Sustainability

See the following for more information on sustainability.
https://global.sharp/corporate/eco/management/#anc01

Basic Approach to Sustainability

Since our inception, Sharp has pursued our founding spirit, with a business philosophy of contributing to the culture, benefits, and welfare of people throughout the world and of expecting mutual prosperity with all who cooperate with Sharp. Our basic approach to Sustainability is to answer the expectations of society and our stakeholders, aiming for the sustainable development of both Sharp and society.

To embody this business philosophy and business creed[*1], we established the Sharp Group Charter of Corporate Behavior as a code of conduct for group companies and the Sharp Code of Conduct[*2] for all directors, executives, and employees. These are the group's basic policy for Sustainability and we are working to ensure its rigorous understanding.

*1 See below for more about our business philosophy and business creed.
https://global.sharp/corporate/info/philosophy/
*2 See below for more about Sharp Group Charter of Corporate Behavior and Sharp Code of Conduct.
https://global.sharp/corporate/info/charter/

Sustainability Policies and Promotion Structure

In August 2016, Sharp identified initiatives we believe to be particularly important in reducing our impact on society and the environment. We defined these initiatives as our Social and Environmental Responsibility (SER), establishing an SER policy.

SER Policy

(1) Value the rights of employees and ensure their health and safety.
(2) Fulfill environmental responsibilities in business activities and manufacturing processes.
(3) Build and operate an SER management system based on international standards, regulations, and client requests.

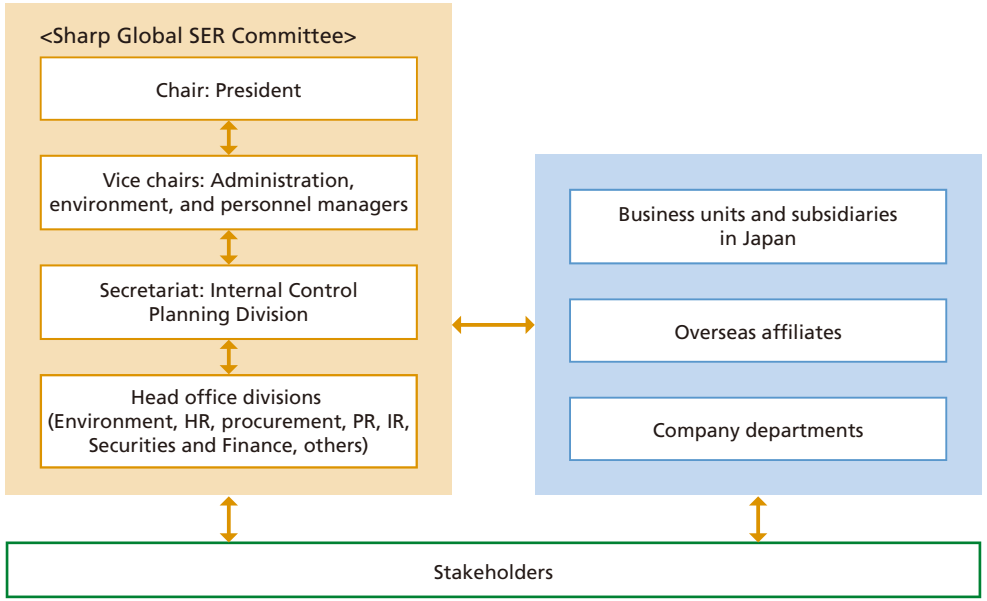
In addition, as of fiscal 2018, our medium and long-term visions have taken up the purpose of contributing to the achievement of the SDGs (Sustainable Development Goals), adopted by the United Nations in September 2015. These visions have adopted the dual concepts of solving social issues through innovation in business and technology and reducing the impact of our business activities on society and the environment through promoting measures according to SER Policy.

Looking forward, while enhancing our efforts in ESG—Environment, Society, and Governance—and improving our ESG rating, we will build a strong business infrastructure capable of supporting sustainable growth, and contribute to bringing about a sustainable society.

To reduce these policies to actionable measures managed via the PDCA cycle, Sharp launched the Sharp Global SER Committee. The committee consists of senior executives, headquarters functional divisions (e.g. environment/HR/procurement), business units and subsidiaries. This committee deliberates and pursues SER measures, implements policies and vision, and conducts activities that include communicating the latest trends related to social issues.

Organization for Sustainability Management

(As of March 2022)



Materialities

There are successive announcements of international long-term goals aimed at resolving global social issues, and we are seeing increased expectations for corporate initiatives such as increased interest in human rights issues such as forced labor in global supply chains. Against this backdrop, we are aiming to contribute to goals that solve global social issues, identify materialities in the Sharp Group from a medium- to long-term perspective, and strive to promote sustainability management.

