neutrality, circular economy, biodiversity, DEI, and LGBTQ+ issues, in addition to fundamental themes like the Sharp Group's sustainability basic strategy. The program was open to 17,908 employees, including those at Sharp Corporation, subsidiaries in Japan, and the labor union, with 14,552 completing the course (81.3% participation rate).

Following the training, we conducted a test and questionnaire to gauge how well the participants understood the program. In the questionnaire, 76.8% of employees responded that they "always consider ESG in their daily work" or "sometimes consider ESG in their daily work." Both the participation rate and the percentage of people giving these responses have increased over the previous year, indicating that the concept of sustainability is becoming more deeply ingrained within the company.

To support this broader understanding of sustainability within the company, we publish a monthly ESG newsletter on our intranet. It presents a wide range of ESG and sustainability-related topics in an easy-to-understand format. By combining e-learning opportunities with regular information sharing, we aim to promote understanding and encourage employees to put that understanding into action.

We will continue to provide education on sustainability while expanding opportunities and topics to ensure the concept of sustainability is ingrained companywide.

Management: Sustainability Management

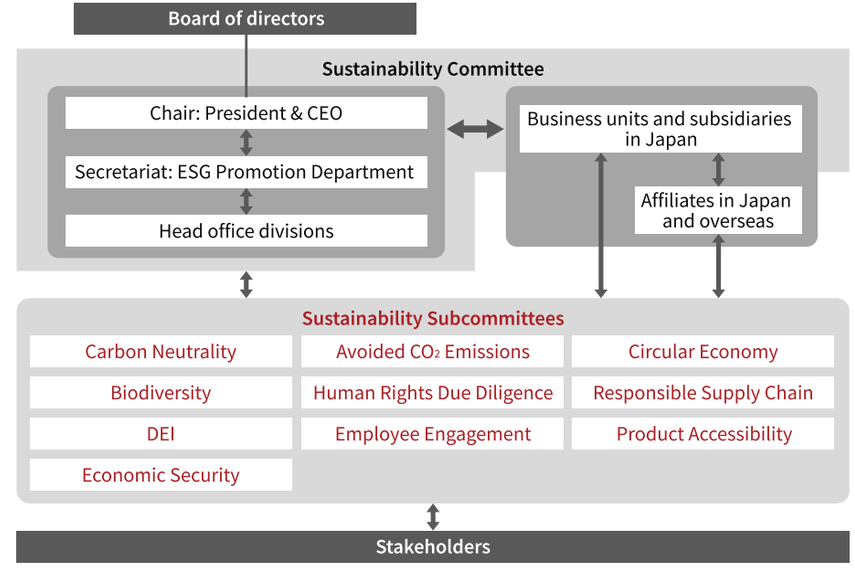
Sustainability Strategy and Implementation System

In line with our basic philosophy towards sustainability, we have positioned our role to contribute to the achievement of the Sustainable Development Goals (SDGs)—adopted by the UN in September 2015 with major expectations placed on corporations—in our medium-to long-term vision, and are moving forward with those efforts.
In fiscal 2018, to accelerate efforts toward this medium-to long-term vision, we established a fundamental strategy of proceeding with a sustainable management approach aimed at achieving the SDGs. The strategy takes a two-pronged approach: creating solutions to social problems through business and technological innovation, and reducing social and environmental impact through sustainable business activities.
Through these efforts, we aim to solve the various social issues facing us today, such as realizing a low-carbon world, solving medical and nursing care problems, eliminating labor shortages, and realizing a diverse range of lifestyles. In the process, we will create value that is uniquely Sharp while being committed to our founding spirit set down in our business philosophy and business creed.

Fundamental Strategy of Sustainable Management

To execute these strategies and manage them in a PDCA cycle, we launched the Sustainability Committee, which is chaired by the president & CEO of Sharp and comprises members of top management, head office divisions such as environment, personnel, and procurement, business units, and subsidiaries. The committee ingrains policies and visions into the Sharp Group, discusses crucial measures, shares the latest trends in social issues, and reports important policies and decisions to the Board of Directors. To accelerate its efforts, we set up sustainability subcommittees in fiscal 2024, each focused on specific sustainability issues.
We will continue to step up efforts in the SDGs and ESG and improve our ESG rating, while at the same time building a solid management foundation to support sustained growth and contributing to the realization of a sustainable society.

Organization for Sustainability Management (As of September 2026)



Management: Sustainability Management

Participating in Various Initiatives

As a member of the global community, we conduct business in a way that respects international guidelines and norms.

United Nations Global Compact

We became a signatory to the United Nations Global Compact in September 2009.
We carry out measures in line with the Global Compact's 10 principles in the four areas of human rights, labor, the environment, and anti-corruption.

Related information: > United Nations Global Compact

RBA (Responsible Business Alliance)

In December 2021, we joined the RBA, an alliance of companies that pursues social responsibility across the global supply chain.
We endorse the RBA vision and mission.

Related information: > Responsible Business Alliance

RMI (Responsible Minerals Initiative)

Since December 2021, we have been a member of the RMI, an international initiative for the responsible sourcing of minerals.
We actively pursue due diligence in our procurement of minerals.

Related information: > Responsible Minerals Initiatives

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

In October 2022, we joined JaCER, which provides a platform for addressing grievances in accordance with the United Nations Guiding Principles on Business and Human Rights, and are working to establish mechanisms for addressing grievances within the global supply chain.

Related information: > JaCER

Other groups we are a member of:

- Keidanren (Japan Business Federation)
- JEMA (Japan Electrical Manufacturers' Association)
- JEITA (Japan Electronics and Information Technology Industries Association): CSR Committee, Responsible Minerals Trade Working Group, etc.
- JBMIA (Japan Business Machine and Information System Industries Association): Responsible Corporate Behavior Committee, etc.
- JMC (Japan Machinery Center for Trade and Investment)
- JPEA (Japan Photovoltaic Energy Association): CSR Working Group, etc.

Management: Sustainability Management

Participating in Various Initiatives

As a member of the global community, we conduct business in way that respects international guidelines and norms.

TCFD (Task Force on Climate-related Financial Disclosures)

In August 2022, we declared our support for the TCFD recommendations. We are expanding and improving the disclosure of information related to climate change, in accordance with the framework set by the TCFD.

Related information: > TCFD

RE100

In February 2025, we joined the RE100, a global initiative that aims to have businesses use 100% renewable energy in their operations. We will push forward with the use of renewable energy and contribute to a low-carbon economy.

Related information: > RE100

SBTi (Science Based Targets Initiative)

In March 2024, we were certified for SBT 1.5°C. This was a recognition that our targets for reducing greenhouse gas emissions are based on science and conform with the Paris Agreement. In May 2026, we updated these targets to more ambitious ones aligned with our decarbonization plan.

Related information: > SBTi

GX Future Consortium

In April 2026, we joined the GX Future Consortium. By collaborating with a diverse range of stakeholders, we are working to create demand and ensure smooth financing for green transformation (GX), helping to achieve a virtuous cycle of decarbonization and economic growth.

Related information: > GX Future Consortium

Industry-Government-Academia Partnership on Circular Economy

In December 2023, we joined the Industry-Government-Academia Partnership on Circular Economy (Circular Partners), which is organized by the Japanese Ministry of Economy, Trade and Industry. Our aim is to deepen collaboration between industry, government, and academia that will lead to the realization of a circular economy.

Related information: > Circular Partners

TNFD (Taskforce on Nature-related Financial Disclosures) Forum

In August 2024, we joined the TNFD Forum in support of the TNFD's mission and actions. In March 2026, we registered as a TNFD Adopter, declaring our commitment to disclosures in accordance with the TNFD framework. We will further expand our disclosure of nature-related information.

Related information: > TNFD Forum

30by30 Alliance for Biodiversity

In June 2024, we joined the 30by30 Alliance for Biodiversity organized by the Japanese Ministry of the Environment. The aim is to help achieve the 30by30 goals by expanding efforts to conserve biodiversity and realize a sustainable society through our business activities and environmental and community service activities.

Related information: > 30by30 Alliance for Biodiversity

Management: Material Issues

Identifying and Monitoring Material Issues

A succession of international long-term goals that seek solutions for social issues at the global level, such as the SDGs and the Paris Agreement*, have been announced, and there is a growing interest in human rights issues such as forced labor in global supply chains. As such, expectations continue to grow for companies to put forth an effort to address these goals and issues.

Against this backdrop, we are identifying material issues for the sake of sustainable management with a view to solving global-level social issues and achieving medium-to long-term growth for the Sharp Group.

In identifying material issues, we took into account our business philosophy, business creed, and medium-term management policy. We also considered international guidelines and principles such as the UN Global Compact, the SDGs, and the RBA vision and mission, as well as international non-financial disclosure standards such as the GRI (Global Reporting Initiative), SASB (Sustainability Accounting Standards Board), ISSB (International Sustainability Standards Board), and ESRS (European Sustainability Reporting Standards).

We also considered the opinions and expectations of various stakeholders and the results of assessments by ESG research and rating institutions. The material issues uncovered were used to identify priority topics to be addressed company-wide from the two standpoints of "magnitude of impact on the environment and society" and "magnitude of impact on corporate finances."

For the priority topics identified, measure-specific targets, goals, KPIs, and action plans are established. The implementation and results of these are reviewed at the twice-a-year meetings of the Sustainability Committee and the sustainability subcommittees, as well as at other meetings company-wide.

Furthermore, we continuously review the appropriateness of our material issues in light of changes in the social and business environment, as well as the expectations and requests of our stakeholders. Currently, we are reviewing our material issues in light of the external environment surrounding sustainability and changes in the Sharp Group's business strategy, and we will continue to appropriately update them as needed.

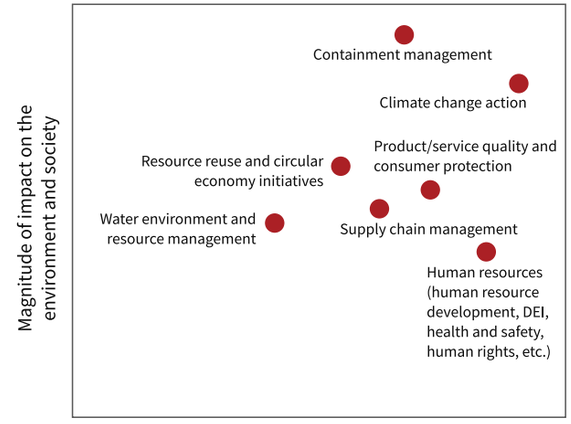
*An international framework for the prevention of global warming agreed on at the 21st yearly session of the Conference of the Parties to the 1992 United Nations Framework Convention on Climate Change (COP21), held in Paris in 2015. The agreement was to hold the increase in the global average temperature to well below 2°C above pre-industrial levels.

Process for Identifying Material Issues

Management policy, business strategy
- Business philosophy • Business creed
- Medium-term management policy, others

International guidelines and standards
- UN Global Compact's 10 principles • SDGs • ISO 26000
- Disclosure standards like the ISSB and ESRS
- Disclosure guidelines like the GRI and SASB
- Universal Declaration of Human Rights
- UN Guiding Principles on Business and Human Rights
- RBA Vision and Mission • Other industry codes of conduct, others

Stakeholder opinions and expectations
- Stakeholder opinions gathered through dialogue
- Assessments by ESG rating institutions, others



Management: Material Issues

Identifying and Monitoring Material Issues

Material issue (priority topic)	Priority initiative	KPI	Deadline	See page
Climate change action	Reduce greenhouse gas emissions associated with business activities	Achieve net zero CO_2 emissions from Sharp business activities	FY2030	P.044
		Reduce greenhouse gas emissions by 55.5% (baseline year: fiscal 2021)	FY2026	P.044
Resource reuse and circular economy initiatives	Pursue a circular economy for products (reduce use of virgin plastics)	Percentage of products using recycled plastics or bioplastics among new products for the reporting year: At least 70%	FY2030	P.048
	• Practical application of recycled polystyrene (PS) recovered from air conditioners • Complete basic study on decorative technology for recycled plastics • Expand use of recycled plastics in products • Automation of offline operations (improve processing efficiency) in recycling plants • Automatic disassembly of air conditioner mini coils, automatic disassembly of washing machine pulsator cores, etc.		FY2026	P.049, 052
Containment management	Reduce waste associated with business activities	Final landfill disposal rate of less than 0.5%	FY2026	P.056
	Reduce VOC (volatile organic compound) emissions	VOC emissions into the atmosphere: 204 tons or less (fiscal 2010 levels)	FY2026	P.064
Water environment and resource management	Improve water intensity	Improvement rate of water intensity: 10% (baseline year: fiscal 2021)	FY2026	P.058

Management: Material Issues

Identifying and Monitoring Material Issues

Material issue (priority topic)	Priority initiative	KPI	Deadline	See page
Human resources (human resource development, DEI, health and safety, human rights, etc.)	Build an AI- and digitally savvy workforce	Have at least 3,200 people participate in the AI/digital engineer reskilling program	FY2027	P.079
	Expand education and training system aimed at developing the next generation of human resources		FY2026	P.078
	Promote action plan in line with the Act on the Promotion of Women's Active Engagement in Professional Life	Have at least 15% of new graduates hired for engineering jobs and 50% of new graduates hired for non-engineering jobs be women	FY2029	P.083
		Have at least 7.5% of managers be women	FY2029	P.083
		Have at least 95% of female employees having returned to work after taking childcare leave stay at Sharp beyond 12 months after their reinstatement	FY2029	P.083
	Raise employment rate for people with disabilities	2.7% employment rate for people with disabilities	FY2026	P.083
	Eliminate severe accidents, reduce workplace accidents	Number of workplace accidents: Continue to meet the FY2025 target (51 cases or less) Number of lost-time accidents: Continue to meet the FY2025 target (12 cases or less)	FY2026	P.090
	Implement company-wide Healthy Sharp initiative		FY2026	P.090
	Prevent health problems caused by overwork		FY2026	P.090
	Improve employee engagement	Engagement score: A (up 3 ranks compared to FY2024)	FY2027	P.095
	Promote human rights due diligence	Sharp plants' ESG self-assessment survey score: All sites score higher than the previous year's score	FY2026	P.018
Product/service quality and consumer protection	In order to provide customers with attractive product value and deliver corporate value, strengthen efforts focused on improving customer satisfaction, improving market quality, and reducing compliance risks		FY2026	P.114
	Increase customer satisfaction	Customer satisfaction rate 90.0% or higher	FY2026	P.122
Supply chain management	Continue CSR/green procurement survey	Response rate 100%	FY2026	P.105
	Provide ESG education for procurement staff	Participation rate 100%	FY2026	P.105
	Promote responsible mineral sourcing	RMAP conformant rate: 65% or higher	FY2026	P.111

Management: Material Issues

ESG Risk Evaluation in Line with International Standards

As a globally operating company, Sharp recognizes that continuously assessing ESG risks in its production activities against international standards and using the results to drive improvements is crucial for achieving both business growth and a sustainable society. In particular, in the electronics industry, in addition to the environmental performance of products, the management practices related to labor, health and safety, environment, and ethics at manufacturing sites and within supply chains are an important evaluation point for customers, investors, business partners, certification bodies, and others.

Since fiscal 2015, we have been using the RBA Code of Conduct, an international standard, as the guideline for the Sharp Group's actions, and we have been carrying out ongoing self-assessment surveys of all production sites in Japan and overseas. These surveys, which are carried out based on the RBA's Self-Assessment Questionnaire, are used to check the status of initiatives in the areas of labor, health and safety, environment, and ethics, and to assess the risks of each plant according to three levels: low risk, moderate risk, and high risk.

In fiscal 2025, the survey was carried out at all 21 plants in Japan and overseas, and it had a 100% response rate. The survey results were relayed back to each plant in the form of an overall and area-specific evaluation, and they are being used to facilitate local personnel's better understanding of international standards and to establish improvement activities.

As a result of the survey, no issues posing significant immediate risks to the Sharp Group as a whole were identified. Survey responses from the plants are reviewed by relevant head office departments. If it is determined that a plant's efforts are inadequate or latent risks exist, the plant in question is interviewed and provided with guidance for undertaking continuous improvement activities.

In addition, since fiscal 2023, to enhance the objectivity and transparency of ESG risk assessments, major production sites have been undergoing VAP* audits by the RBA. In fiscal 2025, three plants in Thailand, China, and France underwent VAP audits. The plants have implemented corrective measures for the issues identified during the audits. By utilizing third-party audits, we are incorporating external perspectives in addition to self-assessment, thereby improving management standards at each of our locations.

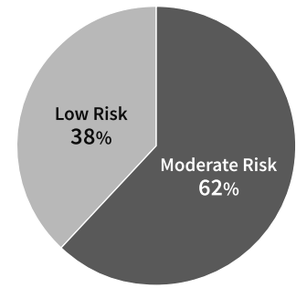
We will continue to enhance our ESG risk management, building on risk assessments of our own plants based on the RBA framework. Going forward, we will continue to conduct self-assessments and third-party audits, implement improvement activities based on the assessment results, and strengthen our responsible manufacturing system to earn the trust of our stakeholders.

* Validated Assessment Program. A VAP audit is a local audit performed by a third-party auditing service certified by the RBA.

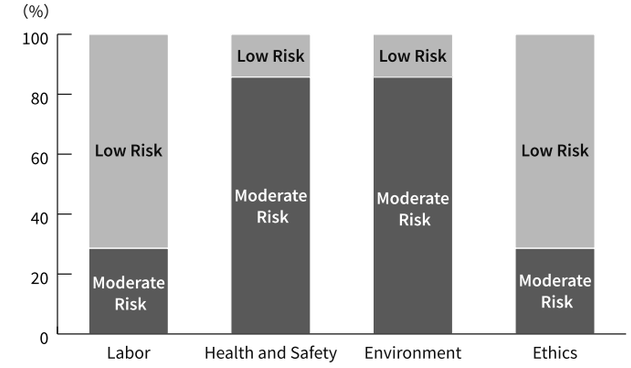
Status of ESG Risk Assessment Implementation

	FY2023	FY2024	FY2025
ESG risk assessment target plants (all plants in Japan and overseas)	27 plants	26 plants	21 plants
Plants conducting self-assessment surveys	27 plants (100% response rate)	26 plants (100% response rate)	21 plants (100% response rate)
Plants undergoing RBA VAP audits	4 plants	6 plants	3 plants

Fiscal 2025 Self-Assessment Survey: Overall Assessment Results



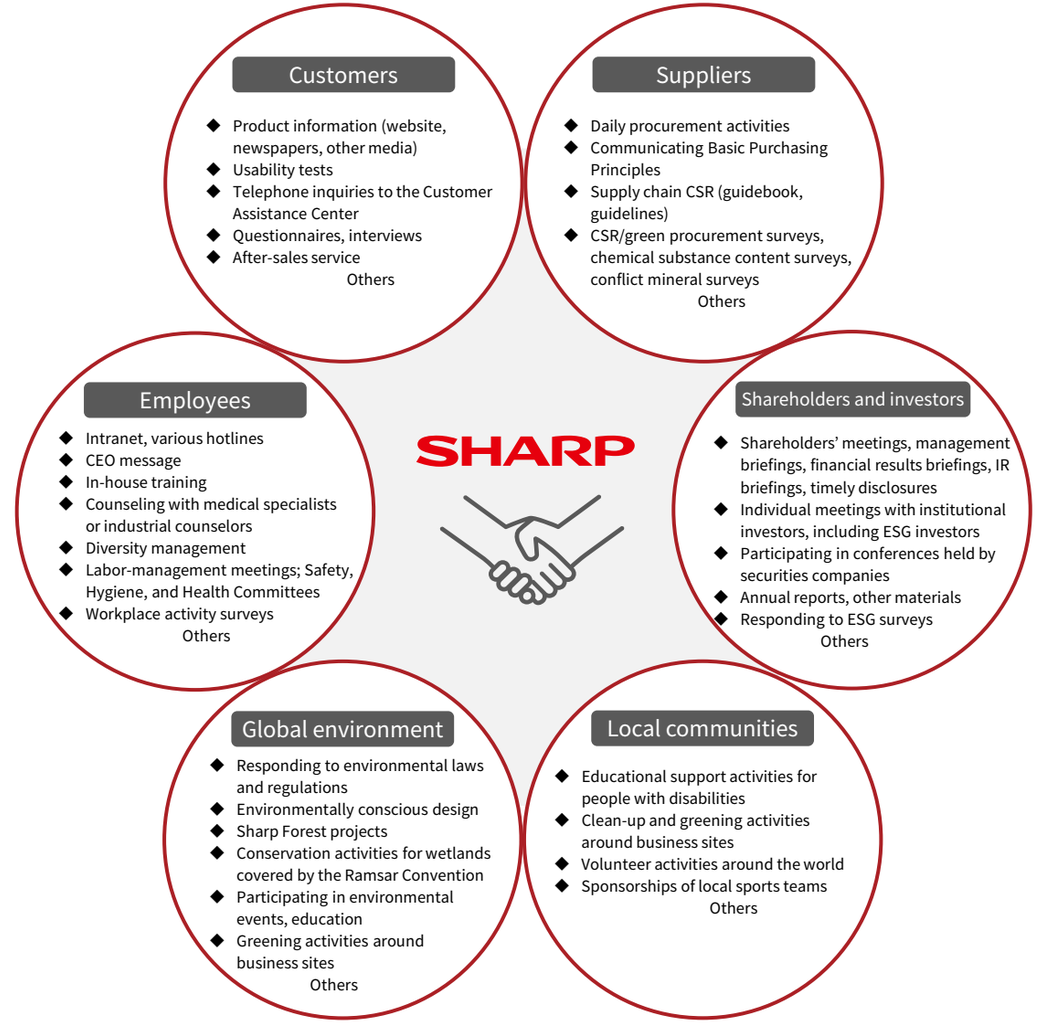
Fiscal 2025 Self-Assessment Survey: Distribution of Area-Specific Assessment Results



Management: Stakeholder Engagement

Stakeholder Engagement

In order to ensure that "Our future prosperity is directly linked to the prosperity of our customers, dealers and shareholders," as stated in our Business Philosophy, we suitably disclose information to the diversity of stakeholders that we serve, including customers, suppliers, and local communities.
Also, amidst the increasing focus on ESG-related investment, we strive to improve our ESG level by creating a range of opportunities for dialogue with shareholders and investors.
We will continue to reflect stakeholder opinions in our corporate activities with the goals of helping society solve problems and achieving sustainable growth for Sharp.



Management: Third-Party Evaluations

Third-Party Evaluations

Thanks to continuously stepping up sustainability management initiatives, as of September 2026 we have been included in the following ESG indexes and rating systems.

FTSE4Good Index Series

An index designed to measure the performance of corporate social responsibility initiatives from an ESG perspective. It is operated by FTSE Russell, part of the London Stock Exchange Group. We have been included in this index for 17 consecutive years.

FTSE JPX Blossom Japan Index

An index reflecting the performance of Japanese companies that demonstrate strong ESG practices, operated by FTSE Russell. The Government Pension Investment Fund (GPIF) of Japan uses this as a stock index for ESG investments. We have been included in this index for 10 consecutive years.

FTSE JPX Blossom Japan Sector Relative Index

An index based on FTSE Russell's ESG assessment of a company's approach to risks and opportunities related to climate change. Companies in this index are considered to be highly carbon intensive (in terms of their greenhouse gas emissions per unit of sales). The GPIF of Japan uses this as a stock index for ESG investments.

S&P/JPX Carbon Efficient Index

An environmental stock index adopted by the GPIF of Japan. Because of the level of environmental reporting and carbon intensity maintained, we have been selected as a constituent of this index since 2018.

MSCI Japan ESG Select Leaders Index

An ESG index for Japanese companies created by MSCI. The GPIF uses this as a stock index for ESG investments.

MSCI Nihonkabu ESG Select Leaders Index

An ESG index operated by MSCI. It is composed of companies that have the highest ESG rated performance in each sector.

Morningstar Japan ex-REIT Gender Diversity Tilt Index

This index is compiled by Morningstar, a U.S. company, using data and evaluation methods from Equileap, a Dutch company, to select companies that have gender diversity policies ingrained in their culture and that promise equal opportunities to employees regardless of gender.

2026 CONSTITUENT MSCI JAPAN ESG SELECT LEADERS INDEX

2026 CONSTITUENT MSCI NIHONKABU ESG SELECT LEADERS INDEX

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Management: Third-Party Evaluations

Third-Party Evaluations

ISS ESG Corporate Rating

ISS ESG is a U.S.-based rating agency that specializes in sustainable investment. We have received a Prime rating for consecutive years in its ISS STOXX Corporate Rating.

EcoVadis Sustainability Rating

We have received a Bronze rating from EcoVadis, a company that evaluates the sustainability performance of supplier companies. Its aim is to improve those companies' environmental and social practices by taking into account the impact that global supply chains have on the environment and society.

ESG Finance Awards

We were selected as an Environmentally Sustainable Company at the 7th ESG Finance Awards Japan, organized by the Ministry of the Environment.

Sharp and the SDGs

Contributing to the SDGs through Business 023

Smart Appliances & Solutions BU

Offering support through AIoT[*1] for a safe, healthy, and comfortable lifestyle. Yielding a humanity-empowering smart life through people- and society-oriented AIoT.

*1 AIoT is a word coined by Sharp, combining the words AI (artificial intelligence) and IoT (Internet of things). We are pursuing a more people-oriented world through AIoT-driven devices and services.

Business Overview

In our aim to help improve people's quality of life and create a sustainable society, the Smart Appliances & Solutions BU supplies end consumers and B2B customers globally with a variety of appliances, such as air conditioners, refrigerators, washing machines, microwave ovens, and air purifiers.

Major SDG Contribution Examples

- The Smart Appliances & Solutions BU continues to develop energy-saving technologies for individual white goods, such as air conditioners, refrigerators, washing machines and other energy-demanding appliances, and to develop resource-saving designs, such as for water-saving No-Holes Tub washing machines, while also expanding the incorporation of recycled plastics through the use of closed-loop material recycling technology[*2]. In addition, we are continually working on the development of AIoT-compatible devices that automatically save energy while being adapted to each user's lifestyle. In fiscal 2025, we obtained ★1 (Level 1) certification under Japan's JC-STAR cybersecurity labeling scheme for more than 400 AIoT product models, providing customers with greater peace of mind. Overseas, we updated and expanded the range of services we offer that are tailored to the needs of regional markets, including ASEAN, Taiwan, and North America.

  *2 Jointly developed with Kansai Recycling Systems Co., Ltd., a consumer electronics recycling company established in Japan with joint investment from Sharp and five other companies. See page 049.

- In demonstration testing of DR (demand response) control for home air conditioners begun in July 2024, we have confirmed effective power consumption reduction of approximately 33% without compromising comfort[*3]. Following this, in fiscal 2025, we commercialized an energy management solution that automatically responds to power companies' DR requests for reduced electricity demand using only a home IoT air conditioner, without requiring additional equipment, such as storage batteries or HEMS, thereby enabling widespread adoption in households. *3 From a November 28, 2025 Sharp press release.

- We have stepped up our efforts to utilize generative AI, which will be the foundation of future society and technological innovation. Following the introduction of the Cook Talk service for our Healsio superheated steam oven released in 2024, we have now added the COCORO HOME AI to our washing machines, air conditioners, and refrigerators. This new service utilizes the AIoT technology and expertise that we have cultivated over the past 10 years, as well as the evolving dialogue interface unique to generative AI, to provide tips on usage, maintenance, and other processes, through more natural dialogue via a smartphone.

Text-based answers covering everything from tips on usage and maintenance to recommended freezer modes and settings (refrigerator)

Awards and Honors

- ECCJ Chairman's Award in the 2025 Energy Conservation Grand Prize program: "Soft and nicely dry—superb drying and energy-efficient" ES-12X1 Plasmacluster front-loading washer/dryer
- 2026 iF Design Award[*4]: Vision concept for container laundry business that contributes to social resilience, Purefit series Plasmacluster air purifier, FU-90KK Plasmacluster air purifier

ES-12X1 Plasmacluster front-loading washer/dryer

From left: FU-90KK Plasmacluster air purifier, Purefit series Plasmacluster air purifier, vision concept for container laundry business that contributes to social resilience

*4 An international design award that has been held since 1953. Entries are judged not only on their design but also on their idea, function, differentiation, and sustainability.

Business Outlook and Growth Story

In order to help create a sustainable society, the Smart Appliances & Solutions BU provides products and services that address pressing social issues, such as climate change and the circular economy, through more energy-efficient white goods, which includes the use of AIoT, through a responsiveness to the growing awareness of the need to conserve electricity and water, and through a concerted effort to reduce the use of virgin plastics.

In addition, by leveraging the strength of our AIoT as an open platform, which can be integrated with other companies' devices, we will increase comfort and convenience, as well as create new value, such as through the use of vocalized speech in disaster prevention and other contexts to thereby contribute to a safer and more secure society.

Sharp Energy Solutions Corporation (SESJ)

Providing eco-friendly, energy-producing solar power systems to countries around the world to help realize carbon neutrality. Making life easier with energy solutions (systems and services) that make smarter use of electricity.

Business Overview

We carry on the philosophy of founder Tokuji Hayakawa as we operate energy solutions businesses in Japan and overseas. As countries and companies accelerate their efforts to achieve carbon neutrality, we are actively contributing to the drive to realize a decarbonized society by providing appropriate solutions.

Major SDG Contribution Examples

- Eee Connect, which integrates solar power generation, battery storage, EVs, home appliances, and residential equipment under the optimized control of the latest AI technology, has evolved even further. It has been upgraded to a new AI control system, which ensures optimized control of storage battery charging and discharging in line with the new FIT system, revised in October 2025, as well as the diversifying pricing plans of electricity companies. We will continue to develop solutions that are tailored to the individual lifestyles of customers, making life more comfortable and convenient.

New Eee Connect conceptual visualization

- Expansion of residential solar power systems and cloud-based battery storage systems

The new NU-458PU PV module improves output by employing high-efficiency, high-current cells. We have also added to our lineup the slim-type NU-305PU, which achieves high system capacity when combined with other models, and the anti-glare NU-300MU, which allows installation in north-facing spaces.
Our cloud-based battery storage system now includes the JH-WB2521 7.7 kWh battery storage unit with reduced charging time and the JH-59TF4 power conditioner with expanded compatible solar power system capacity. By enhancing the compatible equipment of the Eee Connect residential energy solution, which integrates solar power generation, battery storage, and HEMS and intelligently controls them with proprietary AI, we are helping to expand the use of clean energy.

Residential solar power system installation

- Construction encompassing everything from solar power plants to battery energy storage system
  We handle everything from design to construction and maintenance of solar power plants and have built many solar power plants in Japan and overseas. We will apply our extensive know-how and proven technology to the construction of battery energy storage systems that store renewable energy, thereby contributing to the stable supply of clean energy.
- Development of space solar cells
  Amidst the accelerating development of space exploration and next-generation communications (satellite communications), we will leverage our many years of experience and results in the field of solar cell technology to support the construction of infrastructure for next-generation services and thereby help enrich people's lives.

Contributing to Society

- The CO_2 emissions reduced through the Cocoro Energy Eco Member service have been certified under the J-Credit scheme, in which the government certifies reductions in greenhouse gas emissions, such as CO_2, as credits.
  Certification period: November 1, 2022–June 30, 2024 Certified emissions reduction amount: 5,236t-CO_2
- Sharp Corporation and SESJ are working to support communities where displaced people live in Kenya. In conjunction with the 9th Tokyo International Conference on African Development (TICAD 9) in August 2025, the two companies signed a basic agreement with Mitsui O.S.K. Lines, Ltd., a major shipping company, and the International Organization for Migration, which operates in Kenya. The agreement aims to improve basic services through the use of renewable energy.

Business Outlook and Growth Story

- With the aim of achieving carbon neutrality by 2050, we are working to realize a richer future in which carbon neutrality and quality of life are harmoniously achieved. To this end, we are strengthening our energy solutions utilizing proprietary AI control capabilities, promoting the spread of solar power plants and battery energy storage systems in Japan and overseas, and pursuing business focused on outer space solar cells, thereby ensuring the sustained growth of our energy solutions business.

Smart Business Solutions BU

By integrating AI into every aspect of work, the Smart Business Solutions BU identifies and addresses our customers' challenges through smart products and AI/DX services. This allows us to provide a comfortable working environment anytime, anywhere, while addressing customer and societal challenges to help build a sustainable future.

Business Overview

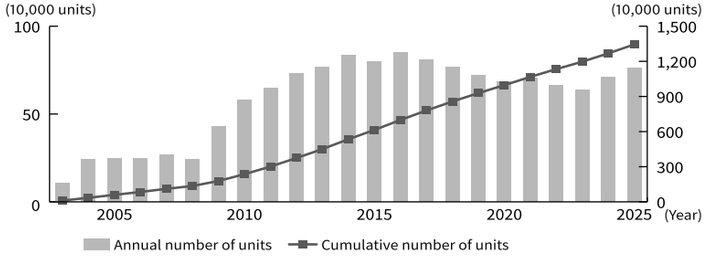
We operate in four areas—offices, the public sector, retail, and logistics/factories—with the aim of advancing and streamlining business operations through AI. By integrating data-driven smart products with on-site AI and DX services, we provide B2B solutions that respond to changing societal needs and support the evolution of workplaces and the improvement of productivity.

Major SDG Contribution Examples

Cumulative total for remanufactured toner cartridge shipments tops 13 million units

Since 2003, we have been collecting used toner cartridges from the market, cleaning them, refilling them with toner, and shipping them out again as products. Each toner cartridge can be reused up to nine times, contributing to the efficient use of resources.

Number of remanufactured toner cartridges shipped



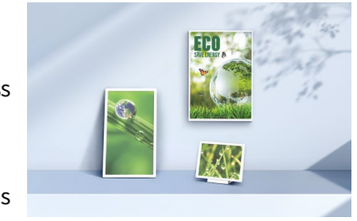
Remanufactured toner cartridges

Corporate Social Responsibility

Our main production sites—SOCC[*1] in China and SMTL[*2] in Thailand—received silver certification following a VAP audit[*3] conducted by the RBA[*4]. We will continue to strengthen our management systems for labor, ethics, environment, and health and safety, aiming to ensure that Sharp is a company trusted by society.

*1 SOCC: Sharp Office Equipments (Changshu) Co., Ltd. (China)
*2 SMTL: Sharp Manufacturing (Thailand) Co., Ltd.
*3 VAP: Validated assessment program. An audit program related to corporate social responsibility.
*4 RBA: Responsible Business Alliance.

Awards and Honors



- ePaper Color Electronic Paper Display
  - Energy Conservation Center Chairman's Award in the product and business model category of the 2025 Energy Conservation Grand Prize program (EP-CA22)
  - 2025 Good Design Award (EP-CA22)
  - Minister of Economy, Trade and Industry Award at the 8th EcoPro Awards (EP-CA22, EP-C131, EP-C251)

This color electronic paper display consumes zero power for display retention. Power is only required when the display is refreshed, resulting in excellent energy efficiency. Furthermore, its thin and lightweight design makes it suitable in locations where digital signage installation was previously difficult due to power supply and load-bearing capacity issues. It also supports simultaneous refresh of multiple displays from a remote location. Its contribution to operational resource and labor savings, as well as its energy-saving performance, has been highly praised.

- Slim-Type Autonomous Case-Handling Robot
  - 2025 Good Design Award

This is an automated guided vehicle for logistics and manufacturing sites facing increasing labor shortages. It has been highly praised for its ability to be flexibly introduced without significantly altering existing environments and its design that balances labor savings, environmental considerations, and emergency response capabilities.

Business Outlook and Growth Story

Through the Sharp Ecosystem, which combines existing businesses, AI/DX services, and IT support, operation, and maintenance, we will strengthen workplaces, help solve customers' and society's challenges, and contribute to the realization of a sustainable society.

Dynabook Inc.

Dynabook is making people's lives and society better by changing the world through computing and services, developing true computing that reflects real needs and that supports communities, and offering new added value and services developed from the user's standpoint.

Business Overview

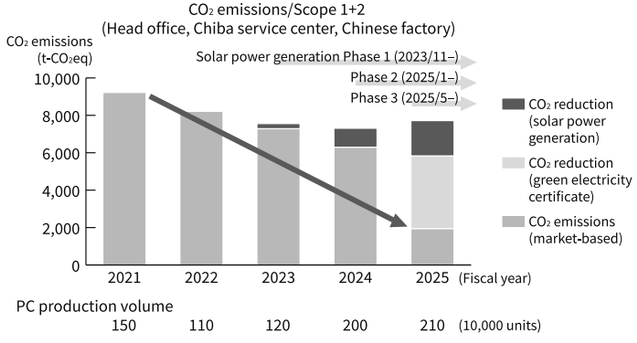
Dynabook plans, develops, manufactures, sells, supports, and services personal computers and system solutions. We are pursuing the fusion of hardware ("dynabook as a Computing") and services ("dynabook as a Service") and strengthening the technology that supports this endeavor.

Major SDG Contribution Examples

- Reduction of Chinese factory CO_2 emissions to one-third of previous year's level
  Dynabook's Chinese factory is expanding its solar power system and purchasing green electricity certificates. In fiscal 2025, the factory purchased 7.5 million kWh and, despite increased energy consumption due to increased PC production, reduced CO_2 emissions to approximately one-third of the previous year's level. This contributes to the reduction of greenhouse gas emissions (specifically, reducing Scope 2 GHG emissions) by promoting the widespread adoption and use of renewable energy.

Green electricity certificate

CO_2 Emissions(market-based)



Solar panels on Chinese factory

Business Outlook and Growth Story

- LCM service expansion and sustainable PC operation

The LCM (life cycle management) operation service, which we are focusing on, handles the life cycle (operational management) of PCs on behalf of customers. Since the service was renewed in 2022, customers can now check work requests, work progress, and other items on a dedicated web portal, which has contributed to customer convenience and business efficiency. With the commencement of operations at the West Japan LCM Center, our service provision structure has been strengthened, and, in fiscal 2025, the number of kitted PCs exceeded 260,000, reaching a record high.
By supporting the entire life cycle of devices, from deployment and operation to maintenance and upgrades, we are promoting the long-term use of equipment and the efficient use of resources, contributing to reducing environmental impact such as waste.

PC kitting at the West Japan LCM Center

- dynaEdge XR1 see-through XR glasses

The dynaEdge XR1 see-through XR glasses, released in 2025, have been used for remote support and digital training. Recently, their use has been increasing in on-site work, such as picking, thereby helping to address the issue of labor shortages, technical skills transfer, and other societal challenges.

Using the dynaEdge XR1 see-through XR glasses

TV Systems BU

Promoting innovation, better health, and environmental protection with ideas that make life more convenient and comfortable.

Business Overview

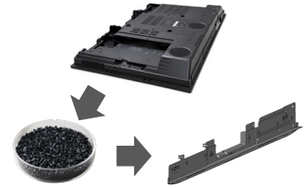
The TV Systems BU develops and sells products, such as AQUOS LCD TVs, with unique features that put them ahead of what other companies are offering. We continue to work to expand the possibilities of AV equipment. In addition to continuously enhancing basic performance, i.e., picture and sound quality, we pursue ESG and SDGs-related manufacturing and solutions to deliver ideas that will make life more convenient, comfortable, and filled with enjoyment and excitement.

Major SDG Contribution Examples

- Use of recycled plastic from AQUOS

Since 2023, we have been expanding our use of recycled plastic in models for the Japanese market. In many of the models released in 2026, recycled plastic is being used in a large number of exterior parts, including the rear cabinet, and the PCR (post-consumer resin) material content of the plastic used is expected to be approximately 20%. In addition, CMR[*1] material, which is recycled from waste plastic collected from AQUOS TVs, has been adopted for the speaker grills of some models. Going forward, we will continue to contribute to the realization of a circular economy.

Recycled AQUOS rear cabinet



Recycled plastic | Speaker grill

*1 CMR: Closed material recycle. Recycling in which materials recovered from a company's used products are reused as materials for the company's own products.

Awards and Honors

- ECCJ Chairman's Award in the 2025 Energy Conservation Grand Prize program
  : AQUOS mini LED/OLED TVs combining high image quality with energy efficiency

These TVs received high praise for their ability to produce vivid, high-definition images while reducing power consumption. This was made possible through precise, image-responsive control of light output and technology that illuminates only necessary areas. Improved brightness control accuracy also resulted in approximately 30%[*2] energy savings compared to Sharp's previous models.

*2 Based on the 2026 energy-efficiency target standard, this comparison was made with Sharp products of the same size and category. (mini LED TV: Comparison between the 2024 model 4T-C65GP1 and the 2025 model 4T-C65HP1. OLED TV: Comparison between the 2024 model 4T-C65GQ1 and the 2025 model 4T-C65HQ2.)

mini LED TV
OLED TV

Business Outlook and Growth Story

- Development of an AI Trainer for Care Facilities using generative AI and TV

We have developed an AI Trainer for Care Facilities to support functional training for older adults. As care facilities continue to face staffing shortages, a key challenge is how to improve the efficiency of functional training while maintaining its quality. This solution allows users to exercise in a fun, game-like way, following the instructions and movements of an AI character, thereby helping them stay engaged and continue their training. Meanwhile, facilities can reduce staff workload by having the AI automatically create training plans and records. We will continue to conduct trials in care facilities with the aim of bringing this solution into practical use in the near future.

Functional training in action

- Making the TV into a new member of the family

We have developed AQUOS AI, a new form of entertainment that utilizes industry-first[*3] generative AI technology to allow users to enjoy conversations with AI characters on a large TV screen. The service launched on May 23, 2026. By realizing personalized communication with lifelike AI characters on a large screen, we are presenting a new way to enjoy TV that goes beyond just watching to interactive communication.

AQUOS AI

*3 As a service utilizing generative AI technology to display animated characters on the screen and enable conversation, available on commercially sold TVs in Japan. Service launched on May 23, 2026. Based on Sharp findings.

Mobile Communication BU

Using communication technology to build a society where everyone has an equal opportunity to find decent quality of life and work.

Business Overview

The Mobile Communication BU aspires to be a business unit that leverages communication technology to keep on producing new value. By developing diverse networked devices like smartphones and routers and creating solutions and services, we provide products, services, and solutions that inspire people to live more joyful lives.

Major SDG Contribution Examples

Reducing resource usage

As with previous models, the AQUOS R11 and AQUOS sense10 smartphones use recycled and environmentally friendly materials in their casings and internal components. Environmentally friendly materials are also used in the Poketomo AI companion device. This way, we are promoting resource recycling and reducing the use of new materials to minimize waste.

SR-C01M-W
Poketomo AI companion device

Improved product durability

The AQUOS R11 and AQUOS sense10 smartphones are IPX9 waterproof, the MH-R01 smart ring has been tested under conditions equivalent to a depth of 100 meters, and the MH-W01 smartwatch is 5ATM waterproof. Such enhanced waterproof performance enables long-term use, contributing to reduced waste and resource use and helping to minimize environmental impact.

AQUOS sense10 smartphone

AQUOS R11 smartphone

Helping people stay healthy

The MH-R01 smart ring and MH-W01 smartwatch visualize sleep and health data to help users recognize changes in their physical condition and make behavioral improvements. That data is automatically accumulated simply by wearing the devices, making health management an effortless habit and contributing to disease prevention and extending healthy life expectancy.

MH-R01 smart ring

MH-W01 smartwatch

Other Examples

- Inforia for Hotel, eAssistant Concierge

The Inforia for Hotel room information service and the eAssistant Concierge AI concierge service facilitate non-contact/non-face-to-face customer service and better operational efficiency.

- "home 5G"*1 router

With simple installation that requires only a power outlet to plug it into, this router turns users' homes into an ultra-high-speed Wi-Fi environment convenient for telework and online learning.

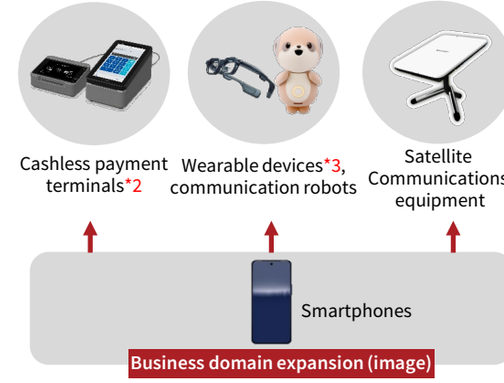
Top: Inforia for Hotel
Middle: eAssistant Concierge
Bottom: home 5G

*1 For NTT Docomo.

Business Outlook and Growth Story

We will continue to provide products and solutions that help in addressing lifestyle and work style-related issues, while also aiming to provide new value. In addition to payment terminals, wearable devices, and communication robots, we are pursuing new businesses, such as satellite communications equipment. By broadening our business domain beyond smartphones, we will continue creating products and services that further enrich people's lifestyles and work styles.

*2 UA-P10NA cashless payment terminal: Jointly developed with NTT Data Japan Corporation.
*3 MiRZA XR glasses: Manufactured by NTT Qonoq Devices, Inc. (a joint venture with NTT Qonoq, Inc.).



Corporate Research & Development Group

By using society-changing, proprietary, world-first, and world's-best technology to build entirely new ecosystems and create and expand new businesses, we are contributing to a sustainable society.

Business Overview

The Corporate Research & Development Group is working to create innovative technologies that will serve as the fundamental engine for innovation company-wide, as well as to build platforms centered on Sharp's unique technologies. Our aim is to help make society both people and environmentally friendly by tackling the challenge of new business creation and accelerating the pace of innovation achievement through the rapid deployment in society of the fruits of development.

Major SDG Contribution Examples

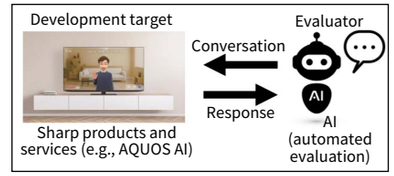
- Spreading the use of renewable energy

Through collaboration with promising overseas companies, we are strengthening the development of highly safe zinc–air flow batteries, which have the potential for large-scale energy storage, and accelerating their practical application in society to contribute to carbon neutrality.

Zinc–air flow batteries

- Developing comfortable, people-oriented AI conversation technology

As part of our proprietary CE-LLM* edge AI technology, we are focused on AI conversation technology, using a system that automatically evaluates the likeability of conversations to improve conversational responsiveness and quality. Through the provision of AI solutions that are tailored to human needs, we contribute to improving the convenience of services in smart homes.



AI-powered automated response evaluation system

- Developing labor-saving solutions using image analysis technology

We provide labor-saving solutions using proprietary image analysis and processing technologies that facilitate inspections supporting the safe operation of railway vehicles. These inspections include checking for abnormalities in undercarriage equipment and detecting wear on brake shoes. Through these solutions, we are helping to maintain safer infrastructure.

Vehicle undercarriage inspection system demonstration testing

* CE-LLM (Communication Edge-LLM) is a registered trademark of Sharp Corporation.

Tackling New Industries

Through our research and development, we create new value by deepening and integrating core technologies, as well as exploring future technologies in new industrial fields such as EVs, AI servers, satellite communication, robotics, and space, in order to stay "In step with your future."

We recognize rapidly advancing AI technology as a key growth area and are thus pursuing the development of elemental technologies and platforms that will serve as a common foundation for AI-applied services across the entire company. Through the intelligent processing of on-site data using edge AI technology, as well as data linkage between devices and systems, we are building a service infrastructure that supports people in how they work and live.

Furthermore, by integrating AI with robotics and industrial digital transformation, we will advance the development of physical AI, in which AI will recognize and understand the real world and make decisions and take action autonomously.

LDK+ EV concept model

Physical AI

Through such initiatives, we will help address a wide range of social issues, including labor shortages and aging infrastructure, as well as promote efficient energy use and decarbonization through the use of AI technology, and create innovations focused on the realization of a sustainable society.

Environmental Initiatives

Environmental Vision 031

Environmental Management 033

Climate Change 038

Resource Recycling 047

Safety and Security 061

Biodiversity 066

Overview of Environmental Impact 073

0.46%
Final landfill disposal rate

56.0% reduction
Greenhouse gas emissions (baseline year: fiscal 2021)

2 sites
New recognition as nationally certified sustainably managed natural site

Environmental Initiatives: Environmental Vision

SHARP Eco Vision 2050 Long-Term Environmental Vision

The international community has recognized the urgent need to address increasingly serious environmental problems, such as climate change, resource depletion, and ocean plastic pollution. This awareness is accelerating global action to solve these social problems, including efforts associated with the achievement of the Sustainable Development Goals (SDGs) and carbon neutrality[*1], and the creation of a circular economy[*2].

In 2019 we formulated SHARP Eco Vision 2050, a long-term environmental vision based on our basic environmental policy of "Creating an Environmentally Conscious Company with Sincerity and Creativity," which was established in 1992.

We are working toward realizing a sustainable global environment by pursuing long-term goals set in three fields of action with 2050 as the target year: climate change, resource recycling, and safety and security.

In the field of climate change, while keeping in mind the 1.5°C target[*3] stipulated in the Paris Agreement, we aim to achieve carbon neutrality in our business activities. We also seek to promote the widespread adoption of clean energy-related products and services and to reduce greenhouse gas emissions from our products and services.

In the resource recycling field, we pursue a circular economy by endeavoring to use recycled materials in all product parts and to achieve zero final landfill disposal from our business activities.

In the safety and security field, we strictly manage chemical substances that may affect people's health, the natural environment, and ecosystems and restrict their use to eliminate the risk of negative effects.

To address climate change, one of the targets of the long-term environmental vision and a pressing global issue, we are accelerating efforts to achieve net zero CO_2 emissions from our business activities (Scopes 1 and 2) by 2030, and from our entire supply chain (Scopes 1, 2, and 3) by 2050.

We are aiming to solve social problems and continuously boost corporate value by strengthening engagement with stakeholders through business activities and environmental conservation efforts.

*1 Subtracting the amount of absorption from the amount of greenhouse gas emissions, so that the total is effectively zero.
*2 An economic system aimed at eliminating wastes and circulating resources. Waste products and raw materials are considered new resources and are thus recycled.
*3 The Paris Agreement sets forth the long-term targets of keeping the rise in global average temperature well below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C.

Environmental Initiatives: Environmental Vision

Long-Term Environmental Goals

To realize SHARP Eco Vision 2050, we have stipulated long-term goals in three fields of action. In pursuing these goals, we will strive to create more clean energy than the total amount of energy consumed in our entire supply chain, while minimizing the environmental impact of our business activities.

Climate Change

We have up to now striven to use less energy in our business activities and to make products that are increasingly more energy efficient so as to reduce the amount of energy consumed by households and society as a whole.
We began developing solar cells after founder Tokuji Hayakawa said, “All the products we make use electricity. As our company grows, we will need more electricity, so why don’t we make electricity ourselves?” Since then, we have spent more than half a century working to spread solar power generation.
It is precisely because we make products that use electricity that we have a responsibility to reduce the environmental impacts resulting from this electricity use.
By promoting the world goal of carbon neutrality, we are taking on the challenge of achieving the following two goals by 2050 and thus achieving net-zero emissions throughout our supply chain, including our own business activities.

Goal
- Achieve net zero CO_2 emissions across the entire supply chain.
- Create more clean energy than the total amount of energy consumed in our entire supply chain.

Resource Recycling

We have up to now provided the world with all kinds of value through the creation of new products. At the same time, we have used many resources to do so.

We should continue to provide our stakeholders with all kinds of value by making the most efficient use of finite resources around the globe.

By making more efficient use of resources and continuing to offer maximum value with minimal resources, we are taking on the challenge of achieving the following two goals by 2050 and thus building a circular economy and realizing a recycling-oriented society.

Goal
- Use no newly extracted resources* for making products.
- Achieve zero final disposal to landfill of waste generated in our business activities.

* Excludes those not suitable for recycling from an environmental standpoint.

