

Corporate Social Responsibility (CSR)

CSR Concept

"Make products that others want to imitate." This message of Sharp's founder Tokuji Hayakawa encapsulates management's stance of aiming to become a trusted company by contributing to society as a manufacturer that is among the first to grasp the needs of the next era.

In 1973, Sharp codified the unchanging spirit of its founder in the Company's business philosophy and business creed. The business philosophy, which states Sharp's vision, includes statements such as "Contribute to the culture, benefits and welfare of people throughout the world." This forms the foundation of CSR at Sharp today, aimed at achieving co-existence and mutual prosperity with society and stakeholders. The business creed calls for "Sincerity and Creativity," and all employees must adhere to and follow it in order to fully realize this business philosophy.

Sharp has striven to realize its business philosophy and contribute to the establishment of a sustainable society through its business activities. Today, we are returning to these original commitments as we strive for recovery and growth. To ensure that we fulfill our social responsibilities and remain a company trusted by society, we conduct ourselves with sincerity while adopting a rigorous customer-focused perspective. At the same time with this in mind, Sharp will harness the creativity that has flowed through its corporate DNA to create new value through the development of innovative products.

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

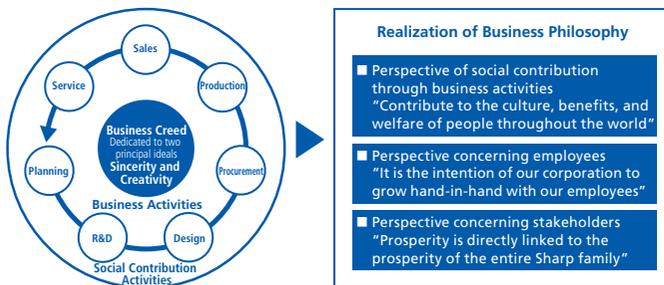
Sharp Corporation is dedicated to two principal ideals:

"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.

Achieve the Tenets of the Business Philosophy by Promoting "Sincerity and Creativity" in All Business Practices



- The business creed is the central axis of all business activities.
- "Sincerity" means a working attitude mindful of what will offer genuinely useful solutions and happiness to everyone.
- "Creativity" means a working attitude not content with the way things are. An attitude that always seeks to add value, and to make efforts to innovate and improve.

United Nations Global Compact

Sharp has been a participant in the United Nations Global Compact since June 2009. The Global Compact contains 10 principles in the areas of human rights, labor, the environment and anti-corruption. Sharp has set targets for specific activities in each of these areas and is promoting efforts across the group.



Socially Responsible Investment (SRI) Recognition

Sharp has received recognition in Japan and overseas for its strong commitment to corporate citizenship. As of March 2013, Sharp was recognized by major SRI evaluating bodies and selected for SRI indices as noted below.

- FTSE4Good Global Index (U.K.)
- MSCI Global Climate Index (U.S.A.)
- Morningstar Socially Responsible Investment Index (Japan)

Environmental Activities

Sharp's corporate vision is to become an Eco-Positive Company. Under this vision, Sharp aims to become a company whose positive impact—by reducing greenhouse gases through its energy-saving and energy-creating products—outweighs its negative impact, which is the amount of emissions generated in the course of its business activities. In fiscal 2011, the positive impact from reduced emissions was 3.1 times the amount of emissions from business activities.

Meanwhile, a recent trend in the reporting of greenhouse gas emissions calls for the disclosure of emission levels based on the international Scope 3 Standard. Scope 3 prescribes a method for calculating emissions generated throughout the supply chain, from materials procurement to product use, in addition to emissions resulting from manufacturing processes.

We have responded by extending our scope of management for negative impact parameters from “only our activities” to include “our entire supply chain.” In addition, we devised a Green Shared Value (GSV) index that links our business growth with fulfilling the environmental needs of society. Our new policy on the environment is entitled “Increasing Green Shared Value.”

We will constantly strive to be a company whose positive impact through energy-saving and energy-creating products that reduce greenhouse gases in magnitudes exceeds the negative impact of emissions generated by our business activities, broadened to include our entire supply chain.

Examples of Initiatives

Environmental Technologies

Since fiscal 2001, Sharp has used proprietary closed-loop material recycling technology to recover plastics from used consumer electronics and recycles these materials in new consumer electronics. The amount of recycled plastics using this technology has increased every year, reaching a cumulative total of 9,000 tons.

We are currently developing technology that will recycle waste LCD panels, which are expected to increase along with the pro-

liferation of LCD TVs. Sharp will encourage the effective use of limited resources by continuing development activities centered on these key environmentally friendly technologies.

Environmentally Friendly Products and Devices

Sharp makes a positive contribution to the environment by enhancing the environmental performance of its products and devices. We have introduced standards that we use to certify the environmental performance of our products. Products with a basic level of environmental performance are designated as Green Products (GPs), and products with extremely high levels of environmental performance are designated as Super Green Products (SGPs). In fiscal 2013, we revised these certification standards to increase the emphasis on energy-saving performance, an issue of growing worldwide interest. Going forward, we will continue developing environmentally responsible products in line with user needs.

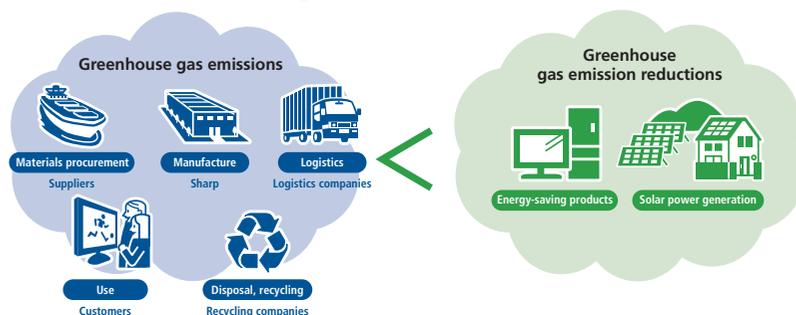
Environmentally Responsible Business Activity

Sharp works actively to raise the environmental performance of its operations, including plants, offices, and logistics, in order to reduce the impact on the environment. We have an environmental certification system for plants based on our own assessment standards. Plants that are environmentally responsible are designated as Green Factories (GFs), and those with superior environmental performance receive the Super Green Factories (SGFs) designation. After being certified as an SGF, a plant pursues the SGF II level of certification by achieving even higher environmental performance.

Communication

Sharp uses a variety of means to inform its wide range of stakeholders about its environmental initiatives. We disclose information via the Social & Environmental Activities page on our website, as well as through newspapers, television, and other media. We strive to communicate with local communities about environmental issues through a range of measures, including plant reports produced by each manufacturing facility, factory tours, and special events at plants.

Efforts Aimed at Increasing Green Shared Value



- Detailed information on Sharp's CSR activities is available at the following website: <http://www.sharp-world.com/corporate/eco/index.html> (English)