In identifying material issues, we map important issues from the two-axis perspective of importance to society (stakeholder expectations) and importance to the Sharp Group. Accordingly, we have identified business priorities that emphasize ESG. We also contribute to the achievement of the SDGs by setting targets in our business units and subsidiaries in areas we identify from the perspectives of (1) solving social issues through innovation and (2) reducing the social and environmental impact of our business activities, which are the basic strategies of Sharp sustainability management.

Further, to solve social issues through innovation, we have as of fiscal 2019 established a medium- and long-term vision for contributing to the SDGs through each business unit and subsidiary, reporting and confirming[*1] our progress here.

Each fiscal year, we formulate company-wide SER priority policy guidelines in the interest of reducing the impact of our business activities on society and the environment. Each business unit and subsidiary selects those issues important to them from these guidelines, engaging in and self-evaluating their progress in SER measures (goals, KPIs, scope, action plan, etc.)[*2] on a semi-annual basis.

The Sharp Global SER Committee conducts ongoing follow-ups of how the SER measures in each business unit and subsidiary (using self-evaluations), sharing the status of promotion company-wide and conducting comprehensive reviews. All business units and subsidiaries generally made progress as planned with their SER measures for fiscal 2021, but we are also confirming measures for improvement for those remaining themes that need to be addressed.

Besides confirming the status of initiatives at company-wide meetings, we have also established annual targets[*3] for strengthening basic governance as the foundation of all corporate activities for each major field of emphasis at each supervising department.

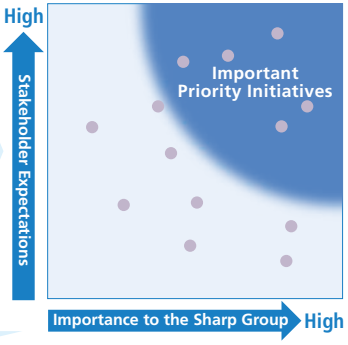
*1 See the following for more about the progress of our contribution in achieving the SDGs through our business.
https://global.sharp/corporate/eco/sdgs/
*2 See the following for more about the SER measures.
https://global.sharp/corporate/eco/management/
*3 Targets and results are detailed on the pages concerning Governance on the sustainability site shown below.
https://global.sharp/corporate/eco/governance/
*4 Responsible Business Alliance. Founded in 2004 by a group of leading electronics companies including Hewlett-Packard, IBM, and Dell, the RBA, formerly the Electronic Industry Citizenship Coalition (EICC), has a code of conduct covering the social, environmental, and ethical responsibilities in the global supply chain of its members in the electronics and a wide range of other industries.
*5 Please refer to P.11, Environmental Initiatives.

Management Policy and Business Strategy
・Business Philosophy and Business Creed ・Be Original. ・Business vision
・Medium-term management plan, etc.

International Guidelines and Principles
・United Nations Global Compact (signed in June 2009)
・RBA[*4] Vision & Mission (joined in December 2021) ・SDGs ・ISO26000
・United Nations Universal Declaration of Human Rights
・United Nations Guidance principles on Business and Human Rights
・OECD Guidelines for Multinational Enterprises, Codes of Conduct for Responsible Business
・Other industry codes of conduct, etc.

Stakeholder Expectations
・Feedback and opinions from stakeholders through dialogue
・Assessing the impact of business activities on stakeholders
・Survey results from various ESG institutions, etc.

Identify Material Issues



Management Emphasizing on ESG

(1) Further strengthen healthcare-related business(digital healthcare)
Measure health data without conscious effort and provide solutions optimized for each individual, helping people to live healthier lives naturally

(2) Contribute to carbon neutrality
・Aim to reduce GHG emissions 60% by the year 2035 (compared to fiscal 2021 levels) toward achieving zero GHG emissions by the year 2050
・Accelerate the transformation of the Energy Solutions business and contribute to the expansion of renewable energy

(3) HITO-based management
Design and reform systems from the perspectives of H (Hybrid), I (Innovation), T (Talent), and O (Opportunity) for sustainable growth, aiming to foster a young, vibrant corporate culture

(4) Becoming a true global company
Seek to become a truly global company in the areas of human resources, organization, functions, products, and services

Solving Social Issues through Business and Technological Innovation

Reduce Our Impact of Our Business Activities on Society and the Environment

Human rights and labor
・Employee health and safety ・Respect for human rights

Environment
Initiatives for *SHARP Eco Vision 2050*, our long-term environmental vision[*5]
・Climate change (achieving carbon-free society)
・Resource recycling (achieving a circular economy)
・Safety and security (careful and detailed management of chemical substances)

Supply chain management
・ESG risk management throughout the supply chain
・Responsible mineral procurement

Strengthen Basic Governance

Corporate governance, risk management, compliance, information security, etc.