Safety and Security

We use various chemicals in production processes in our factories, and the products themselves contain various chemicals. Such chemicals must be strictly managed because some of them can have negative effects on people’s health, the natural environment, or ecosystems.
Our business activities must not have a negative effect on people’s health, the natural environment, or ecosystems.
As well as complying with current international standards, we have established our own forward-looking standards. Under these standards, we thoroughly manage relevant chemicals with the goal of eliminating any negative effects that chemicals may have on people’s health, the natural environment, or ecosystems.

Goal
- Properly manage chemicals in order to protect people’s health, the natural environment, and ecosystems.

Environmental Initiatives: Environmental Management

Putting Sustainable Management into Practice

Basic Approach to Sustainable Management

In accordance with internal environmental conservation guidelines established in line with the Basic Environmental Philosophy, the Sharp Group Charter of Corporate Behavior, and the Sharp Code of Conduct, we are pursuing environmental consciousness across all of our business activities. Toward realizing a sustainable global environment, we have formulated SHARP Eco Vision 2050, a long-term environmental vision with 2050 as the target year. Under this vision, we are striving to solve social problems and continuously raise corporate value through the development of technologies and the provision of products and services.

Basic Environmental Philosophy

Creating an Environmentally Conscious Company with Sincerity and Creativity

The Sharp Group Charter of Corporate Behavior (excerpt)

Contribution to Conservation of the Global Environment

The Sharp Group will make efforts to further contribute to global environmental conservation by strengthening our development of proprietary technologies for protecting the global environment and by carrying out business activities in an environmentally conscious manner.

The Sharp Code of Conduct (excerpt)

Contribution to Conservation of the Global Environment

1. To Conserve the Environment
2. To Develop Environmentally Conscious Products and Services, and Conduct Our Business Operations in an Environmentally Conscious Manner

Related information: > Sharp Group Charter of Corporate Behavior (Contribution to Conservation of the Global Environment)
Sharp Code of Conduct (IV. Contribution to Conservation of the Global Environment)

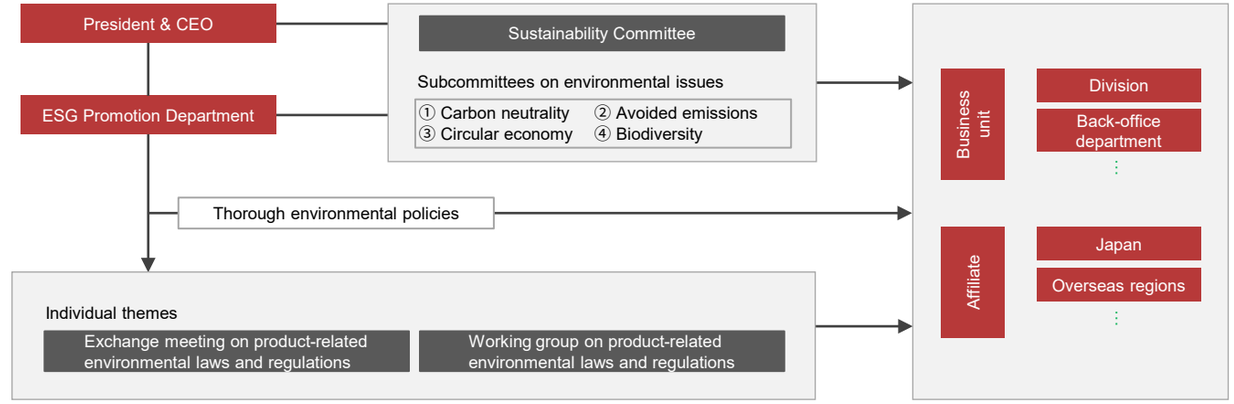
System for Promoting Sustainable Management

We have set up the ESG Promotion Group to formulate and carry out our environmental vision, policies, and targets, and to strengthen environmental governance. The ESG Promotion Group formulates important environmental policies, strategies, and measures at the corporate level regarding sustainable management based on our management policies and environmental vision.

The Sustainability Committee* includes the president & CEO, senior executives, and the heads of Sharp business units and subsidiaries. Through this committee, the ESG Promotion Group confirms progress toward environmental goals and supports environmental activities, and forms subcommittees to accelerate efforts on key tasks.

We carry out company-wide initiatives to deal with issues in the areas of product environmental laws and regulations and chemical substance controls. Periodic meetings are held to exchange and accelerate the dissemination of information relevant to these areas. We have also established a working group on product environmental laws and regulations in order to come up with concrete measures and policies for their implementation.

System for Promoting Sustainable Management in the Environmental Area



* See page 012.

Environmental Initiatives: Environmental Management

Putting Sustainable Management into Practice

Environmental Education

In accordance with the basic strategy of our management policy—foster and strengthen human resources—we strive to step up the cultivation of human resources as the foundation of our sustainable management. To this end, we have been providing training programs, including basic training open to all employees.

Since fiscal 2019, we have held environmental awareness training to help all employees acquire a wide range of environmental knowledge, and an introductory training course on environmental laws and regulations, which is mandatory for third-year employees.

In fiscal 2025, we conducted e-learning sessions for employees in Japan on ESG-related topics and on product-related environmental laws and regulations aimed at strengthening our ESG compliance framework. A large number of employees participated in these sessions, as detailed below.

With the aim of fostering human resources who will contribute to the company in stepping up compliance and achieving its environmental vision, we will continue to improve and expand our environmental education curricula by adjusting them to different duties and roles.

Fiscal 2025 Environmental Education Results

Course	Number of participants
ESG-related topics	14,552
Product-related environmental laws and regulations (introductory)	465

Environmental Performance Data Collection and Management

To support sustainable management, we have introduced a cloud-based system for efficiently collecting and managing data on our environmental performance, including energy consumption, waste generation, water usage, and chemical substances handled in our business activities. This system is in operation at Sharp bases in Japan and overseas. Collecting and analyzing such data helps us grasp the current state of our sustainable management, identify problems, and formulate measures. We are also engaging with suppliers to gather primary data.

Promoting an Environmental Management System

Since 1995, we have been operating an ISO 14001-based environmental management system and have acquired ISO 14001 certification for all 24 worldwide production bases. The purpose of this system is to strengthen environmental sustainability management, improve environmental performance, and ensure legal compliance.

Related information:> ISO 14001-Certified Plants and Offices

Product and Plant Audits

We regularly carry out a Green Product/Green Device Audit aimed mainly at ensuring compliance in product development. We check compliance with the environmental laws and regulations of each country and the reflection of environmentally friendly design in products, such as energy efficiency, resource savings, and recyclability.

We also review and evaluate environmental activities at our production bases as part of the CSR self-assessment survey.*

* See page 018.

Legal Violations, Accidents

In fiscal 2025, we were not subject to any lawsuits or fines related to environmentally related legal violations. There were also no major environmentally related accidents.

Environmental Initiatives: Environmental Management

Developing Environmentally Conscious Products and Devices

Developing Green Products and Devices

We call our environmentally conscious products "Green Products (GP)." The GP Guidelines, which define development and design criteria in line with seven concepts, have been in use at all product design departments since fiscal 1998. In developing products, we set specific objectives according to the GP Standard Sheet, which is formulated based on the GP Guidelines. In the trial manufacture and mass production stages, we determine how well the actual product has met these objectives. The content of the GP Standard Sheet—the benchmark for development objectives—is revised each year in order to constantly improve the environmental performance of Sharp products.

We call our environmentally conscious devices "Green Devices (GD)." To define guidelines for development and design based on seven concepts, we established the GD Guidelines, which we began applying at all device design departments in fiscal 2004. We set objectives according to the GD Standard Sheet and assess how objectives have been met in a similar way to GP standards. The assessment criteria are revised every year so that we can continuously raise the environmental performance of our devices.

Green Product Concepts

Energy Saving / Energy Creating	Products with superb energy-saving/energy-creating performance Improve the energy efficiency and reduce the energy consumption of products; other measures
Resource Conservation	Products designed to conserve resources Reduce the amount of materials used; design products that conserve resources during use; extend the life span of products; other measures
Recyclability	Products designed for recycling Design products that are easy to disassemble; use easy-to-recycle materials; other measures
Safe Use and Disposal	Products that can be used and disposed of safely Do not use substances that negatively affect people's health or the environment; other measures
Use of Green Materials and Devices	Products that use green materials and devices Use recycled materials/plant-based plastics; other measures
Environmental Consciousness Pertaining to Batteries, etc.	Products that use batteries, manuals, and packaging with enhanced environmental consciousness Reduce product packaging; design products that allow easy removal of batteries; other measures
Showing Eco Information of Products	Products that show their environmental performance and information Acquire environmental labels (eco labels); implement LCA; other measures

Green Device Concepts

Energy Efficiency / Energy Creating	Devices with superior energy efficiency and that consume less energy Reduce power consumption during operation and in standby mode; other measures
Resource Conservation	Devices designed to conserve resources Reduce device weight or volume; other measures
Recyclability	Devices designed for recycling Use standard plastic; design devices that are easy to disassemble; other measures
Safe Use and Disposal	Devices that can be used and disposed of safely Manage usage of chemical substances contained in parts and materials; other measures
Long Life	Devices that make products last longer Extend the life of the product with exchangeable parts and consumables (target: LCD devices); other measures
Packaging	Devices that use packaging with enhanced environmental consciousness Reduce packaging; other measures
Information Disclosure	Devices that give environmental information Provide information on chemical substances in devices; other measures

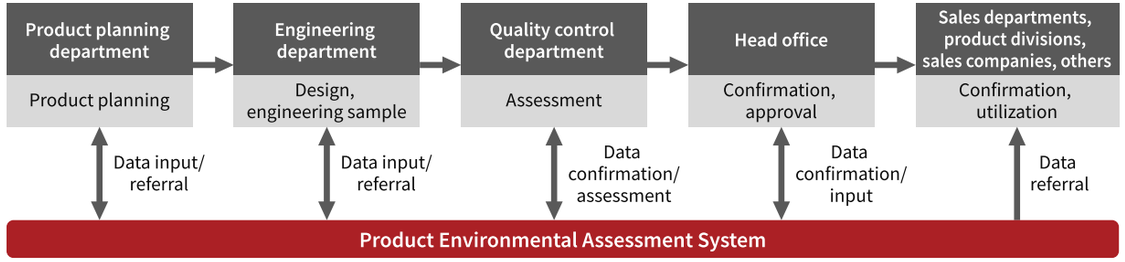
Environmental Initiatives: Environmental Management

Developing Environmentally Conscious Products and Devices

Development Process for Green Products and Devices

When developing and bringing to market Green Products and Green Devices, the product environmental assessment system, which contains the GP/GD Standard Sheet in digital form, is used to confirm environmental performance. The GP/GD Standard Sheet stipulates concrete targets covering seven environmental concepts, as well as rules on how to abide by various countries' environmental laws and regulations, which are growing year by year. The departments in charge of development and commercialization use the product environmental assessment system to input data on the products and devices, and to confirm how these are progressing in meeting the environmentally friendly criteria. Since fiscal 2004, we have been using this system to certify products with particularly high levels of environmental performance as Super Green Products.

Product Environmental Assessment System Flow



Certifying Super Green Products

The criteria for certifying Super Green Products are periodically revised in response to changing environmental laws and regulation and market demands for greater environmental friendliness. In fiscal 2016, we revised the certification criteria in the following way. Products are certified if (1) they offer class-leading energy-saving or energy-creating performance, or (2) they offer significantly high environmental performance through the use of unique Sharp technology. We also aggressively develop products that make the maximal use of minimal resources. In fiscal 2024, we added another SGP certification criterion, stating that products would be certified if they (and their packaging) include a percentage of recycled or recyclable materials above a certain Sharp in-house target number.

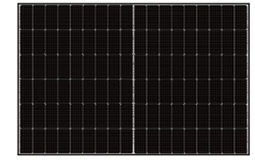
In fiscal 2025, sales of those products reached 98.5 billion yen, with SGP sales accounting for 23.6% of all GP sales in Japan.

Examples of Super Green Products

Plasmacluster front-loading washer/dryer
ES-8XS1

Color electronic paper display
EP-CA22

Digital full-color MFP
BP-71C65



Solar module
NU-435PP

Smartphone
AQUOS wish5

Environmental Initiatives: Environmental Management

Environmentally Conscious Products

Examples

Three Sharp Products Receive Chairman's Award at the Fiscal 2025 Energy Conservation Grand Prize

In the Product & Business Model Category of the Fiscal 2025 Energy Conservation Grand Prize, hosted by The Energy Conservation Center, Japan (ECCJ), three Sharp products—the Plasmacluster front-loading washer/dryer, AQUOS televisions, and the ePoster color electronic paper display—received ECCJ Chairman's Award. The Energy Conservation Grand Prize is an award program that recognizes outstanding energy-saving initiatives and advanced, highly efficient energy-saving products in Japan's industrial, commercial, and transportation sectors.

■ Plasmacluster front-loading washer/dryer ES-12X1-W/-H

This model achieves industry-leading energy-saving performance and water efficiency[*1]. In addition to Hybrid Drying NEXT, which combines a heat pump and a support heater to deliver high drying performance, the product also improves drying efficiency by incorporating a fan based on biomimetic technology. For washing, its Micro High-Pressure Shower technology delivers high cleaning and rinsing performance using less water. It was also highly evaluated for its ability to make effective use of surplus electricity through integration with residential solar power generation systems.

■ mini LED TV, AQUOS XLED 4T-C75HP1/C65HP1/C55HP1, 4T-C50HP2/C43HP2
OLED TV, AQUOS OLED 4T-C65HQ2/C55HQ2/C48HQ2

These TVs achieve both high image quality and excellent energy-saving performance. By precisely controlling light output according to video content and illuminating only the necessary areas, they reduce power consumption while delivering vivid, high-definition images. Improved brightness control accuracy has enhanced energy-saving performance by approximately 30% compared with Sharp's previous models[*2]. The products were also recognized for achieving a multi-level energy-saving rating of 3.0 stars or higher, with a 100% or greater energy-saving standards achievement rate.

■ color electronic paper display "ePoster" EP-CA22

The ePoster achieves display retention with zero power consumption. Power is required only when rewriting the display, demonstrating excellent energy-saving performance. Its thin and lightweight design also enables installation in locations where digital signage had previously been difficult due to limitations in power supply or load-bearing capacity. In addition, it supports simultaneous remote rewriting of multiple displays. The product was highly evaluated not only for its energy efficiency, but also for its contribution to resource savings and labor savings in operation.

*1 Among washer dryers with a drying capacity class of 6 kg sold in Japan. Power consumption for washing to drying (6 kg): 590 Wh. Standard water consumption for washing to drying (6 kg): 49 L. As of December 15, 2025 (based on the voluntary standards of the Japan Electrical Manufacturers' Association).

*2 Based on FY2026 energy-saving standards, compared with Sharp products of the same size and classification (mini LED TV: comparison between 2024 model 4T-C65GP1 and 2025 model 4T-C65HP1; OLED TV: comparison between 2024 model 4T-C65GQ1 and 2025 model 4T-C65HQ2).

From left: Plasmacluster front-loading washer/dryer ES-12X1-W/-H, AQUOS XLED HP1 line, and ePoster EP-CA22

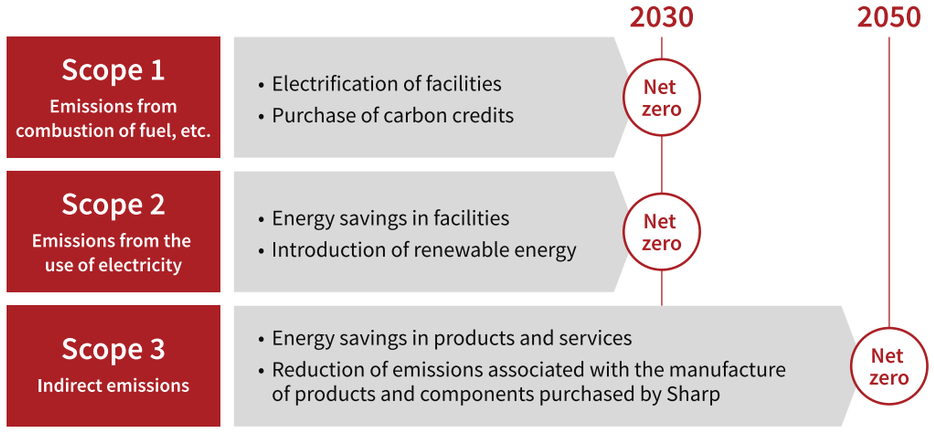
Environmental Initiatives: Climate Change

Sharp's Stance on Climate Change

Achieving a Net-Zero Economy

As climate change risks become more apparent and severe worldwide, society is demanding that companies take further action toward transitioning to a net-zero society. In response, we are aiming to achieve net zero CO_2 emissions from our own business activities (Scopes 1 and 2) by 2030, and net zero indirect CO_2 emissions outside the scope of our activities (Scope 3) by 2050. For Scope 1, we will electrify our facilities and purchase carbon credits. For Scope 2, we will save energy in facilities and introduce renewable energy. For Scope 3, we will make our products and services more energy efficient as well as strengthen cooperation with suppliers to reduce CO_2 emissions associated with the manufacture of products and components we purchase.

Achieve Net Zero CO_2 Emissions across the Entire Supply Chain by 2050



Addressing Climate Change through Products and Services

In line with a growth strategy that seeks to pave the way for a better future by integrating AI into every aspect of people's lives and work, we are expanding our range of products and services that help in combating climate change, such as through optimized energy use and improved energy efficiency.

Strengthening the Energy Solutions Business

In fiscal 2025, we achieved AI-driven optimal control of storage batteries and water heaters in our Cocoro Energy cloud-based HEMS service. By automatically controlling each device according to electricity rates and buyback prices, the service helps households use electricity more efficiently and make effective use of renewable energy. We also expanded our battery storage EPC[*1] business and worked on building power infrastructure that supports the spread of renewable energy. In fiscal 2026, we will further expand our energy solutions business as a growth area and roll out demand response[*2] control solutions. We will contribute to reducing greenhouse gas emissions by optimizing the electricity demand of companies and facilities.

Widespread Adoption of Energy-Saving Equipment

In the air conditioning business, we are strengthening the development of high-value-added products that provide both energy efficiency and comfort. In fiscal 2025, Sharp air conditioners received high praise, including an Innovation Award in the Indoor Air Quality category at the 2026 AHR Expo, one of the world's largest HVACR trade shows held in the United States. In fiscal 2026, we will pursue the reduction of power consumption by rolling out high-value-added products equipped with energy-saving and air quality improvement functions, mainly in the ASEAN market.

Energy and Resource Conservation through Innovative Digital Signage

In the display device business, we are pursuing ePoster business as one of our growth engines. ePoster consumes power only when the display is refreshed and consumes no power to maintain the displayed image. Therefore, it can significantly reduce power consumption compared to conventional digital signage, and, by being used as a replacement for paper posters and POP displays, it also contributes to reducing the environmental burden from printing materials and other sources. In fiscal 2026, we are pursuing further advancement in image quality, resolution, and screen size using our proprietary IGZO technology.

Balancing Climate Change Action with Business Growth

By combining energy solutions, energy-saving equipment, and digitalization solutions, we enable customers to simultaneously decarbonize their operations and solve their business challenges, thereby achieving both climate change action and sustained business growth.

*1 A contract format that encompasses all three elements of engineering, procurement, and construction.
*2 This system maintains a balance between electricity supply and demand by having the electricity demand side adjust their consumption and timing of use.

Environmental Initiatives: Climate Change

Sharp's Stance on Climate Change

Participation in Climate Change Initiatives and Other Efforts

We participate in the Science Based Targets initiative (SBTi)[*1], which is focused on pursuing action that will achieve real and reliable results in the fight against climate change, and in March 2024 obtained SBT 1.5°C[*2] certification. In May 2026, we updated our targets to make them more ambitious and aligned with our decarbonization plan.

Also, in order to further accelerate our plan to convert the electricity used in our business activities to 100% renewable energy, we joined the RE100[*3] global initiative in February 2025. We will contribute to decarbonization by actively introducing renewable energy at our business sites as well as further promoting the use of renewable energy throughout society through our energy solutions business.

In Japan, we will continue to participate in the Liaison Group of Japanese Electrical and Electronics Industries for Global Warming Prevention[*4] and the GX Future Consortium[*5] to promote initiatives by the electrical and electronics industry, along with collaborative efforts across industry, government, and academia and contribute to efforts aimed at achieving carbon neutrality for society as a whole.

Reducing Greenhouse Gas Emissions across the Supply Chain

For greenhouse gas emissions across the entire Sharp value chain, emissions from our own activities (Scopes 1 and 2) account for 3.3%, and indirect emissions outside the scope of our activities, such as emissions associated with material procurement, transportation, and the use of sold products (Scope 3), account for 96.7%. Because of this, we recognize the importance of reducing greenhouse gas emissions across the entire supply chain, not only through our own efforts to reduce the environmental impact of our activities, like product manufacturing, but, also, through efforts to reduce the environmental impact of material procurement and product use by customers (improving product energy efficiency).

Greenhouse gas emissions from our activities are expected to decrease gradually as we make progress with the device business' asset-light initiative. However, to ensure we achieve net zero emissions in 2030, we will continue to pursue various reduction measures and the introduction of renewable energy. As part of our reduction efforts, we are conserving energy at our production sites, such as by switching to LED lighting and improving the efficiency of outdoor air-processing units and air-conditioning systems. We are also moving forward with the use of renewable energy, such as by introducing solar power systems at our production sites both in Japan and overseas. The utilization rate of renewable energy in our electricity consumption reached 24.4% in fiscal 2025.[*6]

In materials procurement, we will further strengthen cooperation with our business partners to reduce greenhouse gas emissions.

In the field of transportation, we continue to pursue a modal shift (a switch from truck-based transportation to environmentally friendly methods like ships and railroads) while also working to optimize landing points and review our parts procurement sources.

We are actively working to create environmentally friendly products and devices whose use will result in reduced greenhouse gas emissions, as these emissions account for the largest portion across our entire supply chain. We designate our environmentally friendly products and devices as "Green Products" and "Green Devices." We have formulated and implemented guidelines that summarize the development and design rules of these products and devices in order to ensure we are continually working to improve their environmental friendliness.[*7]

Contributing to Society through the Widespread Adoption of Renewable Energy

"As a manufacturer of products that consume electricity, we have a responsibility to become a manufacturer of electricity itself." This has been the motivating resolve behind our work on solar power generation begun in 1959. Our efforts over the last half century have expanded into a wide range of fields, from residential use to power generation under harsh conditions in lighthouses and satellites, to mega solar power plants around the world. Based on our medium-term management plan, we will also work to develop and deepen our core technologies in the energy sector, such as solar cells for space-based applications and perovskite solar cells.

We will continue to work to further promote the use of renewable energy in all sectors of society and to contribute to the realization of a net-zero economy.

*1 This climate change-related initiative is a collaborative effort of the United Nations Global Compact (UNGC), the CDP, World Resources Institute (WRI), and the World Wide Fund for Nature (WWF). The SBTi promotes the establishment of science-based GHG emissions reduction targets in conformance with the Paris Agreement.
*2 A target of limiting the increase in global average temperature to 1.5°C above pre-industrial levels.
*3 A global initiative that aims for companies to cover 100% of the electricity used in their operations with renewable energy.
*4 This group comprises companies from electrical and electronics industry associations in Japan, such as the Japan Electrical Manufacturers' Association (JEMA) and the Japan Electronics and Information Technology Industries Association (JEITA). The Liaison Group undertakes industry-wide efforts aimed at preventing global warming—for example, proposing action plans to achieve carbon neutrality.
*5 This consists of the GX Future Academy, which disseminates information and conducts seminars on green transformation (GX), and the GX Future League, which works with the public and private sectors to create rules related to demand creation and funding for GX. Its aim is to drive the implementation of GX throughout society and realize a virtuous cycle of decarbonization and economic growth.
*6 See page 045.
*7 See page 035.

Environmental Initiatives: Climate Change

Avoided Emissions

Calculating Avoided Emissions

In addition to reducing greenhouse gas (GHG) emissions throughout our supply chain, we will contribute to reducing those emissions throughout society by switching to innovative products with improved energy efficiency. This initiative is calculated as "avoided emissions[*1]."

Avoided emissions are the amount of GHG emissions reduced in society as a result of the use of a company's energy-saving products and services. They are a new indicator for evaluating a company's ability to address climate change through the solutions it provides. This fiscal year, electronic paper displays and LED displays were added to the products included in the calculation, and our avoided emissions in fiscal 2025 were 140,000 t-CO_2.

Avoided Emissions Calculation Method

With reference to various guidelines and case studies on avoided emissions[*2], we utilize the following approach to calculating avoided emissions.

Avoided Emissions (Fiscal 2025)

Avoided emissions type	Products subject to calculation	Avoided emissions (thousand tons CO_2)
Replacement with energy-saving products	TVs, air conditioners, refrigerators, washing machines, microwave ovens, laundry dryers/dehumidifiers, electronic paper displays, LED displays	140

■Baseline: Comparison with the average product on the market in the calculation year[*3]

The CO_2 equivalent of the electricity consumed by an average product with equivalent functionality to Sharp's products in the market in the country or region where it is sold in the fiscal year of calculation.

■Calculation formula: Calculated using the following two formulas

i) When the majority of GHG emissions occur during the use phase of the product life cycle:

(Annual power consumption of average products on the market – Annual power consumption of Sharp products[*4]) × CO_2 emissions factor associated with electricity usage[*5] × Annual sales volume of Sharp products × Lifetime

ii) Cases other than those described in i) above:

{(Annual power consumption of average products on the market – Annual power consumption of Sharp products[*4]) × CO_2 emissions factor associated with electricity usage[*5] × Annual sales volume of Sharp products × Lifetime}

+ {(Life cycle emissions excluding the use phase of average products on the market – Life cycle emissions excluding the use phase of Sharp products) × Annual sales volume of Sharp products}

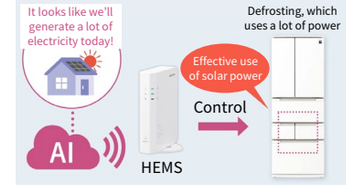
*1 Avoided emissions have a different purpose and calculation method from the emissions from a company's own activities (Scopes 1 and 2) and indirect emissions outside the scope of a company's activities (Scope 3) and does not offset these.
*2 Guidance on Avoided Emissions v2.0 (WBCSD, July 2025), IEC63372 (IEC, January 2026)
*3 Based on regulations and survey results (including Sharp's own findings) in the country and region where the product is sold.
*4 We use regulations and survey results from the country and region in which each product is sold (including Sharp's own findings and calculations).
*5 Uses the total CO_2 emissions factor associated with electricity consumption in the country or region where the product is sold (IEA Emissions Factor 2025).

Example

Energy-Saving Refrigerator Operation Using AI

Sharp refrigerators can save up to approximately 25% on electricity consumption. By connecting the refrigerator to a wireless LAN and using the Connect to Save More[*6] cloud service function, energy savings can be increased to up to approximately 35% compared to normal operation. The refrigerator learns usage patterns and automatically optimizes energy-saving operation tailored to each household's lifestyle. The Life Eee Connect[*6] energy management service, which links a solar power system with home appliances and residential equipment, optimizes the refrigerator's defrosting operation. By efficiently utilizing solar power, this service reduces wasted electricity.

Connect to Save More usage (image)



Life Eee Connect usage (image)

*6 Although Connect to Save More and Life Eee Connect were not reflected in this calculation, it is expected that the utilization of these technologies will reduce the amount of power consumed during product use, leading to further reductions in CO_2 emissions.

Environmental Initiatives: Climate Change

TCFD-Based Information Disclosure

Action on the TCFD Recommendations

The Task Force on Climate-related Financial Disclosures (TCFD) was established by the Financial Stability Board (FSB), an organization promoting international financial stability. In 2017 the TCFD released recommendations for companies to disclose information on the risks and opportunities of climate change. We have declared support for the TCFD recommendations and are expanding disclosure of climate-related information in accordance with the framework set by the TCFD.

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

1. Governance

Climate-related issues are monitored and countermeasures supervised by the president & CEO, who chairs the Sustainability Committee*1. The committee includes senior executives and members from head office departments, business units, and subsidiaries. The committee works to thoroughly implement policies and visions related to aspects of ESG such as climate change; it deliberates on and promotes active measures; and it shares the latest trends on societal issues.

Through monitoring and review by management at committee meetings, we continuously strengthen climate change action to play a part in making society sustainable.

2. Strategy

We see climate change as both a risk and an opportunity in the medium to long term. We assess our strategies and organizational resilience considering climate-related risks and opportunities. To understand long-term impacts up to 2050, we analyzed climate change scenarios outlined by the International Energy Agency (IEA) and the Intergovernmental Panel on Climate Change (IPCC) (1.5°C scenario*2 and 4°C scenario*3). The following page provides detailed information about those risks and opportunities, along with a summary of associated measures.

3. Risk Management

We identify and assess climate-related risks in accordance with the Rules of Business Risk Management*4, in which the basic approach to risk management has been established. Specifically, we identify climate-related risks that are highly likely to occur based on our analysis of climate scenarios forecast for the future. The findings are reported as necessary to senior executives and the Internal Control Planning Division, which serves as the risk management secretariat. It also facilitates necessary improvement measures in partnership with involved departments.

4. Metrics and Targets

In 2019 we formulated SHARP Eco Vision 2050, a long-term environmental vision based on our basic environmental policy of "Creating an environmentally conscious company with sincerity and creativity," which was established in 1992. We are working toward realizing a sustainable global environment by pursuing long-term goals set in three fields of action with 2050 as the target year: climate change, resource recycling, and safety and security. With regard to the pressing global issue of climate change, we are accelerating efforts to achieve net zero CO_2 emissions from our business activities (Scopes 1 and 2) by 2030, and from our entire supply chain (Scopes 1, 2, and 3) by 2050.

Progress towards Reducing GHG Emissions (Fiscal 2025 Results)

Base Year (fiscal 2021 results)	Fiscal 2025 Results	Base Year Comparison
1,365 thousand tons CO_2	600 thousand tons CO_2	56.0% reduction

*1 See page 012.
*2 IEA Net Zero Emissions by 2050 Scenario; SSP1-1.9 scenario from the IPCC 6th Assessment Report (AR6).
*3 RCP 8.5 scenario from the IPCC 5th Assessment Report (AR5).
*4 See page 140.

Environmental Initiatives: Climate Change

TCFD-Based Information Disclosure

Business risks and opportunities; Sharp's response

Scenario	Factors	Changes	Impacts on Sharp	Risk or Opportunity	Degree of Financial Impact	Time Horizon*	Sharp's Response
1.5℃	Introduction of carbon pricing	Increased raw material procurement costs	Costs passed on to purchase prices due to carbon tax levied on Sharp-purchased products	Risk	Large	Short term	● Seek to use raw materials with low GHG emissions ● Find suppliers that strive to reduce environmental impact ● Optimize purchase volume (thorough inventory control)
		Increased direct operational costs	Increased payment costs due to carbon tax levied in line with Sharp's GHG emissions	Risk	Large	Short term	● Reduce GHG emissions through further energy savings ● Further investment into low-carbon facilities and equipment by introducing internal carbon pricing
	Pressure to decarbonize and pursue environmental friendliness in the supply chain	Decline in competitiveness due to failure to meet user needs for environmental friendliness	Decrease in sales due to failure to meet user expectations for environmental friendliness	Risk	Medium	Short term	● Understand market needs through ongoing communication with users ● Ongoing R&D in energy savings
		Increased costs associated with switching to environmentally friendly materials	Increased costs associated with switching to electric furnace materials, recycled plastic, and bio-plastic, which emit less GHGs	Risk	Medium	Medium term	● Find suppliers that provide low-cost environmentally friendly materials ● Maintain consumer price elasticity through disclosure of the use of environmentally friendly materials
		Increased energy procurement costs due to switching to renewable energy	Increased costs associated with in-house power generation, power purchase agreements (PPA), switching to renewable energy, and purchase of environmental value certificates	Risk	Small	Medium term	● Reduce GHG emissions through further energy savings ● Seek partners in low-cost PPA and renewable energy projects
	Expansion of the renewable energy market	Increased demand for solar power-related products and systems from producers and users of renewable energy	Increased possibility for revenue growth by expanding product and system offerings	Opportunity	Medium	Short term	● Ongoing development of solar power-related products and systems in response to market demand
		Increased demand for zero energy houses (ZEH)	Increased possibility for revenue growth by strengthening offerings of flat-rate solar power services for homes and home energy management systems (HEMS)	Opportunity	Medium	Short term	● Provide energy solutions (systems, services) that meet market demand
	Expansion of environmentally beneficial businesses	Expansion of circular economy business models	Increased support from customers by establishing a waste-free circular economy business model, amid growing efforts for decarbonization in society	Opportunity	Small	Medium term	● Further pursue the recycling of waste plastic by leveraging closed-loop material recycling and other technologies ● Aggressively create new business opportunities through ongoing information gathering on solar cell recycling
4℃	Intensifying weather-driven disasters	Disruptions in the supply chain	Intensifying weather-driven disasters affect Sharp suppliers and bases and the supply chain, leading to a loss in sales opportunities for Sharp	Risk	Medium	Long term	● Purchase from multiple sources and regions ● Survey the status of our main suppliers' business continuity plans (BCP) and reinforce measures ● Further upgrade BCPs at Sharp bases

* Short term: three years or less; medium term: by around 2030; long term: by around 2050.

Environmental Initiatives: Climate Change

Greenhouse Gas Emissions

We calculate greenhouse gas emissions with reference to the GHG Protocol[*1] and then work to limit those emissions across the entire supply chain.[*2]

*1 The GHG Protocol is an international standard for calculating greenhouse gas (GHG) emissions. It was jointly established by the World Business Council for Sustainable Development (WBCSD), a coalition of the world's leading companies, and the World Resources Institute (WRI), a United States-based think tank.
*2 Scopes 1 and 2 are calculated for Sharp Corporation production sites and production subsidiaries in Japan and overseas. Scope 3 is calculated for Sharp's entire supply chain.
*3 The calculation method was revised beginning with fiscal 2025 results.
*4 TVs (CRT TVs, flat-panel TVs), air conditioners, refrigerators/freezers, washing machines/dryers

Greenhouse Gas Emissions by Scope 1/2/3 Categories Based on the GHG Protocol

Category		Emissions (Thousand Tons CO_2)			Notes
		Fiscal 2023	Fiscal 2024	Fiscal 2025	
Scope 1 (direct GHG emissions from business activities)		290	260	218	Emissions from combustion of fuel, etc.
Scope 2 (indirect GHG emissions from usage in business activities)	Market-based	885	560	382	Emissions from the use of electricity (calculated using contract-specific emission factors)
	Location-based	1,005	765	512	Emissions from the use of electricity (calculated using the average emission factors of each region)
Total of Scope 1 and Scope 2		1,175	820	600	Scope 2: market-based
Scope 3 (indirect GHG emissions from outside the scope of business activities)	1. Purchased goods and services	2,480	1,879	2,274	Emissions from the manufacture of materials procured for products sold in the reporting year
	2. Capital goods	130	82	84	Emissions from the construction, manufacture, and transportation of capital goods (such as equipment, machinery, buildings, facilities, and vehicles)
	3. Fuel- and energy-related activities (not included in Scope 1 or 2)	219	150	117	Emissions from the procurement of fuels (natural resource extraction, manufacture, and transportation) consumed in the generation of electricity and heat procured from other companies
	4. Upstream transportation and distribution	164	153	69	Emissions from the transportation of parts and materials and products manufactured
	5. Waste generated in operations	2	2	1	Emissions from waste disposal and treatment
	6. Business travel	19	16	13	Emissions from business travel by all employees
	7. Employee commuting	17	15	14	Emissions from commuting by all employees
	8. Upstream leased assets	—	—	—	Included in Scope 1 and 2 emissions
	9. Downstream transportation and distribution	63	46	59	Emissions from the transportation (from retailers to end consumers) of products sold in the reporting year
	10. Processing of sold products	201	44	171	Emissions from processing at destination of products
	11. Use of sold products	19,110	19,337	14,692[*3]	Emissions from the use of products sold in the reporting year
	12. End-of-life treatment of sold products	763	809	326	Emissions from recycling 4 types of appliances[*4], copiers/MFPs, and PCs, as well as emissions of refrigerants when disposing of air conditioners
	13. Downstream leased assets	—	—	—	Not applicable
	14. Franchises	—	—	—	Not applicable
	15. Investments	—	—	—	Not applicable
Scope 3 total		23,168	22,533	17,820	
Scope 1 + 2 + 3 total		24,343	23,353	18,420	

Environmental Initiatives: Climate Change

Reducing Business Activity-Linked Greenhouse Gas Emissions

Fiscal 2025 Objectives	Fiscal 2025 Achievements	Self-Evaluation	Priority Objectives for Fiscal 2026
■ Reduce greenhouse gas emissions by 44.4% (baseline year: fiscal 2021)	■ Reduced greenhouse gas emissions by 56.0% (baseline year: fiscal 2021)	★★★	■ Reduce greenhouse gas emissions by 55.5% (baseline year: fiscal 2021)

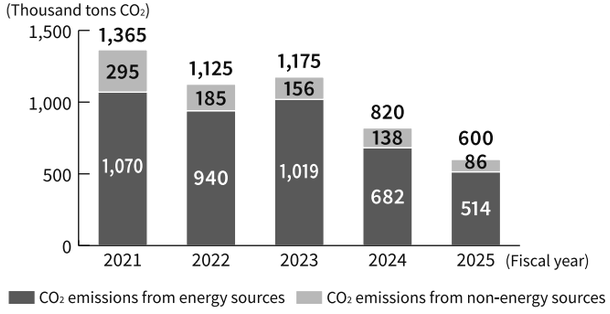
Self-evaluation: ★★★ Achieved more than targeted / ★★ Achieved as targeted / ★ Achieved to some extent

To address the global problem of climate change, we are working to reduce GHG emissions from our business activities. We aim to achieve net zero CO_2 emissions from business activities by 2030. The Sharp Group's GHG emissions from business activities in fiscal 2025 was down 56.0% to 600,000 tons CO_2 compared to the fiscal 2021 baseline.

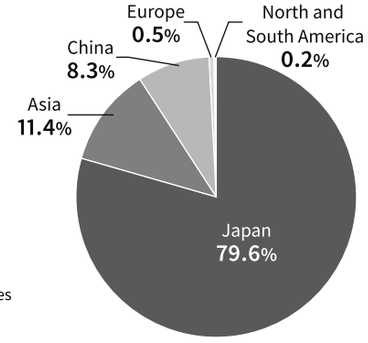
In addition to energy-saving actions at each site, we are using non-fossil certificates and other means to reduce the amount of greenhouse gas emissions. As well, progress in making the device business more asset-light allowed us to dramatically reduce emissions.

We will continue to achieve targets by, for example, making production lines more efficient and introducing renewable energy.

Sharp Group's GHG Emissions from Business Activities



GHG Emissions by Region (Fiscal 2025)

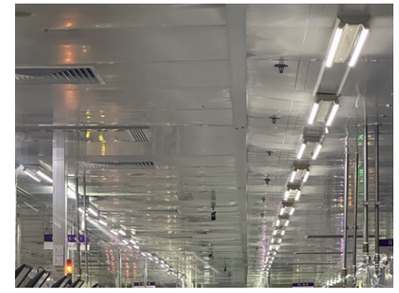


Example

Reducing Greenhouse Gas Emissions at Production Sites

Production base WSEC in China has upgraded the electronic control system for the factory's air conditioning equipment and implemented total optimization control. It also takes other energy-saving measures, like replacing factory lights with LED lamps. In addition, a solar power system with an output of 2 MW-dc and annual power generation of 2,528 MWh was installed on the factory roof. As a result of these efforts, greenhouse gas emissions were reduced by approximately 4,000 t-CO_2 in fiscal 2025.

At Sharp, we are actively pursuing energy-saving initiatives and the introduction of solar power systems at our domestic and overseas bases as we work to reduce greenhouse gas emissions globally.



Switching to LED lighting in the factory

Solar power system installed on the factory roof

Environmental Initiatives: Climate Change

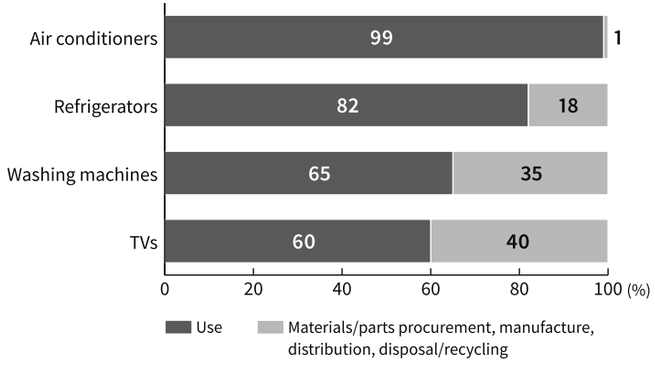
Product Life Cycle Assessment

Identifying and Reducing Environmental Impacts throughout the Life of Products

We do a life cycle* assessment (LCA) on our products to identify their impact on the environment throughout their life cycle. The results are used in product planning and development.
Consumer electronics generally have a large impact on the environment during use. Thus, by focusing on improving their energy savings, overall environmental impact can be effectively reduced.

* The life of a product from materials and parts procurement to manufacture, distribution, use, disposal, and recycling.

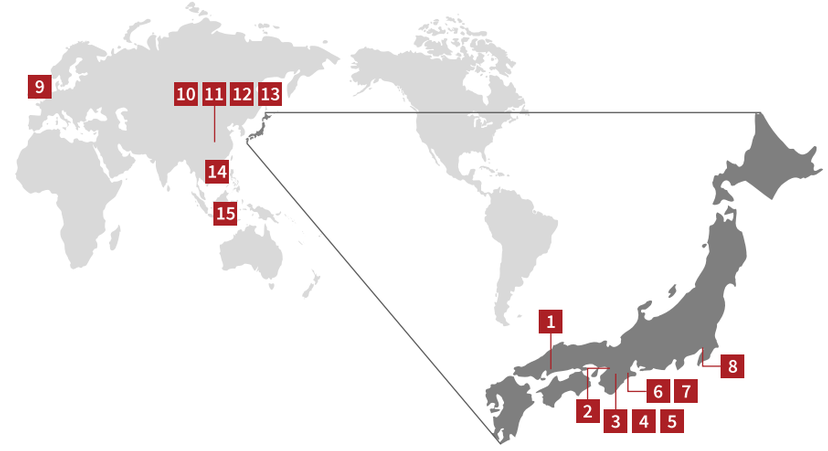
Life Cycle CO_2 Emissions by Percentage of the 4 Types of Appliances



Utilizing Renewable Energy

We have introduced the use of PV systems and other power sources to our domestic and overseas production bases and are advancing the use of renewables to do our part to create a net-zero society. In fiscal 2025, the amount of renewable energy was 262.67 million kWh. The proportion of renewable energy in our electricity consumption increased to 24.4%. In-house solar power generation was 5.92 million kWh.

Solar Power Systems at Sharp Bases Worldwide



Domestic bases	
No.	Name
1	Hiroshima
2	Yao
3	Katsuragi
4	Nara
5	Tenri
6	Kameyama
7	Mie
8	Makuhari
Overseas bases	
No.	Name
9	SUKM (UK)
10	NSEC (China)
11	SOCC (China)
12	WSEC (China)
13	DBH (China)
14	SATL (Thailand)
15	SEID (Indonesia)

Solar power systems installed on the roofs of Sharp production bases
(left: Kameyama in Japan; right: NSEC in China)

Environmental Initiatives: Climate Change

Reducing Logistics-Related Environmental Impact

Reducing the Environmental Impact of Logistics in Japan

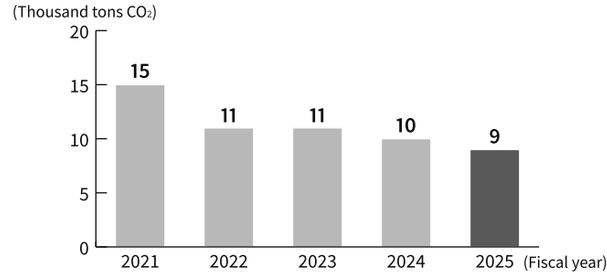
We observe a rule set forth in the Japanese Energy Conservation Act[*1] that requires specified shippers to reduce energy intensity by 1% or greater per year. All Sharp Group companies in Japan are working to reduce the environmental impact and costs associated with logistics.

In fiscal 2025, Sharp Group greenhouse gas (GHG) emissions from shipping activities in Japan were 9,000 tons CO_2. For Sharp Corporation, energy intensity worsened by an average of 1% for the most recent five years (fiscal 2021 to 2025) due to a decrease in net sales.

We are steadily implementing a modal shift[*2], a change from conventional trucking to more environmentally friendly modes of transport, such as shipping (non-international coastal trading vessels) and rail (Japan Railways containers). And, by unloading imported goods at harbors chosen for their proximity to their main sales locations, we are reducing re-transport between distribution centers. These efforts enable us to reduce the environmental impact of our distribution activities. For shipments, we have been certified with an Eco Rail Mark[*3] by the Ministry of Land, Infrastructure, Transport, and Tourism and the Railway Freight Association.

*1 Act on Rationalization of Energy Use and Shift to Non-Fossil Energy
*2 To shift freight transport from conventional trucking to more environmentally friendly modes of transport, such as rail and shipping.
*3 Products or companies that use a certain amount of rail transport for freight are given Eco Rail Mark certification. The mark is used on items such as product packaging and brochures to inform the public that a company uses environmentally friendly modes of transport.

GHG Emissions from Freight Shipments (Japan)



Eco Rail Mark certification

Reducing the Environmental Impact of International Logistics

We have a wide range of initiatives to reduce the amount of GHGs that are emitted as a result of international shipping. We are reducing airfreight volume as we switch to environmentally friendly modes of transport, and we are also improving load efficiency. Further, we are reviewing shipping routes and switching to harbors that are closer to the final destinations for products. We are also switching to suppliers located closer to our factories.

Environmental Initiatives: Resource Recycling

Approach to Resource Recycling

Towards the Realization of a Circular Economy

We have provided the world with diverse value through the new products we create but, at the same time, have consumed a large amount of resources. By making greater efforts to use resources more effectively and to provide maximum value with minimal resources, we aim to foster a circular economy that will result in the realization of a circular society. Specifically, we focus on the three areas of products, manufacturing, and recycling to create environmentally friendly products and devices, develop environmentally beneficial technologies, reduce the environmental impact of our business activities, recycle used products, and pursue other efforts across a wide range of domains.

Three-Area Approach

(1) Products:

We do eco-design and life cycle assessments for newly developed products and strive to reduce virgin plastics and waste by conserving resources, extending product life, and using recycled materials. We have also put into practical use a closed-loop material recycling technology that reuses plastics collected from used home appliances as components for new home appliances.

Keywords: Virgin plastics | Closed-loop material recycling technology

(2) Manufacturing:

We aim to reduce the environmental impact of our factories through the efficient use of resources. We are working to reduce and recycle waste generated in the manufacturing process, while also actively reducing the amount of new water used and recycling wastewater from processes in order to make effective use of water resources.

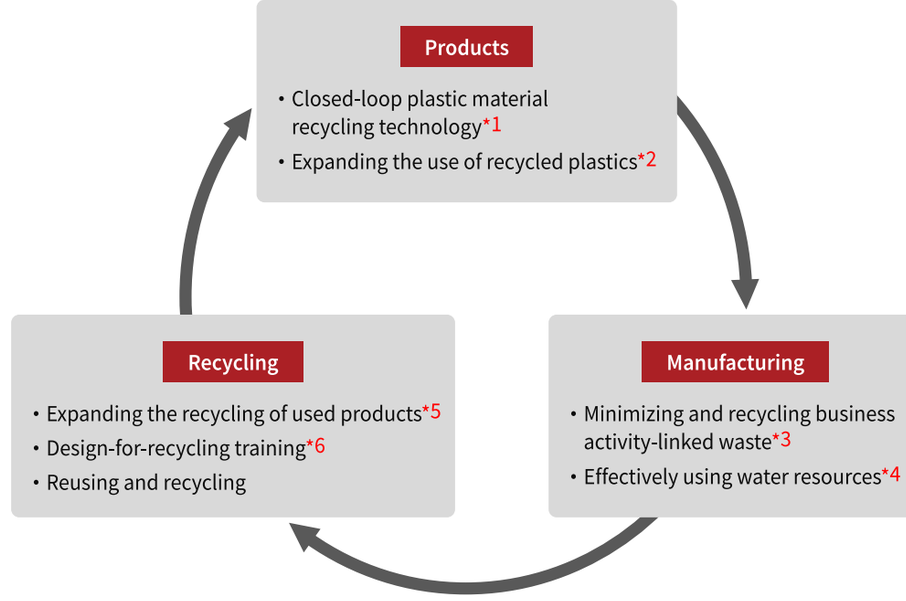
Keywords: Waste | Water resources

(3) Recycling:

In addition to collecting and recycling used products, we provide employees with design-for-recycling training and tours of recycling factories.

Keywords: Recycling used products | Design-for-recycling training

Resource Recycling Focus Areas



*1 See page 049. *2 See page 050. *3 See page 056. *4 See page 058. *5 See page 052. *6 See page 053.

Environmental Initiatives: Resource Recycling

Reducing Virgin Plastics

Approach to Reducing Virgin Plastics

Due to their usefulness, plastics are used in a wide range of products, containers, and packaging, making them essential materials in modern society. At the same time, however, the recycling of plastics is becoming increasingly important both domestically and internationally, prompted by issues such as ocean plastic pollution and the depletion of oil resources.

We have set a medium-term target for virgin plastics in order to strengthen our efforts to reduce the amount of virgin plastics used in our products and packaging. To achieve this target, we have established a subcommittee and are working to use more plastic alternatives, recycled plastics, and bioplastics.

Medium-Term Target for Virgin Plastics

To ensure efforts aimed at resource recycling, we have joined the Circular Partners*1 and have set the following target as we work to help realize a circular economy. The result for fiscal 2025 was 58.6%.

*1 A Ministry of Economy, Trade and Industry (Japan)-led partnership between industry, government, and academia, which is focused on the circular economy.

Circular Partners Target

Target indicator	Percentage of products using recycled plastics or bioplastics among new products for the reporting year
Target level	70% or more
Target year	Fiscal 2030

Circular Partners Target Result (Fiscal 2025)

Target products	Result for fiscal 2025
TVs, air conditioners, refrigerators, washing machines, microwave ovens, air purifiers, MFPs	58.6%*2

*2 Based on products newly sold in Japan during the reporting year.

Virgin Plastic Reduction Subcommittee

In order to advance efforts to reduce the amount of virgin plastics used, we have a Virgin Plastic Reduction Subcommittee comprised of in-house engineers.

In fiscal 2025, we studied the quality, safety, and procurement of recycled plastics in an aim to expand their use. We also formulated Guidelines for the Adoption of Recycled Plastics, which clarify the criteria for decision-making when introducing them. In addition, we have set up a Circular Economy Portal for the purpose of managing and sharing virgin plastic-related information within the company and are working to continuously accumulate and utilize information.

Examples of Virgin Plastic Reduction

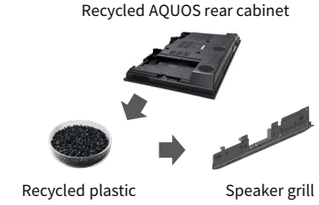
In order to reduce the amount of virgin plastics used, we are actively working to switch to plastic alternatives and to adopt recycled plastics and bioplastics.

Examples of Virgin Plastic Reduction

Use of recycled plastics from AQUOS

We have been expanding our use of recycled plastic in TVs for the Japanese market, and it is being used in major exterior components of models released in 2026.

The plastic used is expected to contain approximately 20% PCR (post-consumer resin) material. Some models use CMR material*3, which is recycled from waste plastic collected from AQUOS, for the speaker grills.



