

# Corporate Social Responsibility (CSR)

## Business Philosophy and Business Creed

"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 and business creed are clearly embodied in Sharp's present-day CSR aimed at achieving co-existence and mutual prosperity with society and stakeholders.

### 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.

## CSR Concept

Sharp embraces its business philosophy and business creed from a CSR-oriented standpoint. We pursue our CSR activities, broadly classified into four categories, while promoting engagement and communication with stakeholders.

Forming the foundation of our CSR activities are the Sharp Group Charter of Corporate Behavior and the Sharp Code of Conduct. These serve as a standard to ensure that all of us at Sharp act in an appropriate and sincere manner.

Sharp has striven to become "the kind of company society needs" based on the belief that it is our mission addressing the diverse social problems of the world through business activities and these activities in themselves are a demonstration of our CSR.

For more details on the Sharp Group Charter of Corporate Behavior and the Sharp Code of Conduct, please visit the website below:  
<http://www.sharp-world.com/corporate/info/charter/index.html>

## Become the Kind of Company Society Needs



## ISO 26000 and United Nations Global Compact

In light of ISO 26000, an international guidance on CSR, and the 10 principles of the United Nations Global Compact, Sharp has set targets for specific activities in the areas including human rights, labor, the environment, and anti-corruption. Sharp is promoting efforts toward these targets. We have been a participant in the Global Compact since June 2009.

## Socially Responsible Investment (SRI) Recognition

Sharp has received recognition in Japan and overseas for its strong commitment to corporate citizenship. As of June 2014, Sharp was recognized by major SRI evaluating bodies and selected for SRI indices as noted below.

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

## Environmental Activities

Rapid economic development on a global scale has led to large-scale consumption of energy and natural resources that sustain our lifestyles. This has caused the balance of the global environmental system to break down, thus deepening the severity of core environmental issues, such as global warming, resource depletion, and ecosystem loss.

Committed to resolving these global environmental issues, Sharp does not only reduce the environmental impact of its own business activities but also deploys its accumulated eco-friendly technologies to foster the proliferation of energy-saving products and solar power generation. To clearly accentuate this approach, we have devised an environmental policy, entitled "Increasing Green Shared Value (GSV)."

Guided by its environmental policy, 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

### Product Development

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). Since fiscal 2013, we have revised these certification standards to increase the emphasis on energy-saving performance, an issue of growing worldwide interest. Going forward, we will proactively develop high-efficiency solar power generation systems and products that minimize power consumption.

### Product Manufacture

Sharp works actively to raise the environmental performance of its plants in order to reduce the impact on the environment. We

have introduced standards that we use to certify the environmental performance of our plants. Environmentally responsible plants are designated as Green Factories (GFs), and those with superior environmental performance are designated as Super Green Factories (SGFs). Because almost all of our domestic plants have achieved SGF certification with the highest point-level, since fiscal 2013 we have been promoting grass-roots activities overseas, with particular emphasis on raising the performances of our production bases in China and elsewhere in Asia.

### Recycling

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. We have made ongoing advancements to this technology to increase the number of materials that can be recycled. As a result, the amount of recycled plastics using the technology has increased steadily, reaching a cumulative total of 11,000 tons.

We are currently developing technology that will recycle waste LCD panels, which are expected to increase along with the proliferation of LCD TVs. Sharp is advancing the effective use of limited resources by encouraging development activities centered on these key environmentally friendly technologies.

### 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 social networking 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.

For more information about Sharp's CSR activities, please visit the website below:  
<http://sharp-world.com/corporate/eco/index.html>

## Efforts Aimed at Increasing Green Shared Value