Use of environmentally friendly materials

The Poketomo AI companion device also uses environmentally friendly materials, promoting resource recycling and reducing the use of new resources.

As with previous models, the AQUOS R11 and AQUOS sense10 smartphones use recycled and environmentally friendly materials in their casings and internal components.

*3 CMR: Closed material recycle. Recycling in which materials recovered from a company's used products are reused as materials for the company's own products.

Environmental Initiatives: Resource Recycling

Environmental Technologies That Contribute to a Sustainable, Recycling-Based Society

Fiscal 2025 Objectives	Fiscal 2025 Achievements	Self-Evaluation	Priority Objectives for Fiscal 2026
■ Practical application of recycled HIPS ■ Expand use of recycled plastics in products	■ Developed a recycled material using polystyrene recovered from used air conditioners that combines the physical properties and durability required for home appliances ■ Expanded adoption in new components for refrigerators and air purifiers	★★	■ Establish mass-production and quality control technologies for recycled polystyrene recovered from air conditioners ■ Complete basic study on decorative technology for recycled plastics ■ Expand use of recycled plastics in products

Self-evaluation: ★★★ Achieved more than targeted / ★★ Achieved as targeted / ★ Achieved to some extent

Expanding Closed-Loop Plastic Material Recycling Technology

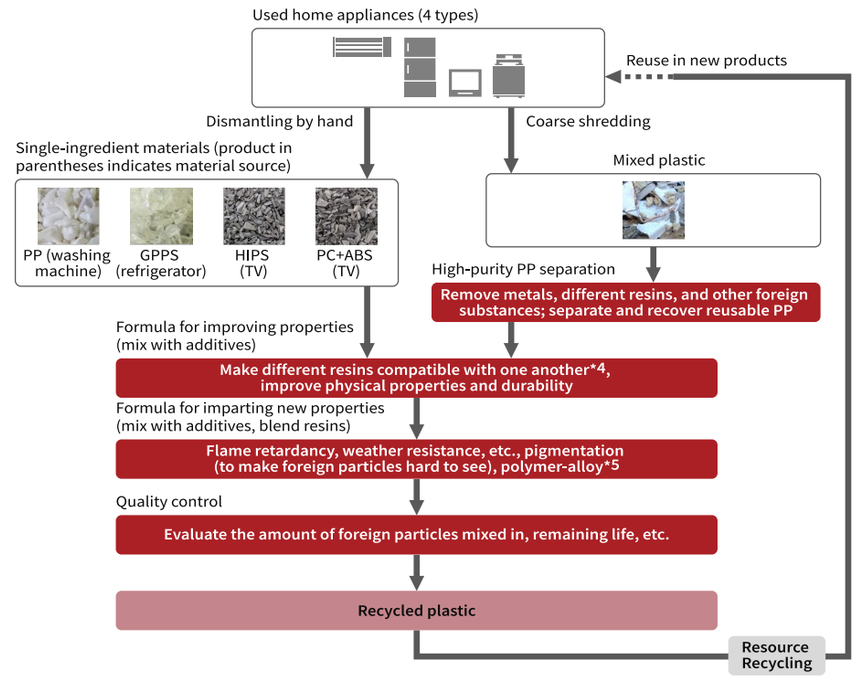
In recycling materials, such as when end-of-life plastic is reused to make new products, the open-loop material recycling scheme is commonly adopted. It involves reusing recycled materials to make things like daily necessities and sundries. The majority of these are used only once and disposed of as municipal waste.

As opposed to this type of recycling, Sharp and Kansai Recycling Systems Co., Ltd.*1 jointly developed closed-loop plastic material recycling technology with a view to making better use of finite resources and reducing waste. This technology enables the repeated recovery of plastic from used consumer electronics products as well as the reuse of that plastic in parts of new consumer electronics products. The technology has been in practical use since fiscal 2001, when the Act on Recycling of Specified Kinds of Home Appliances (Home Appliance Recycling Act) was enacted in Japan.

We have been striving to make more plastic recyclable through the development of new technologies. These include a technology for recovering high-purity polypropylene (PP) from mixed plastic parts and parts that contain metal; a technology for improving the properties of recovered PP, HIPS*2, and PC+ABS*3 materials so that their quality is on a par with that of virgin materials; a technology that gives materials added value by imparting properties such as flame retardancy, weather resistance, and an antibacterial property, with the aim of expanding applications for recycled plastic; and a quality-control technology for ensuring optimal quality. Thanks to the development and introduction of these technologies that integrate everything from recovery to quality control, we have been able to establish closed-loop material recycling to produce high-grade recycled plastic.

*1 A consumer electronics recycling company established in Japan with joint investment from Sharp, Mitsubishi Materials Corporation, and four other companies.
*2 High-impact polystyrene (general-purpose polystyrene [GPPS] given impact resistance by adding rubber).
*3 A polymer alloy of polycarbonate and acrylonitrile, butadiene, and styrene (a resin given new properties as a result of mixing in several types of polymers).

Recycling Plastic Recovered from the 4 Types of Home Appliances



*4 Blending multiple types of resins uniformly and finely dispersed into one another at the molecular level.
*5 A resin given new properties as a result of mixing in several types of resins.

Environmental Initiatives: Resource Recycling

Environmental Technologies That Contribute to a Sustainable, Recycling-Based Society

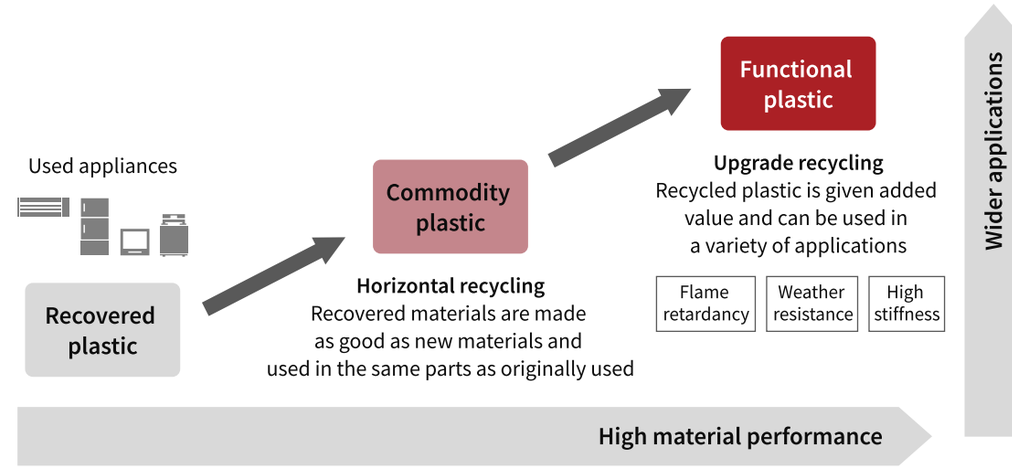
Expanding the Use of Recycled Plastics

We are working to increase the recycling of used plastics by focusing on the technological development of horizontal recycling and upgrade recycling. In horizontal recycling, used plastics are made as good as new material and incorporated into the same parts as they were originally used. In upgrade recycling, functionality and value such as flame retardancy, weather resistance, high rigidity, and color are added to recycled plastics, enabling their reuse beyond their conventional applications in a wide range of products.

In fiscal 2025, we developed a recycled material using polystyrene recovered from used air conditioners as a raw material, achieving both the physical properties and durability required for home appliances. Polystyrene is one of the main types of plastic used in home appliances, but, because it is susceptible to thermal degradation and the adverse effects of foreign matter, it is difficult to utilize in horizontal recycling via conventional technology to produce durable consumer goods such as home appliances. Thus, until now, it has been used for things like everyday items and miscellaneous goods. The practical application of this technology is, therefore, expected to further increase the rate of recycled plastic used in home appliances. Going forward, we will steadily pursue the development of mass-production and quality control technologies, aiming for early practical application.

As a new initiative, we are pursuing the development of decorative technology for recycled plastics to enhance the appearance and texture of our products. Traditionally, recycled plastics have been limited to use in internal parts due to appearance issues, such as black spots caused by impurities, like environmental dirt and foreign matter, and uneven coloring caused by variations in raw materials. This technology will allow us to leverage the challenges of recycled plastics, such as black spots and uneven coloring, as unique characteristics and design elements, enabling their application to exterior components. By transforming the challenges of recycled plastics into something that provides value, we will expand new design possibilities and contribute to improving the environmental friendliness of our products.

Used Plastic Recycling Method



Polystyrene parts recovered from used air conditioners

Material developed from recovered polystyrene

Environmental Initiatives: Resource Recycling

Environmental Technologies That Contribute to a Sustainable, Recycling-Based Society

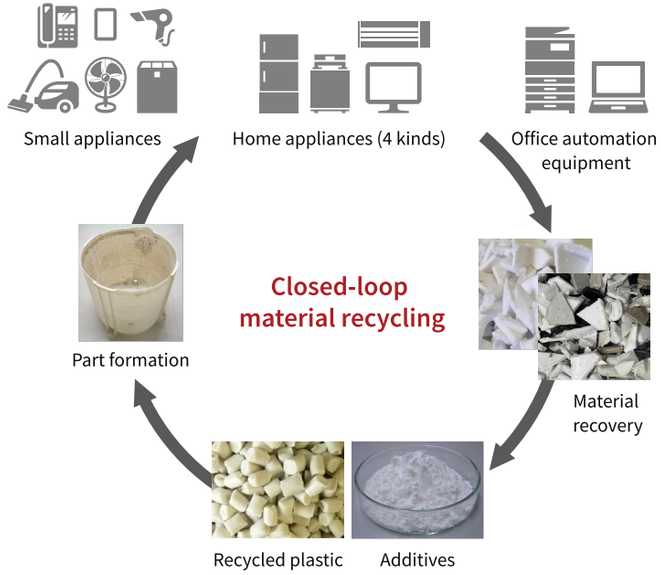
Establishing a Circular Economy

The use of recycled plastics developed through our own closed-loop material recycling technology was extended to refrigerators, air conditioners, washing machines, small appliances, and MFPs released in fiscal 2025. In fiscal 2025, the cumulative total amount used since fiscal 2001 reached 22,000 tons.

In fiscal 2025, we expanded the use of recycled plastics to new components for refrigerators and air purifiers. We will expand this plastic recycling technology, which began with four types of home appliances, to a wider range of other Sharp products in an effort to reduce the environmental impact of our products.

Moving forward, we aim to expand closed-loop material recycling to all of our products, not just these four home appliances, to contribute to the realization of a circular economy.

Establishing a Circular Economy



Related information: > Closed-Loop Plastic Material Recycling Technology

Examples of Recycled Plastic Use

Product	Part	Recycled plastic	Source
Washing machine	Washing tub	PP	Washing machine tub
Refrigerator	Duct cover, pump cover		Refrigerator vegetable case
	Shower duct, chiller drawer rail, refrigerator divider, other		
	Evaporator cover		Washing machine spin tub, balancer, other
Air conditioner	Condensation cover, motor holder		Air conditioner, refrigerator, and washing machine parts
Ceramic fan heater	Casing	Flame-retardant PP	
Air purifier	Casing	PP	Air conditioner, refrigerator, and washing machine parts
	Power supply box	Flame-retardant HIPS	Flat-panel TV back cabinet, refrigerator shelf
Car Plasmacluster Ion generator	Internal parts	Flame-retardant PC+ABS	Flat-panel TV back cabinet
MFP	LED holder, air blower duct, circuit board mounting cover		

Environmental Initiatives: Resource Recycling

Expanding the Recycling of Used Products

Fiscal 2025 Objectives	Fiscal 2025 Achievements	Self-Evaluation	Priority Objectives for Fiscal 2026
■ Improve refrigerator line compressor processing efficiency, improve the working environment	■ Processing efficiency improved by 25% (heavy lifting work reduced by 90%, from 60 units/hour to 75 units/hour) ■ Improved the working environment (noise level reduced from 86.7 dB to 81.1 dB)	★★★	■ Automation of offline tasks (improve processing efficiency) Automatic disassembly of air conditioner mini coils, automatic disassembly of washing machine pulsator cores, etc.

Self-evaluation: ★★★ Achieved more than targeted / ★★ Achieved as targeted / ★ Achieved to some extent

Sharp's Stance on Recycling Used Products

We collect and recycle used products in compliance with the recycling laws and regulations of the respective country or region. Through the effective use of limited resources, we are, in cooperation with consumers and recyclers, contributing to the realization of a sustainable society.

Japan: Recycling 4 Kinds of Home Appliances in Japan (Air Conditioners, TVs, Refrigerators, and Washing Machines)

As a member of the B Group[*1] for home appliance recycling, we have constructed and are operating a highly efficient recycling system consisting of 19 recycling plants in Japan. In fiscal 2025, we collected 2.295 million units (same as the previous fiscal year) of the four types of appliances covered by the Home Appliance Recycling Act. The processed and recycled weight amounted to approximately 64,000 tons (same as the previous fiscal year). For all four appliance types, our rate of recycling exceeded the legally stipulated levels.

*1 The B Group consists of Sharp Corporation, Sony Corporation, Hitachi Global Life Solutions, Inc., General Inc., Mitsubishi Electric Corporation, and other companies.

Sharp Corporation's Recycling Results for 4 Home Appliance Types (Fiscal 2025)

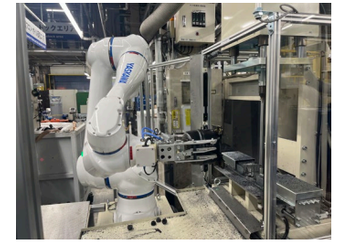
Note: All figures are rounded down to the nearest whole number.

	Unit	Air Conditioners	CRT TVs	Flat-Panel TVs	Refrigerators/ Freezers	Washing Machines/Dryers	Total
Units collected from designated collection sites	1,000 units	379	52	992	441	441	2,295
Processed and recycled units	1,000 units	373	52	973	442	442	2,276
Processed and recycled weight	Tons	15,006	1,102	14,495	24,991	18,322	73,918
Recycled weight	Tons	14,240	816	12,558	20,077	17,264	64,957
Recycling rate	%	94	74	86	80	94	—
Legally required recycling rate	%	80	55	74	70	82	—

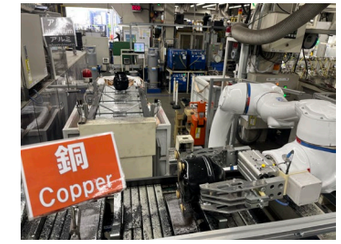
Toward Making Better Use of Resources

Sharp and Kansai Recycling Systems Co., Ltd.[*2] have joined forces to make effective use of resources and to improve recycling efficiency. The winding material used in refrigerator compressors is shifting from conventional copper to aluminum. In response to this, we have established a method to identify the winding material using AI-powered optical character recognition (OCR), which aims to improve the accuracy of recycling. Also, the refrigerator recycling process requires removing the compressor and recovering the CFC refrigerant. Typically, workers will, one by one, manually recover the refrigerant and destroy the compressor. In addition to the noise and vibration from the tools, the heavy lifting and placing of the compressors is a significant burden on the workers. Therefore, collaborative robots have been introduced in addition to OCR technology to solve these problems. These collaborative robots automatically perform tasks such as disabling the compressor, turning over the compressor during oil recovery, transporting the materials, and sorting them by type. As a result, noise levels have been reduced by 5.6 dB compared to before, and processing efficiency has been improved by 25%.

*2 A consumer electronics recycling company established in Japan with joint investment from Sharp, Mitsubishi Materials Corporation, and four other companies.



Compressor destruction process



Sorting winding material by type

Environmental Initiatives: Resource Recycling

Expanding the Recycling of Used Products

Recycling Used Products and Communicating with Local Communities

In accordance with the Home Appliance Recycling Act, Kansai Recycling Systems Co., Ltd. recycles four types of used home appliances (air conditioners, TVs, refrigerators, washing machines), promoting the circular use of resources and working in harmony with the local community. As part of its community engagement activities, Kansai Recycling Systems provides factory tours for local elementary and junior high schools, local residents, and the general public, and visits schools to give lectures. In addition, the company took part in a careers event*1 for junior and senior high school students. In fiscal 2025, the company welcomed a total of 1,057 visitors from Japan and overseas, bringing the cumulative visitor total to more than 35,000 people. Kansai Recycling Systems also continued to participate in local events*2. These included a washing machine dismantling demonstration and a participatory washing machine lid dismantling. Furthermore, in response to the increase in factory tours for elementary and junior high school students and in the classes led at their schools, the company has created an Investigator's Notebook (a children's pamphlet) that allows children to create their own notebook while enjoying writing and sticking stickers, thereby making learning easier and more enjoyable. This pamphlet went into use this spring.

*1 School lessons in which people working in various jobs are invited to lead the class and talk about their work, showing students how interesting work can be and widening their opportunities for the future.
*2 Simple experiments, quizzes related to home appliance recycling, and washing machine dismantling demonstrations were held at the Mottainai Bazaar (October 19, 2025), Hira Eco Festival (November 3, 2025), and Hirakata Eco Forum 2026 (February 14, 2026).

From left: A factory tour for local elementary school students; a class led at a local school; a dismantling demonstration at a local event (Hira Eco Festival)

Kansai Recycling Systems' Investigator's Notebook (children's pamphlet)

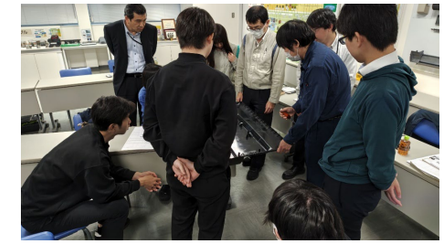
Design-for-Recycling Training

We are committed to considering the whole life cycle of products we manufacture. Towards this end, we regularly hold design-for-recycling training for product planners and designers. The training emphasizes the importance of designing products with an eye to their eventual recycling, with a focus on plastic material recycling. It also includes a tour of the recycling plant.

Design-for-Recycling Training for TVs

In November 2025, we held a training session for our TV-related planners and designers. On the first day, they attended in-house lectures on an overview of the Home Appliance Recycling Act and on recycling-conscious design. On the second day, with the cooperation of Hyper Cycle Systems Corporation, a recycling plant that belongs to the same B Group as Sharp, participants toured their recycling site and took part in a hands-on dismantling session for LCD and OLED TVs. Hyper Cycle Systems' Chiba factory handles the recycling of TVs from other B Group manufacturers, including Sharp TVs. By experiencing dismantling firsthand at the actual recycling site, under the guidance of recycling personnel, participants learned about the importance of design considerations that facilitate recycling and workability. After the dismantling training, they were shown examples of products that are difficult to recycle at Hyper Cycle Systems and, while looking at the actual products, discussed ideas for how the components could be removed.

Dismantling session of flat-panel TVs



Exchanging ideas for improvement while looking at the actual product

Environmental Initiatives: Resource Recycling

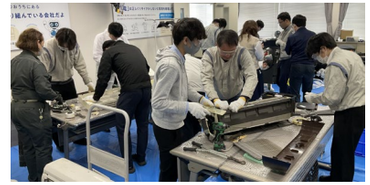
Expanding the Recycling of Used Products

Design-for-Recycling Training for White Goods

In April 2026, we conducted training for our white goods-related planners and designers. The first day was an online lecture (the content was the same as in November 2025). On the second day, with the cooperation of the head office plant of Kansai Recycling Systems (a Sharp Group company), participants toured the recycling site and took part in a hands-on dismantling session for front-loading washing machines and air-conditioner indoor units. This was the first time that front-loading washing machines were included as an item to be dismantled. It provided a real sense of how difficult the dismantling process is and an opportunity to consider the impact of materials and structure on the recycling rate. Through the dismantling training, participants saw how the ease of dismantling depends on the fastening method used—for example, whether the product is held together with screws—and learned the importance of separating components into discrete material types. They also learned about material labeling and design considerations in ensuring high-quality recycling and listened to feedback from the workers.

Participants gained a better understanding of the recycling process, and expressed a desire to focus on achieving both quality and recyclability in their future designs. We will continue to foster awareness within the company so that we can pursue manufacturing that considers everything from material selection to end-of-life recycling.

Dismantling a front-loading washing machine



Dismantling an air-conditioner indoor unit

Exchanging ideas and opinions with Kansai Recycling Systems members

Environmental Initiatives: Resource Recycling

Expanding the Recycling of Used Products

Products and Consumables Recycling (United States)

Sharp Electronics Corporation (SEC) is working to build and expand its recycling system for products and consumables in order to realize a circular economy and reduce waste in the United States.

In 2007, SEC participated in the establishment of MRM (Electronic Manufacturers Recycling Management Company, LLC)*1 and has been collecting and recycling AV equipment. This initiative is implemented nationwide in the U.S., and proper disposal of used products is carried out through approximately 2,050 collection points. MRM operates in accordance with the laws and regulations of each state and, in fiscal 2025, recycled a total of 67,500 tons of used products.

With regard to displays and AQUOS Boards*2, SEC prioritizes proper disposal at the end of the product life cycle and works with certified recycling facilities to collect and recycle them. By dismantling products and recovering and reusing materials such as metal, plastic, and glass, the aim is to reduce waste and environmental impact while promoting the effective use of resources.

Furthermore, since 2008, SEC has been running the Sharp Stop, Drop, Recycle Program, a recycling program for consumables including toner cartridges. This program provides prepaid recycling kits for returning used cartridges, bottles, toner collection containers, and drum units, creating a system where collection is cost-free for customers. By 2025, over 210,000 toner cartridges had been collected and recycled. SEC is also working to promote customer-participatory recycling by releasing videos demonstrating how to use the collection kits.

*1 MRM is a joint venture with Panasonic Corporation of North America and Toshiba America Consumer Electronics, LLC.
*2 Large touchscreen display (electronic whiteboard).

Recycling Plant Tour (Canada)

Sharp Electronics of Canada Ltd. (SECL) and Dynabook Canada Inc. (DBC), along with members from the Electronic Products Recycling Association and the CEO of eCycle Solutions Inc., participated in a tour of eCycle Solutions' electronics recycling facility. This tour provided SECL and DBC employees with a valuable opportunity to learn about the collection, sorting, and recycling processes of electronic devices.

During the tour, participants engaged in a fruitful exchange of ideas on sustainability, recycling, and responsible waste management. This helped to raise employees' environmental awareness and deepen their understanding of electronic equipment recycling and the practice of a circular economy.

Collecting Plastic (Indonesia)

P. T. Sharp Electronics Indonesia (SEID) has installed and unveiled the country's second RVM (reverse vending machine) at Plaza Indonesia.

This initiative is being rolled out as an expansion of the incentive-based recycling program that began at Mal Artha Gading shopping mall in August 2024. At the mall, the program has achieved solid results, with one RVM unit collecting a total of 2,066 kg of plastic (equivalent to approximately 110,000 PET bottles). Furthermore, the program has encouraged active participation from local residents, with 1,289 users and 8,859 transactions in the first year. Users have received incentives through a points exchange system, with over 6 million points being redeemed in total.

The new RVM unit

Toner Cartridge Collection (France)

Sharp Business Systems France S.A.S. (SBSF) is collaborating with the environmental organization Conibi to collect and recycle printing consumables such as toner cartridges. In 2025, a total of 242 kg of consumables were collected. Conibi operates under the framework of extended producer responsibility and specializes in the collection and recycling of printing consumables and batteries. Through this collaboration, SBSF is ensuring appropriate compliance with environmental regulations and contributing to a circular economy through the recycling of used products.

Used Equipment Recycling (Sweden)

Sharp Business Systems Sverige AB (SBSSE) is collaborating with Inrego AB to collect, reuse, and recycle used devices such as laptops, tablets, and smartphones.

In 2025, they collected a total of 45 devices: 44 laptops and 1 desktop computer. Of the collected devices, 96% had their data securely erased using technology from the Blancco Technology Group, and the remaining 4% were safely destroyed. Approximately 80% of the data-erased devices were reused, contributing to a total reduction of 6,253 kg of CO_2 emissions.

Environmental Initiatives: Resource Recycling

Minimizing and Recycling Business Activity-Linked Waste

Fiscal 2025 Objectives	Fiscal 2025 Achievements	Self-Evaluation	Priority Objectives for Fiscal 2026
■ Final landfill disposal rate of less than 0.5%	■ Final landfill disposal rate 0.46%	★★★	■ Final landfill disposal rate of less than 0.5%

Self-evaluation: ★★★ Achieved more than targeted / ★★ Achieved as targeted / ★ Achieved to some extent

Curbing the Amount of Waste, etc. Generated

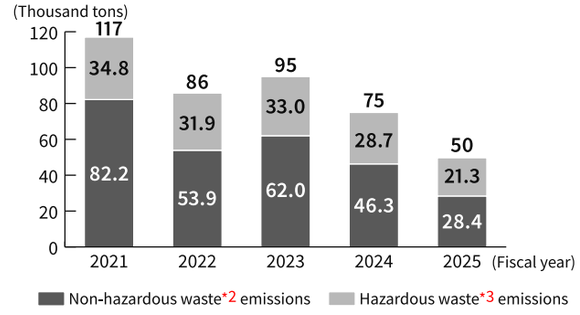
We have been working to reduce waste and to recycle as much of it as possible in an effort to contribute to building a circular economy.

In fiscal 2025, the amount of waste, etc. generated by Sharp decreased by 34% compared to the previous fiscal year to 50,000 tons. This large decrease was, in part, due to progress in making the device business more asset-light. The amount of recycling was 46,000 tons. Meanwhile, the final landfill disposal rate was 0.46%—low enough to achieve zero discharge to landfill*1 on a global scale.

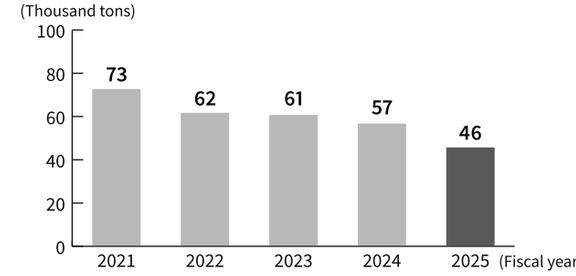
We will continue to strengthen waste-reduction efforts, particularly at overseas bases, while maintaining global zero discharge to landfill.

*1 We define "zero discharge to landfill" as a final landfill disposal rate of less than 0.5%. Final landfill disposal rate (%) = Amount of landfill disposal ÷ amount of waste, etc. generated.
*2 Of general waste and industrial waste, waste that contains no hazardous substances.
*3 Waste designated as "specially controlled industrial waste" in Japan and as "hazardous" in countries/regions around the world.

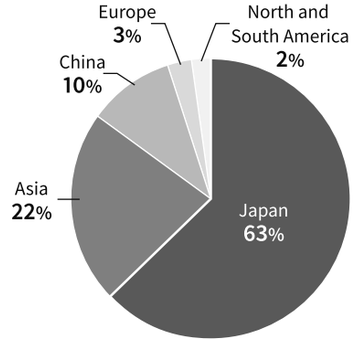
Amount of Waste, etc.



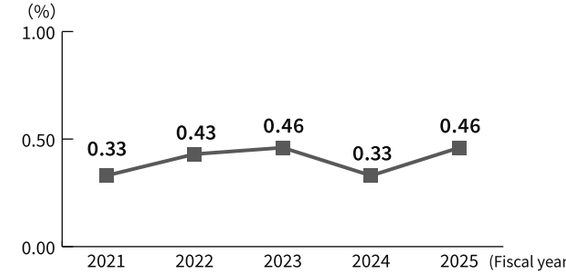
Amount of Recycling



Waste, etc. by Region (Fiscal 2025)



Final Landfill Disposal Rate



Environmental Initiatives: Resource Recycling

Minimizing and Recycling Business Activity-Linked Waste

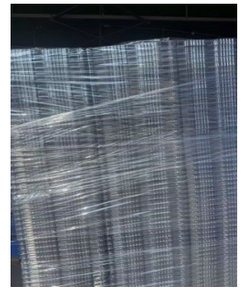
Example

Recycling in Collaboration with Waste Management Companies

Production base WSEC in China is working to expand recycling and reuse through active communication with waste management companies, with the aim of making effective use of resources and reducing waste.

In fiscal 2025, WSEC recycled 493 tons of waste corrugated cardboard, 92 tons of waste plastic, 58 tons of waste glass, and 9 tons of waste wood, reducing waste by a total of 652 tons.

Waste corrugated cardboard



Waste plastic

Waste glass

Waste wood

Environmental Initiatives: Resource Recycling

Effectively Using Water Resources

Fiscal 2025 Objectives	Fiscal 2025 Achievements	Self-Evaluation	Priority Objectives for Fiscal 2026
■ Improvement rate of water intensity: 10% (baseline year: fiscal 2021)	■ Improvement rate of water intensity: 16% (baseline year: fiscal 2021)	★★★	■ Improvement rate of water intensity: 10% (baseline year: fiscal 2021)

Self-evaluation: ★★★ Achieved more than targeted / ★★ Achieved as targeted / ★ Achieved to some extent

Sharp's Stance on Water Resources

Water resource problems are arising on a worldwide scale with the increase in the world's population, the economic growth of developing countries, climate change, and other factors. We are striving to make effective use of water resources in line with the environmental conservation guidelines stipulated in our Basic Environmental Philosophy, the Sharp Group Charter of Corporate Behavior, and the Sharp Code of Conduct. In particular, we recognize that securing the water resources necessary for the production of LCDs and other electronic devices is a serious issue that could affect business continuity. That is why we are pursuing the reduced use of new water and an increased use of recycled water.

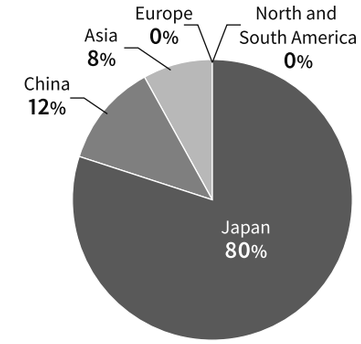
Reducing the Amount of New Water Used and Using More Recycled Water

The amount of new water used by Sharp in fiscal 2025 decreased by 23% compared to the previous fiscal year to 6.8 million m^3. The improvement rate of water intensity was 16%. To minimize the effects on business continuity of the risk of water shortages, we assess water risk at our plants using the Aqueduct assessment tool developed by the World Resources Institute (WRI). SATL, Sharp's production base in Thailand, is located in an area of highest risk. It is therefore reducing its use of new water by recycling water discharged from the production process and other sources. The Kameyama Plant and the Mie Plant require a large amount of water in the production process for LCDs and other products. All of the water discharged from the production process is collected and reused via a closed-loop recycling system adopted at both plants. Through measures such as this, we are maintaining a recycling rate* of at least 60%. Looking ahead, we will pursue further water-use efficiency worldwide and boost production efficiency in accordance with business expansion.

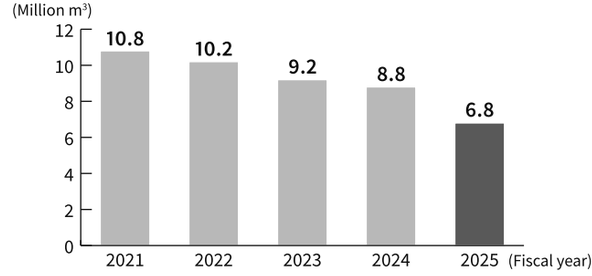
In fiscal 2025, there were no litigation issues, fines, or penalties due to violations of water-related laws and regulations. There were also no serious water-related accidents.

* Recycling rate = Amount recycled ÷ (amount of new water + amount recycled)

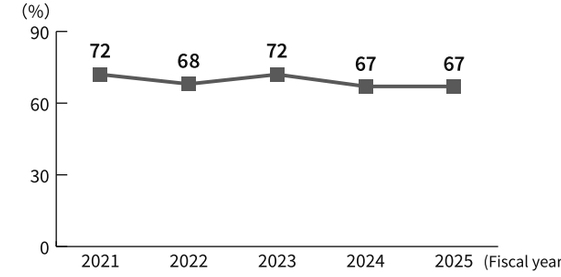
New Water Used by Region (Fiscal 2025)



Amount of New Water Used



Water Recycling Rate



Environmental Initiatives: Resource Recycling

Effectively Using Water Resources

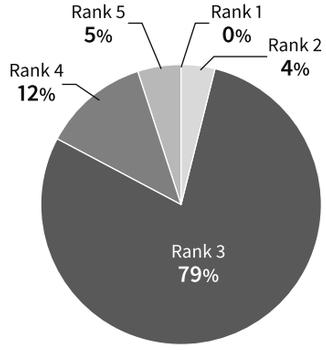
Water Used and Drainage by Region (Fiscal 2025)

(m³)

Region	Amount of New Water Used *1			Effluent					Amount consumed*3	Amount recycled
	Third-party water*2	Groundwater	Total	Surface water	Sewerage	Seawater	Groundwater	Total		
Japan	4,090,300	1,295,134	5,385,434	3,380,015	269,160	333,063	0	3,982,238	1,403,196	13,264,869
Asia	540,826	9,178	550,004	28,471	257,283	0	0	285,753	264,251	80,589
China	829,416	0	829,416	0	684,941	0	0	684,941	144,474	136,109
North and South America	400	0	400	0	400	0	0	400	0	0
Europe	7,607	0	7,607	0	6,917	0	0	6,917	690	0
Total	5,468,549	1,304,312	6,772,861	3,408,486	1,218,701	333,063	0	4,960,250	1,812,611	13,481,567

*1 Surface water, seawater, and produced water was 0.
*2 Industrial-use water and tap water.
*3 Water consumption = New water used – Effluent.
*4 Under Aqueduct, each region is assigned a water stress score. There are five levels, from rank 1 (low risk) to rank 5 (high risk).
*5 Areas with an Aqueduct water stress score of rank 4 or higher.

Amount of New Water Used by Water Stress Rank*4
(Fiscal 2025)



Amount of New Water Used in Water Stressed Regions*5 (Fiscal 2025)

(m³)

Region	Third-party water	Groundwater	Surface water	Seawater	Produced water	Total
Japan	35,708	0	0	0	0	35,708
Asia	443,207	9,178	0	0	0	452,385
China	578,319	0	0	0	0	578,319
North and South America	0	0	0	0	0	0
Europe	0	0	0	0	0	0
Total	1,057,234	9,178	0	0	0	1,066,412

Environmental Initiatives: Resource Recycling

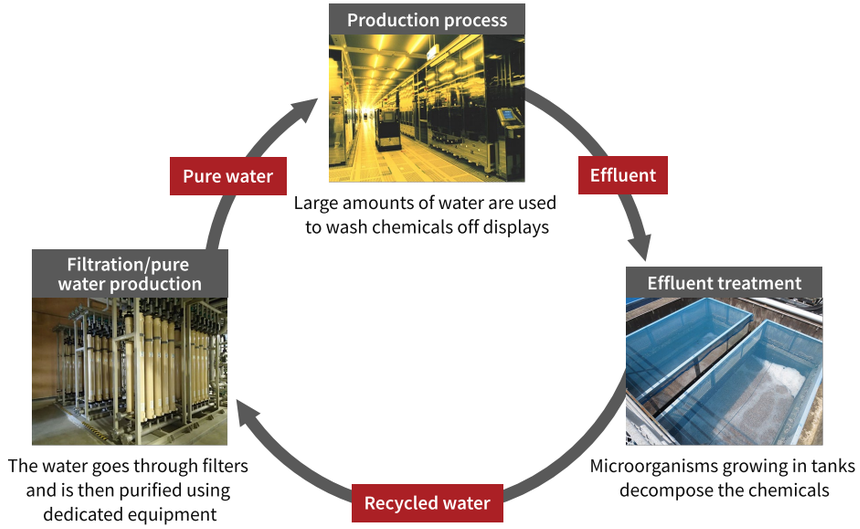
Effectively Using Water Resources

Example

Closed-Loop Water Recycling System

The Mie Plant (Taki District, Mie Prefecture) has adopted a closed-loop water recycling system to repeatedly recycle the large amount of water used for the production of displays. The water discharged from the production process contains chemicals that must not be released from the plant untreated. All of this water is collected and goes through steps such as passing through filters and biofiltration (the natural decomposition of chemicals using microorganisms), before being purified with dedicated equipment. The resulting water is used repeatedly in production.

Closed-Loop Water Recycling Flow

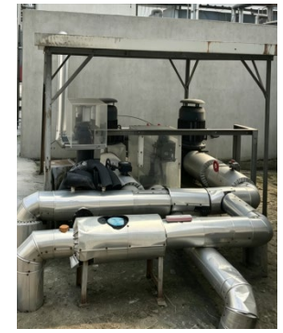


Example

Conserving Water through Wastewater Reuse

Production base WSEC in China is reusing wastewater to make effective use of water resources and reduce water consumption. Wastewater discharged from the pure water production system is reused for toilet flushing, while wastewater from the polarizer washing device is reused as makeup water for the cooling towers.

Through these efforts, WSEC saved approximately 110,000 m^3 of water in fiscal 2025.



Pure water production system

Polarizer washing device

Environmental Initiatives: Safety and Security

Sharp's Policy on Management of Chemical Substances

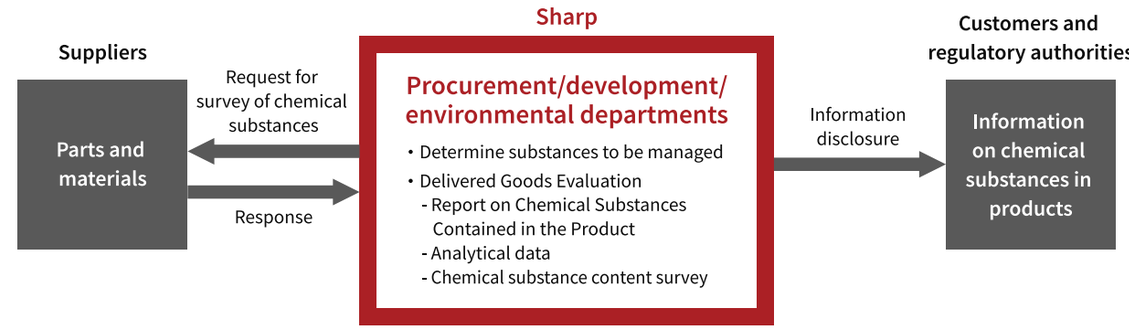
Sharp products are built from a plurality of parts and materials and contain wide-ranging chemical substances. Our production processes at factories also use chemical substances.
Chemical substances are useful for enhancing the performance and quality of products, whereas some of them may have negative effects on the natural environment and human health. Today, regulations to manage chemical substances are implemented in many countries. Some include prohibited or restricted use of specified chemical substances and labeling requirements, and others require the management of information on product content data, reporting of the amounts discharged into the atmosphere and water areas, management of the working environment, and occupational health management.
In accordance with our Basic Environmental Policy of "Creating an Environmentally Conscious Company with Sincerity and Creativity," the Sharp Code of Conduct stipulates the management of chemical substances as follows, on the precondition of compliance with applicable environmental laws, regulations, and regional agreements.

- We will work to compile information related to hazardous substances that might damage the environment or human health, and will not, as a matter of principle, make use of these hazardous substances in our products and services.
- We will ensure proper use and control, and also reduce our consumption of chemical substances in our business activities, including research, development, and manufacturing, at levels meeting or exceeding those stipulated by laws and regulations.

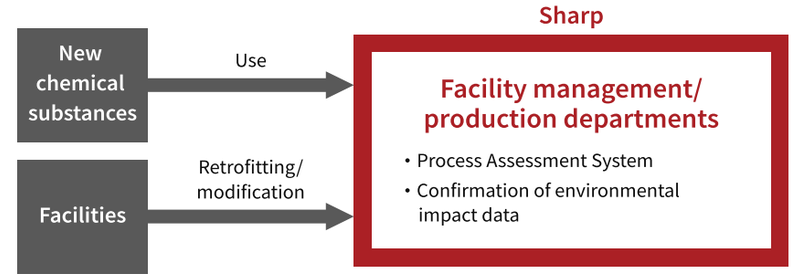
To "properly manage chemicals in order to protect people's health, the natural environment, and ecosystems" is another goal of Sharp. It is a long-term objective set in the SHARP Eco Vision 2050 long-term environmental vision in the safety and security field of action.
As an example of our efforts to manage chemical substances in products, we cooperate with our suppliers to manage information on chemicals contained in components and materials throughout the entire supply chain. In recent years, regulations on chemical substances, including PFAS*, have become increasingly stringent, while requirements for information disclosure have also expanded. In light of these trends, we are working to strengthen information sharing across the entire supply chain and respond promptly to regulatory requirements. For equipment and production at the factory-level, we have a process assessment system in place. This is a preliminary assessment of new chemical substances to be used or equipment retrofitted or modified for handling chemical substances and is performed to check their safety and environmental impact.

* A general term for organic fluorine compounds. Because these substances are highly persistent and do not readily break down in the environment, they are subject to increasingly stringent regulations.

Chemical Substance Management System in the Product Supply Chain



Chemical Substance Management System in Manufacturing



Environmental Initiatives: Safety and Security

Managing Chemical Substances Contained in Products

Target Substances

In order to reduce environmental impacts of our products and to comply with chemical substance regulations in relevant countries, we manage chemical substances contained in our products in accordance with our own management categories that take into account applicable laws and regulations in relevant countries, voluntary standards set by industry groups, and even potential future regulations.

Related information: >
Standard Manual for Management of Chemical Substances Contained in Parts and Materials

Report on Chemical Substances Contained in the Product and Analysis Data

In order to ensure compliance with relevant countries' regulations, such as the EU's RoHS Directive*1, which prohibits the use of specific chemical substances in products, Sharp's suppliers submit a Report on Chemical Substances Contained in the Product before delivering new components or materials for the first time. Based on the chemical substance management categories, this report checks the content status of banned substances (both banned substances and substances banned depending on the application) and candidate substances to be banned. Suppliers must also submit analysis data on regulated substances.

To keep pace with the growing number of regulations on hazardous substances in products, we do annual reviews of these Reports on Chemical Substances Contained in the Product. In fiscal 2025, we issued the Report on Chemical Substances Contained in the Product ver. 17.0, reflecting regulatory trends around the world. The new version combines Japanese, English, and Chinese into a single format and features a revised data entry method, making it easier for our suppliers to use. Furthermore, in light of the latest regulatory trends, including those related to PFAS, we are working to strengthen the management of chemical substance information throughout the entire supply chain.

Chemical Substance Content Survey

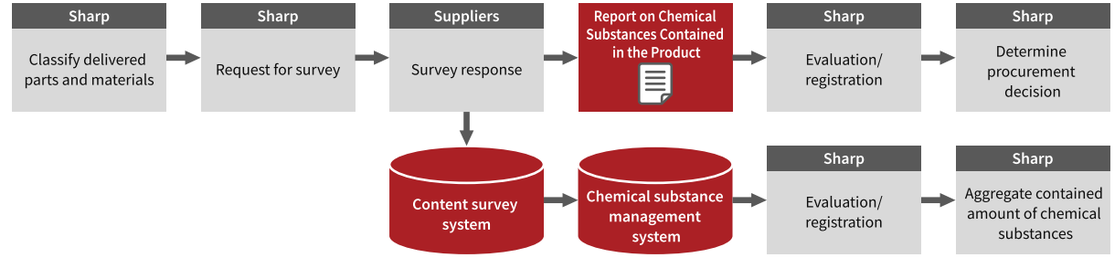
In order to comply with legal regulations, including the EU REACH regulation*2, that oblige companies to communicate and disclose information on chemical substances contained in their products, we conduct IT system-driven chemical substance content surveys. For information collection, we utilize chemSHERPA*3, an information sharing scheme compliant with the IEC 62474*4 international standard.

*1 An EU directive on the restriction of the use of certain hazardous substances in electrical and electronic equipment.
*2 A regulation covering the registration, evaluation, authorization, and restriction of chemical substances.
*3 An information sharing scheme developed under the leadership of the Japanese Ministry of Economy, Trade and Industry for the purpose of efficiently communicating information on chemical substances in products over the entire supply chain.
*4 An international standard on the procedures and details of information sharing in the supply chain for products and components in the electrical and electronics industry containing chemical substances.

Chemical Substance Management Categories

Category	Description	Remarks
Banned substances	Substances that cannot be used for any purpose	● Substances whose inclusion in products is currently regulated or is expected to be regulated in the future under laws and regulations and on environmental labels in Japan or overseas ● Substances that Sharp regulates on its own initiative in advance of global trends because it is widely known that their environmental impact is high and alternative substances exist
Substances banned depending on the application	Substances regarded as banned by Sharp depending on the application (excluded applications)	
Candidate substances to be banned	Substances that are candidates for being banned; substances to be substituted if contained in products	● Substances expected to be banned in the near future under laws and regulations in Japan or overseas ● Substances that Sharp may ban in the future, depending on trends in laws and regulations, but that cannot be categorized as a Sharp banned substance at present because safety thresholds, ban dates, regulated applications (excluded applications), etc. have not been determined under laws and regulations
Managed substances	Substances for which it is necessary to ascertain whether the specified substance is present, the amount contained, and so on	● Substances for which disclosure of information on their usage status in products is required, or is expected to be required in the future, under laws and regulations and on environmental labels in Japan or overseas ● Substances for which customers have requested, or for which there is a possibility of being requested, that their usage status information in products be disclosed

Process for Managing Chemical Substances Contained in Products



Environmental Initiatives: Safety and Security

Effective Management of Chemical Substances Used at Factories and Their Risk Management

We strive to minimize the risk of environmental pollution and accidents associated with chemical substances and to properly meet chemical substance regulations. To this end, we control chemical substances used at, and released from, our production bases by implementing the process assessment system and the monitoring and risk management of chemical substances.

To minimize the environmental impact and ensure occupational health, workers handling chemical substances go through regular education and training. They also receive regular health checks.

Process Assessment System

The process assessment system is our in-house system for preliminarily assessing the hazards, safety measures, and other factors of chemical substances. This assessment applies when a new chemical substance is to be introduced or when the procedure for handling chemical substances needs to be changed, for example. The system ensures that chemical substances are properly managed at all stages from procurement to disposal and that safety measures are implemented for the equipment handling them. It is designed to review the appropriate disposal of waste chemical substances, the proper treatment of exhaust gas and wastewater, and safety procedures for workers handling chemical substances, and to evaluate and determine the conditions for the safe use of chemical substances.

Chemical substances are grouped into four categories according to their gravity of impact on safety/health, hazard/explosion, and environmental conservation: legally banned substances, sensitive substances, managed substances, and registered substances. An appropriate management level is assigned to each category.

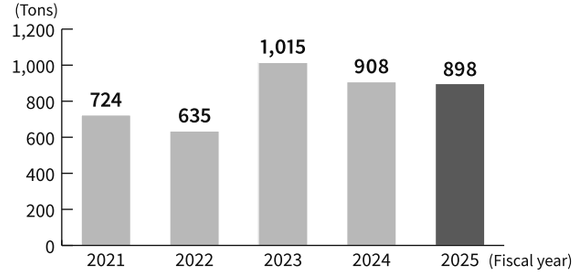
Monitoring and Risk Management of Chemical Substances

We have established voluntary standards that are stricter than either the regulatory requirements or the levels agreed upon with local communities for chemical substances used at our production bases. These standards ensure the comprehensive monitoring and management of the target chemical substances released and transferred, as well as the concentrations and emissions of air and water pollutants.

Chemical Substance Management Categories under the Process Assessment System

Category	Description
Legally banned substances	Chemical substances that are banned for production, etc. under laws and regulations. Substitutes for them need to be searched for.
Sensitive substances	Chemical substances that are not legally banned but are banned by Sharp for use due to their high levels of toxicity (acute toxicity/carcinogenicity) or hazards (explosiveness/flammability). Substitutes for them need to be searched for.
Managed substances	Chemical substances that have toxicity (corrosiveness/irritancy), hazards (combustibility/spontaneous combustibility), or other concerns but may be used under adequate control.
Registered substances	Chemical substances that have limited toxicity or hazards and thus may be used under specified control.

Release and Transfer of PRTR*-Listed Substances



* PRTR: Pollutant Release and Transfer Register. A system that mandates the collection and dissemination of information, such as the amount of harmful chemicals discharged and transferred. We define target substances based on laws in Japan.

Environmental Initiatives: Safety and Security

Managing Environmental Load into Air and Water Areas

Fiscal 2025 Objectives	Fiscal 2025 Achievements	Self-Evaluation	Priority Objectives for Fiscal 2026
■ VOC emissions into the atmosphere: 204 tons or less (fiscal 2010 levels)	■ VOC emissions into the atmosphere: 49 tons	★★★	■ VOC emissions into the atmosphere: 204 tons or less (fiscal 2010 levels)

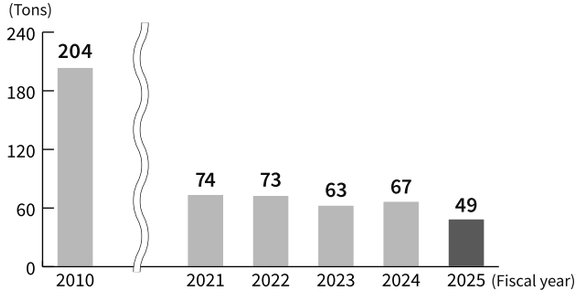
Self-evaluation: ★★★ Achieved more than targeted / ★★ Achieved as targeted / ★ Achieved to some extent

Reducing VOCs

We strive to reduce the volatile organic compounds (VOCs) we emit. We have set a target of keeping VOCs released into the atmosphere to no higher than fiscal 2010 levels (based on a voluntary action plan by the Japanese electrical and electronics industry). Fiscal 2025 VOC emissions were 49 tons, lower than the amount emitted in fiscal 2010 (204 tons), thus achieving the target.

We are reducing VOCs with the installation of highly efficient abatement facilities in LCD production sites, a major source of VOC emissions.

VOC Emissions into the Atmosphere

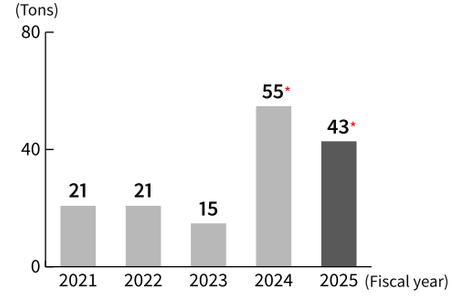


Managing Environmental Load into Air and Water Areas

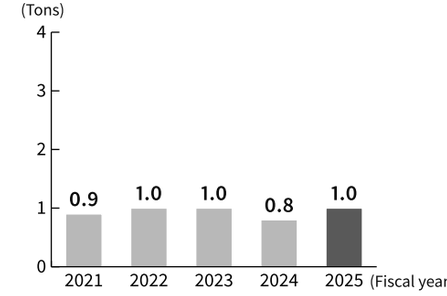
We properly manage pollutants that affect air and water quality by establishing voluntary standards that are stricter than those set forth in laws and regulations and stricter than those agreed upon with local communities. We also actively conduct risk communication with local communities.

Atmospheric Emissions in Japan

SOx Emissions



NOx Emissions



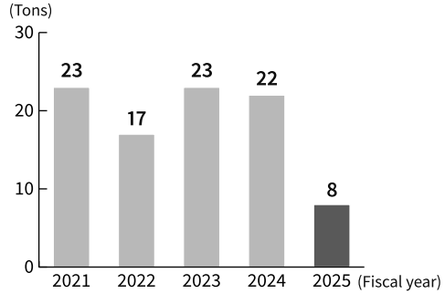
* Although emissions increased at some sites due to a change in the operation of NOx treatment equipment, we still abided by pollution control agreements.

Environmental Initiatives: Safety and Security

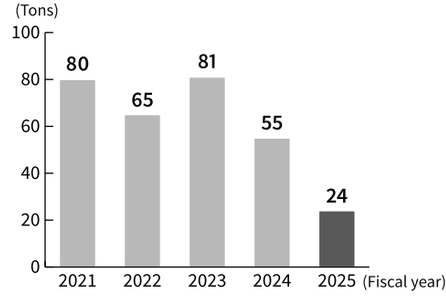
Managing Environmental Load into Air and Water Areas

Emissions into Water Areas in Japan

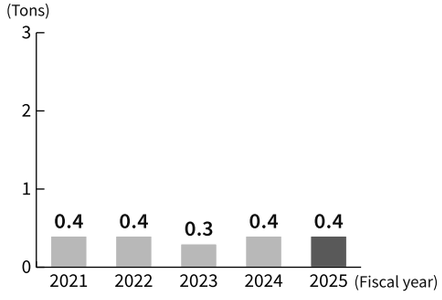
COD (Chemical Oxygen Demand)



Nitrogen Pollutant Load



Phosphorous Pollutant Load



Risk Management of Soil and Groundwater Pollution

We have established and are appropriately applying in-house standards to minimize the risk of environmental pollution and accidents caused by chemical substances. We also strive to prevent such incidents from occurring by taking multi-layered leakage prevention measures at facilities that handle chemical substances. For plants where chlorine solvent contamination was found in the past, we regularly notify local government authorities and others of the cleanup progress.

Example

Analyzing Plant Wastewater Samples

The Tenri Plant in Tenri, Nara Prefecture, voluntarily and continuously monitors water quality using water analyzers. It also works with the Nara Prefecture and Tenri City governments to collect and analyze samples of groundwater and factory wastewater, as part of its risk communication activities. Each party conducts its own analysis, before sharing their results and exchanging insights. This process gives us the opportunity to build strong relationships with everyone involved.

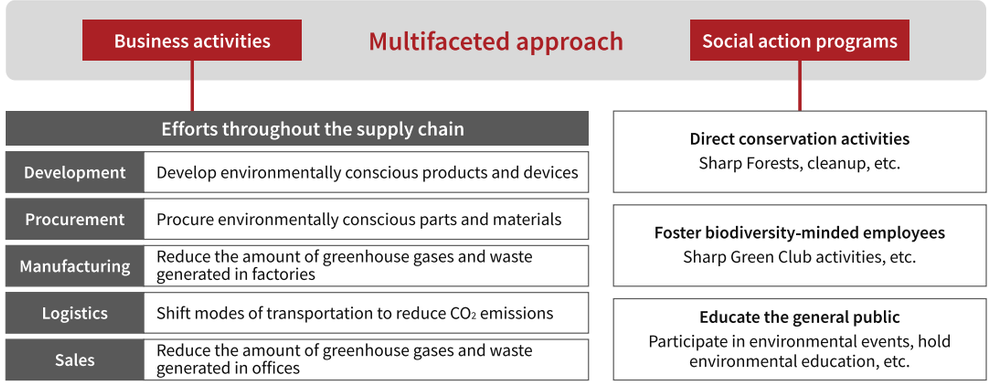
Wastewater sampling and analyses

Environmental Initiatives: Biodiversity

Biodiversity Protection through Business and Social Action Programs

While our business activities impact biodiversity, we also benefit from the ecosystem services. That is why the Sharp Group is carrying out a multifaceted approach in which it protects biodiversity through business activities and social action programs at worldwide bases.

Sharp's Efforts for Protecting Biodiversity



In our business activities, we aim to be nature positive by 2030, halting and reversing the loss of nature. As part of this, since fiscal 2024, we have participated in the Taskforce on Nature-related Financial Disclosures (TNFD) Forum. We also registered as a TNFD Adopter in fiscal 2025, declaring our commitment to disclosures in accordance with the framework, and have prepared to disclose information based on the TNFD framework. Also in fiscal 2025, we implemented the LEAP approach (an assessment step for disclosure recommended by the TNFD) at our business sites.

Environmental Initiatives: Biodiversity

TNFD-Based Information Disclosure

Action on the TNFD Recommendations

The Task Force on Nature-related Financial Disclosures (TNFD) has published a framework that recommends the systematic assessment and disclosure of the dependencies and impacts of business activities on natural capital and biodiversity. We support the principles of the TNFD and aim to be nature positive by 2030, halting and reversing the loss of nature. As part of this, since fiscal 2024, we have participated in the TNFD Forum, and we registered as a TNFD Adopter in fiscal 2025, declaring our commitment to disclosures in accordance with the framework. Moving forward, we will further expand our information disclosures in accordance with the TNFD framework.

TNFD Forum Member

1. Governance

Similar to climate-related issues, the president and CEO, who chairs the Sustainability Committee[*1], is responsible for monitoring nature-related issues and supervising countermeasures. The committee deliberates on and promotes various nature-related measures and shares the latest developments. Through monitoring and review by management at committee meetings, we continuously strengthen our biodiversity-related efforts to play a part in making society sustainable.

2. Strategy

We conducted an analysis based on the LEAP approach, the disclosure assessment steps recommended by the TNFD, for our domestic and overseas production sites (direct operations). Going forward, we will expand the scope of the LEAP approach to our supply chain and consider specific actions to achieve a nature-positive future.

3. Risk Management

We identify and assess nature-related risks in accordance with our Rules of Business Risk Management[*2], which define our fundamental approach to risk management. Specifically, we identify nature-related risks that are highly likely to occur and report the findings as necessary to senior executives and the Internal Control Planning Division, which serves as the risk management secretariat. We also facilitate necessary improvement measures in partnership with involved departments. In particular, to minimize the effects on business continuity from such risks as water shortages in areas where we operate, we continuously assess water risk at our plants using the Aqueduct assessment tool developed by the World Resources Institute (WRI). We take measures such as reducing the use of new water by recycling wastewater from production sites located in the highest-risk areas.

4. Metrics and Targets

Through our long-term environmental vision, SHARP Eco Vision 2050, we are working toward realizing a sustainable global environment by pursuing long-term goals set in three fields of action with 2050 as the target year: climate change, resource recycling, and safety and security. In the area of safety and security, based on the idea that our business activities must not have a negative effect on people's health, the natural environment, or ecosystems, we are pursuing efforts to ensure we properly manage chemicals in order to protect people's health, the natural environment, and ecosystems.

Going forward, we will continue to pursue a multifaceted approach in which we protect biodiversity through business activities and social action programs. We will also consider the setting of specific targets based on the LEAP approach.

*1 See page 012.
*2 See page 140.

Environmental Initiatives: Biodiversity

TNFD-Based Information Disclosure

LEAP Approach

Scoping

From the perspectives of business scale, the dependencies of our business on nature, and the impacts of our business on nature, we considered the scope of analysis for our domestic and overseas production bases (directly operated) that handle our main businesses: Smart Life, Smart Workplace, and Display Devices. As a result, we decided to include three domestic and three overseas bases as the subjects of our analysis.

Identifying Priority Locations (Locate)

Using the analytical tools* recommended by the TNFD, we identified locations with connections to nature for the bases selected through scoping. In identifying priority locations, four criteria were used, based on the indicators of the analytical tools: business scale, environmental impact (GHG emissions, waste, water withdrawal, wastewater, etc.), water risk, and biodiversity (biodiversity importance, endangered species, etc.).

* ENCORE, IBAT, Aqueduct

Identifying Dependencies and Impacts (Evaluate)

Next, we analyzed how each business interacts with nature in the identified priority locations and organized the findings into a heatmap. For this analysis, the business activities of each base were classified in accordance with the International Standard Industrial Classification of All Economic Activities (ISIC), and the degree of dependence and impact on nature were evaluated on a five-point scale: very high, high, medium, low, and very low. Some of the evaluation results were adjusted to reflect our actual situation.

Heatmap of Nature-Related Dependencies

VH：Very High　H：High　M：Medium　L：Low　VL：Very Low

Segment	Business	Nature-related dependencies												
		Provisioning services	Regulating services											
		Water resources	Solid waste remediation	Air filtration	Water purification	Noise attenuation	Mediation of sensory impacts	Water flow regulation	Local climate regulation	Global climate regulation	Rainfall pattern regulation	Flood mitigation	Storm mitigation	Habitat maintenance
Smart Life	Home appliances	M	VL	VL	M	VL	VL	M	L	VL	VL	M	M	L
	TVs	M	VL	VL	M	VL	VL	M	L	VL	VL	M	M	L
Display Devices	Devices	H	VL	L	M	VL	VL	M	L	VL	VL	M	M	H

Heatmap of Nature-Related Impacts

VH：Very High　H：High　M：Medium　L：Low　VL：Very Low

Segment	Business	Nature-related impacts							
		Land/freshwater/ocean use change	Climate change	Resource use/replenishment	Pollution/pollution removal				
		Land ecosystem use	GHG emissions	Water use	Waste	Non-GHG air pollution	Soil pollution	Water pollution	Disturbances
Smart Life	Home appliances	L	M	M	M	L	M	L	M
	TVs	L	M	M	M	L	L	L	M
Display Devices	Devices	L	H	H	H	H	H	H	M

Our dependency on water-related services such as water resource supply, water purification, and water flow regulation, as well as disaster mitigation services, including flood and storm mitigation, and habitat maintenance services for endangered species was made clear. In addition to the impacts of GHG emissions, water use, waste, and disturbances caused by our operations, the pollution-related impacts, such as air, soil, and water pollution, of our device business were identified.

Environmental Initiatives: Biodiversity

TNFD-Based Information Disclosure

Identifying Risks and Opportunities (Assess)

Based on the dependencies and impacts identified in the ENCORE analysis, and taking into account the characteristics of our business, we identified risks and opportunities, as shown in the table on the right, and considered measures to take with regard to each. Going forward, we will conduct scenario analyses and prioritize and assess the importance of these risks and opportunities.

Setting Countermeasures and Targets (Prepare)

We identify and assess environmental risks in accordance with our Rules of Business Risk Management, which define our fundamental approach to risk management. Furthermore, guided by our long-term environmental vision, SHARP Eco Vision 2050, we have set targets for GHG emissions, water resources, waste, chemicals, and other areas and are accelerating efforts to achieve them.

Going forward, we will further expand the scope of the LEAP approach, conduct more detailed analysis and assessment, and consider setting targets for the risks and opportunities identified through this approach.

Business Risks and Opportunities; Sharp's Response

Category		Identified risks	Identified dependency	Identified impact	Sharp's response
Physical risks	Chronic	Suspension of operations due to decreased or depleted water resources		Water use	• Reduce the use of new water; recycle wastewater
	Chronic	Water and soil pollution caused by improperly managed hazardous chemicals and waste	Water purification, water flow regulation	Waste, soil pollution, water pollution	• Control waste and hazardous chemical emissions • Proper wastewater treatment • Reduce plastic use • Select raw materials with low environmental impact
	Acute	Decreased natural climate regulation capacity / Decreased natural water retention capacity leading to more severe wind and flood damage and an increase in landslides and flooding	Flood mitigation, storm mitigation, habitat maintenance	GHG emissions	• Reduce GHG emissions through energy conservation and increased use of renewable energy
Transition risks	Technology	Cost of introducing equipment and machinery to improve water and energy efficiency	Water resources	GHG emissions, water use, waste, non-GHG air pollution, soil pollution, water pollution, disturbances	＜GHG emissions＞ • Reduce GHG emissions through energy conservation and increased use of renewable energy ＜Water resources＞ • Reduce the use of new water; recycle wastewater ＜Pollution, other＞ • Control waste and hazardous chemical emissions • Proper wastewater treatment • Use circular resources; reuse materials and parts • Reduce plastic use • Select raw materials with low environmental impact
	Policy	Tighter regulations and ordinances concerning water source conservation, water withdrawal, and pollution			
	Reputational	Reputational damage, lawsuit risks, and boycotts due to pollution and disturbances (light pollution, noise, etc.) caused by operations	Water purification, water flow regulation	GHG emissions, waste, non-GHG air pollution, soil pollution, water pollution, disturbances	＜GHG emissions＞ • Reduce GHG emissions through energy conservation and increased use of renewable energy ＜Pollution, other＞ • Control waste and hazardous chemical emissions • Proper wastewater treatment • Use circular resources; reuse materials and parts • Reduce plastic use • Select raw materials with low environmental impact

Category		Identified opportunities	Identified dependency	Identified impact	Sharp's response
Business performance	Resource efficiency	Improved business efficiency and cost reduction through reduced use of natural resources	Water resources	Water use	• Use circular resources; reuse materials and parts
	Reputational	Improved brand image		Water use	• Minimize risk of environmental pollution and accidents
Sustainability performance	Sustainable use of natural resources	Sustainable water use through reduced water consumption, conservation of water sources, and groundwater recharge	Water resources	Water use	• Restrict excessive use of water resources

Environmental Initiatives: Biodiversity

Protecting Biodiversity

Fiscal 2025 Objectives	Fiscal 2025 Achievements	Self-Evaluation	Priority Objectives for Fiscal 2026
■ Actively carry out environmental conservation activities, both in Japan and overseas, with the aim of achieving 30by30 on a global scale	■ Recognition as nationally certified sustainably managed natural site: 2 sites (Kameyama/Tenri)	★★	■ New recognition as nationally certified sustainably managed natural site: 2 sites

Self-evaluation: ★★★ Achieved more than targeted / ★★ Achieved as targeted / ★ Achieved to some extent

We consider biodiversity conservation to be one of our important environmental challenges. Accordingly, we carry out activities that take local ecosystems into consideration around the world while striving to harmonize our business activities with nature.
In Japan, building on our participation in the 30by30 Alliance for Biodiversity*1, we are pursuing such initiatives as obtaining recognition as nationally certified sustainably managed natural sites*2 for our business locations. Overseas, we carry out biodiversity conservation activities tailored to the characteristics of each region, such as protecting endemic species, planting trees, and preserving the marine environment.

Sharp Locations Recognized as Nationally Certified Sustainably Managed Natural Sites

Business location	Site	Activity location	Ecological type	Certification obtained
Tenri Plant	Todaijiyama-Kofun Tumulus Tenri Tumulus Sharp Forest	On-site	Natural forest, secondary grassland/grassland	September 2025
Kameyama Plant	Sharp Green Club Kameyama Biotope*3	On-site	Rivers and lakes	March 2026

*1 A coalition of companies, local governments, organizations, and others working towards achieving the 30by30 targets, which aim to effectively conserve more than 30% of land and sea as healthy ecosystems by 2030.
*2 A system under which the Japanese government certifies areas where biodiversity is being conserved through private-sector and other initiatives, based on the Act on Promoting Activities to Enhance Regional Biodiversity.
*3 A conserved or created environmental space where local organisms can live and thrive.

Example

Contributing to Local Ecosystems through the Protection of Native Honeybee Species

Production base SMF in France provides grassland on its premises to beekeepers with the aim of protecting the European dark bee (Abeille noire), a native species endemic to the region.
In France, efforts are being made in various regions to protect native honeybee species well-suited to the local environment, with the aim of conserving unique local biological resources. The protection of honeybees supports the pollination of various plants and crops, helping to maintain the health of ecosystems and improve agricultural sustainability.
SMF uses its premises for local biodiversity conservation to protect native species and strengthen ties with the local community. As a by-effect of these activities, in 2025, approximately 90 kg of honey was harvested and sold locally.

Preparing a smoker to open the beehive

Checking the condition of the hive

Environmental Initiatives: Biodiversity

Protecting Biodiversity

Example

Obtaining Ministry of the Environment-Certified Sustainably Managed Natural Site Recognition

自然共生サイト認定 30by30

Tenri Tumulus Sharp Forest at the Tenri Plant (Nara Prefecture)

At the Tenri Tumulus Sharp Forest located on the Tenri Plant premises, we are undertaking biodiversity conservation activities aimed at protecting and nurturing the natural environment that originally exists in the region.

In 2006, a biological survey confirmed the presence of the bamboo lily (Lilium japonicum), a rare plant that grows naturally in this area. This prompted the start of ongoing conservation activities, including efforts to create an environment conducive to the growth of the bamboo lily, such as by adjusting the timing and methods of weeding and removing invasive species. As a result, bamboo lily growth continues to be observed, and the long-term preservation of this rare species has been highly praised. In September 2025, the site was recognized as a sustainably managed natural site by the Ministry of the Environment and the Environmental Restoration and Conservation Agency (ERCA).

Panoramic view of the Tenri Tumulus Sharp Forest

Preparing a natural habitat and cultivation area for the bamboo lily

Bamboo lilies in bloom

Sharp Green Club Kameyama Biotope at the Kameyama Plant (Mie Prefecture)

The Sharp Green Club Kameyama Biotope, located on the Kameyama Plant premises, has been under development since fiscal 2010 with the aim of creating a space where people can connect with nature. In addition to serving as a place of relaxation for employees, it also serves to protect rare species.

Since its initial development, this biotope has been home to the yaritanago fish (Tanakia lanceolata), a rare and endangered species native to the Suzuka River system. Its continued presence has been confirmed, and the biotope was recognized as a sustainably managed natural site in March 2026 for its long-term maintenance of the habitat for this rare species.

Kameyama Biotope signboard

Studying fish growth and development

Live yaritanago fish

Environmental Initiatives: Biodiversity

Protecting Biodiversity

Example

Restoring Coral Reefs and Cultivating Roadside Tree Saplings

Indonesian production and sales base SEID is working to raise employees' environmental awareness as well as pursuing various activities that contribute to the conservation of local ecosystems.
During the #SharpUntukBumi event held on Tunda Island, coinciding with World Environment Day (June 5th every year) spearheaded by the United Nations Environment Programme (UNEP) and with the cooperation of the Indonesian Coral Reef Foundation (Terangi), SEID employees, together with domestic and international media representatives and local residents, planted 5,500 mangrove saplings, carried out coral restoration, and cleaned up the beach. Through these sorts of activities, SEID helps conserve coastal ecosystems and improve the marine environment.
On National Nature Conservation Day (August 10th every year), established by the Indonesian government, 40 SEID employees participated in planting a total of 40 Tabebuia saplings (pink and white), a species widely appreciated as a street tree in the region. The saplings will be nurtured on the company's premises until they reach a suitable size for planting.
Through activities such as these, SEID provides each employee with an opportunity to deepen their understanding of the local natural environment and biodiversity.

Coral restoration on Tunda Island

Cleanup on Tunda Island

Transplanting Tabebuia saplings

Environmental Initiatives: Overview of Environmental Impact

Material Balance

We gather data to gain an overview of the burden our business activities place on the environment. Measured items include the consumption of energy and materials in business activities, the emissions of greenhouse gases, and the generation of waste. We then use these values to reduce our environmental burden.

Coverage: Sharp Corporation production sites and production subsidiaries in Japan and overseas

Input

Item					Unit	Fiscal Year 2025
Procurement, R&D, product manufacture	Energy				Million kWh	1,349
		Electricity			Million kWh	1,076
		Renewable energy*1			Million kWh	263
		City gas			Million m³	54
		LPG, LNG			Tons	4,552
		Heavy oil, kerosene, gas oil, gasoline			Kl	1,754
		Hot water, cold water, steam			TJ	78
	Water resources				Million m³	20.3
		Amount of new water used			Million m³	6.8
			Third-party water*2		Million m³	5.5
			Groundwater		Million m³	1.3
		Water reused			Million m³	13.5
	Chemical substances handled (PRTR-listed)				Tons	8,307
	Chemical substances handled (VOCs)				Tons	940
	Materials consumed*3				Thousand tons	331
Logistics	Energy consumed (vehicle fuel)*4				TJ	140
Product use	Energy consumed (electricity)*5				Million kWh	2,801

Greenhouse gases | Water | Chemicals | Resources

Output

Item					Unit	Fiscal Year 2025
Procurement, R&D, product manufacture	Greenhouse gases				Thousand tons CO_2	600
		CO_2			Thousand tons CO_2	514
		Gases other than CO_2 (converted into amounts of CO_2)			Thousand tons CO_2	86
			HFC		Thousand tons CO_2	1
			PFC		Thousand tons CO_2	28
			SF_6		Thousand tons CO_2	52
			NF_3		Thousand tons CO_2	5
	Effluent				Million m³	5
		Public water areas			Million m³	3.7
		Sewerage			Million m³	1.2
	Chemical substances released and transferred (PRTR-listed)				Tons	898
	Chemical substances released (VOCs)				Tons	49
	Atmosphere*4	NOx emissions			Tons	43
		SOx emissions			Tons	1
	Water areas*4	COD (chemical oxygen demand)			Tons	8
		Nitrogen pollutant load			Tons	24
		Phosphorous pollutant load			Tons	0.4
	Waste, etc.				Thousand tons	50
		Final landfill disposal			Thousand tons	0.2
Logistics	CO_2 emissions*4				Thousand tons CO_2	9
Product use	CO_2 emissions*5				Thousand tons CO_2	1,482

Recycle

Item		Unit	Fiscal Year 2025
Amount recycled*4	Home appliances (4 kinds)	Thousand tons	65
	Copiers/MFPs	Thousand tons	1.6
	PCs	Tons	6
Disposal after recycling*4		Thousand tons	9

*1 Amount of solar power generated; amount of green power certificates purchased.
*2 Industrial-use water and tap water.
*3 Total weight of product shipments and waste, etc. (estimate).
*4 In Japan.
*5 Annual energy used and amount of CO_2 emitted by products sold in the reporting year (estimate).

Environmental Initiatives: Overview of Environmental Impact

Environmental Performance Indicators

The environmental performance data are calculated based on the following calculation standards.

Input

Environmental Performance Indicators		Calculation Method
Procurement, R&D, product manufacture	Energy consumed	Calculated based on the Act on Rationalizing Energy Use and the Japanese Ministry of the Environment's Greenhouse Gas Emission Calculation and Reporting Manual
	Water resources consumed	Consumption and recycled use of water purchased from third parties (industrial-use water, tap water) and groundwater
	Chemical substances handled (PRTR-listed)	Among the substances covered under the PRTR Law, the total amount of substances handled annually at each plant in quantities of 500 kg or more
	Chemical substances handled (VOCs)	Among the 20 types of volatile organic compounds (VOCs) specified by Japan's four major electrical and electronic industry associations, the total amount of substances handled annually at each plant in quantities of 1 metric ton or more
	Materials consumed	Total weight of products sold in the reporting year (estimate), plus waste, etc. generated
Logistics	Energy consumed	Revised ton-km method
Product use	Energy consumed	Estimate of annual energy used by products sold in the reporting year. Calculation based on each product's annual energy consumption rate.

Output

Environmental Performance Indicators		Calculation Method
Procurement, R&D, product manufacture	Greenhouse gas emissions	●CO_2 emissions from purchased electricity Japan: Using CO_2 emission coefficient by electric power company (adjusted) published by Japan's Ministry of the Environment and the Ministry of Economy, Trade and Industry Overseas: Using emission coefficients published in the environmental reports, etc. of electric power companies, or emission coefficients published in the IEA Emissions Factors ●CO_2 emissions from consumed fuel Using emission coefficient published in the Ministry of the Environment's Greenhouse Gas Emission Calculation and Reporting Manual ●Greenhouse gases other than CO_2 Using global warming potential published in the 5th Assessment Report by the Intergovernmental Panel on Climate Change (IPCC)
	Drainage	Annual drainage into public water areas and sewer system
	Chemical substances released and transferred (PRTR-listed)	Among the substances covered under the PRTR Law, the total amount of substances handled annually at one or more plants in quantities of 500 kg or more that were released and transferred
	Chemical substances released (VOCs)	Among the 20 types of volatile organic compounds (VOCs) specified by Japan's four major electrical and electronic industry associations, the total amount of substances handled annually at each plant in quantities of 1 metric ton or more that were released and transferred
	NOx emissions	Annual emissions
	SOx emissions	Annual emissions
	COD (chemical oxygen demand)	Drainage into public water areas
	Nitrogen pollutant load	Drainage into public water areas
	Phosphorous pollutant load	Drainage into public water areas
	Waste, etc.	Industrial waste + general office waste + valuable resources recovered
	Final landfill disposal	Final landfill disposal of industrial waste + final landfill disposal of general office waste
Logistics	CO_2 emissions	Revised ton-km method
Product use	CO_2 emissions	Amount of CO_2 emitted by products sold in the reporting year, based on their energy consumption (estimate)

Environmental Initiatives: Overview of Environmental Impact

Environmental Performance Indicators

Recycle

Environmental Performance Indicators		Calculation Method
Disposal, recycling	Home appliances (4 kinds)*	Amount of used home appliances (4 kinds) recycled
	Copiers/MFPs	Amount of recycled copiers and MFPs
	PCs	Amount of recycled PCs
	Disposal after recycling	[Weight of 4 kinds of home appliances, PCs, and copiers/MFPs collected] – [Weight recycled into new products or materials, or reused]

* TVs (CRT TVs, flat-panel TVs), air conditioners, refrigerators/freezers, washing machines/dryers

Social Initiatives

Human Resources 077

Efforts Related to Human Rights 100

Promoting Supply Chain CSR 105

Quality 114

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Communication with Shareholders and Investors 127

For Local Communities 129

3,138 people

Total number of participants in career education for people with disabilities (fiscal 2025)

2.50%

Percentage of disabled employees in Japan (as of June 2025)

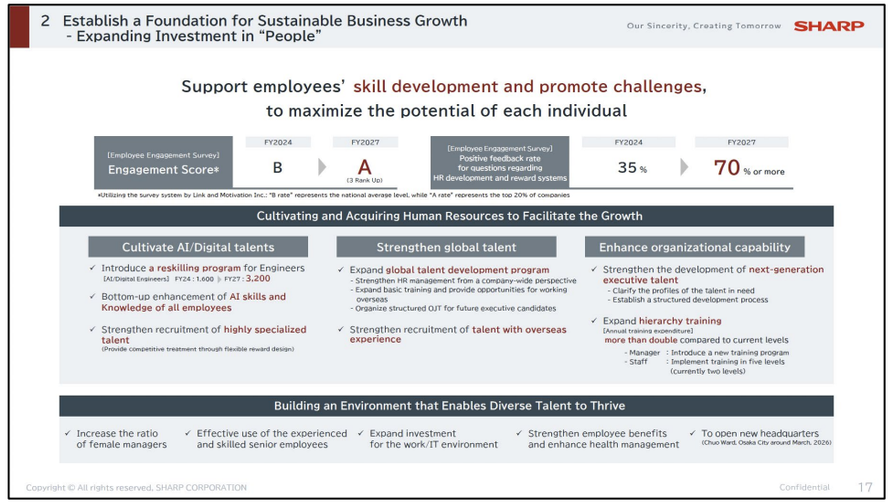
Social Initiatives: Human Resources

HR Strategy

HR Strategy

With regard to its approach to human resources, the Sharp Group clearly states in its business philosophy that, “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.” In order to put this philosophy into practice, the Medium-Term Management Plan (FY2025–2027) establishes that we will expand investment in “people” as a growth platform that will support continuous business expansion.

Medium-Term Management Plan (excerpt): Expanding Investment in “People”



As the Sharp Group strives to achieve renewed business growth, we recognize that developing and recruiting talent with outstanding technical skills and expertise is essential. Based on this understanding, and to ensure the steady implementation of our medium-term management plan, we are focusing on “cultivating and acquiring human resources to facilitate growth” and “building an environment that enables diverse talent to thrive” as the pillars of our human resources strategy.

Cultivating and Acquiring Human Resources to Facilitate Growth

The Sharp Group believes that, in order for it to pursue its business in a way that achieves sustained growth, it is necessary to secure talented human resources in technology and management-related fields who can drive new business and global expansion. In line with this, we hire new graduates as a means of acquiring new talent. We also hire people with work experience in order to secure core talent capable of pursuing new business. As part of our efforts to improve overall corporate strength, we prepare and provide various human resource development programs to our employees. Through these programs aimed at enhancing the quality and breadth of employee skills, we are working to strengthen the workforce that supports business growth.

Note: Pages 078–081 (Human Resource Development)
Page 082 (Personnel System Conducive to Talent Development and Motivation Boosting; Human Resource Development)

Building an Environment That Enables Diverse Talent to Thrive

The Sharp Group aims to “build an environment that enables diverse talent to thrive” and, towards that end, works to foster a culture that challenges its employees and encourages their individuality. We will build an environment that capitalizes on the diversity and skills of our employees and will be an organization where everyone can perform to their full potential. We also emphasize creating safe and healthy workplaces by focusing on more robust employee health promotion and enhancing employee benefits.
By creating such an environment, we will improve employee engagement and, thus, help ensure corporate growth and competitive advantage.

Note: Pages 083–086 (Developing DEI-Focused Management)
Pages 087–088 (Activities to Support Work-Life Balance)
Pages 089–094 (Promoting Occupational Safety and Health)
Page 095 (Creating a Safe Working Environment)
Pages 095–096 (Increasing Employee Engagement)

Social Initiatives: Human Resources

Human Resource Development

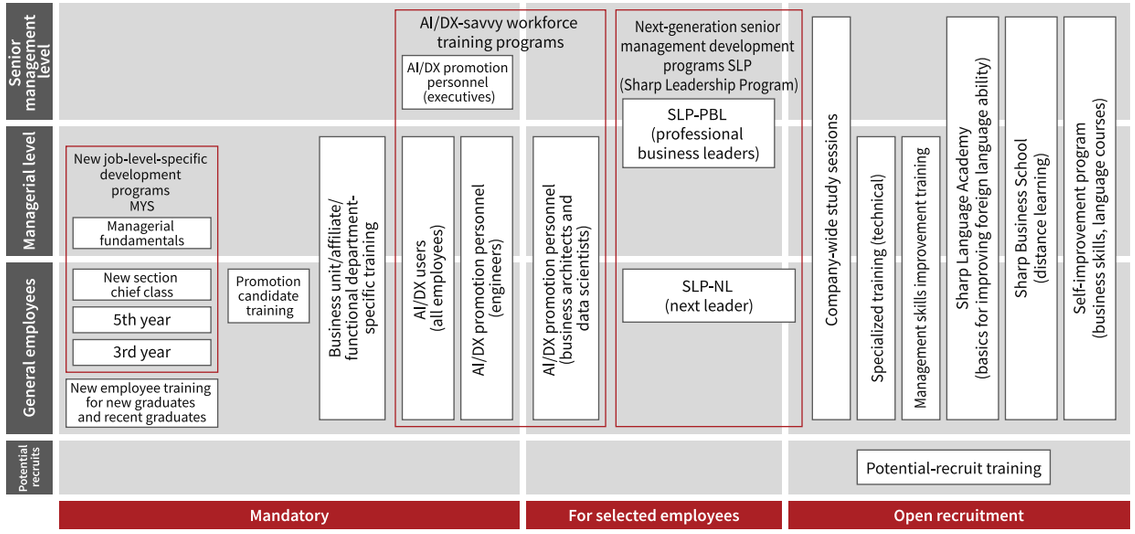
Fiscal 2025 Objectives	Fiscal 2025 Achievements	Self-Evaluation	Priority Objectives for Fiscal 2026
■ Expand AI- and digitally savvy workforce ■ Expand education and training system aimed at developing the next generation of human resources	■ Expanded AI- and digitally savvy workforce Launched courses aimed at AI/DX promotion personnel and AI/DX users ■ Expanded education and training system aimed at developing the next generation of human resources Launched new job-level-specific training and next-generation senior management development programs	★★	■ Expand AI- and digitally savvy workforce ■ Expand education and training system aimed at developing the next generation of human resources

Self-evaluation: ★★★ Achieved more than targeted / ★★ Achieved as targeted / ★ Achieved to some extent

Variety of Human Resource Development Programs

Our range of development programs is one way we are boosting our comprehensive strength.
We have many kinds of development programs aimed at improving the quality and scope of employees' capabilities. Through these programs, we are training young employees, cultivating the next generation of leaders, developing global talent, strengthening individual skills, and more.

Human Resource Development Programs (in Japan)



Job-Level-Specific Human Resource Development

In job-level-specific training, employees acquire the knowledge, skills, and mindset essential to each stage of their careers. Young people receive training starting from when they are first selected to join Sharp, training upon joining the company, and training in their first few years at the company. Furthermore, manager candidate training is provided before promotion to manager in order to systematically strengthen management capabilities. Under this training system, we continue to expand our job-level-specific training programs, focusing particularly on middle management and young talent. By implementing training at each level, we encourage career independence and support employees' independent growth, thereby strengthening both management and young talent.

Strengthening Development of the Next Generation of Senior Managers (Sharp Leadership Program)

With an eye to continuous growth, we are implementing training for selected employees that will strengthen the development of the next generation of senior management personnel. We are creating a process for systematically developing the next generation of senior managers who will lead Sharp into a future phase of dramatic growth, based on a clearly defined profile of the ideal candidate.
In terms of training measures, we are actively working to create effective and ongoing learning opportunities, such as implementing a blended learning approach that combines e-learning and group training, or cultivating Sharp alumni, to impart the mindset and skills necessary for leadership.
In fiscal 2025, we launched two Sharp Leadership Program courses targeting future executives and managers. From fiscal 2026 onwards, we plan to add new courses and to expand the target group.

Social Initiatives: Human Resources

Human Resource Development

Expanding the AI- and Digitally Savvy Workforce

For the Sharp Group to achieve renewed growth, it is necessary to transform its business model into one that maximizes the use of the diverse data it possesses through AI and digital technologies, as well as to shift to data-driven management that combines operational data with these technologies. In promoting these changes, we have positioned the development and acquisition of an AI- and digitally savvy workforce as an urgent priority and are working to expand our talent base.

Regarding the development of an AI- and digitally savvy workforce, we have introduced training programs for AI/DX promotion personnel, including those who plan business models, those who promote data utilization, and engineers. Also, in order to strengthen this AI/DX promotion system and to raise the AI skill and knowledge level of all employees, as they are the users of AI and DX, we start by teaching them the basics of generative AI and then promote gradual improvement through e-learning and other means.

	Fiscal 2025 results	Target
Number of participants in the AI/digital engineer reskilling program*	1,019 people	At least 3,200 people by fiscal 2027

* Number of people at Sharp Corporation and its major domestic consolidated subsidiaries who have taken the AI/digital engineer reskilling program.

We conducted the following development programs in fiscal 2025.

- For AI/DX promotion personnel
  - (1) Business architect course
  - (2) Data scientist course
  - (3) Engineer course (AI/digital engineer reskilling program)
- For AI/DX users
  - (1) e-learning (generative AI use)
  - (2) Group training (generative AI use promotion)

We will continue to offer training and development programs beyond fiscal 2026 to expand the pool of AI- and digitally savvy workforce supporting the advancement of AI/DX. Furthermore, we are pursuing competitive and flexible employee compensation packages to attract personnel highly specialized in areas related to AI and digital technology.

Fostering Global Human Resources

In the Sharp Group, we treat the strengthening of our overseas business as a priority initiative, which includes pursuing global expansion of our brand business and acceleration of business transformation as key initiatives for future growth. In order to execute this strategy, we believe it is essential to secure and cultivate outstanding global talent who are well-versed in overseas operations and markets and who possess the capabilities to drive business expansion. We will strive to secure and cultivate global talent in a planned manner to continuously strengthen and grow our overseas business.

Specifically, we effectively utilize training, rotation, and OJT (overseas assignments, overseas business trips, etc.) for suitable personnel in order to develop them into professionals who can contribute to Sharp's overseas expansion. We also actively hire people with extensive experience in overseas business.

To improve employees' foreign language abilities towards expanding Sharp's global business, we provide foreign language study of two types: the basics, open to all employees; and intensive, for selected employees. In the basics, we meet individuals' particular study needs with learning that can be done anytime and anywhere, in addition to counseling on language learning.

Fostering a New-Business-Creation Mindset

We support new business ideas from our employees, in an aim to create new businesses and business models that can become pillars of our next-generation business.

To enable all employees to actively challenge themselves in creating new businesses and innovations, we strengthened our system so that idea proposal opportunities, which were previously held only once a year, can be made at any time starting from fiscal 2025. By making it possible to make proposals anytime and as many times as needed, we are encouraging employees to take on challenges.

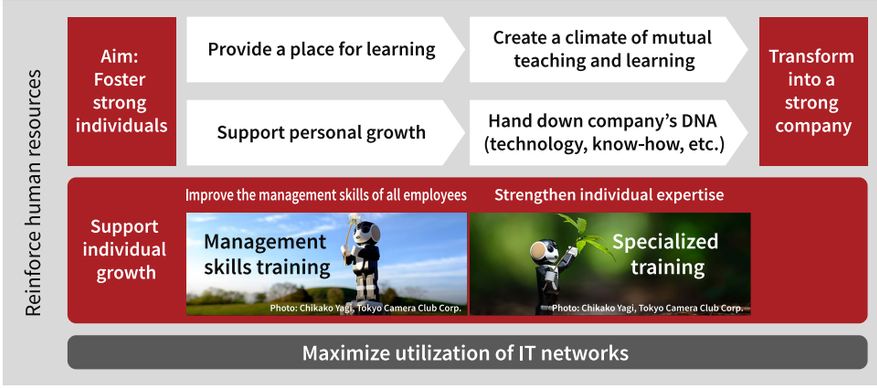
Social Initiatives: Human Resources

Human Resource Development

Personnel, Education, and Training System for Fostering Strong Individuals (Learning for Self-Development)

In line with its thinking focused on the development of strong individuals, the Sharp Group is working to create an environment where employees can learn the basic business knowledge and expertise that they need as professionals. By enabling individuals to pursue learning independently, anytime, anywhere, we are facilitating the development of professionals who are well-versed in business. We have created an e-learning environment that allows employees to easily study these topics anytime, anywhere, using their home computers or smartphones, and we actively support employees in improving their skills through self-development. Through the ongoing provision of these various education and training initiatives, we are fostering a corporate culture of employee-driven mutual learning and instruction in which we cultivate personnel capable of delivering the sorts of innovation that strengthen the company.

Creating a Learning-Friendly Environment



Company-Wide Study Sessions (Technology, Management)

We hold two varieties of study session with the aim of sharing knowledge across the company.
Technology-related study sessions are intended to share information on key technology areas, providing explanations of technological trends and company-wide initiatives. Management-related study sessions include explanations of business skills intended to impart a range of different managerial skills. All sessions are held during working hours and recordings are available for viewing, creating an environment conducive to easy learning.

Specialized Technical Training and Management Skills Improvement Training

Through specialized technical training, we pursue a variety of initiatives aimed at helping employees improve and deepen their expertise (technical competency). The courses we offer include a basic skills-building seminar (e-learning), in which primarily younger engineers learn the basics of technology, and technical workshops, which incorporate a practical program that is directly linked to job skills in specific technical fields. There are also engineer exchange meetings. Our education and training initiatives are aimed at strengthening technical expertise company-wide, going beyond the limited framework of specific business and products to share technical know-how across internal functions and to develop younger employees by passing existing skills and techniques on to them.
In management skills improvement training, there are self-study courses for all employees to learn and acquire the basic knowledge and skills of business.

Fiscal 2025 Learning for Self-Development Participation
(Full-time employees at Sharp Corporation and consolidated subsidiaries in Japan)

Item	Number of Participants and Hours
Eligible number of people	14,657 people
Number of participants (head count)	1,312 people (9.0% attendance rate)
Total number of participants	6,754 people
Total learning hours	17,995 hours

Scope: Company-wide study sessions, management skills improvement training, specialized training, Sharp Language Academy

Social Initiatives: Human Resources

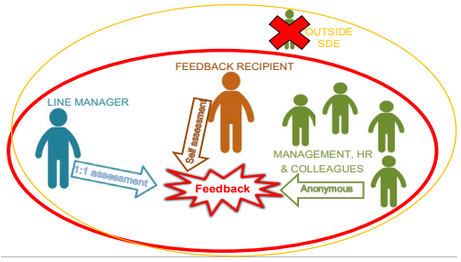
Human Resource Development

Example

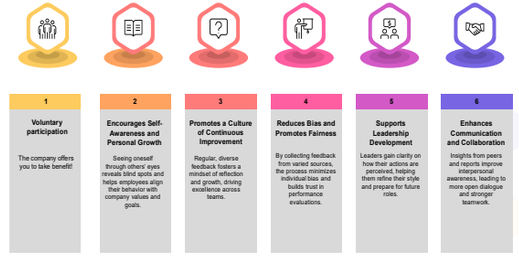
Talent Development through 360° Feedback

SDE, Sharp's European device sales base, provides 360° feedback opportunities to support the growth of each employee. This system collects self-evaluations from employees themselves and feedback from multiple internal stakeholders, including line managers, managers and colleagues from other departments as well as direct team members. This allows SDE to understand each individual's strengths and areas for growth from a multifaceted perspective. The results obtained are used for employee skills development, leading to the creation of action plans by the employees themselves and concrete improvement measures through dialogue with management and the HR department.

This initiative aims to foster a feedback and communication culture where employees can frankly share their opinions with each other. Through highly objective feedback based on diverse perspectives, open dialogue is promoted, leading to improved employee self-understanding, fair talent evaluation and development, and continuous growth throughout the organization.



360° feedback



Key priorities for fostering a feedback culture

Example

Investing in Employee Growth Through Tuition-Free Degree Opportunities

SEC, Sharp's U.S. production and sales base, has partnered with the University of Arizona Global Campus (UAGC) since 2019 to provide a free tuition support program to help employees obtain bachelor's and master's degrees, in order to support their professional development and career advancement.

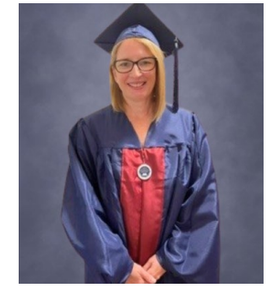
This program aims to reduce the financial burden of obtaining bachelor's and master's degrees and to support employees' continuous learning and professional development. UAGC's flexible online learning environment allows employees to balance their work and personal lives while pursuing learning tailored to their individual career goals.

The areas of study are diverse, including accounting, finance, human resources, marketing, supply chain and operations management, leadership, cybersecurity and data security technologies, and information systems management. The Master of Business Administration (MBA) program, in particular, attracts significant interest from participants.

Since the launch of this program, 28 employees have earned a bachelor's or master's degree.

Furthermore, SEC has invested a total of US$473,200 in this program to date, demonstrating our continued commitment to talent development and support for employee growth.

SEC supports employee growth by expanding access to higher education and continuous learning opportunities, fostering career development while contributing to the long-term success of the organization.



UAGC graduates

Social Initiatives: Human Resources

Personnel System Conducive to Talent Development and Motivation Boosting

Grade System

We have introduced a grade system that determines position rank and compensation according to job content, role size, and level of responsibility. The system is designed to enable speedy promotion based on roles and performance, and it is used to select and promote outstanding human resources.

Employee Evaluations

We use a bonus/pay raise system that is tied to company performance and employee evaluation in order to reward those employees who have produced good results.

To ensure fair evaluations, all employees have an interview with their managers at the beginning, middle, and end of each evaluation term, at which time both sides confirm how well the employee is doing in terms of progress towards targets, contribution to the company, and job results. Evaluation results are given to employees every half year along with explanations of the evaluations with the aim of contributing to employees' growth.

In-House Recruitment System

Our in-house recruitment system allows current employees to apply for jobs such as the launch of a new business. Besides effectively leveraging existing human resources, the system also helps our employees advance their careers.

Personnel Declaration System

All employees submit a career development plan along with a self- assessment of their job aptitude. We then store this information—along with records of interviews with supervisors—in a personnel database. This provides an overview of how employees are progressing with respect to their career goals, and it allows us to effectively develop human resources.

Step-Up Campaign (Qualification Acquisition Encouragement Plan)

To support employee self-development, we offer monetary rewards to employees who have acquired qualifications, with the amount depending on the difficulty of acquiring the qualification. This plan covers about 200 qualifications, including some for field-specific techniques and skills, some directly related to daily duties, and some for language skills.

Social Initiatives: Human Resources

Developing DEI-Focused Management

DEI Declaration

The Sharp Group focuses on what makes it unique—our spirit of creating value from fresh perspectives and not just following what other companies do. Our approach is powered by the individuality of every employee.
We build an environment where people can do their best work. By combining everyone's diverse contributions, we drive long-term growth. Our goal is to develop innovative technologies and offer services that are uniquely Sharp.

DEI Objectives

Sharp's business philosophy was established in 1973. It states: "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." Guided by this belief, we've launched initiatives to support women's participation in the workplace, help employees balance work with childcare and elder care, and increase employment opportunities for people with disabilities.
Having been in business for over 100 years, and with our employees' attributes, backgrounds, lifestyles, and values becoming increasingly diverse, in order to continue creating our unique value, we must strive to secure talent, unleash the power of the individual, and continuously enhance the strength of our organization. To achieve this, we are committed to promoting diversity, equity, and inclusion.

Related information: > Sharp Group DEI Policy

Fiscal 2025 Objectives	Fiscal 2025 Achievements	Self-Evaluation	Priority Objectives for Fiscal 2026
■ Promote action plan in line with the Act on the Promotion of Women's Active Engagement in Professional Life ■ Raise employment rate for the disabled to 2.5% or higher	■ Implemented action plan in line with the Act on the Promotion of Women's Active Engagement in Professional Life Percentage of female managers: 4.7% as of March 31, 2026 ■ Maintained employment rate for the disabled: 2.50% as of June 1, 2026	★	■ Promote action plan in line with the Act on the Promotion of Women's Active Engagement in Professional Life ■ Raise employment rate for the disabled to 2.7% or higher

Self-evaluation: ★★★ Achieved more than targeted / ★★ Achieved as targeted / ★ Achieved to some extent

Promoting Activities of Female Employees

We formulated an action plan based on Japan's Act on the Promotion of Women's Active Engagement in Professional Life, which came into effect in April 2016. In line with this action plan, we are working to raise the percentage of women in all job categories and increase the number of women in managerial positions. This will enable us to achieve further diversity in our workforce and contribute to society through better products and services. To this end, we have set the following goals and are actively pursuing further engagement of our female employees.

Sharp Corporation's Action Plan Based on the Act on the Promotion of Women's Active Engagement in Professional Life

Goal	Deadline
・ Have at least 15% of new graduates hired for engineering jobs and 50% of new graduates hired for non-engineering jobs be women ・ Have at least 7.5% of managers be women ・ Have at least 95% of female employees having returned to work after taking childcare leave stay at Sharp beyond 12 months after their reinstatement	By the end of fiscal 2029

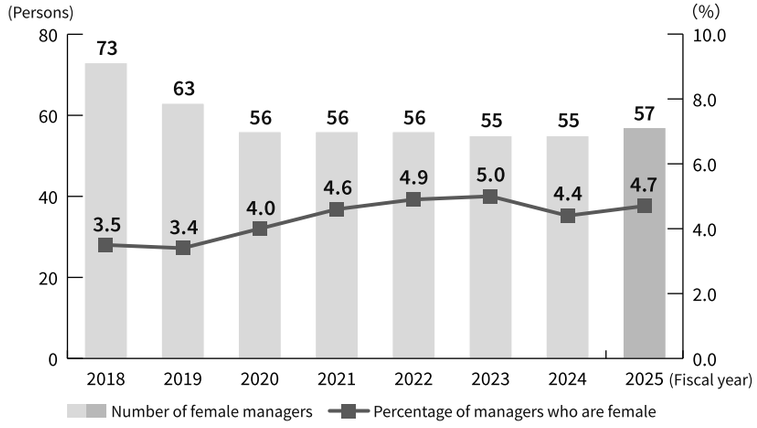
Social Initiatives: Human Resources

Developing DEI-Focused Management

Promoting Female Employees to Managers

We are committed to providing fair opportunities and strong support to help more women take on leadership roles in business and organizational operations. As of the end of fiscal 2025, the percentage of managers who are female was 4.7%. We are promoting diversity with the goal of raising this percentage to at least 7.5% by the end of fiscal 2029.

Number of Female Managers at Sharp Corporation



Supporting Employees Returning from Maternity or Childcare Leave

We have held reinstatement support seminars every year since fiscal 2014. These seminars involve an explanation of the company's current circumstances and the various support systems related to childbirth and nursing. As well, employees who have returned to work after taking childcare leave share their experiences and provide advice on how to balance work and child rearing. Attendees are also given the opportunity to build networks with other working mothers. These seminars help to resolve anxiety during time off from work and foster a positive mindset about returning to work.

Starting in fiscal 2020, the classroom-style seminar was changed to an online seminar to make it easier for participants to join from home while looking after children. This change was the result of feedback expressed during reinstatement support-related interviews with employees. With more male employees helping raise children in recent years, the number of seminar participants has been growing. To build a stronger support system encompassing the returning employee's family and the workplace, the online seminars now have videos for returning employees, their spouses, and bosses, and messages of encouragement from colleagues. We will continue to listen to employees and incorporate their feedback as we work to make our company an even better and more attractive place to work.

We also have two systems in place to support employees who are eager to advance their careers after returning to work from childcare leave. One is for giving one-off payments to employees making an early return from childcare leave and the other is for subsidizing the fees for non-registered daycare facilities for employees with children at age two or younger, who fall outside the scope of the government program for free early childhood education and care.

Screen shots of the reinstatement support videos

Social Initiatives: Human Resources

Developing DEI-Focused Management

Expanding Opportunities for Non-Japanese Employees in Japan

With the globalization of business, we are working globally to secure and systematically train human resources who can meet the needs of each workplace. In recent years, we have promoted greater employment of international students and people of other nationalities residing in Japan. As of March 31, 2026, we have approximately 170 non-Japanese employees working in various departments and job categories.

To avoid illegally employing undocumented workers, we check the residence status of all foreign nationals before hiring them. This follows the advice of the Immigration Services Agency of Japan's Ministry of Justice. (We use an Agency website to validate residence card numbers.) In addition, we do not keep passports or other identification documents from individuals.

Reemployment of Retirees

In 2001, we introduced a professional employee system that reemploys employees who have reached the mandatory retirement age of 60. This stems from our stance on promoting the utilization of senior employees who have a strong work ethic. It also takes into consideration employees who wish to give back and contribute to society through the skills and knowledge they have accumulated over many years.

At present, employees who have reached the mandatory retirement age of 60 (and who wish to continue working until the age of 65) are redeployed with the company. In response to the Act on Stabilization of Employment of Elderly Persons—which came into effect in April 2021—we are considering offering guaranteed employment up to the age of 70.

Promoting Employment of the Disabled

Ever since Sharp founder Tokuji Hayakawa established the "accumulation of community service" as one of the "Five Accumulations of Competency*1," we have been actively involved in social service and welfare. The entire Sharp Group makes efforts to promote the employment of the disabled and to create a better work environment for these employees.

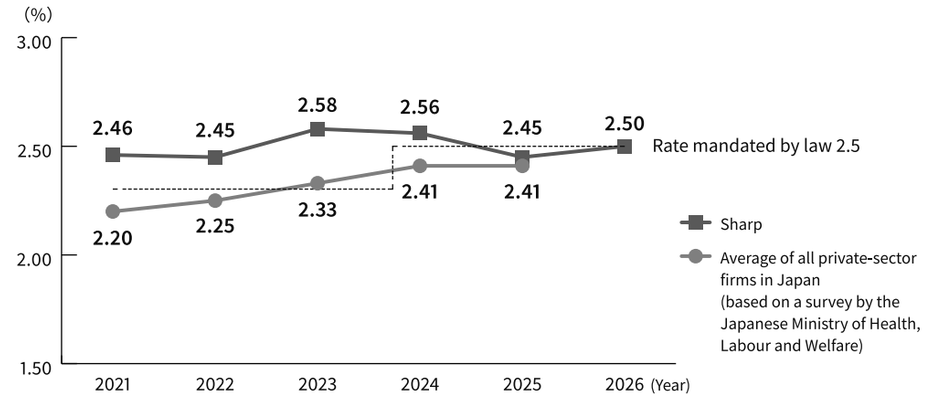
Specifically, we launched a recruitment website addressing the employment of disabled people. This website contains information on initiatives to hire such individuals to work in the Sharp Group. We are also striving to make the working environment more accessible for disabled employees. For example, during training sessions attended by hearing-impaired participants, there are support measures such as voice recognition software and PC note-taking (a method for conveying audio information by entering it into the keyboard of a PC) so that voice communication is converted into text for participants to read and understand.

Employment Rate of the Disabled in Japan

As of June 1, 2026, Sharp Corporation, a Sharp special subsidiary*2, and group companies*3 employed approximately 290 disabled persons. The percentage of disabled employees among all employees was 2.50%.

*1 Accumulation of trust, accumulation of capital, accumulation of community service, accumulation of human resources, and accumulation of trading partners.
*2 A subsidiary that a company establishes and that gives special consideration in employing the disabled, in order to provide them with more employment opportunities and greater job security.
*3 In calculating the employment rate of the disabled, these are Sharp Group subsidiaries, other than special subsidiaries, that are certified by the head of a public employment security office.

Employment Rate of the Disabled in Japan



Social Initiatives: Human Resources

Developing DEI-Focused Management

Creating an Accommodating Work Environment for LGBTQ+ Employees

We strive to create a workplace where LGBTQ+ employees can work with pride and peace of mind. To achieve this, we are committed to fostering a deep understanding of LGBTQ+ issues throughout the company.

Specifically, we conduct e-learning and study sessions for employees to deepen their understanding of sexual diversity and have set up a consultation desk.

Additionally, under our internal personnel and labor-related systems, same-sex partners and their families are treated in the same way as opposite-sex spouses and their families.

Example

Supporting the Success of Employees with Disabilities through the Handi'Sharp Program

French production base SBSF runs the Handi'Sharp program, which aims to create an inclusive workplace environment by promoting the employment and retention of employees with disabilities. This program was launched in conjunction with the International Day of Persons with Disabilities on December 3, 2025, and it is positioned as one of the key social responsibility initiatives led by the human resources department.

For Handi'Sharp, a dedicated page has been established on the Sharp'Net intranet, where employees can access disability-related information, various resources, support procedures, and more. SBSF has also established a disability liaison officer system, overseen by the HR manager and supported by two volunteer disability liaison officers. Working closely with the HR department, these officers provide information, guidance, advice, and workplace support to employees with disabilities. Furthermore, SBSF is working to raise awareness among all employees and support managers in creating an inclusive workplace. This program not only improves the ease of working for employees with disabilities but also contributes to fostering a corporate culture that values inclusion and equal opportunity, attracting and retaining talent, ensuring legal compliance, and strengthening our diversity initiatives.

Going forward, SBSF plans to implement DuoDay, an initiative where employees will be paired with individuals with disabilities to work in the workplace for a day. Through this initiative, SBSF aims to provide participants with opportunities for workplace experience and promote understanding of disabilities among employees. The aim of Handi'Sharp is to establish an inclusive corporate culture that fosters mutual respect among all employees and empowers everyone to work to their full potential.

Introduction to the Handi'Sharp program

Awareness-raising resources for World Autism Awareness Day

Social Initiatives: Human Resources

Activities to Support Work-Life Balance

Basic Concept

To foster a culture and environment that births innovation, the Sharp Group endeavors to create a workplace where employees with diverse personalities, including those of different genders, generations, and values, feel motivated to perform their best. We hold the position that, by giving employees more flexibility in deciding where and when they work, and by supporting them in developing proactive and well-balanced work styles suited to their individual job and stage in life, this will improve the quality of both their work and life.

Flexible Work Styles

Employees are allowed to work from home up to two days a week, provided that productivity can be maintained or improved. Additionally, by expanding the range of flexible work hours under the flextime system, employees now have greater flexibility in choosing where and when they work.

Work Styles That Are Both Efficient and Satisfying

By implementing measures aimed at preventing long working hours and excessive periods of continuous work while also encouraging employees to take annual paid leave, we are creating a workplace where employees are able to efficiently perform at a high level.

Since fiscal 2024, employees have been able to take multipurpose leave in hourly units. By creating an environment where employees can take advantage of their vacation time and work flexibly, they can tailor their work to suit their personal circumstances and lifestyles, such as childcare, elderly care, and healthcare.

We believe that, by working with focus and efficiency when it’s time to work and resting when it’s time to rest, both the work and personal lives of employees are enriched, and they can perform to the best of their ability.

Main Initiatives Aimed at Establishing a Well-Balanced Work Style

Item	Description
Upper limits on overtime work	• For all employees, including managers and supervisors, work hour management standards are established that are stricter than those set by law
No-overtime days	• Two no-overtime days are set per week
Rules to secure rest time	• Seven consecutive workdays are prohibited • At least 10 hours of rest time should be secured between the end of one work period and the start of the next
Encouragement to take scheduled annual paid leave	• Employees are encouraged to schedule and take their annual paid leave • A joint labor-management campaign to promote taking annual paid leave

Social Initiatives: Human Resources

Activities to Support Work-Life Balance

Support for Balancing Work with Childcare, Nursing Care, and Medical Treatment

■ Pregnancy and Childcare

At Sharp, we are working to establish a support system along with an environment that will help employees in balancing their work with their childcare responsibilities. Employees who have provided notification of their pregnancy or childbirth are given a guidebook along with information about the individual programs available in order to encourage them to take advantage of these programs. In particular, against a backdrop of declining birthrates, diversifying work styles and lifestyles, and an increase in dual-income households, we have enhanced the programs for male employees to support them in raising children, and many male employees are now taking advantage of these programs, such as those for childcare leave.

Fiscal 2025 Usage Rate at Sharp Corporation	Men	Women	Total
Leave for purposes related to childcare*	93.3%	100.0%	94.7%

*The usage rate calculation includes parental leave and paternity leave, in accordance with the standards of the Act on Childcare Leave and Caregiver Leave.

Sharp Corporation has been recognized by the Minister of Health, Labour and Welfare as a company supportive of childrearing based on the Act on Advancement of Measures to Support Raising Next-Generation Children and has received the “Kurumin” mark of certification. We will continue to support our employees’ active participation in childcare and in family life with their children.

■ Nursing Care

As the population ages, we have established a support system for employees who require greater flexibility in their working arrangements to accommodate their nursing care circumstances. We are promoting use of individual programs by providing information to employees in the form of a guidebook. In particular, to prevent employees from leaving their jobs to care for family members without being able to fully utilize the support systems for balancing work and family care, we provide information about the nursing care systems to employees who turn 40 each year, as an early step before they are faced with the need to care for family members.

Additionally, we have set up nursing care consultation desks both inside and outside the company to provide more comprehensive nursing care information and have established a support system for employees who face nursing care challenges.

■ Medical Treatment

We have established a support system for balancing work with medical treatment. Employees undergoing medical treatment are able to work comfortably without being pressed by time. An employee’s health and capacity for work are the key considerations in determining their work schedule and obligations.

Main Programs to Support Work-Life Balance

	Pregnancy and Childcare	Nursing Care	Medical Treatment
Leave	● Maternity leave (8 weeks before and 9 weeks after childbirth) ● Childcare leave (until the child turns 2 years old; can be divided up) ● Parental leave (up to 4 weeks during the first 8 weeks after the child is born; can be divided up) ● Paternity leave (up to 5 days) ● Daycare adaption leave (up to 1 month until the child turns 2 years and 1 month old) ● Multipurpose leave (8 days a year; can be taken for childcare and nursing) ● Child nursing leave (5 days a year) ● Leave to balance work and childcare (5 days a year)	● Nursing care leave (for a total of 2 years; can be divided up) ● Multipurpose leave (8 days a year; can be taken for nursing care) ● Nursing care leave (5 days a year)	● Sick/injury leave (can be taken for fertility treatment) ● Multipurpose leave (8 days a year; can be taken for medical or fertility treatment)
Work system	● Staggered commuting hours during pregnancy ● Reduced-hours employment during childbearing/childcare (until March 31 after the child has reached the 6th year of elementary school) ● Childcare support work program (until March 31 after the child has reached the 6th year of elementary school)	● Reduced-hours employment for nursing care (until there is no longer the need for nursing care) ● Nursing care support work program (6 months) ● Reduced weekly working days for nursing care	● Reduced-hours employment after returning from sick/injury leave ● Support work program after returning from sick/injury leave ● Reduced weekly working days for medical treatment
Others	● Home helper expense subsidies ● One-off payments for employees making an early return from leave ● Subsidy for fees of non-registered daycare facilities ● Subsidy for fees for sick children daycare and extended daycare ● Guaranteed reemployment after childbearing/childcare	● Home helper expense subsidies ● Support for unmarried employees with family nursing care obligations (commuting costs and other relevant expenses) ● Reemployment after nursing care	

Social Initiatives: Human Resources

Promoting Occupational Safety and Health

Sharp Group Basic Policies on Safety and Health

Basic Philosophy

The Sharp Group regards protecting the safety, security, and health of employees all over the world as indispensable to its business activities, and is dedicating appropriate management resources in a spirit of Sincerity and Creativity, in order to achieve a safe and pleasant working environment.

Basic Policy

1. Legislative Compliance
In addition to strict compliance with legislation related to safety and health in each country and region, all Group companies must comply with in-house standards established in line with the standard Group policy.

2. Establishment of Management Organization
The Sharp Group has established a management organization to deal with safety and health, with clearly delineated roles, authority, and responsibilities, and is promoting activities at the structural level.

3. Establishment and Operation of Management System
The Sharp Group has established an occupational safety and health management system, and is engaged in continuous evaluation and improvement of its activities, with a view to eliminating potential hazards and risks to safety and health in the workplace.

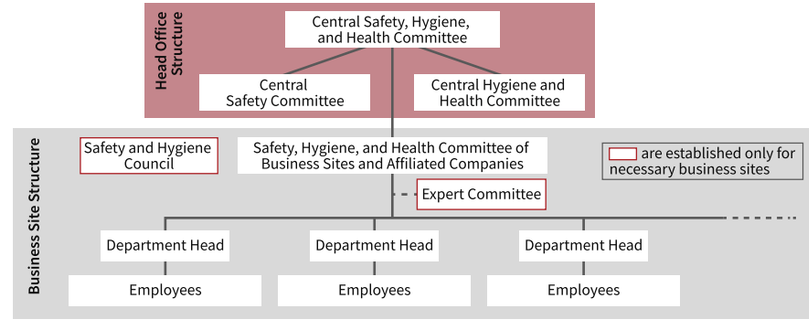
4. Implementation of Education and Training
The Sharp Group is endeavoring to raise awareness of safety and health and to promote voluntary activities by implementing for all employees the education and training required to improve safety and health.

5. Setting Targets and Full Employee Participation in Practical Activities
The Sharp Group sets targets for preventing accidents and improving employees' health, and is striving to meet these targets by means of practical activities in which all employees participate.

Organization Promoting Safety, Hygiene, and Health

The Sharp Group works to ensure the safety and to maintain and improve the health of all of its employees, as well as further the creation of a pleasant working environment. Towards that end, we have developed a clear administrative responsibility system for preventing workplace accidents and improving occupational safety and health levels. Also, in order to show our commitment to maintaining and improving health, we call the names of our organizations and activities "safety, hygiene, and health" instead of "safety and health" and have established the following organizational system for promoting safety, hygiene, and health.
In order to ensure that activities for the maintenance and improvement of safety, hygiene, and health go smoothly, we hold Central Safety, Hygiene, and Health Committee meetings that bring the management and the labor union together to discuss and decide basic policies for the entire company. The Committee establishes annual company-wide policies, objectives, and priority action items related to safety, hygiene, and health and rolls them out to business sites and affiliated companies.
At each business site or affiliated company, the Safety, Hygiene, and Health Committee consisting of labor and management representatives, as well as chemical, electrical, and gas subcommittees, meets every month to report, discuss, and review safety, hygiene, and health activities. The discussion and decision outcomes are communicated to all employees through the various departments.
In addition, in order to establish comprehensive safety, hygiene, and health management on company premises, every month at each business site a Safety and Hygiene Council meeting is convened, which includes subcontractors permanently stationed on-site. This committee discusses safety, hygiene, and health-related policy, targets, and planning, shares updates about safety, hygiene, and health initiatives, and works to prevent industrial accidents.

Organization Promoting Safety, Hygiene, and Health



Social Initiatives: Human Resources

Promoting Occupational Safety and Health

Fiscal 2025 Objectives	Fiscal 2025 Achievements	Self-Evaluation	Priority Objectives for Fiscal 2026
■ Eliminate severe accidents, reduce workplace accidents Workplace accidents: Reduce by 10% (to 51 cases or less) compared with the number of workplace accidents in FY2024 Lost-time accidents: Reduce to 25% or less (12 cases or less) of the FY2025 workplace accident prevention target ■ Implement company-wide Healthy Sharp initiative ■ Prevent health problems caused by overwork	■ Number of workplace accidents ・Worked to eradicate unsafe practices and cultivate a culture of safety by following procedural rules and providing safety education ・Zero severe accidents and 73 workplace accidents, of which 25 resulted in lost work time ■ Implemented company-wide Healthy Sharp initiative ・The percentage of people who cleared 4 of the 5 lifestyle-related indicators ((1) diet, (2) exercise, (3) sleep, (4) smoking, (5) alcohol) was 47.0% (up 1.3 points year on year) ■ Strengthened measures against long work hours for employees ・Average monthly overtime per person was 16.9 hours ・Had all employees working long hours interviewed and guided by a physician	★	■ Eliminate severe accidents, reduce workplace accidents Workplace accidents: Continue to meet the FY2025 target (51 cases or less) Lost-time accidents: Continue to meet the FY2025 target (12 cases or less) ■ Implement company-wide Healthy Sharp initiative ■ Prevent health problems caused by overwork

Self-evaluation: ★★★ Achieved more than targeted / ★★ Achieved as targeted / ★ Achieved to some extent

Occupational Safety and Health Management System

We have established an occupational safety and health management system and are promoting measures to ensure the further penetration and establishment of “proactive safety,” an initiative under which potential workplace accident risks are identified in advance through risk assessments and eliminated or reduced.

Four of our major business sites in Japan have received certification for ISO 45001, an international standard for management systems of occupational safety and health. We have also established and are promoting occupational safety and health management systems at other workplaces and affiliated companies to promote systematic, organized, and continuous safety and health management and raise the level thereof.

Initiatives to Reduce Workplace Accidents

The Sharp Group implements continuous safety management at its work sites in compliance with safety-related laws and company rules as well as provides ongoing safety education to employees. When workplace accidents do occur, we conduct a multifaceted analysis of the workplace, type of accident, and cause, implement countermeasures, and then roll these out at each workplace to prevent reoccurrence. In particular, we strengthen safety measures at business units where accidents have occurred frequently.

In addition, we are making stronger efforts to foster a safety culture within the company by repeatedly stressing the importance of putting safety first, such as by providing easy intranet access to accident case studies, company policies, regulations and rules, and safety tools that summarize the actions that each employee should take to prevent unsafe behavior, which is the most common cause of workplace accidents.

As a result of these efforts, in the Sharp Group in Japan in fiscal 2025, although the number of incidents increased, there were no workplace accidents resulting in death (a record that has continued since fiscal 2013), and our workplace accident rate (frequency rate of lost-worktime workplace accidents*) was 0.51, which continued to be lower than the national average for all industries (2.01), the manufacturing industry (1.33), and the electrical machinery, equipment, and supplies manufacturing industry (0.60).

* Indicator that represents the incidence of workplace accidents per million work hours (one day or more of suspended operations).

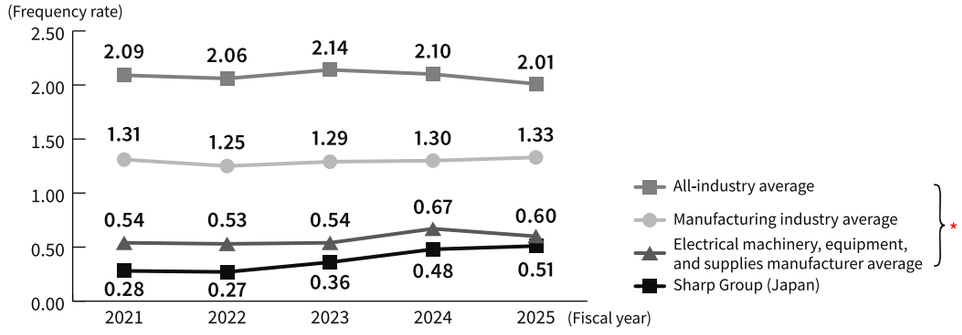
Social Initiatives: Human Resources

Promoting Occupational Safety and Health

Activities to Reduce Workplace Accidents

Item	Description
Safety measures at production sites	• Compliance with work rules • Thorough inspection of equipment and facilities • Safety patrols
Safety e-learning	• Reinforcing safety rule compliance and a safety-first mindset among all employees
Sharp Group workplace safety website	• Safety tools that summarize actions employees should take in the workplace; examples of accidents in the company; company policies, regulations, rules, etc. posted on the intranet
Displaying company-wide safety awareness posters	• Displaying notices at dangerous locations in the workplace
Raising awareness of dangers	• Making potential hazards more visible, conducting training in near-miss accidents and danger prediction

Annual Industrial Accident Rates (Frequency Rate of Lost-Worktime Industrial Accidents)



* National averages for all industries, the manufacturing industry, and manufacturers of electrical machinery, equipment, and supplies are based on a 2025 survey by the Japanese Ministry of Health, Labor, and Welfare.

Strengthening Health and Productivity Management

Because employee health is directly linked with company performance, the Sharp Group places importance on employee health and aims to improve productivity and business performance by carrying out health and productivity management.

Specifically, we work to prevent illness and improve the lifestyles of our employees by providing guidance and education based on health checkup results and through mental health measures such as conducting industrial physician consultations for high-stress employees and holding mental health counseling sessions. We actively promote the health of employees by setting goals for five lifestyle-related items (diet, sleep, exercise, smoking, and alcohol). Through these efforts, we aim to be certified, by fiscal 2027, as a White 500 enterprise under the Kenko Investment for Health program organized by the Ministry of Economy, Trade and Industry.

Company-Wide Health Initiatives

The Sharp Group's business philosophy states that "It is the intention of our corporation to grow hand-in-hand with our employees." To this end, the Sharp Group has been working together with the Sharp Workers Union and the Sharp Health Insurance Association to support the health of employees through Healthy Sharp 23, a company-wide initiative conducted since fiscal 2014.

Starting in fiscal 2023, this initiative was relaunched as Healthy Sharp and has a focus on cancer, cerebrovascular disease and heart disease prevention, as well as prevention of lifestyle diseases like arteriosclerosis, diabetes, hypertension, and dyslipidemia, which are risk factors for cerebrovascular disease and heart disease.

Since the onset of these diseases is closely related to daily lifestyle habits, Healthy Sharp focuses on five lifestyle-related factors ((1) diet, (2) exercise, (3) sleep, (4) smoking and (5) alcohol), along with (6) prevention of mental health disorders, as its target management factors. The aim is to check whether the answers given to questions asked during health checkups satisfy the healthy lifestyle habit indicators and then to increase the percentage of people who satisfy each.

Mr. Get, the mascot for Healthy Sharp

Social Initiatives: Human Resources

Promoting Occupational Safety and Health

Healthy Sharp—Five Lifestyle Habit-Related Target Management Factors

Target management factors	Regular health checkup questionnaire (medical examination items)	Desired answer
(1) Diet	Eats faster than other people	No
	Eats dinner within two hours before bedtime three or more times a week	No
	Eats snacks or other food in addition to three meals every day or sometimes	No
	Skips breakfast three or more times per week	No
(2) Exercise	At least two days per week, performs exercise that lasts for at least 30 minutes per session and produces a light sweat	Yes
	Performs physical activity equivalent to walking for at least one hour per day	Yes
	Walks faster than others of the same age and sex	Yes
(3) Sleep	Gets sufficient rest from sleep	Yes
(4) Smoking	Is not a habitual smoker Used to smoke but hasn't in the last month	No Yes
(5) Alcohol	Drinks alcohol every day and drinks two or more standard drinks (180 ml x 2) per day, or three or more standard drinks (180 ml x 3) five to six days per week, three to four days per week, one to three days per week, or one to three days per month	No

Making Employees Healthier

We review the lifestyle habits of all our employees based on the regular health checkup questionnaire (medical examination items) and use the Healthy Sharp initiative as a way of fostering improvement of those habits.

The main approaches used include health education and information provision to employees, consultations and health guidance from industrial physicians and public health nurses based on the results of regular health checkups, and various health promotion measures that support improvement of lifestyle habits. We also have ongoing, focused activities to follow up on employees' health. For example, employees who are at risk of brain or heart diseases are encouraged to undergo health checkups.

Main Activities

	Target factors for management				
	(1) Diet	(2) Exercise habits	(3) Sleep	(4) Smoking	(5) Alcohol
Education/ information dissemination	• E-learning (all employees) • Monthly dissemination via the intranet of information relating to the five lifestyle habits • Training on Healthy Sharp and regular, healthy lifestyle habits (for new employees, online/group training) • Health education on the five lifestyle habits (online/group training)				
	• Education on metabolic syndrome and lifestyle disease prevention for people in their 30s (online/group training)				
Consultation	• Improving employee health literacy and providing guidance on lifestyle habit improvement • Individual consultations for those with high-risk health check results • Specific health guidance (including guidance on improving sleep and responsible drinking)				
	• Dietary guidance	• Guidance on developing exercise habits	• Health checkups for employees working long hours • Guidance on improving sleep	• Smoking cessation guidance during five-year dental checkups	• Guidance on responsible drinking
Other measures	• Providing healthy menus in company cafeterias	• Company-wide team walking competitions using a smartphone app • Measures to establish regular walking habits • Sporting events • Information about fitness club membership campaigns • Promotion of morning radio exercises	• Reducing overtime work	• Subsidies for smoking cessation outpatient services and smoking cessation medication • Requesting family members to help with quitting smoking • Sharp No Smoking Day and No Smoking Week • Prohibiting smoking inside buildings	

Social Initiatives: Human Resources

Promoting Occupational Safety and Health

Enhancing Mental Health Care

We are promoting better mental health by making the prevention of mental health disorders one of our company-wide Healthy Sharp health initiative target management factors.

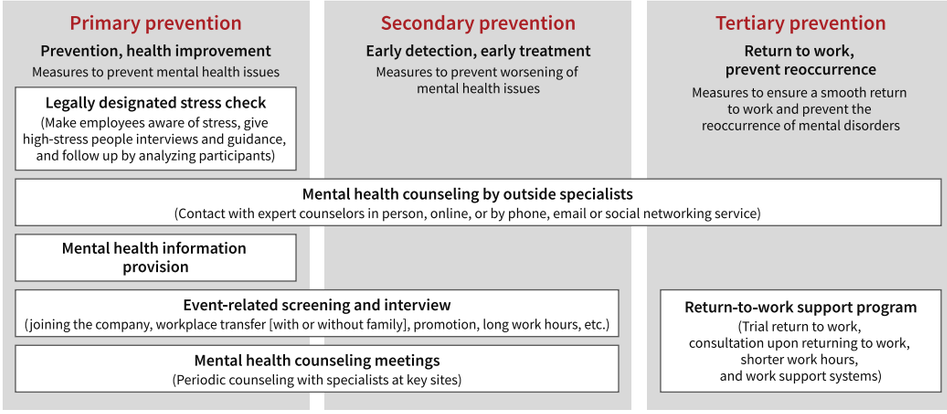
We are working proactively to increase the rate of participation in the legally mandated stress check system, thereby contributing to the prevention of mental health problems by helping employees become aware of their own stress levels, and implementing early detection and treatment for highly stressed individuals through one-on-one guidance.

We are also implementing work environment improvement initiatives in departments with a high proportion of highly stressed individuals and in departments with a high overall health risk based on the results of analysis for each organization.

We also offer comprehensive mental health services to employees, including consultations for new employees and employees working long hours, counseling with mental health doctors and workplace counselors and counseling at outside specialized institutions. Mental health information is also made available to employees on the intranet.

Our return-to-work support program also demonstrates our commitment to supporting reinstatement after absence and prevention of a recurrence of mental health issues. Employees returning to work will have a preliminary talk with the workplace physician and their department, and they can choose to return to work on a trial basis or work shorter hours.

Initiatives to Improve Employees' Mental Health



Preventing Health Problems Caused by Overwork

The Sharp Group strives to prevent health problems caused by overwork, such as by curbing long working hours, so that all employees can work in full physical and mental health.

Sharp Code of Conduct (excerpt)

> We will actively make efforts to create a safety-first workplace environment and to manage proper working time and the like by placing maximum priority on human life, and by complying with global standards, the laws and regulations and internal company rules relating to work conditions and occupational health and safety.

Specifically, in order to limit the amount of overtime work, we have set upper limits on working long hours and have designated days on which no overtime is allowed. Other measures we utilize are securing break times between the end of working hours and the start of the next and mandating physician consultation and guidance for employees working long hours.

A new attendance management system was introduced in fiscal 2024. As this is an in-house developed system, it is designed to be optimized for the work styles of Sharp Group employees and goes beyond recording the number of hours worked to visualize each employee's daily work style. This allows supervisors and admin departments to have a more detailed understanding of employees' situations and, thus, help prevent health problems caused by excessive work.

Measures Related to Work Hours

Item	Description
Upper limits on overtime work	• For all employees, including managers and supervisors, work hour management standards are established that are stricter than those set by law
No overtime days	• Two no-overtime days are set per week
Rules to secure rest time	• Seven consecutive workdays are prohibited • At least 10 hours of rest time should be secured between the end of one work period and the start of the next
Encouragement to take scheduled annual paid leave	• Employees are encouraged to schedule and take their annual paid leave • A joint labor-management campaign to promote taking annual paid leave
Criteria for mandatory physician consultation and guidance	• All employees whose overtime above the weekly limit of 40 hours has exceeded 80 hours in the given month must receive physician consultation and guidance

Social Initiatives: Human Resources

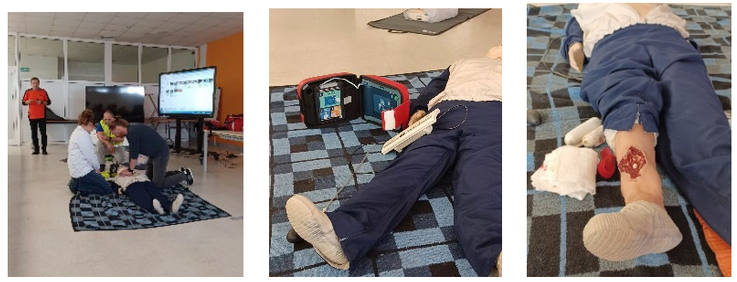
Promoting Occupational Safety and Health

Example

Improving Workplace Safety Response Capabilities through First Aid Training

SCEP, Sharp's production base in Poland, conducts emergency first aid training as a standard practice to ensure employees can respond appropriately and quickly in emergencies. SCEP aims to provide training opportunities to as many employees as possible each year, working to improve workplace safety awareness and response capabilities.

This training covers practical content that takes into account risks related to SCEP's business activities, including first aid, fire safety measures, and how to handle lithium-ion battery fires. In 2025, a total of 205 employees participated in this training. Through such training, SCEP is working to create a safe and secure working environment by enhancing the safety knowledge and response capabilities of each employee.



First aid training

Fire drills

Example

Promoting Mental Well-Being through Participatory Programs

WSEC, Sharp's production and sales base in China, carries out initiatives to support mental well-being with the aim of reducing employee stress and maintaining their physical and mental health. The company implements participatory programs, such as emotional expression workshops, collage-making, collaborative palmprint artwork expressing the team's goals, and other collaborative team projects, to provide employees with opportunities to organize their thoughts and refresh themselves. These activities have helped restore employee vitality and improve their work motivation.

In addition, WSEC utilizes personality assessments to promote self-understanding, enabling employees to understand their own characteristics and behavioral tendencies, thereby reducing psychological burden and allowing them to leverage their strengths. WSEC is continuously working to create a workplace environment where motivated employees can work with peace of mind.

A collaborative vision-building exercise using palmprints

Program that promotes self understanding through personality assessments

Social Initiatives: Human Resources

Creating a Safe Work Environment

Remuneration System and Bonuses

As part of efforts to realize the medium-term management plan's commitment to expanding investment in people, Sharp and its major domestic consolidated subsidiaries have set employee salary levels and starting salaries for new graduates with the aim of attracting and retaining outstanding talent to support company growth. In making these decisions, we comprehensively consider the performance of the Sharp Group, the roles and contributions of employees, wage levels in the labor market, and the state of competition for talent. Furthermore, our bonus system reflects individual evaluations while taking into account company performance and is designed to reward employees who have achieved results.

Expanding Employee Benefits

The Sharp Group strives to provide a comprehensive employee benefits package to create an environment in which employees can work with peace of mind.

Specifically, we provide housing support, such as dormitories for single employees and company housing for transferees; medical examination subsidy (e.g., for comprehensive medical screenings); group health insurance plan that employees and their families can join at a discount; and support for asset building through property accumulation savings and employee stock ownership plans.

Sharp Group Employee Benefits (Japan)

Housing support	Sharp provides dormitories for single employees and company housing for transferees, thereby helping to reduce the financial burden on employees.
Corporate pension	In addition to the public pension system, Sharp has introduced its own corporate pension system (defined benefit corporate pension) to help support employees after their retirement. As of March 31, 2025, permanent employees under the age of 60 at 21 participating Sharp Group business sites in Japan are members of the Sharp Corporate Pension Fund.
Health insurance association	The health insurance association provides specific supplemental benefits above and beyond those mandated by law when sick or injured. A variety of health promotion services are also provided to those enrolled in the health insurance association. As of March 31, 2026, employees and their dependents from 24 applicable Sharp Group business sites in Japan are members of the Sharp Health Insurance Association.
Congratulations and condolences	Employees can receive various congratulatory and condolence-related payments and leave for occasions such as marriages, births, and funerals.
Other employee benefits and welfare systems	Property accumulation savings, employee stock ownership plan, Group health insurance plan, medical examination subsidy (e.g., for comprehensive medical screenings), special incentive leave (an extra 5 days of paid leave for every 5 years of continued employment).

Increasing Employee Engagement

Increasing Employee Engagement

We regularly communicate the company vision and management's thoughts to employees of group companies, in the form of a "message from the president & CEO," in order to share Sharp's corporate philosophy and values. Furthermore, we collect employees' opinions through questionnaires and surveys and carry out efforts to enhance internal branding, which leads to improved employee engagement.

In addition, through greater transparency, we are increasing employees' understanding of our personnel and remuneration systems, strengthening the communication skills of management, promoting information sharing and delegation of authority, and fostering employee ownership (a sense of responsibility and initiative). We are also working to improve our infrastructure, including systems governing evaluation and salary structures and the IT environment, in order to create a psychologically safe workplace where employees can work without stress and with peace of mind. Starting in fiscal 2024, we began conducting engagement surveys twice a year in place of employee satisfaction surveys.

The company-wide survey results are reported to, and reviewed by, management to identify company-wide issues and, thereby, lead to the consideration and implementation of improvement measures. In addition, the heads of each business unit and company explain the survey results at policy implementation meetings (held twice a year) to ensure that the findings are shared throughout the organization. Furthermore, the survey results at the workplace level are relayed back to all employees in order to promote improvement activities at every level by facilitating the sharing of issues and discussions toward improvement in each workplace. In fiscal 2025, we relied on these survey results to, among other things, facilitate improvements in the IT and workplace environments and, thereby, enhance employee job satisfaction and ease of work.

The Sharp Group aims to improve employee motivation and productivity through continuous improvement, thereby securing talent and creating an environment that maximizes the potential of each individual, ultimately leading to an increase in corporate value.

	Fiscal 2025 Result	Target
Engagement score*	B	Fiscal 2027: A (up 3 ranks)

* We utilize Motivation Cloud Engagement provided by Link and Motivation Inc. This visualizes the state of engagement within an organization using a unique survey method that compiles employee expectations and satisfaction regarding the company, managers, and workplace.
B is the Japan national average level, and A is the top 20% level.
This survey is targeted at employees in Sharp Corporation and its domestic consolidated subsidiaries.

Social Initiatives: Human Resources

Increasing Employee Engagement

Example

Improving Employee Engagement through New Year's Events

At the beginning of 2026, Sharp's sales base in Thailand, SDBS, held a New Year's event aimed at improving employee engagement and promoting internal communication. The event included team-building activities, recognition of employee contributions, and a dinner for participants, promoting interaction across departments and positions. Through these activities, the company seeks to deepen mutual understanding among employees and foster a positive and inclusive workplace culture.
SDBS will continue to implement initiatives that lead to improved employee motivation, better work-life balance, and stronger organizational unity, thereby creating a workplace environment where employees feel enthusiasm in their work.

Opening remarks by the managing director at the New Year's event

SDBS employees at the New Year's event

New Year's gifts prepared for employees

Example

Strengthening Teamwork through In-house Competition

SCEP, Sharp's production base in Poland, is committed to instilling corporate values such as safety, collaboration, flexibility, communication, responsibility, and growth. As part of this, it held an in-house, collaboration-themed competition in July 2025. A total of 32 employees participated in the event, which featured physical challenges attempted by teams composed of members from different departments. Participants worked as teams to tackle the various challenges, and sports awards were given based on their performance.
This initiative promoted interaction among employees across departments, strengthened teamwork, and fostered a greater understanding of the value of collaboration.

In-house competition participants

Social Initiatives: Human Resources

Human Resources Data

Employees
By Region, Consolidated

Item	Scope	Fiscal 2023	Fiscal 2024	Fiscal 2025	Unit
Number of employees*1	Sharp consolidated	43,445	40,123	34,549	Persons
	Japan	17,209	15,761	14,657	
	Americas	1,935	1,910	1,844	
	Europe, Middle East	3,254	3,336	3,239	
	China, Asia, Oceania	21,047	19,116	14,809	

*1 Permanent employees.

Sharp Corporation

Item	Scope		Fiscal 2023	Fiscal 2024	Fiscal 2025	Unit
Directors, audit and supervisory committee members	Sharp Corporation		7	9	7	Persons
		Men	7	8	6	
		Women	0	1	1	
Number of employees*2	Sharp Corporation		5,029	5,636	5,553	
		Men	4,290	4,791	4,632	
		Women	739	845	921	
	Managers (executive officers and section managers or above)		1,094	1,250	1,215	
		Men	1,039	1,195	1,158	
		Women	55	55	57	
	Executive officers		8	6	7	
		Men	8	6	7	
		Women	0	0	0	
	Section managers or above		1,086	1,244	1,208	
		Men	1,031	1,189	1,151	
		Women	55	55	57	
	General staff		3,935	4,386	4,338	
		Men	3,251	3,596	3,474	
		Women	684	790	864	
Average age*2	Sharp Corporation		45.5	45.3	44.5	Age
		Men	45.9	45.7	45.1	
		Women	43.3	42.9	41.5	
Average years of service*2	Sharp Corporation		21.6	21.1	20.2	Years
		Men	21.9	21.5	20.8	
		Women	19.6	18.9	17.3	

*2 Permanent employees.

Hiring and Turnover

Item	Scope		Fiscal 2023	Fiscal 2024	Fiscal 2025	Unit
Number of hires*3	Consolidated subsidiaries in Japan		617	793	717	Persons
		Men	471	602	535	
		Women	146	191	182	
	Sharp Corporation*4		191	305	293	
		Men	138	232	206	
		Women	53	73	87	
Turnover*3*5	Consolidated subsidiaries in Japan		4.7	5.3	4.1	%
		Men	4.5	5.2	4.1	
		Women	6.0	5.8	4.4	
	Sharp Corporation		4.6	4.3	3.8	
		Men	4.4	4.2	3.9	
		Women	6.2	5.0	3.6	

*3 Permanent employees. *4 Does not include persons hired as employees of Sharp Corporation and transferred to affiliated companies on the same day of employment. *5 Number of employees who voluntarily left the company during the fiscal year to the number of employees as of March 31 of each year.

Diversity
Personnel, Consolidated Subsidiaries in Japan

Item	Scope			Fiscal 2023	Fiscal 2024	Fiscal 2025	Unit
Personnel composition ratio, by gender*6	Consolidated subsidiaries in Japan		Men	88.5	87.2	85.8	%
			Women	11.5	12.8	14.2	
		Managers*7	Men	96.4	96.4	95.3	
			Women	3.6	3.6	4.7	
		General staff	Men	87.0	85.3	83.8	
			Women	13.0	14.7	16.2	
	Sharp Corporation		Men	85.3	85.0	83.4	
			Women	14.7	15.0	16.6	
		Managers*7	Men	95.0	95.6	95.3	
			Women	5.0	4.4	4.7	
		General staff	Men	82.6	82.0	80.1	
			Women	17.4	18.0	19.9	
Personnel composition ratio, by age*6	Consolidated subsidiaries in Japan	Under 30 years old		11.8	13.2	15.5	%
		30 to 49 years old		38.6	36.4	36.3	
		50 years and older		49.6	50.4	48.2	
	Sharp Corporation	Under 30 years old		12.9	14.2	16.7	
		30 to 49 years old		38.0	37.8	38.0	
		50 years and older		49.1	48.0	45.3	

*6 Permanent employees. *7 Executive officers and section managers or above.

Social Initiatives: Human Resources

Human Resources Data

Diversity

Personnel Composition at Major Overseas Subsidiaries

Item	Scope			Fiscal 2023	Fiscal 2024	Fiscal 2025	Unit
Personnel composition ratio, by gender	SEC (US) Sales, production		Men	68.8	68.3	67.7	%
			Women	31.2	31.7	32.3	
		Directors, managers	Men	78.3	74.9	75.8	
			Women	21.7	25.1	24.2	
		Non-managers*1	Men	67.8	67.6	66.8	
			Women	32.2	32.4	33.2	
	SEE (UK) Sales, production		Men	74.7	73.9	73.9	%
			Women	25.3	26.1	26.1	
		Directors, managers	Men	73.7	78.3	77.5	
			Women	26.3	21.7	22.5	
		Non-managers*1	Men	74.9	72.8	73.0	
			Women	25.1	27.2	27.0	
	SEID (Indonesia) Sales, production		Men	71.9	71.7	71.7	%
			Women	28.1	28.3	28.3	
		Directors, managers	Men	83.5	83.9	83.3	
			Women	16.5	16.1	16.7	
		Non-managers*1	Men	71.1	70.9	70.8	
			Women	28.9	29.1	29.2	
	SATL (Thailand) Production		Men	33.3	34.4	35.9	%
			Women	66.7	65.6	64.1	
		Directors, managers	Men	60.6	58.1	62.5	
			Women	39.4	41.9	37.5	
		Non-managers*1	Men	32.6	33.9	35.3	
			Women	67.4	66.1	64.7	
	SOCC (China) Production		Men	31.5	33.2	34.8	%
			Women	68.5	66.8	65.2	
		Directors, managers	Men	85.2	84.5	85.0	
			Women	14.8	15.5	15.0	
		Non-managers*1	Men	25.5	26.9	28.5	
			Women	74.5	73.1	71.5	

Personnel Composition at Major Overseas Subsidiaries

Item	Scope			Fiscal 2023	Fiscal 2024	Fiscal 2025	Unit
Personnel composition ratio, by gender	NSEC (China) Production		Men	64.4	65.0	63.9	%
			Women	35.6	35.0	36.1	
		Directors, managers	Men	66.1	67.8	68.5	
			Women	33.9	32.2	31.5	
		Non-managers*1	Men	64.2	64.6	63.1	
			Women	35.8	35.4	36.9	
	WSEC (China) Production		Men	46.3	45.4	45.2	%
			Women	53.7	54.6	54.8	
		Directors, managers	Men	60.5	61.5	61.9	
			Women	39.5	38.5	38.1	
		Non-managers*1	Men	44.9	43.7	43.2	
			Women	55.1	56.3	56.8	

*1 Permanent employees.

Annual Average Wage Ratio, by Gender

Item	Scope			Fiscal 2023	Fiscal 2024	Fiscal 2025	Unit
Annual average wage ratio, by gender	Sharp Corporation		Men	100	100	100	%
			Women	79.6	79.9	80.4	
		Permanent employees	Men	100	100	100	
			Women	78.8	78.9	79.2	
		Part-time and fixed-term workers	Men	100	100	100	
			Women	72.5	74.3	74.7	

Sharp Corporation has no gender-based differences in its personnel and compensation systems. We are working to increase the number of women in leadership positions, and we believe these efforts will help eliminate the gender wage gap.

Employment of People with Disabilities

Item	Scope	June 2024	June 2025	June 2026	Unit
Employment rate of people with disabilities*2	Sharp Corporation, special subsidiary, applicable group companies	2.56	2.45	2.50	%

*2 Based on Japan's Act to Facilitate the Employment of Persons with Disabilities.

Social Initiatives: Human Resources

Human Resources Data

Work-Life Balance

Item	Scope		Fiscal 2023	Fiscal 2024	Fiscal 2025	Unit
Annual paid leave	Sharp Group in Japan	Usage rate*1	75.8	74.2	74.5	%
Overtime		Average hours per person/month*1	15.3	16.9	16.9	Hours

*1 Permanent employees .

Item	Scope			Fiscal 2023	Fiscal 2024	Fiscal 2025	Unit
Leave for purposes related to childcare*2	Sharp Corporation	Number of users		67	85	89	Persons
			Men	53	68	70	
			Women	14	17	19	
		Usage rate*3		88.1	103.7	94.7	%
			Men	84.1	103.0	93.3	
			Women	107.6	106.3	100.0	
Childcare leave, parental leave	Sharp Corporation	Return to work rate	Men	100.0	100.0	100.0	
			Women	94.7	100.0	93.3	
		Retention rate*4	Men	96.9	92.3	95.1	
			Women	96.4	89.5	87.5	
Reduced-hours employment during childbearing/childcare	Sharp Corporation	Number of users		5	7	1	Persons
Childcare support work program				205	222	174	
Nursing care leave	Sharp Corporation	Number of users		6	3	4	
Nursing care support work program				14	16	15	

*2 Childcare leave, parental leave, paternity leave.
*3 The usage rate for childcare leave and other leaves for purposes related to childcare, calculated in accordance with the standards of the Act on Childcare Leave and Caregiver Leave. In fiscal 2024, the standards were revised to round off published figures to the first decimal place. For this reason, figures for fiscal 2023 have been revised.
*4 Percentage of employees still working 12 months after returning to work.

Human Resource Development

Item	Scope		Fiscal 2023	Fiscal 2024	Fiscal 2025	Unit
In-house programs for self-development*5	Consolidated subsidiaries in Japan	Total number of participants	9,044	9,299	6,754	Persons
		Total learning hours	26,219	28,918	17,995	Hours

*5 Includes management skills improvement training, specialized training, and (from fiscal 2023) study sessions and Sharp Language Academy (for permanent employees).

Occupational Safety and Health

Item	Scope		Fiscal 2023	Fiscal 2024	Fiscal 2025	Unit
Industrial accidents	Consolidated subsidiaries in Japan	Number of work accidents*6	62	58	73	Incidents
		Frequency rate	0.36	0.48	0.51	-
		Number of fatalities	0	0	0	Persons

*6 Includes temporary staff and on-site subcontractor employees.

Employee Engagement

Item	Scope	Fiscal 2023	Fiscal 2024	Fiscal 2025	Unit
Engagement score*7	Consolidated subsidiaries in Japan	-	B	B	-

*7 We use Motivation Cloud Engagement provided by Link and Motivation Inc. This visualizes the state of engagement within an organization using a unique survey method that compiles employee expectations and satisfaction regarding the company, managers, and workplace.

Annual Total Pay Ratio

Item	Scope	Fiscal 2023	Fiscal 2024	Fiscal 2025	Unit
Annual total pay ratio*8	Sharp Corporation	-	7.41	7.68	-

*8 The ratio of the total annual compensation of the company's highest-paid individual to the median total annual compensation of all employees (those working at the company as of the end of the fiscal year).

Social Initiatives: Efforts Related to Human Rights

Efforts Related to Human Rights

Guiding Principles on Human Rights

As a participant in the United Nations Global Compact, we promote initiatives that conform to international principles about human rights and labor standards, such as those advocated in International Labour Organization (ILO) conventions.

Our fundamental policies with regard to human rights are embodied in the Sharp Group Charter of Corporate Behavior and the Sharp Code of Conduct. These stipulate that the Sharp Group respects fundamental human rights and individuality by eschewing practices that are discriminatory or which infringe upon human rights, such as child labor or forced labor, and every effort is made to ensure that all Sharp employees are aware of and adhere to these policies.

The Sharp Group Human Rights Policy has been established as a document outlining the Sharp Group's basic principles and commitment regarding respect for human rights, with the aim of ensuring equal and fair treatment of all stakeholders and of realizing a sustainable society free of human rights violations.

Related information: > Sharp Group Human Rights Policy

Human Rights Education and Training

In Japan, new employees and mid-career hires of the Sharp Group learn about Sharp's philosophy on human rights by studying the Sharp Group Charter of Corporate Behavior and the Sharp Code of Conduct.

Each site carries out ongoing human rights awareness activities, including annual human rights training. In fiscal 2025, we held online training and e-learning on preventing all forms of harassment, as well as on other important topics. A total of 15 sessions were provided to 13,337 employees.

In fiscal 2025, ESG-related training encompassing such topics as the impact of corporate activities on human rights and human rights risks that should be considered was also provided to all Sharp Group employees in Japan. This training was open to 17,908 employees, including those at Sharp Corporation and subsidiaries in Japan, with 14,552 taking part (81.3% participation rate).

Sharp Group Charter of Corporate Behavior (excerpt)

The Sharp Group respects fundamental human rights and does not engage in discriminatory actions or human rights violations in any of our business activities. The Sharp Group does not sanction child labor or forced labor.

Sharp Code of Conduct (excerpt)

1. We respect the fundamental human rights and the dignity of individuals in all business activities, and will not be complicit in human rights violations. In case business activities, products and services are found to adversely affect human rights, we will take all appropriate measures.
2. We will not sanction child labor or any form of forced labor, and we will support its effective abolition.
3. 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.
4. We do not engage in acts and speech that constitute inhumane acts, such as abusive behavior, expressions of contempt, verbal abuse, sexual harassment, power harassment and the like, in our offices and other work places.
5. Based on global standards and applicable laws and regulations, we will respect and consider the rights of employees, such as freedom to associate, freedom to join a trade union, freedom to take industrial action, freedom to join a worker's council and the like without revenge, threats, and/or harassments to employees.

Human rights-related initiatives in line with the Sharp Group Charter of Corporate Behavior, the Sharp Code of Conduct, the Sharp Group Human Rights Policy, local laws and regulations, and other requirements are also being promoted at our overseas bases.

Additionally, as part of human rights due diligence, we carry out ongoing human rights compliance checks at our production sites via self-assessment surveys and audits* based on the RBA Code of Conduct, which conforms to international principles, such as those advocated in ILO conventions.

In the UK, we have disclosed a statement to prevent forced labor and human trafficking based on the UK Modern Slavery Act 2015. In Australia, we have submitted reports as required under the Modern Slavery Act.

* See page 018.

Related information: > Modern Slavery Act Transparency Statement

Social Initiatives: Human Resources

Labor-Management Relationship

Good Labor–Management Relationship That Prioritizes Dialogue and Respect for Employee Rights

We respect employees' right to organize and the right of collective bargaining based on the laws of each country or region, and we work to strengthen trusting relationships with labor unions.

At Sharp Corporation, for example, labor agreements between the company and the union give the union the right to organize, the right to bargain collectively, and the right to take collective action.

Under labor agreements, we provide periodic opportunities for labor–management meetings, such as the Central Labor-Management Council, which involves top executives from both sides, and labor–management meetings at each production site and affiliate. In addition, labor and management periodically meet to exchange opinions and information regarding the company's financial condition and issues in the work environment. When there are issues that will have an impact on the working conditions of union members, both sides meet for discussion before action is taken.

With regard to wages and working conditions, in order to maintain a standard of living for employees and their families, we respect international human rights norms, such as those of the ILO, and comply with domestic laws such as the Minimum Wage Act and the Labor Standards Act. In addition, we set wages and working conditions in good faith with the Sharp Workers Union and its parent organization, the Japanese Electrical, Electronic & Information Union, based on the policies sought by those organizations. Additionally, the Sharp Group in Japan has introduced various employee benefit programs to help employees and their families live with peace of mind.

As of March 31, 2026, the union participation rate* of employees of Sharp Corporation and domestic consolidated subsidiaries was approximately 74%.

In Europe, we hold European Works Council meetings every year to review the financial condition and managerial issues throughout Europe. In China, companies are obligated to hold meetings with employee representative assemblies to decide on issues such as employee working conditions. In line with relevant local laws, we strive to build cooperative labor management relationships.

* The ratio of union members who belong to the Sharp Group Federation of Labor Unions to employees, including non-union managers (the Sharp Workers Union is a member of the Sharp Group Federation of Labor Unions).

Preventing Workplace Harassment

Basic Concept

Workplace harassment is socially unacceptable behavior damaging to human dignity. It prevents employees from being effectively empowered, hinders workplace cohesion and operations, and negatively affects the company's image in society.

Harassment-related consultations are handled swiftly and fairly, and disciplinary action is taken in accordance with the rules of employment if any prohibited behavior considered to be harassment is identified.

Prohibited behavior considered to be harassment

- Sexual harassment
- Harassment relating to pregnancy, childbirth, childcare, caregiving, etc.
- Power harassment (workplace bullying)

Harassment Prevention Measures and Harassment Consultation Services

In Japan, in order to help prevent harassment and to deal with it should it occur, we provide all employees, including managers, with e-learning and other harassment-related training. There were 12,517 participants in fiscal 2025.

We have also set up a harassment consultation service for all of our bases in Japan in order to handle harassment-related reporting and consultations, thereby helping to ensure that, in the event that harassment occurs, a system is in place to immediately deal with it. In addition, we have established the Crystal Hotline as a general consultation service for all workplace-related concerns, particularly those related to compliance.

Consultation services are available to Sharp employees, temporary staff, employees of business partners, and other relevant parties.

We have developed harassment response guidelines, which stipulate the appropriate way to handle harassment reports, such as how to ensure those making the reports do not suffer any negative repercussions or have any personally identifiable information leaked or disclosed without their consent.

Social Initiatives: Human Resources

Preventing Workplace Harassment

Example

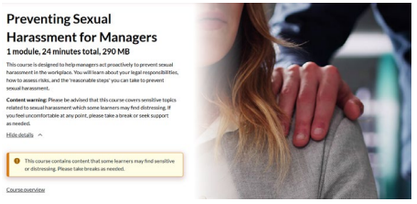
Preventing Harassment to Create a Safe and Secure Working Environment

SBSUK, Sharp's sales base in the UK, treats the creation of a safe, inclusive, and mutually respectful working environment as a key priority.

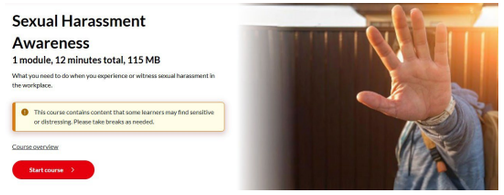
In June 2025, SBSUK introduced a sexual harassment prevention policy with the aim of maintaining a safe working environment for all employees and protecting them from inappropriate behavior. This policy makes clear Sharp's stance against harassment and provides easy-to-understand procedures for employees to report concerns and seek necessary support. Also, SBSUK has established a system to ensure that employees who have experienced or witnessed inappropriate behavior can speak up with confidence and receive an appropriate and considerate response.

To promote understanding of the policy and improve its effectiveness, SBSUK conducted mandatory training for all employees. This training provided opportunities to learn about the definition of sexual harassment, specific workplace examples, recognition and prevention of inappropriate behavior, procedures for reporting concerns, appropriate online behavior, and more. Furthermore, recognizing the important role that managers play in establishing workplace standards, preventing problems, and responding appropriately when problems occur, additional training was also conducted for managers.

Through clear policies, practical guidance, and targeted training, SBSUK fosters a workplace culture where all employees feel safe, respected, and comfortable speaking up. Through these efforts, employees receive ongoing support, which helps to maintain and improve a workplace environment where everyone can work positively.



Screenshot of the training for managers



Screenshot of the training for all employees

Social Initiatives: Efforts Related to Human Rights

Human Rights Due Diligence

Promotion System

The Sharp Group, under the oversight of the Sustainability Committee chaired by the president & CEO, and in cooperation with the ESG, human resources, procurement, compliance, and other departments, is implementing initiatives that foster respect for human rights.

The ESG department leads the design, operation, and monitoring of human rights due diligence, as well as the development of policies and measures and information disclosure. The human resources department is responsible for labor management matters and carries out the development, education, and dissemination of internal human rights policies.

The procurement department works to identify, prevent, and mitigate human rights risks in the supply chain through the implementation of the code of conduct for suppliers and responsible procurement activities. The compliance department supports efforts to address human rights risks through the operation of grievance mechanisms, including reporting and consultation processes, support for legal and regulatory compliance, and advice on serious cases.

Important issues related to respect for human rights, such as the consideration of measures to mitigate and address adverse human rights impacts identified through human rights impact assessments, are considered by relevant departments under the coordination of the ESG department. These matters are reported to and discussed by the Sustainability Committee as necessary. Furthermore, matters requiring deliberation and oversight by the Board of Directors will be reported to the Board of Directors.

Implementation of Human Rights Due Diligence

We regularly identify and assess the impacts of our business activities on human rights, consider and implement measures to prevent and mitigate adverse impacts, and disclose information based on the United Nations Guiding Principles on Business and Human Rights and the OECD Due Diligence Guidance for Responsible Business Conduct.

Identification and Impact Assessment of Human Rights Risks

We have identified areas in our business activities and supply chain that may have adverse impacts on human rights, and have identified 13 major human rights risks. In identifying risks, we organized them according to business field, region of business activity, and risks specific to the company, comprehensively evaluated the likelihood of occurrence and severity, and then considered issues that should be addressed on a priority basis.

When evaluating, we refer to RBA SAQ and VAP audit results, knowledge gained through industry activities, and human rights guidance for companies issued by governments and industry organizations.

Going forward, we plan to hold dialogues with stakeholders. Regarding any major human rights risks that we identify, we will continue to monitor progress in cooperation with relevant departments, and will strengthen our understanding of human rights risks in the supply chain, raise awareness of grievance mechanisms, and provide education and awareness-raising activities for employees and business partners. Additionally, we will regularly review our priority issues and countermeasures in light of changes in the business environment and social demands.

Stakeholder Engagement

We strive to understand external perspectives on human rights risks through dialogue with labor unions, business partners, local communities, investors, NGOs, and outside experts. The opinions and insights gained through these dialogues will be reflected in the design of human rights due diligence, the review of priority issues, and the improvement of grievance mechanisms.

Social Initiatives: Efforts Related to Human Rights

Identified Risks and Adverse Impacts

Human Rights Risk Categories	Examples of Potential Adverse Impacts	Stakeholders				Sharp's Initiatives
		Sharp employees	Supplier employees	Customers	Local communities	
Child labor and young worker protection	Employment of persons below the minimum legal working age, assignment of young workers to hazardous work, obstruction of educational opportunities	●	●			P.100 Efforts Related to Human Rights
Forced labor and human trafficking	Restrictions on freedom of movement or the freedom to leave employment, burden of recruitment fees, improper retention of identification documents	●	●			P.100 Efforts Related to Human Rights
Discrimination and harassment	Disadvantageous treatment based on attributes and other factors; harassment in the workplace, during transactions, or when providing services	●	●	●	●	P.101 Preventing Workplace Harassment P.145 Hotline for Compliance Issues
Working hours, rest periods, and leave	Long working hours, excessive overtime or consecutive workdays, and insufficient rest periods or days off	●	●			P.087 Activities to Support Work-Life Balance
Occupational safety and health	Workplace accidents; health damage caused by chemicals, equipment, etc.; shortages of safety education and protective equipment	●	●			P.090 Promoting Occupational Safety and Health
Wages and benefits	Failure to ensure minimum wage, failure to pay overtime wages, inappropriate wage deductions	●	●			P.101 Labor–Management Relationship
Environmental and community impacts	Impact of chemical spills, wastewater, exhaust fumes, waste, etc., on the health and living environment of local residents	●	●		●	P.030 Environmental Initiatives
DEI and equal opportunity	Disadvantages and limitations on participation opportunities due to insufficient consideration of age, gender, nationality, disability, etc.	●	●			P.083 Developing DEI-Focused Management
Product safety and health impacts	Product accidents, insufficient disclosure of information on chemical substances contained in products, and provision of products and services that affect health			●	●	P.062 Managing Chemical Substances Contained in Products P.117 Ensuring Product Safety
Human rights impacts associated with the use of technology and AI	Discriminatory decisions, opaque decisions, and disadvantages to users resulting from the use of AI and data			●	●	P.153 Corporate R&D Initiatives
Information security and privacy	Inappropriate acquisition, use, provision, or disclosure of personal information; infringement of privacy	●	●	●	●	P.155 Information Security
Bribery and corruption	Bribery, improper provision of benefits, involvement in illegal transactions	●	●	●	●	P.147 Preventing Corruption in All Forms and Dealing Properly with Donations
Access to remedy	Barriers to accessing grievance mechanisms and consultation services, retaliation against complaints, and inadequate corrective and remedial measures	●	●	●	●	P.107 Promoting CSR across the Entire Supply Chain

Social Initiatives: Promoting Supply Chain CSR

Determining Procurement from the Standpoint of Providing Equal Opportunity and Fair Evaluation

Sharp's business philosophy states, "Our future prosperity is directly linked to the prosperity of our customers, dealers and shareholders." In line with this, we work with suppliers and all other stakeholders to provide solutions to social issues through business and to mitigate impacts on society and the environment as we pursue sustainable growth and mutual prosperity.

To these ends, we emphasize impartiality and fairness in all purchasing activities and choose who we will procure parts, materials, and equipment from by providing Japanese and overseas suppliers with an equal opportunity to do business with us. This opportunity includes a fair evaluation of whether a supplier meets our requirements in such areas as quality, standards, and performance.

Basic Purchasing Principles

To ensure sustainable growth and mutual prosperity with our suppliers, we are going beyond initiatives related to the quality, price, and delivery of parts and materials. We are also seeking to fulfill our social responsibilities over a wide range of areas across the entire supply chain. These areas include product safety, environmental protection, human rights and labor, and health and safety.

Sharp's basic concept, concrete policies, and requests to suppliers pertaining to procurement activities are set out in the Basic Purchasing Principles. In the Basic Purchasing Principles Requests to Suppliers, we make clear that we expect suppliers to actively work to ensure that, in addition to complying with all relevant laws, they also protect the environment and are in compliance with social norms, such as those regarding the arrangement of a proper labor environment, the prohibition of child and forced labor, the prohibition of discrimination, and the prohibition of bribery and unfair acts.

To deepen the understanding between Sharp and business partners about sustainable procurement, we communicate actively with supplier sales representatives on a daily basis.

Related information: > Basic Purchasing Principles

Basic Procurement Concept

1. Sharp's procurement activities are conducted in an open and impartial manner, with a fair evaluation given to suppliers in and outside Japan.
2. Sharp will comply with all laws and regulations, and achieve mutual prosperity with suppliers.
3. Sharp will fulfill social responsibility such as the conservation of the environment through its procurement activities.
4. Sharp pursues optimal quality and cost to the fullest.

Basic Purchasing Principles Requests to Suppliers

1. Compliance with laws and social standards that are applicable in countries and regions where suppliers do business
2. Promotion of sound business operations
3. Consideration for the environment
4. Securing optimal quality and cost
5. Stable supply of parts and materials
6. Leading technology
7. No disclosing of confidential information

- Compliance with laws related to the manufacture and distribution of parts and materials
- Compliance with laws related to labor
- Compliance with laws related to health and safety and arrangement of proper labor environment
- Prohibition of child and forced labor
- Prohibition of discrimination based on race and sex and respect for the dignity of each employee
- Compliance with environmental laws
- Prohibition of bribery and unfair acts

Social Initiatives: Promoting Supply Chain CSR

Determining Procurement from the Standpoint of Providing Equal Opportunity and Fair Evaluation

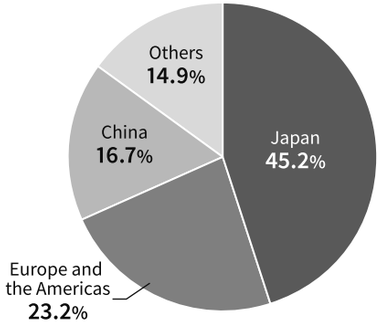
Overview of the Global Supply Chain

We have 19 consolidated subsidiaries in Japan and 97 overseas (as of March 31, 2026). In line with the globalization of our business, 54.8% of sales are from overseas business; similarly, 73.2% of materials procurement, in terms of monetary amount, is by overseas production bases.

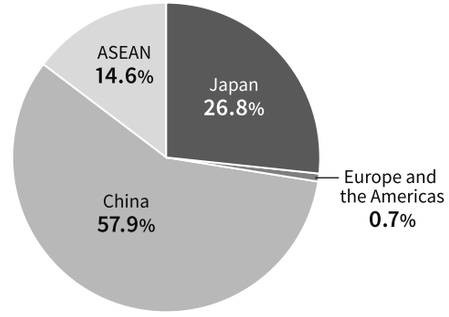
We have established an international procurement office (IPO) in Hong Kong and South Korea to further procurement activities such as increased procurement of materials locally and more streamlined distribution.

Through increased procurement of local parts and materials, we contribute to mutual prosperity with suppliers and advancement of regional economies.

Sales by Region (Fiscal 2025)



Procurement Amount Composition Ratio by Production Base (Fiscal 2025)



Social Initiatives: Promoting Supply Chain CSR

Promoting CSR across the Entire Supply Chain

Fiscal 2025 Objectives	Fiscal 2025 Achievements	Self-Evaluation	Priority Objectives for Fiscal 2026
■ 100% response rate for FY2025 CSR/Green procurement survey ■ Provide ESG education for procurement staff with 100% participation rate (March 2026)	■ 100% response rate for FY2025 CSR/Green procurement survey ■ Provided ESG education for procurement staff with 100% participation rate (March 2026) ■ Analyzed survey results and identified high-risk suppliers (March 2026)	★★★	■ 100% response rate for FY2026 CSR/Green procurement survey ■ Provide ESG education for procurement staff with 100% participation rate (March 2027) ■ Zero high-risk suppliers among our business partners (March 2027)

Self-evaluation: ★★★ Achieved more than targeted / ★★ Achieved as targeted / ★ Achieved to some extent

Supply Chain CSR Policies and Systems

The Sharp Group's fundamental policies with regard to CSR are established in the Sharp Group Charter of Corporate Behavior and the Sharp Code of Conduct. Every effort is made to ensure that all Sharp employees are aware of and adhere to these policies.

The Corporate Procurement Group, which promotes supply chain CSR, has been organizationally strengthened as a business unit directly under the president & CEO from June 2024. It coordinates with each business unit and subsidiary's procurement department to pursue Group-wide implementation of sustainable procurement activities.

At meetings of the Sustainability Committee*, which is chaired by the CEO, members from relevant head office departments, along with business units and subsidiaries, share their policies and measures. The committee also monitors and manages progress on supply chain CSR-related measures.

*See page 012.

Sharp Supply-Chain CSR Deployment Guidebook

To help suppliers understand and put into action CSR philosophy as stated in Sharp's Basic Purchasing Principles, in fiscal 2007 we formulated and distributed the Sharp Supply-Chain CSR Deployment Guidebook in Japanese, English, and Chinese. The Basic Products Purchase Agreement also includes articles on CSR initiatives, based on the guidebook, that suppliers are requested to follow. In addition, we ask our business partners' suppliers to also support and implement the guidelines in this guidebook.

In fiscal 2015, we fully revised the content of our guidebook to conform to the RBA Code of Conduct. Since then, we have revised the guidebook as needed in line with revisions to the RBA Code of Conduct. In this way, we strive to comply with the increasingly sophisticated international standards for CSR.

Participation in Industry Standard Initiatives

In December 2021, we joined the RBA (Responsible Business Alliance), an alliance of companies that pursue social responsibility across the global supply chain. The RBA's vision and mission are shared throughout the entire Sharp Group in order to promote sustainable procurement.

We also actively participate in the activities of groups such as the Japan Electronics and Information Technology Industries Association (JEITA), through which we contribute to the promotion of industry-wide sustainable procurement.

Content of Sharp Supply-Chain CSR Deployment Guidebook, 4th Edition (revised January 2025)

A. Labor
1) Prohibition of Forced Labor 2) Young Workers 3) Working Hours 4) Wages and Benefits 5) Non-Discrimination/ Non-Harassment/Humane Treatment 6) Freedom of Association and Collective Bargaining

B. Health and Safety
1) Occupational Health and Safety 2) Emergency Preparedness 3) Occupational Injury and Illness 4) Industrial Hygiene 5) Physically Demanding Work 6) Machine Safeguarding 7) Sanitation, Food, and Housing 8) Health and Safety Communication

C. Environment
1) Environmental Permits and Reporting 2) Pollution Prevention and Resource Conservation 3) Hazardous Substances 4) Solid Waste 5) Air Emissions 6) Materials Restrictions 7) Water Management 8) Energy Consumption and Greenhouse Gas Emissions

D. Ethics
1) Business Integrity 2) No Improper Advantage 3) Disclosure of Information 4) Intellectual Property 5) Fair Business, Advertising, and Competition 6) Protection of Identity and Non-Retaliation 7) Responsible Sourcing of Minerals 8) Privacy

E. Management Systems
1) Company Commitment 2) Management Accountability and Responsibility 3) Legal and Customer Requirements 4) Risk Assessment and Risk Management 5) Improvement Objectives 6) Training 7) Communication 8) Worker/Stakeholder Engagement and Access to Remedy 9) Audits and Assessments 10) Corrective Action Process 11) Documentation and Records 12) Supplier Responsibility

Related information: > Sharp Supply-Chain CSR Deployment Guidebook

Social Initiatives: Promoting Supply Chain CSR

Promoting CSR across the Entire Supply Chain

Promoting CSR Awareness and Conducting Risk Assessment at Suppliers

There has been increasing concern around the world in recent years about issues such as slave labor and forced labor. Europe and North America have led the way in enacting, enforcing, or discussing laws promoting due diligence of human rights in the supply chain. Examples include the Uyghur Forced Labor Prevention Act and the EU Corporate Sustainability Due Diligence Directive (CSDDD). Companies today are expected to be stricter than ever in implementing CSR in the supply chain.

We periodically carry out CSR/Green procurement surveys to confirm how well suppliers are carrying out CSR based on the RBA Code of Conduct-compliant Sharp Supply-Chain CSR Deployment Guidebook and to identify, assess, and reduce CSR risk in the supply chain.

The survey form covers a wide range of areas: legal compliance and international norms, human rights and labor, safety and health, environment, fair trade and ethics, quality and safety, information security, business continuity planning (BCP), management systems, and chemical substance management and biodiversity.

To help suppliers understand things like the purpose and background of the survey, we add our own explanations to major questions. This helps make the survey a medium that prompts suppliers to further their understanding of international CSR standards.

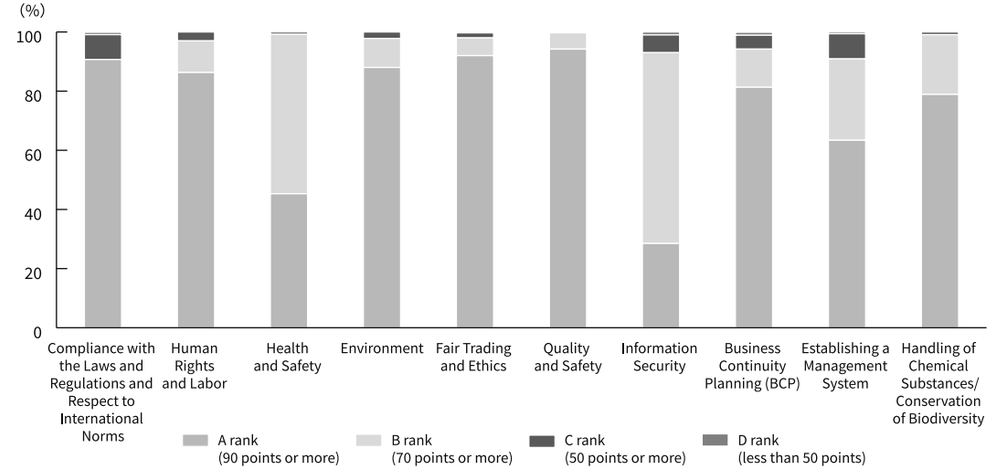
The survey is carried out separately at each factory of suppliers, or secondary manufacturers and downward on the supply chain, that makes products for Sharp. Survey scorecards are shared with them, and those with low-scoring areas are asked to submit corrective action plans. Through such post-survey communication with suppliers, we are continuously working to improve CSR across the supply chain.

In fiscal 2025, we surveyed 915 business sites of 562 companies, which account for the top 80% of Sharp's domestic and overseas suppliers in terms of procurement value, and received responses from 915 business sites of 562 companies (a response rate of 100%). Of these, 17 sites received low ratings and were asked to implement corrective action plans. No serious issues, such as forced labor or child labor, were identified in the supply chain.

If, through our continuing due diligence, it was determined that a human rights violation did occur, we would immediately enter into discussions with the supplier in question based on the supplier contract, and take the necessary corrective and remedial measures. If no remediation is expected, we will take strict measures, such as suspending transactions, while prioritizing relief measures for victims.

We will continue to step up our efforts in response to trends in international human rights due diligence as we fulfill our corporate social responsibility across the entire supply chain.

Assessment Distribution of CSR/Green Procurement Survey (All Production Sites in Japan and Overseas)



Fiscal 2025 CSR/Green Procurement Survey: Examples of Issues and Solutions

Area	Supplier Issues (reasons for 'D' rank)	Supplier Improvements
Compliance with the Laws and Regulations and Respect to International Norms	• No legal compliance-related regulations • Have not publicly committed to respecting international codes of conduct in their policies or other documents	• Proceed with creation of regulations • Publicly commit in policies or other documents to respecting international codes of conduct
Fair Trading and Ethics	• Have not established procedures regarding fair trade and ethics	• Establish procedures (conduct employee training, conduct internal audits, and regularly review policies)
BCP	• Have not formulated a BCP for large-scale natural disasters, accidents, etc.	• Promptly develop a manual covering at least the minimum necessary and develop a completed BCP through continuous improvement
Establishing a Management System	• Have no grievance mechanism	• Create a grievance mechanism and formalize its rules
Information Security	• Have not formulated policies or regulations	• Proceed with creating policies and regulations

Social Initiatives: Promoting Supply Chain CSR

Promoting CSR across the Entire Supply Chain

Education for Procurement Personnel

To help all those in procurement positions company-wide improve their understanding and implementation of CSR, a thorough explanation of the Basic Purchasing Principles, along with a curriculum relating to supply chain CSR, is included in training materials for new employees, transferred employees, and management skills improvement.

Additionally, all Sharp Group employees in Japan take compliance-related training based on the Sharp Code of Conduct[*1] in order to foster respect for human rights, and ESG-related training[*2] in order to gain basic knowledge about sustainable procurement. This is done to ensure that all procurement personnel within the company have undergone training on sustainable procurement.

In fiscal 2025, sustainability-related learning was implemented for 100% of employees engaged in procurement work across the entire Sharp Group, including overseas bases.

Moving forward, we will continue to expand and implement these educational programs in order to promote greater understanding of sustainable procurement among procurement personnel, both in Japan and overseas.

Procurement BCP

In order to enable the continuation and rapid recovery of business with our business partners in the event of large-scale disasters, such as earthquakes and typhoons, or epidemics of infectious diseases, we use the Rules of Business Risk Management[*3] to create and periodically revise business continuity plans (BCPs).

To ensure that corporate procurement departments secure a stable supply of parts and materials at fair prices, we continuously strengthen partnerships with suppliers regarding long-term supply contracts and other matters, as well as purchase from multiple suppliers. We also require suppliers to periodically check and update the factories that produce items delivered to Sharp. We also carry out CSR/Green procurement surveys to confirm how well suppliers are making and maintaining BCPs.

*1 See page 144.
*2 See page 011.
*3 See page 142.

Social Initiatives: Promoting Supply Chain CSR

Promoting CSR across the Entire Supply Chain

Strengthening the Hotline and Consultation System for Suppliers

Sharp Corporation and its affiliated companies in Japan have set up the Crystal Hotline to handle organizational and individual legal and ethical violations. The hotline accepts reports and consultation requests from suppliers.*1

Additionally, in order to develop a grievance mechanism as required of companies by the United Nations Guiding Principles on Business and Human Rights (UNGP), we became an inaugural member (regular member) of the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER) in 2022.

A broad range of stakeholders, including employees of suppliers in global supply chains (including second-tier and lower suppliers) and the labor unions and NGOs that support them, have been able to make use of JaCER's Engagement and Remedy Platform, available in 34 languages, to submit reports of human rights-related grievances.

*1 See page 145.

Related information: > Japan Center for Engagement and Remedy on Business and Human Rights (JaCER)

Encouraging Business Partners to Conduct Sustainable Procurement

In addition to the aforementioned CSR/Green procurement surveys, we held the Sharp Supplier Summit in Japan in October 2025 to help suppliers deepen their understanding of sustainable procurement. At the event, we explained our sustainable procurement policy to 173 people from 98 major supplier companies.

As a member of the CSR Committee and the Responsible Minerals Trade Working Group*2 of the Japan Electronics and Information Technology Industries Association (JEITA), we actively support the promotion of understanding and capacity building among our suppliers, such as through our involvement in educational and awareness-raising activities on sustainable procurement, including planning and running lectures for suppliers and disseminating the latest information.

*2 See page 111.

Audits and Education to Ensure Full Compliance with the SME Transactions Act

In Japan, Sharp Corporation and its affiliated companies implement compliance checks and in-house education on an ongoing basis to comply with the SME Transactions Act (Act on Preventing Delay in Payment to Small and Medium-Sized Entrusted Business Operators in Relation to Manufacturing Consignment), a law aimed at protecting the interests of small and medium-sized entrusted business operators.

The compliance checks are self-audits conducted every year by business units, procurement departments, head office departments, and domestic affiliated companies to ensure thorough compliance with the SME Transactions Act. To further raise awareness of complying with the SME Transactions Act and ensure all employees related to procurement are knowledgeable in matters such as government policies concerning transactions with small and medium-sized entrusted business operators, we held in-house study sessions at each of our domestic affiliates, e-learning for approximately 12,000 employees group-wide (81.7% of all Sharp Group employees in Japan), and had employees take outside seminars.

An in-house SME Transactions Act study session
(relayed live to all Sharp bases in Japan)

Social Initiatives: Promoting Supply Chain CSR

Responsible Minerals Procurement

Fiscal 2025 Objectives	Fiscal 2025 Achievements	Self-Evaluation	Priority Objectives for Fiscal 2026
■ RMAP conformance rate of 80% or higher	■ RMAP conformance rate: 61%	★	■ RMAP conformance rate of 65% or higher

Self-evaluation: ★★★ Achieved more than targeted / ★★ Achieved as targeted / ★ Achieved to some extent

Policies and Systems for Responsible Minerals Procurement

In recent years, legal regulations and social demands regarding human rights and environmental due diligence have been increasing globally, such as the EU Battery Regulation and Corporate Sustainability Due Diligence Directive, in addition to the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act and the EU Conflict Minerals Regulation. In particular, in responsible minerals procurement, the range of minerals, regions, and risks covered has expanded beyond 3TG to include cobalt, natural mica, lithium, nickel, natural graphite, and more.

Based on the OECD[*1] Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (OECD Guidance), our basic policy at Sharp is to avoid contributing to risks, such as human rights abuses, environmental destruction, funding of armed groups, and corruption in the supply chain of minerals contained in the materials and components procured by the Sharp Group, and to take appropriate measures to avoid hindering sound, legitimate business activities in those areas.

Under this basic policy, we have built a responsible minerals procurement system in our major business units and subsidiaries. We have also made responsible minerals procurement one of the key themes at the Sustainability Committee[*2], chaired by the president & CEO, and regularly monitor the progress of relevant measures.

Related information:> Responsible Minerals Procurement

*1 Organisation for Economic Co-operation and Development.
*2 See page 012.
*3 RMI: Responsible Minerals Initiative.
*4 CMRT (Conflict Minerals Reporting Template) is a free, standardized reporting template developed by the RMI.
*5 EMRT (Extended Minerals Reporting Template) is a free, standardized reporting template developed by the RMI. It covers the cobalt, mica, copper, nickel, lithium, and natural graphite supply chains.
*6 RMAP (Responsible Minerals Assurance Process) is an RMI program for validating conformance of RMI-listed smelters or refiners.
*7 As of March 2026.

Minerals Procurement Due Diligence in Accordance with International Standards

We use the RMI's[*3] international reporting templates (CMRT[*4] and EMRT[*5]) to conduct surveys on 3TG (tantalum, tin, tungsten, and gold) and, if requested by customers, cobalt and natural mica, as well as copper, nickel, lithium, natural graphite, and other minerals.

In the surveys, primary suppliers are urged to procure minerals from RMAP[*6]-conformant smelters or refiners. And, based on examination of the CMRT and EMRT returned by survey participants, we identify and evaluate risks based on the OECD Guidance. For the identified smelters and refiners, we check their status against the list published by RMI to confirm their RMAP conformance status.

In fiscal 2025, in response to the growing external demand for responsible minerals procurement, we expanded the scope of our survey to include product groups subject to external evaluation, in addition to our existing key products. As a result of about 570 surveys regarding component materials included in the target products, we identified 377 3TG smelters and refiners, and the overall RMAP conformance rate across our major business units and subsidiaries was approximately 61%[*7].

While the RMAP conformance rate was lower than the previous year due to the expansion of the survey scope, which led to the identification of smelters and refiners that had not been fully accounted for previously, we consider this to be an important step toward improving transparency in the upstream supply chain.

Going forward, for smelters and refiners that are not yet conformant with RMAP and those with high risk levels, we urge their participation in RMAP through the supply chain. If any smelters or refiners have been found to be dealing with armed groups or complicit in serious human rights abuses, this information will be shared with suppliers, with whom we will discuss corrective action and measures such as switching to RMAP-conformant smelters or refiners.

	Fiscal 2023	Fiscal 2024	Fiscal 2025
RMAP conformance rates	79%	80%	61%

Social Initiatives: Promoting Supply Chain CSR

Responsible Minerals Procurement

Cooperation with Industry

To ensure that responsible minerals procurement is carried out efficiently and effectively, we believe it is important not only to pursue individual company initiatives, but also to collaborate with industry associations and stakeholders both in Japan and overseas, as well as to foster a shared understanding throughout the entire supply chain.

Since fiscal 2012, we have been a member of the Responsible Minerals Trade Working Group of the Japan Electronics and Information Technology Industries Association (JEITA), where we participate in the development of common industry survey methods and supplier awareness-raising activities.

Furthermore, since December 2021, we have been a member of the RMI. We have worked to stay informed about international trends in responsible minerals procurement and to continuously enhance our minerals due diligence by utilizing international frameworks such as RMAP.

Education and Awareness Raising on Responsible Minerals Procurement

To deepen employees' understanding of responsible minerals procurement, as a rule we hold monthly meetings with those in charge of surveys at major business units and production subsidiaries. At these meetings, we discuss the latest international trends, customer requests, practical challenges in surveys, and improvements to our survey systems.

Procurement personnel and new employees take part in periodic supply chain CSR training, which covers responsible minerals procurement. Another way we further employees' understanding of responsible minerals procurement is by uploading new and relevant materials to self-learning section of the Sharp intranet.

To support suppliers, we are also active participants in JEITA's Responsible Minerals Sourcing Inquiry Briefings from the planning phase onward, and we help with creating documents and running the sessions. This helps improve suppliers' understanding and the quality of surveys. In addition, for smelters and refiners that are not yet participating in RMAP, we conduct outreach through industry associations and the supply chain to encourage them to undergo audits, contributing to the reduction of human rights and environmental risks in the global mineral supply chain.

At a JEITA responsible minerals sourcing inquiry briefing

Social Initiatives: Promoting Supply Chain CSR

Responsible Minerals Procurement

Due Diligence Efforts in Line with OECD Guidance

To carry out responsible minerals procurement, we integrate into our management a five-step framework for risk-based due diligence recommended in the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (OECD Guidance).

OECD Five-Step Framework	What Sharp Is Doing
Step 1: Establish strong company management systems	● Formulate and make public a basic policy for responsible minerals procurement, and convey this throughout the company and industry. ● Make responsible minerals procurement a key theme under the Sustainability Committee, and constantly check on the progress of relevant measures. ● Make requests to suppliers through the SHARP Supply-Chain CSR Deployment Guidebook, which contains responsible minerals procurement requirements. ● Implement regular meetings and training sessions for those overseeing the surveys. ● Take part in JEITA's Responsible Minerals Sourcing Inquiry Briefings and support supplier capacity building by encouraging suppliers to participate in these industry-wide educational sessions.
Step 2: Identify and assess risk in the supply chain	● Conduct supplier surveys using CMRT and EMRT. ● Use a proprietary survey system to check CMRT/EMRT returned by suppliers and assess risk. (Detect and identify risks according to Annex II of the OECD Guidance.) ● Compare identified smelters or refiners against RMAP audit results.
Step 3: Design and implement a strategy to respond to identified risks	● Request suppliers to take corrective actions regarding high-risk or non-compliant smelters and refiners identified in their supply chains. ● Request RMAP participation and audits as needed, and consider switching to alternative suppliers. ● Regularly monitor the status of conformity and confirm improvements.
Step 4: Carry out independent third-party audit of supply chain due diligence at identified points in the supply chain	● Periodically confirm and verify RMAP audit results on the RMI website. ● Work with industry in sending outreach letters to smelters and refiners that are not yet participants of RMAP urging them to participate.
Step 5: Report on supply chain due diligence	● Disclose the state of due diligence in the Sharp Sustainability Report. ● Disclose identified smelters and refiners and RMAP conformance rates.

Social Initiatives: Quality

Ensuring Quality and Safety

Fiscal 2025 Objectives	Fiscal 2025 Achievements	Self-Evaluation	Priority Objectives for Fiscal 2026
■To achieve quality that customers around the world will acknowledge, ensure reliability and strengthen efforts to raise repair service quality and brand value including NPS	■Strengthened efforts to incorporate customer feedback into development (NPS surveys and in-house training on NPS) in order to ensure we are "In step with your future." ■Ensured compliance with product security regulations such as the European Cyber Resilience Act and JC-STAR (Japan/IPA) (established internal product security standards)	★★	■In order to provide customers with attractive product value and deliver corporate value, strengthen efforts focused on improving customer satisfaction, improving market quality, and reducing compliance risks

Self-evaluation: ★★★ Achieved more than targeted / ★★ Achieved as targeted / ★ Achieved to some extent

Quality Philosophy

To respond to society's needs and make products that satisfy our customers, we keep the slogan "Quality First" in mind at all times.

Quality Slogan

Quality First in Heart and Mind

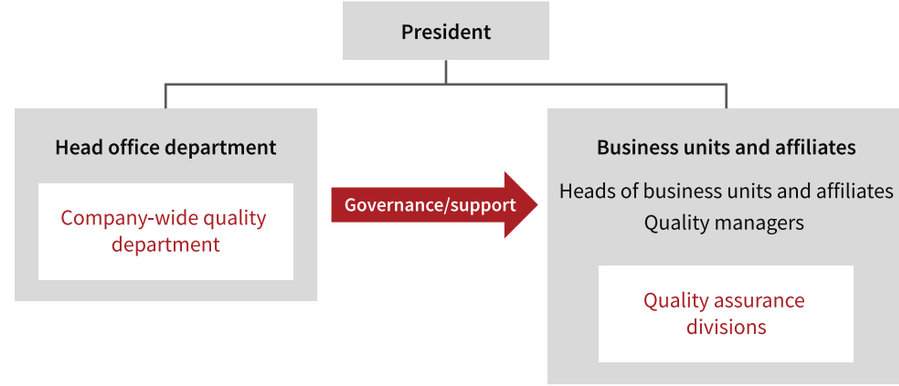
Basic Stance and Vision on Quality

To gain customer trust and improve customer satisfaction, based on its Quality Philosophy and Quality Slogan, the Sharp Group constantly strives to respond to customer needs and demands by providing products and services that are safe, high quality, and reliable.

Quality Assurance System

Under the supervision of the president, the company-wide quality department leads governance and supports related efforts for the entire Sharp Group, with each business unit and affiliate taking responsibility for their respective products. Company-wide functional divisions and business departments collaborate to continuously improve product quality.

Sharp Group's Quality Assurance System



Social Initiatives: Quality

Ensuring Quality and Safety

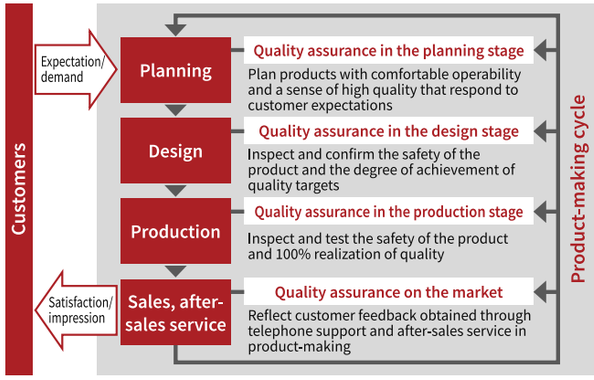
Quality Management System

To enable it to conduct a variety of quality assurance activities in all stages of the manufacturing cycle, including planning, design, procurement, production, assessment, and after-sales, the Sharp Group established the Sharp Corporation Standard based on the ISO 9001 international quality management standard. Stipulating systems and methods necessary for quality assurance, the Sharp Corporation Standard is strictly adhered to by all Sharp sites in Japan and other countries, and by consolidated subsidiaries carrying out design, production, and sales.

Through ongoing revision and implementation of the standard, all employees—in product planning, design, production, sales, and after-sales service—know exactly the level of quality they should be guaranteeing customers in our continuous efforts to improve quality.

As of April 30, 2026, 34 of 35 sites are certified for quality management systems*1. The certification rate is 97.1%.

Quality Assurance Activities in the Product-Making Cycle



Quality Policy

In line with the Quality Policy stipulated in Sharp Corporation's company rules (Quality Assurance Basic Rules), the Sharp Group sets semiannual quality targets and makes plans to achieve these, implementing these plans by using the PDCA cycle towards achieving the targets.

Quality Policy

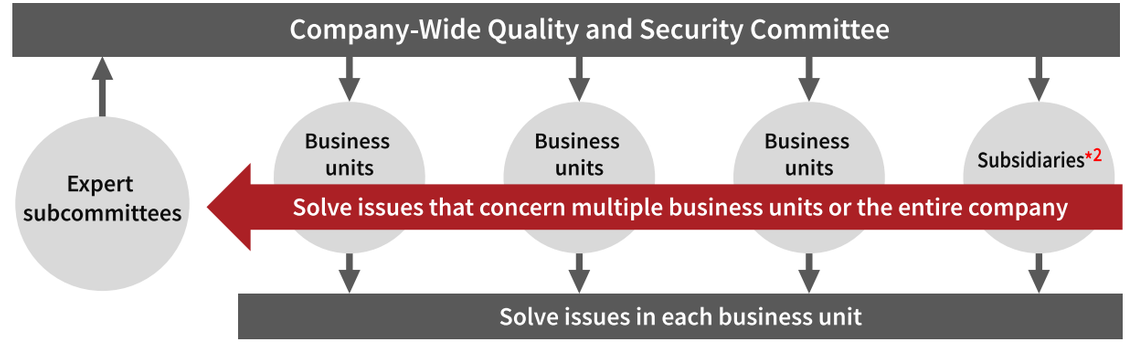
Provide high quality and attractive products that customers can continuously use them with safety and satisfactory.

(1) Observe laws and regulations and place top priority on safety and reliability.

(2) Pursue convenience and comfort from usability.

(3) Squarely face with voice of the customer and reflect it in products.

Company-Wide Quality and Security Committee System



Quality Management System

As a way to advance quality technologies, the Sharp Group has established the Company-Wide Quality and Security Committee, which is chaired by the president and includes the general managers of each business unit and the presidents of affiliated companies. The committee members work together to formulate annual quality-related targets, check progress on quality KPIs (key performance indicators) that have been set, and confirm activities towards achieving these targets. They also review product security and infrastructure/web security, all in an effort to boost quality and security company-wide.

In addition, a Quality Strategy Promotion Committee comprising quality managers from the various business units is convened under the auspices of the Company-Wide Quality and Security Committee to serve as a forum for discussing specific quality measures. Issues that span the entire Sharp Group or multiple business units are taken up by topic-specific expert subcommittees, made up of experts from the various business units, which work to find prompt solutions.

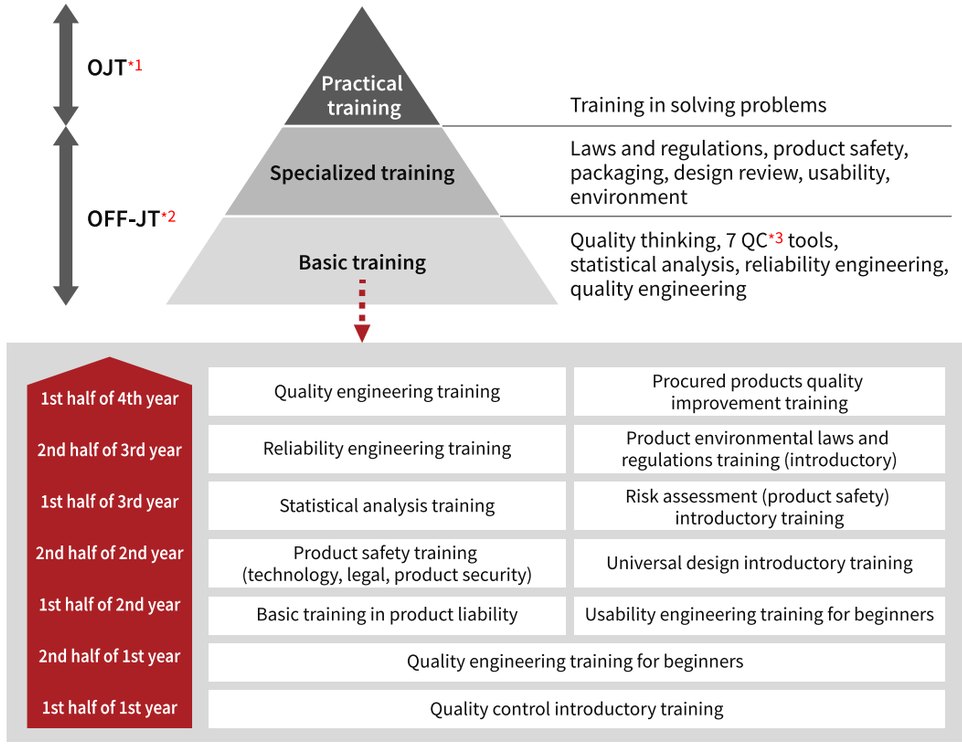
*1 ISO 9001, IATF 16949 (automotive quality management system), ISO 13485 (medical devices quality management system), etc.
*2 Subsidiaries of Sharp business unit status.

Social Initiatives: Quality

Fostering Quality Experts

In the Sharp Group, based on our Quality Philosophy, we work to foster quality thinking and boost quality-related techniques by carrying out systematic quality-related education with the aim of making products that customers can use with safety and peace of mind.
In particular, we are stepping up basic training through programs that allow young employees (in their first four years with Sharp) to gradually acquire quality-related techniques.

QC Practical Training System



*1 OJT: On the job training.
*2 OFF-JT: Off the job training.
*3 QC: Quality control.

We implement training in a variety of formats adapted for different educational objectives. There are e-learning programs, which are used to help maximize learning efficiency. There are also group training courses to improve practical skills. In fiscal 2025, there were 39 courses in quality training, with a total of 13,448 participants.

Fiscal 2025 Training Courses and Number of Participants

Training form	Number of courses	Number of participants
E-learning	28	12,904
Group training	11	544
Total	39	13,448

Social Initiatives: Quality

Ensuring Product Safety

Sharp Voluntary Product Safety Action Policy

Keenly aware that product safety assurance is the most important aspect of a company's business and one of its social responsibilities, we strive to provide customers with safety and peace of mind. We do this by prioritizing the safety of the products we manufacture and sell and by making safety-related information public. To this end, we have formulated voluntary action guidelines on product safety in efforts to earn an even higher level of trust from society.

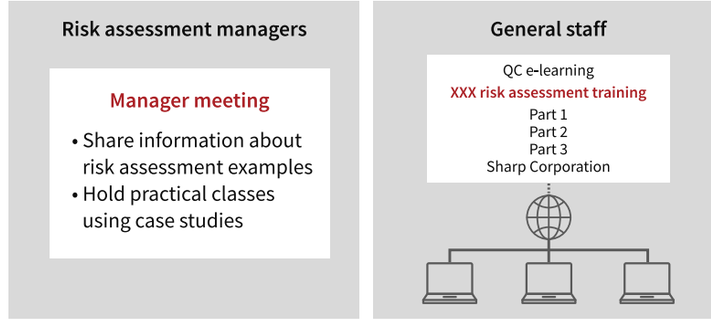
Efforts to Ensure Product Safety

We strive to ensure our products are safe and to constantly raise levels of safety. Besides abiding by laws and regulations of countries and obtaining safety certifications through activities such as factory audits by third parties, we utilize our own risk-assessment-based safety standards. To ensure safety even in cases where unforeseen defects arise, these in-house safety standards stipulate items like flame-retardant construction and testing for abnormal conditions. These standards are revised as needed and are taught to all relevant employees in design, quality, and other divisions so that they are understood and followed thoroughly.

Since fiscal 2020, we have been striving to expand the practice of risk assessment related to product safety. Besides providing skills improvement courses via e-learning, we have been strengthening our risk assessment system by appointing a risk assessment manager in each business unit with the goal of developing increasingly safer products.

We will continue to step up efforts to promptly respond to social changes and legal revisions regarding product safety so that customers can use Sharp products with peace of mind.

Initiatives to Strengthen Risk Assessment

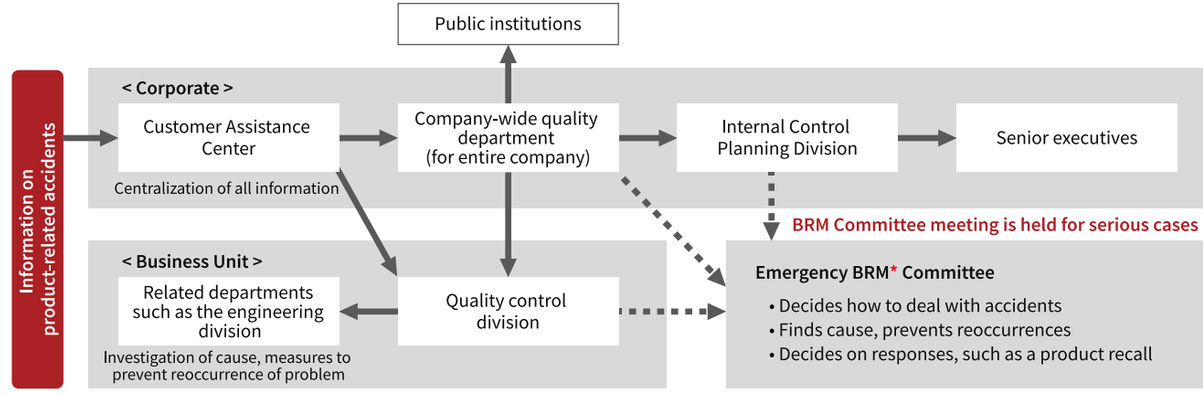


Information Disclosure and Response When Problems Occur

If an accident caused by a Sharp product occurs on the market, we immediately gather information on the accident and analyze it to determine the cause. If it is determined that there is a risk of harm or damage to the customer, information is promptly disclosed via media such as newspapers and the Sharp website, and all appropriate measures are taken to ensure the safety of customers.

For major product-related accidents stipulated in the Consumer Product Safety Act, the Sharp website, in line with the Sharp voluntary product safety action policy, has information on major product-related accidents for which the cause is thought to be the product itself.

Flow for Dealing with Product-Related Accidents



* BRM: Business risk management

Social Initiatives: Quality

Ensuring Product Safety

Product Security Policy and Efforts

Products connected to networks are exposed to growing risks as information technology advances and the value of information they handle increases. They are at a risk of cyber-attack taking advantage of their vulnerabilities, which can result in information leakage or a hijacking of the device being hacked. Security measures once considered adequate are now seen as insufficient, owing to technological advances and other factors. Many countries around the world are urgently making legislation on product security.

Such a situation has been prompting us to act to ensure that customers can use our products without worries. We have established teams and reporting lines dedicated to enhancing product security, along with the rules to be followed at the stages of planning, developing, operating, and maintaining products. We are expecting a future in which standalone systems are interconnected with one another, perhaps creating added vulnerabilities. To prepare for such a future, the Sharp Group has adopted security by design, a concept that intends to build in security from early stages before design. As part of this initiative, we have established internal product security standards based on relevant laws, regulations, public standards, and guidelines, and we have put in place a system to assess each product's compliance with those standards.

Based on a vulnerability information disclosure policy, we gather information on vulnerabilities and work to minimize their risk. We've also established a website to provide timely and appropriate information on the security of Sharp products, which customers can easily access.

In addition, we have introduced an e-learning program into employee education in efforts to boost their knowledge and skills in product security as we continuously strive to ensure that customers can feel safe and secure using Sharp products.

Efforts like these are part of our ongoing aim of improving product security and providing products that customers can use with peace of mind.

Related information: > Global Basic Policy on Information Security

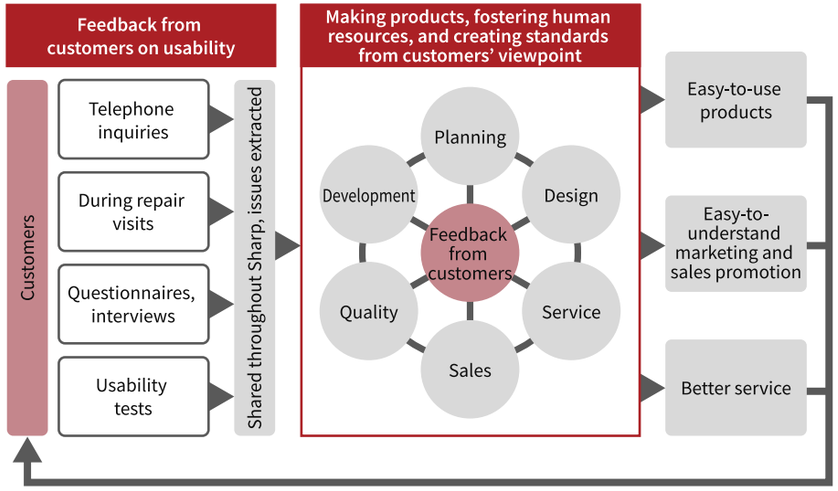
Social Initiatives: Quality

Making Easier-to-Use Products

Practicing User-Centered Design

We practice user-centered design (UCD) in order to provide products that customers find easier to use.
The aim of UCD is to provide products and services that satisfy customers by seeing things from their perspective. We study exactly what makes products easier to use and incorporate this into product design. The UCD concept is outlined in the international ISO 9241-210 standard. We have our own UCD Basic Policy and the Eight Principles of UCD based on this concept and share them across the Sharp Group. We investigate customers' latent dissatisfaction and needs as part of our product development process and reflect those findings in the specifications and design of our products. By repeatedly going through evaluations and improvements, we are bringing forth products and services that customers find easy to use and attractive.
For more information on our UCD-related efforts and specific examples of our products designed with ease of use in mind, please visit the Sharp User-Centered Design webpage.

Flow of Customer-Oriented Manufacturing



Customer-Oriented Manufacturing

In user-centered design (UCD), we collect customer feedback on ease of use through various methods and apply it to product design.
Through usability tests*, questionnaires, interviews, and opinions gathered from customers during Customer Assistance Center phone calls and repair visits, anonymous information from customers is compiled and shared among Sharp development personnel, who put it to use in new product design.
In support of these activities, we have established a usability engineering training program (beginners to advanced levels) to raise employees' awareness of the importance of product usability and provide a practical, specialized curriculum that ensures they continue to maintain and improve their skills and motivation.

* Tests that involve observing how people use Sharp products and services.

Usability test for a vacuum cleaner

The observation room of a usability test

Voice

Comments from Participants in Usability Tests

- Conducting usability testing provided us with insights and revealed issues that tend to be overlooked in prototypes during the development phase. (Sharp product planning staff member)
- Evaluating ease of use in the early stages of development, and then reflecting that in the design structure, was extremely beneficial, and I realized usability testing was essential to creating better products. (Sharp product planning staff member)

Social Initiatives: Quality

Making Easier-to-Use Products

Efforts in Accessibility and Universal Design

In line with the UCD Basic Policy, we also pursue accessibility and universal design (UD). These efforts are rooted in a philosophy of building products, information, and environments so that they can be used by many more customers—regardless of things like nationality, age, gender, or disability. We strive to develop products and services that can be used comfortably by as many people as possible by conducting evaluations and surveys of mainly home appliances and digital multifunction printers (MFPs).

As of May 2026, our efforts have produced 18 categories of Sharp home appliance products that support the UD considerations listed on the website of the Association for Electric Home Appliances in Japan.

A wheelchair user testing usability

Evaluating accessibility for the vision-impaired and wheelchair users

To continue the aforementioned activities company-wide, we work to foster human resources through training. The training focuses on accessibility and universal design, and is conducted within a usability training system providing specialized education. Introduction to universal design (e-learning), which is mainly aimed at imparting understanding and acquisition of basic UD knowledge, has been completed by a cumulative total of approximately 6,700 employees (as of April 2026). As well, to deepen understanding of the needs of users with disabilities, there is UD experience learning where employees see firsthand what it's like to have physical disabilities so that they can know how to make products more accessible, workshops where employees and users with disabilities discuss and brainstorm product accessibility ideas, and events on accessibility.

An online dialogue and brainstorming workshop with people with hearing impairments

Voice

Comments from Participants in Workshops

- As I had never had the opportunity to talk directly with people with disabilities before, this was an extremely valuable opportunity to hear about their daily lives in detail. (Sharp development staff member)
- I came to understand how examining in depth the difficulties faced by people with disabilities ultimately leads to products that are easy to use for everyone. (Sharp product planning staff member)

Social Initiatives: Quality

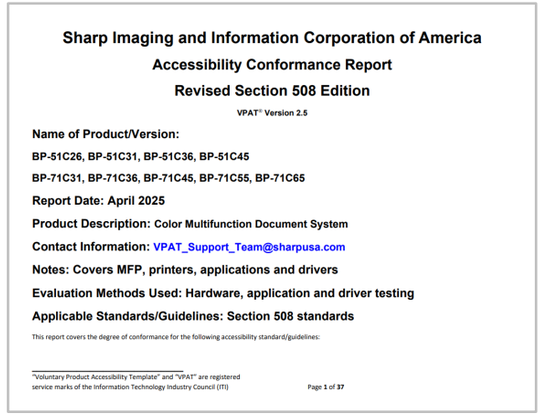
Making Easier-to-Use Products

Efforts to Ensure Accessibility

Accessibility is the concept of making products and services so that they can easily be used by people who are in some way limited in their physical functions; for example, older adults and people with disabilities.
Under U.S. federal law[*1], federal agencies purchasing equipment and services are obligated to choose those that are accessible to everyone, regardless of restrictions.
For Sharp digital MFPs and other products, assessment results of accessibility standards stipulated by federal law are compiled on a product evaluation sheet (VPAT[*2]), which is disclosed on the website of Sharp Electronics Corporation (SEC), Sharp's U.S. sales company.

Related information: > Sharp Electronics Corporation website

*1 Section 508 of the Rehabilitation Act.
*2 VPAT: Voluntary Product Accessibility Template. A table containing information regarding how a particular product or service conforms with Section 508 of the U.S. Rehabilitation Act.


Sharp Imaging and Information Corporation of America
Accessibility Conformance Report
Revised Section 508 Edition
VPAT® Version 2.5
Name of Product/Version:
BP-51C26, BP-51C31, BP-51C36, BP-51C45
BP-71C31, BP-71C36, BP-71C45, BP-71C55, BP-71C65
Report Date: April 2025
Product Description: Color Multifunction Document System
Contact Information: VPAT_Support_Team@sharpusa.com
Notes: Covers MFP, printers, applications and drivers
Evaluation Methods Used: Hardware, application and driver testing
Applicable Standards/Guidelines: Section 508 standards
This report covers the degree of conformance for the following accessibility standard/guidelines:
"Voluntary Product Accessibility Template" and "VPAT" are registered service marks of the Information Technology Industry Council (ITI)
Page 1 of 37

Example of VPAT for a digital MFP

Ease-of-Use-Focused Product Development

Outside Praise for Product Development Prioritizing Ease of Use

As discussed earlier, we at Sharp are committed to creating user-friendly and easy-to-understand products based on the principles of user-centered design. Products created through these efforts have received outside recognition for their ease of use, functionality, and design, leading to the receipt of such awards as the Good Design Award, high ratings in consumer electronics evaluation projects, and other positive recognition.
One example is the ES-8XS1 Plasmacluster front-loading washer/dryer, which was selected as one of the Good Design Best 100 in the 2025 Good Design Awards, organized by the Japan Institute of Design Promotion. In addition to energy efficiency and compactness, the product was designed with ease of use in mind, including features that make doing daily laundry less burdensome, as well as improving the size and position of the door and control panel.
Going forward, we will continue to develop products and services that are both easy to use and appealing to a wider range of people and that are held in high regard.

Related information: > Awards

ES-8XS1 Plasmacluster front-loading washer/dryer, selected for the Good Design Best 100

Social Initiatives: Customer Satisfaction

Enhancing Customer Satisfaction

Aiming for Customer-Oriented Services

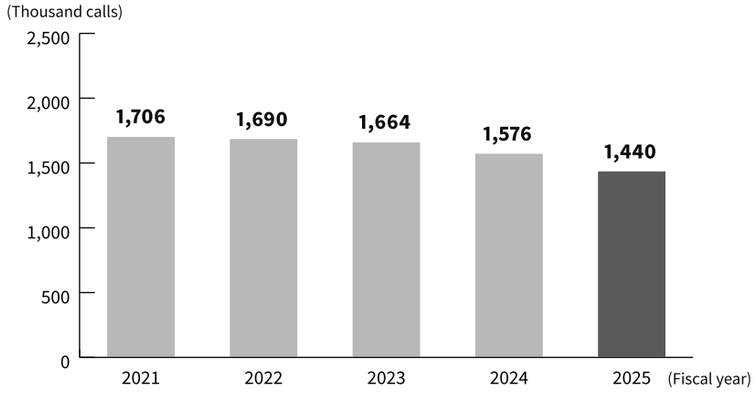
The Customer Assistance Center responds to a wide range of product-related inquiries from customers—approximately 1.44 million annually—so that we can provide customer-oriented support. To this end, the center meets periodically with product development departments to give them feedback in the form of customer inquiries, which leads to the development of improved and new products.

We also utilize our customer support website to respond to the diversifying needs of our customers.

Going forward, we aim to improve customer convenience by enhancing our customer support website and reorganizing our inquiry process to make it more user-friendly for a wider range of customers.

In addition, we will pursue AI-driven initiatives to make it easier for customers to resolve issues on their own through our customer support website.

Number of Calls Received from Customers in Japan



<Expanding Support Channels>

To meet customer needs, our customer support website began offering chatbot support in October 2018, and, in November 2020, we began providing an operator chat service exclusively for Cocoro members.

As smartphones have become more widespread, customer needs have shifted from telephone support to online channels such as chatbots. Therefore, in April 2026, we removed the restrictions on operator chat support, which was previously limited to members, and made it available to all customers. This has improved our support channels, making them more accessible to a wider range of customers.

<Improving Response to Customers>

As the face of Sharp, customer consultants study products and learn how to interact properly with customers before they start their jobs. Even after they have begun their jobs, consultants periodically undergo training and study sessions to boost their skills.

The department that runs the Customer Assistance Center improves person-to-person dealings with customers by having consultants take periodic qualification upgrading tests to brush up their customer service and quality control skills. It also uses text messaging to conduct questionnaires, which will help better respond to customer wishes and improve the support site.

Skills Training and Qualification Upgrading

Personnel		Implementation
Customer consultants	Trainees	Acquire basics in manners, product knowledge, and consumer-related laws and regulations
		Test ability to serve as customer consultants
	After starting their jobs	Improve customer consultant skills through periodic training and study sessions
		Determine how well customer consultants have acquired skills by having them periodically take qualification upgrading tests
Supervisors		Ensure person is fit to be a supervisor
		Improve supervisor skills through periodic training and study sessions
		Determine how well supervisors have acquired skills by having them periodically take qualification upgrading tests

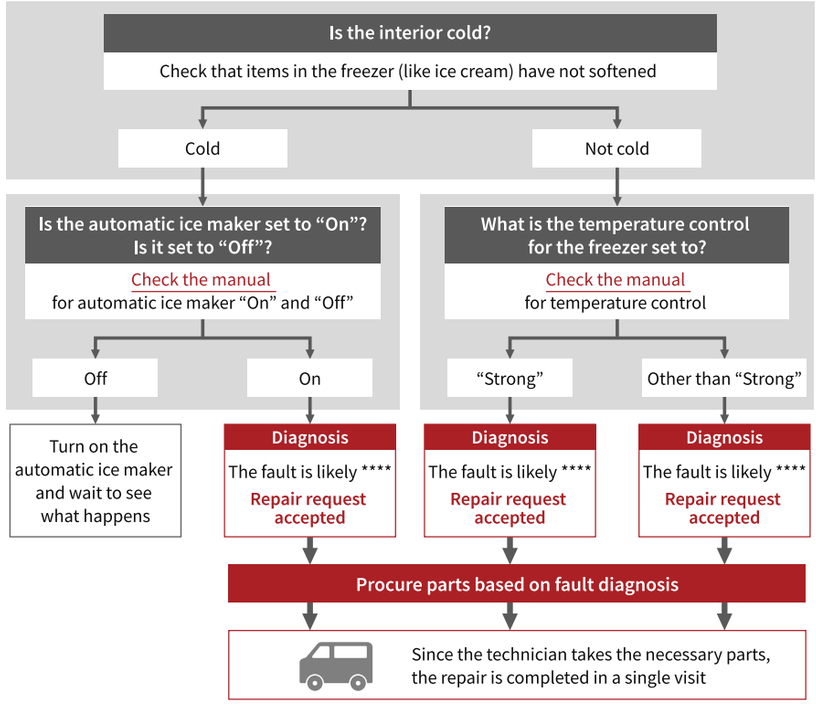
Social Initiatives: Customer Satisfaction

Enhancing Customer Satisfaction

<Improving Accuracy in Accepting Repair Requests>

When a customer has an issue with a product they purchased, the details taken down by the Customer Assistance Center when accepting the repair request will have a significant impact on the subsequent repairs performed.
Our consultants use a knowledge system to diagnose product faults, and this diagnosis is used to procure the necessary product parts. The repair technician takes these parts to the customer's location so that repairs can be completed in a single visit.

Fault Diagnosis Example (Refrigerator's Automatic Ice Maker Not Working)



<Reliable Operation>

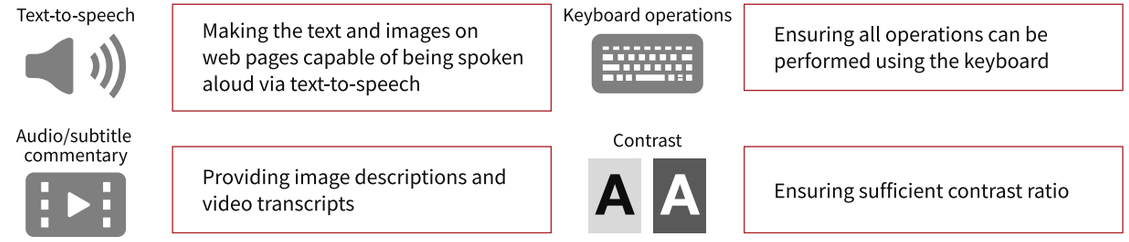
We recognize that ensuring the Customer Assistance Center is able to provide customer support even in challenging times, such as during natural disasters like earthquakes and typhoons, is a crucial social responsibility.
To ensure continued operation of our customer support services even during emergencies, our customer support offices are distributed across multiple locations, allowing each to complement the others' operations. Even if some locations are affected by a disaster, other locations can provide support, enabling stable provision of customer service in accordance with our business continuity plan.

<Reasonable Accommodations>

Since April 1, 2024, in accordance with the revised Act for Eliminating Discrimination against Persons with Disabilities, we are gradually working to improve web accessibility so that all customers can use the support site.
We also take part in seminars on the telecommunications relay service*, which is used by people with hearing or speech difficulties, to deepen our understanding of issues such as how to make phone usage easier for people with hearing or speech impairments. We are committed to operating a people-friendly Customer Assistance Center so that no customer who needs support is left behind.

* A service that allows people with hearing or speech impairments to communicate by phone with people who are not hearing impaired by using an interpreter operator to translate the conversation between them via sign language, text, and voice.

Main Examples of Web Accessibility Support



Social Initiatives: Customer Satisfaction

Enhancing Customer Satisfaction through After-Sales Service

Fiscal 2025 Objectives	Fiscal 2025 Achievements	Self-Evaluation	Priority Objectives for Fiscal 2026
■ Improve customer satisfaction ■ Customer satisfaction rate: 90.0% or higher	■ Improved customer satisfaction By improving employees' CS* awareness and repair skills: Customer satisfaction rate was 96.7%	★★★	■ Improve customer satisfaction ■ Customer satisfaction rate: 90.0% or higher

Self-evaluation: ★★★ Achieved more than targeted / ★★ Achieved as targeted / ★ Achieved to some extent

Managing Impact on Customers and Customer Satisfaction

In the Sharp Group, we consider products and after-sales services to be material issues because they directly impact customer safety, convenience, and quality of life. In particular, we recognize that product defects and delays in service response not only reduce customer satisfaction but also lead to inconvenience in daily life and a decline in trust.

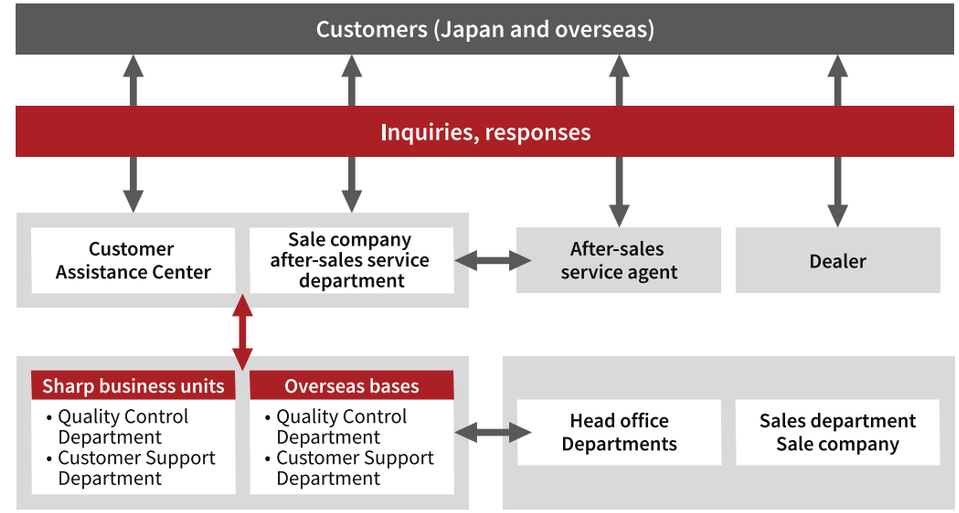
After-Sales Service System

In the Sharp Group, we consider maintaining and improving customer satisfaction to be a material issue, and we are developing and strengthening various systems to achieve this. Furthermore, we have established a system to incorporate customer feedback into product improvements and service quality enhancements, and we are committed to providing highly reliable services through continuous improvement.

After-Sales Service System

- An after-sales service system encompassing service bases in Japan and overseas
- Product improvements in collaboration with product development departments
- Repairs accepted 365 days a year
- Placement and training of service engineers with specialized technical skills

Flowchart



* CS: Customer satisfaction.

Social Initiatives: Customer Satisfaction

Enhancing Customer Satisfaction through After-Sales Service

Repair and Servicing System (in Japan)

Repair of Sharp products in Japan is carried out by Sharp One Stop Service Corporation.
With over 90 service bases nationwide*, we offer both on-site and in-store repair services. Our highly skilled service engineers, who are rooted in their local communities, provide repair services to ensure customer satisfaction.
The entire company works together with a user-oriented mindset to satisfy customers and realize its slogan: “A customer’s smile makes my job worthwhile.” We will continue to pursue customer satisfaction so that customers choose Sharp now, next time, and every time.

* As of May 2026.

Slogan

Customer’s smile is our pleasure

CS Slogan

Building a relationship of trust through quality and service so that customers choose Sharp now, next time, and every time

Voice

Customer Smiles Inspire Us to Improve Repair Quality

In our in-store repair department, we treat each product entrusted to us with sincerity, striving to provide prompt, reliable, and reassuring after-sales service. Compared to our on-site repair department, we don’t have as many opportunities to speak directly with customers, but we compensate for this with meticulous work that extends to even those parts that the customer can’t see, thus ensuring that our customers can use their products with peace of mind.
During daily inspections and repairs, we thoroughly check every detail to ensure that even the smallest abnormality is not overlooked, and we perform our work with a high degree of precision. Furthermore, we actively share technical expertise and acquire new knowledge to prevent the reoccurrence of malfunctions and to improve quality.
We will continue to provide high-quality repairs so that our customers will choose Sharp now, next time, and every time. We will also continue to offer after-sales service with a sense of responsibility and pride so that customers can use their valued products with confidence for many years to come.

K.K., Tokyo Technical Center,
Sharp One Stop Service Corporation

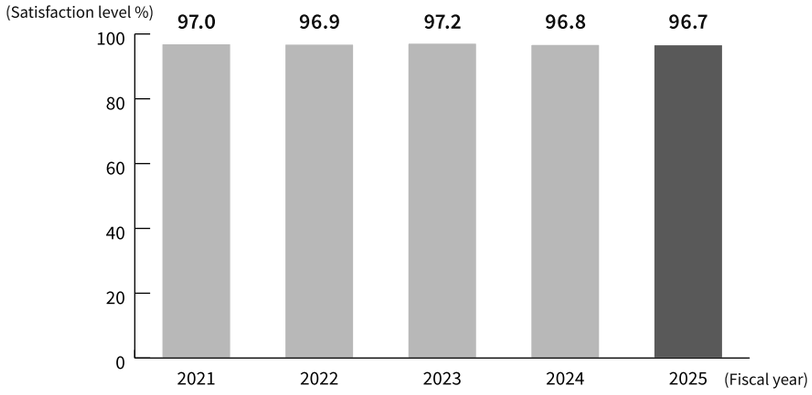
Social Initiatives: Customer Satisfaction

Enhancing Customer Satisfaction through After-Sales Service

Customer Questionnaires

Sharp One Stop Service Corporation conducts web-based surveys for customers who receive on-site repairs, asking about everything from initial inquiry and appointment to product repair. Customer feedback and requests are actively collected and analyzed with the aim of expediting response times and improving product and service quality.

Number of customer questionnaires answered
Fiscal 2025: 77,711; customer satisfaction rate 96.7%



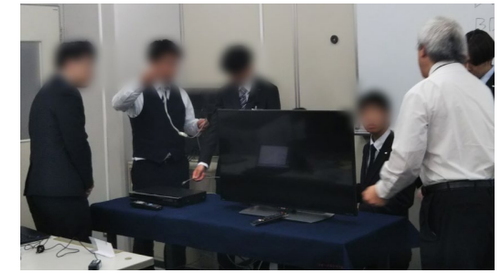
■ Issues
- Delays in repair response and inconsistent quality of service
- Customer burden when product problems occur
- Loss of trust due to gaps between customer expectations and actual results

■ Improvements
- Standardization of service processes
- Enhancement of customer survey analysis
- Strengthening of training to improve customer service manners and technical skills

Example

Recognizing the impact our products and services have on our customers' daily lives, we position customer satisfaction not merely as an evaluation metric, but as a social responsibility. Moving forward, we will continue to listen to customer feedback, strengthen our ongoing improvement efforts, and endeavor to provide even higher quality and more reliable services.

Customer service etiquette training


LCD TV technical training

Air conditioner technical training

Microwave oven technical training

Social Initiatives: Communication with Shareholders and Investors

Communication with Shareholders and Investors

Fiscal 2025 Objectives	Fiscal 2025 Achievements	Self-Evaluation	Priority Objectives for Fiscal 2026
■ Undertake global and active IR, such as having senior executives conduct overseas IR and take part in conferences	■ Undertook global and active IR, such as having senior executives conduct overseas IR and take part in conferences	★★	■ Increase opportunities for the president and other senior executives to communicate information, such as through business briefings, overseas IR, and conferences

Self-evaluation: ★★★ Achieved more than targeted / ★★ Achieved as targeted / ★ Achieved to some extent

Basic Policy

At Sharp, we aim to deepen our relationship of trust with the capital markets and enhance corporate value through fair, timely, and appropriate information disclosure, as well as by strengthening two-way communication with shareholders, investors, and securities analysts.

Information Disclosure

Not only do we disclose information designated under the laws and regulations of Japan, we also disclose in detail any information that is useful to stakeholders, such as business overview, management policies, and strategies. For timely disclosure of information such as financial results and financial presentation materials, which are of high interest to shareholders and investors, we generally disclose them simultaneously in both Japanese and English. For other information, in addition to the Japanese version, we also disclose it in English whenever possible.

General Shareholders' Meetings

We strive to create an environment that enables shareholders to easily exercise their voting rights. Efforts include posting information on our website such as notices of the meetings before they are sent out and English notices about the meetings, participating in an electronic voting platform (for institutional investors), allowing shareholders to exercise voting rights via the Internet or their smartphones, and publishing securities reports prior to the meetings. Additionally, we make other efforts, such as providing enhanced explanations of our management policies at the general shareholders' meeting, to facilitate shareholders' understanding of our management policies and business operations.

At the general shareholders' meeting, senior executives engage in frank dialogue with shareholders after explaining the current situation, management philosophy, and other matters while making use of presentation materials.

Financial Results Briefings, One-on-One Meetings

In addition to the general shareholders' meeting, we strive to create opportunities, such as financial results briefings, management policy briefings, and business briefings, for our senior executives to communicate with shareholders, investors, and securities analysts. We also conduct individual and group meetings, which include participation in conferences hosted by securities firms. Whenever senior executives are unavailable, the IR division meets with shareholders and investors.

Main Items Discussed and Feedback to Senior Executives

The IR division compiles opinions gleaned from these dialogues and, as appropriate, provides feedback to senior executives and relevant departments, striving to incorporate this information into company management and business activities, including the formulation of management policies.

In fiscal 2025, there was a great deal of interest in the progress being made in structural change, including the asset-light reform of the device business, the growth strategy for the brand business, what we are doing to improve our financial standing, and new business initiatives.

Social Initiatives: Communication with Shareholders and Investors

Communication with Shareholders and Investors

Enhancing the IR Website

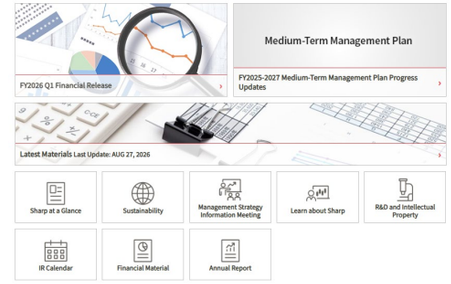
In addition to having a dedicated section for individual investors, we are enhancing our IR website by adding content such as “Sharp at a Glance,” which provides a concise summary of performance and financial information, and graphs of key performance figures. We have also created an environment where investors can quickly access necessary IR materials, including by adopting an intuitively accessible design and making it compatible with smartphone displays.
In fiscal 2025, we revised the page layout to further improve the usability of the website.

Preventing Insider Trading

We have effectuated regulations restricting insider trading, established strict controls on undisclosed material facts (“insider tips”), and instituted restrictions on the buying and selling of stocks and other securities. We have also implemented in-house training related to insider trading. This training includes, among other approaches, an educational campaign on the corporate intranet that targets Sharp Group employees in Japan with the aim of preventing insider trading by Sharp Group directors, audit and supervisory board members, executive officers, or employees.
In addition, given the importance of disclosure, when “material facts specified in the Financial Instruments and Exchange Act” and/or “important company information that should be disclosed in a timely manner as stipulated by securities exchanges” is generated, we do our utmost to promptly disclose and publicize the relevant details. Regarding inquiries from the media, analysts, and investors, we fully honor the spirit of disclosure and remain attentive so as not to violate insider-trading regulations.

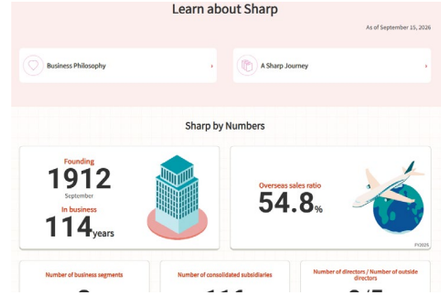
Basic Policy on Allocating Profits

At Sharp, we consider distributing profits to shareholders to be one of management’s top priorities. While maintaining stable dividends as a basic principle, we are committed to returning profits to our shareholders from a long-term, holistic perspective that takes into account such factors as our consolidated performance, financial condition, and future business development. In this regard, we plan to implement dividend payments and other measures while being mindful of trends in consolidated performance, investments, the need to improve our financial standing, and other considerations.

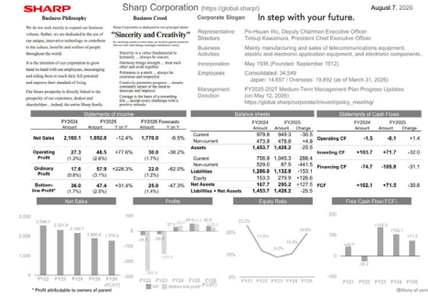


Investor relations website

2025 Annual Report



Webpage for “Learn about Sharp”



Sharp at a Glance

Related information: > Investor relations
> Annual Report
> Learn about Sharp
> Sharp at a Glance

Social Initiatives: For Local Communities

Contributing to the Community

Fiscal 2025 Objectives	Fiscal 2025 Achievements	Self-Evaluation	Priority Objectives for Fiscal 2026
■ Participate in local community service activities ■ Promote new community service activities that are easy to take part in ■ Continue to support career education for people with disabilities	■ A total of 8,544 people participated in 742 cleanups around Sharp sites and community-organized volunteer activities in Japan and overseas ■ Carried out the Eye City Eco Project at 9 Sharp sites in Japan ■ Career education provided to a total of 3,138 people with disabilities (in 391 sessions across 5 courses)	★★	■ Participate in local community service activities ■ Provide employees with information on easy-to-join volunteer activities ■ Continue to support career education for people with disabilities

Self-evaluation: ★★★ Achieved more than targeted / ★★ Achieved as targeted / ★ Achieved to some extent

Contributing to the Community in Line with Our Business Philosophy

Guided by our business philosophy of “contributing to the culture, benefits and welfare of people throughout the world,” the Sharp Group strives for mutual prosperity with the communities where we do business, in Japan and overseas.

At our major business locations in Japan we have established branches of the Sharp Green Club (SGC), a joint labor–management volunteer organization. SGC lets Sharp employees take the initiative in carrying out voluntary community service activities. Through activities like environmental conservation, welfare support, and community engagement, SGC helps each employee put Sharp’s corporate philosophy into action. It plays a role in building lasting relationships with local communities. Each Sharp site carries out volunteer activities that meet the needs and challenges of the area where it operates. These include Sharp Forest projects, cleanups around company locations, and support for local organizations and welfare facilities.

In fiscal 2025, we conducted more than 740 community service activities in Japan and overseas, with participation by more than 8,500 people. These included cleanup campaigns around Sharp sites, blood drives, providing opportunities for disability welfare organizations to sell their products on site, donating products to schools and local governments, and making monetary donations to a cancer support organization.

Other Examples

	Japan	Overseas
Cleanups around company locations	7 Sharp bases, 56 sales offices	Sweden, Denmark, Norway, Finland, Germany, Indonesia
Blood drives	Makuhari, Yao, Fujiidera, Higashihiroshima, Sharp Electronics of Okinawa Co. Ltd.	China, Indonesia, Canada
Providing sales opportunities for disability welfare organizations	Sakai, Yao, Fukuyama	Poland

Example

Replica Crystal Radio on Display at Commemorative Event

Coinciding with the start of radio broadcasts in Japan in 1925, Sharp founder Tokuji Hayakawa developed and sold the first Japan-made crystal radio.

At an event to mark the start of radio broadcasting in Osaka, held May 31 to June 1, 2025, we showcased and demonstrated a replica crystal radio and a restored vacuum-tube radio. The replica and restoration were done by retired former Sharp engineers. Over 1,000 visitors experienced the sounds of that era.

The vacuum-tube radio (left) and replica crystal radio (right)

Visitors flock to try the radios themselves (1st floor atrium, NHK Osaka Station)

Social Initiatives: For Local Communities

Contributing to the Community

Example

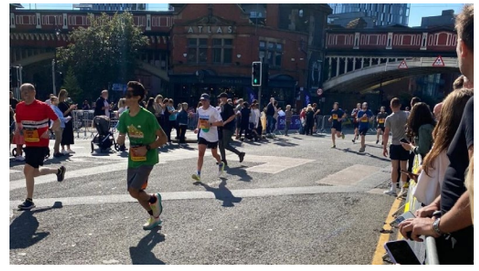
Participating in a Charity Run to Support Young People with Disabilities

UK Direct Sales Channel SBSUK supports the work of the Seashell Trust, a charity that assists young people with severe and multiple disabilities in the Greater Manchester area.

Six employees took part in the Great Manchester Run's 10k race, held in May 2025. They called for donations through the event's official fundraising platform to raise awareness of the charity's work and expand the circle of support. Funds raised will be used for initiatives aimed at improving the quality of life for young people with disabilities.

Participants from SBSUK

Seashell Trust's charity tent


A scene from the Great Manchester Run

Example

Supporting Children in Hospice Care

Every year, from late November to mid-December, employees at Polish production base SCEP bake cakes and donate the proceeds from selling them within the company.

In Poland, a Christmas charity tradition called "Letters to Santa Claus" is widely practiced. Beneficiaries—such as those in orphanages, foster homes, elderly care facilities, and hospices—write letters describing the gifts they would like to receive, and supporters fulfill those wishes.

SCEP used the proceeds from its cake sales to fulfill requests from letters written by children at a local hospice.

For children and families dealing with serious illnesses, this initiative provides more than material support. It also brings emotional encouragement by giving them the opportunity to feel that "someone read my letter" and that "a stranger spent time and money on my behalf."

Cakes made by employees on sale

Gifts in response to "Letters to Santa Claus"

Social Initiatives: For Local Communities

Contributing to the Community

Example

Providing Children with Access to Nutritious Meals

Canadian sales base SECL collaborates with the charity Food4Kids Mississauga, an organization that helps ensure children have access to healthy snacks and food outside of school hours, such as before and after school and on weekends.
In January 2026, 10 employees volunteered to prepare 225 food packages for children attending local schools. The packages were filled with fresh fruit and nutritious snacks and delivered to children in need.

Employees preparing food packages

Participating employees and the food

Example

Collaborating with a Food Assistance Program for People in Need

As part of its corporate social responsibility, Singapore sales subsidiary SSC supports the work of the charity Hao Ren Hao Shi (HRHS).
HRHS, which takes its name from a Chinese phrase meaning “good people do good deeds,” provides daily necessities and other support to around 3,000 individuals and families in Singapore every month.
At Happy Mart, a community support center operated by HRHS, beneficiaries can receive provisions and also choose the groceries and daily necessities they need within their monthly credits.
In January 2026, 22 employees volunteered to help operate Happy Mart.

Assisting at the checkout counters

Restocking daily essentials

Packing vegetables

Assisting with the selection of daily necessities

Social Initiatives: For Local Communities

Contributing to the Community

Example

Participating in the Eyecity Eco Project

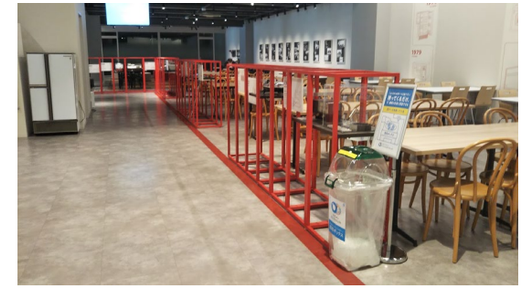
Since September 2025, the Sharp Green Club (SGC), a joint labor–management volunteer organization, has been trialing the Eyecity Eco Project[*1] at the Yao Plant in Osaka Prefecture as a way to contribute to society and the environment.

The project is run by Eyecity, a nationwide retailer of contact lenses and care products, and involves collecting and recycling empty disposable contact lens cases to help protect the environment. It also engages people with disabilities in the recycling work, contributing to their employment and independence. All proceeds from selling the collected lens cases to recycling companies are donated to the Japan Eye Bank Association, further contributing to society.

The Yao Plant collected around 11 kg of empty cases between September 2025 and March 2026. This contributed to a reduction of approximately 30 kg of CO_2 emissions. Employee comments included, “Just bringing in the empty cases counts as volunteering” and “It’s an easy way to contribute.” In response to this positive feedback, the project was expanded to eight other SGC locations[*2] in March 2026.

*1 An initiative to collect empty disposable contact lens cases operated by HOYA Eye Care Retailing Corporation, which runs a contact lens retail business.

*2 Makuhari (Chiba Prefecture), Toyosu (Tokyo), Hakusan (Ishikawa Prefecture), Mie (Mie Prefecture), Tenri (Nara Prefecture), Katsuragi (Nara Prefecture), Hiroshima (Hiroshima Prefecture), Sharp Electronics Sales Okinawa Corporation (Okinawa Prefecture)



Large collection box installed in the cafeteria

Large collection box installed at the cafeteria sink area

Small collection bottle installed at the entrance to the labor union office

Social Initiatives: For Local Communities

Contributing to the Community

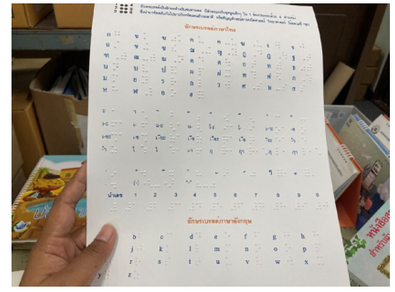
Example

Donating Desk Calendars for the Production of Braille Books

To support people with visual impairments and raise employees' awareness of recycling, Thai production base SMTL collects unused desk calendars and donates them to an educational technology center that produces Braille materials.
In fiscal 2025, SMTL collected approximately 65 kg of calendars and donated them to the Educational Technology Center for the Blind.

A donation to the Educational Technology Center for the Blind

A Braille book being made (front)



A Braille book being made (back)

Example

Donating Relief Supplies to Flood Victims

Massive floods and landslides caused by torrential rains struck the island of Sumatra in western Indonesia from late November through December 2025. To support the affected areas, Indonesian production and sales base SEID donated relief supplies* in December to Human Initiative, an international humanitarian aid non-profit based in Indonesia.
The donated supplies were quickly delivered to victims in the hardest-hit areas.

* Approximately 600 food packages, 1,000 emergency meals, 60 hygiene kits, and 3 water purification units.

Donation ceremony

Donation ceremony in an affected area

Social Initiatives: For Local Communities

Contributing to the Community

Educational Support for People with Disabilities

As part of a larger program of community service activities that draws on our founder's commitment to helping disabled individuals, we work with Sharp Tokusen Industry Co., a Sharp special subsidiary[*1], to conduct career education activities for people with disabilities. The aim is to foster a positive work ethic and a career-minded perspective.

In fiscal 2025, we held approximately 400 sessions across the following five courses for a total of more than 3,100 people with disabilities and their supporters. (Since the start of this program in fiscal 2012, a total of more than 4,900 sessions have been held and more than 31,000 people have participated.)

*1 A subsidiary that a company establishes and that gives special efforts to employ the disabled, in order to provide them with more employment opportunities and greater job security.

- Workplace tour: Visit the workplace of employees with disabilities and attend a lecture
- Workplace experience: Experience work where employees with disabilities are active
- School visits: Employees with disabilities visit schools to give talks on what it means to work
- Online class (video-based): Instruction using videos and worksheets
- Lecture (in-person): A wide-range of hands-on lectures given by employees with disabilities

Workplace tour

Workplace experience

School visit

Online class

Lecture

Example

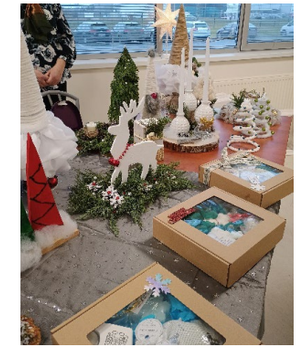
Providing Young People with Disabilities the Opportunity to Acquire Life Skills

At Polish production base SCEP, young people with disabilities are invited to take part in occupational therapy workshops during Easter[*2] and Christmas. These workshops help them develop the motor skills needed for daily life, as well as the concentration required to stay focused on a task.

Employees purchase the Christmas decorations and other items created during the workshops, and the proceeds are used to cover participants' medical expenses. Beyond supporting the social participation of people with disabilities, these workshops also help ease the load on family caregivers, giving them a chance to rest and recharge.

*2 A festival celebrating the resurrection of Jesus Christ. In Europe, it is one of the most important events alongside Christmas.

Sales of the Christmas decorations at the employee cafeteria


The items being sold

Social Initiatives: For Local Communities

Contributing to the Community

Example

Conducting Classes for Students with Visual Impairments

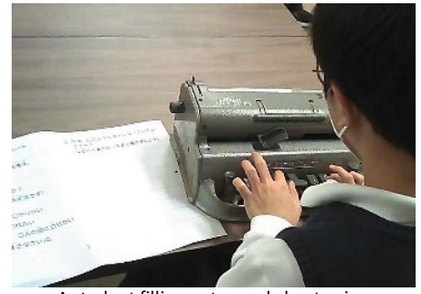
In fiscal 2025, Sharp Tokusen Industry Co. received its first request for career education from Osaka prefectural schools for the visually impaired. The company visited the schools to hold classes for junior high school students.

Classes were held at Osaka Minami School for the Visually Impaired on November 7 and at Osaka Kita School for the Visually Impaired on December 16. Through hands-on group work based on actual work processes, we gave students the opportunity to learn about working life and the importance of teamwork.

Checking finished products for defects

A scene from the class

Taking part in group work


A student filling out a worksheet using a Braille typewriter

Voice

Comments from a Teacher at Osaka Prefectural Osaka Minami School for the Visually Impaired

At our school, we place great importance on providing careful, individualized instruction tailored to each student's unique characteristics, while fostering the skills that will lead to future independence and participation in society. Classes where students hear directly from company employees are especially valuable, helping them feel more connected to society.

This was the first time we had invited Sharp Tokusen to hold a class at our school. Because we are a school for the visually impaired, we weren't sure at first whether they would accept our request. However, they responded with great consideration, allowing us to carry out the class with confidence.

During the class, the instructors incorporated verbal explanations and hands-on activities, rather than relying solely on visual information. During group work, we saw the students communicating with one another, dividing up roles, and collaborating to complete a single project—a process through which they clearly came to appreciate the importance of communication and teamwork. I was also deeply impressed by the students' reactions upon learning that everyday products are the result of the ingenuity and cooperation of many people. I was struck by their expressions of surprise—"So this is how they're made!"—and by their positive comments, such as, "I want to do my best at work in the future."

Thanks to careful preparation to ensure accessibility—such as adjusting the colors and font sizes in the slides and adapting the teaching materials—the students were able to take part with confidence. The experience has carried over into their subsequent studies, giving them insights and impressions that only come from hands-on learning. I believe these experiences matter not just for building a range of learning experiences, but also for helping students recognize their own strengths and make their own choices about their future.

Moving forward, we hope that learning opportunities like these will help each student discover their interests and hidden talents, expand their sense of what's possible as they pursue their goals, and cultivate the ability to express their individuality.

Social Initiatives: For Local Communities

Contributing to the Community

Voice

Comments from a Special-Needs School Participating in Career Education

We are very grateful to Sharp Tokusen Industry Co. for their ongoing, tremendous support in our career planning and career education efforts. Our school is dedicated to the social independence of each and every student through our daily education. This time, we invited three employees from Sharp Tokusen to serve as guest instructors, holding a class for students and a career guidance session for parents. It was a highly meaningful opportunity to hear in detail about the realities of employing people with disabilities from a corporate perspective, while gaining important insights into employment.

Toshio Kai
Principal, Osaka Prefectural Sakai School for the Hearing Impaired

One employee—who is also a graduate of our school—spoke about their journey to employment and their current job. We received an overwhelmingly positive response from parents, who commented that the session was extremely helpful for thinking through future career paths.

Hearing from a graduate of our school gave the students a valuable opportunity to envision their own futures as working professionals. In a hands-on work activity where they worked in teams to assemble kits, the students learned the skills needed to complete tasks quickly and neatly within a set time, as well as the sense of responsibility required to avoid making defective products. The group work gave students a firsthand understanding of the importance of teamwork and communication. It also prompted them to reflect on their own lives. The students are coming to understand that the effort they put in now—at school and at home—and the routines they maintain in daily life are directly linked to their future careers. This understanding will surely serve as a valuable foundation going forward.

Our school will continue to actively advance our educational activities with the aim of further enhancing our career guidance programs. We sincerely ask for Sharp Tokusen's continued guidance and support and wish them continued success in the future.

Message from a School Visit Employee Instructor

Encouraged by my supervisor, I first took part in the school visit program in December 2024. Since I've always been shy about speaking in front of others, I had some anxieties—would I be able to convey my message effectively, and would what I say actually be helpful? But after thorough preparation, including paying close attention to my speaking pace and volume, I was able to share, based on my own experiences, the importance of communication—greetings, for example, and the "report, contact, and consult" principle I value in my daily work. I was deeply impressed by how intently the students listened, nodding along and actively asking questions about their future.

Mizuki Umeda
Sharp Tokusen Industry Co.

Through this experience, I've become a little more comfortable speaking in front of others, and I now find myself taking the initiative to speak up and communicate more often in the workplace. I feel that these school-visit classes are not only a learning opportunity for the students, but also a valuable experience for my own personal growth.

I hope to keep making the most of opportunities like this, staying mindful of my connection to society and using these experiences to keep growing.

A scene from the class

Governance

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Governance: Corporate Governance

Corporate Governance

Fiscal 2025 Objectives	Fiscal 2025 Achievements	Self-Evaluation	Priority Objectives for Fiscal 2026
■Clarify the roles and responsibilities of the Corporate and the Business Groups	■Newly appointed a CBDO (chief business development officer), responsible for developing new global sales channels, and a CDO (chief digital officer), responsible for driving digital transformation	★★	■Pursue structural development aimed at further improving the supervisory function of the Board of Directors ■Strengthen support for directors to enhance effectiveness of the Board of Directors

Self-evaluation: ★★★ Achieved more than targeted / ★★ Achieved as targeted / ★ Achieved to some extent

Basic Policy

At Sharp, our basic policy on corporate governance is to maximize corporate value through timely and appropriate management while ensuring transparency, objectivity, and soundness supported by the concept, “Our future prosperity is directly linked to the prosperity of our customers, dealers and shareholders…” as stated in our business philosophy.

Based on this policy, we appoint outside directors who possess extensive knowledge and experience in areas such as social and economic trends and corporate management. By adopting a corporate structure that includes an Audit & Supervisory Committee, we are strengthening oversight of the execution of duties while enhancing the agility of decision-making.

We have also introduced an executive officer system that clearly separates supervisory and decision-making functions from business execution functions, thereby creating a structure that facilitates nimble and efficient business execution. Also, we have clarified the profit responsibility of each Business Unit, by which we have been strengthening individual businesses and their operations and maintaining control through corporate headquarters.

In addition, we have formulated the Sharp Group Charter of Corporate Behavior as action guidelines for all directors, executive officers, and employees to raise their awareness of compliance, and we are working for its permeation across the entire Sharp Group.

Corporate Governance System: Supervisory and Decision-Making Functions

The Board of Directors of Sharp Corporation makes decisions on matters stipulated by law and on management-related matters of importance and supervises the state of business execution.

The Board of Directors comprises inside directors who are experts in the fields of business of the Sharp Group and outside directors appointed from talent with high specialism and abundant experience in fields such as social and economic trends and management.

We have established a voluntary Nominating Committee and Compensation Committee as advisory committees to the Board of Directors. The Nominating Committee recommends director candidates to the Board of Directors, and the Compensation Committee, under the authority delegated by the Board of Directors, determines the amount of monetary compensation for directors. As a way to strengthen corporate governance, the majority of members of both committees are independent outside directors and independent outside directors serve as the committee chairs.

Additionally, important matters pertaining to transactions between the parent company group and the Sharp Group and that should be discussed at the Executive Management Meeting shall, before any decision is made, be subject to study and approval by the Board of Directors—the majority of whose members are independent outside directors with regard to the necessity, reasonableness, and appropriateness of the transactions in question. On the Sharp website can be found the “Standards for Independence of Outside Directors,” which stipulates standards for judging the independence of outside directors.

In addition, we have established an Internal Control Committee to serve as an advisory committee to the Board of Directors. The Internal Control Committee discusses basic policy, maintenance and operation of internal control and internal audits, reports to the Board of Directors, and, when necessary, refers matters for discussion to the Board of Directors.

Composition of Supervisory and Decision-Making Organs (As of June 25, 2026)

	All members (persons)	Inside directors (persons)	Outside directors (persons)	Non-directors (persons)	Chairperson/ Committee chair
Board of Directors	9	4	5	0	Chairperson: Chairman
Nominating Committee	6	1	5	0	Committee chair: Independent outside director
Compensation Committee	7	2	5	0	Committee chair: Independent outside director
Internal Control Committee	8	3	3	2	Committee chair: President & CEO

Directors (Except Members of the Audit & Supervisory Committee)/Directors Who Are Audit & Supervisory Committee Members (As of June 25, 2026)

	All members (persons)	Inside directors (persons)	Outside directors (persons)	Independent directors (persons)	Term
Directors (except members of the Audit & Supervisory Committee)	5	3	2	2	1 year
Directors who are Audit & Supervisory Committee members	4	1	3	3	2 years

Governance: Corporate Governance

Corporate Governance

Business Execution Functions

The Board of Directors' rules stipulate matters on which the Board must decide. These matters include Sharp's basic management policy, management plans, other important matters of management, and matters prescribed by laws, regulations, and articles of incorporation.
For decisions on other matters concerning management and business operations, we have established internal rules, including the Internal Authorization Rules, under which such matters are approved. For matters that are key to company-wide management and business operations, these are deliberated on at an Executive Management Meeting that comprises executive officers. The meeting convenes in a timely manner, which allows rapid management decision-making.

Audit Functions

The Audit & Supervisory Committee is composed of four directors, all of whom have a high level of expertise. Three members are independent outside directors, and one is a full-time member of the Audit & Supervisory Committee. Further, three of them possess extensive knowledge of finance and accounting.
The Audit & Supervisory Committee exchanges opinions periodically with executive directors, the accounting auditor, and the internal audit division, among others, and it seeks to attain legality, propriety, and efficiency in business execution. We have also established an Audit & Supervisory Committee Office composed of employees with specialisms in specific fields such as accounting and law, which supports the Audit & Supervisory Committee.
We undergo audits by our accounting auditor, PricewaterhouseCoopers Japan LLC. Through audits, we receive proposals on how to make operational improvements.

To preserve the independence of the internal audit division from the business execution divisions, an Internal Audit Division has been established directly under the jurisdiction of the president. It audits the legality and rationality of management, operations, and job execution across all business activities. Using the results, the divisions audited are given information, as well as advice and proposals to improve and streamline. This protects company assets, raises management efficiency, and strengthens the internal control system.

Related information: > Corporate Governance

Management of Related Party Transactions and Others*

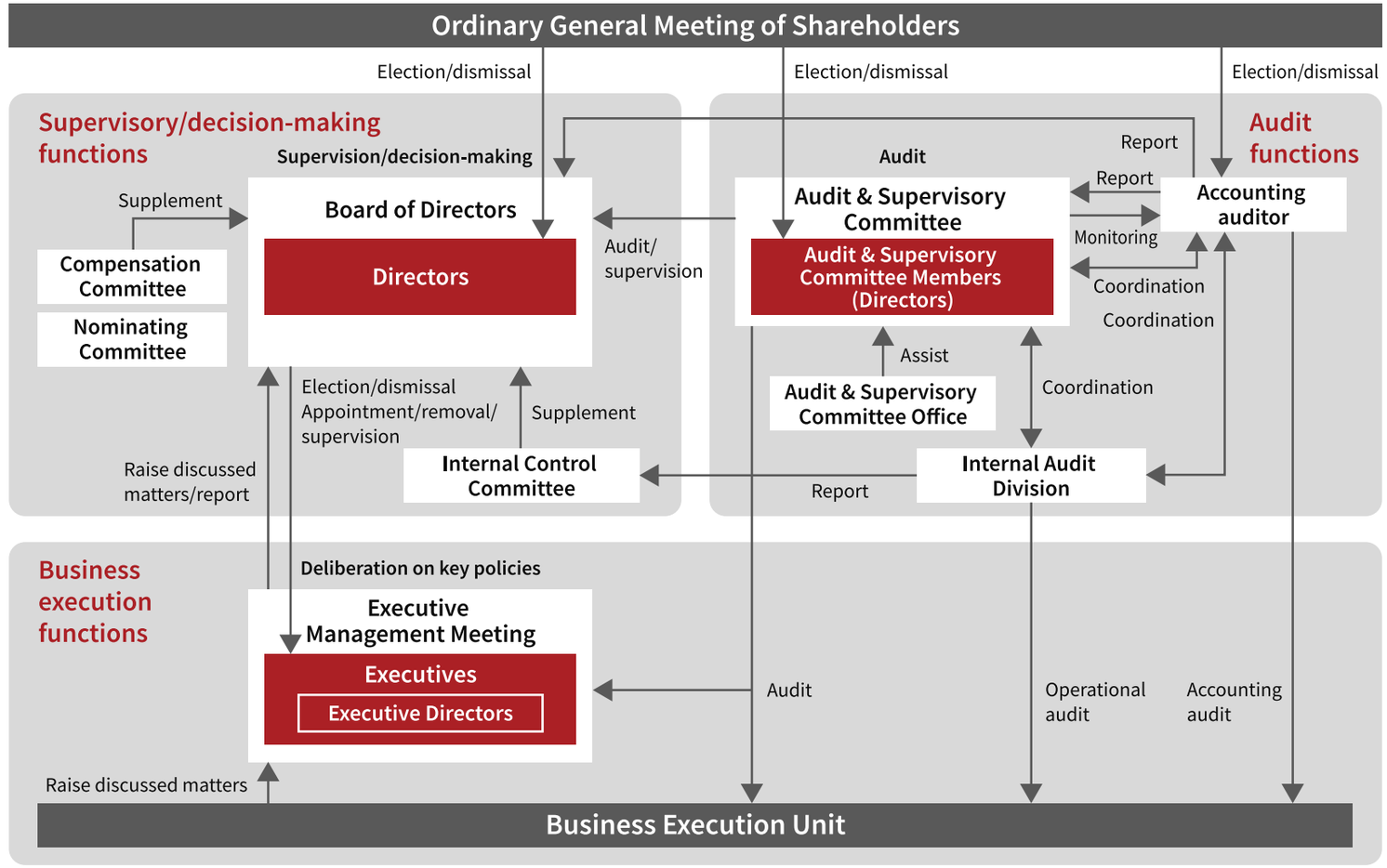
We have established the Regulations on Related Party Transactions. We manage these transactions so that they will not adversely affect our finances or business performance.
We have also created a list of related parties. When entering into business with the counterparty, we determine whether or not the transaction should be considered a related party transaction. This list is updated regularly and disseminated throughout Sharp and to consolidated subsidiaries in Japan and overseas.
Such transactions are subject to the same internal approval procedures as ordinary transactions. During this process, we assess the necessity, rationality, and validity of the terms and conditions. This allows us to exercise prudence when deciding on business deals.
Once a year we verify the content of transactions specified by outside directors, and the results are reported to the Board of Directors.

* Related party transactions and management-involved transactions: Related party transactions are transactions with a company or person having a certain level of connection with Sharp, including Sharp officers, subsidiaries, and major shareholders. Management-involved transactions are transactions that Sharp management personnel have introduced or planned.

Governance: Corporate Governance

Corporate Governance

Corporate Governance System of Sharp Corporation (As of June 25, 2026)



Governance: Internal Control

Internal Control

Fiscal 2025 Objectives	Fiscal 2025 Achievements	Self-Evaluation	Priority Objectives for Fiscal 2026
■Implement comprehensive design and operation of internal controls based on the Basic Policy for Internal Control ■Assess the design and operation of internal controls focused on material issues (problems) discovered in each control domain	■Implemented 55 measures based on the Basic Policy for Internal Control ■Assessed and improved the design and operation of internal controls, such as how to respond to material issues (problems) discovered in each control domain	★★	■Implement comprehensive design and operation of internal controls based on the Basic Policy for Internal Control ■Assess the design and operation of internal controls focused on material issues (problems) discovered in each control domain

Self-evaluation: ★★★ Achieved more than targeted / ★★ Achieved as targeted / ★ Achieved to some extent

As a means of facilitating the effective functioning of corporate governance, we have designed and operate an internal control system for ensuring the propriety of business activities across the entire Sharp Group based on the provisions of Japan's Companies Act and of the Internal Control Report System, which falls under the Financial Instruments and Exchange Act.

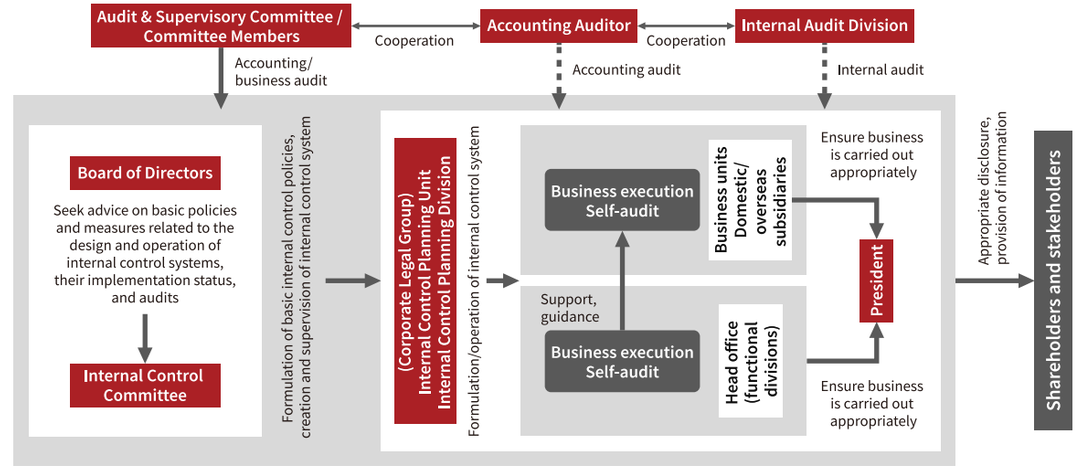
Specifically, in order to establish our basic approach to internal control, the Basic Policy for Internal Control was adopted by the Board of Directors. In accordance with this policy, we also established the Internal Control Committee, chaired by the president & CEO, to serve as an advisory panel to the Board of Directors. The Internal Control Committee discusses various internal control system-related policy measures, while also affirming their design and operation, and, when necessary, carries out other duties, such as proposing revisions to the Basic Policy. We also develop and maintain systems and structures, such as specialized departments, in accordance with the Basic Policy, establishing and implementing measures to facilitate them and comprehensively checking and evaluating their status of operation, as well as working to entrench and improve them. In particular, we endeavor to, among other things, improve our financial reporting-related systems, strengthen compliance, and reduce business risks all for the sake of increasing the effectiveness of our internal control system.

In fiscal 2025, we designed internal controls for the Sharp Group, conducted an exhaustive confirmation and evaluation of their operations, underwent internal and external audits, formulated corrective plans for any issues identified, followed up on the progress of improvements, and are continuously monitoring and evaluating the results, all as part of efforts to improve the effectiveness of the Sharp Group's internal controls. In addition, the Internal Control Committee convened twice during the fiscal year to perform regular monitoring and evaluate the design and operation of the internal control system. Members discussed ways to enhance internal controls in light of changes in the risk environment surrounding the Sharp Group. Topics included risk response based on business risk management, operation and enhancement of the whistleblowing system, visualization, thorough corrective management, and compliance with new laws and regulations. The results were reported to the Board of Directors.

These efforts helped to ensure the effective functioning of the Group internal control system in each of the control domains in fiscal 2025 (as of March 31, 2026), as detailed in an Internal Control Report, which was submitted in June 2026.

In fiscal 2026, we are continuing to strengthen and evaluate the control functions in our control domains, which include those of affiliates in Japan and other countries. We will also conduct concentrated efforts to resolve the material issues (problems) discovered during evaluation and will work continuously to improve and enhance our internal controls to ensure efficiency and effectiveness.

Internal Control System (As of June 2026)



Governance: Risk Management

Risk Management

Fiscal 2025 Objectives	Fiscal 2025 Achievements	Self-Evaluation	Priority Objectives for Fiscal 2026
■Continue to ensure compliance by business units and affiliated companies with the rules for reporting major risk incidents to executives and relevant departments	■In the event of a major risk incident, promptly took action in accordance with the rules for reporting to executives and relevant departments; conducted regular monitoring and analysis across the Sharp Group and, based on the results, continuously formulated and reviewed measures to prevent recurrence	★★	■Analyze response models from past cases and perform ongoing review and enhancement of response measures to minimize and appropriately manage fraud risks

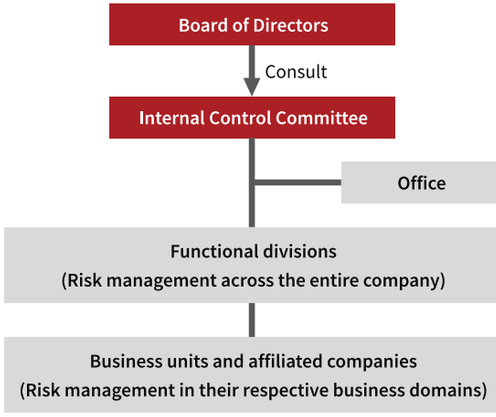
Self-evaluation: ★★★ Achieved more than targeted / ★★ Achieved as targeted / ★ Achieved to some extent

Basic Approach to Risk Management

We position risk management as one of our key efforts in meeting stakeholder expectations, fulfilling social responsibilities, and achieving continuous business growth.

We are building a business risk management system based on our Rules of Business Risk Management. As well, we have identified and are managing a total of 118 specific risks that could have a major impact on management. These are classified into five categories: external business environment, financial, legal, labor, and business activities.

Business Risk Management System



For each specific risk, functional divisions responsible for risk management across the entire company and business units and affiliated companies responsible for risk management in their respective business domains collaborate to minimize risks and to prevent risks from actually occurring.

To keep up with changes in the business environment and market, we annually revise, evaluate, and grade specific risks. The goal is to prevent them from occurring and to study, introduce, and put into action responses should these risks occur. The formulated responses are reviewed by the general manager of the Corporate Legal Group and reported to the Internal Control Committee, which is chaired by the president & CEO. Reports to the Internal Control Committee include overviews of and countermeasures to the below-mentioned major risk incidents, and their numbers. The content of reports to the Internal Control Committee is also relayed to the Board of Directors.

Number of Specific Risks and Their Classification (As of May 2026)

Classification	Example of Specific Risks	Number of Risks
External business environment	Natural disasters, infectious diseases	12
Financial	Finance-related risks	13
Legal	Breaking laws or rules, business-related scandals	31
Labor	Problems related to hiring of employees, labor management, and human rights	14
Business activities	Problems related to products, services, quality, material procurement, confidential information leaks, the environment	48
		118

Governance: Risk Management

Risk Management

Response to Occurrence of Major Risks

The Rules of Business Risk Management prescribe rules for response if a major risk incident does come to pass. Taking prompt and appropriate action when a major risk incident occurs works to minimize social impact and to prevent the damage from spreading across the company. These emergency rules also specify action items to be implemented to ensure prompt and appropriate information disclosure to stakeholders. When a major risk incident occurs, depending on its severity and priority level, a report is made to the deputy chairman, president & CEO, CFO, CTO, head of the Finance and Administration Office, head of the Corporate Legal Group, head of the HR and Administration Department, head of the Internal Audit Division, full-time audit and supervisory committee members, and heads of relevant departments, among others; status updates are shared; and the status of implementation of measures to prevent recurrence is confirmed.

In fiscal 2025, 127 major risk incidents were reported. In cases where major risks occurred in the Sharp Group, rules on reporting them were thoroughly communicated and reinforced across business units and affiliated companies. We will continue and step up these efforts in fiscal 2026.

Promoting Business Continuity Management

We have formulated and operate BCPs (business continuity plans) to expedite the continuation or early recovery of business in a large-scale disaster, such as an earthquake or an outbreak of an infectious disease. Basic policies for BCPs shared across the Sharp Group are “First priority to human life,” “Disaster preparedness and recovery measures,” and “Support for local community and business partners.” Besides periodically reviewing these basic policies, we seek to maintain and improve the business continuity performance of our organization through reviews to account for organizational and business changes and through drills. If, in the event of a major disaster, a significant impact on our business activities is anticipated, we will establish an emergency headquarters at the head office to support and work with Sharp sites in affected areas and to implement an initial response focused on ensuring the safety of employees and their families and a business continuity and recovery response.

In fiscal 2025, at major manufacturing bases in Japan, we checked the details of BCPs and the status of periodic BCP reviews and drills. We also surveyed problems discovered and continued to step up business continuity measures. In fiscal 2026, we plan to expand the scope of the survey to include our major overseas bases.

We will continue to strengthen our business continuity management in preparation for all types of disasters and pandemics.

Governance: Compliance

Compliance

Fiscal 2025 Objectives	Fiscal 2025 Achievements	Self-Evaluation	Priority Objectives for Fiscal 2026
■Carry out fundamental reform of compliance program ■Respond to global laws and regulations related to AI and data acquisition in conjunction with the strengthening of brand business	■Reviewed compliance program and clarified priority actions (starting in July) ■ Established and put into action a committee on risk and compliance (starting in February) ■Compliance message delivered by the CEO on a regular basis (July, October, January) ■Sharp Group Compliance Guidebook revised; new website launched (March) ■Ascertained trends related to major laws and regulations, including those related to AI and data, and formulated response strategies	★★★	■Enhance the company-wide risk management system based on the results of the compliance program review ■Strengthen compliance systems, including those at overseas bases

Self-evaluation: ★★★ Achieved more than targeted / ★★ Achieved as targeted / ★ Achieved to some extent

Compliance Policy

In its Sharp Group Charter of Corporate Behavior and Sharp Code of Conduct, which draw on the Business Philosophy and Business Creed, the Sharp Group has proclaimed that it will practice fair and open management based on sincerity and creativity. We have also formulated the Basic Rules for Compliance, in which we define compliance as observing laws, regulations, and company rules, and acting in line with corporate ethics. Based on this definition, we prioritize compliance by always asking ourselves what is good for society.

System to Promote Compliance

The person most responsible for leading compliance in the Sharp Group is the CEO. Basic policies for compliance are formulated and firmly put in place within the Group under the global outlook of the CEO, and the head of the Corporate Legal Group, who is responsible for promoting compliance across the Sharp Group, plans and implements specific compliance measures, monitors their implementation status, and plans and implements corrective actions. Among the laws and regulations that pertain to business execution, some are considered to be critically important and capable of affecting the entire Sharp Group. For each of these material categories of laws and regulations, we designate a responsible department. Each department fully analyzes the content of and trends in these laws and regulations and studies the effects they could have on business. We then review—as needed—business operations and processes, revise internal regulations, formulate or revise routine operation standards, communicate these changes, and provide guidance and supervision to executives and employees.

The presidents of the business units are responsible for compliance within their respective organizations. The business unit presidents are also responsible for guiding and supervising compliance measures at subsidiaries and affiliated companies (hereinafter, “subsidiaries”) under their business units. Promoting compliance at each subsidiary in and outside Japan is the responsibility of the respective president.

If a compliance-related risk occurs, we will respond appropriately in accordance with the Rules for Business Risk Management, take corrective measures, and prevent recurrence.

Compliance Training

In addition to formulating internal rules related to various categories of laws, the Sharp Group pursues compliance through its Sharp Group Compliance Guidebook. This guidebook, which has been revised and disseminated throughout the company, states defined standards for matters to be observed, matters which are prohibited, and actions to be taken for all executives and employees.

We also periodically carry out training (including e-learning) on the Sharp Code of Conduct and material categories of laws and regulations (such as competition laws, anticorruption, and personal information protection). In fiscal 2025, the training was open to 16,751 employees including those at Sharp Corporation, subsidiaries in Japan, and the labor union, with 16,482 taking part (98.4% participation rate).

The Sharp Code of Conduct was communicated to employees at all Sharp overseas subsidiaries. In addition, in fiscal 2025, an external law firm conducted training on Japan’s revised Subcontract Act for all employees.

Governance: Compliance

Hotline for Compliance Issues

Hotline for Sharp Corporation and Its Affiliated Companies in Japan

In line with revisions to Japan's Whistleblower Protection Act in June 2022, Sharp Corporation and its affiliated companies in Japan have established the Crystal Hotline, a comprehensive whistleblowing and reporting channel for compliance-related concerns in the workplace, such as work-related violations of laws, and words and actions that are counter to the Sharp Group Charter of Corporate Behavior, the Sharp Code of Conduct, in-house rules, social norms, and ethics. We have also set up a competition law hotline, which serves as a contact point specifically for issues related to competition laws. These hotlines have been set up both inside the company and externally (via an outside law firm providing legal counsel). They are available via email, phone, and other means for employees and temporary staff, as well as business partners*, to make reports. The Crystal Hotline also accepts anonymous reports. We also have a consultation service dedicated to addressing workplace harassment (which includes sexual harassment, harassment related to pregnancy and childbirth, and abuse of authority).

* Only the Crystal Hotline is available for use by employees of business partners.

■ Handling of Hotline Reports

The hotlines and consultation service receive reports and conduct fact-finding investigations in line with strict operating rules. The investigation results and responses to the problem are conveyed to the person who submitted the report or requested a consultation. If the investigation reveals any violation of laws, regulations, or company rules, or any other compliance issues (actions counter to social norms or ethics), we will put into effect measures for remediation and recurrence prevention.

■ Number of Whistleblowing Reports in Fiscal 2025

In fiscal 2025, the Crystal Hotline received 61 reports and the harassment consultation service received two reports. For each of these, we investigated the facts, implemented improvements where necessary, and provided corrective guidance. Meanwhile, the competition law hotline received zero reports in fiscal 2025.

■ Measures to Protect Whistleblowers

The hotlines are operated in line with the clear stipulation of both the Sharp Code of Conduct and the rules governing hotline service operation that information identifying the individual contacting the hotlines and details of the individual's report will be strictly protected and that those persons will suffer no unfavorable treatment or penalties. Such rules are thoroughly communicated to all executives and employees through training and other means. Six months after the response to a report has been completed, we check whether the whistleblower who contacted the Crystal Hotline has suffered any disadvantage. We also check, after a certain period has passed following completion of the response, whether the corrective actions and recurrence prevention measures are working effectively. If any problems are found, we will verify the facts and implement further corrective action.

Hotlines at Overseas Affiliates

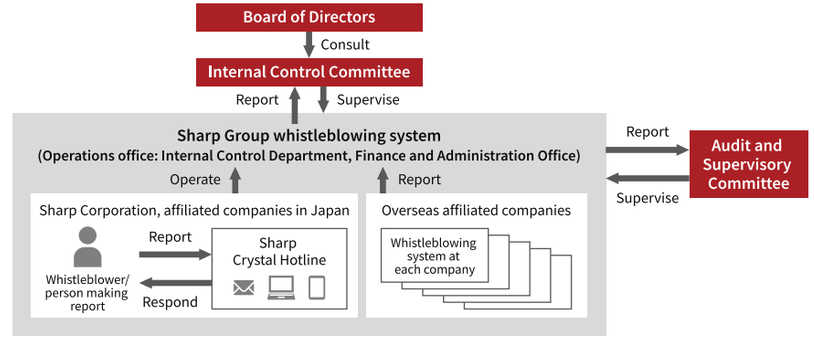
Hotlines have been set up at Sharp's major overseas bases, with consideration for the legal system and other matters in each country. Action is taken to swiftly address any problems. In fiscal 2025, there were 56 reports.

In-House Information on the Whistleblowing System

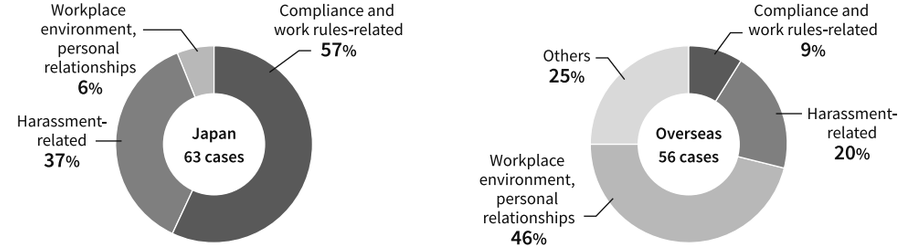
The number of cases in and outside Japan and their summaries are reported regularly to the Internal Control Committee, which is chaired by the president & CEO, and to the Board of Directors and the Audit and Supervisory Committee. These reports help provide an overall picture of company-wide governance.

The Sharp intranet has an overview of the Crystal Hotline as well as information such as its organization chart, how responses are handled, and the number of reports it receives. We publish summaries of reports while taking care to protect confidential information by, for example, omitting any details that could lead to the identification of specific cases.

Sharp Group Whistleblowing System Organization Chart



Breakdown of Whistleblowing Cases in Japan and Overseas in Fiscal 2025



Governance: Compliance

Compliance with Competition Laws

In order to comply with Japan's Act on Prohibition of Private Monopolization and Maintenance of Fair Trade, as well as with equivalent overseas laws and treaties enacted to protect the interests of consumers by maintaining and promoting free and fair markets (hereinafter, "competition laws"), we have put in place rules across the entire Sharp Group on observing competition laws. We have also created an Antimonopoly Act Compliance Manual (Action Guidelines). These guidelines stipulate basic compliance matters that employees must adhere to in their duties with regard to cartels.

To raise awareness amongst employees, we have prepared and revised a guidebook summarizing the key points of competition laws for each field of business, and we carry out periodic internal training via e-learning. We also raise awareness internally of case studies relating to competition laws from within Japan and internationally as well as information on major revisions to the laws.

When considering raising product prices in response to rising costs, we take steps to ensure strict compliance with competition laws, such as sending out internal notices, to prevent violations like taking part in cartels. We prevent competition law-related risks in transactions from occurring by reviewing all contracts and consulting with our legal department when approving new contracts.

To more effectively prevent competition law risks, such as cartel activities and bid-rigging, the legal and other relevant departments monitor the status of compliance by confirming the dealings and interactions of high-risk business departments with competitors and requiring high-risk business departments to report on their compliance status. Such efforts maintain the effectiveness of Sharp's compliance program.

Governance: Compliance

Preventing Corruption in All Forms and Dealing Properly with Donations

General Policy

The Sharp Group Charter of Corporate Behavior and the Sharp Code of Conduct contain provisions that strictly prohibit any form of corrupt behavior, such as extortion or direct or indirect bribes of money, goods, or services. The Group Charter and Code of Conduct also stipulate that donations must be handled in a proper manner.

The Sharp Group Compliance Guidebook follows the Sharp Group Charter of Corporate Behavior and the Sharp Code of Conduct in stipulating policies, for example, on providing gifts and entertainment to public officials, and on prohibiting bribery.

We also have the Rules for Prohibition of Bribery (hereinafter "the Rules"), which detail the actions that both executives and employees should and should not take in order to prevent corruption such as bribes, and which describe Sharp's system for preventing bribery (see below). Under the Rules, we are continuously working to clarify and strengthen an internal checking system and prevent any act of bribery. In order to make material amendments to or abolish the Rules, in principle, a proposal must be submitted to the Executive Management Meeting, which is chaired by the CEO and comprised of executive officers.

Systems and Rules for Preventing Bribery and Other Forms of Corruption

We have established a clear and effective system for preventing acts of bribery, including the offering of entertainment, gifts or invitations to government officials and others, the providing of entertainment or gifts to executives and staff in private businesses, the use of agents, consultants and other third parties (hereinafter "third-party intermediaries, such as agents"), or the leveraging of memberships in organizations. This system includes an internal approval process that uses a checklist covering material points that must be confirmed in advance by the relevant departments. In addition, we have established prohibitions and determination criteria for each of the following.

1.Offering entertainment, gifts, or invitations to government officials and others

The Rules specify the maximum amounts, and prohibited matters, for offering entertainment, gifts, or invitations to public officials. The Rules define "facilitation payments" as "small payments made for the sole purpose of facilitating the smooth execution of routine administrative procedures by public officials." The Rules clearly state that these payments are considered a form of bribery and are prohibited in principle.

2.Using third-party intermediaries, such as agents

The Rules stipulate that the use of third-party intermediaries, such as agents, is permitted only when there is a reasonable basis from which to confirm that remuneration and other payments to these third parties are not likely to constitute bribery. In addition, in our contracts with third-party intermediaries, such as agents, they are required to comply with our prohibition of bribery as well as the anti-corruption laws of each country, and we carefully monitor these third parties to ensure that they do not engage in any acts of bribery.

Working with Business Partners

We only deal with business partners who agree to abide by our Basic Purchasing Principles, which were created to prevent acts and omissions like bribes and unfair actions. We also ensure that our business partners abide by the Sharp Supply-Chain CSR Deployment Guidebook, aimed at preventing inappropriate profits.

Working with Overseas Affiliates

Sharp's overseas affiliates also follow the Sharp Group Compliance Guidebook and the Sharp Code of Conduct, which stipulate rules that employees must abide by, such as avoiding bribery and other corrupt actions.

In order to ascertain the risk of bribery and corruption among overseas affiliates and institute a more effective checking system, we have investigated and analyzed risks of potentially corruptive actions at overseas affiliates. Based on the results, we have proceeded to update our overseas affiliates' internal rules of anti-bribery and introduce to overseas affiliates the bribery risk management processes utilized at Sharp in Japan, depending on the level and type of risk at each overseas affiliate.

Governance: Compliance

Preventing Corruption in All Forms and Dealing Properly with Donations

Raising Awareness within the Sharp Group

To raise awareness among Sharp Group employees in Japan and overseas, we have created and published an in-house guidebook and training materials, which give information on anti-corruption and anti-bribery laws and describe real world examples. We also conduct annual in-house training related to preventing bribery and other corrupt actions. Sharp's intranet for affiliates in Japan and its global intranet for overseas affiliates periodically feature articles on bribery and corruption in Japanese, English, and Chinese. These articles present bribery-and corruption-related cases and analyze and explain related issues. The aim is to deepen understanding and raise awareness of bribery among employees of affiliates in Japan and overseas.

As a result of these efforts, there were no violations of any bribery-related rules in fiscal 2025.

Dealing Properly with Donations

In Japan, we prevent illegal payoffs and improper expenditures through a system of reviews that check legality, reasonableness, and transparency. In place since December 2008, this system serves to assess the propriety of monetary disbursements such as donations and contributions made by Sharp Corporation and its affiliated companies. In fiscal 2025, eight cases of contributions were reviewed.

Working with Business Partners

We only deal with business partners who agree to abide by our Basic Purchasing Principles, which were created to prevent acts and omissions like bribes and unfair actions. We also ensure that our business partners abide by the Sharp Supply-Chain CSR Deployment Guidebook, aimed at preventing inappropriate profits.

The Sharp Code of Conduct states, "Regarding political donations, we will observe all applicable laws and regulations and we will ensure transparency and proceed in strict conformance with internal company rules when making such donations in line with the company policy to build a healthy and responsible relationship with politics and government." Based on this policy, any political donations abide by relevant laws and follow the necessary internal procedures.

Exclusion of Antisocial Forces

Basic Policy

As a matter of basic policy, we prevent or exclude any association with antisocial forces without exception, and deal with them in a resolute manner. We have established specific guidelines in the Sharp Group Charter of Corporate Behavior under the section entitled "Practice of Fair and Open Management," as well as clearly stipulated in the Sharp Code of Conduct that we shall seek to exclude antisocial forces by being "cooperative in the maintenance of social order, and will not engage in antisocial activity."

Activities Aimed at Excluding Antisocial Forces

Sharp Corporation has established Rules for Excluding Antisocial Forces, which serve as the basis for efforts to prevent transactions with antisocial forces. We also have a manual for dealing with such forces, which is updated and improved as needed.

We maintain a system of prompt cooperation with the police, legal advisors, and other external experts, from whom we regularly obtain information, which is then shared within the Sharp Group. We also ensure that this information is properly managed. We also work to raise employee awareness by conducting once-a-year compliance training, which includes how to deal with antisocial forces.

In addition, Sharp Corporation and its affiliated companies in Japan take other steps to exclude antisocial forces, such as including a stipulation of antisocial forces exclusion in all basic agreements for ongoing transactions and concluding memorandums containing the equivalent stipulation with existing suppliers.

Governance: Compliance

Management of Personal Information

Companywide Policy

The Sharp Group Charter of Corporate Behavior and the Sharp Code of Conduct clearly state the principles and standards of conduct to be followed to ensure strict management of the personal information of customers, business partners, employees, and others held by the Sharp Group.
With regard to the handling of the personal information of customers and business partners held by the Sharp Group, we have announced privacy policies and a privacy notice for business partners. For each of our services that handle customer personal information, we have formulated and announced privacy policies.

Related information: > Sharp Code of Conduct
Sharp Group Charter of Corporate Behavior
Privacy policies
Privacy notice for business partners

Personal Information Protection System and Regulations

We have appointed a chief information officer (CIO) and chief privacy officer (CPO). The CIO, who is responsible for overall information management across the company, oversees the information management department, responding to any issues that arise regarding information management across the company and promoting information management. In addition, the CIO appoints information managers in each business unit and affiliated company to implement measures related to information management.
Meanwhile, the CPO, who is responsible for personal information protection across the company, oversees the Personal Information Protection Team to promote measures related to personal information protection. In addition, the CPO appoints managers in each business unit and affiliated company to implement measures related to personal information protection.
As part of our efforts to protect personal information, we have established internal rules regarding personal information protection, as well as prepared a guidebook explaining these rules, and are working to ensure that these are thoroughly disseminated throughout the Group. Our internal rules and guidebooks are updated as necessary when relevant laws and regulations are enacted or amended.
To ensure the effectiveness of our efforts to protect personal information, processes that require approval from the department specialized in personal information protection (for customer personal information this is the Corporate Legal Group, for employee personal information this is the HR and administration department) are incorporated into our internal approval system regarding the handling of personal information. This contributes to consistently appropriate management of personal information obtainment, sub-processing, and provision to third parties by relevant departments. Also, following approval, the handling status—e.g., obtainment, storage, management, usage, deletion—of each customer's personal information is to be recorded in our own management database and updated as needed so that it can be checked and reviewed by the Corporate Legal Group on an ongoing basis.
In addition, the Personal Information Protection Team takes the lead in using the management system to conduct audits of all departments that acquire customer personal information to check whether the information is handled in accordance with the contents of our management database. For specific departments that require stricter management, on-site audits are also conducted to ensure thorough management. As well, a case of unauthorized access spurred us to revamp our in-house security standards and step up security measures in our efforts to protect customers' personal information.
At Sharp, we are building a data infrastructure that enables the integrated use of personal information acquired through each service, with the aim of providing our customers with solutions optimized for their needs. In this endeavor, we will comply with relevant laws and guidelines, including the Act on the Protection of Personal Information, and ensure that appropriate notification is given to and consent is obtained from our customers. Furthermore, we have implemented organizational and technical security measures to ensure proper management of personal information. We will strive to enhance and ensure the reliability of our information management system through continuous review and improvement.

Working with Business Partners

When personal information held by the Sharp Group is provided to a business partner, we require that the business partner handle the personal information appropriately and strive to ensure strict management of such information in accordance with the circumstances of the specific transaction being undertaken. This is done through the stipulation of various matters in the agreement concluded with the business partner, such as prohibitions on taking actions that would identify individuals or on using the information for purposes other than those intended and stipulation of the terms of data use.

Working with Overseas Affiliates

Data protection has become an increasingly important issue around the world. We have been sharing information with our overseas subsidiaries as part of periodic group-wide fact-finding surveys and risk analysis on the various areas related to the acquisition and processing of personal information in the EU and other overseas regions. Based on findings, we have been taking measures that include providing appropriate advance notice of personal data to be handled, concluding agreements that set forth necessary conditions, and putting in place internal rules required for proper handling of personal data. We are also raising awareness among employees by periodically issuing information about the enactment of—and amendments to—laws and regulations on global protection of personal information. Along with that, we share examples of financial penalties for breaches of these laws and regulations. This information is posted on the company intranet for all employees to see.

Governance: Compliance

Management of Personal Information

Raising Awareness within the Sharp Group

To ensure that personal information is appropriately managed and to prevent incidents of data leakage, we provide regular compliance training (including e-learning). In addition, individual training sessions are held for employees who handle personal information as part of their job duties.

Governance: Compliance

Appropriate Advertising and Promotion, Representation-Related Law Compliance

Under our business creed of "Sincerity and Creativity," we strive to reliably fulfill our corporate social responsibilities to customers and all stakeholders in the provision of correct information useful for selecting products and services. To this end, we prioritize appropriate advertising and promotion activities. We also comply with product and service representation-related laws, such as the Act against Unjustifiable Premiums and Misleading Representations, Pharmaceutical and Medical Device Act[*1], and Fair Competition Code. We position compliance with these laws as a control item within our Rules of Business Risk Management[*2], and implement various measures to promote compliance.

Systems and Rules for Preventing Legal Violations

With regard to product and service representation within Japan, we operate in accordance with the internal rules listed below, which set out the basic principles for representation and a system for ensuring appropriate representations.

1. A dedicated supervisor is appointed to work with departments involved in the production of representations and to perform a final check prior to the publication of brochures and mass advertising
2. A senior committee is established to make decisions on potentially problematic representations (Representation Review Committee, Sharp Fair Representation Council)
3. Operations are carried out in line with the Fair Competition Code[*3], formulated by the Home Electric Appliances Fair Trade Conference, with regard to product representations and premiums.
4. Public external organizations[*4] are consulted for objective guidance and advice

We've developed an AI prototype that enables employees throughout the company to conduct basic reviews of representations. Following trials in relevant departments, we plan to put it into practical use during fiscal 2026. Also, overseas, we follow local laws along with the Fair Expression Guidelines, which have been developed based on the same principles applied in Japan, in order to facilitate appropriate decision-making.

Awareness Activities Boost Knowledge for Relevant Personnel

Awareness activities are held for employees in departments involved in the production of representations.

1. Training on the Premiums and Representations Act, Pharmaceutical and Medical Device Act, and Fair Competition Code
2. Encouraging employees to participate in seminars organized by the Home Electric Appliances Fair Trade Conference
3. Participation in outside seminars led by public institutions, and company-wide sharing of the latest trends and information obtained through these seminars
4. Provision of information through the Premiums and Representations Portal Site on the intranet
   - Laws, public standards, in-house rules, revisions to laws and regulations, etc.

Representation Review Framework

In fiscal 2025, there were no violations of the Premiums and Representations Act or the Pharmaceutical and Medical Device Act by the Sharp Group. We will continue to work to ensure there are zero violations in fiscal 2026.

Adapting to Stricter Laws and Regulations

In response to the stealth marketing regulations that came into effect in Japan in October 2023, we have issued a company-wide caution notice and provided individual guidance to departments responsible for sales promotions, public relations, and other related activities.
Also, as a member of a project team established by the Home Electric Appliances Fair Trade Conference to review the Fair Competition Code, we are actively taking part in formulating responses to stealth marketing regulations for the electronics industry.

*1 Act on Securing Quality, Efficacy, and Safety of Products Including Pharmaceuticals and Medical Devices.
*2 See page 142.
*3 Voluntary industry standards formulated by the Home Electric Appliances Fair Trade. Conference and recognized by the Consumer Affairs Agency and Japan Fair Trade Commission.
*4 Home Electric Appliances Fair Trade Conference, Japan Advertising Review Organization (JARO), others.

Governance: Compliance

Tax Management Initiatives

Tax Policy

We demonstrate sincerity and creativity in our pursuit of sound business activities, in the process fulfilling our responsibilities as a member of society. A basic policy of the Sharp Group Charter of Corporate Behavior and Sharp Code of Conduct is the "Practice of fair and open management" in all corporate activities and operations, conforming to the laws and regulations of each country and region, international rules and company rules, as well as social norms and corporate ethics. Based on this basic policy, we work to maintain and improve compliance with tax laws and other tax-related regulations through proper payment of taxes and employee education.

Tax Governance System

The general manager of the Finance and Administration Office oversees tax obligations for the Sharp Group as a whole. In line with Sharp's global tax policy, group companies have a responsibility to understand and comply with the relevant tax laws and regulations that apply to their operations. The Accounting Department in the Finance and Administration Office supports group companies and handles overall tax-related duties for the Sharp Group to reduce tax-related risk.

When faced with a tax-related issue, we work together with relevant affiliated companies in Japan and overseas and, when necessary, seek advice from tax professionals in order to address the issue. When the issue is deemed to be one of significant importance, it is reported to top management who then decide on a course of action.

Proper Payment of Taxes

Legal and regulatory compliance is our top priority, endeavoring to fulfill all fair and appropriate tax obligations. When filing tax returns, we do not seek to evade the legislative intent of the tax system nor engage in tax avoidance in violation of international tax rules. We endeavor to appropriately meet tax obligations while making use of preferential tax measures available to us as part of normal business operations.

In fiscal 2025, we recorded 15.3 billion yen* (Japan: 59%, overseas: 41%) * in corporate income tax.

* Based on Country-by-Country Report submitted to the tax authority.

Compliance with Transfer Pricing Rules

Regarding transactions with parties related to the Sharp Group, appropriate pricing is established based on the arm's-length principle, in line with OECD (Organisation for Economic Co-operation and Development) transfer pricing guidelines and in accordance with each company's functions and risks. We also draw up transfer pricing documentation based on the laws and regulations of each country. Also, for important transactions, we take steps, such as actively working with tax authorities to make use of APAs (Advance Pricing Arrangements), to reduce tax-related uncertainty, and to prevent double taxation.

Relationship with Tax Authorities

In order to maintain good relations with tax authorities, we endeavor to be diligent and responsive to the requests of tax authorities in each country, such as by providing them with information in an appropriate and timely manner. Whenever tax authorities raise questions about Sharp's filing and payment of taxes, we examine the validity of their claims and, if we have an objection, may opt to formally file a petition against the tax authority with regard to the matter. However, if any corrective action is required, such action will be promptly implemented.

Example

Specialized In-House Training for New Employees in Accounting

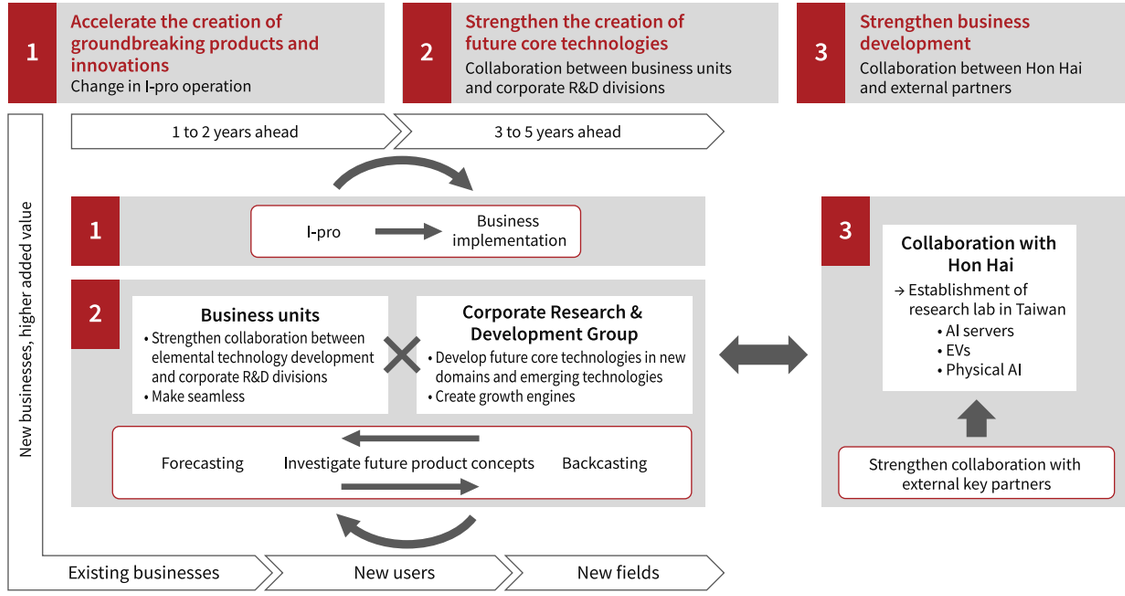
Every August, the Accounting Department in the Finance and Administration Office holds a three-day training program for new employees assigned to accounting-related roles, with the aim of ensuring they understand proper accounting procedures and tax systems.

In addition to gaining accurate knowledge of taxation, including corporate and consumption taxes, participants learn about accounting-related topics such as consolidated financial reporting and business administration, as well as practical accounting work at Sharp.

Governance: Innovation Management

R&D Efforts Focused on Innovation

Efforts Focused on Creating New Businesses



At Sharp, corporate R&D divisions are accelerating the deepening of core technologies and the exploration of future technologies to foster innovation across a wide range of fields, aiming for renewed growth and future advancements. With the idea of putting ESG-focused management into practice, we are accurately identifying social challenges such as an aging society and labor shortages, as well as future market needs, and working to create technologies that will lead to their solutions.

Furthermore, we are pursuing technology and business strategies in an integrated manner and have built a system that seamlessly connects the discovery of technological seeds with commercialization through co-creation with partner companies, universities, and startups. This is accelerating the creation of growth engines and new businesses centered on distinctive technologies, as well as the development of uniquely Sharp products and services.

At the core of this initiative is I-Pro*, a company-wide project. In I-Pro, the R&D divisions and business divisions work together to consistently pursue everything from nurturing technological seeds to demonstration, verification, commercialization considerations, and product and service development. In addition, we are strengthening the operational foundation through continuous review of systems and evaluation processes, and evolving the system to connect research and development results with commercialization more quickly and reliably.

As a result, the technologies and ideas generated from I-Pro have been deployed in multiple initiatives, including those related to generative AI, and have already been incorporated into several products and services, as well as developed into new businesses. Furthermore, the cross-divisional collaboration and commercialization know-how cultivated through I-Pro have spread to further cooperation between the R&D and business divisions, accelerating the creation of new businesses that will serve as future growth engines and the development of products and services that offer value unique to Sharp.

Moving forward, we will continue to take a comprehensive approach, from creating core technologies to co-creating value and commercializing products, all starting from understanding social issues and market needs, thereby contributing to the realization of a sustainable society and the enhancement of corporate value.

* I-Pro (Innovation Accelerate Project) is a company-wide project to accelerate business growth.

Governance: Innovation Management

Intellectual Property Protection

Intellectual Property Strategy and Management System

We regard our intellectual property strategy as one of our critically important management strategies, and we are promoting it together with our business and R&D strategies. By aggressively obtaining intellectual property rights, we are boosting the competitiveness of our businesses and strengthening our business foundation.

Sharp IP Infinity Co., Ltd. (SIPI), a spin-off of Sharp's intellectual property division, is a team of specialists well versed in Sharp products, technologies, and businesses. SIPI offers a high level of specialized service while driving improvements in the quality and efficiency of intellectual property operations. In doing so, it is deepening Sharp's intellectual property management and generating strong intellectual property rights and diverse economic value from Sharp's state-of-the-art technologies.

Regarding patent applications, we define core technology areas with respect to each business and strategically file patent applications that are tightly coupled with business development. We are also seeking to protect useful patents invented in cooperation with other companies or derived from the activities of alliances, such as industry-university cooperation. In addition, we are filing applications and registering rights for designs and trademarks globally under our brand strategy.

Protecting Intellectual Property

We maximize the use of our intellectual property by linking it to our business and R&D strategies. We are also firmly committed to protecting our own intellectual property rights, while also respecting the intellectual property rights of others. While we take an amicable approach to resolving issues of infringement, it is our policy to seek the judgment of a third party, such as the courts, when our intellectual property rights are not respected.

We are also working to bolster protection for trade secrets and to prevent unauthorized disclosure of production technologies and manufacturing know-how, particularly those that are unique or critically important to Sharp. Further, counterfeit Sharp-brand products have had a growing impact in overseas markets in recent years, and we are taking measures to counter these imitations through cooperation with industry groups and with regulatory authorities taking enforcement actions.

Governance: Information Security

Information Security

Fiscal 2025 Objectives	Fiscal 2025 Achievements	Self-Evaluation	Priority Objectives for Fiscal 2026
■Pass the recertification and transition screening for ISO/IEC 27001 ■Continue training and education on targeted email attacks (in Japan and overseas) ■Review information security-related rules ■Improve and maintain security using vulnerability assessment tools	■Maintained ISO/IEC 27001 certification (renewed August 4, 2025) ■Conducted training and education on targeted email attacks (for all employees in Japan and at 26 overseas sites) ■Reviewed information security-related rules (24 related rules reviewed and implemented) ■Improved and maintained security using vulnerability assessment tools (124 assessments conducted)	★★	■Maintain ISO/IEC 27001 certification through surveillance audits ■Implement initiatives to comply with METI's Supply Chain Security Assessment Scheme ■Continue training and education on targeted email attacks (in Japan and overseas) ■Review information security-related rules and implement company-wide training

Self-evaluation: ★★★ Achieved more than targeted / ★★ Achieved as targeted / ★ Achieved to some extent

We are working to ensure information security by setting forth a Global Basic Policy on Information Security for the safe and appropriate management and use of information and information systems.
As part of our efforts to enhance information security, we also acquired ISO/IEC 27001 certification and have established an appropriate information security management system. In addition, some of our domestic sales companies and overseas sites (in the UK, Sweden, and others) have also acquired and maintain ISO/IEC 27001 certification.

Summary of ISO/IEC 27001 Certification Activities

Organization	Sharp Corporation	
Scope of Certification	● The administration and operation of an affiliated web site ● The implementation of in-company information management	● The development and operation of cloud solution services (SaaS)
Certification Number	IS 635826	JQA-IM1680
Certification Body	BSI Group Japan K.K.	Management System Division, Japan Quality Assurance Organization
Initial Certification Date	June 30, 2015	February 7, 2020

Related information: > Global Basic Policy on Information Security

Information Security Measures

At Sharp, we consider ensuring information security to be one of our most important management priorities. The risks surrounding information security are diversifying, including not only software vulnerabilities and unauthorized access but digital transformation-associated operational risks, human factor-related risks, and more. To address these challenges, we are working to promote risk-based security measures under a company-wide governance framework.
To address software vulnerabilities and unauthorized access, we regularly conduct vulnerability assessments and implement other security measures for our publicly accessible websites. Furthermore, we conduct information security risk assessments for these websites, identifying risks and implementing countermeasures based on the assessment results to ensure the effectiveness of our measures.
To address operational risks, we are continuously reviewing our information security-related rules and, as part of our efforts to strengthen cybersecurity, implementing measures based on the zero-trust concept and introducing and utilizing various security tools.
To address risks caused by human factors, we are continuing to conduct training for employees that simulates targeted email attacks, as we did last year. Based on the training results, we provide follow-up support to employees who require additional guidance, helping them better understand the risks of cyberattacks and prevent recurrence, thereby reducing overall risk.
Going forward, we will continue to review these initiatives, promote the establishment of risk reduction behaviors throughout the organization through company-wide training, and work to further strengthen information security measures, and maintain and enhance a safe and reliable corporate foundation.

Governance: Export and Import Control

Security Export Control

With increasing uncertainty in the global security environment, and against a backdrop of proliferation of weapons of mass destruction, such as nuclear weapons and missiles, as well as of conventional weapons, the threat of international terrorism, and the expansion of sanctions imposed by various countries, the standards required for security-related export controls are becoming even stricter.

As technology advances and the line between civilian and military technologies blurs, the number of items of concern, for example dual-use items that potentially allow civilian technologies to be harnessed for military purposes, is growing.

In light of these environmental changes, we recognize the seriousness of legal violation risks, reputation risks, and supply chain risks as issues to be addressed. We have long engaged in security-related export controls, as evidenced by the fact that we were one of the first companies in Japan to incorporate provisions adopted by the Coordinating Committee for Multilateral Export Controls (so-called COCOM regulations) into our internal rules during the Cold War.

To accommodate this state of affairs, Sharp Corporation and affiliates in Japan have incorporated thorough compliance with security-related export controls as a model for behavior into the Sharp Code of Conduct. We have also formulated the Sharp Compliance Program on Export Control based on FEFTA (Foreign Exchange and Foreign Trade Act) to govern export controls.

The purpose of these controls is to (1) prevent the unauthorized export or provision of regulated goods and technologies; (2) recognize concerns regarding trading partners, end-users, and intended uses; (3) respond to laws and sanctions in various countries; and (4) preserve the basis and evidence for internal decisions made in accordance with rules, such as those governing reviews.

When exporting products overseas, we conduct an internal investigation to determine whether controls apply to goods and technologies; to confirm destinations, counterparties, and end-users; and to assess whether there are any concerns about applications and uses. We strive for legal compliance by reviewing internal rules in a timely manner whenever export control laws are revised. We also strictly comply with the Export Administration Regulations of the United States.

To maintain export control structures like these, we regularly offer various export control-related education programs, including with e-learning components, for all employees.

Through these efforts, we strive to identify risks early and prevent them. We are also working to improve our internal operations and will continue to implement appropriate export controls in the future.

Trade Control

The Customs Act and other laws of Japan require proper export and import controls (trade controls). In particular, there is a strong need for appropriate logistics control regarding the security of imported and exported goods, for example to stop the flow of supplies to domestic and international terrorist groups and to address the problem of illegal cross-border movements of goods like illegal drugs and products violating intellectual property rights, a major social issue.

We strive to ensure our import and export operations are conducted in an appropriate manner by maintaining licensing as an AEO (authorized economic operator) exporter* and importer* and by strictly observing laws and regulations across every import/export process, including management of security, distribution, and customs clearance procedures as well as payment of import consumption tax and duties.

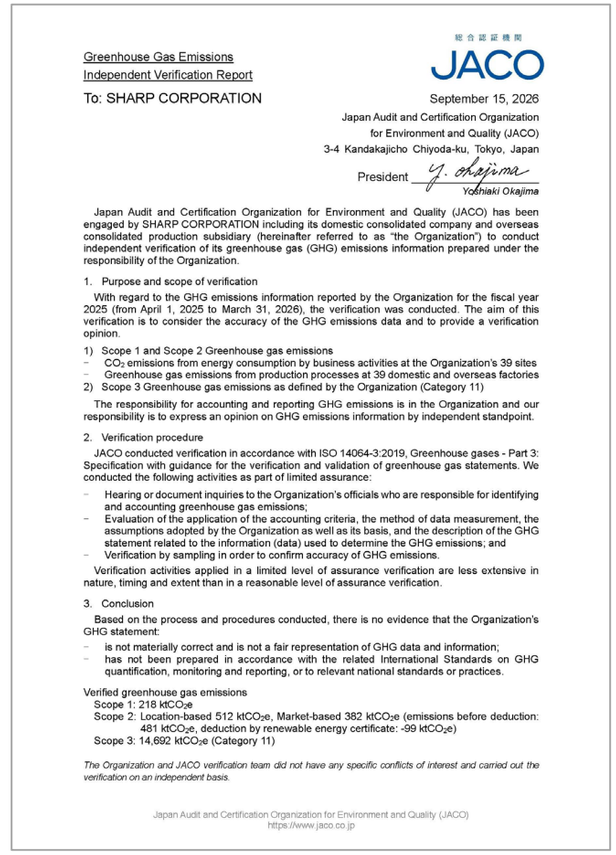
This approach not only ensures legal compliance and reduces risks through thorough and appropriate trade controls, but it also facilitates customs procedures, contributing to ensuring the safety of the global supply chain. When it comes to a diverse range of export/import items other than those described above—for example, international courier/mail or hand luggage carried by business trip travelers and visitors—we have put in place compliance structures to ensure appropriate trade controls and strengthened internal management, including reviewing and updating operational rules, making a database of export/import records, and conducting thorough training.

We will continue to conduct appropriate trade controls.

* An exporter or importer recognized by the Japan Customs as having put in place a system for security control of goods and compliance.

Third-Party Verification

Sharp has undergone independent third-party verification by JACO (Japan Audit and Certification Organization for Environment and Quality) to ensure the reliability of its data on greenhouse gas emissions and environmental and social initiatives.



Greenhouse Gas Emissions
Independent Verification Report

To: SHARP CORPORATION

September 15, 2026

Japan Audit and Certification Organization
for Environment and Quality (JACO)
3-4 Kandakajicho Chiyoda-ku, Tokyo, Japan

President Y. Okajima
Yoshiaki Okajima

Japan Audit and Certification Organization for Environment and Quality (JACO) has been engaged by SHARP CORPORATION including its domestic consolidated company and overseas consolidated production subsidiary (hereinafter referred to as "the Organization") to conduct independent verification of its greenhouse gas (GHG) emissions information prepared under the responsibility of the Organization.

1. Purpose and scope of verification

With regard to the GHG emissions information reported by the Organization for the fiscal year 2025 (from April 1, 2025 to March 31, 2026), the verification was conducted. The aim of this verification is to consider the accuracy of the GHG emissions data and to provide a verification opinion.

1) Scope 1 and Scope 2 Greenhouse gas emissions
- CO_2 emissions from energy consumption by business activities at the Organization's 39 sites
- Greenhouse gas emissions from production processes at 39 domestic and overseas factories

2) Scope 3 Greenhouse gas emissions as defined by the Organization (Category 11)

The responsibility for accounting and reporting GHG emissions is in the Organization and our responsibility is to express an opinion on GHG emissions information by independent standpoint.

2. Verification procedure

JACO conducted verification in accordance with ISO 14064-3:2019, Greenhouse gases - Part 3: Specification with guidance for the verification and validation of greenhouse gas statements. We conducted the following activities as part of limited assurance:

- Hearing or document inquiries to the Organization's officials who are responsible for identifying and accounting greenhouse gas emissions;
- Evaluation of the application of the accounting criteria, the method of data measurement, the assumptions adopted by the Organization as well as its basis, and the description of the GHG statement related to the information (data) used to determine the GHG emissions; and
- Verification by sampling in order to confirm accuracy of GHG emissions.

Verification activities applied in a limited level of assurance verification are less extensive in nature, timing and extent than in a reasonable level of assurance verification.

3. Conclusion

Based on the process and procedures conducted, there is no evidence that the Organization's GHG statement:

- is not materially correct and is not a fair representation of GHG data and information;
- has not been prepared in accordance with the related International Standards on GHG quantification, monitoring and reporting, or to relevant national standards or practices.

Verified greenhouse gas emissions
Scope 1: 218 $ktCO_2e$
Scope 2: Location-based 512 $ktCO_2e$, Market-based 382 $ktCO_2e$ (emissions before deduction: 481 $ktCO_2e$, deduction by renewable energy certificate: -99 $ktCO_2e$)
Scope 3: 14,692 $ktCO_2e$ (Category 11)

The Organization and JACO verification team did not have any specific conflicts of interest and carried out the verification on an independent basis.

Japan Audit and Certification Organization for Environment and Quality (JACO)
https://www.jaco.co.jp

Greenhouse gas emissions verification report

Environmental and Social Activities Performance Data
Independent Verification Report

To: SHARP CORPORATION

August 31, 2026

Japan Audit and Certification Organization
for Environment and Quality (JACO)
3-4 Kandakajicho Chiyoda-ku, Tokyo, Japan

President Y. Okajima
Yoshiaki Okajima

Japan Audit and Certification Organization for Environment and Quality (JACO) has been engaged by SHARP CORPORATION including its domestic consolidated companies and overseas consolidated production subsidiaries (hereinafter referred to as "the Organization") to conduct independent verification of its environmental and social activities information under the responsibility of the Organization. The aim of this verification is to consider the accuracy of reported information and to provide a verification opinion.

Verification was conducted as limited assurance according to the procedure agreed with the Organization based on JACO verification standards in accordance with International Standard on Assurance Engagements (ISAE) 3000. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Summary of verification

With regard to the following Environmental Performance Data for the fiscal year 2025 (April 1, 2025 to March 31, 2026), verification was conducted.

Verification scope	Sampling sites
The following Environmental Performance Data of business activities in the Organization's 39 sites (19 sites overseas consolidated production subsidiaries): – Energy usage (Electricity, City gas, LPG, LNG, Fuel oils, Renewable energy, Hot water·cold water·steam); – Water withdrawal	Sites visited: 2 sites Verification was conducted based on confirmation of related documents formulated, interviews with or inquiries to the responsible persons and persons in charge, confirmation of the method of obtaining data, and comparison between the reported data and its supporting documented information (evidence). Data sampling sites: 7 sites Verification was conducted based on comparison between the reported data and its supporting documented information (evidence).

With regard to the following Social Activities Performance Data, verification was conducted.

Verification scope	Calculation period/ Calculation date	Scope
Percentage of Disabled Employees	June 1, 2026	SHARP CORPORATION, a Sharp special subsidiary and group companies
Percentage of Female Managers	March 31, 2026	SHARP CORPORATION
Average Age	March 31, 2026	SHARP CORPORATION
Average Years of Service	March 31, 2026	SHARP CORPORATION
Number of Leave for Purposes Related to Childcare	April 1, 2025 – March 31, 2026	SHARP CORPORATION
Number of Nursing Care Leave	April 1, 2025 – March 31, 2026	SHARP CORPORATION
Industrial Accident Rates (Frequency Rate of Lost-Worktime Industrial Accidents)	April 1, 2025 – March 31, 2026	SHARP CORPORATION and its domestic consolidated companies

1 / 2

Japan Audit and Certification Organization for Environment and Quality (JACO)
https://www.jaco.co.jp

Environmental and social activities performance data independent verification report

Related information: > Independent Verification Report

SHARP

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